



**AUDIT REPORT
ON
THE ACCOUNTS OF
DISTRICT HEALTH AUTHORITIES
OF 19 DISTRICTS OF PUNJAB
(NORTH)**

AUDIT YEAR 2019-20

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS & ACRONYMS

BHU	Basic Health Unit
CA	Conveyance Allowance
CEO	Chief Executive Officer
CMW	Community Midwife
CSR	Civil Servant Rules
DAC	Departmental Accounts Committee
DC	Deputy Commissioner
DHA	District Health Authority
DHQ	District Head Quarter
DOH	District Officer Health
FBR	Federal Board of Revenue
FD	Finance Department
HRA	House Rent Allowance
HSRA	Health Sector Reform Allowance
IRMNCH	Integrated Reproductive, Maternal, Neonatal and Child Health
LP	Local Purchase
MS	Medical Superintendent
MSD	Medical Store Depot
NAM	New Accounting Model
NPA	Non-practicing Allowance
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PCA	Practice Compensatory Allowance
PDP	Proposed Draft Para
PEEDA	Punjab Employees, Efficiency, Discipline and Accountability
PFC	Provincial Finance Commission
PFR	Punjab Financial Rules

PLGA	Punjab Local Government Act
PMU	Planning and Monitoring Unit
PRSP	Punjab Rural Support Program
PPRA	Punjab Procurement Regulatory Authority
PPSC	Punjab Public Service Commission
P&SHCD	Primary & Secondary Health Care Department
RHC	Rural Health Centre
SAP	System Application Product
S&GAD	Services and General Administration Department
THQ	Tehsil Head Quarter
TS	Technical Sanction

PREFACE

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Sections 8 and 12 of Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 and Section 108 of the Punjab Local Government Act, 2013 require the Auditor General of Pakistan to audit the accounts of the Federation or a Province or Local Government and the accounts of any authority or body established by or under the control of the Federation or a Province.

The report is based on audit of the accounts of District Health Authorities of 19 Districts of Punjab for the Financial Year 2018-19. The Directorate General of Audit District Governments Punjab (North), Lahore conducted audit during 2019-20 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes systemic issues and significant audit findings. Relatively less significant issues are listed in the Annexure-A of the Audit Report. The Audit observations listed in Annexure-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the Audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report. Sectoral analysis, covering strategic review and overall perspective of audit results has been added in this report.

The audit results indicate the need for adherence to the regularity framework besides instituting and strengthening internal controls to avoid recurrence of similar violations and irregularities.

Most of the observations included in this report have been finalized in light of written responses and decisions of DAC meetings. However, in few cases DAC meetings were not convened despite repeated requests.

The Audit Report is submitted to the Governor of the Punjab in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan 1973, read with Section 108 of Punjab Local Government Act, 2013 to cause it to be laid before the Provincial Assembly.

Islamabad
Dated:

(Javaid Jehangir)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Directorate General of Audit, District Governments, Punjab (North), Lahore is responsible for carrying out the audit of Local Governments comprising Metropolitan Corporation, Municipal Corporations, District Councils, Municipal Committees, Union Councils, District Health Authorities and District Education Authorities of nineteen (19) Districts of Punjab (North) namely Attock, Bhakkar, Chakwal, Gujranwala, Gujrat, Hafizabad, Jhelum, Kasur, Khushab, Lahore, Mandi Baha-ud-Din, Mianwali, Nankana Sahib, Narowal, Okara, Rawalpindi, Sargodha, Sheikhupura, Sialkot and eight Public Sector Companies of the department of Local Government and Community Development, Punjab i.e. Cattle Market Management Companies and Waste Management Companies.

The Directorate General of Audit has a human resource of 90 officers and staff having 21,500 person-days and annual budget of Rs 167.848 million for the Financial Year 2018-19. This office carried out audit of the accounts of District Health Authorities of 19 Districts of Punjab (North) for the Financial Year 2017-18 and 2018-19 and utilized 2434 person-days in execution of field audit activity of the planned assignment.

As per Section 17(6) of Punjab Local Government Act (PLGA) 2013, the Chairman and the Chief Executive Officer shall be personally responsible to ensure that business of the authority is conducted proficiently, in accordance with law and to promote the objectives of the Authority. As per Section 92(3) of Punjab Local Government Act (PLGA) 2013, the Chief Executive Officer (CEO) is the Principal Accounting Officer of the District Health Authority.

The DHA is formed to establish, manage and supervise primary, secondary health care facilities and institutions; approve budget of the Authority and allocate funds to health institutions. It is entrusted with the task of coordinating health related emergency response during any natural calamity or emergency, ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government and ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

Audit of District Health Authorities was carried out with a view to ascertaining that the expenditure was incurred with proper authorization, in conformity with laws / rules / regulations, economical procurement of assets and hiring of services etc.

Audit of receipts / revenues was also conducted to verify whether the assessment, collection, reconciliation and allocation of revenues were made in accordance with laws and rules.

a) Scope of Audit

This office is mandated to conduct audit of 443 formations working under the 19 PAOs. Total expenditure and receipt of these formations were Rs 42,252.159 million and Rs 43.10 million respectively for the financial year 2018-19.

Audit coverage relating to expenditure for the current audit year comprises 152 formations of 19 PAOs having a total expenditure of Rs 24,498.150 million for the financial year 2018-19. In terms of percentage, the audit coverage for expenditure is 51% of auditable expenditure.

Audit coverage relating to receipt for the current audit year comprises 152 formations of 19 PAOs having a total receipt of Rs 32.250 million for the financial year 2018-19. In terms of percentage, the audit coverage for receipt is 75% of auditable expenditure.

This audit report also includes audit observations resulting from the audit of:

1. Expenditure of Rs 346.598 million and receipt of Rs 1.413 million for the financial year 2017-18.
2. Expenditure of Rs 26.18 million pertaining to previous financial years.

In addition to this compliance audit report, Director General Audit, District Governments Punjab North, Lahore conducted financial attest audits, performance audits and special audits. Reports of these audits are being published separately.

b) Recoveries at the instance of Audit

As a result of audit, a recovery of Rs 1,202.970 million was pointed out in this report. Recovery effected from July to December 2019 was Rs 266.571 million which was verified by Audit.

c) Audit Methodology

Desk Audit techniques mentioned in FAM were applied intensively during the Audit Year 2019-20. ACL was used for analysis of HR and FI data obtained from SAP. This was facilitated by access to live electronic data and availability of permanent files. Desk Audit Review helped auditors in understanding the systems, procedures and environment of the entities before the start of field activity. This facilitated greatly in the

identification of high risk areas such payment of inadmissible allowances, payment of salaries after superannuation, high value vouchers for substantive testing in the field.

d) Audit Impact

A number of measures with regard to validity and reliability of SAP/HCM database as suggested by audit since the inception of authorities in 2017 have been initiated by the management of the Authorities and DAOs/AG. Audit impact in relation to effectiveness of SAP processes and designing of Role Matrix for SAP Users to strengthening Controls in SAP is yet to be seen in place. Changes in relevant rules and regulations to book Cost Center wise receipts in SAP/ERP is yet to be materialized as this Audit Report on accounts of District Health Authorities falling under this office is yet to be placed before Public Accounts Committee.

e) Comments on Internal Controls and Internal Audit Department

Internal Control failures have come to surface on recurrent basis reflecting serious instances of non-compliance of rules and regulations. Many instances wherein serious lapses of weak Internal Controls were noticed have been reported elsewhere in this audit report that includes, interalia, unauthorised release of budget, process of HR Payroll without budget and disbursal of public funds contrary to the entitlement of employees, cash payments through DDOs and poor maintenance of record etc. Lack of trained staff and accountability mechanism in District Health Authorities may be the important reasons for weak Internal Controls.

f) Key Audit Findings of the Report

- i. Misappropriation of Rs 65.646 million was noted in twelve cases.¹
- ii. Non production of record amounting to Rs 52.859 million was noted in seven cases.²
- iii. HR / employee related Irregularities amounting to Rs 1,619.627 million were noted in one hundred twenty nine cases.³
- iv. Procurement related irregularities amounting to Rs 1,335.096 million was noted in one hunder and one cases.⁴
- v. Issues of value of money and service delivery issues involving an amount of Rs 581.086 million were noted in forty three cases.⁵
- vi. Internal control weaknesses of Rs 1,811.995 million were noted in forty six cases.⁶

¹ Para 3.5.1.1-1.2, 14.5.2.1-2.1, 16.5.2.1-2.4, 18.5.2.1-2.3, 19.5.2.1

² Para 9.5.1.1, 11.5.2.2, 13.5.1.1, 14.5.1.1, 16.5.1.1, 18.5.1.1, 19.5.1.1

³ Para 2.5.1.1.1-1.4, 3.5.2.1.1-1.6, 4.5.1.1.1-1.9, 5.5.1.1.1-1.4, 6.5.1.1.1-1.9, 7.5.1.1.1-1.13, 8.5.1.1.1-1.5, 9.5.2.1.1-1.5, 10.5.1.1.1-1.4, 11.5.2.1.1-1.8, 12.5.1.1.1-1.6, 13.5.2.1.1-1.2, 14.5.3.1.1-1.12, 15.5.1.1.1-1.9, 16.5.3.1.1-1.5, 17.5.1.1.1-1.5, 18.5.3.1.1-1.9, 19.5.3.1.1-1.4, 20.1.1.1-1.10

⁴ Para 2.5.1.2.1-2.5, 3.5.2.2.1-2.7, 4.5.1.2.1-2.5, 5.5.1.2.1-2.4, 6.5.1.2.1-2.5, 7.5.1.2.1-2.9, 8.5.1.2.1-2.4, 9.5.2.2.1-2.4, 10.5.1.2.1-2.4, 11.5.2.2.1-2.4, 12.5.1.2.1-2.4, 13.5.2.2.1-2.7, 14.5.3.2.1-2.7, 15.5.1.2.1-2.7, 16.5.3.2.1-2.2, 17.5.1.2.1-2.3, 18.5.3.2.1-2.8, 19.5.3.2.1-2.7, 20.5.1.2.1-2.5

⁵ Para 2.5.2.1-2.4, 3.5.3.1-3.4, 4.5.2.1-2.4, 8.5.2.1-2.3, 9.5.3.1, 10.5.2.1-2.7, 13.5.3.1-3.10, 14.5.4.1, 17.5.2.1-2.3, 18.5.4.1-4.6

⁶ Para 3.5.4.1-4.2, 4.5.3.1-3.2, 5.5.2.1-2.3, 6.5.2.1-2.4, 7.5.2.1-2.8, 8.5.3.1-3.4, 10.5.3.1-3.2, 11.5.3.1-3.4, 12.5.2.1, 13.5.4.1-4.4, 17.5.3.1-3.7, 18.5.5.1-5.5

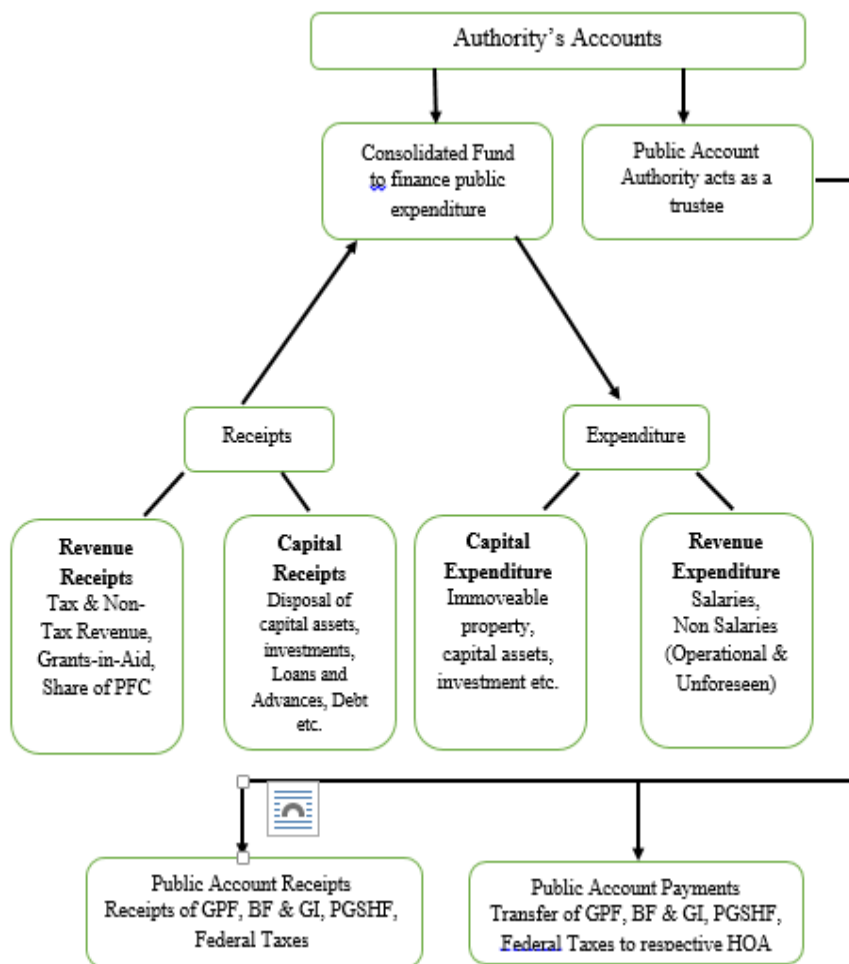
g) Recommendations

- i. Effective Post audit and scale audit of HR payroll be carried out at DAO/ AG's office level.
- ii. Sanctioned Strength of the offices working under the administrative control of the respective authority needs to be updated on SAP/HR.
- iii. Monitoring mechanism with regard to financial incentive needs to be improved.
- iv. Recording of receipts in SAP should be maintained Cost Center/ DDO wise for transparency and effective reconciliation.
- v. Share of development budget needs to be enhanced from meager share of 2% to provide better health facilities.
- vi. Human Resource management needs to be efficiently managed. In most of the hospitals specialists were either not posted or shifted on general duties elsewhere depriving the local community Health services but also resulted in wastage of previous machinery.
- vii. Disciplinary action may be initiated for fixing the responsibility in cases of misappropriations/ losses and fraudulent / irregular payments.
- viii. Management need to take action against the officer(s) / official(s) responsible for non-production of record along with provision of record for audit scrutiny.
- ix. Asset accounting module should be implemented.

CHAPTER 1

PUBLIC FINANCIAL MANAGEMENT (SECTORAL ANALYSIS)

Thirty-Six District Health Authorities were established on 01.01.2017 under Punjab Local Government Act, 2013. The purpose of establishing these authorities was to provide better health facilities to the local community. Stream of finances of these Health Authorities is given in the following flow chart.



Resource Mobilization

District Health Authorities of Punjab under the audit jurisdiction of this office *remained totally dependent on PFC share / Grants from Provincial Government* during the financial year 2018-19 as it was observed during FY 2017-18. Summary of the Revenue Receipts of these

Authorities is given as under. Detail of Revenue Receipts of each Authority is placed at **Annexure-B**

District Health Authorities of Punjab largely remained dependent on PFC share / Grants from Provincial Government during the financial year 2018-19 as it was observed during FY 2017-18. Consolidated detail is given as under.

Summary of Revenue Receipts in 2017-18 and 2018-19

Description	Rs in million			
	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	5.857	0.02	20.695	0.05
Non-Tax Revenue	75.760	0.28	149.803	0.35
Share of PFC/ Grants from Provincial Govt.	26,895.106	99.61	43,110.932	99.53
Other receipts	23.246	0.09	33.042	0.08
Total	26,999.969	100.00	43,314.472	100.00

Source :(Financial Statements)

DHAs received Rs 43,314.472 million against targeted Revenue Receipts of Rs 49,571.806 million. Similarly, against the Revised Budget Estimates of Rs 53,946.264 million, Health Authorities utilized an amount of Rs 42,252.159 million during the year 2018-19. Authority wise detail of budget and expenditure is placed at **Annexure-C**.

Revenue Receipts of District Health Authorities fell short of the budgeted targets. Authorities did not find themselves in a position to estimate receipts for their operations as they remained dependent on Provincial Government funds. *Unpredictability of their shares from PFC and other grants in aid/tied grants coupled with capacity issues of their budget and finance wings forced DHAs to prepare, unjustified and unreliable estimates of receipts.*

Revenue expenditure constituted 98% of the total expenditure incurred by the Authorities during the year. Total expenditure on four components i.e. salary, pension contribution, financial assistances, leave encashment and non-salary remained 81% and 19% of the revenue expenditure respectively during 2018-19. Like Revenue Receipts, *Revenue Expenditure also fell short of the revised budget projections during the financial year 2018-19 which is quite indicative of the poor quality of the budget making processes.*

Capital Receipts comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources, and loans and advances from government as well as accruals from Public Account. Authorities raised accruals against Public Account and certain heads of account of Consolidated Fund Receipts invariably by retaining an amount of Rs 1.019 billion on account

of GPF, GI, BF, IT, GST during the financial year 2018-19. However, *Disclosure in this regard was not given in the Books of Accounts of the Authorities.*

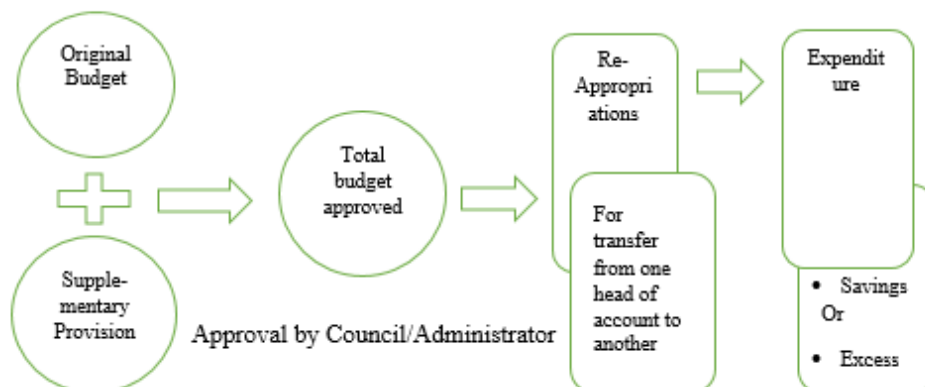
Rs in million		
Cash Closing Balance	Liabilities	Actual closing Balance
3,203.287	1,019.446	2,183.841

Public Account consists of those moneys received by the Government for which it has a fiduciary duty, but not at liberty to appropriate for the general services of Government, unless provided by legislation. The balances in the public account are carried forward at year-end, to be used for the specific purpose for which they are established. Retained balances of Public Account were made part of the consolidated fund of the Authority and appropriated without distinction. *District Health Authorities utilized the Public Account funds of Rs 1,019.446 million for payments against the expenditure of Consolidated Fund during the financial year 2018-19.*

Appropriation Accounts list the original budget estimates, supplementary grants, surrenders and re-appropriations distinctly and indicate actual revenue and capital expenditure on various specified services vis-à-vis those authorized by the Council/Administrator. Appropriation Accounts, thus, facilitate the management of finances and monitoring of budgetary provisions and are, therefore, complementary to the Finance Accounts.

Appropriation Accounts captures the data along the entire process of budget formulation and implementation as shown in the following flow chart;

Flow Chart of Budget implementation



Audit of Appropriation Accounts seeks to ascertain whether the expenditure actually incurred under the grant/head of account is within the authorization and also spent on the purposes authorized. It also ascertains whether the expenditure so incurred is in conformity with the laws, relevant rules, regulations and instructions.

Original Budget Allocation for the Financial Year 2018-19 was Rs 48,814.736 million and supplementary grant was Rs 5,131.529 million resulting in final grant of Rs 53,946.264 million. *Against the final grant, expenditure of Rs 42,252.159 million was incurred, which was found even less than the original grant resulting in savings of Rs 11,694.105 million as given in the following table. Supplementary grants were issued without considering the actual demands during the financial year 2018-19.*

Rs in million				
Original grant /appropriation	Supplementary grants/re-appropriations	Final Grant	Actual Expenditure	Savings(-)
				Excess (+)
48,814.736	5,131.529	53,946.264	42,252.159	-11,694.105

Out of the total expenditure of Rs 8,211.898 million on account of non-salary, an expenditure of Rs 3,112.045 million (38%) was incurred during the month of June, 2019 indicating *rush of expenditure at the end of the financial year* showing budgetary in-discipline and marred propriety of public expenditure as detailed below;

Rs in million		
Expenditure (July 2018 to May 2019)	Expenditure June 2019	Total
5,099.853	3,112.045	8,211.898
62%	38%	100%

In the following Authorities, variation between the Appropriation Accounts and Schedule of Authorized Expenditures regarding original and revised budget were observed.

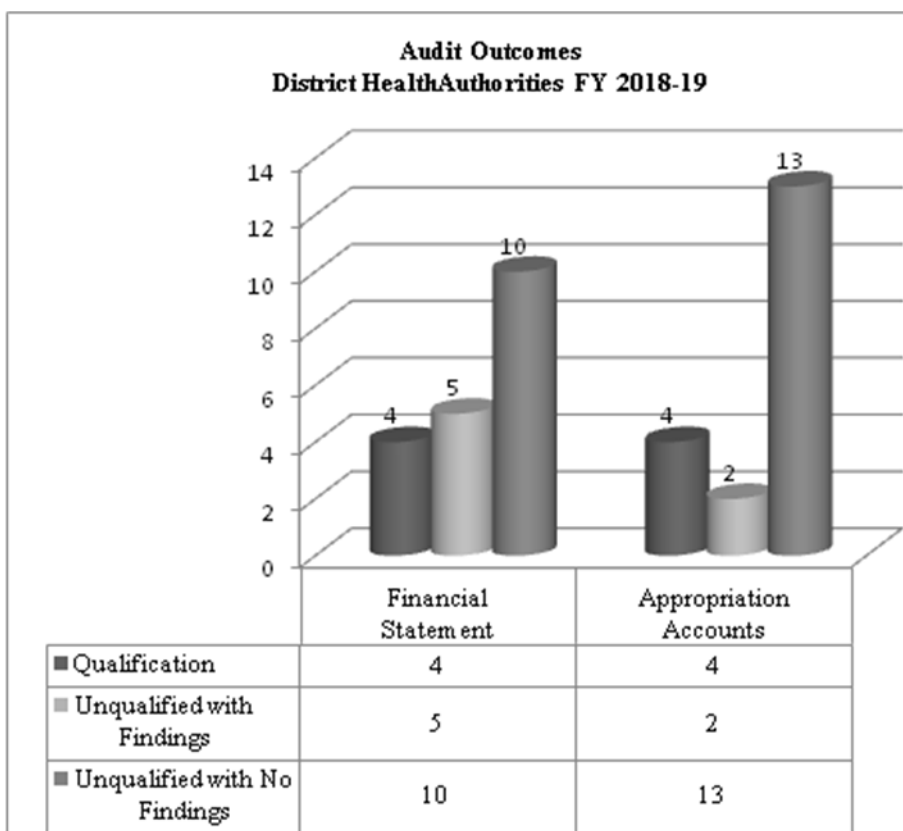
Sr. No.	Name of Authority	Difference (Rs in million)
1	DHA Sheikhpura	223.218
2	DHA Nankana Sahib	84.949
Total		308.167

In DHA Kasur, *Supplementary Grant of Rs 100.482 million was entered in SAP system after the close of financial year. Approval of competent authority was not produced to Audit till the finalization of this report.*

Negative Supplementary budget of Rs 50.305 million was incorporated in SAP system by District Health Authority Hafizabad and District Health Authority Lahore to offset the accounting entries already made in the SAP ledger account thus rendered the accounting information untrue and unreliable as detailed in the table below;

Sr. No.	Name of Authority	Amount (Rs in million)
1	DHA Hafizabad	19.503
2	DHA Lahore	30.802
Total		50.305

Auditors Opinion on financial statements and appropriation accounts of nineteen District health authorities is given in the following graph which indicates that four health authorities of District Hafizabad, Kasur, Mandi Baha-ud-din and Sheikhpura have been qualified owing to serious financial indiscipline and gross irregularities. However, five authorities have been advised to improve their budgetary framework and financial discipline to avoid qualified opinion in future.



Desk Audit of payroll run on SAP/HR was conducted quite extensively. Computer Aided Audit Tools and Techniques (CAATs) were used to bring payroll of the Authorities under the audit jurisdiction of this office. An amount of Rs 1,202.970 million were pointed out on account of over payment during Audit Year 2019-20. Out of this, an amount of Rs 266.571 million was affected from July, 2019 to January, 2020 which is quite indicative of the weak internal controls both at DAOs and DDOs level. Instances of bogus and fake enrollment in SAP/HR are also reported in this report elsewhere.

Medium Term Development Framework (MTDF)

Availability of better social and physical infrastructure reflects the quality of its expenditure. The improvement in the quality of expenditure basically involves three aspects, viz. adequacy of the expenditure (i.e. adequate provision for providing public services); efficiency of expenditure (use) and its effectiveness (assessment of outlay-outcome relationships for selected services). To enhance human development, the government/Authority is required to step up their expenditure on key social services like health, etc. The table given below analyses the fiscal priority and fiscal capacity of the District Health Authorities with regard to development expenditure during 2018-19. *Out of total expenditure of 19 District Health authorities, only 2% was incurred on development activities.*

Description	Amount (Rs in million)	Percentage
Non development expenditure	41,230.319	98%
Development expenditure	1,021.839	2%
Total	42,252.159	100

Under Medium Term Development Framework, 48 development schemes were planned against which 33 schemes were completed during the year 2018-19. The achievement with respect to targets remained unsatisfactory during the year 2018-19.

Target (number of schemes)	Achievement	% target achieved
48	33	69%

Medium Term Budgetary Framework (MTBF)

Sr. No.	Key Indicator	2018-19		
		Target	Achievement	% target achieved
1	Patient referred to other health	333,710	408,260	122

	facility			
2	Patient treated OPD	38,599,182	43,951,148	114
3	Patient treated indoor	8,990,739	16,052,793	179
4	Patient treated emergency	7,837,897	8,165,937	104
5	No. of patient treated free	14,726,052	23,012,986	156
6	Lab Test conducted	10,940,653	15,361,603	140
7	Radiological tests	2,216,681	2,598,371	117
8	ECG	534,575	739,489	138

Source: District Health Management Information System (DHMIS)

Prima facie, targets under Medium Term Budgetary Framework as given in the table above were achieved even more than 100%. Audit found the data generated from DHMIS deficient of both quality and quantity. No basis for setting of targets were found on record to review both the quality and quantity of the information upon which decisions were required to be made. Similarly, there was no Controls in place to check the accuracy, validity and completeness of the information being fed into DHMIS.

In DHA Mandi Bahauddin, number of Lab. tests, Electrocardiograph (ECG) and Radiological tests (X-rays & Ultrasound) remained the same during 2017-18 and 2018-19.

High percentage in referrals of patients to other health facilities (122% as given at Sr. No. 1 above) suggested that the sufficient necessary facilities were not available at primary and secondary health care level that made the management of the local health facilities to refer the patients elsewhere.

CHAPTER 2

DISTRICT HEALTH AUTHORITY, ATTOCK

2.1 Introduction of the Authority

District Health Authority, Attock was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Attock is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authority, Attock as described in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- Ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Attock manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
CEO District Health Authority	01
District Health Officer	01
Deputy District Health Officers	05
District Health Development Centre	01
District Head Quarter Hospitals	01
Tehsil Head Quarter Hospitals	05
General Nursing School	01

Description	No. of health facility/ institute
Rural Health Centre	06
Basic Health Units	62
Government Rural Dispensary	03

2.2 Audit Profile of District Health Authority, Attock

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Attock	45	8	854.293	0.108

2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 171.614 million were raised in this report during current audit of “District Health Authority, Attock.” This amount also includes recoveries of Rs 40.983 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	
	A. HR/Employees related irregularities	47.463
	B. Procurement related irregularities	19.242
	C. Management of accounts with commercial banks	0.000
4	Value for money and service delivery issues	104.909
5	Others	
Total		171.614

2.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1	2017-18	22	Not Convened
2	2018-19	14	Not Convened

2.5 AUDIT PARAS

2.5.1 Irregularities

2.5.1.1 HR / Employee related irregularities

2.5.1.1.1 Illegal up gradation of para-medics, overpayment - Rs 30.007 million

According to 1st schedule of Punjab Health Department Allied Health Professionals (service) Rules, 2012 read with, Para 7 & 11 of letter⁷ dated 28.08.2018, the post of Chief Technician (all categories) will be filled 25% by initial recruitment and 75% by promotion, amongst the senior technicians in the relevant allied health sciences discipline having five year service and after passing examination of health department/Punjab Medical Faculty after attending technical/refresher training for three months at DHDC with the approval of Director General Health, Punjab after DPC.

Scrutiny of record regarding up-gradation of paramedics working under the control of CEO (District Health Authority) Attock revealed that 26 technicians (of all technologies) were up graded to the posts of Chief Technicians BPS-16 against admissible 05 seats. Audit noticed that in most of the instances the incumbents were directly up graded to the posts of Chief Technicians from Junior Technicians BPS-09 & Technicians BPS-12. As per prescribed ratio, up graded posts of Chief technician BS-16 were only 5 for whole district health authority, Attock against which 26 incumbents were awarded BS-16. Similarly, incumbents were up graded without mandatory trainings and qualifying examination of Punjab Medical Faculty. 25% reserved seats (for BSc. graduates) of initial recruitments were also filled through up gradation. Furthermore, Director General Health, Punjab was competent authority for promotion of Senior Technician BS-14 to Chief Technician BS-16 but CEO Health illegally ignored it and incumbents were up-graded.

Due to illegal and un-authorized up-gradation overpayment of Rs 30.007 million was made on account of pay & allowances.

Audit is of the view that due to weak internal and financial controls, un-authorized higher scales were awarded which resulted in irregular expenditure on pay & allowances and excess burden on public exchequer.

The matter was reported to PAO in September 2019. In DAC meeting held on 24.10.2019, the department replied that up-gradation of

⁷ No.1240/AHP/

Allied Health Professional was done in the light of notification⁸ dated 24.11.2011 and in the light of direction issued by DG health vide letter⁹ dated 22.04.2015, as far as BS-16 was concerned, the said order was already withdrawn by DG vide No.5-48 dated 08.01.2018 and the same was endorsed to all DDOs vide letter No.430 dated 26.01.2018. Further the case was referred to the finance department for clarification. As soon as the advice received further action will be taken. Reply was not tenable as it was not supported with documentary evidences. DAC kept the para pending for clarification from Finance Department.

Audit recommends probe in the matter for illegal up-gradations and effect recovery of overpayment, besides fixing responsibility against the person(s) at fault.

(AIR Para No. 1, 29, 19, 1)

2.5.1.1.2 Un-authorized Payment of Incentive Allowance – Rs10.719 million

According to Notification dated 3 August, 2016, the specialist should visit the hospital in the evening and stay for one hour for round in the wards after check in on the biometric system otherwise 40% of the incentive allowance should be deducted¹⁰.

During audit of various formations under DHA Attock, it was observed that specialists/consultants were drawing full amount of incentive allowance without visiting the hospital in the evening. There was no proof of evening visits in biometric attendance system of the Hospitals. This resulted in overpayment of Rs 10.719 million on account of non-deduction of 40% of the incentive allowance during the 07/2018 to 6/2019.

Audit is of the view that due to weak internal control, 40% incentive allowance was not deducted.

The matter was reported to PAO in September 2019. In DAC meeting held on 24.10.2019, the department replied that audit observation is misinterpretation of the notification dated 03.08.2016, as it was not written to deduct 40% from specialist if they don't visit in the evening. The notification allows 40% of the incentive allowance to the specialist for evening visits. Reply was not satisfactory as the clarification shown was obtained from Primary & Secondary Health care department and not

⁸ No. SO(ND)7-11/2010

⁹ No.207-2876(AHP)

¹⁰ No.PA/DS (G)4-8/2016

from the Finance Department. DAC kept the para pending for clarification from Finance Department.

Audit recommends that immediate clarification of 40% allowance be taken from Finance Department otherwise recovery be made from the concerned.

(AIR Para No.14)

2.5.1.1.3 Irregular appointment of staff from Health Council and payment of salaries - Rs 3.659 million

According to Para 11 of the Wage Rate 2017 for Recruitment Policy dated 17.9.2004, the appointment to a post included in the schedule shall be advertised properly in leading newspapers and recruitment to all posts in the schedule shall be made on the basis of merits specified for regular establishment¹¹.

Scrutiny of record of record of health council of various formations of DHA Attock revealed that an amount of Rs 3.659 million was paid during 2018-19 to daily wages employees who were appointed without advertisement. This resulted in irregular payment of salaries as detailed below:

Name of Formation	Description	Amount (Rs in million)
DHQ Hospital Attock	payment of daily wages, computer operators	2.422
THQ Hospital Fateh Jang	payment of daily wages, computer operators	1.237
	Total	3.659

It was noticed that the procedure of advertising the posts in newspaper for making appointments through open competition after conducting test/interview was totally ignored in all the appointments made under Health Council.

Audit is of the view that due to internal control failures and financial mismanagement, the appointment procedure was not carried out through advertisement in newspapers to call applications.

The matter was reported to PAO in September 2019. In DAC meeting held on 24.10.2019, the department replied that the contingent paid staff was hired as per hospital requirements vide different notifications. There was no proper procedure laid down by the department for their hiring. They were recruited as per need. Reply was not

¹¹ No. SOR-IV(S&GAD)10-1/2003

satisfactory as the instructions of Finance Department were violated. DAC kept the para pending.

Audit recommends to probe the matter for fixing responsibility against the person(s) at fault. Audit also recommends regularization of expenditure from Finance Department.

(AIR Para No. 20,11)

2.5.1.1.4 Non-deduction of pay & different allowances during leave – Rs 3.078 million

According to Treasury Rule 7, conveyance allowance is not admissible during leave period. Moreover, according to Government of the Punjab, Health Department letter dated 22.11.2008, the officers / officials on long leave will not be entitled to draw Health Sector Reform Allowance during leave period.¹²

Scrutiny of record of various formations under DHA Attock revealed that officers/ officials availed leave (with pay or without pay) during FY 2018-19 but the authority did not deduct the wrongly paid pay & allowances worth Rs 3.078 million. Detail is as under:

Sr. No.	Name of Formation	Amount (Rs)	Remarks
1	DO (Health) Attock	1,320,029	Conveyance allowance not deducted during leave.
2	THQ Hospital Hassan abadal	283,393	AR, CA, HSRA etc wrongly paid
3		249,000	
4	THQ Hospital Pindi gheb	1,177,083	During EOL, salary was paid
5	THQ Hospital Pindi gheb	48,280	AR, CA, HSRA etc wrongly paid
	Total	3,077,785	

Audit is of the view that due to poor financial management recovery was not effected

The matter was reported to PAO in September 2019. In DAC meeting held on 24.10.2019, the department replied the recovery is under process and progress will be shown in the next meeting. Reply was not satisfactory as in support no documentary evidence was provided. DAC kept the para pending till full recovery.

Audit recommends immediate recovery besides fixing responsibility against the person(s) at fault.

(AIR Para No.18, 12, 13, 1, 12)

¹² No. PO(D-III)9-8/2008

2.5.1.2 Procurement related irregularities

2.5.1.2.1 Irregular expenditure on local purchase of medicines without rate contract - Rs 6.541 million

According to Para 2(vii) read with sub para of Policy and Operational Guidelines for Local Purchase of Medicines (Day To Day) dated 16th December, 2017¹³, contract may be signed with pharmacy license holder through tender advertisement and as per Punjab Procurement Rules 2014. Local Purchase Contractor shall supply all the medicines as per Drugs act 1976/ DRAP Act, 2012 and rules framed there under. Further, discount will be calculated on Maximum Retail Price fixed by the Drug Regulatory Authority of Pakistan (DRAP).

During audit of various formations under DHA Attock, it was observed that expenditure of Rs 6.541 million was incurred on local purchase of medicines for the FY 2018-19 without rate contract with medical stores and without obtaining any discount. This resulted in irregular incurring of expenditure.

Audit is of the view that due to weak managerial control, LP medicines were purchased without any rate contract.

The matter was reported to PAO in September 2019. In DAC meeting held on 24.10.2019, the department replied that the medicines were purchased on emergency situation to fulfill the MEA criteria of BHUs as per PPRA Rule 59(a) according to single quotation. Reply was not satisfactory as the purchase was not covered under the rule as the rule clearly speaks that the procuring agency shall specify appropriate forum vested with necessary authority to declare an emergency. DAC kept the para pending for regularization.

Audit recommends regularization of expenditure from competent authority, fixing responsibility against the person(s) at fault.

(AIR Para No.5, 19)

2.5.1.2.2 Irregular Procurement of un-registered medicines - Rs 4.049 million

According to Rule (1) a (vii) of Scheduled II of Drug Regularity Authority Pakistan (DRAP) Act 2012, no person shall himself import manufacture or sale or by any other person on his behalf export, import or sell any spurious therapeutic good or any therapeutic good which is not

¹³ No. PSHD-TC0-1(M)6-14/2017

registered or is not in accordance with conditions of registration as disclosed in the registration dossier.

During audit of DHQ Hospital Attock and THQ Hospital Fateh Jang, it was noticed that expenditure of Rs 4.049 million was incurred on purchase of medicines during the financial year 2018-19. Scrutiny of record revealed that these medicines were not registered with Drug Regulatory Authority of Pakistan. This resulted in irregular incurrence of expenditure. Detail is as under:

Name of Office	Name of Firm	Name of Medicine	Quantity	Date of Purchase	Amount (Rs in million)
DHQ Hospital Attock	Macter international	Titan inj	20,000	30.03.2019	1.760
	Munawar Pharma	Rheunil	250,000	14.03.2019	0.210
	-DO-	Feerus salt	150,000	17.01.2019	0.099
	-DO-	Hylin	20,000	14.03.2019	0.598
	B Braun	Safil	6,000	11.02.2019	1.317
THQ Fateh Jang	Munawar Pharma	Feerus salt	100,000	15.03.2019	0.066
	Total				4.05

Audit is of the view that without registration from DRAP, medicine was not authenticated and may be dangerous for human life.

The matter was reported to PAO in September 2019. In DAC meeting held on 24.10.2019, the department replied that the rate contract was finalized by CEO Health. The hospital only received notification of the rate contract. The hospital orders the medicines according to the rate contract and DTL of the medicines. Moreover letters in this regard were written to concerned firms. Reply was not satisfactory, as the registration of drugs was not checked at the time of award of rate contract. DAC kept the para pending.

Audit recommends regularization of expenditure from competent authority besides fixing responsibility against the person(s) at fault.

(AIR Para No.2)

2.5.1.2.3 Irregular expenditure incurred through splitting - Rs 3.810 million

According to Rule 9 of Punjab Procurement Rules 2014, a procuring agency shall announce in an appropriate manner all proposed

procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned.

During audit of various formation under DHA Attock for the year 2017-19 it was noticed that expenditure of Rs 3.810 million was incurred on purchase of different lab items, stationary, medical equipments etc from different suppliers by splitting up the bills to avoid tendering process. This resulted in irregular expenditure on purchases. Detail is as under:

Sr. No.	Name of Formation	Amount (Rs)
1	THQ Hospital Jand	357,437
2	THQ Hospital Hassanabdal,	1,442,730
3	D O (Health) Attock	562,304
4	DHQ hospital Attock	854,084
5	THQ Hospital Hassanabdal	593,935
Total		3,810,490

Audit is of the view due to weak financial discipline, purchases were made by splitting purchase orders.

The matter was reported to PAO in September 2019. In DAC meeting held on 24.10.2019, the department replied that the purchases were made on need basis. Reply was not satisfactory as Rule 9 of Punjab Procurement Rules 2014 was violated. DAC kept the para pending for regularization from the Finance Department.

Audit recommends regularization of the amount besides fixing responsibility against the person(s) at fault.

(AIR Para No.19, 15, 3, 8, 16)

2.5.1.2.4 Irregular purchase of rate contract items through local purchase - Rs2.867 million

According to Para 2(ii) of Policy and Operational Guidelines for Local Purchase of Medicines (Day To Day) dated 16th December, 2017¹⁴ “local purchase costs higher price in comparison to bulk purchases. Therefore, the aim is to reduce the incidences of local purchase by identifying commonly and frequently purchased items and including them into the list of bulk purchase mandate”.

Scrutiny of record revealed that various formations under DHA Attock purchased medicines through local purchase for Rs 2.867 million, instead of purchasing through framework rate contract by CEO DHA

¹⁴ No.PSHD-TC0-1 (M) 6-14/2017

Attock. This resulted in irregular purchase of medicines. Detail is as under:

Sr. No.	Name of Formation	Amount (Rs)
1	THQ Hospital Fateh jang	294,506
2	THQ Hospital Hazro	2,572,512
	Total	2,867,018

Audit is of the view that due to weak managerial control, rate contract medicines were purchased through LP budget.

The matter was reported to PAO in September 2019. In DAC meeting held on 24.10.2019, the department replied that the framework rate contract was finalized in May 2019 and these medicines were purchased before finalization of the rate contract and the purchase was necessary to keep the medical facility working. Reply was not acceptable as under the framework rate contract procurement process required to be completed in August of each year. DAC kept the para pending for regularization.

Audit recommends regularization of expenditure from competent authority besides fixing responsibility against the person(s) at fault.

(AIR Para No.03, 08)

2.5.1.2.5 Irregular purchase of medicines without DTL reports - Rs 1.975 million

According to the Drug Act 1976 and the Drug Rules, 1988, made there-under, the payments for medicines shall be made after obtaining Drug Testing Laboratory (DTL) reports.

During audit of various offices of DHA Attock for the year 2018-19, it was noticed that DDO purchased medicines, mentioned in table below, for Rs 1.975 million, without DTL report.

Name of Formation	Name of Company	Name of Medicine	Amount (Rs in million)
DHQ Hospital Attock	Munawar Pharma	Ranitadine	0.778
THQ Hospital Fateh Jang	UNISA Pharma	Normal saline 1000 ml BatchNo. 9063326 & 9063327	0.447
	MP	Metronidazole 400mg Batch No. T-19007	0.285
	MBL pharma	Bumex 400 Batch No. 52	0.227
	Danish Medical pharmacy	Oral Rehydration salt	0.237
		Total	1.974

Audit is of the view that due to weak financial control, payment for medicines were made without DTL reports which resulted in irregular drawl of Rs 1.975 million.

The matter was reported to PAO in September 2019. In DAC meeting held on 24.10.2019, the department replied that medicine supplied by UNISA, DTL reports were cleared and published on website however DTL reports for local purchase of medicine to cater emergency need could not be obtained. Reply was not accepted as the DTL reports were not shown to audit for verification. DAC kept the para pending for non DTL medicines.

Audit recommends regularization of expenditure from competent authority besides fixing responsibility against the person(s) at fault.

(AIR Para No.12,2)

2.5.2 Value for money and service delivery issues

2.5.2.1 Non-approval of accounting systems of health council from Finance Department Punjab - Rs 41.339 million

According to Sr No. 304 Chapter 15 of GFR Volume-I, the form in which and the general principles and methods according to which the accounts of Government should be kept have been prescribed by the Auditor General with the approval of Finance department and the main directions in respect thereof are contained in Volume I of the account Code.

During audit of various formations under DHA Attock, it was noticed that accounting system of incurrence of expenditure and withdrawal of funds from health council account was carried out with the approval Primary and secondary department.

Procedure of accounting system was neither approved by the Finance Department Punjab nor adopted with the concurrence of AG Punjab. This resulted in irregular expenditure from health council as per following detail:-

(Rs in million)		
Sr. No	Formation	Total Expenditure from Health Council
1	DHQ Hospital Attock	5.181
2	THQ Hospital Hazro	7.082
3	THQ Hospital Hassan Abdal	7.082
4	THQ Hospital Fateh Jang	4.034
5	THQ Hospital Jand	17.960
	Total	41.339

Audit is of the view that due to internal control failures and financial mismanagement, the neither the accounting system was followed nor the guide lines of health council were adopted.

The matter was reported to PAO in September 2019. In DAC meeting held on 24.10.2019, the department replied that Health Council was formed by Primary & Secondary Health Care Department vide notification ¹⁵ dated 02.07.2016 to facilitate hospital for smooth functioning and better service delivery. Reply was not satisfactory as accounting system was not got approved from FD. DAC kept the para pending for regularization of the Finance Department.

¹⁵ No.PSO/SECY.P&SH5/05/2016

Audit recommends regularization of the expenditure besides approval of accounting system from finance department.

(AIR Para No.18, 10, 6)

2.5.2.2 Overpayment due to award of rate contract of bulk medicines more than market rate - Rs 27.186 million

Refer to Rules 4, 10, 25, 31, 38 & 55 of Punjab Procurement Rules 2014, Procurement rules signifies that the procurement shall be fare and transparent manner. End user cannot choose any bid which is not technically and financially qualified according to the term & conditions and procurement rules 2014.

Scrutiny of record of CEO(Health) Attock and rate contract of medicines revealed that rates of medicines were more than the market price. This resulted in over payment of Rs 27.186 million **Annexure-D**.

Sr. No.	Name of Formation	Amount (Rs in million)
1	CEO (Health) Attock	25.051
2	DHQ Hospital Attock	2.135
	Total	27.186

Audit is of the view that due weak financial control, market rates were ignored at the time of finalization of rate contract which resulted in excess payment.

The matter was reported to PAO in September 2019. In DAC meeting held on 24.10.2019, the department replied that proper procedure as required under Public Procurement Rules was followed. As far as market rate is concerned these were quoted by different retailers of different tehsils verbally with no proper authenticity and documentation, however market survey was not compulsory. Further market rates in different tehsils were different. Reply was not satisfactory, as the rates in survey were on lesser sides than rate contract. DAC kept the para pending to probe. No progress was reported till finalization of the report.

Audit recommends recovery of overpaid amount besides fixing of responsibility against the person (s) at fault.

(AIR Para No. 2, 17)

2.5.2.3 Un-authorized expenditure without approval of health council - Rs 21.917 million

According to Para 1.2 of Health Council Guideline, Health Council to incur and approve the expenditure for THQ Hospital comprising of i.

AC, ii. MPA concerned iii. MS THQ Hospital concerned iv, Dy. DHO concerned v. Representative of Secretary Primary & Secondary Health care Department vi. Dy DO(Buildings) concerned vii. TMO concerned viii. Medical SWO concerned ix. 2 Businessmen nominated by the AC concerned. And according to Sr. No. 1.4 of ibid, the members of health council for approval of expenditure in BHUs are i. Medical Officer concerned (Chairman), ii. Concerned health & Notarization supervisor (secretary) iii. Assistant Manager Monitoring, iv. Headmaster of school (Near) v- Lambardar.

During audit of various formations under DHA Attock, it was noticed that an amount of Rs 21.917million was incurred from Health Council Account during 2018-19 without approval, in violation of the criteria.

Sr. No	Formation	Total Expenditure from Health Council (Rs. in million)
1	THQ Hospital Jand	17.960
2	DHQ Hospital Attock	1.16
3	THQ Hospital Fateh Jang	2.797
	Total	21.917

Audit is of the view that due to weak internal control and financial mismanagement, expenditure was incurred without approval from authorized forum.

The matter was reported to PAO in September 2019. In DAC meeting held on 24.10.2019, the department replied that minutes were signed by MS, AC/DC and CEO (Health) Attock while the attendance of rest of the members was taken on attendance sheet. Reply was not satisfactory as minutes were not approved by committee members. DAC kept the para pending for regularization from competent authority.

Audit recommends regularization of expenditure from competent authority besides fixing of responsibility against the person(s) at fault.

(AIR Para No.19,10,11)

2.5.2.4 Irregular execution of contract for renovation of hospital - Rs 14.467 million

According to Para 4.5 of B&R code, the measurement book must be looked upon as the most important record since it is the basis of all accounts of quantities, which have to be counted or measured..The description of the work must be lucid, so as to admit of easy identification and check.

During audit of various formations under DHA Attock, it was noticed that Rs14.467 million was incurred on renovation of hospital buildings under revamping project during 2018-19 as detailed below:

Name of Formation	Description of Work	Amount (Rs)
THQ Hospital Hassanabdal	Repair of toilets etc	4.890
THQ Hospital Jand	Contract – I	4.586
	Contract – II	4.991
	Total	14.467

Audit noticed that estimates containing detail measurement & item wise rates were not prepared. Neither MRS of Finance Department was followed nor work done verified/recorded by qualified Engineer of C&W Department on MB. It was further observed that renovation of washroom was paid @ Rs 235,000 per washroom which was quite unjustified and very high in case of THQ Hospital Jand.

Audit is of the view that due to weak internal control codal formalities were ignored which resulted in irregular payment.

The matter was reported to PAO in September 2019. In DAC meeting held on 24.10.2019, the department replied that tender was floated by Secretary Primary & Secondary Health care Department. Scope of the work was prepared by engineer of the project (PMU). All the process of estimation was done by PMU and hospital executed work under their guidance. Reply was not satisfactory as the necessary documentation was not carried out and no document in support of high rate analysis for each washroom shown. DAC kept the para pending.

Audit recommends regularization of expenditure besides fixing of responsibility against the person (s) at fault.

(AIR Para No.17,20)

CHAPTER 3

DISTRICT HEALTH AUTHORITY, BHAKKAR

3.1 Introduction of the Authority

District Health Authority, Bhakkar was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Bhakkar is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authorities, Bhakkar as delineated in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Bhakkar manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
District Health Officers	03
District Health Development Centre	01
District Head Quarter Hospitals	01
Tehsil Head Quarter Hospitals	03
Rural Health Centre	03

Basic Health Units	40
Government Rural Dispensary	09
Any other institute/ health facility	16

3.2 Audit Profile of District Health Authority, Bhakkar

Rs in million					
Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Bhakkar	18	7	634.916	0

3.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 254.369 million were raised in this report during current audit of “District Health Authority, Bhakkar.” This amount also includes recoveries of Rs 49.256 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	6.958
3	Irregularities:	-
	A. HR/Employees related irregularities	77.148
	B. Procurement related irregularities	77.645
	C. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	57.060
5	Others	35.558
	Total	254.369

3.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	23	Not convened
2	2018-19	17	Not convened

3.5 AUDIT PARAS

3.5.1 Fraud / Misappropriation

3.5.1.1 Misappropriation of funds-Rs 4.120 million

As per Rule 17.17 (A) of PFR Vol, every disbursing officer shall maintain a register of liabilities in P.F.R Form No.27 in which he should enter all those items of expenditure for which payment is to be made by or through another officer; budget allotment or sanction of a higher authority is to be obtained; or payment would be required partly or wholly during the next financial year or years. According to Rule 15.4(a) of PFR Vol-I, all materials received should be examined, counted, measured and weighed, as the case may be, when delivery is taken, and they should be kept in charge of a responsible government servant. The receiving government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock registers.

Scrutiny of accounts record of THQ Hospital Kallur Kot for the Financial Year 2018-19 revealed that management of the hospital incurred an expenditure of Rs 4.120 million on purchase of various items. Audit noticed that the funds were misappropriated due to the reasons stated below .

- i. The bills were dated previous financial year 2017-18. The pending liabilities register was neither available in record nor additional funds were demanded to clear the pending liability. Moreover, sanction of a higher authority was also not obtained to clear pending liabilities.
- ii. Cheques were issued in the name of DDO instead of supplier.
- iii. Stock entries, inspection report and indents books indicating issuance of store items etc were not available in record.
- iv. Items were shown purchased by Mr. Habib Ullah Shah, Store Keeper and Mr. Khalid Mahmood Junior Accountant without the involvement of Purchase Committee and Purchase Officer. Further the post of the said employees were abolished vide letter No.SO(H-I)-14/2017(PSSSHCD)(PC) dated 29.03.2019.

Audit is of the view that due to weak financial control fund were illegally drawn / misappropriated.

This resulted in misappropriation of funds of Rs 4.120 million.

The matter was also discussed in DAC meeting held on 11.01.2020. The department could not produce any evidence. The committee directed the department to probe into the matter, fix responsibilities and recover resultant fraudulent payment besides action against the persons at fault. No progress was made till finalization of this report.

Audit recommends recovery from the persons at fault besides disciplinary action against culprit under prevailing PEDDA Act.

[PDP No.210]

3.5.1.2 Misappropriation of POL-Rs2.838 million

According to Rule 2.33 of PFR Vol-1 every government servant should realize fully and clearly that he would be held personally responsible for any loss sustained by the government through fraud or negligence on his part.

Scrutiny of accounts record of THQ Hospital Kallur Kot revealed that management of the hospital drew Rs 2.469 million on account of POL for generator during 2018-19. The management produced vouchers of Rs 329,283 only. The record pertaining to remaining amount of Rs 2.139 million was not available in hospital. Operation of generators was outsourced to M/s Iman Group (contractor) with the conditions that hospital management provided the POL whereas running / operation of generators was the duty of Iman Group. Following discrepancies were also noticed;

- i. In January, February, March and May, 2019, there was zero load shedding as evident from load shedding schedule provided at FESCO website but hospital drew POL 1500, 1200, 1300 and 1400 liters in the said months respectively by fabricating the fake bills. There was no entry of POL in log books after December 2018.
- ii. In December 2018, actual usage of diesel in generators was only 240 liters as per report maintained by management of Iman Group, (Copy attached) while the bill / voucher of POL 1400 liters was drawn from the District Accounts Office Bhakkar.
- iii. Day to day Coupons / Parchees showing issued POL in liters with dates were not available with the bills. Hence, bills / vouchers were fake.
- iv. Cheques were issued in the name of DDO instead of supplier.
- v. Amount was drawn on account of purchase of POL by MS with the collusion of Junior staff without any requisition or demand and without involvement of Purchase Committee, Physical Verification Committee, Procurement Officer and Budget & Finance officer and without maintenance and entry into log books.

Similarly, the ambulance No. BK-5771 was out of order since long thereafter, transferred to Rescue 1122. The use of 1485 liter diesel during August 2018 costing Rs 411,669 million in ambulance was not justifiable. The consumption record was neither available nor provided to audit. Further, MS drew bill No.1357, 1352 and 1361 costing Rs 288,200 on account of POL twice (double) from DAO office.

Audit noticed that the MS of THQ Kallur Kot with the collusion of some Junior staff misappropriated huge amount under the head POL.

Audit is of the view that due to weak financial control fund were misappropriated.

This resulted in misappropriation of funds of Rs 2.140 million.

The matter was also discussed in DAC meeting held on 11.01.2020. Department replied that an inquiry has already been initiated by the competent authority under PEEDA Act. The committee directed the department to take action against the responsible under PEEDA Act besides making the loss good.

Audit recommends disciplinary action against the responsible and making the loss good from competent forum.

[PDP No.209, 207]

3.5.2 Irregularities

3.5.2.1 HR / Employee related irregularities

3.5.2.1.1 Non-recovery of inadmissible allowances – Rs 33.109 million

According to rule 2.10(a) of PFR Vol-I, same vigilance should be exercised in respect of expenditure incurred from government revenues as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

DDOs of following formations of District Health Authority, Bhakkar made unauthorized payment of Rs 33.109 million on account of inadmissible allowances to the employees in violation of rule *ibid*.

Sr. No.	Formation	Description	Amount (Rs)
1	CEO DHA Bhakkar	Health risk allowance, HRA, CA & 5% maintenance charges, HSRA, NPA, SSB	17.137
2	DHO Bhakkar	HRA and CA having designated residences, SSB, NPA, Health risk allowance, NPA, HSRA during general duty, CA, Dress and Mess Allowance	11.729
3	THQ Hospital Darya Khan	CA, Dress and Mess Allowance during leave, HRA, CA & 5% maintenance charges having government accommodation within premises. SSB	1.293
4	THQ Hospital Mankera	HSRA overpaid, CA and HSRA during leave	0.140
5	THQ Hospital Kalur Kot	CA during leave, HRA, CA & 5% maintenance charges having government accommodation within premises, SSB, NPA	2.599
6	RHC Dullewala	CA & HSRA during leave	0.211
Total			33.109

Audit held that due to weak internal controls inadmissible allowances were paid.

This resulted in payment of inadmissible allowances Rs 33.109 million.

The matter was discussed in DAC in its meeting held on 11.01.2020. The department replied that concerned Officers / officials was directed to effect recovery. DAC directed the concerned to recover the stated amount within 30 days. No compliance was reported till finalization of this report.

Audit recommends recovery of the stated amount.

[PDP Nos.13, 15, 16, 17, 21, 24, 33, 34, 36, 38, 39, 41, 64, 76, 98, 101, 112, 124, 143, 151, 152, 186, 187, 201, 212, 215]

3.5.2.1.2 Non-utilization of services of available human resources – Rs 16.0 million

According to rule 2.10(a) of PFR Vol-I, same vigilance should be exercised in respect of expenditure incurred from government revenues as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

Scrutiny of the accounts record of DHQ Hospital Bhakkar revealed that janitorial work of hospital was out sourced to Cansool Inter Prizes. Audit observed that 80 number existing regular employees of hospital for this purpose i.e. sweepers and ward servants were also available and were drawing salaries without performing duties as the janitorial work was outsourced. It was also noticed that most regular janitorial related employees of hospital remain idle or on leave or were serving at doctors/officers residences due to janitorial work outsourced. The expenditure of Rs 16 million on pay & allowance of the regular janitorial staff of DHQ Hospital was undue burden on public exchequer.

Audit is of the view that due to weak internal and financial controls Govt. services of available employees were not utilized.

This resulted in loss of Rs 16.0 million.

The matter was also discussed in DAC meeting held on 11.01.2020. Department replied that regular employees of the hospital were adjusted in various sections. DAC directed the department to deploy the available human resources rationally and regularize the expenditure. No progress was reported till finalization of this report.

Audit recommends utilization of services of available human resources.

[PDP-74]

3.5.2.1.3 Irregular expenditure on accounts of contingent paid staff - Rs 11.780 million

As per preface of Schedule of Wage Rates, 2017 issued by the Government of the Punjab Finance Department, the appointment of contingent staff shall be made by competent authority subject to the following conditions;

- a) The posts shall be advertised properly in leading newspapers.
- b) The recruitment to all posts in the Schedule shall be made on the basis of merit specified for regular establishment vide para 11 the

Recruitment policy issued by S&GAD vide No. SOR-IV (S&GAD) 10-1/2003 dated 17.09.2004

Management of following formations made payment of Rs 11.780 million to contingent paid staff during Financial Year 2018-19. Audit noticed that payment was held unauthorized because staff was appointed without fulfilling codal formalities as mentioned in the recruitment policy.

Sr. No.	Formation Name	Amount (Rs in million)
1	DHQ Hospital Bhakkar	5.840
2	THQ Hospital Darya Khan	4.140
3	THQ Hospital Kallur Kot	1.800
Total		11.78

Audit is of the view due to weak administrative and financial discipline contingent paid staff was engaged without fulfillment of codal formalities was.

This resulted in irregular expenditure of Rs 11.780 million.

The matter was discussed in DAC meeting held on 11.01.2020. Department replied that contingent paid staff already working before the wages schedule 2017 was appointed in consideration of their performance. The committee directed the department to regularize the expenditure from competent forum. No progress was reported till finalization of this report.

Audit recommends regularization of expenditure from the competent authority.

(PDP No. 90, 134, 188)

3.5.2.1.4 Irregular payment to daily wages staff - Rs 7.314 million

According to Govt. of Punjab, Finance Department letter dated 28.08.2015, no contingent paid staff shall be appointed without obtaining the prior approval of Finance Department to keep the expenditures strictly within the budgetary allocation.¹⁶

Management of following offices of DHA Bhakkar appointed daily wages staff in excess of sanctioned posts. Audit noticed that prior approval of Finance Department, Government of the Punjab, was not obtained.

¹⁶ No. FD.SO(Goods)44-4/2011(A)

Sr. No.	Name of Formation	Sanctioned posts	Filled posts	Excess posts	Amount (Rs in million)
1	DHQ Hospital Bhakkar	10	31	21	3.657
2	THQ Hospital Darya Khan	15	28	13	3.657
Total		25	59	34	7.314

Audit is of the view that due to weak internal controls payment of salaries to daily wage staff without approval of finance department was made.

This resulted in irregular payment for Rs 7.314 million.

The matter was also discussed in DAC meeting held on 11.01.2020. Department replied that competent authority had authorized the Health Council to utilize Health Council Funds for Contingent Paid staff according to the needs/requirement of Hospital. The committee directed the department for regularization of lapse. No progress was reported till finalization of this report.

Audit recommends regularization of lapse from competent forum.

(PDP No.97, 139)

3.5.2.1.5 Irregular expenditure due to illegal up-gradation of Chief Technicians – Rs 6.720 million

According to Rule 4 (n) (m) of the Punjab District Authorities (Budget) Rules 2017, the Chief Executive Officer of district authority as PAO shall ensure monthly reconciliation of district offices and institutions expenditure with the Accountant General, Punjab or district accounts officer and that it receives consolidate statement of monthly expenditure duly reconciled and provide strategic guidance and oversight on generation and publication of monthly budget execution reports by the budget and accounts officer.

Technicians Posts	Upgraded pay scales and Re-designations	%age of Posts	No. of posts of DHA
Posts in BPS-5 to 8 (in all technologies)	Junior Technicians (BPS-9)	50%	530
Posts in BPS-9 to 11 (in all technologies)	Technicians (BPS-12)	34%	361
Posts in BPS-12 to 13 (in all technologies)	Senior Technicians (BPS-14)	15%	159
Posts in BPS-14 to 15 (in all technologies)	Chief Technicians (BPS-16)	01%	11

According to 1st schedule of Punjab Health Department Allied Health Professionals (service) Rules, 2012, the post of Chief Technician (all categories) will be filled 25% by initial recruitment and 75% by

promotion, amongst the senior technicians having five year service and after passing prescribed examination of health department/Punjab Medical Faculty.

According to para 7 & 11 of letter No.1240/AHP/ dated 28.08.2018 of Director General Health Services, Punjab, after one time up gradation, no further up gradation can be granted against the sanctioned vacant posts and further promotion shall be made through departmental promotion committee in observance of Service Rules, 2012. In 2015 after amendments in service rules 2012, the Director General Health, Punjab was competent authority for promotion of Senior Technician BS-14 to Chief Technician BS-16.

Scrutiny of accounts record of HR data of CEO DHA, Bhakkar for the Financial Year 2018-2019 revealed that junior technicians, technicians and senior technicians were upgraded to the post of Chief technicians over and above the prescribed percentage. In the instance cases 39 technicians (of all technologies) of DHA were up graded to the posts of Chief Technicians BPS-16 against admissible 11 seats as there exist 1060 posts of all technologies. Audit noticed following irregularities in awarding up gradations.

- i. In most of the instances the incumbent were directly up graded to the posts of Chief Technicians from Junior Technicians BPS-09 & Technicians BPS-12.
- ii. Incumbents were up graded without mandatory trainings and qualifying examination of Punjab Medical Faculty.
- iii. No orders of DG health i.e. competent authority for promotions for the post of chief technicians were not available.
- iv. 25% reserved seats (for Bsc. graduates) of initial recruitments were also occupied through up gradation.

Financial Impact of BPS-16 each post per month	10,000
Total Financial Impact for F.Y.2018-2019 (28 posts x Rs10,000 x 24 months)	6,720,000

Audit is of the view that due to weak internal and financial controls irregular higher scales were awarded.

This resulted in irregular expenditure on pay & allowances and excess payment of Rs 6.720 million during 2018-19.

The matter was discussed in DAC in its meeting held on 11.01.2020. Department informed the committee that the matter is in the Lahore High Court. The DAC pended the para till decision of the court. No compliance was shown to audit till the finalization of this report.

Audit recommends probe in the matter for fixing the responsibility of illegal up-gradations against the person(s) at fault besides reversion to their original scales and recovery of overpaid amounts.

3.5.2.1.6 Non-recovery of pay due to absence from duty- Rs 2.225 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

DDOs of the following formations did not deduct salary of the officers / officials which were found absent during 2018-19 as detailed below;

Sr. No.	Name of formation	Description	Amount (Rs in million)
1	DHQ Hospital Bhakkar	Pay and allowances drawn for absent period	0.727
2	THQ Hospital Darya Khan		0.748
3	THQ Hospital Kallur Kot		0.750
Total:			2.225

Audit is of the view that the payments without admissibility/ entitlement were due to defective financial discipline.

This resulted irregular drawl of pay and allowances amounting to Rs 2.225 million.

The matter was also discussed in DAC meeting held on 11.01.2020. Department replied that all the employees were physically present and have marked their attendance in manual attendance register. The reply was not tenable. DAC directed the department to probe the matter and effect resultant recovery. No progress was reported till finalization of this report.

Audit recommends recovery besides action against absconders.

(AIR para No.77, 125, 193)

3.5.2.2 Procurement related irregularities

3.5.2.2.1 Irregular expenditure by splitting job orders – Rs 55.321 million

According to Rule 12(2) read with of Rule 9 Punjab Procurement Rules 2014, procurements over two million rupees should be advertised on the PPRA’s website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies. A procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting of the procurements so planned. The annual requirements thus determined would be advertised in advance on the PPRA’s website.

DDOs of following formations of DHA Bhakkar made purchases of Rs 38.071 million during Financial Year 2018-19 as detailed below. Audit noticed that these purchases were made through quotations by splitting the job orders to avoid the advertisement advertisement on PPRA website and newspapers.

Sr. No.	Name of Formation	Description	Amount (Rs in million)
1	DHO Bhakkar	Printing material	1.983
2		Stationery items	6.151
3		Store items	8.559
4	DHQ Hospital Bhakkar	Printing material	1.922
5		COS, Lab items, surgical items etc	2.206
6	THQ Hospital Darya Khan	COS, Lab items, surgical items etc	7.481
7		Printing material	0.815
8	THQ Hospital Mankera	Stationery items	1.448
9		Misc items	0.887
10		Misc items	2.869
11		Misc items	17.251
12	THQ Hospital Kallur Kot	Printing material	0.1000
13	THQ Hospital Kallur Kot	Store items	3.649
Total			55.321

Audit is of the view that due to non-compliance of PPRA instructions, uneconomical rates were concluded.

This resulted in unauthorized expenditure of Rs 55.321 million.

The matter was also discussed in DAC meeting held on 11.01.2020. Department replied that items purchased as & when the requisitions were received from health facilities. All the purchases were made through quotation on different date and time and different DDO code. The DAC directed the department to regularize the expenditure. No progress was reported till finalization of this report.

Audit recommends regularization of the lapse besides fixing of responsibility for non-compliance of PPRA rules.

[PDP No. 54,55,56,92,94,113,136,166,167,168,169,192,203]

3.5.2.2.2 Loss due to purchase of gases at higher rate - Rs 7.085 million

According to Rule 4 of PPRA 2014, “a procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement should bring value for money to the procuring agency and the procurement process is efficient and economical.”

Scrutiny of accounts record of DHQ Hospital Bhakkar revealed that Health Department Punjab Lahore awarded rate contract to an out sourcing firm LINDE Pakistan LTD for supply of Hospital Gases. Audit noticed that high rates were accepted by Health Department as the same firm offered the rate of these gases about 4 times below in the same quarter to other health institutions as detail below.

Amount in Rs						
Formation	Specification	No of cylinders	Rate offered at Nishter	Central rate	Diff	Loss
DHQ Hospital	Oxygen 240 CFT	4867	410	1610	1200	5,840,400
	Oxygen 48 CFT	369	205	980	775	285,975
THQ Hospital Darya Khan	Oxygen 240 CFT	54	410	1610	1200	64,800
	Oxygen 48 CFT	1153	205	980	775	893,575
Total:						7,084,750

Audit is of the view that due to weak internal and financial controls, Hospital gases were purchased at higher rates.

This resulted in loss to the Govt. due to excessive rate of hospital gases Rs 7.085 million.

The matter was also discussed in DAC meeting held on 11.01.2020. Department replied that the said para does not relate to this office as the central rate contract for supply of medical gases across

various health facilities (DHQ/THQ) in Punjab was awarded by the P&SHCD Govt of the Punjab. The DAC directed the department to probe into the matter, fix responsibility and effect resultant recovery.

Audit recommends recovery from concerned besides fixing of responsibility for lapse and negligence.

[PDP No.103, 147]

3.5.2.2.3 Un-authorized acceptance of medicine below shelf life – Rs 5.053 million

According to Government of Punjab Health Department Notification¹⁷ dated 18th October 2008, the shelf life in case of imported items must not be less than 80% and in case of local items 90% at the time of delivery. However, in case of imported medicines, the stores may be accepted up to 70% shelf life and in case of locally manufactured / packed drugs up to 80% at the time of supply / delivery subject to 1% penalty charges for the actual short fall.

DDOs of the following formations of District Health Authority Bhakkar accepted rate of medicine for Rs 5.053 million below shelf life from the supplier on central rate contract system in violation of rule ibid.

Formation	Medicine	Date of Mfg.	Date of Expiry	Date of delivery	Shelf life	Qty	Price (Rs)
DHQ Hospital	Voltral Tab	8/2018	7/2021	27.03.19	7%	108470	1,575,000
THQ Hospital Darya Khan	Voltral Tab	8/2018	7/2021	27.03.19	7%	-	315,000
THQ Hospital Kallur Kot	Set Inject 10cc	03/2018	02/2023	1/6/2019	75%	1500	25,500
	Hollow Fiber	13.6.18	31.5.21	16.04.19	74%	1000	1,098,000
	Hollow Fiber	13.6.18	31.5.21	16.04.19	74%	27	29,646
	Hollow Fiber	23.4.18	31.5.21	16-4-19	74%	123	135,054
	BTL SET	27.07.18	26.7.21	16.04.19	75%	1000	1,098,000
	BTL SET	27.07.18	26.07.21	16.04.19	75%	150	164,700
	Inj.Cortizone	02/2019	01/2021	18.05.19	79%	1150	48,300
	Norbac 1gm	02/2019	01/2021	18.06.19	79%	8050	434,700
	Painsa 75mg	02/2019	01/2021	18.06.19	79%	19700	110,320
Painsa 75mg	02/2019	01/2021	18.06.19	79%	3300	18,480	
Total							5,052,700

Audit held that due to weak internal and financial controls, medicines of below shelf life were accepted against the standards of Government of Punjab.

This resulted in un-authorized acceptance of medicines of Rs 5.053 million below 80% shelf life which was not permissible.

¹⁷ No.SO (P-I) H/3-64/2008

The matter was also discussed in DAC meeting held on 11.01.2020. Department replied that all the medicine were utilized before its date of expiry and no single Tab was expired. The committee directed the departments for regularization. No progress was reported till finalization of this report.

Audit recommends regularization of the expenditure.

[PDP No. 60, 111, 197]

3.5.2.2.4 Irregular expenditure on L.P. medicine - Rs 4.134 million

As per Health Department letter dated 14-4-1998, LP medicine for the patient should not be more than seven days¹⁸. Further as per instructions issued by the Health Department Govt. of the Punjab, the purchase of LP medicine was restricted maximum up to 15% of the total budget. According to Rule 12(1) of Punjab Procurement Rules 2014, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by regulation by the PPRA from time to time. These procurement opportunities may also be advertised in print media, if deemed necessary by the procuring agency. Further purchase more than 50,000, required three quotations from market for competitive rates.

DDOs of the following formations purchased LP medicines from various vendors. Audit observed the following shortcomings;

- i. Medicines were purchased without having rate contract on the basis of advertisement on PPRA website
- ii. Medicines were purchased without having indents from hospital department.
- iii. No discount/ less discount was availed.
- iv. Purchases were made above than authorized limit
- v. Invoices were not matching with the dates and not in chronological order, which could lead to misappropriation.

Detail is as under:

Sr. No.	Formation	Amount (Rs in million)
1	DHO Bhakkar	1.181
2	THQ Hospital Mankera	2.953
	Total:	4.134

¹⁸ No. AAC/HD/1-92/94 (P)

Audit held that due to weak internal and financial control excess local medicine were purchased in violation of health department notification.

This resulted in irregular expenditure - Rs 4.134 million.

The matter was also discussed in DAC meeting held on 11.01.2020. Department replied that contract of bulk purchase of medicine was not yet awarded, so we used to arrange medicine on close tender system as per direction of the higher authorities regarding purchase of emergency medicine. The DAC did not accept the contention of the department and directed to probe into the matter, fix responsibility, take action under PEEDA, besides making the loss good. No progress was reported till finalization of this report.

Audit recommends regularization of expenditure fixing of responsibility against the person(s) at fault, besides making the loss good.

[AIR para No. 41, 34]

3.5.2.2.5 Irregular local purchase of medicines - Rs2.268 million

According to Rule 15.4(a) of PFR Vol-I, all materials received should be examined, counted, measured and weighed, as the case may be, when delivery is taken, and they should be kept in charge of a responsible government servant. The receiving government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock registers.

Scrutiny of accounts record of THQ Hospital Kallur Kot for the Financial Year 2018-19 revealed that the management of the hospital misappropriated Rs 2.268 million on account of L.P medicines. The following deficiencies proved misappropriation of funds.

- i. The stock entry page number was mentioned in the LP medicine bills but entry in the LP medicine register was not available.
- ii. The physical availability of LP medicine was not available in the stock and store of the hospital.
- iii. Record pertaining to preparation of separate treatment register of LP medicine was not available.
- iv. L.P medicines were shown purchased for outdoor patients and without obtaining non-availability certificate from the pharmacist.
- v. Cheques were issued in the name of DDO instead of supplier.
- vi. L.P medicines were purchased / arranged by Dr. Kaleem Anwar Shah M.S and by Rana Abdul Qayyum (Junior Technician)

working as medicine store keeper without any requisition or demand / indent from different wards.

Audit observed that the MS THQ Kallur Kot with the collusion of Junior staff members by passed all the mandatory formalities / SOP and misappropriated fund on account of purchase of LP medicines.

Audit is of the view that due to weak financial and technical controls funds were misappropriated.

This resulted in misappropriation of funds of Rs 2.268 million.

The matter was also discussed in DAC meeting held on 11.01.2020. Department replied that record of July and Aug, 2017 is not available amounting to Rs. 1,029,047. All cheques were issued in the name of supplier instead of DDO. Mr. Amjad Ali is homeo dispenser, he is not working as medicine store keeper and not running any pharmacy. DAC reduced the para to Rs 1,238,736, and directed the department to probe into the matter, fix responsibility, action under PEEDA and making the loss good from the culprit

Audit recommends action under PEEDA Act, besides making the loss good from culprit.

[PDP No. 208]

3.5.2.2.6 Non-imposition of liquidated damages - Rs 2.717 million

According to section 10 (V) of Rate Award issued by secretary Health Punjab, in case of late delivery of goods beyond the periods specified in the Schedule of requirements and after issuance of subsequent purchase order by the consignee, a penalty @ 0.067% per day of the cost of late delivered supply shall be imposed upon the Supplier.

DDOs of the following formations of DHA Bhakkar issued supply orders for the procurement of machinery and equipments to vendors. The suppliers did not supply machines within the stipulated time period. Audit noticed that management neither imposed nor recovered liquidated damages. Government sustained loss of Rs 2.717 million.

Sr. No.	Name of formation	Penalty (Rs in million)
1	CEO DHA	0.053
2	MS DHQ Hospital	2.572
3	MS THQ Hospital Mankera	0.092
Total		2.717

Audit held that due to weak internal controls penalty was not imposed.

This resulted in loss to the government for Rs 2.717 million

The matter was also discussed in DAC meeting held on 11.01.2020. Department replied that concerned firms have been directed to deposit the amount of penalty for late delivery of medicines into Govt. treasury. DAC directed the departments to affect recovery within 30 days. No compliance was reported till finalization of this report.

Audit recommends recovery of late delivery charges from suppliers besides fixing responsibility against the officers at fault.

[PDP No. 10,61 ,154]

3.5.2.2.7 Irregular Purchase of LP medicine without considering Health Department Formulary – Rs 1.067 million

As per instruction of Health Department Govt. of Punjab, Health Institutions can purchase only those medicine included in the Formulary issued by the Health Department.

DDOs of the following formations of DHA Bhakkar purchased LP medicines for Rs 1.067 million during the financial year 2018-19. Audit noticed that inferior quality of medicines were purchased out formulary by the department.

Sr. No.	Name of Formation	Amount (Rs in million)
1	DHQ Hospital Bhakkar	0.943
2	DHQ Hospital Bhakkar	0.124
Total:		1.067

Audit is of the view that due to weak internal control, Purchase of medicine was made without adopting formulary.

This resulted in an irregular purchase of Rs 1.067 million.

The matter was also discussed in DAC meeting held on 11.01.2020. Department replied that purchases of medicines were made according to the need of emergency patients duly prescribed by the EMO/MO/WMO. Moreover, some medicines were also used in pediatrician indoor patients of emergency nature prescribed by Pediatrician THQ Hospital Darya Khan. The committee directed the department to regularize the lapse from competent forum within 30 days. No progress was reported till finalization of this report.

Audit recommends regularization besides fixing responsibility of the person(s) at fault.

[PDP No. 65, 116]

3.5.3 Value for money and service delivery issues

3.5.3.1 Irregular expenditure from health council funds without annual action plan and pre-Audit - Rs 45.4 million

According to CGA Ordinance, 2001 no funds can be withdrawn from govt. treasury without pre-audit of claims. Further, according to Health Council Guidelines issued by the Health Department Government of the Punjab, every Health Council is required to prepare Health Facility Based Action Plan (HFBAP) at the start of financial year. One copy of Action Plan will be sent to concerned Deputy District Health Officer. The Health Council will send completion report at the close of project to District Health Officer. The concerned Dy. DOH will monitor the expenditure from Health Council funds during their visit to basic health unit and will submit the report to PMIU. The concerned Dy. DOs (Health) are required to submit monthly report to DOH/CEO (Health).

Management of the following formations of District Health Authority Bhakkar, incurred expenditure of Rs 45.4 million from health council without pre-audit of the payments.

Sr. No.	Name of formation	Amount (Rs in million)
1	DHO Bhakkar	40.0
2	THQ Hospital Darya Khan	5.4
Total:		45.4

Audit observed the following irregularities:

- i. Funds were drawn from treasury without pre-audit of claims in violation of above rules.
- ii. Medical Officer/Head of health council of Basic Health Units incurred expenditure out of HC funds without preparation of based Action plan.
- iii. Monitoring reports of Dy. DOs (H), DOH and members of Health Councils during execution of project were not produced to Audit.
- iv. Satisfactory completion reports of projects were not submitted to DOH by the Medical Officer/Head of Health Council / Co-Chairman.
- v. Monthly reports of utilization of funds were not submitted to DOH /CEO (Health) in violation of Health Council Guidelines.

Audit is of the view that due to weak monitoring, HC funds were utilized without observing codal formalities.

This resulted in irregular expenditure of Rs45.4 million

The matter was discussed in DAC meeting held on 11.01.2020. Department replied that there are no guidelines or requirement for the pre audit of Health Council budget from District Health Authority before its payment. Moreover, all the expenditures of Health Council are made after approval from all member of Health Council under the chairmanship of DC/AC as the case may be. DAC directed the department to regularize the expenditure from competent forum. No progress was reported till finalization of this report.

Audit recommends regularization of expenditure from competent authority.

(Para No 47,132)

3.5.3.2 Irregular expenditure on non-scheduled items –Rs 6.650 million

As per Finance Department notification¹⁹ dated 21.09.2004, rate analysis of non-MRS item of work shall be prepared by the Executive Engineer and get approved from the superintending engineer. A copy of each analysis approved by the competent authority shall be sent to Technical cell of Finance Department for scrutiny/standardization.

Scrutiny of record of THQ Hospital Kallur Kot for the financial year 2018-19 revealed that development scheme of “Revamping programme” costing Rs 6.650 million was got executed through Executive Engineer, Buildings Division, Bhakkar. The department did not get approved the rate analysis of the non-schedule items from the competent authority i.e. superintending engineer in violation of rule ibid.

Sr. No.	Item of Work	Amount (Rs in million)
1	P/L porcelain tile flooring 24”x24”, porcelain tile skirting / Dado 12”x24”, Aluminum door and PVC doors	6.650

Audit is of the view that due to weak internal and financial controls and non-scheduled items were purchased / executed without approval from competent authority.

This resulted in irregular expenditure on non-schedule items of Rs 6.650 million.

The matter was also discussed in DAC meeting held on 11.01.2020. Department replied payment was released after the

¹⁹ No.RO(Tech)FD-18-23/2004

verification and inspection by SDO Building. The reply was not tenable. DAC directed the department to regularize the expenditure. No progress was reported till finalization of this report.

Audit stresses regularization of expenditure.

[PDP-204]

3.5.3.3 Irregular Payment without measurement books - Rs 3.831 million

As per rules for each civil work separate measurement books is to be maintained to measure the quantity of work performed which is the basis for contractors Bills.

Scrutiny of accounts records of THQ Hospital Darya Khan for the financial year 2018-19 revealed that civil work was executed but payments to the contractors were made without measuring the quantities of work done in Measurement Books. Neither the estimated cost was prepared nor any administrative approval & TS were found as detailed below:-

Doc.No/ Cheque No.	Name of Scheme	Name of Contractor	Gross Bill Amount (Rs in million)
1900039335	Construction of wash area operation theatre,	Asif Traders	0.061
1900163800	Paint of doors ,walls, weather sheet	Sheikh Muhammad Ramzan	0.347
1900163797	Application of Distempers	Phool traders	0.090
1900237975	Washroom Admin Block	Tanveer Traders	0.075
1900163799	Application of Destemper	Phool traders	0.091
1314063303	Tile Work	Haji Abdul Hameed Cheena	3.167
Total			3.831

Audit is of the view that due to defective financial discipline, irregular payment was made.

This resulted in irregular expenditure of Rs3,831,517.

The matter was discussed in DAC meeting held on 11.01.2020. The committee directed the department to produce Technical estimates and MB for verification within 7 days. No progress was reported till finalization of this report.

Audit recommends production of record for verification besides fixing responsibility against the person(s) at fault.

[PDP No.150]

3.5.3.4 Doubtful expenditure on installation of Air Conditioners - Rs 1.179 million

According to Rule 4 of PPRA 2014, “a procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement should bring value for money to the procuring agency and the procurement process is efficient and economical.”

Scrutiny of accounts records of THQ Mankera for the financial year 2018-19 revealed that an expenditure of Rs 1.179 million was incurred on the installation of 14 air conditioners. Audit is of the view that the installation cost of air conditioners was not rational, realistic and understandable. Audit noticed that un-justified huge quantity of electric wires and accessories/kits of ACs was charged. Moreover, un-usual high rates were charged for installation of ACs.

Audit is of the view that due to weak internal and financial controls heavy expenditure was made.

This resulted in doubtful expenditure of Rs 1,179,278.

The matter was also discussed in DAC meeting held on 11.01.2020. Department replied. Installations required new wiring and electricity connections as hospital’s old wiring setup did not support the new installations. So, hospital made installation of the ACs from its own budget in the best interest of public. DAC did not accept reply of the department as the installation charges was exorbitantly at higher side and directed the department to probe into the matter. No progress was reported till finalization of this report.

Audit recommends investigation of the matter besides fixing of responsibility.

[PDP-174]

3.5.4 Others

3.5.4.1 Irregular blockage of fund / non surrendering - Rs 28.205 million

According to the rule 61 (1) and 55 (1) (C) (IV) of Budget Rules of District Authorities, 2017, the statement of excess and surrenders shall be prepared on the basis of actual expenditure incurred during the first eight month of the financial year and last four month of the previous financial year for estimating the expected expenditure for the remaining four month of the financial year. The head of offices or institutions and drawing and disbursing officers (DDO) shall be responsible for effectively utilizing the budget appropriations.

Scrutiny of the accounts record of DHO Bhakkar for the FY-18-19 revealed that funds of Rs 28.205 million were neither utilized for the benefit of the hospital nor surrendered to the competent forum for further utilization of fund by the needy entities at gross root level.

Audit is of the view that due to weak administrative controls, funds were not surrendered well in time.

This resulted in irregular blockage of fund /none surrendering of Rs 28.205 million.

The matter was discussed in DAC meeting held on 11.01.2020. Department replied that final budget was approved by DHA and uploaded at SAP system in DAO but budget was released against the different object heads on monthly basis against annual allocation. DAC directed the department to get regularized the matter from competent forum. No progress was reported till finalization of this report.

Audit recommends regularization of lapse.

[PDP-49]

3.5.4.2 Non-credit of receipts in local government fund – Rs 7.353 million

According to Section 68 of the Punjab District Authorities (Budget) Rules 2017, the primary obligation of the collecting officer shall be to ensure that all revenue due is claimed, realized and credited immediately to the District Authority fund and to record entries under proper receipt head. The head of offices or institutions shall supervise and take corrective measures in respect of the activities of the collecting officers. Further as per Rule 7 (h) of Punjab District Authorities Accounts Rules, 2017, all cash transactions shall be entered in Receipts Register and

Cash book as soon as they occur and attest in token check. Accounts of receipts and expenditure of District Authority shall be maintained in such form and in accordance with such principles and methods as given in New Accounting Model (NAM) duly prescribed by the Auditor General of Pakistan, from time to time.

DDOs of following formations of DHA Bhakkar realized Rs 7.353 million on account of public receipts during Financial Year 2018-19, but the receipts were credited into Provincial A/C-I instead of Health Authority A/C-VI. Further neither receipt was consolidated nor reconciled till the close of the financial year as detailed below:

Sr.No.	Department	Amount (Rs in million)
1.	CEO DHA Bhakkar	2.835
2.	DHQ Hospital Bhakkar	3.381
3.	THQ Hospital Darya Khan	0.353
4	THQ Hospital Mankera	0.509
5	RHC Dullewala	0.275
Total		7.353

Audit holds that due to weak internal and financial controls the management did not realize and credit the receipt into District Health Authority Accounts.

This resulted in non-credit of receipt under proper account of DEA of Rs 7.353 million.

The matter was discussed in DAC meeting held on 11.01.2020. The department replied that DDOs made possible efforts but NBP was not willing to credit the receipt to health authority AC-VI. Audit contented that departmental reply was not based on facts as the NBP credited receipt to health authority AC-VI in many districts. DAC directed the department to regularize the matter from competent authority. No compliance was shown to audit till the finalization of this report.

Audit recommends that receipt needs to be realized, reconciled and credited to the District Health Authority Fund.

[PDP No. 30, 79, 126, 158, 217]

CHAPTER 4

DISTRICT HEALTH AUTHORITY, CHAKWAL

4.1 Introduction of the Authority

District Health Authority, Chakwal was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Chakwal is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authority, Chakwal as described in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Chakwal manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
Chief Executive Officer DHA	1
District Health Officers	1
District Head Quarter Hospitals	1
Tehsil Head Quarter Hospitals	3
District Health Development Centre	1

Description	No. of health facility/ institute
Rural Health Centre	10
Basic Health Units	54
Government Rural Dispensary	8

4.2 Audit Profile of District Health Authority, Chakwal

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Chakwal	53	7	592.425	0

4.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 635.495 million were raised in this report during current audit of “District Health Authority, Chakwal.” This amount also includes recoveries of Rs 32.131 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	
	A. HR/Employees related irregularities	32.073
	B. Procurement related irregularities	58.231
	C. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	15.489
5	Others	529.702
	Total	635.495

4.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1	2017-18	27	Not Convened
2	2018-19	23	Not Convened

4.5 AUDIT PARAS

4.5.1 Irregularities

4.5.1.1 HR/Employees related irregularities

4.5.1.1.1 Un-authorized payment of incentive allowance to specialists without biometric attendance – Rs 10.389 million

According to Notification dated August 3, 2016 “the specialist should visit the hospital in the evening and stay for one hour for round in the wards after check in on the biometric system otherwise 40% of the incentive allowance should be deducted”²⁰.

During audit of various health facilities of DHA Chakwal for the year 2018-19, it was noticed that all specialists/ consultants were drawing full amount of incentive allowance. There was no proof of evening visits on biometric attendance system. This resulted in overpayment of Rs10.389 million on account of non-deduction of 40% of the incentive allowance from the allowances paid to the specialist as detailed below:

Sr. No.	Name of formation	Amount (Rs in million)
01	THQ Choa Saidan Shah	2.147
02	DHQ Hospital Chakwal	3.555
03	THQ Hospital Talagang	2.258
04	THQ City Hospital Talagang	2.427
	Total	10.387

Audit is of the view that due to weak internal control, 40% incentive allowance was not deducted. This resulted in violation of government rules and loss to the government.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends recovery besides fixing responsibility against the person(s) at fault.

(AIR Para No.9,7,5,6)

²⁰ No.PA/DS (G)4-8/2016

4.5.1.1.2 Inadmissible drawl of pay & allowances by adhoc appointees – Rs6.405 million

According to clause-6 of the Pay Revision Rules 1972, annual increment in national pay scale shall fall due on 1st of December following the completion of at least six months service at a stage in the scale.

During audit of various health facilities of DHA Chakwal for the financial year 2018-19 it was noticed that annual increment to adhoc doctors was awarded in December without completion of six months service. Moreover, some of the doctors either resigned from service or their adhoc expired but pay & allowances were excess drawn by them. Furthermore, the recovery of 02 days gap period between two adhoc periods was not made. This resulted in over payment of Rs 6.405 million as detailed below:

Sr. No.	Name of formation	Type of overpayment	Amount (Rs in million)
01	THQ Hospital Choa Saidan Shah	Resigned/expiry of adhoc	0.319
		Annual increment	0.098
		Gap period of adhoc	0.143
02	THQ Hospital Kallar Kahar	Resigned/expiry of adhoc	1.788
		Gap period of adhoc	0.058
		Annual increment	0.268
03	DHQ Hospital Chakwal	Annual increment, adhoc gap,	3.390
04	THQ City Hospital Talagang	pay after resignation/expiry of adhoc	0.341
		Total	6.405

Audit is of the view that due to weak internal control the overpayment was made.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends recovery besides fixing responsibility against the person(s) at fault.

(AIR Para No.1,7,3,1,2,4,6,4)

4.5.1.1.3 Irregular appointment of staff from health council – Rs 3.723 million

As per Wage Rate 2017 the appointment to a post included in the schedule shall be advertised properly in leading newspapers and

recruitment to all posts in the schedule shall be made on the basis of merits specified for regular establishment²¹.

Scrutiny of record of health council of DHQ Hospital Chakwal revealed that daily wages staff was appointed without advertisement / fulfilling codal formalities and payment of Rs 3.723 million was made from Health council funds during 2018-19. **Annexure-E**

This resulted in un-authorized expenditure of Rs 3.723 million.

Audit is of the view that due to non-compliance of rules, the appointment procedure was not carried out through advertisement in newspapers to call applications.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends regularization besides fixing responsibility against the person(s) at fault.

(AIR Para No. 22)

4.5.1.1.4 Overpayment of various allowances during leave period – Rs 2.770 million

According to Treasury Rule 7, Conveyance allowance is not inadmissible during leave period. Moreover, the officers/ officials on long leave will not be entitled to draw Health Sector Reform Allowance during leave period²².

Scrutiny of record of following health facilities of DHA Chakwal for the financial year 2018-19 revealed that officers / officials were drawing conveyance allowance, incentive allowance & HSRA during leave period in violation of rules. This resulted in overpayment of Rs 2.770 million as detailed below:

Sr. No.	Name of formation	Amount (Rs in million)
01	DHQ Hospital Chakwal	1.119
02	THQ Choa Saidan Shah	0.751
03	THQ Hospital Kallar Kahar	0.338
04	THQ Hospital Talagang	0.410
05	THQ City Hospital Talagang	0.152
	Total	2.770

²¹ Para 11 of the Recruitment Policy issued by the S&GAD vide No. SOR-IV(S&GAD)10-1/2003 dated 17.9.2004.

²² Government of the Punjab, Health Department letter No.PO(D-III)9-8/2008 date 22nd November, 2008

Audit is of the view that due to weak internal control overpayment was made.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends recovery from concerned officers / officials. Audit also recommends action against person(s) who in spite of clear instructions on the subject violated above mentioned rules.

(AIR Para No. 5,4,9,2,3)

4.5.1.1.5 Excess payment of pay & allowances – Rs 2.694 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

During audit of various health formations of DHA Chakwal for the financial year 2018-19, it was observed that various employees found drawing their pay and allowances after their retirement / resigned from service /found drawing their pay during absconding period. Similarly, various staff relinquished the charge but pay was credited to their bank account. This resulted in overpayment of Rs 2.694 million as detailed below:

Sr. No.	Name of formation	Amount (Rs in million)	Remarks
01	DHQ Hospital Chakwal	0.609	Pay after retirement, relieving of charge, 10% adhoc to fixed pay doctors
02	THQ Hospital Talagang	0.799	Pay after retirement, relieving of charge, 10% adhoc to fixed pay doctors
03	THQ Choa Saidan Shah	0.314	Arrear drawn more than admissible amount
		0.520	Unauthorized absence without leave
04	THQ City Hospital Talagang	0.452	30% SSB, HSR
Total		2.694	

Audit is of the view that due to weak internal controls overpayment was made.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Auditor recommends recovery from concerned officers / officials, besides fixing responsibility against the person (s) at fault.

(AIR Para No. 1,3,2,6,5)

4.5.1.1.6 Inadmissible payment of Health Sector Reform Allowance – Rs 1.592 million

According to letter dated 13.04.17, HSR rate for Women Medical Officer is Rs 6,000 per month in THQ and is not admissible to Senior Medical Officer, officers working in BS-19 & above and non-gazette staff. According to notification, HSRA is admissible only to Medical Officer, Women Medical Officer, Dental surgeon, and Specialist only at THQ Level.²³

Scrutiny of various offices of DHA Chakwal revealed that health sector reform allowance was paid to employees who were not entitled to draw it. This resulted in over payment of Rs1.592 million as detailed below:

Sr. No	Name of Formation	Amount (Rs in million)
01	CEO (DHA) Chakwal	0.125
02	THQ Hospital Choa Saidan Shah	0.292
03	Trauma Center Kallar Kahar	0.084
04	DHQ Hospital Chakwal	0.839
05	THQ Hospital Talagang	0.253
	Total:	1.593

Audit is of the view that due to weak internal controls, inadmissible payments were made.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends recovery besides fixing responsibility against the person(s) at fault.

[PDP No.1, 15, 5, 3, 4]

4.5.1.1.7 Illegal promotion on post of chief technician–Rs 1.570 million

According to Punjab Health Department Allied Health Professional Service Rules, 2012, the Director General Health, Punjab was

²³ No.PO(P&E-I)19-113/2004

competent authority for promotion of Senior Technician BS-14 to Chief Technician BS-16.

During audit of CEO (DHA) Chakwal it was noticed that sixteen Technicians were promoted to BS-16 during 2016-17 without orders of competent authority i.e. Director General Health, Punjab. This resulted in illegal promotion and overpayment of Rs 1.570 million. **Annexure-F**.

Audit is of the view that due to non-compliance of rules, higher scales were awarded which resulted in irregular expenditure of pay & allowances and created an excess burden on public exchequer.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends to probe the matter for fixing the responsibility of illegal up-gradations against the person(s) at fault besides reversion to their original scales and recovery of overpaid amounts after detail scrutiny by the department.

(AIR Para No. 9)

4.5.1.1.8 Over payment on account of pay & allowances due to wrong fixation of pay – Rs 1.517 million

According to appointment orders, adhoc appointee has no right toward regular appointment or counting of service toward seniority in grade. Further, if a regular doctor of the P & SHCD applied through proper channel, he shall retain the lien as per rules.

During audit of THQ Hospital Choa Saiden Shah for the year 2018-19, it was noticed that Muhammad Qasim Khan Surgeon was working as Senior Registrar (Adhoc) in Banazir Bhutto Hospital Rawalpindi. He joined as consultant surgeon on adhoc basis for one year in THQ Hospital Choa Saiden Shah by P & SHCD vide order dated 18th February 2016.

Accordingly, the doctor concerned was senior registrar adhoc employee of Teaching Hospital instead of P & SHCD and had only right of lien instead of pay protection. But scrutiny of record revealed that the pay of the doctor was fixed continuously as per LPC issued by the MS Banazir Bhutto Hospital Rawalpindi. His pay should have been fixed at initial stage of the scale as the appointment was on adhoc basis only for one year. Furthermore, adhoc was renewed with a gap of 2 or 3 days in March 2017, March 2018 and March 2019 but pay was continuously paid

with annual increments till Oct 2018. Thereafter his pay was reduced in Nov-2018 to initial stage by DAO Chakwal but overpaid amount was not recovered. The doctor was appointed as SMO BS-18 and posted in THQ Hospital Choa Saiden Shah on 7th May 2019. Due to non-fixation of pay & allowance, over payment of Rs 1.517 million was made as detailed below:

Amount in Rs				
Period	Paid per month	Due per month	Over Payment per month	Amount
Mar-16 to June-16	105,205	65,965	39,240	156,960
M/O July-16	132,312	92,712	39,600	39,600
Aug-16 to Nov-16	222,312	182,712	39,600	158,400
Dec-16 to Feb-17	219,672	185,352	34,320	102,960
Mar-17 to Jun-17	222,312	182,712	39,600	158,400
July-17 to Nov-17	241,232	190,683	50,549	252,745
Dec-17 to Feb-18	253,564	193,840	59,724	179,172
Mar-18 to June-18	252,104	190,683	61,421	245,684
July-18 to Oct-18	250,167	194,518	55,649	222,596
Total				1,516,517

Audit is of the view that due to weak internal control the overpayment was made.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends that detailed inquiry of the issue be conducted for fixing of responsibility besides recovery from concerned officer.

(AIR Para No. 5)

4.5.1.1.9 Non-deduction of house rent, conveyance allowance & 5% house maintenance charges - Rs 1.413 million

The conveyance allowance is not admissible to government servants residing in the residential colonies situated within work premises²⁴. Further, in case of designated residences the officer/officials cannot draw house rent even if he does not avail the facility and residence remains vacant during the period²⁵.

²⁴ Finance Department clarification No.FD.SR.1.9.4/86 (PR)(P) dated.15.10.2011

²⁵ Government of the Punjab, Finance Department letter No.FD(M-1)1-15/82 P-I dated 15.01.2000

During audit of various formations of DHA Chakwal, it was noticed that officers/officials drew various allowances despite allotted official residences. This resulted in overpayment as detailed below:

Sr. No	Name of Formation	Amount (Rs in million)	Remarks
01	District Health Officer Chakwal	0.162	Conveyance allowance
02	Trauma center/ THQ Hospital Kalar Kahar	0.140	5% maintenance charges
03	DHQ Hospital Chakwal	0.550	House rent, conveyance & 5% maintenance charges
04	THQ Hospital Talagang	0.561	
	Total	1.413	

Audit is of the view that due to weak internal controls, excess payment was made.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends recovery from concerned officers/officials, besides fixing responsibility against the person(s) at fault.

(AIR Para No 20,8,2,1)

4.5.1.2 Procurement related irregularities

4.5.1.2.1 Irregular purchases through splitting the expenditure to avoid PP Rules – Rs 26.193 million

According to Rule 9 of PPRA 2014, “save as otherwise provided and subject to the regulations, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. (2) The procuring agency shall advertise in advance annual requirements for procurement on the website of the Authority as well as on its website.

Scrutiny of record of various offices of DHA Chakwal for the period 2018-19 revealed that DDOs incurred expenditure under different heads of accounts by splitting the indents to avoid tendering. Further, quotations were not found on record. This resulted in irregular and uneconomical expenditure as open competition was avoided as detailed below:

Sr. No.	Name of formation	Amount (Rs in million)	Remarks
01	DO Health Chakwal	0.197	Contingencies
02	DHQ Hospital Chakwal	14.977	Contingencies
03	DHQ Hospital Chakwal	5.012	Civil works
04	DHQ Hospital Chakwal	2.352	Health Week
05	DHQ Hospital Chakwal	1.466	Repair of X-Ray & Blood Storage Cabinet
06	City Hospital Talagang	2.189	Contingencies
	Total:	26.193	

Audit is of the view that splitting of indents to avoid quotations was due to defective financial discipline.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends regularization besides fixing responsibility against the person(s) at fault.

[PDP No. 8,13, 17, 18, 0]

4.5.1.2.2 Award of contract and procurement of medicines without obtaining market rates – Rs 18.461 million

According to Rule 4 of PPRA 2014, “A procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical.”

Scrutiny of the rate contract of medicines for the financial year 2018-19 revealed that contract was awarded by CEO (DHA) Chakwal without obtaining market rates. This resulted in procurement of medicines at exorbitant rates amounting to Rs 18.461 million. **Annexure-G.**

Audit is of the view that due to poor financial management the medicines were purchased at higher rates.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends regularization besides fixing responsibility against the person(s) at fault.

(AIR Para No. 14)

4.5.1.2.3 Centrally procured equipment in violation of instructions – Rs 8.226 million

The DDOs shall directly place their orders as per need assessment and within the available budget. The DDO will make payment of their purchases after completion of due course as per Rules and Regulations²⁶.

Audit of the accounts of CEO (DHA) Chakwal revealed that during 2018-19, CEO paid Rs 8.226 million from the cost center CY 9998 against the procurements and liabilities of other DDOs. This resulted in irregular purchase as detailed below:

Period	Description	Procured for	Amount (Rs in million)
2018-19	A09404-Medical Equipment Lab	City Hospital Talagang	1.224
2018-19	A09404-Medical Equipment Lab	THQ Hospital Choa Saiden Shah	0.107
2017-18	A03970-Others	Up gradation of BHU	0.423
2017-18	A09201 Equipment	Basharat	0.241

²⁶ Section (2) (VI) Primary and Secondary Healthcare Department Government of the Punjab No.SO(B&A)1-71/2018-19 dated 30th August, 2018.

Period	Description	Procured for	Amount (Rs in million)
2017-18	A0940 Medical Lab Equipment	Up gradation of GRD Tharpal	2.424
2017-18	A09601 M&E		1.754
2017-18	A09701 Furniture		0.947
2017-18	A12403 other Building		1.106
Total			8.226

Audit is of the view that due to poor managerial controls irregularity was made.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends regularization besides fixing responsibility against the person(s) at fault.

(AIR Para No. 17)

4.5.1.2.4 Loss due to purchase of bulk medicines from LP at higher rates –Rs 3.475 million

According to para 2(ii) of Policy and Operational Guidelines for Local Purchase of Medicines (Day to Day) circulated vide letter²⁷ dated 16.12.2007 by Primary & Secondary Health Care Department, Government of the Punjab, Lahore “Local purchase costs higher price in comparison to bulk purchases. Therefore, the aim is to reduce the incidences of local purchase by identifying commonly and frequently purchased items and including them into the list of bulk purchase mandate.”

During audit of following health facilities of DHA Chakwal for the financial year 2018-19, it was revealed that various medicines of bulk purchase, were found purchased from LP budget. This purchase was made due to late award of rate contract. Scrutiny of the record revealed that LP medicines were purchased at higher rates resulting in excess expenditure of Rs 3.474 million. Detail of the excess amount paid is placed at **Annexure-H**.

Sr. No.	Name of formation	Financial Year	Amount (Rs in million)
01	THQ Choa Saidan Shah	2018-19	0.204
02	THQ Hospital Kallar Kahar	2018-19	0.128
03	DHQ Hospital Chakwal	2018-19	1.273

²⁷ No.PSHD-TC0-1 (M) 6-14/2007

Sr. No.	Name of formation	Financial Year	Amount (Rs in million)
		2017-18	1.742
04	THQ City Hospital Talagang	2018-19	0.128
Total			3.475

Audit is of the view that the purchase was made at higher rates due to weak managerial controls.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends investigation for fixing responsibility against the person(s) at fault.

(AIR Para No.17, 15, 9,10,8)

4.5.1.2.5 Over payment due to purchase at higher rates – Rs 1.876 million

According to Rule 4 of PPRA 2014, “a procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement should bring value for money to the procuring agency and the procurement process is efficient and economical.”

During audit of CEO (DHA) Chakwal for the year 2018-19, it was noticed that payments of Rs 1.876 million was made in excess to suppliers on account of purchase of medicine. Scrutiny of record revealed that price accepted by the CEO DHA mentioned in the rate contract was more the prices prevailing in market (As market price list available with tender documents executed by CEO). This resulted in overpayment of Rs 1.876 million. **Annexure-I.**

Audit is of the view that due to weak financial controls, purchase was made at higher rates.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends to probe the matter for fixing responsibility against the person(s) at fault besides recovery of the overpaid amount.

(AIR Para No. 12)

4.5.2 Value of money and service delivery issues

4.5.2.1 Un-justified retention of balance in bank account of DDO - Rs 7.039 million

As per Rule 16(1) of PLG (Accounts) Rules, 2017, “the accounts Officer shall reconcile the monthly and annual appropriation of a District Authority with the bank, budget and accounts officer, and the drawing and disbursement officer”.

Bank statement of DDO Account of District Officer Health Chakwal revealed that closing balance amounting to Rs 7.039 million on 30.06.2019. This indicated that accounts were not reconciled with the bank, budget and accounts officer and DDO. This resulted in unjustified drawl of funds without disbursement.

Audit is of the view that due to poor financial discipline, funds were drawn without immediate disbursement.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends reconciliation and justification besides fixing responsibility against person (s) at fault.

(AIR Para No. 2)

4.5.2.2 Irregular execution of contract of renovation of hospital – Rs 4.724 million

According to para 4.5 of B&R code, the measurement book must be looked upon as the most important record since it is it is the basis of all accounts of quantities, whether of work done by labor or by the piece or by contract, or of materials received, which have to be counted or measured. The description of the work must be lucid, so as to admit of easy identification and check.

During audit of THQ Hospital Choa Saiden Shah, it was noticed that contract for renovation of THQ Hospital under revamping project, a sum of Rs 4.723 million was incurred during 2018-19. The detailed estimate of measurements showing area of hospital was not prepared, item wise rates were not mentioned in estimate, MRS issued by Finance

Department was not followed and measurement books were also not prepared. This resulted in irregular execution of contract without fulfillment of codal and procedural formalities as detailed below:

Sr. No.	Detail of Work	Amount (Rs in million)
1	Flooring Skirting	1.044
2	internal pain	0.097
3	Doors	0.832
4	Internal Electrification	1.811
5	Toilets Block	0.940
Total		4.724

Audit is of the view that due to non-compliance of rules the irregularity was made.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends regularization besides fixing responsibility against the person(s) at fault.

(AIR Para No. 13)

4.5.2.3 Loss to government due to non-auction of parking & canteen – Rs 2.620 million

According to letter²⁸ dated 19.07.2018 issued by PMU, P&SHD, Government of Punjab Lahore, the security and parking services contract is concluded on 30.06.2018 and the competent authority has desired that all Medical Superintendents shall ensure local arrangement of security and parking services for their respective hospitals out of its resources. According to PLG (Property) Rules 2018, the manager shall ensure that the rented property fetches the maximum rent, keep all title deeds and other documents in the duplicate in safe study.

During audit of various hospitals of District Chakwal for the financial year 2018-19 it was noticed that besides clear instructions of the P&SHCD the parking of the hospital was not auctioned during the year which resulted in non-realization of receipts as detailed below:

²⁸ No.P&SHD/PMU/OS/SEC/24-P-1/2018/4458

Sr. No.	Name of formation	Amount (Rs in million)	Remarks
01	DHQ Hospital Chakwal	1.460	Amount of parking auctioned in 2019-20
02	City Hospital Talagang	0.500	Approximate amount
	Total:	1.96	

Moreover, it was noticed that contractor of canteen (auctioned by P&SHCD Lahore) did not join the hospital but neither action was taken against the contractor nor canteen outsourced during 2018-19 which resulted in non-realization of receipts amounting to Rs 720,000 (canteen auctioned in 2019-20 for Rs720,000).

Audit is of the view that due to weak managerial control auction of the parking and canteen was not done.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends justification besides fixing responsibility against the person(s) at fault.

(AIR Para No. 15,2)

4.5.2.4 Late completion of development scheme – Rs 1.106 million

According to Clause 39(a) of Contract Agreement for execution of development work, the time allowed for carrying out the work as entered in the tender shall be strictly observed by the contractor. The works shall throughout the stipulated period of the contract be proceeded with all due diligence in accordance with the programme of work, as approved by the Engineer-incharge or any amended programme of work approved by the Engineer-incharge from time to time.

During audit of the accounts of DHA Chakwal it was noticed that scheme “Up-gradation of BHU to RHC at Basharat at Tehsil Choa Saiden Shah District Chakwal” was required to be completed on 29.06.2017 but during 2018-19 amount of Rs 1.106 million was paid as 5th running bill which showed that scheme was still incomplete, due to improper supervision of the XEN buildings. This indicated considerable delay in completion of schemes in violation of rules.

Audit is of the view that due to poor managerial control, scheme was not completed in specified time.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends justification and fixing responsibility on official (s) concerned.

4.5.3 Others

4.5.3.1 Irregular release of supplementary grant after 30th June – Rs 498.269 million

According to Finance Department Government of the Punjab letter²⁹ dated 01.08.2018, “all administrative departments shall remain within budgetary allocations to minimize the incidence of supplementary grants. Further the request for supplementary grants, if unavoidable, shall require approval of the provincial cabinet/ standing committee of the cabinet on Finance and Development.

Scrutiny of budget of CEO (DHA) Chakwal for the financial year 2018-19 revealed that supplementary grant of Rs 498.269 million was adjusted after 30th June 2019. Further, approval of the provincial cabinet/ standing committee of the cabinet on Finance and Development was not found on record. This resulted in irregular release of supplementary grant.

Audit is of the view that due to weak financial discipline irregular release was made.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends regularization besides fixing responsibility against the person(s) at fault.

(AIR Para No. 2)

4.5.3.2 Non-approval of accounting systems of health council from Finance Department – Rs 31.433 million

According to Sr No. 304 Chapter 15 of GFR Volume-I, the form in which and the general principles and methods according to which the accounts of Government should be kept have been prescribed by the Auditor-General with the approval of Finance Department and the main directions in respect thereof are contained in Volume I of the account Code.

During audit of the various health facilities of DHA Chakwal for the Financial Year 2018-19, it was noticed that Rs 31.433 million were

²⁹ No.FD.SO(GOODS)44-4/2016

incurred from Health Council Account but procedure of accounting system was neither approved by the Finance Department Punjab nor adopted with the concurrence of AG Punjab. This resulted in irregular expenditure from Health Council as detailed below:

Sr. No.	Name of formation	Amount (Rs in million)
01	DHQ Hospital Chakwal	7.586
02	THQ Hospital Talagang	8.687
03	Govt., City Hospital Talagang	4.902
04	THQ Hospital Choa Saidan Shah	6.724
05	THQ Hospital Kallar Kahar	3.534
	Total	31.433

Audit is of the view that due to weak financial management, accounting system was not got approved from the Finance Department.

Matter was reported to CEO/PAO in December 2019. Despite issuing reminders on 27.12.2019, and 07.01.2020, neither reply was submitted nor DAC meeting convened, till the finalization of this report.

Audit recommends submission of monthly accounts to Accountant General's office besides clarification from Finance Department.

(AIR Para No. 20,10,12,16,14)

CHAPTER 5

DISTRICT HEALTH AUTHORITY, GUJRANWALA

5.1 Introduction of the Authority

District Health Authority, Gujranwala was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Gujranwala is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authorities, Gujranwala as delineated in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Gujranwala manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
Basic Health Units	93
Government Rural Dispensary	23
Rural Health Centre	12
Tehsil Head Quarter Hospitals	03
District Head Quarter Hospitals	00
District Health Development Centre	01
District Health Officers	01
Any other institute/ health facility	12

5.2 Audit Profile of District Health Authority, Gujranwala

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Gujranwala	20	10	1985.460	3.383

5.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 82.213 million were raised in this report during current audit of “District Health Authority, Gujranwala.” This amount also includes recoveries of Rs 40.914 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	-
	A. HR/Employees related irregularities	37.404
	B. Procurement related irregularities	17.138
	C. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	-
5	Others	27.671
Total		82.213

5.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	18	Not convened
2	2018-19	18	Not convened

5.5 AUDIT PARAS

5.5.1 Irregularities

5.5.1.1 HR / Employee related irregularities

5.5.1.1.1 Inadmissible / overpayment of special allowances - Rs 14.554 million

According to Clause 6 (ii) of Government of Punjab finance department budget notification³⁰ dated 14.7.17 those employees who are not in receipt of adhoc allowance- 2010 @50% , the existing amount of special allowance shall be reduced by 50% w.e.f 1.7.2017, and the remaining amount shall continue to be drawn at frozen level.

The staff of the following formations under jurisdiction of District Health Authority, Gujranwala for the year 2018-19 failed to deduct 50% Special Allowances from the pay of the doctors and nurses as they were not in receipt of Ad-hoc Allowance 2010 @50% before 1.7.17.. This resulted in overpayment of Special Allowances of Rs 14.554 million as detailed below:

Sr. No.	Name of Formation	Amount (Rs in million)
1	THQ Hospital Kamoke	13.281
2	RHC Aimenabad	1.273
Total		14.554

Audit is of the view that due to weak internal control, instructions of Finance Department govt. of the Punjab were not followed and overpayment was made.

The matter was reported to the Administrator in September, 2019. DAC in its meeting held on 09.11.19 did not find the reply of the management tenable and decided to keep the para pending.

Audit recommends for early recovery of the amount under intimation to Audit.

(PDP No. 147,147)

5.5.1.1.2 Overpayment of HSRA & Conveyance Allowance - Rs 11.581 million

“HSR allowance is payable only when the doctors / Paramedics and other staff perform their duties under the PHSRP at RHCs / BHUs. Any doctor / Paramedic and other staff whether regular or on contract,

³⁰ No.FD.PC 2-1/2017

posted and drawing pay against the posts of RHCs/BHUs is directed to perform the somewhere else will not be entitled to PHSRP (HSR) allowance any such allowance paid should be recovered³¹.

“HSRP allowance is admissible to employees working at BHUs, RHCs and further according to No.SO(ND)2-26/2012 dated 01-2013 issued by Government of Punjab Health Department only Specialists are entitled to draw HSRP”³²

During scrutiny the accounts record of CEO (DHA) Gujranwala for the Financial Year 2018-19, audit observed that HSRP allowance was paid to employees in violation of the instructions *ibid*. Some doctors were observed drawing HSRP Allowance but they were not doing hospital base practice after duty hours.

Sr. No.	Name of Formations	Amount (Rs in million)
1	CEO (DHA) G.W	3.043
3	DO (H) GW	0.870
3	DO (H) GW	1.327
4	Govt. Maternity Hospital GW	0.127
5	Govt. Maternity Hospital GW	0.085
6	Govt. Maternity Hospital GW	0.118
7	THQ Hospital Waziraba	3.071
8	THQ Hospital Waziraba	2.94
Total		11.581

Audit is of view that due to weak internal controls inadmissible allowance were allowed to officials.-

This resulted in overpayment of Rs.11.581 million.

The matter was reported to the Administrator in September, 2019. DAC in its meeting held on 09.11.19 directed to effect the recovery.

Audit recommends recovery from the concerned quarters under intimation to Audit.

(PDP No. 09,29,30,55,56,57,62,79)

³¹ Letter No. PMU/PHSRP/G-I-06/61/760 dated the 16th March, 2007, Government of the Punjab, Health Department

³² Letter No. PO(P&E-1) 19-113/2004 dated 13th April 2007 issued by Government of Punjab Health Department

5.5.1.1.3 Overpayment on account of pay & allowances - Rs 5.023 million

According to Adhoc Appointment Order, the appointment on adhoc basis for a period of one year at THQ Kamoke or till the availability of regular incumbent / selectee of the Punjab Public Service Commission Lahore whichever is earlier.

Scrutiny of accounts record of MS THQ Hospital Kamoke, District Gujranwala for the year 2018-19 revealed that following doctors were appointed on adhoc basis. Services of the doctors appointed on adhoc basis were terminated on the arrival of the regular incumbents but pay and allowances were allowed to them. This resulted in over payment of Rs 5.023 million on account of pay and allowances as detailed below;

Name	Personnel No.	Gross Pay (Rs)	Period	Overpayment (Rs)
Dr. Bushra Sadiq	31560139	177426	18.07.2018 to 30.11.2018	789,832,
Dr. Bushra Sadiq	31560139	180870	01.12.2018 to 31.01.2019	361,740
Dr. Sara Masood	32103999	89027	05.12.2018 to 30.05.2019	165,625
Dr. Asma Saeed DS	32048397	97739	21.07.2018 to 31.10.2018	324,746
Dr. Sehar Ashraf DS	32001667	97739	21.07.2018 to 31.10.2018	324,746
Dr. Mamoona Tahira	32116708	98739	14.02.2019 to 31.03.2019	151,635
Dr. Anum Naveed WMO		94739	13.04.2019 to 30.06.2019	246,321
Dr. Mish Sohail		97739	09.03.2019 to 30.06.2019	248,213
Dr. Mushtaq Ahmed	30236381	173433	09.03.2019 to 30.06.2019	659,045
Dr. Rabia Mansoori Pan	31847255	72618	01.09.2017 to 30.09.2017	72,618
Dr. Muhammad Afzal	30410799	117238	08.02.2019 to 01.03.2019	87,928
M. Nadeem	30874926	123022	July 2019	246,044
Dr. Affaq	31744926	142615	July 2019	142,615
Dr. Zainab	31999281	100499	April to June 2019	301,497
Dr. Usman Habib	31901199	150000	July to Dec 2018	900,000
Total				5,022,605

Audit holds that due to weak internal control, over payment on account of pay and allowances was made to doctors whose services were terminated.

The matter was reported to the Administrator in September, 2019.DAC in its meeting held on 09.11.19 directed to effect the recovery.

Audit recommends for recovery under intimation to Audit.

(PDP123, 124,126,132, 059, 133,134, 136,138)

5.5.1.1.4 Un-authorized drawl of incentive allowance –Rs6.246 million

Consultant shall checkout from morning shift through Bio-Metric attendance system after 2:00 PM and shall check in again after 5:00 pm. The Consultant shall remain in hospital at-least for one hour and shall conclude the round by checking out again in order to draw incentive allowance³³.

During scrutiny of accounts record of the following formations for the Financial Year 2018-19, audit observed that specialists were drawing full amount of Incentive Allowance during the financial year 2018-19. However proof of evening visits of the specialists along with biometric attendance was not available on record. In the absence of evening stay register and biometric attendance payment of Incentive Allowance was unjustified. This resulted in unjustified payment of Rs 4.574 million.

Sr. No.	Name of Formation	Amount (Rs in million)
1	MS THQ Hospital Wazirabad	3.998
2	MS THQ Hospital NoushehraVerkan	0.576
3	M.S THQ Hospital Kamoke	1.672
Total		6.246

Audit holds that due to weak internal controls audit holds drawl of Incentive Allowance unjustified.

The matter was reported to the Administrator in September, 2019.DAC in its meeting held on 09.11.19 did not find the reply of the management tenable and decide to keep the para pending.

Audit recommends recovery of the amount.

(PDP.88, 97, 131)

³³ According to letter No. PA/DS/G)4-8/2016 by Government of the Punjab Primary and Secondary Healthcare department Lahore dated 3rd August,2016

5.5.1.2 Procurement related irregularities

5.5.1.2.1 Un-authorized award of rate contract-Rs 7.436 million

According to PPRA Rules 2014 (2) v) fraudulent practice by any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.

Scrutiny of the technical evaluation document of purchase of medicines at CEO (H) office Gujranwala for the financial year 2018-19, it was revealed that management of CEO (H) office awarded rate contract to technically un-qualified firms. Audit noticed that the suppliers did not fulfill the condition of minimum turnover. annual turnover for the importers and manufacturers were five hundred million and one billion respectively. But M/s Nisa Impex (Pvt) Ltd. (Importer) and M/s Wimits Pharmaceuticals had annual turnover of 227.699 million and 450.956 million respectively but these firms were awarded contracts. Management of CEO (H), Gujranwala by-passed the agreed condition agreed to in the video link conference and framed their own condition just to facilitate the firms.

Audit holds that due to weak control management of CEO (H), Gujranwala relaxed the condition of annual turnover to extend benefit to supplier of its choice.

This resulted in un-authorized award of rate contract of medicine.

The matter was reported to the Administrator in September, 2019. DAC in its meeting held on 09.11.19 directed to effect the recovery.

Audit recommends that matter may be investigated at appropriate level besides fixing of responsibility against the person (s) at fault.

(PDP.19)

5.5.1.2.2 Irregular expenditure on purchase of day-to-day medicines –Rs6.192 million

As Per Government of the Punjab Health department letter No 199-336 dated 30.04.1998 and letter No AAC/HD/1-42/94(p) 14.04.1998 the procedure for purchase of day to LP medicine should be as follows: -

Tender register should be maintained. The same committee should process the case which is nominated by the Government for bulk purchase of medicines. 5% security of the LP budget should be obtained from successful bidder. Discount rate for drugs of multinational items finalized by the Government should be kept in view. Contract for disposable and

surgical items should be finalized separately on the basis of open tender, discount rate, rate contract. Patient's treatment register showing name registration number, address diagnosis, medicines etc. should be maintained. LP should not be for more than seven days for one patient. Drugs should be received defaced and issued from store against proper acknowledgement.

During scrutiny of the record of the following offices working under the control of District Health Authority, Gujranwala for the financial year 2018-19, audit observed that an amount of Rs.6.192 million was incurred on Local Purchase of medicines in violation of government instructions. The medicine was not purchased for specific patient against the prescription of the doctor. Detail is as under;

Sr. No.	Name of Formation	Amount (Rs in million)
1	Govt. Maternity Hospital GW	0.447
2	THQ Hospital Wazirabad	5.600
3	RHC JamkeyChattha	0.145
Total		6.192

Audit is of the view that due to non-compliance of rules, medicine was purchased in violation of the instructions issued by the authorities

The matter was reported to the Administrator in September, 2019. DAC in its meeting 9-11-2019 did not find the reply of the management tenable and decided to keep the para pending.

Audit recommends for regularization of expenditure besides fixation of responsibility on person at fault under intimation to Audit.

(PDP.49, 80, 110)

5.5.1.2.3 Loss due to non-imposition of liquidated damages on account of late delivery of medicine –Rs2.346 million

Extension of delivery period should not be allowed as a matter of routine; where necessary such extension should be granted with reservation of rights (RR). Extension beyond the period of one month shall be allowed after obtaining security at the rate of 2.5% of the value of contract from the registered firms in addition to imposition of liquidated damages at the rate of 2% per month or part thereof of the value of goods / supplies delivered late. Moreover, no extension in delivery period shall be allowed if it extends to next financial year without the approval of indenting officer, who should confirm availability of funds in the next financial year. Liquidated damages shall not be waived in such cases as per Para 49 (i) (iii) & Para 50 of Purchase Manual.

During scrutiny of record of following offices of District Health Authority Gujranwala for the year 2018-19, audit observed that contract for supply of medicines was not executed within stipulated period i.e. 45 days. Management did not impose liquidated damages @2% per month on the value of supplies. This resulted in loss of Rs.2.346 million on account of non-imposition of liquidated damages and recovery thereof.

Sr. No.	Name of Formation	Amount (Rs in million)
1	DHO GW	1.446
2	DHO GW	0.605
3	Govt. Maternity Hospital GW	0.040
4	THQ Hospital NoushehaVerkan	0.100
5	DHO GW	0.024
6	RHC Rasool Nagar	0.054
7	RHC Aimnabad	0.077
Total		2.346

Audit holds that due to weak internal control the penalty was not imposed on the defaulters.

The matter was reported to the Administrator in September, 2019. Management replied that they had written letters to suppliers to pay penalty. DAC in its meeting held on 09.11.19 decided to keep the para pending.

Audit recommends for recovery besides fixation of responsibility against person(s) at fault under intimation to Audit.

(PDP 35,40,46,107,112,162,167)

5.5.1.2.4 Loss to government due to acceptance of higher rates for purchase of medicines-Rs1.164 million

According to Rule 4 of PPRA 2014, “a procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement should bring value for money to the procuring agency and the procurement process is efficient and economical.”

CEO Health Gujranwala awarded rate contract for purchase of drugs / medicines during the financial year 2018-19. Rates were found on the higher side when rates awarded to successful bidders / pharmaceutical companies were compared with the rates offered by the same companies in district Hafizabad and Bhakkar,. Annexure J:

Audit is of the view that due to weak financial controls of management higher rates were approved.

This resulted into overpayment of Rs.1.165million.

The matter was reported to the Administrator in September, 2019.DAC in its meeting held on 09.11.19 directed to recover the excessive amount paid to supplier and decided to keep the para pending.

Audit recommends recovery of the overpayment besides fixing the responsibility on the person (s) at fault under intimation to Audit.

(PDP No.7)

5.5.2 Others

5.5.2.1 Irregular cash payment to suppliers and leave encashment -Rs 16.437million

According to clause 4(b) of Punjab District Authorities Accounts Rules 2017, the mode of payment from local fund of district authority shall be through cross non-negotiable cheque if amount exceed one thousand.

During scrutiny of the accounts record of the following Formations under the control of District Health Authority, Gujranwala for the year 2018-19, audit noticed that District Accounts Office made payment of Rs. 16.437 million in the name of DDO. Whereas the payment should have been made to vendors through cross non-negotiable cheques. This resulted irregular cash payments for Rs. 16.437 million as detailed below.

Sr. No.	Name of Formation	Amount (Rs in million)
1	DHO (Municipal Services) GW	5.293
2	DDHO NoshehraVerkan	1.148
3	Govt. Maternity Hospital GW	0.353
4	DHO (Municipal services) GW	1.93
5	DHO (Municipal services) GW	1.3
6	RHC JamkeyDretha	0.803
7	RHC Rasool Nagar	0.825
8	RHC Aimnabad	4.785
Total		16.437

Audit holds that due to weak internal control and non-compliance of rules the payments were made in cash instead of direct transfer to the vendors.

The matter was reported to the Administrator in September, 2019. DAC in its meeting held on 09.11.19 directed to get clarification from finance department Govt. of the Punjab regarding drawl of leave encashment by the DDO and decided to keep the para pending.

Audit recommends for fixation of responsibility on person (s) at fault under intimation to Audit.

(PDP No. 38, 44,48,69,102,113,160,172)

5.5.2.2 Non-credit of collected receipts in the authority's account-VI –Rs 9.644 million

According to Section 68 of the Punjab District Authorities (Budget) Rules 2017, read with Rule 7 (h) of Punjab District Authorities

Accounts Rules, 2017, the primary obligation of the collecting officer shall be to ensure that all revenue due is claimed, realized and credited immediately to the District Authority fund and to record entries under proper receipt head and all cash transactions shall be entered in Receipts Register and Cash book and attested accordingly. Accounts of receipts and expenditure of District

CEO Health authority Gujranwala, collected receipts of Rs.9.644 million under the various heads of receipts but the credit of these receipts were not found in the District Health Authority's A/C-VI. Furthermore, the budget targets of receipts were also not shown in the annual budget of the authority. Audit is of the view that due to weak internal and financial controls the management did not realize and credit the receipt to District Health Authority accounts.

This resulted in loss of Rs.9.644 million on account of receipt to DHA.

The matter was reported to the Administrator in September, 2019.DAC in its meeting held on 09.11.19 directed para be kept pending for want of recovery.

Audit holds that the receipt needs to be realized, reconciled and credited to the District Health Authority's Fund.

(PDP No.21)

5.5.2.3 Unjustified payment of adjustments – Rs1.59 million

According to PLGA (Accounts) Rules 2017 bills and other vouchers presented for payment shall be scrutinized by the DDO or the person authorized by him in this behalf and if the claim is admissible and in order, he shall record certificate that after internal audit of his satisfaction sanction is accorded for payment. And this payment as claimed in the bill is unavoidable with regard to the interest of the Local Government

Scrutiny of accounts record of MS THQ Hospital Kamoke District Gujranwala revealed that regular pay and allowances of Mst. Uzma Gillani Charge Nurse & Dr. Affaq Yousaf Consultant were started in January 2019 through SAP. The officers were drawing continuously salaries from January to June 2019 whereas adjustment was paid in three consecutive months from January to March 2019. Once the adjustment was paid to the charge nurse then payment of second and third adjustment was unjustified.

Audit holds that irregular payment on account of arrears were made to officials.

The matter was reported to the Administrator in September, 2019. DAC in its meeting held on 09.11.19 decided to keep the pending as management did not submit annotated reply.

Audit recommends inquiry of the expenditure besides fixation of responsibility on person (s) at fault under intimation to Audit.

(PDP No.148)

CHAPTER 6

DISTRICT HEALTH AUTHORITY, GUJRAT

6.1 Introduction of the Authority

District Health Authority, Gujrat was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Gujrat is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authority Gujrat as delineated in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Gujrat manages following primary and secondary health care facilities and institutions:

Description	No. of health facility/ institute
Basic Health Unit	89
Government Rural Dispensary	03
Mother and Child Health care	11
Rural Health Centre	11
Government Maternity Hospital	06
Government Trauma Centre	01

Description	No. of health facility/ institute
Civil Hospital	03
Tehsil Head Quarter Hospitals	03
District Blood Transfusion Officer	01
District Health Development Centre	01
District Health Officers	01

6.2 Audit Profile of District Health Authority, Gujrat

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Gujrat	31	8	1279.199	0.154

6.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 271.559 million were raised in this report during current audit of “District Health Authority, Gujrat.” This amount also includes recoveries of Rs 37.228 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	-
	A. HR/Employees related irregularities	42.297
	B. Procurement related irregularities	132.646
	C. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	-
5	Others	96.616
Total		271.559

6.4 Brief Comments on the Status of Compliance with PAC Directive

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	8	Not convened
2	2018-19	8	Not convened

6.5 AUDIT PARAS

6.5.1 Irregularities

6.5.1.1 HR / Employee related irregularities

6.5.1.1.1 Un-authorized drawl of incentive allowance – Rs 14.855 million

Consultant shall check out from morning shift through Bio-Metric attendance system after 2:00 PM and shall check in again after 5:00 pm and remain in hospital at-least for one hour and conclude the round by checking out shall be eligible for the drawl of incentive allowance.³⁴

Audit of the following formations in Financial Year 2018-19 revealed that the management paid Incentive Allowance to the consultants/ specialist for their evening visit. Audit noticed that their checking in, checking out, stay in hospital and evening round was not available on record. All the specialists were drawing House Rent and Conveyance Allowances that implies that these officials were neither residing in hospital premises nor paying visits to wards in the evening. Further, biometric attendance of the specialists was also not available on record. In the absence of evening stay register and biometric attendance, drawl of Incentive Allowance was held unjustified. Incentive Allowance amounting to Rs 14,855,129 was made without evidence of duty having been performed at evening in violation of the criteria ibid.

Sr. No.	Name of Formation	Amount (Rs in million)
01.	MS THQ Hospital Kharian	7.345
02.	MS THQ Hospital Kunjah	2.206
03.	MS Civil Hospital Dinga Gujrat	1.235
04.	MS THQ Hospital Sarai Alamgir	2.229
05.	MS THQ Level Hospital Lalamusa	1.840
Total		14.855

Audit hold that due to weak internal controls and financial indiscipline un-authorized payment was made to consultant.

This resulted in unauthorized payment of Incentive Allowance of Rs 14.85 million.

This lapse was pointed out in November, 2019. The management replied that according to the standing instructions of the Primary & Secondary Healthcare Department, Govt. of the Punjab Lahore, Incentive

³⁴ No. PA/DS/G)4-8/2016 dated 3rd August,2016 of Government of the Punjab Primary and Secondary Healthcare department Lahore

Allowance is admissible to the specialist/consultants. DAC meeting held on 17.01.2020, decided to keep the para pending till the recovery of the 40% that is conditional with biometric attendance in the evening and directed to DAO Gujrat to pay the 40% of Incentive Allowance through manual bills which should be dully verified by the concerned MS that consultant had attended the hospital in the evening.

Audit recommends to effect recovery from the defaulters under report to audit.

[PDP No.98, 118,141,168,198]

6.5.1.1.2 Unjustified payment of pay and allowances - Rs 6.97 million

Half of the monthly HSR allowance of the doctor or staff member concerned on one unauthorized absence during a month will be made and stoppage of HSR allowance for three month at the minimum but may be up to six month on two unauthorized absence during a month. In case of absent from duty the official/office shall not be entitled for pay and allowance³⁵.

Scrutiny of accounts record of MS THQ Hospital Lalamusa District Gujrat revealed that some officers / officials were found absent from their duties during the FY 2018-19 as per biometric attendance report. The absent period was not decided as EOL nor was the amount paid against absent period recovered.. This resulted in unjustified payment of pay and allowances to officers/officials.

Audit is of the view that due to weak internal controls, pay and allowances of absent period were not recovered.

This lapse was pointed out in November, 2019. The management replied that biometric machine remained out of order and no one was absent from duty as the attendance has been marked on attendance register. DAC in its meeting held on 17.01.2020 disagreed with the reply and directed the CEO DHA Gujrat to constitute a committee to scrutinize the matter and make sure recovery of the overpayment within three months.

Audit recommends that matter may be inquired at appropriate level, fix responsibility and recovery be effected from concerned under report to audit.

[PDP No.207]

³⁵ Government of the Punjab, Health Department, Secretary Health letter No.PS(SH)30-06-2010 dated 30-06-2010

6.5.1.1.3 Unjustified payment of personal allowance - Rs 4.99 million

Personal Allowance is to be discontinued upon fresh appointment, promotion, retirement and posting to another cadre case³⁶.

Some employees under the administrative control of CEO District Health Authority, Gujrat were regularized in March 2013. Afterwards, they were promoted to next higher scale in April 2018. But pay was not fixed and Personal Allowance which was allowed to them at the time of their regularization of services was not discontinued after their promotion. This resulted in unjustified payment of Personal Allowance of Rs 4.992 million.

Audit is of the view that due to non compliance of rules irregular payment of Person Allowance was made which resulted in over payment of Rs.4.992 million.

The matter was reported to PAO in November, 2019 but no cogent reply was presented by the management. DAC in its meeting held on 17.01.2020 after detailed discussion directed to scrutinize all the case and directed to make sure of the complete recovery within two month.

Audit recommends for immediate recovery of the amount involved under intimation to Audit.

[PDP No.23]

6.5.1.1.4 Irregular payment of pay and allowances and HSRA due to staff on general duty - Rs 4.482 million

According to Health Department letter No. PMU/PHSRP/G-1.06/61/270-340 dated 16.03.2007 that PHSRP Allowance will not be admissible to any doctor, para-medical & other staff whether regular or on contract, posted in RHC/BHU and performing duties somewhere else. Any such allowance so paid should be recovered.

CEO Health DHA Gujrat allowed pay and allowances to certain employees who remained on general duty for more than 89 days and were paid pay and allowances of Rs 4,482,024. Some were drawing Health Sector Reform Allowance of Rs 686,750 which was not admissible during temporary duty. This resulted in irregular payment of pay and allowances and inadmissible payment of HSRA.

³⁶ Government of Punjab, Finance Department letter No FD-SR-II/9-214/2013 dated 27.11.2014

Audit is of the view that due to weak internal controls, irregular pay and allowances were paid.

The matter was reported to PAO in November, 2019 the management replied that Salary Change Forms have been submitted to the District Accounts Office Gujrat for recovery. DAC in its meeting held on 17.01.2020 showed serious concern on this matter and directed the deputy director Budget & Finance to scrutinize all such cases in DHA Gujrat.

Audit recommends for immediate recovery of the amount under intimation to Audit.

[PDP No.04]

6.5.1.1.5 Un-authorized appointment of doctors into higher scale- Rs 3.016 million

According to CSR, 1974; adhoc appointment in higher scale can only be made if candidate is fulfilling the criteria of qualification and experience.

Audit of the Medical Superintendent THQ Hospital Sarai Alamgeer for the Financial Year 2018-19, revealed that following doctors were appointed into higher scale in violation of the Civil Servant Rules 1974, as the appointees did not meet the criteria of experience and qualification. Detail is as under:

Sr. No.	Name	Designation	Salary / month (Rs)	Months	Recovery (Rs)
1	Dr. Shabna Rashid Naqvi	SWMO	94257	8	754,056
2	Dr Erum Rehman	SWMO	94,257	9	848,313
3	Dr. Ubeer Anjum	SWMO	94,257	5	471,285
4	Dr. Atif Javed	SMO	94,257	10	942,570
Total			282,890		3,016,224

Audit holds that due to weak internal control un-authorized appointments were made without observing the rules.

This resulted in un-authorized appointment of doctors in higher scale and payment amounting to Rs. 3.016 million.

The matter was reported to PAO in November, 2019, the management replied that these appointments were made directly by the Secretary Primary and Secondary Healthcare Department and the same was endorsed by the CEO DHA Gujrat. DAC in its meeting held on 17.01.2020 directed to CEO health to take up the matter with Secretary Primary and Secondary Healthcare Department.

Audit recommends for probe into the matter and fixation of responsibility against the person at fault.

[PDP No.134]

6.5.1.1.6 Unjustified payment of pay and allowances-Rs 2.385 million

Half of the monthly HSR allowance of the Doctor or staff member concerned on one unauthorized absence during a month will be made and stoppage of HSR allowance for three month at the minimum but may be up to six month on two unauthorized absence during a month. In case of absent from duty the official/office shall not be entitled for pay and allowance³⁷.

Scrutiny of accounts record of MS THQ Hospital kunjah, District Gujrat revealed that some officers / officials were found absent from their duties during the FY 2018-19 as per biometric attendance report. The absent period was not decided as EOL nor was the amount paid against absent period recovered.. This resulted in unjustified payment of pay and allowances to officers/officials.

Audit is of the view that due to weak internal controls, deduction on account of absent period from pay and allowances was not made.

The matter was reported to PAO in November, the management replied that the biometric attendance will be scrutinized and recovery will be effected after detailed verification.

The DAC in its meeting held on 17.01.2020 directed to take up the matter with PITB about the non-functioning of biometric machines and further directed DHO HR to inquire the matter.

Audit recommends for probe into the matter and fixation of responsibility and recovery of the amount involved.

[PDP No.23]

6.5.1.1.7 Overpayment of Health Sector Reform Allowance – Rs 3.082 million

The HSR allowance is payable only when the doctors / Paramedics and other staff perform their duties under the PHSRP at RHCs / BHUs³⁸.

³⁷ Government of the Punjab, Health Department, Secretary Health letter No.PS(SH)30-06-2010 dated 30-06-2010

³⁸ Government of the Punjab, Health Department letter No. PMU/PHSRP/G-I-06/61/760 dated the 16th March, 2007

Any doctor / Paramedic and other staff whether regular or on contract, posted and drawing pay against the posts of RHCs/BHUs is directed to perform the somewhere else will not be entitled to PHSRP(HSR) allowance any such allowance paid should be recovered. Further no HSRA is admissible during leave period.

During scrutiny of following Health facilities in District Gujrat for the period 2018-19, audit noticed that various staff members remained on general duty during the period but Health Sector Reform Allowance was not deducted. Likewise, HSRA was paid above the entitlement which was not admissible to them. This resulted in overpayment of Rs.3.08 million.

Sr. No.	Name of Office	Amount (Rs in million)
01	District Officer Health Gujrat	0.494
02	MS THQ Hospital Kharian	0.697
04	MS Government Maternity Hospital, Gujrat	0.453
05	MS THQ Hospital Kunjah District Gujrat	1.438
Total		3.082

Audit holds that due to weak internal control and poor financial management, payment of pay & allowances was made in excess than admissible.

The matter was reported to PAO in November, 2019 the management of these offices replied that recovery is in process. DAC in its meeting held on 17.01.2020 DAC directed the CEO DHA Gujrat to take up the matter at appropriate level and recover the amount in question.

Audit recommends that recovery of over payment besides fixing responsibility person(s) at fault under report to Audit.

[PDP No.55.61,97,167]

6.5.1.1.8 Unjustified drawl of Social Security Benefit -Rs 1.427 million

According to (XIII)(i)(b) Contract Appointment Policy in 2004 of Government of the Punjab, Social Security Benefit is admissible only to contract employees.

Social Security Benefit @ 30% in lieu of Pension was paid to the following staff by the CEO DHA Gujrat 2018-19. Services of the officials were regularized since January 2015. The pay of these employees was required to be fixed at the initial stage of their pay scales and payment on account of SSB 30% was to be discontinued. This resulted in unjustified

payment of 30%-SSB and Pay and allowances of Rs 1.427 million and overpayment of pay and allowances.

Name of employee	Office	Personal No.	Designation	Amount Drawn (Rs)
Mohsin Mehdi	IRMNCH	31651739	Security Guard	2793x56= 317688
Syed Athar Alam Shah	IRMNCH	31385175	Driver	5673x56= 317688
Syed Ali Umair	CEO Health	31766447	Junior Clerk	3771x36= 135756
Muhammad Tanveer Ud Din	CEO Health	31743205		3771x36= 135756
Abdul Ghaffar	CEO Health	31639557		3771x36= 135756
Wajahat Asghar	CEO Health	31616034		3771x36= 135756
Shamshad Ali	CEO Health	31464598	Naib Qasid	2739x36= 98604
Recovery of pay and allowances due to non fixation of pay and BE, GI				150,000
Total Recoverable Amount				1,427,004

Audit holds that due to non compliance of rules Social Security Benefit @30% in lieu of pension was paid to charge nurse even after the regularization of the services.

The matter was reported to PAO in November, 2019, the management replied that the Salary Change Forms were submitted to the District Accounts Office Gujrat for the recovery of overpayment on account of Social Security Benefit 30% in lieu of pension.

The DAC in its meeting held on 17.01.2020 directed deputy director Budget & Finance to scrutinize the cases in DHA Gujrat and recover the amount in question.

Audit recommends for immediate recovery of the amount involved under intimation to Audit.

[PDP No.03]

6.5.1.1.9 Non deduction of Conveyance Allowance and HSRA - Rs 1.090 million

According to Rule-7 of Treasury Rules, conveyance allowance is not admissible during leave period. As per Article 30 of Audit Code, all financial transactions are required to be properly recorded and allocated to proper heads of account. Rule 16(2) of PFR Vol-I requires that amount

deposited in government treasury should be reconciled with concerned Treasury Office.

CEO DHA, Gujrat sanctioned Ummra, Medical, Hajj, Maternity and private affair leaves to certain employees during the period under audit. However, Conveyance Allowance and HSRA was not deducted from the pay of officers/officials during the leave period. This resulted in non deduction of Conveyance Allowance and HSRA of Rs 1,090,795.

Audit holds that due to non compliance of rules, Conveyance Allowance and HSRA was not deducted which resulted overpayment to the employees. Audit recommends recovery of the amount.

The matter was reported to PAO in November, 2019 the management replied that the officers / officials of the DHA Gujrat were directed to deposit the amount of Conveyance Allowance.

The DAC in its meeting held on 17.01.2020 directed CEO DHA, Gujrat to make sure recovery.

Audit recommends for immediate recovery of the amount involved under intimation to Audit.

[PDP No.05]

6.5.1.2 Procurement related irregularities

6.5.1.2.1 Irregular issuance of medicine to the departments - Rs 81.87 million

According to Rule 15.4(a) of PFR Vol-I, all materials received should be examined, counted, measured and weighed, as the case may be, when delivery is taken, and they should be kept in charge of a responsible government servant. The receiving government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock registers.

During scrutiny of record in respect of issuance of medicine from the main store, audit observed that bulk medicine purchased by the CEO Health Gujrat received from the suppliers in main store and issued to the respective departments after DTL. Receiving was not obtained on the main store's stock register nor any further stock entry was earmarked from the receiving end. It was required to assure the stock entry page No. and date of the receiving end after countersignature of the authority to avoid any discrepancy. This resulted in irregular issuance of medicine of Rs 81.874 million.

Audit holds that due to internal control weakness and non compliance of rules irregular issuance of medicines worth Rs 81.874 million was made.

The matter was reported to PAO in November, 2019. The management replied that the stock register of medicines may be verified. DAC in its meeting held on 17.01.2020 directed for verification of issuance of medicines record from audit.

Audit recommends for probe into the matter and fixation of responsibility against the person at fault.

[PDP No.15]

6.5.1.2.2 Irregular purchase of medicine of Rs 41.944 million and short realization of penalty due to late supply of medicine

According to schedule of requirement of purchase order thirty days as delivery period, extension in delivery period with penalty @ 0.067% per day after 30 day shall be decided by the consignee /procuring Agency on the formal request of supplier as specified in clause 20 of General Conditions of the contract.

During scrutiny of record for purchase of medicine of Rs 41.499 million in respect of CEO Health Gujrat during 2018-19, audit found that penalty was charged less than the actual late period by taking the invoice date instead of actual date of delivery i.e. stock entry date. No request for extension in the delivery period was made by the supplier nor extension was granted by the authority hence the penalty for grace period shall also be charged. This resulted in short recovery of penalty of Rs 1.422 million.

Audit is of the view that weak internal control resulted in imposition of less penalty upon the suppliers.

The matter was reported to PAO in November, 2019 the management replied that the recovery notices were issued to the suppliers for liquidated damages.

The DAC in its meeting held on 17.01.2020 directed for prompt recovery of the amount in question.

Audit recommends for immediate recovery of amount involved.

[PDP No.01]

6.5.1.2.3 Irregular/doubtful purchase of L.P medicine in bulk - Rs 4.7 million

Budget allocated for purchase of drugs and medicines was required to be utilized in ratio of 85%:15% on bulk purchase of drugs and medicines and local purchase respectively. Further, as per condition set by Secretary Primary & Secondary Healthcare department Lahore, L.P medicine was to be purchased from a medical store having “form 9” or “form 10” license and situated within 2 km orbit from the facility provider³⁹. Following directives were to be observed while making local purchases of medicines⁴⁰.

- i. Local purchase should not be for more than seven days.
- ii. Treatment register should be maintained encompassing name, station, address, diagnosis and medicine.
- iii. Local purchase is not allowed for outdoor patients.
- iv. Drug should be received, defaced and issued from store

Audit of the Medical Superintendent THQ Hospital Kharian for the Financial Year 2018-19 revealed that L.P medicines need to be procured

³⁹ Finance Department’s policy letter No.FD(FR) 11-2/89 dated 1st September, 2001

⁴⁰ Government of the Punjab (Health Department) letter No.AAC/HD/1-42/49(P) dated 14th April,1998,

on day to day and patient to patient basis but hospital management purchased LP medicine of Rs 4.70 million in bulk in violation of the rule *ibid*.

Audit hold that due to weak financial and managerial control L.P medicine was purchased in bulk, over and above the day to day requirement and stored in unsafe environment.

This resulted in irregular and doubtful purchase of medicine Rs 4.7 million.

This lapse was pointed out in November, 2019. The management replied that that local purchase of medicine was done on day to day basis from Bosh pharmacy as per rules. DAC in its meeting held on 17.01.2020 directed to produce the relevant record for verification.

Audit recommends to probe the matter at appropriate level and fixing the responsibility against the person(s) at fault..

[PDP No.99]

6.5.1.2.4 Irregular purchase without floating tenders - Rs 3.197 million

According to Rule 9 read with rule 12(1) of Punjab Procurement Rules, of PPRA 2009 procurement over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on PPRA'S from time to time. Further, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurement.

During scrutiny of the record of Medical Superintendent THQ Hospital Sarai Alamgir for the Financial Year 2018-19, audit observed that management of THQ Hospital incurred an expenditure of Rs.3.197 million on contingency without floating demand on PPRA website in violation of the above rule. Management of THQ hospital followed the rate award of CEO (DHA) Gujrat, without any lawful authority. Detail is as under:

Sr. No.	Head of Account	Total Expenditure (Rs in million)
1	Others	2.098
2	COS	1.099
Total		3.197

Audit holds that due to non compliance of rules irregular purchase was made by violating PPRA rules.

This resulted into irregular purchase without uploading the advertisement amounting to Rs. 3.197 million.

This lapse was pointed out in November, 2019. The management replied that CEO is the chairman of the purchase committee and if he does the framework contract the management of the hospital can follow that rate contract. DAC in its meeting held on 17.01.2020 decided that the reply of the para was irrelevant.

Audit recommends that matter may be got regularized from the competent forum.

[PDP No.144]

6.5.1.2.5 Irregular Payment of Civil Works – Rs 0.935 million

According GFR Rule 92, when works allotted to a civil department other than the Public Works Department are executed departmentally,, whether direct or through contractors, the form and procedure relating to expenditure on such works should be prescribed by departmental regulations framed in consultation with the Accountant-General generally on the principles underlying the financial and accounting rules prescribed for similar works carried out by the Public Works Department.

MS Government Maternity Hospital, Gujrat incurred an expenditure on repair and maintenance of the hospital building during the financial years 2017-19. Audit observed that an amount of Rs 935,470 was expended on civil works without preparing detail estimates and items wise rates were not paid as per current market rate issued by the Finance Department Government of the Punjab by time to time. Neither the general financial procedure was followed nor market based rates were paid as directed in above mentioned rules.

Audit is of the view that irregular payment was made due to defective financial discipline and poor planning.

This lapse was pointed out in November, 2019. The management replied that all these work was carried out through Health Council of the hospital and according to Health Council guidelines there is no need of rough cost estimates. Further these works was carried out through different time interval according to the needs and assessment. DAC in its meeting held on 17.01.2020 did not accept the reply of the management.

Audit recommends regularization of the matter in a manner prescribed besides fixing responsibility against the persons at fault under intimation to Audit.

[PDP No.82]

6.5.2 Others

6.5.2.1 Non Utilization of budget - Rs 83.57 million

According to Punjab District Authorities (Budget) rules 2017, Section 5 (a,b,c) & 5(2,a,b) Head of offices and institutions are responsible to prepare realistic budget estimates, neither inflated nor under-pitched; all matters relating to budget shall be discharged with probity. The head of office and institution shall be responsible for all materials relating to budget for the offices under his administrative control and they will ensure strict financial control over budgeting.

Medical Superintendent Civil Hospital Dinga, Gujrat neither utilized the funds of Rs 83.570 million nor surrendered the amount within stipulated time for the Financial Year 2017-19. MS Civil Hospital Dinga received a total budget of Rs.134.070 million but spent a total amount of Rs. 50.499 million. leaving balance of Rs. 83.570 million. Audit further noticed that MS Civil Hospital Dinga was examining about 200 plus patients daily in hospital out door and prescribing medicines which were not available in hospital store. Due to non purchase of medicine, visiting patients were deprived of the government medicine out of hospital budget and forced to purchase medicines from the open market. Detail is as below:

Cost Center	Budget Status FY 17-19				Expenditure status FY 17-19			
	Salary	Non Salary	Dev.	Total	Salary	Non Salary	Dev.	Total
GV 9023	113,912,492	7,450,000	0	121,362,492	30,819,930	2,002,599	0	32,822,529
	10,825,500	1,881,700	0	12,707,200	17,307,731	369,162	0	17,676,893
Total	124,737,992	9,331,700	0	134,069,692	48,127,661	2,371,761	0	50,499,422

Auditor holds that due to poor financial management, funds were not utilized during the year.

This resulted in blockage of public money Rs. 83.570 million.

The matter was reported to PAO in November, 2019. The management replied that the funds remained unutilized due to non-processing of bills by DAO. DAC in its meeting held on 17.01.2020 directed the deputy director Budget & Finance to inquire the matter.

Audit recommends that matter may be inquired at appropriate level, besides fixing responsibility for non procurement of medicine and directing poor patients to buy medicine from open market.

[PDP No.110]

6.5.2.2 Wastage of government machinery and equipments - Rs 5.87 million

As per Rules 15.21 (4) of PFR Vol-I, the department was required to see, before the procurement of store items that balance in hand did not exceed the maximum limit prescribed the competent authority and it should be not in excess of requirement for a reasonable period.

Audit of Medical Superintendent Sara-i-Alimgir, Gujrat for the year 2018-19, revealed that following machinery and equipments were purchased for the hospital use. Due to non utilization in hospital from last three years no single case of operation was carried out by utilization of these machines. Warranty period had already been expired. Detail is as under:

Sr. No.	Name of Item	Qty	Amount Rs in million
Eye department Machinery & Equipment			
1	Operation Tables	02	0.400
2	Anesthesia Machine	01	2.145
3	Diathermy Machine	01	0.448
4.	ICU Monitor	01	0.080
5.	ICU Sterlizer	01	0.700
6.	Baby ventilator	01	1.600
7.	Baby incubator	01	0.200
8.	CTG Machine	01	0.150
9.	Infant Warmer	01	0.150
Total		10	5.873

Audit holds that due to weak administrative controls, equipments received from PMU could not be installed despite lapse of considerable time and expiry of warranty period.

It resulted into wastage of government machinery & equipments of Rs. 5.873 million.

The matter was reported to PAO in November, 2019. The management replied that an ophthalmologist should be appointment as soon as possible but it is beyond the authority of local management.

The DAC in its meeting held on 17.01.2020 directed to CEO health to prepare a consolidate report of non-utilized machine and equipment across the district and take up the matter with higher authorities.

Audit recommends that received equipments need to be installed at an earliest.

[PDP No.157]

6.5.2.3 Non utilization/blockage of Health Council funds - Rs 5.282 million

According to rule 60 (1) of Punjab District Authorities Budget Rules, 2017, in case expenditure is likely to exceed from the approved grant, the head of office or institution and the drawing and disbursing officer shall take immediate steps to prevent the excess expenditure by (a) exercising strict control over the affected grant (b) transferring funds through re-appropriation; and (c) submitting, as soon as the exigency arises, a request for supplementary grant. (2) If funds cannot be provided through re-appropriation, a proposal for supplementary grant shall be prepared and got approved from District Authority.

Audit of Medical Superintendent THQ Hospital Sarai-Almgir for the year 2018-19, revealed that an amount of Rs.5.282 million was found idle in BOP Bank Kharian A/c No. 6940-2 " Health council THQ Hospital Sari-Almgir" since last year. Due to non utilization of fund, local community was deprived of the health facilities..

Audit holds that due to weak internal control, management of the hospital failed to utilize the budget well in time.

This resulted into non utilization/blockage of Health Council funds of Rs. 5.822 million.

The matter was reported to PAO in November, 2019. The management replied that this amount included Rs 3.0 million of civil works from PMU. The tender of Civil works was floated twice but no party / contractor participated in the tender. Now in the previous meeting minutes has been approved by the health council committee and tender is being refloated on PPRA.

The DAC in its meeting held on 17.01.2020 gave direction to utilize the amount and collect the vouched accounts and residual balance from the Buildings department.

Audit recommends that matter may be investigated at appropriate level and responsibility be fixed against the person (s) at fault.

[PDP No.146]

6.5.2.4 Use of LP budget in excess of prescribed limit – Rs 1.894 million

Government of the Punjab, Finance Department vide notification No FD(FR) ii-/89 dated 01-11-2001 bounded to spent medicine budget in following ratio:

- i. 10% reserved for natural calamities / emergencies to be purchase in bulk.
- ii. 15% day to day purchase for normal medicines.
- iii. 75% bulk purchase for normal medicines.

The budgetary authorization under purchase of medicines would be subject the condition that 85% of the budget of medicines would be utilized through bulk purchase.

During scrutiny of the record of MS THQ, Hospital, Sari-Alamgir for the year 2018-19 audit found that out of total budget of Rs 8.000 million for purchase of medicines, Rs 3.093 million was incurred on purchase of medicine through local purchase instead of admissible limit of Rs 1.200 million resulting in excess expenditure of Rs 1.893 million on local purchase of medicines.

Audit holds that due to lack of planning LP was purchased in excess of the prescribed limit of Rs. 1.893 million.

The matter was reported to PAO in November, 2019. The management replied that THQ hospital Sarai Alamgir had evaluated the situation and decided to purchase the remaining 10% of medicine in public interest and to avoid lapse of funds.

The DAC in its meeting held on 17.01.2020 directed Deputy Director Budget & Finance to inquire the matter.

Audit recommends that matter may be inquired and responsibility be fixed against the person (s) at fault.

[PDP No.152]

CHAPTER 7

DISTRICT HEALTH AUTHORITY, HAFIZABAD

7.1 Introduction of the Authority

District Health Authority, Hafizabad was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Hafizabad is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authorities, Hafizabad as delineated in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Hafizabad manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
Basic Health Unit	32
Government Rural Dispensary	08
Mother and Child Health care	05
Rural Health Centre	07
District Headquarter Hospital	01
Trauma Center	01
Tehsil Head Quarter Hospitals	01

Zila Council Dispensaries	09
District Health Officers	01
General Nursing School	01

7.2 Audit Profile of District Health Authority, Hafizabad

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Hafizabad	13	6	1225.966	3.349

7.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 423.458 million were raised in this report during current audit of “District Health Authority, Hafizabad.” This amount also includes recoveries of Rs 94.859 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	-
	A. HR/Employees related irregularities	138.479
	B. Procurement related irregularities	218.542
	C. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	-
5	Others	66.437
	Total	423.458

7.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	12	Not convened
2	2018-19	19	Not convened

7.5 AUDIT PARAS

7.5.1 Irregularities

7.5.1.1 HR / Employee related irregularities

7.5.1.1.1 Inadmissible/Overpayment of special allowances - Rs 73.274 million

According to Clause 6 (ii) of Government of Punjab finance department budget notification⁴¹ dated 14.7.17 those employees who are not in receipt of adhoc relief allowance- 2010 @ 50% as on 30.6.2017, the existing amount of special allowance shall be reduced by 50% w.e.f 1.7.17 and remaining amount shall continue to be drawn at frozen level.

Certain offices under the jurisdiction of District Health Authority Hafizabad did not deduct 50% Special Allowances from the pay of the doctors as they were not in receipt of Adhoc Allowance 2010 @ 50% before 01.07.2017 against the rule ibid, as detailed below;

Name of formation	Amount (Rs in million)
DO Health	1.151
DHQ Hospital Hafizabad	69.931
THQ Hospital Pindi Bhattian	2.192
Total	73.274

Audit is of the view that due to weak internal controls the instructions of Finance Department were not followed.

This resulted in overpayment of pay & allowances by Rs 73.274 million.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report.

Audit recommends for early recovery of the amount under intimation to Audit.

[PDP No. 52,61.106]

7.5.1.1.2 Irregular drawl of arrears bills - Rs 25.054 million

According to Rule 9(b) of Punjab District Authorities (Accounts) Rules 2017 “the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any over charge, fraud or misappropriation and shall be liable to make good that loss”.

⁴¹ No.FD.PC 2-1/2017

Chief Executive Officer Health, MS DHQ Hospital and SMO RHC Vanike Tarar Hafizabad paid arrears of Rs 25.054 million on account of pay and allowances of to various employees during the financial year 2018-19. However, claims/vouchers, approval, sanction, reason for claim and change forms were not available on record. Separate budget for the clearance of the claims was also not allocated by the competent authority. The detail is as under;

Name of formation	Amount (Rs in million)
CEO Health	1.925
DHQ Hospital Hafizabad	20.802
RHC Vanike Tarar	2.327
Total	25.054

Audit holds that due to non-compliance of rules and weak internal control the arrears were drawn without codal formalities. This resulted in irregular payment of arrears by Rs 25.054 million.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened despite repeated requests.

Audit recommends for production of relevant record besides fixation of responsibility on person at fault under intimation to Audit.

[PDP Nos. 25,63,119]

7.5.1.1.3 Irregular sanction of Extra Ordinary Leaves involving pay & Allowance-Rs16.708 million

Extra Ordinary Leave (EOL) means leave without pay & allowances.

MS DHQ Hospital Hafizabad granted Extra Ordinary Leave (EOL) to various officers & officials during the financial period 2018-19 but pay and allowances were not stopped during the leave period. Furthermore, in most of the cases, the EOL leave sanction orders were not provided for verification.

Audit is of the view that due to the weak financial management pay and allowances were paid despite official/officers being on EOL. This resulted in overpayment by the amount Rs 16.708 million.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report..

Audit recommends inquiry of the matter besides fixation of responsibility on person (s) at fault under intimation to Audit.

[PDP No 87]

7.5.1.1.4 Unjustified drawl of incentive allowance - Rs 7.373 million and recovery thereof Rs 2.949 million

According to Notification⁴² dated August 3, 2016 “the specialist should visit the hospital in the evening and stay for one hour for round in the wards after check in on the biometric system otherwise 40% of the incentive allowance should be deducted”.

Scrutiny of accounts record of MS DHQ Hospital Hafizabad revealed that specialists were drawing full amount of Incentive Allowance during the financial year 2018-19. Proof of evening visits made by the specialists along with biometric attendance was not available on record. In the absence of evening stay register and biometric attendance drawl of incentive allowance was unjustified. This resulted in unjustified payment of Rs 7.373 million and recovery thereof Rs 2.949 million.

Due to weak internal controls, Incentive Allowance was authorized without justification.

This resulted in inadmissible payment of Incentive Allowance to the specialist doctors.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report.

Audit recommends recovery of the amount from specialist doctors.

[PDP No 68]

7.5.1.1.5 Overpayment of pay and allowances due to non-deduction of GP Fund Group Insurance and Benevolent Fund - Rs 3.509 million

According to rule 9(b) of Punjab District Authorities (Accounts) Rules 2017 “the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any over charge, fraud or misappropriation and shall be liable to make good that loss”.

MS DHQ Hospital Hafizabad did not deduct GI, BF and General Provident Fund from the pay and allowances of the regular employees due to which they were paid in excess of the what was due to them. Further, the said employees were regularized and their pay and allowances were not fixed at the initial of their pay scale and by this way they were extended undue financial benefit of an increment and allowances.

⁴² No.PA/DS (G)4-8/2016

Audit is of the view that due to weak internal control GP Fund, GI and Benevolent fund was not deducted from the employees. This resulted in overpayment of pay and allowances of Rs 3.509 million due to non-deduction of BF,GI and GPF.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report.

Audit recommends for early re-fixation of pay and allowances and recovery of the amount overpaid.

[PDP No. 80]

7.5.1.1.6 Irregular Drawl of pay and allowances - Rs 2.868 million

Under Rule 3.3 of T.A Rule read with the Notification of the Govt. of the Punjab Finance Deptt. letter⁴³ dated 16/03/1988 shifting of Head Quarter of a Govt. servant at a place other than that for which the post had originally been sanctioned for a period exceeding three months was not admissible without prior approval of Finance Department.

MS DHQ Hospital Hafizabad allowed following employees to perform general duties against the rule *ibid*. No orders of the general duty for the said period were provided. This resulted in irregular payment of pay and allowances of Rs 2.868 million to the employees on general duty.

(Rs. in million)

Name of Official	Designation	Date of general duty	Status	Total Amount paid
Anam Saqib	Gynecologist	Not mentioned	Health Sector reform allowance was also required to be deducted from the THQ Pindi Bhattian	1.158
Zarmina	WMO	Not mentioned		1.082
Abid Hussain	Ward Cleaner	Not mentioned	No attendance was received from the duty place	0.302
Salman Abid	Ward Cleaner	Not mentioned		0.325
Total				2.868

Audit stresses that the expenditure involved on account of pay and allowances be regularized along with the order of competent authority.

⁴³ F.D.S.R-IV 8-1 / 76 (Prov.)

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of the report..

Audit recommends for regularization of the expenditure besides fixation of responsibility on person at fault under intimation to Audit.

[PDP No 88]

7.5.1.1.7 Irregular drawl of PCA and NPA - Rs 2.780 million

According to Government of Punjab Health Department letter dated 23.08.2006 contractual Doctors would not be permitted to open any clinic, dispensary, nursing home, private hospital, clinic, diagnostic laboratory or pharmacy shop⁴⁴. According to the Health Department Government of the Punjab dated 09.02.2011, Practice Compensatory Allowance @ Rs2,500 p.m. is admissible to doctors serving in Rural Areas/ BHUs and residing at their place of postings and Non Practicing Allowance with the approval of the competent authority⁴⁵.

MS DHQ Hospital Hafizabad allowed Practice Compensatory Allowance and Non Practicing Allowance without acquiring affidavit duly countersigned by the CEO Health for non-practicing allowance. This resulted in unjustified payment of Rs 2.780 million.

Audit holds that due to non-compliance of rules the irregular payment was made

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of the report.

Audit recommends for recovery of allowance besides fixation of responsibility on person at fault under intimation to Audit.

[PDP No 67]

7.5.1.1.8 Unauthorized payment of stipend – Rs 2.682 million

According to rule 9(b) of Punjab District Authorities (Accounts) Rules 2017 “the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any over charge, fraud or misappropriation and shall be liable to make good that loss”.

District Coordinator IRMNCH Hafizabad paid stipend of Rs 2.682 million to CMWs deployed in the field after completion of training, but

⁴⁴ No. SO(II/WMO/ Contractor/03

⁴⁵ No.SO(ND)6-1/B-II

almost all CMWs' monthly reports regarding monitoring and inspections of the locality for the said period were missing from record.

Date of bill	Particular	Invoice Value (Rs. in million)
01.08.2018	Retention Fee, May to Jul, 2018	0.486
01.01.2019	Retention Fee, Nov & Dec, 2018	0.408
01.09.2018	Retention Fee, Aug, 2018	0.156
01.11.2018	Retention Fee, Sep & Oct, 2018	0.504
01.02.2019	Retention Fee, Jan, 2019	0.204
01.03.2019	Retention Fee, Feb, 2019	0.186
01.04.2019	Retention Fee, Mar, 2019	0.222
01.05.2019	Retention Fee, Apr, 2019	0.234
01.04.2019	Retention Fee Arrears, Jan to Mar, 2019	0.054
01.06.2019	Retention Fee, May, 2019	0.228
Total		2.682

Audit holds that due to non-compliance of rules the stipend was paid irregularly.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report.

Audit recommends for justification of the matter besides fixation of responsibility on person at fault under intimation to Audit.

[PDP No 28]

7.5.1.1.9 Unjustified payment of SSB 30% and overpayment of pay and allowances - Rs 2.571 million

According to (XIII)(i)(b) Contract Appointment Policy in 2004 of Government of the Punjab, Social Security Benefit is admissible only to contract employees.

Chief Executive Officer, District Health Authority and MS DHQ Hospital Hafizabad paid Social Security Benefit @ 30% in lieu of Pension. However, their services were regularized later and their pay and allowances were required to be fixed at the initial of their pay scales and payment of SSB @30% was to be discontinued. But they were paid SSB @ 30%. This resulted in unjustified payment of 30%-SSB and Pay and allowances of Rs 2.571 million along with overpayment of pay and allowances which may be calculated by the accounts office at the time of fixation of pay.

Audit holds that due to weak internal control and non-compliance of rules the pay was not re-fixed.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report.

Audit recommends for regularization and re-fixation of pay and recovery under intimation to Audit.

[PDP No 26 & 81]

7.5.1.1.10 Irregular payments of allowances during leave period – Rs 2.455 million

According to the provisions of national pay scales conveyance allowance is admissible to meet the expenses of travelling from house to duty place, as conveyance allowance is not admissible during leave period, similarly C.A is not admissible to employees who are residing within the premises of duty place. Professional allowances are not admissible during leave period.

CEO District Health Authority, Hafizabad did not deduct Conveyance Allowance, HSRA etc. from the pay and allowances of the various employees who remained on leave during 2018-19. This resulted in excess payment of allowances for Rs 2.455 million.

Audit holds that due to weak internal control, Conveyance Allowance was not deducted during leaves.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report.

Audit recommends for recovery of the inadmissible amount paid..

[PDP No 24]

7.5.1.1.11 Illegal up-gradation to the post of chief technician In excess of prescribed ratio - Rs 1.344 million

“4 tier allied health service structure was approved as under. In the first instance the existing incumbents shall stand automatically upgraded as one time dispensation only. The up gradation of the incumbents of the post shall be as per the number of posts available in each pay scale for specific technology/category”⁴⁶.

“the post of Chief Technician (all categories) will be filled 25% by initial recruitment and 75% by promotion, amongst the senior technicians in the relevant allied health sciences discipline having five year service and after passing examination of health department/Punjab Medical

⁴⁶Notification No. S.O. (ND)7-11/2010 (Paramedics) dated November, 2011, of Health Department Government of the Punjab

Faculty after attending technical/refresher training for three months at DHDC.”⁴⁷

According to, “after one time up gradation, no further up gradation can be granted against the sanctioned vacant posts. There is promotion/through departmental promotion committee, which is subject to Service Rules, 2012, i.e. seniority cum fitness, five year experience, two weeks post induction training followed by internal assessment and availability of seats approved by Finance Department.”⁴⁸

“Director General Health, Punjab was competent authority for promotion of Senior Technician BS-14 to Chief Technician BS-16.”⁴⁹

During scrutiny of record Chief Executive Health, District Health Authority Hafizabad, it was observed that 14 technicians (of all technologies) were up graded to the posts of Chief Technicians BPS-16 instead of admissible one seat as per prescribed ratio under 4 tier up gradation structure and services rules 2012 *ibid*. Audit further noticed following irregularities in awarding up gradations.

In most of the instances the incumbent were directly up-graded to the posts of Chief Technicians from Junior Technicians BPS-09 & Technicians BPS-12. As per prescribed ratio for the whole district up graded posts of Chief technician BS-16 were only 27 for whole District Health Authority of Punjab, but CEO (H) Hafizabad upgraded 14 incumbents in BPS-16.

- i. Incumbents were up graded without mandatory trainings and qualifying examination of Punjab Medical Faculty.
- ii. 25% reserved seats (for BSC graduates) of initial recruitments were also filled through up gradation.

Similarly junior technicians of BS-09 were up-graded more than prescribed ratio for the post of Senior Technicians.

This resulted in illegal up-gradation to the post of Chief Technician in excess of prescribed ratio of (Rs 8000x 12 x 14).

Audit is of the view that due to weak internal and financial controls higher scales were awarded against law.

⁴⁷1st schedule of Punjab Health Department Allied Health Professionals (service) Rules, 2012

⁴⁸para 7 & 11 of letter No.1240/AHP/ dated 28.08.2018 of Director General Health Services, Punjab

⁴⁹Amendments in Service Rules 2012, (2015)

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report.

Audit recommends for inquiry of the matter for fixing the responsibility for illegal up-gradation besides reversion of officials to their original scales and recovery of the overpaid amounts.

[PDP No 34]

7.5.1.1.12 Illegal occupation of residence and recovery of penal rent - Rs 1.266 million

According to orders contained in Government of Punjab finance department letter⁵⁰ dated 27.09.1980, penal rent at rate of 60% of the pay of unauthorized occupants is required to be deducted and deposited into government treasury.

M.S DHQ Hospital, Hafizabad allowed following officers/officials of other departments to occupy the residences of DHQ hospital illegally as they were not authorized to reside in the residences of DHQ hospital. Therefore, the penal rent for that period at the rate of 60% of basic pay amounting to Rs 1.266 million was also not imposed for unauthorized occupation of Govt. residences from 01.01.2017 to 30.06.2019. Detail is as under;

Name	Designation	Residence No.	Residence	60% of Basic Pay (Rs in million)
Unknown	Social Organizer IRMNCH	B/03	Outsider	0.585
Mr. Sajjad Ali	Reader Session Judge	B/06	Outsider	0.680
Total				1.266

Audit holds that due to non-compliance of rules and weak internal control there was illegal occupation of residences. This resulted in non-deduction of HRA.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report..

Audit requires that matter may be inquired at an appropriate level beside recovery and vacation of illegal occupation of residences under report to audit.

[PDP No 73]

⁵⁰ No. (II) XV (24)/76

7.5.1.1.13 Non recovery on account of Conveyance Allowance – Rs 1.019 million

It is clarified that Officers / Officials who are availing Govt. vehicles including motorbikes are not entitled to the facility of Conveyance Allowance⁵¹.

District Officer (Health) Hafizabad, allowed Conveyance Allowance amounting to Rs 1.019 million to the vaccinators during 2018-19 despite giving official transport facility and POL (15 liter per month). This resulted in non-deduction of Conveyance Allowance of Rs1.019 million.

Audit holds that due to weak internal control the conveyance allowance was not deducted. This resulted in overpayment of pay and allowances of Rs 1.019 million due to non-deduction Conveyance Allowance.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report..

Audit recommends either the matter may be justified or the same may be recovered under report to audit.

[PDP No 41]

⁵¹ Finance Department Government of the Punjab No.FD.SR 19-86(P)(PR) dated 21.04.2014,

7.5.1.2 Procurement related irregularities

7.5.1.2.1 Irregular purchase of medicine due to no warranty certificate by the supplier - Rs 94.407 million

According to clause vii of the purchase by the Chief Executive Officer Health Hafizabad, supply of drugs/Medicines will be governed by Drug Act, and rules framed there under, suppliers /Manufacturers will also furnish warranty certificate at the time of delivery, that the firm will replace un-consumed store if not consumed within shelf life without any further charges.

Chief Executive Officer, District Health Authority Hafizabad did not attain warranty certificates against the medicine purchased amounting to Rs 90.407 million in accordance with the above provision of the purchase order. The warranty asked in the purchase order is to secure the unconsumed medicine if not consumed within shelf life.

Audit is of the view that due to non-compliance of rules, medicine was purchased and issued for consumption without warranty. This resulted in irregular purchase of medicine of Rs 94.407 million.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report.

Audit requires the latest position of balance medicine from the consuming offices/agencies under the jurisdiction of the Authority and the replacement of medicine near to expiry be made.

[PDP No 5]

7.5.1.2.2 Irregular purchase orders without contracts - Rs 78.789 million

Both the successful bidder and the Procuring Agency shall sign with date the Contract on the legal stamp paper. Thereafter, the Procuring Agency shall issue Purchase Order. If the successful bidder, after completion of all codal formalities shows inability to sign the Contract then the firm shall be blacklisted minimum for two years. In such situation, the Procuring Agency may make the award to the next lowest evaluated bidder or call for new bids. The procuring agency will issue the notification award /advance acceptance of Tender (AAT) to the successful bidder. The firm is bound to submit the defined performance guarantee and contract agreement on Judicial Stamp Paper within 07 days.

CEO Health Authority, Hafizabad failed to execute the agreement on judicial stamp papers with the suppliers of medicine against the rule

ibid. In most of the cases the blank stamp papers bearing dates three months later after issuing of supply orders were found in the procurement record.

Audit holds that due to non-compliance of rules the agreements were not executed on the judicial papers. This resulted in Irregular purchase of medicines without execution of agreements of Rs 78.789 million.

The matter was reported to the CEO/PAO in September, 2019. DAC was not convened till the finalization of this report.

Audit recommends for regularization of expenditure besides fixation of responsibility against the person (s) person at fault under intimation to Audit.

[PDP No 6]

7.5.1.2.3 Irregular expenditure by splitting Indents -Rs 16.859 million

According to Rule 12(1) and 9 of Punjab Procurement Rules 2014, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper. A procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. The procuring agency shall advertise in advance annual requirements for procurement on the website of the Authority as well as on its website.

Chief Executive Health, District Health Authority Hafizabad and its subordinate offices split the expenditure of Rs 16.859 million during the Financial Year 2018-19 in order to avoid fair competition. This resulted in unjustified expenditure of Rs 16.859 million as detailed below;

Name of formation	Amount (Rs in million)
CEO Health	3.813
DO Health	2.447
DO Health	5.139
THQ Hospital Pindi Bhattian	1.276
THQ Hospital Pindi Bhattian	4.184
Total	16.859

Audit holds that due to non-compliance of rules the expenditure was split to avoid open tender against the rules *ibid*.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened despite repeated requests.

Audit recommends for regularization of expenditure besides fixation of responsibility on person (s) at fault under intimation to Audit.

[PDP No. 10,36,51,98,101]

7.5.1.2.4 Non forfeiture of performance security - Rs 9.940 million

As per contract, in case where the deliveries are not completed within the time frame specified in the schedule of requirement, the Contract to the extent of non-delivered portion of supply may be cancelled followed by a Show Cause Notice. No supplies shall be accepted and the amount of Performance Guaranty/ Security to the extent of non-delivered portion of supplies of relevant item shall be forfeited and the firm shall be blacklisted minimum for a period of one year. If the firm fails to supply the whole installments, the entire amount of Performance Guaranty/ Security shall be forfeited to the Government account and the firm shall be blacklisted minimum for a period of two year. Onus of proof of innocence shall be on the supplier. After expiry of prescribed delivery period the procuring Agency may proceed for Risk Purchase (at the risk & cost of defaulter) to ensure the un-interrupted health care services for the patients.

CEO Health Hafizabad issued supply orders of Rs 9.940 million to various medicine suppliers but they failed to supply the medicine. Management did not forfeit their performance security nor started the process to declare these firms blacklisted. Procuring Agency may have proceeded for Risk Purchase (at the risk & cost of defaulter) to ensure the un-interrupted health care services for the patients. This resulted in failure in supply of medicine.

Audit holds that due to weak internal control and non-compliance of rules the supplies were not received and performance security was not forfeited.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report.

Audit recommends for forfeiture of performance security and black listing of the suppliers under intimation to Audit.

[PDP No 03]

7.5.1.2.5 Unauthorized issuance of medicines without DTL report - Rs 5.370 million

According to the instructions laid down in the Government of the Punjab Health Department letter dated 25-09-2001, testing at Drug Testing Laboratory was a pre-requisite for acceptance of the medicines purchased⁵². As per provisions of the Drugs Act 1976, the medicines / drugs including medical / surgical items declared substandard by the Drugs Testing Laboratory Lahore are required to be destroyed / got replaced or / and its cost recovered from the supplier.

CEO Health Authority, Hafizabad purchased medicines of Rs 5.370 million and issued the same to the health facilities without having Drug Testing Laboratory reports. Furthermore, in some of the cases, DTL reports were found unfavorable, as detailed below;

(Rs in million)

Name of Firm	Name of Medicine	Rate (PKR)	Qty Supplied	Date of Supply	DTL status	Amount
M/S Neomedix	Ammonium Chloride + Diphenhydramine + others susp.	32	38,000	18.06.2019	Pending	1.216
M/S Bosh Pharmaceuticals	Amoxicillin + Clavulanic Acid 625mg tab.	9.1	200,000	27.06.2019	Pending	1.820
M/S Miracle Pharmaceuticals	Atorvastatin 20mg tab.	4.65	16,400	14.04.2019	Fail	0.076
M/S Obson Pharma	Cetirizine 10mg tab.	0.85	65,000	13.02.2019	Fail	0.055
M/S Neomedix Healthcare Company	Tab. Tempnil, 500mg, pack of 20x10, blister pack 10x10 Tablet	0.99	1,236,000	14.06.2019	Pending	1.224
M/S Neomedix Healthcare Company	Syrup. Tempnil, 60ml	23.75	8,000	14.06.2019	Pending	0.190
M/S Neomedix Healthcare Company	Capsul. Doxydix 100mg, pack of 10x10	3.15	250,500	14.06.2019	Pending	0.789
Total						5.370

Audit holds that due to non-compliance of rules the medicine was issued without DTL.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report..

Audit recommends for inquiry of the matter besides fixation of responsibility against person (s) at fault under intimation to Audit.

[PDP No 7]

⁵² No. SO(P-I)H/RC/2001-02/01

7.5.1.2.6 Irregular expenditure on purchase of day-to-day medicines - Rs 4.224 million

As Per Government of the Punjab Health department letter⁵³ dated 30.04.1998 and letter⁵⁴ dated 14.04.1998 the procedure for purchase of day to LP medicine Tender register should be maintained. The same committee should process the case which is nominated by the Government for bulk purchase of medicines. 5% security of the LP budget should be obtained from successful bidder Discount rate for drugs of multinational items finalized by the Government should be kept in view. Contract for disposable and surgical items should be finalized separately on the basis of open tender, discount rate. Patient's treatment register showing name registration number, address diagnosis, medicines etc. should be maintained. LP should not be for more than seven days for one patient. Drugs should be received defaced and issued from store against proper acknowledgement. The medical store for L.P medicine should be within 2 km radius of hospital.

MS THQ Hospital Pindi Bhattian incurred an expenditure of Rs 4.224 million on purchase of LP medicines without following the above said criteria. The medicine was purchased in bulk and kept in main store of medicine. Further, medicines were consumed in routine for all the patients instead of Moreover, rate contract for L.P medicine was awarded to the medical store beyond the radius of 2 Km. This resulted in irregular expenditure of Rs 4.224 million.

Audit is of the view that due to non-compliance of rules the medicine was not purchased according to the instructions issued by the authorities.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report..

Audit recommends for regularization of the expenditure besides fixation of responsibility on person (s) at fault under intimation to Audit.

[PDP No 100]

7.5.1.2.7 Doubtful procurement on Quotations - Rs 4.023 million

According to rule 9(b) of Punjab District Authorities (Accounts) Rules 2017 "the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be

⁵³ No 199-336

⁵⁴ No AAC/HD/1-42/94(p)

personally responsible for any over charge, fraud or misappropriation and shall be liable to make good that loss”.

CEO Health Authority, Hafizabad procured medicines of Rs 4.023 million against quotations during FY 2018-19. During scrutiny of record of CEO DHA, Hafizabad consecutive Serial Nos. of TCS on all quotations of different suppliers were noticed whereas date of quotations of suppliers were different. Word “Quotation” was not written on the envelopes and quotations were not entered in the diary register either. This resulted in doubtful procurement of Rs 4.023 million.

Due to weak internal control and non-compliance of rules, Audit holds the procurement doubtful..

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report..

Audit recommends for regularization of expenditure besides fixation of responsibility on person (s) at fault under intimation to Audit.

[PDP No 9]

7.5.1.2.8 Non deduction of Sales Tax - Rs 3.332 million

As per letter dated 03.10.1997 every DDO is responsible to collect the proof of deposit of sales tax paid to suppliers has been deposited into Government treasury⁵⁵.

Health Councils of BHUs under the jurisdiction of District Health Officer, Hafizabad revealed that expenditure of Rs 19.599 million was incurred for the purchase of different items from various un-registered suppliers but the payment was made to the suppliers inclusive of Sales Tax of Rs 3.332 million. Due to non-deduction of Sales Tax at source from un-registered vendors, overpayment was made to the contractors/suppliers.

Audit holds that due to weak internal control, payment of Sales Tax was made from the budget instead of deduction from the supplier.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report..

Audit recommends that the payment of Sales Tax may be got recovered from the suppliers and be deposited in government exchequer under intimation to Audit.

[PDP No 47]

⁵⁵ No. D.O. No.5 (21) L & D /97-4910/FS

7.5.1.2.9 Short realization of penalty due to late supply of medicine - Rs 1.598 million

According to schedule of requirement of purchase order sixty (60) as delivery period, extension in delivery period with penalty @0.067% per day after 60 day shall be decided by the consignee /procuring Agency on the formal request of supplier as specified in clause 20 of General Conditions of the contract.

CEO Health Hafizabad, failed to impose penalty upon the certain medicine suppliers who failed to supply medicines within the stipulated time period. No request for extension in the delivery period was made by the supplier nor was any extension granted by the authority.

Audit holds that due to weak internal control the penalty was not imposed on the defaulters.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report.

Audit recommends for regularization of expenditure besides fixation of responsibility on person (s) at fault under intimation to Audit. Audit suggests recovery of penalty.

[PDP No 4]

7.5.2 Others

7.5.2.1 Irregular cash payment to suppliers - Rs 36.802 million

According to clause 4(b) of Punjab District Authorities Accounts Rules 2017, the mode of payment from local fund of district authority shall be through cross non-negotiable cheque if amount exceed ten thousand.

Certain departments under the jurisdiction of District Health Authority Hafizabad made payments in cash instead of direct transfer to the vendor/supplier's account against the rule ibid. This resulted in irregular cash payment of Rs.36.802 million as detailed below;

Name of formation	Amount (Rs in million)
CEO Health	7.404
DHQ Hospital Hafizabad	2.292
THQ Hospital Pindi Bhattian	2.139
General Nursing School	24.967
Total	36.802

Audit holds that due to weak internal control and non-compliance of rules the payments were made in cash instead of direct transfer to the vendor account.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till finalization of this report.

Audit recommends for prohibition of the future payment besides fixation of responsibility against person(s) at fault under intimation to Audit.

[PDP No. 45,79,111,129]

7.5.2.2 Inadmissible drawl of electricity bills and abnormal billing charges - Rs 16.999 million

According to Rule 9(b) of Punjab District Authorities (Accounts) Rules 2017 “the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any over charge, fraud or misappropriation and shall be liable to make good that loss”.

MS DHQ Hospital Hafizabad drew Rs 16.999 million on account of electricity bills for the year 2018-19, on account of arrears and late payment surcharge of electricity. Department did not attach unpaid original bills with the claims. Expenditure on electricity was found

abnormal without maintaining the electricity meter reading register for each connection as detailed below;

Document No.	Date	Amount (Rs in million)
1900014168	06.09.2018	2.413
1900027550	02.01.2019	2.080
1900041761	27.11.2018	1.967
1900044709	02.11.2018	3.104
1900064394	07.03.2019	2.000
1900131762	28.09.2018	0.436
1900210684	25.06.2019	1.000
1900233192	11.06.2019	4.000
Total		16.999

Audit is of the view that due to non compliance of rules irregular payment was made on the electricity consumed.

The matter was reported to the CEO/PAO in September, 2019. DAC was not convened till the finalization of this report.

Audit recommends for inquiry of the expenditure besides fixation of responsibility on person (s) at fault under intimation to Audit.

[PDP No 78]

7.5.2.3 Doubtful payment to SMO RHC Rasoolpur Tarar - Rs 4.058 million

As per Accounting Policies & Procedure Manual, all cheques shall be drawn “to order” and shall be crossed and marked “Not Negotiable”, except cheques drawn in the name of the DDO for imprest and for salaries paid in cash. As per Rule 4 of Punjab District Authorities (Accounts) Rule 2017, the mode of making payment from local fund of a District Authority shall be that the payments up to rupees one thousand may be made in cash and exceeding one thousand shall be paid through crossed non-negotiable cheque.

The Chief Executive Officer, District Health Authority Hafizabad incurred an expenditure of Rs 4.058 million but obtained treasury cheques bearing vendor name of SMO RHC Rasoolpur Tarar instead of direct payment to supplier or DDO A/C. The concerned accountant of CEO Health had dual charge of accounts of CEO (H) and RHC Rasoolpur Tarar concurrently. No proof of disbursement of the amount to the suppliers was provided. As there was no reason to prepare the cheques in the name of “SMO RHC Rasoolpur Tarar” and the accountant has dual charge therefore Chances of embezzlement could not be ignored. The bank

statements of CEO (H) and RHC Rasoolpur Tarar were also not provided. This resulted in doubtful drawl of Rs 4.058 million.

Audit holds that due to weak internal control and non compliance of rules the cheques were prepared in the name of other DDO.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report..

Audit recommends for inquiry of the matter besides fixation of responsibility against person (s) at fault under intimation to Audit.

[PDP No 21]

7.5.2.4 Doubtful expenditure on repair of building through transfer of funds to Buildings department - Rs 2.992 million

According to Finance Department's letter⁵⁶, on completion of the project, the DO Buildings will render a completion certificate and statement of accounts together with refund of residual balance of the amounts placed at his disposal, to the concerned DDO for his record

M.S THQ Hospital Pindi Bhattian transferred Rs 2.992 million to XEN Buildings for repair of building of the hospital. The technical sanction of the estimates, detail of tender issued by building department and completion certificate / PC-IV of works was not available nor produced for audit verification

Audit is of the view that due to weak internal control and non compliance of rules the expenditure was incurred without estimates.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report.

Audit recommends Completion certificate needs to be taken from Buildings department along with balance payment if any.

[PDP No 117]

⁵⁶ No. IT(FD)3-7-2000 dated 01.01.2001

7.5.2.5 Irregular expenditure / non-accountal of X-ray films - Rs 1.971 million

According to Govt. of the Punjab Finance Deptt. (Monitoring Wing) Letter⁵⁷, that if the stock entries in the stock are not present at the time of audit and if the concerned officials are not present at the time of audit, the entries after wards made would not be accepted

MS DHQ Hospital Hafizabad incurred an expenditure of Rs 1.971 million on purchase of X-Ray films without stock entry, issuance and consumption of the films. This resulted in irregular expenditure of Rs 1.971 million as detailed below;

Document No.	Date	Object Head	Supplier Name	Amount (Rs in million)
1900056846	03.12.2018	Others	Fuji Film Pak Pvt Ltd	1.019
1900116039	25.03.2019	Others	Agfa Pakistan Pvt Ltd.	0.500
1900056845	03.12.2018	Others		0.452
Total				1.971

Audit holds that due to non-accountal of stock and proper disbursement the expenditure was held doubtful.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report.

Audit recommends for inquiry of the matter besides fixation of responsibility on person (s) at fault under intimation to Audit.

[PDP No 76]

7.5.2.6 Overpayment of Taxes - Rs 1.335 million

General Sales Tax @ 17% will be deducted from the payment of unregistered supplier⁵⁸.

District officer (Health) Hafizabad did not deduct Sales Tax from the payment of unregistered supplier and paid the same from the Health Council budget. This resulted in double effect on the budget and overpayment of taxes of Rs. 1.335 million as detailed below;

Sr. No.	Name of BHUs	Expenditure (Rs)	Tax Deposited (Rs)
1	BHU Muradian	500,000	30,000
2	BHU Kot Nawan	709,535	75,960
3	Bhu Bhaka Bhattian	493,866	61,568

⁵⁷ No F.D(M.R)MW 1-4/92

⁵⁸ Sales Tax Special Procedure (Withholding) Rules, 2007 SRO.660(1)/2007 dated 30.06.2007

Sr. No.	Name of BHUs	Expenditure (Rs)	Tax Deposited (Rs)
4	BHU Chak Chattha	499,661	27,073
5	BHU Jandraka	468,000	54,582
6	BHU Mian Raheema	1,248,900	104,379
7	BHU Kot Sarwar	1,250,000	74,292
8	BHU Muzafar Nou	1,248,624	18,142
9	BHU Pindi Dhodhal	499,256	62,981
10	BHU Mughoki	499,813	67,351
11	BHU Saroopwala	498,000	64,620
12	BHU Khuram Churara	498,801	65,588
13	BHU Ramke Chattha	1,062,561	187,439
14	BHU Mehdiabad	422,690	75,796
15	BHU Kassasy	1,250,000	143,423
16	BHU Mangat Neecha	1,249,563	221,443
		Total	1,334,637

Audit holds that due to weak internal control taxes were paid from the budget instead of deduction from the payment made to suppliers.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report.

Audit recommends for recovery of the amount from the suppliers and its deposit in Health Council account besides fixation of responsibility on person (s) at fault under intimation to Audit.

[PDP No 46]

7.5.2.7 Non Deduction of Income Tax - Rs 1.274 million

According to section 153 of Income Tax Ordinance 2001 amended through Finance Act 2015, the income tax was required to be deducted @ 6.5% on supply of goods from the others (non-filers).

BHUs under the jurisdiction of District Health Officer Hafizabad paid Rs 19.599 million from Health Council Accounts for different purchases but the Income Tax @6.5% of Rs 1.274 million was not deducted from the payment of the suppliers.

Audit holds that due to weak internal control Income Tax was not deducted from the payment of the suppliers

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report.

Audit recommends that the payment of Income Tax may be got recovered from the suppliers and be deposited in government exchequer under intimation to Audit.

[PDP No 48]

7.5.2.8 Non-realization of operation charges - Rs 1.006 million

Operation charges are Rs300 / head and Anesthesia are Rs150 / operation⁵⁹.

Scrutiny of record of MS DHQ Hospital Hafizabad District Hafizabad revealed that major and minor operations were performed by the Operation Theatre department but operation charges were not recovered from the patients. This resulted in non realization of govt. revenues amounting to Rs 1,006,000.

Audit holds that due to weak internal control operation charges were not realized from the patients.

The matter was reported to the CEO/PAO in September, 2019. DAC meeting was not convened till the finalization of this report.

Audit recommends recovery of the amount.

[PDP No 84]

⁵⁹ Clause 1 & 2 Hospital Charges of the Health Department, Government of Punjab Notification No SO(H&D)-12-13/73 dated 11.04.1985

CHAPTER 8

DISTRICT HEALTH AUTHORITY, JHELUM

8.1 Introduction of the Authority

District Health Authority, Jhelum was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Jhelum is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authority, Jhelum as described in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Jhelum manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
CEO (DHA)	1
District Health Officers	2
District Head Quarter Hospitals	1
Tehsil Head Quarter Hospitals	2
District Health Development Centre	1
Rural Health Centre	6
Basic Health Units	47
Government Rural Dispensary	6

8.2 Audit Profile of District Health Authority, Jhelum

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Jhelum	23	7	1595.399	0.346

8.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 154.313 million were raised in this report during current audit of “District Health Authority, Jhelum.” This amount also includes recoveries of Rs 42.490 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	
	A. HR/Employees related irregularities	38.233
	B. Procurement related irregularities	44.857
	C. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	21.207
5	Others	50.016
	Total	154.313

8.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1	2017-18	10	Not Convened
2	2018-19	13	Not Convened

8.5 AUDIT PARAS

8.5.1 Irregularities

8.5.1.1 HR / Employee related irregularities

8.5.1.1.1 Overpayment due to illegal up gradation - Rs 25.965 million

According to 1st schedule of Punjab Health Department Allied Health Professionals (service) Rules, 2012 read with, Para 7 & 11 of letter⁶⁰ dated 28.08.2018, the post of Chief Technician (all categories) will be filled 25% by initial recruitment and 75% by promotion, amongst the senior technicians in the relevant allied health sciences discipline having five year service and after passing examination of health department/Punjab Medical Faculty after attending technical/refresher training for three months at DHDC with the approval of Director General Health, Punjab after DPC.

Scrutiny of record regarding up-gradation of paramedics working under the control of CEO (District Health Authority) Jhelum, it was observed that technicians of DHA Jhelum were up graded irregularly without mandatory trainings and qualifying examination of Punjab Medical Faculty after attending technical/refresher training for three months at DHDC and without approval of Director General Health, Punjab after DPC.

This resulted on unauthorized up-gradation and over payment of Rs 25.965 million.

Audit is of the view that due to weak internal and financial controls, un-authorized higher scales were awarded which resulted in irregular expenditure on pay & allowances and excess burden on public exchequer.

The matter was reported to PAO in December 2019. It was replied that on directions of Secretary Finance, the issue regarding up-gradation of the posts of Allied Health Professionals in the context of the Notification dated 24.11.2011 is under process at DG Health Services Punjab Lahore in consultation with primary & Secondary Health care Department and Finance Department Lahore. Reply was not satisfactory as no evidence provided in support of reply.DAC in its meeting held on 30.12.2019 decided to keep the para pending till recovery.

⁶⁰ No.1240/AHP/

Audit recommends probe in the matter for fixing the responsibility of illegal up-gradations against the person(s) at fault besides reversion to their original scales and recovery of overpaid amounts.

(AIR Para No.01, 01, 26, 20, 27, 03)

8.5.1.1.2 Un-authorized Payment of Incentive Allowance - Rs 7.160 million

The specialist should visit the hospital in the evening and stay for one hour for round in the wards after check in on the biometric system otherwise 40% of the incentive allowance should be deducted⁶¹.

Scrutiny of accounts of health institutions working under District Health Authority Jhelum revealed that all specialists/Consultants were drawing full amount of incentive allowance without visiting the hospital in the evening. There was no proof of evening visits on biometric attendance system. This resulted in overpayment of Rs 7,159,748 during the 07/2018 to 6/2019.

Audit is of the view that due to weak managerial controls, 40% incentive allowance was not deducted. This resulted in violation of government rules and loss to the government.

The matter was reported to PAO in December 2019. It was replied by the department the notification aimed to pay 40% existing allowance to only those consultants who are “on call basis” subject to evening round by them and not to those who actually performs duties in evening/night shifts as per duty roasters. It is further stated that according to government of Punjab, Primary and secondary Health care department’s Notification No. SO (H&D) 7-1/2017 dated 30.01.2017 para 2 “special allowance awarded to consultants/specialist cadre will strictly be linked with biometric attendance” Here important points are, word “special” (not existing) used and also biometric attendance is not conditional with evening rounds. The reply of the department was not tenable as it was paid in violation of the criteria. DAC in its meeting held on 30.12.2019 decided to keep the para pending till recovery.

Audit recommends that action be taken against the concerned along with immediate recovery of allowance.

(AIR Para No. 9, 6, 17,)

⁶¹ Notification No.PA/DS (G)4-8/2016 dated 03.08. 2016 “

8.5.1.1.3 Non-recovery of house rent allowance, conveyance allowance and 5% House rent - Rs 2.216 million

“The officers/ officials residing in the residential colonies situated within work premises are not entitled to the facility of conveyance allowance⁶². Further, In case of designated residence, the officer / official for which residence is meant cannot draw House Rent Allowance and will have to pay 5% house rent even if he does not avail the facility and residence remains vacant during the period⁶³.

During audit of various health institutions working under District Health Authority, Jhelum it was noticed that doctors and other staff were residing in Government Residences but House Rent allowance, Conveyance allowance and 5% of basic pay was not deducted from their pay. This resulted in irregular payment of house rent allowance, conveyance allowance and 5% of basic pay amounting to Rs 2.216 million.

Audit is of the view that due to weak managerial control house rent and conveyance allowance were not deducted from officials availing facility of government residences.

Matter was reported to PAO in December 2019. It was replied by the department that change forms for recovery have been submitted to DAO Jhelum for deduction of recovery in installments. DAC in its meeting held on 30.12.2019 decided to keep the para pending till recovery. No compliance was reported till finalization of the report.

Audit recommends to probe the matter and expedite the recovery the overpaid amount.

(AIR Para No. 14,15,2,14,24,15,2)

8.5.1.1.4 Loss due to non-recovery of excess payment without duty - Rs 1.632 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

During audit of various offices under DHA Jhelum for the Financial Year 2018-19, it was observed that different doctors and other

⁶² Finance Department Government of the Punjab letter No.FD.SR.1.9-4/86 (PR) dated 15.10.2011

⁶³ Government of the Punjab, Finance Department letter No.FD(M-I)1-15/82-P-I dated 22.01.2000

staff had either left the job or on leave (with pay or without pay). The pay & allowances were neither stopped nor recovered from them. This resulted in over payment of Rs 1.632 million.

Audit is of the view that due to weak financial controls, excess payment was made Doctor and staff without performing duty.

Matter was reported to PAO in December 2019. It was replied by the department the recovery is under process. DAC in its meeting held on 30.12.2019 decided to keep the pending till the complete recovery.

Audit recommends probe in the matter and recovery of overpaid amounts.

(AIR Para No. 22,18,13,24,2, 1,7,10,11)

8.5.1.1.5 Excess payment of pay & allowances - Rs 1.260 million

According to Rule 2.31(a) of PFR Volume-I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

During audit various Hospitals under DHA Jhelum for the Financial Year 2018-19, it was observed that various employees had drawn allowances which were not admissible to them in violation of the rule. This resulted in overpayment of Rs 1.260 million. Detail is as under:

Sr. No.	Name of Formation	Amount (Rs)	Remarks
1	DHQ Hospital, Jhelum	393,074	HSRA, PCA, NPA, deputation allowance etc
2	THQ sohawa	62,790	HSRA
3	THQ Hospital Pind Dadan Khan	156,899	Dress allowance, Mess allowance, NPA etc
4	THQ Dina district Jhelum	575,628	HSRA, HPA, NPA, Personal Allowance etc
5	Civil Hospital Khewra	71,438	HSRA, Excess pay etc
	Total	1,259,829	

Audit is of the view that due to weak internal controls overpayment was made.

The matter was reported to PAO during December 2019. It was replied by the department that change forms for recovery have been submitted to DAO Jhelum for deduction of ROP. Recovery is under

process. DAC in its meeting held on 30.12.2019 decided to keep the para pending till recovery.

Audit recommends recovery besides fixing responsibility against the person(s) at fault.

(AIR Para No. 20, 22,19, 2-A,1-A)

8.5.1.2 Procurement related irregularities

8.5.1.2.1 Non-supply of medicines - Rs 19.487 million

According to condition No.04 of frame work Rate Contract of bulk medicines awarded by the CEO (DHA) Jhelum “all lowest bidders are bound to abide by all terms and conditions of bidding document. In case of failure to comply with, District Health Authority can initiate legal action against the firms”.

Scrutiny of accounts of various hospitals working under District Health Authority, Jhelum revealed that hospitals issued supply orders for supply of medicines to different firms but they failed to deliver the medicines amounting to Rs 19.487 million. CEO District Health Authority Jhelum neither forfeited the security of suppliers nor initiated legal action against the firms. Detail is as under:

Sr. No.	Name of Formation	Amount (Rs)
1	DHQ Hospital Jhelum	17,669,370
2	THQ Hospital Sohawa	665,870
3	THQ Hospital P.D. Khan	1,151,400
	Total	19,486,640

Audit is of the view that due to weak internal controls, medicines were not supplied and no action was taken against the firms hence masses suffered due to non-availability of medicines.

The matter was reported to PAO during December 2019. It was replied that DHA Jhelum has awarded rate contract to successful bidders as procuring agency for all health facilities of district Jhelum. CEO DHA Jhelum has been informed for non-supply of medicines. Reply of the department is not tenable because no action was initiated against the firms. DAC in its meeting held on 30.12.2019 decided to keep the para pending and shifted to CEO DHA for compliance.

Audit desires that security of concerned firms be forfeited besides black listing of the firms.

(AIR Para No. 3,11,10)

8.5.1.2.2 Irregular purchase of different items through splitting - Rs 16.139 million

According to Rule 8 of PPRA 2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each

financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned.

During audit of various offices under DHA Jhelum, it was observed that DDOs incurred expenditure of Rs 16.139 million on account of purchase of misc. store items, lab items and medicines under different heads during Financial Year 2018-19. It was noticed that procurement was not advertised on PPRA website for competitive bidding. The bills were split up in small amounts to avoid tendering process. Splitting of expenditure and avoiding tendering process is serious violation. This resulted in irregular purchases of Rs 16.139 million as detailed below:

Name of Formation	Detail of Items purchased	Amount (Rs in million)
DHQ Hospital Jhelum	Lab & Misc. Items	3.995
THQ Hospital Sohawa	Misc. Items under Cost of other stores & others	1.699
THQ Hospital P.D. Khan	-do-	1.084
THQ Hospital Dina	-do-	1.272
DOH Jhelum	Purchase of Medicines	3.025
CEO DHA Jhelum	Purchase of Medicines	1.049
THQ Hospital Dina	Purchase of equipment under health council	4.015
	Total	16.139

Audit is of the view due to weak internal control, purchases were made through splitting and without calling tenders.

The matter was reported to PAO during December 2019. It was replied that rate contracts of General items, Lab Items and all other items were awarded by CEO in the month of May 2019. Due to late award of rate contract, hospitals had to execute expenditures on need basis through quotations in different times of the year. Reply was not tenable as no documentary evidence was provided. DAC in its meeting held 30.12.2019 decided to keep the para pending for regularization. No compliance was reported till the finalization of this report.

Audit recommends regularization besides fixing responsibility against the person(s) at fault.

(AIR Para No. 7,3,8,7,5,4,5)

8.5.1.2.3 Un-justified expenditure on local purchase of medicines - Rs 6.634 million

According to Policy and Operational Guidelines for Local Purchase of Medicines (Day To Day) circulated vide letter⁶⁴, technical

⁶⁴ No.PSHD-TC0-1 (M) 6-14/2017 dated 16th December, 2017

proposal should include valid license of Pharmacist, storage capacity, distance from the hospital should be observed strictly.

During scrutiny of accounts of THQ Hospital Dina for the Financial Years 2017-19 revealed that Rs 6,634,207 was incurred on local purchase of medicines as detailed given below:

Financial Year	Description	Expenditure (Rs in million)
2017-18	Local Purchase of Medicines	4.218
2018-19	Local Purchase of Medicines	2.416
Total		6.634

Scrutiny of record revealed that technical proposal including valid license of Pharmacist, storage capacity, distance, etc., was not evaluated indicating scoring of each point. The tender was only advertised in the local Newspaper and same was neither uploaded on the PPRA website nor advertised in national newspaper. Further, the suppliers have neither issued the printed bill nor mentioned the manufacturing and expiry dates of medicines. Batch number of each medicines were also not mentioned in the bills. The contractor has given discount on multinational and national medicines companies but price list of medicines duly approved from competent authority was not shown to audit.

Audit was of the view that due to weak internal control, contract of LP medicines were allocated without observing codal formalities.

The matter was reported to PAO in December 2019. It was replied that local suppliers were invited in local press. Medicines were purchased as per actual demand, so no chance of expiry involved. Reply of the department was not tenable as it was not supported by evidence. DAC in its meeting held 30.12.2019 decided to probe the matter for fixing responsibility and regularization. No compliance was reported till the finalization of this report

Audit recommends that matter be investigated besides fixing responsibility against officers/officials at fault.

(AIR Para No. 01)

8.5.1.2.4 Non-deduction of liquidated damages for late supply of medicines - Rs 2.597 million

According to frame work Rate Contract of Bulk Medicines approved by the CEO DHA Jhelum, liquidated damages@ 0.067% per day after forty-five (45) days as delivery period shall be deducted by the procuring agency on account of late supply of medicines.

During audit of various offices under District Health Authority Jhelum for Financial year 2018-19, it was noticed that CEO (DHA) Jhelum purchased bulk medicine for health institutions working under its administrative control. It was found that various suppliers failed to deliver the medicines within specified delivery time. However, CEO DHA Jhelum did not impose liquidated damages for late delivery. This resulted in over payment of Rs 2.597 million. Detail is as under:

Sr. No.	Name of Formation	Amount (Rs)
1	DHQ Hospital, Jhelum	1,761,295
2	CEO DHA Jhelum	413,740
3	THQ Hospital Sohawa	203,781
4	THQ Hospital P.D. Khan	218,557
5	Total	2,597,373

Audit is of the view due to weak financial controls, liquidated damages were not deducted for late supply of medicines and thus public exchequer was overburdened.

The matter was reported to PAO in December 2019. It was replied that CEO Health, Jhelum made payments to concerned suppliers regarding bulk purchase of medicine and therefore, made deductions at their level. Reply of the departments was not tenable as no action on late supply of medicines was shown. DAC in its meeting held on 30.12.2019 decided to shift the para to CEO to probe the matter and recover liquidated damages.

Audit recommends fixing responsibility against the person(s) at fault besides recovery of liquidated damages.

(AIR Para No. 15,24,19,17)

8.5.2 Value for money and service delivery issues

8.5.2.1 Un-justified expenditure on repair and maintenance of hospital out of health council account - Rs 8.709 million

According to para 4.13 of Health Council guideline, 2017, development expenditure will be incurred according to the approved specifications and design of Works & Service department. Furthermore, para 4.6 of ibid provides that expenditures on development work is allowed up to Rs 2.50 million.

Scrutiny of accounts of THQ Hospital Dina for the Financial Years 2017-19 revealed that, amount of Rs 8,709,945 was incurred on account of repair and maintenance of building out of health council account.

Audit noticed that the work was neither executed through Works & Service department nor detailed estimates prepared. Works were executed through calling quotation. MS THQ Hospital Dina was not allowed to incur expenditure on development work more than Rs 2.50 million. Further, PST was not deducted from the bills.

Audit is of the view that due to weak internal control, development work was not executed through works and services department and expenditures were incurred beyond competency of health council.

The matter was reported to PAO in December 2019. It was replied that expenditure had been incurred on the repair and maintenance out of Health Council Budget on different dates and the approvals were accorded by the council under the signatures of Technical Members. Reply of the department is not tenable as it was not supported with any documentary evidence. DAC in its meeting held 30.12.2019 decided to probe the matter by CEO for fixing responsibility and regularization. No compliance was reported till the finalization of this report

Audit recommends that the matter be investigated besides fixing responsibility against officers/officials at fault.

(AIR Para No. 03)

8.5.2.2 Un-authorized change in scope of work without revised administrative approval of scheme - Rs 7.524 million

According Para 2.7, 2.12 and 2.86 of B&R Code, the quantities provided in administrative approval & T.S estimate should not be changed without prior approval of the competent authority.

During audit of CEO DHA Jhelum, it was noticed that a scheme “Construction of Urban Health Centre Dina” was approved by the Defunct

District Government Jhelum for Rs 7.524 million under MPA package of Rs 40.0 million on 08.06.2010. The work was awarded on 24.06.2010. Amount of Rs 1.863 million was utilized up to 06/2011. The work was completed up to 1st floor but the full payment of work done was not made due to low quality and sub-standard work.

As per agreement the contractor was bound to rectify the damaged work and to complete the scheme in all respects. However, scheme was stopped due to non-availability of funds. The contractor filed a writ in the court for release of payment, but court decided against the contractor. The building division claimed for release of remaining funds to restart the scheme.

Audit observed that no evidence was shown regarding completion of damaged work by contractor. It was also not made clear as to whether the scheme will be retendered or continued with old contractor. Scope of work was changed i.e. reduced the construction work without revised administrative approval from competent authority.

Items	Original scope of work	Revised scope of work
Dispensary Buildings	1290 Sft (G-Floor)	1290 Sft (G-Floor)
Staff Quarter BPS 1-10	990 Sft (F-Floor)	990 Sft (F-Floor)
Staff Quarter BPS 1-10	990 Sft (2nd-Floor)	NIL
Boundary Wall	188 Rft	188 Rft
OHR(overhead reservoir)	5000 Gln	NIL

Audit is of the view that due to poor financial management, scope of work was changed without revised admin approval.

The matter was reported to PAO in December 2019. It was replied that funds were transferred to Building Department after getting administrative approval. Reply of the department was not tenable as contractor was yet to complete the damaged work and scope of work was also changed without administrative approval. DAC in its meeting held on 30.12.2019 decided to keep the para pending till compliance. No compliance was reported till the finalization of this report.

Audit recommends for regularization besides fixing responsibility against person (s) at fault.

(AIR Para No.07)

8.5.2.3 Irregular execution of contract of renovation of hospital - Rs 4.974 million

According to para 4.5 of B&R code, the measurement book must be looked upon as a most important record since it is the basis of all accounts of quantities, whether of work done by labor or by the piece or by contract, or of materials received, which have to be counted or measured. The description of the work must be lucid, so as to admit of easy identification and check.

During audit of THQ Hospital Pind Dadan Khan it was noticed that contract for renovation of THQ Hospital under revamping project costing Rs 4.974 million was executed during 2018-19. Expenditure was irregular as it was incurred in violation of rules mentioned above.

Audit is of the view that due to internal control failures and financial mismanagement, the essential codal formalities were not fulfilled.

The matter was reported to PAO in December 2019. It was replied that contract for renovation of THQ Hospital was done at provincial level i.e. PMU, Primary and Secondary Health Care Department. Payment was made to concerned firm on the directions of competent authority on completion of work. Reply of the department was not tenable as it was not supported with documents. DAC in its meeting held on 30.12.2019 decided to keep the para pending till compliance but no compliance was shown till the finalization of this report.

Audit recommends to show compliance besides fixing responsibility of the person(s) at fault.

(AIR Para No.04)

8.5.3 Others

8.5.3.1 Irregular expenditure due to misclassification - Rs 25.215 million

According to NAM, the budgetary allocation be made according to the chart of accounts / classification approved by the Auditor General of Pakistan. Further, according to Rule 12 of General Financial Rules, the expenditure may be incurred for the purpose for which the budget is allocation is made.

Scrutiny of accounts of various offices under DHA Jhelum for the financial year 2018-19 revealed that expenditure of Rs 25.215 million was incurred and booked under wrong head of account in violation of chart of classification. This resulted in misclassified expenditure as detailed given below:

Sr. No.	Name of Formation	Amount (Rs)
1	DHQ Hospital Jhelum	1,961,998
2	THQ Hospital Sohawa	2,081,793
3	THQ Hospital P.D. Khan	764,732
4	Nursing School	20,406,888
5	Total	25,215,411

Audit is of the view that due to weak internal controls and mismanagement, actual head of classification was not used for incurring the expenditure.

The matter was reported to PAO in December 2019. It was replied by the department the all the payments were made through the DAO Jhelum after pre-audit, if any misclassification exists, the same was corrected before payment. Said object/account codes were used in case, where no proper code was available against expenditure incurred. Reply of the department is not acceptable as the expenditure was incurred in violation of chart of classification. DAC in its meeting held on 30.12.2019 decided to keep the para pending for regularization. No compliance was shown till the finalization of this report.

Audit recommends regularization of expenditure besides probing the irregularity and fixing responsibility against the person(s) at fault.

(AIR Para No.14,2,11,3)

8.5.3.2 Irregular expenditure due to non-approval of accounting systems of Health Council from Finance Department - Rs 21.245 million

According to Sr No. 304 Chapter 15 of GFR Volume-I, the form in which and the general principles and methods according to which the accounts of Government should be kept have been prescribed by the Auditor General with the approval of Finance department and the main directions in respect thereof are contained in Volume I of the account Code.

During audit of various Hospitals under DHA Jhelum for Financial Year 2018-19, it was noticed that accounting system of incurrence expenditure and withdrawal of funds from health council account was carried out with the approval of Primary and secondary Health department Government of the Punjab.

Procedure of accounting system was neither approved by the Finance Department Punjab nor adopted with the concurrence of AG Punjab. This resulted in irregular expenditure of Rs 21.245 million from health council account.

(Rs in million)

Sr. No.	Name of Formation	Expenditure Incurred
1	DHQ Hospital Jhelum	8.682
2	THQ Hospital Sohawa	2.371
3	THQ Hospital P.D. Khan	6.642
4	DOH Jhelum	3.55
	Total	21.245

Audit is of the view that due to internal control failures and financial mismanagement, the neither the accounting system was followed nor the guide lines of health council were adopted.

The matter was reported to PAO in December 2019. Establishment of health councils was a policy decision by Government of the Punjab. Main concept to create health councils was to eliminate delays of payments in regular accounting system as well as empower hospitals to improve their conditions by incurring expenditure of urgent nature out of these additional resources with the approval of health council headed by worthy Administrator. Reply of the department was not satisfactory. DAC in its meeting held on 30.12.2019 decided to keep the para pending and refer to Secretary P&SHCD for regularization from Finance Department

Audit recommends approval of proper accounting system from Finance department for expenditures related to Health council.

(AIR Para No.5,4,3,16)

8.5.3.4 Un-justified expenditure on health campaign - Rs 1.896 million

According to para 4.1 of Health council guide line, 2017, Health council fund will be incurred to facilitate the patients and for provision of facilities i.e. wheel chairs, bed, waiting room, clean drinking water, fans etc.

Scrutiny of accounts of THQ Hospital Dina for the Financial Years 2017-19 revealed that expenditure of Rs 1,895,798 was incurred on refreshments and purchase of different items during health melas organized at district Jhelum. The expenditure incurred on health melas was unjustified as the same was not incurred for the facilitation of patients in violation of Health Council guidelines. This resulted in irregular expenditure:

Audit was of the view that due to weak internal control, health council budget was expended on refreshment, food items etc., and kits instead for provision of facilities to the patients.

The matter was reported to PAO in December 2019. It was replied that CEO DHA Jhelum being the Head of the Department ordered the MS THQ Hospital Dina to arrange Health Melas under the orders of the Chief Minister Govt. of Punjab. In support of reply, no documentary evidence was provided. DAC in its meeting held 30.12.2019 decided to probe the matter by CEO for fixing responsibility and regularization of the expenditure. No compliance was reported till the finalization of this report.

Audit recommends the matter be investigated besides fixing responsibility against officers/officials at fault.

(AIR Para No. 04)

8.5.3.5 Short recovery of Canteen Dues - Rs 1.660 million

According to Rule 78(1) read with Rule 77, 78 & 79 of Punjab District Authorities Budget Rules, 2017 the primary obligation of the collecting officer shall be to ensure that all revenue due is claimed, realized and credited immediately into the authority's account under the proper receipt head.

Scrutiny of receipts record for the financial year 2018-19 revealed that MS DHQ Hospital Jhelum did not recover amount of Rs 1,660,141 from canteen contractor Mr. Muhammad Arshad. The detail is as below:

(Amount in Rs)

Financial Year	Auctioned Amount	Total amount recovered	Less recovery	Pending electricity dues	Income tax @ 10%	Total recoverable
2018-19	3,877,980	2,673,457	1,204,523	67,825	387,798	1,660,141

Audit is of the view that due to weak internal control and financial mismanagement, amount was not recovered from the contractor.

The matter was reported to PAO in December 2019. It was replied that three letters were written to canteen contractor for settlement of his pending dues but he had failed to respond and settle his obligations. Reply of department was not tenable as recovery was not affected from the contractor. DAC in its meeting held on 30.12.2019 decided to keep the para pending till recovery. No compliance was reported till finalization of this report.

Audit recommends recovery of dues from the contractor besides taking legal action.

(AIR Para No.16)

CHAPTER 9

DISTRICT HEALTH AUTHORITY, KASUR

9.1 Introduction of the Authority

District Health Authority, Kasur was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Kasur is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authority, Kasur as described in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- Ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Kasur manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
District Health Officers	1
Chief Executive Officer, DHA	1
District Head Quarter Hospitals	1
Tehsil Head Quarter Hospitals	3
Government Rural Dispensary	20
Rural Health Centre	12

Basic Health Units	82
District Health Development Centre	1

9.2 Audit Profile of District Health Authority, Kasur

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Kasur	19	7	1429.322	0

9.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 130.552 million were raised in this report during current audit of “District Health Authority, Kasur.” This amount also includes recoveries of Rs 16.601 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	20.384
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	-
	A. HR/Employees related irregularities	74.990
	B. Procurement related irregularities	32.518
	C. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	2.660
5	Others	-
Total		130.552

9.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	28	Not convened
2	208-19	25	Not convened

9.5 AUDIT PARAS

9.5.1 Non -production of Record

9.5.1.1 Non-production of record of Pay and Allowances - Rs 20.384 million

According to Section 14(1)(b) of Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, the Auditor-General shall have authority to require that any accounts, books, papers and other documents which deal with, or form, the basis of or otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may direct for his inspection.

Management of the following formations paid Rs 20.384 million on account of pay & allowances through Off Cycle during 2018-19 but vouched accounts of the expenditure were not produced for audit scrutiny. In absence of record, authenticity, validity, accuracy and genuineness of expenditure could not be verified.

Sr. No.	Name of Health Center	Amount (Rs)
1	MS THQ Hospital, Chunian	1.428
2	MS DHQ Hospital, Kasur	18.956
Total		20.384

Audit was of the view that record was not produced due to weak internal controls.

This resulted in un-authentic and doubtful expenditure for Rs 20.384 million.

The matter was reported to the PAO concerned on 22-10-2019. Departments replied in DAC meeting held in January, 2020 that pay & allowances were drawn from District Account Office Kasur by the officers/officials. Moreover, Gazatted officers might submit their claims directly without reporting to the DDO to the District Account Office. The negligence and lapse regarding non-production of record was accepted by the department as record maintenance was the responsibility of the DDO. DAC directed the departments to submit the record without further loss of time to Audit for verification and scrutiny. No compliance was made till finalization of this Report.

Audit recommends production of the record besides fixing responsibility for non-production of record.

[PDP-12,20,21,22]

9.5.2 Irregularities

9.5.2.1 HR/ Employee related irregularities

9.5.2.1.1 Unauthorized payment of pay & allowances without sanctioned posts - Rs 55.004 million

According to Rules 4 & 6 (K) of District Authorities Budget Rules, 2017, the Chief Executive Officer of district authority being PAO shall ensure monthly reconciliation of district offices and institutions expenditure with the Accountant General, Punjab or District Accounts Office and provide strategic guidance and oversight on generation and publication of monthly budget execution reports by the budget and accounts officer. The budget and accounts officer shall be responsible to maintain schedule of establishment of the District Authority, offices and its institutions.

During audit of District Health Officer Kasur, comparison of payment record and sanctioned strength of HR showed that DOH paid pay & allowances without sanction of posts during the Financial Year 2018-19 as detailed below:

Designation	DDO Code	Sanction Strength	Working Strength	Excess Strength
Senior Technician	KV9020	1	9	-8
Technician	KV9020	8	30	-22
Women Medical Officer	KV9020	0	1	-1
Drug Inspector	KV9020	1	2	-1
Sanitary Worker	KV9020	0	1	-1
Chief Technician	KV9002	0	1	-1
Senior Technician	KV9002	0	1	-1
Sweeper	KV9002	0	2	-2
Junior Technician	KV9003	2	3	-1
Behishti	KV9004	0	5	-5
Mashki	KV9004	0	1	-1
Lady health Visitor (LHV)	KV9005	0	1	-1
Sanitary Inspector	KV9005	0	1	-1
Senior Technician	KV9005	0	12	-12
Sweeper	KV9005	0	25	-25
Junior Technician	KV9022	0	1	-1
Lady Health Visitor	KV9022	0	1	-1
Medical Officer	KV9023	0	1	-1
Sweeper	KV9023	0	1	-1

Audit is of the view that due to financial indiscipline and weak internal controls payment was not made as per approved Schedule of

Establishment.

This resulted in unauthorized payment of Pay & Allowances Rs 55.004 million.

The matter was reported to the PAO concerned on 22-10-2019. Department replied in DAC meeting held in January, 2020 that the post of paramedics and allied health professionals had been upgraded & re-designated in compliance with the Government of the Punjab Health Department Notification No. SO (ND) 7-11/2010 (Paramedics) dated 24.11.2011 and Finance Department No. FD (PC) 2-6/77/Pt-II (Provincial) dated 24.11.2011. All the staff members were drawing their salaries according to re-designated posts. However, budget book for the year 2018-19 was prepared without effect of up-gradation as for as sanctioned strength was concerned. The reply was not satisfactory because department failed to provide record for verification of sanctioned strength duly approved by the Finance Department. DAC directed for verification of budget book sanctioned strength and sanctioned strength duly approved by the Finance Department. No compliance was made till the finalization of the report.

Audit recommends fixing responsibility against the officers / officials for making payment beyond sanctioned strength under intimation to Audit.

[PDP-05]

9.5.2.1.2 Overpayment of incentive allowance – Rs 9.677 million

⁶⁵In pursuance of approval of competent authority 40% of the existing allowance shall be paid subject to the conduct of evening rounds in hospitals by the consultants “on call basis” for the purpose of adjustment in duty roaster as devised by Punjab Information Technology Board. For the purpose, Consultants shall checkout from morning shift through Bio Metric Attendance System after 2 pm and shall check in again after 5 pm. The consultant remains in hospital at least one hour and shall conclude the round by check out again. Their attendance and evening rounds timings shall be strictly monitored through the Bio Metric Attendance System.

Following Health Centers made payment of Rs 9.677 million on account of Incentive Allowance during the financial year 2018-19 without ensuring compliance of letter referred above.

⁶⁵ Primary & Secondary Health Care Department of Government of Punjab letter No.PA/DS(G)4-8/2016 dated 03-08-2016

Health Center	Incentive Allowance (Rs in million)	40% Recovery (Rs in million)
MS THQ Hospital, Chunian	4.675	1.870
MS DHQ Hospital, Kasur	9.540	3.816
MS THQ Pattoki	9.979	3.991
Total	24.194	9.677

Audit holds that incentive allowance was paid without ensuring compliance Health Department Notification due to weak internal controls and financial indiscipline.

This resulted in overpayment of Rs 9.677 million from public exchequer.

The matter was reported to the PAO concerned on 22-10-2019. DAC in its meeting held in January, 2020 directed the department to get clarification from Finance Department. No compliance was made till finalization of this Report.

Audit recommends recovery be made at the earliest under intimation to audit.

[PDP-7,8,10]

9.5.2.1.3 Irregular Expenditure on account of excess recruitment under Health Council budget – Rs 3.385 million

According to Sr. No.4.7 of Health Council Guidelines 2018-19, Data Entry Operators up to five could be recruited and paid from Health Council Fund.

CEO, District Health Authority, Kasur recruited and paid 16 personnel other than data entry operator under Contingent Paid Staff during the period 2018-19 as detailed below:

Description other than Data Entry Operator	Rate (Rs)	No. of Employees	Amount (Rs in million)
Stretcher Bearer	577	4	0.831
Security Guard	577	2	0.415
Mali	600	4	0.864
Aya	577	4	0.831
Electrician	655	1	0.236
Sweeper	577	1	0.208
Total		16	3.385

Audit is of the view that payment of wages in excess of recruitment limit was due to poor financial controls.

This resulted in irregular expenditure of Rs 3.385 million.

The matter was reported to the PAO concerned on 22-10-2019. Department in DAC held in January, 2020 replied that staff was hired due to shortage. The department admitted the lapse and negligence. DAC directed the department to get the record verified from audit regarding shortage of staff. No record was provided till finalization of the report.

Audit recommends regularization of the matter in a manner prescribed besides fixing responsibility against the officers at fault under intimation to Audit.

[PDP-3]

9.5.2.1.4 Overpayment on account of Allowances- Rs 1.899 million

According to letter⁶⁶ dated 21-04-2014 of Government of Punjab Finance Department, Conveyance Allowance is not allowed to officers availing facility of official vehicle / Motor Cycle and conveyance allowance earlier allowed on the basis of certificate of not using vehicle from house to office was withdrawn with immediate effect. As per clarification of Government of the Punjab Health Department vide letter⁶⁷ dated 12-01-1987, Uniform Allowance and Mess Allowance is not admissible during leave. Moreover, Conveyance Allowance is not allowed during leave period. According to letter⁶⁸ dated 1st September 2006, the nursing, pharmaceutical and allied staff already posted or to be posted in future in RHCs and BHUs under the Health Sector Reforms Programme are entitled to receive 30% of the Basic Pay as Health Sector Reform Allowance.

Management of following formations of District Health Authority Kasur made payment of Rs 1.899 million on account of Health Sector Reform Allowance, Conveyance Allowance, Project Allowance and House Rent Allowance to non-entitled employees in violation of rules *ibid*.

⁶⁶ No FD.SR.1.9-4/66(P)(PR)

⁶⁷ No S.O. (A.III-MCW) 9-17/84

⁶⁸ No. PO (P&E-I) 19-113/2004 (V)

Sr. No.	Name of Health Center	Description of recovery	Amount (Rs in million)
1.	DHQ Hospital, Kasur	Project Allowance	0.100
2.	DHQ Hospital, Kasur	Conveyance Allowance	0.485
3.	DHQ Hospital, Kasur	HRA & Conveyance Allowance	0.413
4.	DHO Kasur	HSRA	0.458
5.	DHO Kasur	Conveyance Allowance	0.368
6	THQ Hospital, Kot Radha Kishan	Conveyance Allowance	0.075
	Total		1.899

Audit is of the view that due to financial indiscipline and weak internal controls payment for Allowances was made.

This resulted in over-payment of Rs 1.899 million.

The matter was reported to the PAO concerned on 22-10-2019. The departments admitted the recovery in DAC meeting held in January 2020. DAC directed for recovery from the concerned. No compliance was made till the finalization of the report.

Audit recommends for recovery besides fixing responsibility against the officers / officials at fault under intimation to Audit.

(PDP No. 2,12,13,1 & 2)

9.5.2.1.5 Overpayment of incentive allowance – Rs 5.025 million

According to letter⁶⁹ dated 30-01-2017 of Primary & Secondary Health Care Department of Government of Punjab, the special allowance, awarded to consultants/specialist cadre will strictly be linked to Bio Metric Attendance. Moreover, according to Primary & Secondary Health Care Department of Government of Punjab letter dated 12-10-2017 monthly incentive package to the specialist is not admissible in any kind of leave as the said incentive is applicable when a specialist performs duty.

- A.** District Headquarter Hospital Kasur paid incentive allowance to consultant Rs 3.240 million without marking bio metric attendance as detailed below:

Sr. No.	Name of Employee	Personnel No.	Status of Bio Metric Attendance	Incentive Allowance
1	Ghulam Shabbir Yazdani	30417068	Not marked	180,000

⁶⁹ No.S.O(H&D)7-1/2017

2	Umar Draz Khan	30674353	Not marked	540,000
3	DR Ali Gohar1883	31109445	Not marked	540,000
4	Abdul Haseeb Khan	31543268	Not marked	135,000
5	M Faraz Akram	31564462	Not marked	540,000
6	M Amir Mushtaq	31744826	Not marked	540,000
7	M Amir Qaiser Mumtaz	32071798	Not marked	540,000
8	Abdul Majid	32118368	Not marked	225,000
Total				3,240,000

B. Medical Superintendent District Headquarter Hospital Kasur paid incentive allowance of Rs1.785 million to consultants who were absent from duty as per biometric attendance during the financial year 2018-19 as detailed below:

Sr. No.	Name of Employee	Absent as per Bio Metric Report	Personnel No.	Rate of incentive allowance (Rs)	Overpayment of incentive allowance during absent period (Rs)
1	Asim Waseem	23	31158812	45000	34,500
2	Muhammad Kamal	20	31437324	45000	30,000
3	ALLAH Wasaya	29	31445309	45000	43,500
4	HABIB Ullah	24	31448987	45000	36,000
5	ADEEL Iqbal	68	31588560	45000	102,000
6	M ARIF Azeem	59	31628214	45000	88,500
7	MUNA Ahmad	27	31677843	45000	40,500
8	Bushra Rashid	83	31709340	45000	124,500
9	Sultan Shahab DIN	31	31741773	45000	46,500
10	M Farhan Ashraf	84	31749299	45000	126,000
11	DR. Fouzia Yaseen	57	31757116	45000	85,500
12	DR. Saiama Kanwal	21	31764593	45000	31,500
13	DR. Shehla Latif	64	31764600	45000	96,000
14	DR. Babar Riiaz	42	31791686	45000	63,000
15	Wasim Ejaz	21	31854942	45000	31,500
16	Sallbia Shahid	67	31885943	45000	100,500
17	M. Khalid Shafi	29	32055437	45000	43,500
18	Mohsin Ali Mansoor	178	32084486	45000	267,000
19	Zahid Hussain	171	32111956	45000	256,500
20	Soweela Jabbar	92	32111957	45000	138000
Total					1,785,000

Audit holds that incentive allowance was paid without ensuring compliance of Health Department's instructions due to weak internal controls and careless attitude towards financial discipline.

This resulted in overpayment of Rs 5.025 million from public exchequer.

The matter was reported to the PAO concerned on 22-10-2019. Department replied in DAC meeting held in January, 2020 that a committee had been constituted to probe into the matter in detail and

submitted the facts finding report to the Competent Authority for further necessary action. DAC directed the department to expedite the matter. No compliance was made till finalization of this Report.

Audit recommends for recovery of overpayment besides fixing responsibility against the person(s) at fault under intimation to Audit.

[PDP-09 & 10]

9.5.2.2 Procurement related irregularities

9.5.2.2.1 Irregular payment of pending liabilities- Rs 19.243 million

As per Rule 17.17 (A) of PFR Vol, every disbursing officer shall maintain a register of liabilities in P.F.R Form No.27 in which he should enter all those items of expenditure for which payment is to be made by or through another officer; budget allotment or sanction of a higher authority is to be obtained; or payment would be required partly or wholly during the next financial year or years.

MS District Headquarter Hospital Kasur drew Rs 19.243 on account of purchase various items during the FY 2018-19 against the previous year 2017-18 without maintaining pending liability register and sanction from higher authority.

Sr. No.	Name of Health Center	Description of recovery	Rs in million
1.	DHQ Hospital, Kasur	LP and bulk medicines	17.600
2.	THQ Hospital, Pattoki	COS and medicines	1.643
	Total		19.243

Audit holds that pending liabilities were discharged without fulfilling codal formalities due to weak internal controls.

This resulted in irregular payment of Rs 19.243 million from public exchequer.

The matter was reported to the PAO concerned on 22-10-2019. Department replied in DAC meeting held in January, 2020 that MS DHQ Hospital being Category-I Officer was competent to discharge pending liability during current financial year budget by considering the availability of budget. The reply was not satisfactory because sanction of higher authority than DDO required while paying off pending liabilities. DAC directed the department to get the expenditure regularized from the competent authority. No compliance was made till the finalization of the report.

Audit recommends regularization of expenditure besides fixing responsibility against the person(s) at fault under intimation to Audit.

[PDP No. 15, 16, 20]

9.5.2.2.2 Irregular purchase without open competition-Rs 5.788 million

According to Rule (9) of PPRA Rules, 2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned the annual requirements has determined would be advertised in advance on the PPRA's website as well as on the website of the procuring agency in case the procuring agency has its own website and according to Rule 12 (1) of the Punjab Procurement Rules, 2014, all Procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by regulation by the PPRA from time to time. These procurement opportunities may also be advertised in print media, if deemed necessary by the procuring agency.

MS Cardiac Center Chunian Kasur drew Rs 5.788 million against various items. Payment was held irregular because no tender was called for purchases, no purchase planning was made before procurement of items, need of additional items was not taken into consideration. The job orders were split in order to avoid competitive rates through advertisement at PPRA website.

Financial Year		2017-18	2018-19
Object Head	Description	Amount	Amount
A03902	Printing	298,250	174,369
A03942	COS	180,948	916,051
A03970	Others	763,199	1,094,853
A09404	Medical and Laboratory Equipment	-	346,320
A09601	Purchase of Machinery	205,075	316,839
A09701	Purchase of Furniture	274,400	138,495
A13101	Repair of Machinery	365,510	713,263
Total		2,087,382	3,700,190
Grand Total		5,787,572	

Audit is of the view that due to financial indiscipline and weak internal controls purchases were made without advertisement through PPRA.

This resulted in irregular purchase for Rs 5.787 million.

The matter was reported to the PAO concerned on 22-10-2019. Department admitted the lapse in DAC meeting held in January, 2020. DAC directed the department to get the expenditure regularized from competent authority. No compliance was made till finalization of this Report.

Audit recommends regularization besides fixing responsibility against the officers / officials at fault under intimation to Audit.

[PDP-13]

9.5.2.2.3 Irregular purchase of 10% emergency medicine – Rs 4.116 million

According to Rule12(1) of Punjab Procurement Rules 2014, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper. Budget of the medicines will be distributed in the ratio of 10%, 15%, and 75% for natural calamities/ emergencies, day to day purchase and bulk purchase respectively. 85% of the budget will be utilized for bulk purchase through rate contract and remaining 15% day to day purchases will be made through quotations or financial feasibility will be observed⁷⁰.

MS THQ Hospital Chunian incurred expenditure of Rs 4.116 million on account of purchase of 10% emergency medicines on quotations without open competition in violation of instructions *ibid*.

Audit was of the view that medicines were purchased without open competition due to financial indiscipline and weak internal control.

The matter was reported to the PAO concerned on 22-10-2019. Department admitted the lapse in DAC meeting held in January, 2020. DAC directed the department to get the expenditure regularized from competent authority. No compliance was made till finalization of this Report.

Audit recommends regularization of expenditure besides fixing responsibility against the person(s) at fault under intimation to Audit.

[PDP-06]

9.5.2.2.4 Irregular expenditure on washing of clothes – Rs 3.371 million

According to Rule 9 of Punjab Procurement Rules 2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. The

⁷⁰ Government of the Punjab, Finance Department letter No. FD(FR)II-2/89 dated 10th September 2001

procuring agency shall advertise in advance annual requirements for procurement on the website of the Authority as well as on its website. Further as per Rule12(1), a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper.

MS District Headquarter Hospital Kasur incurred expenditure of Rs 3.371 million during the financial year 2018-19 on account of washing of bed sheets/ clothes. Expenditure could not be termed as legitimate as open competition was not followed as warranted by PPRA rules *ibid*.

Audit holds that expenditure was incurred without planning to advertise at PPRA website due to weak internal controls.

This resulted in irregular payment of Rs 3.371 million from public exchequer.

The matter was reported to the PAO concerned on 22-10-2019. Department replied in DAC meeting held in January, 2020 that expenditure was incurred as per need & requirement on the basis of petty purchase. DAC directed the department to get the expenditure regularized from competent authority. No compliance was made till finalization of this Report.

Audit recommends regularization of expenditure besides fixing responsibility against the person(s) at fault under intimation to Audit.

[PDP-17]

9.5.3 Value for money and service delivery issues

9.5.3.1 Non-utilization of assets of the hospital - Rs 2.660 million

According to Rule 2.10(a) (1) of PFR Vol-I, same vigilance shall be exercised in respect of expenditure incurred from government revenue as a person of ordinary prudence will exercise in respect of his own money.

MS THQ Hospital Pattoki received following items from the Project Management Unit (PMU), Primary & Secondary Healthcare Department without need assessment of the hospital valuing Rs 2.660 million (approximate). No demand from the hospital authorities was available on record. Equipment and articles of assets were found in store and warranty period either has been expired or going to be expired in near future.

Sr. No.	Delivery No. & date	Stock Page No.	Description	Rate	Qty	Issued	Balance	Amount
1	22950001748 20.04.18	16	Ceiling fans	8000	50	16	34	400,000
2	22950001748 20.04.18	17	LED	130000	20	12	08	260,000
3	22950001748 20.04.18	18	Bracket Fans	5000	72	44	28	360,000
4	22950002349 21.06.18	50	Refrigerators (Hier)	60000	5	2	3	300,000
5	22950002349 21.06.18	54	Lenove Desktop	50000	7	4	3	350,000
6	22950002349 21.06.18	55	Washing Machines	20000	3	0	3	60,000
7	22950002349 21.06.18	56	Lenove LCD	30000	7	4	3	210,000
8	33950001669 07.07.18	63	Blankets	12000	60	0	60	720,000

Audit was of the view that unnecessary expenditure on the above articles was due to poor financial discipline and weak internal controls.

This resulted in purchase of equipment without immediate need & need assessment and non-utilization of the assets Rs 2.660 million.

The matter was reported to the PAO concerned on 22-10-2019. Department replied in DAC meeting held in January, 2020 that items received from PMU. DAC directed the department to inquire the matter

under intimation to audit. No compliance was made till finalization of this Report.

Audit recommends fixing responsibility against the person(s) at fault under intimation to Audit.

[PDP No.14]

CHAPTER 10

DISTRICT HEALTH AUTHORITY, KHUSHAB

10.1 Introduction of the Authority

District Health Authority, Khushab was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Khushab is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authorities, Khushab as delineated in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Khushab manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
District Health Officers	03
District Health Development Centre	01
District Head Quarter Hospitals	01
Tehsil Head Quarter Hospitals	04
Rural Health Centre	05
Basic Health Units	43
Government Rural Dispensary	24
Any other institute/ health facility	09

10.2 Audit Profile of District Health Authority, Khshab

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Khushab	23	7	1.027.721	0

10.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 161.987 million were raised in this report during current audit of “District Health Authority, Khushab.” This amount also includes recoveries of Rs 76.280 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	
	A. HR/Employees related irregularities	78.294
	B. Procurement related irregularities	38.810
	C. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	23.839
5	Others	21.044
	Total	161.987

10.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	16	Not convened
2	2018-19	27	Not convened

10.5 AUDIT PARAS

10.5.1 Irregularities

10.5.1.1 HR / Employee related irregularities

10.5.1.1.1 Non-recovery of inadmissible allowances – Rs 41.736 million

As per clarification issued vide Finance Department letter⁷¹ dated 15.1.2000, in case a designated residence is available, the Government servant cannot draw HRA for whom it means. As per FD clarification⁷² dated 21.4.2014, officers who are availing government vehicles including bikes are not entitled the facility of Conveyance Allowance. Moreover, Conveyance Allowance is also not admissible during earned leave. According to Punjab Health Department Letter⁷³ dated 16th March 2007, HSRP allowance is admissible to doctors, para-medical & other staff perform at RHCs and BHUs. According to (XIII)(i)(b) Contract Appointment Policy in 2004 of Government of the Punjab “Social Security Benefit is admissible only to contract employees. According to the Government of Punjab, Health Department’s order⁷⁴ the non-practicing allowance @ Rs 4,000 (BS- 17 & 18) and Rs 6,000 (BS-19 & 20) per month w.e.f 1.1.2007 is admissible only for those doctors who do not opt for private practice. According to Para 10(xii) of the Revised Basic Pay Scale 2005, Integrated Allowance is admissible to Naib Qasid, Daftri, Farash, Chowkidar, Sweeper/ Sweepers.

DDOs of following formations of District Health Authority, Khushab made unauthorized payment of Rs 41.736 million on account of inadmissible allowances in violation of the rules *ibid*.

Sr. No.	Name of formation	Description	Amount (Rs)
1.	CEO DHA Khushab	Health professional Allowance	442,150
2.	CEO DHA Khushab	CA/HSRA	358,483
3.	DOH	Special allowance	10,176,000
4.	DHQ Hospital Khushab	CA and HRA	214,405
5.	DHQ Hospital Khushab	Special allowance	18,490,000
6.	THQ Hospital Khushab	HSRA	8910
7.	THQ Hospital Khushab	Special allowance	3,704,000
8.	THQ Hospital Khushab	Incentive allowance	4,200,000
9.	THQ Hospital Khushab	Charge allowance	259,226
10.	THQ Hospital Quaidabad	HSRA	467,000

⁷¹ No. FD(M-1)1-15/82-P-I

⁷² No.FD.SR-1.9.4/86(P)(PR)

⁷³ No.PMU/PHSRP/G.1-06/61/270-340

⁷⁴ No SO(N.D)2-26/2004(P.II)

Sr. No.	Name of formation	Description	Amount (Rs)
11.	THQ Hospital Quaidabad	HSRA	63,936
12.	THQ Hospital Quaidabad	Special allowance	2,133,000
13.	THQ Hospital Quaidabad	Incentive allowance	400,000
14.	THQ Hospital Noshera	Incentive allowance	420,000
15.	THQ Hospital Khushab	HRA and CA	293,802
16.	THQ Hospital Quaidabad	HRA and CA	105,694
Total:			41,736,606

udit holds that due to weak internal controls inadmissible allowances were paid.

This resulted in payment of inadmissible allowances Rs 41.736 million

The matter was discussed in DAC held on 26.11.2019. Department replied all the DDO has been directed for recovery of overpaid allowances. DAC pended the para with the direction to affect actual recovery within 30 days. No compliance was shown to audit till the finalization of this report.

Audit recommends recovery of the stated amount.

[PDP No. 5, 24, 35, 68, 74, 122, 130, 131, 148, 159, 161,168, 169, 235, 116, 156]

10.5.1.1.2 Recovery of pay of absent period Rs 17.729 million

According to Rule 2.33 of PFR Vol-I every government servant should realize fully and clearly that he would be held personally responsible for any loss sustained by the government through fraud or negligence on his part.

The bio-metric system of following formations of District Health Authority, Khushab revealed that some doctors remained absent from their duties on different dates but the salary of absent period was not deducted.

Sr. No.	Department	Amount (Rs in million)
1.	DHQ Hospital Khushab	13.084
2.	DHQ Hospital Khushab	3.534
3.	THQ Hospital Khushab	0.041
4.	THQ Hospital Khushab	0.117
5.	THQ Hospital Quaidabad	0.348
6.	THQ Hospital Quaidabad	0.605
Total:		17.729

Audit holds that the payments for absent period without admissibility / entitlement were due to defective administrative and

financial discipline resulting in unauthorized payment to the officers / officials.

This resulted in non recovery of pay & allowances for the absent period Rs 17.729 million.

The matter was discussed in DAC meeting held on 26.11.2019. The department replied that the Bio-Metric system cannot be relied upon for attendance proof as it has many short coming i.e. scanning of thumb impression, Internet connection, Server breakout. Manual attendance record, daily patient record checked by doctors & HMIS record should be treated as their attendance proof. DAC pended the para with direction to probe into the matter and effect actual recovery. No compliance was shown to audit till finalization of this report.

Audit recommends effecting recovery of absent period besides fixing responsibility and action under PEEDA Act.

[PDP No. 65, 67,141, 144, 181,185]

10.5.1.1.3 Irregular payment of pay and allowances – Rs 17.587 million

According to Rule 7 and 12 (ii), of Punjab District Authority Accounts rules 2017, the accounts of the authority shall be maintained in such forms and in accordance with such principles and methods as given in New Accounting Model (NAM) duly prescribed by the Auditor General of Pakistan, from time to time. The Budget and Accounts Officer of the authority shall ensure that the expenditure is charged to the relevant object code and remain within allocation.

DDOs of following formation of DHA Khushab drew Rs 17.587 on account of Pay and Allowance of the officials/officers under “object head A01270-Others” without mentioning actual nomenclatural of the allowance during 2018-19 in violation of Govt., instructions. This resulted in irregular drawl and disbursement of Rs 17.587 million.

Sr. No.	Department	Amount (Rs in million)
1.	CEO DHA Khushab	329,168
2.	DOH Khushab	8,748,192
3.	DHQ Hospital Khushab	5,167,326
4.	THQ Hospital Khushab	1,155,269
5.	THQ Hospital Quaidabad	692,214
6.	THQ Hospital Noorpur Thal	1,495,738
Total:		17,587,907

Audit holds that due to weak internal controls, payments were made without classified object description.

This resulted in irregular payment of Rs 17.587 million without any nomenclature.

The matter was discussed in DAC meeting held on 26.11.2019. Department replied that arrears of pay and allowances of officers / officials regarding different allowances were drawn under the head "A01270-others". Moreover, Accounts Office Administration posted the said pay and allowances arrears to this head through SAP system so it is the responsibility of DAO Khushab to book these heads under the proper head of account or according to actual nomenclature. DAC pended the para for regularization from competent forum.

Audit recommends regularization of expenditure.

[PDP No. 19, 40, 109, 138, 177,196]

10.5.1.1.4 Loss due to non-deduction of inadmissible allowances - Rs 1.242 million

As per clarification issued by Government of the Punjab, Finance Department letter⁷⁵ dated 15.1.2000 in case a designated residence is available to the Government servant for whom it is meant, cannot draw HRA even if he does not reside in it. As per Government of the Punjab Finance Department clarification⁷⁶ dated 21.4.2014 the officers who are availing government vehicles including bikes are not entitled the facility of Conveyance Allowance w.e.f. 01.3.2014. Moreover, Conveyance Allowance is also not admissible during earned leave.

During audit of following formations of DHA Khushab it was noticed that various employees availed leave during FY 2018-19 but deduction of Conveyance Allowance, Health Sector Reform Allowance and Mess & Dress allowances were not made from their salaries which resulted into excess payment of Rs 1.242 million.

Sr. No.	Department	Amount (Rs in million)
1.	DHQ Hospital	0.880
2.	THQ Hospital Khushab	0.143
3.	THQ Hospital Quaidabad	0.219
Total:		1.242

⁷⁵ No. FD(M-1)1-15/82-P-I

⁷⁶ No.FD.SR-1.9.4/86(P)(PR)

Audit holds that due to weak internal and financial controls, conveyance allowance and health sector reform allowance was paid to staff during leave period.

This resulted in loss due to non-deduction of inadmissible allowances Rs 1.242 million.

The matter was discussed in DAC meeting held on 26.11.2019. Department replied that the change forms have been submitted to DAO Khushab for recovery of conveyance and HSRP allowance. Moreover, dress allowance and mess allowance are admissible in accordance with Govt. of Punjab Health Department letter No. SO(NC)6-35/2014. DAC pended the para with direction to affect actual recovery.

Audit recommends recovery of conveyance allowance and HSRA from concerned besides fixing of responsibility for laps and negligence.

[PDP No. 64, 115, 155]

10.5.1.2 Procurement related irregularities

10.5.1.2.1 Irregular Expenditure in violation of PPRA -Rs 33.772 million

According to Rule 12(1) read with Rule 9 of Punjab Procurement Rules 2014, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by PPRA regulation from time to time. A procuring agency shall announce in an appropriate manner all proposed procurements for each Financial Year and shall proceed accordingly without any splitting of the procurements so planned. The annual requirements thus determined would be advertised in advance on the PPRA's website.

DDOs of following formations of District Health Authority, Khushab expensed Rs 33.772 million for the purchase of different store items during the Financial Year 2018-19. Job orders were split up in order to avoid open tender on PPRA website.

Sr.No.	Department	Description	Amount (Rs)
1.	CEO DHA Khushab	Stationery	388,797
2.	DOH Khushab	Stationery	1,544,017
4.	THQ Hospital Khushab	Printing and publication	3,161,671
5.	DHQ Hospital Khushab	Fall ceiling	384,890
6.	THQ Hospital Quaidabad	x-ray and lab items	560,666
7.	THQ Hospital Quaidabad	Different register got printed	599,500
8.	THQ Hospital Noorpur Thal	Stationery and store items / equipments	234,378
9.	THQ Hospital Khushab	COS, Printing, Other and stationery	1,256,360
10.	THQ Hospital Quaidabad	Others and COS etc	2,085,304
11.	THQ Hospital Khushab	Medicine	9,933,359
12.	THQ Hospital Quaidabad	Medicine	2,046,625
	THQ Hospital Khushab	Medicine	11,576,659
		Total	33,772,226

Audit holds that payment for purchase of store items without advertisement on PPRA website was due to weak internal control.

This resulted in irregular expenditure of Rs 33.772 million.

The matter was discussed in DAC meeting held on 26.11.2019. The departments replied that due to insufficient PFC share and less provision of funds the tender cannot be advertised. Further some purchases were made on urgent basis by the orders of the higher

authorities. DAC pended the para for regularization. No compliance was shown to audit till the finalization of this report.

Audit recommends regularization of expenditure from the competent authority/forum.

[PDP No. 01, 33, 71, 79, 176, 178, 200, 119, 160, 137, 175, 81]

10.5.1.2.2 Excess payment due to purchase of dialysis material at exorbitant rates - Rs 2.259 million

According to Rule 11 of the PPRA Rules 2014, all procuring agencies shall provide clear authorization and delegation of powers for different categories of procurement and shall initiate procurements after prior approval of the competent authority. The authority approving or executing the contract shall be responsible for ensuring that the contract is made after observing all legal and procedural formalities under these rules and Punjab Procurement Regulatory Authority Rules according to Rule 4 & 5 of the PLG (Contract) Rules, 2003 read with Rule 4, 5 & 6 of the PLG (Contract) Rules 2017.

During audit of DHQ Hospital and THQ Hospital Khushab for the Financial Year 2018-19, it was noticed that Medical Superintendents made purchases of dialysis material and other surgical items at higher rates as compared to central rate contract of others districts as well as central rate award concluded by Secretary P&SHC department Lahore. Resultantly Government sustained loss of Rs 2.259 million.

Following serious irregularities were noticed.

- i. MS THQ Khushab followed a rate contract approved by MS DHQ Hospital Joharabad, but there was no Dialysis unit at DHQ Hospital Joharabad. This clearly depicts that rate award concluded by MS DHQ Hospital Khushab was mala-fide.
- ii. There was no professional doctor to verify the material received.
- iii. Material/medicines for dialysis unit were received in bulk but no DTL report was obtained.
- iv. Medicines were purchased from a local medical store.

Sr. No.	Department	Description	Qty	Rate paid (Rs)	Rate paid / Central rate (Rs)	Excess rate charged (Rs)	Excess payment (Rs in million)
1	THQ Hospital Khushab	Dialyzer	1,600	1600	1082	578	0.925
		Heparin	1,500	540	270	270	0.405
		Bicorb	1,000	340	210	130	0.130
		Fistula Need	1,000	115	26	89	0.089

		Blood Tubing	1,000	450	207	243	0.243
2.	DHQ Hospital Khushab	IV-Cannula	8,500	110	55	63	0.467
Total							2.259

Audit holds that due to weak financial discipline and internal controls procurement of dialysis material was made at higher rates.

This resulted in excess payment of Rs 2.259 million.

The matter was also discussed in DAC meeting held on 26.11.2019. Department replied that MS DHQ hospital Khushab concluded rate contract as per PPR rule and CEO DHA Khushab allowed THQ hospital to follow the rate contract of DHQ hospital Khushab. Purchases made purely on open competition so no need to assess market. There is professional pharmacist to verify the stock and purchases so DTL report was not required. The contention of the department was not accepted. DAC pended the para with the direction to probe the matter within 30 days and affect resultant recovery.

Audit recommends to probe into the matter and to affect resultant recovery besides fixing responsibility against the person(s) at fault.

[PDP No. 113, 63]

10.5.1.2.3 Non-imposition of Penalty for Delay – Rs 1.819 million

As per Rate Contract and supply orders, in case of late delivery of goods penalty @ 4 % per month or 0.134% per day of the cost of late delivered supply shall be imposed upon the supplier.

During audit of following formations of DHA Khushab for the financial year 2018-19, it was observed that the management of hospital, awarded various supply orders to different vendors during the financial year. The vendors could not deliver the medicines within stipulated time. Audit noticed that the hospital management made payment to vendors without imposition of penalty of Rs 1.819 million.

Sr.No.	Department	Description	Amount (Rs)
1.	DHQ Hospital Khushab	Late supply of medicine	625,669
2.	THQ Hospital Khushab	Late supply of medicine	370,824
3.	THQ Hospital Quaidabad	Late supply of medicine	164,370
4.	THQ Hospital Noorpur Thal	Late supply of medicine	135,418

5.	THQ Hospital Noshera	Late supply of medicine	523,302
Total:			1,819,583

udit holds that due to non-compliance of rules and dereliction.

This resulted in loss of Rs 1.819 million.

The matter was also discussed in DAC meeting held on 26.11.2019. Department replied that the letter for recovery of stated amount has been forwarded to firms. Audit verified the letter. DAC pended the para for recovery within 30 days. No compliance was reported till finalization of this report.

Audit recommends effecting recovery besides fixing responsibility against the person(s) at fault.

[PDP No. 102, 123, 162, 204, 214]

10.5.1.2.4 Irregular Expenditure due to misclassification–Rs 0.960 million

According to NAM, the budgetary allocation be made according to the chart of accounts/classification approved by the Auditor General of Pakistan. As per Article 30 of Audit Code, all financial transactions are required to be properly recorded and allocated to proper heads of account. Further, according to Rule 12 of General Financial Rules, the expenditure may be incurred for the purpose for which the budget is allocation is made.

DDOs of following formations of DHA Khushab incurred an expenditure of Rs 0.960 million on procurement of different items and expenditure was charged to irrelevant head during the Financial Year 2017-19. Audit noticed that neither proper head wise budget allocation was made nor expenditure was booked to actual minor object heads. Resultantly actual figure of expenditure against each minor head was neither transpired nor could be authenticated.

Sr. No.	Department	Head charged	Actual head	Amount (Rs)
1.	CEO DHA Khushab	Others	Repair of computer	43,760
2.	DHQ Hospital Khushab	Others / COS	Purchase of furniture, M&E	464,300
3.	THQ Hospital Khushab	Others/stationery	COS	209,590
4.	THQ Hospital Quaidabad	Others	Repair of machinery	60,500

5.	THQ Hospital Noshera	COS/others	Purchase of M&E and others	181,938
Total:				960,088

Audit holds that due to weak internal control and financial indiscipline, expenditure of Rs 0.960 million was incurred without following chart of accounts.

This resulted in irregular expenditure of Rs 0.960 million.

The matter was discussed in DAC meeting held on 26.11.2019. Department replied that the separate specific heads are not available due to which head of account "Others" is used. DAC directed the department to regularize the expenditure from competent authority. No compliance was shown to audit till the finalization of this report.

Audit recommends regularizing the expenditure from the competent authority.

[PDP No. 20, 101, 147, 191, 216]

10.5.2 Value for money and service delivery issues

10.5.2.1 Irregular and doubtful expenditure on account of POL - Rs 6.045 million

As per Serial No. 3 of Punjab Delegation of Financial Powers Rules, 2006 stipulates that sanctioned strength of vehicles as approved by the Finance Department should be maintained in the department and no purchase of new vehicle should be made unless the strength of vehicles in the Department has been sanctioned by the Finance Department or the purchase / replacement is required for keeping up the sanctioned strength and the vehicle to be replaced has been condemned by the competent authority. According to Rule 20 of West Pakistan Staff Vehicle (Use and Maintenance) Rules, 1969. Log book, history sheet and petrol consumption account register is required to be maintained for each government owned vehicle.

During audit of DOH and CEO DHA Khushab for the Financial Year 2018-19, scrutiny of paid vouchers of POL revealed that an expenditure of Rs 6.045 million was incurred on POL of vehicles. The expenditure incurred was held irregular and doubtful because sanctioned strength of vehicles were not obtained from Finance Department. Five vehicles were at the strength of DOH and two vehicles were at the strength of CEO DHA. Further the official tours were recorded in the log books mostly on the same dates.

Sr. No.	Department	Amount (Rs in million)
1	DOH	4.250
2.	CEO DHA	1.795
Total:		6.045

udit holds that due to weak financial and internal controls, doubtful expenditure of POL was incurred.

This resulted in irregular and doubtful payment of POL of Rs 6.045 million

The matter was discussed in DAC meeting held on 26.11.2019. Department replied that the detail of vehicles etc. available in office record. All the vehicles have been provided by Govt. of Punjab according to sanctioned plan. DAC directed the department to probe into the matter within 30 days. No compliance was shown to audit till the finalization of this report.

Audit recommends to probe into the matter and take resultant action.

[PDP 57, 13]

10.5.2.2 Unauthorized collection of Test charges – Rs 5.528 million

professors and assistant professors and specialist were entitled to draw 35% as doctor share and 20% staff share from Lab fee⁷⁷.

During audit of following formations of DHA Khushab it was observed that an amount of Rs 5.528 million was received from the patients on account of lab. test fee of HBS and HCV which have been declared by the Health Department as free of cost. Further, 35% and 20% for Doctors' and staff share respectively were also received by the DHQ authorities which may be recovered from concerned.

Sr. No.	Department	Amount (Rs in million)
1.	DHQ Hospital	4.542
2.	THQ Hospital Khushab	0.159
3.	THQ Hospital Quaidabad	0.827
Total:		5.528

Audit holds that due to weak internal controls unauthorized payment was received from patients.

This resulted in irregular collection of fee of Rs 5.528 million from the patients.

The matter was also discussed in DAC meeting held on 26.11.2019. Department replied that the test fee for HBV and HCV have been charged in anticipation of Government direction and there is no unauthorized collection except approved test fee of Rs. 200/- per test of HBS & HCV. The audit contended that the above-mentioned tests were to be made free of cost as per Government direction and no fee of said test to be charged to patient. DAC uphold the contention of the audit and pended the para with the direction to recover the share from the concerned doctor and staff received as a result of excess rates within 30 days.

Audit recommends recovery besides fixing responsibility against the person(s) at fault.

[PDP No. 72, 125, 164]

⁷⁷ Govt. of the Punjab (Health) Department Letter No. SO(H&D)-12-13/73 dated 11-04-1985

10.5.2.3 Loss to Govt. due to laps of warranty & wastage of public property Rs 4.134 million

As per Rules 15.21 (4) of PFR Vol-I, the department was required to see, before the procurement of store items that balance in hand did not exceed the maximum limit prescribed by the competent authority and it should be not in excess of requirement for a reasonable period.

During the Audit of MS THQ Hospital Noorpur Thal for the Financial Year 2018-19 it was observed that huge expenditure was incurred for purchase of machinery and equipment in 2017-18 by PMU. Material purchased during financial year 2017-18 was dumped in open galleries and stores due to insufficient storage places at THQ hospital. Purchased material had lost the warranty period without giving any benefit to general public. Audit holds that due to weak internal control valuable machinery could not be installed well in time.

This resulted in laps of warranty & wastage of public property Rs 4.134 million

The matter was discussed in DAC meeting held on 26.11.2019. Department replied that some items are lying in store due to backup. DAC pended the para to probe the matter, fixing responsibility besides the recovery within 60 days.

Audit recommends that department may investigate the matter at appropriate level, fixing of responsibility besides effecting resultant recovery.

10.5.2.4 Loss due to illegal occupancy of hospital residences – Rs 3.328 million

According to Rule 2.33 of PFR Vol-I, every government servant should fully realize that he will be held personally responsible for any loss sustained by government through fraud or negligence. According to orders contained in Government of Punjab Finance Department, if a person retains residence above entitlement, 10% of maximum pay scale will be deducted in accordance with the category of residence occupied.

Scrutiny of record of MS THQ Khushab and Quaidabad for Financial Year 2018-19 revealed that residences for staff of hospitals have been illegally occupied by staff of other offices, some staff were residing in government residences over and above entitlement. Audit observed that the hospital management neither got the hospital residences vacated from unauthorized occupants nor recovered penal rent and maintenance charges from them.

Sr. No.	Department	Amount (Rs in million)
1.	THQ Hospital Khushab	1.528
2.	THQ Hospital Quaidabad	0.720
3.	DHQ Hospital Khushab	1.080
Total:-		3.328

Audit holds that due to weak internal controls the staff residences were illegally occupied.

This resulted in loss on account of non-recovery of allowances and penal rent from illegal occupants Rs 3.328 million.

The matter was also discussed in DAC meeting held on 26.11.2019. Department did not offer any reply. DAC directed to vacate the residences of hospital from illegal occupants and recovery of penal rent from these occupants. No compliance was shown to audit till the finalization of this report.

Audit recommends vacation of hospital residence from unauthorized occupants besides recovery of stated amount.

10.5.2.5 Irregular expenditure out of Health Council Funds - Rs 2.165 million

According to instructions issued by the health department Govt. of Punjab, Prior approval of health council was required for advance drawl of funds from Health Council Funds up to Rs 50,000. Further each expenditure should be approved/sanctioned by the Health Council Committee and PPRA rules should also be followed for purchase of different items.

During audit of DHO office Khushab for the Financial Year 2018-19, scrutiny of paid vouchers of Health Council revealed that management of various BHUs spend an amount of Rs 2.165 million from Health Council Funds for purchase of different items.

The amount expended was held irregular due to the following reasons.

- 90% purchases were made from single supplier and remaining purchase was from the un-registered suppliers.
- Sanction of actual amount expended on different heads was not taken from the Health Council Meeting.
- Items purchased were not entered in the prescribed stock register.
- No specification of items purchased was given in the invoice or on any other document.

- Health Council Budget was expended without having annual development and repair plan duly approved by the Health Council Committee.

Audit holds that due to weak internal and financial controls, management made irregularities in purchase of different items.

This resulted in irregular and un-economical expenditure of Rs 2.165 million.

The matter was also discussed in DAC meeting held on 26.11.2019. Department replied that the expenditure of Health Council was made by the concerned Health Facility through Health Council. All the Incharges have been directed to provide the replies of the objections raised by audit on the individual basis. DAC pended the para with the direction to provide required record to audit within 30 days. No compliance was reported till finalization of this report.

Audit recommends regularization of expenditure from competent authority besides fixing of responsibility for laps and negligence.

10.5.2.6 Unauthorized Payment of Income Tax to Companies - Rs 1.163 million

According to Section 153 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 person or permanent establishment in Pakistan of a non-resident person shall, at the time of making the payment, deduct tax from the gross amount @ 4.5% and 7.5% respectively on accounts of supplies and services rendered.

Scrutiny of record of THQ Khushab and Quaidabad regarding purchase of medicines, revealed that Contract Agreement was made with the companies offering rates inclusive of Income Tax. Withholding Income Tax has been deducted from the bill of contractors while making payment but the department first included the Income Tax in the bills (rate included with Income Tax) and then deducted the Income Tax. This reflects that Income Tax was paid by the department instead of contractor.

Sr. No.	Department	Amount (Rs in million)
1.	THQ Hospital Khushab	0.695
2.	THQ Hospital Quiadabad	0.468
	Total:	1.163

(b) Similarly, the suppliers offered 10% discount on LP medicines. MS THQ Hospitals made payment for LP medicines after

availing 5.5% discount and made payment on account of withholding Income Tax @ 4.5% from government treasury, whereas withholding tax was to be deducted from supplier. This resulted in loss to government and favour to the medical store as detailed below:

Department	Supplier	Description	Financial Year	Amount of LP	Income tax @ 4.5%
THQ Hospital Quaidabad	Taseer	LP medicines	2018-19	2.731	122,895
THQ Hospital Khushab	Imran Medical Store	LP medicines	2018-19	4.233	190,483
Total				313,378	313,378

Audit holds that the payments without deducting Income Tax were due to defective financial discipline.

The matter was also discussed in DAC meeting held on 26.11.2019. Department replied that Income Tax was deducted as per FBR rules under section 153 whereas no tax was added in these bills. DAC did not accept the view point of the department and pended the para for recovery within 30 days. No compliance was shown to audit till the finalization of this report.

Audit recommends recovery besides fixing responsibility against the person(s) at fault under report to audit.

PDP No. 136, 174]

10.5.2.7 Loss due to illegal supply of electricity from hospital meters – Rs 1.476 million

According to rule 2.33 of PFR Vol-I, every government servant should fully realize that he will be held personally responsible for any loss sustained by government through fraud or negligence.

Scrutiny of record of MS THQ Quaidabad for Financial Year 2018-19 revealed that doctors and allied staff were residing in hospital residences and were using electricity connections from hospital meters. Government sustained loss on account of electricity charges.

Audit holds that due to weak internal controls electricity was misused.

This resulted in loss on consumption of electricity charges for Rs 1.476 million.

The matter was discussed in DAC meeting held on 26.11.2019. Department replied that separate electric meters have been installed in the residences of THQ hospital Quaidabad. DAC pended the para to probe the matter affect resultant recovery within 30 days.

Audit recommends probe in the matter for fixing of responsibility of loss against the person (s) at fault besides recovery of stated amount.

10.5.3 Others

10.5.3.1 Irregular blockage of fund / none surrendering - Rs 10.839 million

According to the rule 61 (1), Budget Rules of (DHA) 2017, the statement of excess and surrenders shall be prepared by the heads offices or institutions and budget and accounts officers, after first eight months of the financial year on the basis of information given by the drawing and disbursing officers under their respective subordination. (2), the statement of excess and surrenders shall be prepared and submitted by head of offices or institutions to the budget account officers. (3) The statement of excesses and surrenders shall be completed on the basis of actual expenditure incurred during the first eight month of the financial year and last four month of the previous financial year for estimating the expected expenditure for the remaining four month of the financial year. According to section 55 (1) (C)(IV) of District Health Authority Budget Rules, the head of offices or institutions and drawing and disbursing officers (DDO) shall be responsible for effectively utilize the budget appropriations.

Scrutiny of the accounts record of MS THQ Hospital Noor Pur Thal for the FY-18-19 revealed that funds of Rs10,839,543 were neither utilized for the benefit of the hospital nor surrendered to the competent forum for further utilization of fund by the needy entities at gross root level.

Audit is of the view that due to weak administrative controls, funds were not surrendered well in time.

This resulted in irregular blockage of fund /none surrendering of Rs 10.839 million

The matter was discussed in DAC meeting held on 26.11.2019. Department replied that the funds amounting to Rs 7.806 million lapsed due to late receiving of DTL reports after close of Financial Year. Moreover, the funds approximately Rs. 2.68 million were lapsed due to late release of budget as on 22.06.2019. DAC pended the para for regularization from competent forum.

Audit recommends regularization of lapse.

10.5.3.2 Non-crediting of public receipts in local government fund–Rs 10.205 million

According to Section 68 of the Punjab District Authorities (Budget) Rules 2017, the primary obligation of the collecting officer shall

be to ensure that all revenue due is claimed, realized and credited immediately to the District Authority fund and to record entries under proper receipt head. The head of offices or institutions shall supervise and take corrective measures in respect of the activities of the collecting officers. Further as per Rule 7 (h) of Punjab District Authorities Accounts Rules, 2017, all cash transactions shall be entered in Receipts Register and Cash book as soon as they occur and attest in token check. Accounts of receipts and expenditure of District Authority shall be maintained in such form and in accordance with such principles and methods as given in New Accounting Model (NAM) duly prescribed by the Auditor General of Pakistan, from time to time.

DDOs of following formations of DHA Khushab realized Rs 10.205 million on account of public receipts during Financial Year 2018-19, but the receipts were credited into Provincial A/C-I instead of Health Authority A/C-VI. Further neither consolidation of receipts collected by the authority was made nor reconciled till the close of the financial year.

Sr. No.	Department	Description	Amount (Rs in million)
1.	CEO DHA Khushab	Local receipts	3.00
2.	DHQ Hospital Khushab	Local receipts	5.411
3.	THQ Hospital Khushab	Local receipts	1.134
4.	THQ Hospital Quaidabad	Local receipts	0.660
Total			10.205

Audit holds that due to weak internal and financial controls the management credited the receipt into District Health Authority Accounts.

This resulted in non-credit of receipt under proper account of DEA of Rs 10.205 million.

The matter was also discussed in DAC meeting held on 26.11.2019. Department replied that all the DDOs of DHA Khushab has deposited the receipt in AC-VI but DAO booked it into account-I. DAC pended the para with the direction to get regularized the matter from competent authority. No compliance was shown to audit till the finalization of this report.

Audit recommends that receipt needs to be realized, reconciled and credited to the District Health Authority Fund.

[PDP No. 11, 110, 145, 187]

CHAPTER 11

DISTRICT HEALTH AUTHORITY, LAHORE

11.1 Introduction of the Authority

District Health Authority, Lahore was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Lahore is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authority, Lahore as described in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Lahore manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
Chief Executive Officer, DHA	1
District Health Officers	3
Deputy District Health Officers	10
District Head Quarter Hospitals	2
Tehsil Head Quarter Hospitals	1
Government Rural Dispensary	74
Rural Health Centre	6
District Health Development Centre	1
Basic Health Units	37

11.2 Audit Profile of District Health Authority, Lahore

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Lahore	26	12	2,142.027	0

11.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 689.360 million were raised in this report during current audit of “District Health Authority, Lahore.” This amount also includes recoveries of Rs 23.578 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	7.956
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	-
	A. HR/Employees related irregularities	324.304
	B. Procurement related irregularities	68.369
	C. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	-
5	Others	288.731
Total		689.360

11.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	28	Not convened
2	2018-19	21	Not convened

11.5 AUDIT PARAS

11.5.1 Non-production of Record

11.5.1.1 Non-production of Record – Rs 7.956 million

According to Section 14(1)(b) of Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, the Auditor-General shall have authority to require that any accounts, books, papers and other documents which deal with, or form, the basis of or otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may direct for his inspection.

Management of the following formations paid Rs 7.956 million on account of pay & allowances through Off Cycle during 2018-19 but vouched accounts of the expenditure were not produced for audit scrutiny. In absence of record, authenticity, validity, accuracy and genuineness of expenditure could not be verified.

Formations	Amount (Rs in million)
CEO Health	6.308
DDOH Wahga Town	1.462
DDOH Allama Iqbal	0.186
Total	7.956

Audit was of the view that record was not produced due to weak internal controls.

This resulted in un-authentic and doubtful expenditure for Rs 7.956 million.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends production of the record and regularization of the matter in a manner prescribed besides fixing responsibility for non-production of record.

(PDP No.10,4,16)

11.5.2 Irregularities

11.5.2.1 HR / Employee related irregularities

11.5.2.1.1 Irregular payment of pay & allowances – Rs 124.456 million

Shifting of Headquarter of a civil servant can only be allowed for a period not exceeding three months with the prior approval of Finance Department⁷⁸.

Management of the following offices made payment of Rs 124.456 million on account of pay and allowances to the employees performing duties in offices other than their place of posting without prior approval of Finance Department.

Sr. No.	Name of Formation	Amount (Rs in million)
1	Mian Meer Hospital	1.194
2	DDOH Wahga Town	14.147
3	DDOH Shalimar Town	59.729
4	DOH Preventive Services	0.986
5	DDOH Samanabad	37.748
6	DOH (MS)	0.212
7	DDOH Gulberg	7.156
8	Infectious Disease Hospital	3.284
Total		124.456

Audit was of the view that irregular expenditure on pay & allowances due to shifting of headquarter was due to weak internal control and poor financial discipline.

This resulted in irregular expenditure of Rs 124.456 million on pay & allowances.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends regularization of the matter besides fixing the responsibility against officers at fault.

(PDP No. 2,2,1,5,1,4,3 & 1)

11.5.2.1.2 Irregular payment to daily wages Staff - Rs 48.654 million

As per preface of Schedule of Wage Rates, 2018 issued by the Government of the Punjab Finance Department, the appointment of

⁷⁸ Finance Department, Government of Punjab letter No.FD.SR.IV-8-1/76(Prov) dated 16th March 1988,

contingent staff may be made by competent authority subject to the following conditions;

- a) The posts shall be advertised properly in leading newspapers.
- b) The recruitment to all posts in the Schedule shall be made on the basis of merit specified for regular establishment⁷⁹.

As per Rule 4 of Punjab District Authorities (Accounts) Rule 2017, the mode of making payment from local fund of a District Authority shall be that the payments up to rupees one thousand may be made in cash and exceeding one thousand shall be paid through crossed non-negotiable cheque.

Management of the following formations drew Rs 48.654 million for payment to contingent paid staff during Financial Year 2018-19. Expenditure was held irregular because staff was appointed without fulfilling codal formalities as mentioned in the recruitment policy. Moreover, payment was also made in cash instead of crossed cheques.

Sr. No.	Name of Formation	Amount (Rs in million)
1	DDOH Wahga Town	13.984
2	DDOH Shalimar Town	15.251
3	DDOH Allama Iqbal	13.410
4	DDOH Gulberg	6.009
Total		48.654

Audit was of the view that payment of salaries to daily wage staff without approval of finance department was due to weak internal controls.

This resulted in irregular payment for Rs 48.654 million.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends regularization of the matter in a manner prescribed besides fixing responsibility against the officers at fault.

(PDP No. 5,6, 2 ,3, 6,8)

⁷⁹ Para 11 the Recruitment policy issued by S&GAD vide No. SOR-IV (S&GAD) 10-1/2003 dated 17.09.2004

11.5.2.1.3 Inadmissible payment of pay & allowance - Rs 18.158 million

Conveyance Allowance is not allowed to officers availing facility of official vehicle / Motor Cycle and conveyance allowance earlier allowed on the basis of certificate of not using vehicle from house to office was withdrawn with immediate effect⁸⁰. Uniform Allowance and Mess Allowance is not admissible during leave⁸¹. Moreover, Conveyance Allowance is not allowed during leave period. Nursing, pharmaceutical and allied staff already posted or to be posted in future in RHCs and BHUs under the Health Sector Reforms Programme are entitled to receive 30% of the Basic Pay as Health Sector Reform Allowance⁸².

Management of the certain formations of District Health Authority made payment of inadmissible pay & allowances to employees worth Rs 18.158 million in violation of rules *ibid*. Scrutiny of record revealed that payment on account of Pay, Health Sector Reform, Conveyance Allowance, Integrated Allowance, Project Allowance and House Rent Allowance was made to un-entitled employees. **Annexure-K**

Audit was of the view that due to weak financial management, payments were made to the non-entitled employees.

Payment of inadmissible pay & allowances resulted in overpayment of Rs 18.158 million to public exchequer.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends recovery of overpaid allowances from the employees besides fixing responsibility against officers at fault.

11.5.2.1.4 Irregular Sanction of 03 Year Study Leave with full pay - Rs 2.900 million

As per Punjab Esta Code, Appendix 20 of CSR Para 7, study leave should not ordinarily be granted to Government servants who have less than five years' service. Such leave shall not be granted to Government

⁸⁰ Government of Punjab Finance Department Letter No FD.SR.1.9-4/66(P)(PR) dated 21-04-2014 of,

⁸¹ Government of the Punjab Health Department letter No S.O. (A.III-MCW) 9-17/84 12-01-1987,

⁸² Letter No. PO (P&E-I) 19-113/2004 (V) dated 1st September 2006,

servants within three years of the date of superannuation or the date of which they have the option of retiring.

During scrutiny of leave record of DDOH Allama Iqbal Town, it was noticed that Dr. Muhammad Mohsin Tahir was appointed as Medical Officers BPS-17 vide letter dated 06-01-14 and joined duty on 01-01-14. The said doctor availed EOL for 02 years w.e.f 01-01-15 to 31-12-16. A study leave with pay was also sanctioned w.e.f 01-01-17 to 31-12-19 (03 years) and subsequently payment was made in violation of rule ibid.

Audit holds that due to weak internal control of management, irregular pay & allowances were paid to employee.

This resulted in loss of Rs 2.295 million to public exchequer and overpayment to employee.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends recovery of pay and allowances besides fixing responsibility against the officers at fault.

[PDP No 12]

11.5.2.1.5 Irregular payment of pay & allowances – Rs 123.653 million

Four tier allied health service structure was approved as under. In the first instance the existing incumbents shall stand automatically upgraded as one time dispensation only. The up gradation of the incumbents of the post shall be as per the number of posts available in each pay scale for specific technology/category⁸³.

Technicians Posts	Upgraded pay scales and Re-designations	No. of posts Punjab	%age of Posts
Posts in BPS-5 to 8 (in all technologies)	Junior Technicians (BPS-9)	13,953	50%
Posts in BPS-9 to 11 (in all technologies)	Technicians (BPS-12)	9,487	34%
Posts in BPS-12 to 13 (in all technologies)	Senior Technicians (BPS-14)	4,186	15%
Posts in BPS-14 to 15 (in all technologies)	Chief Technicians (BPS-16)	279	01%

⁸³ Health Department Government of the Punjab Notification No. S.O. (ND)7-11/2010 (Paramedics) dated November, 2011

According to 1st schedule of Punjab Health Department Allied Health Professionals (service) Rules, 2012, the post of Chief Technician (all categories) will be filled 25% by initial recruitment and 75% by promotion. Senior technicians in the relevant allied health sciences discipline having 05-year service and having passed examination of health department / Punjab Medical Faculty after attending technical/refresher training for three months at District Health Development Center are to be considered for promotion. After one time up-gradation, no further up-gradation can be granted against the sanctioned vacant posts⁸⁴. There is promotion through departmental promotion committee, which is subject to Service Rules, 2012, i.e. seniority cum fitness, five year experience, two weeks post induction training followed by internal assessment and availability of seats approved by Finance Department. In 2015 after amendments in Service Rules 2012, the Director General Health, Punjab was competent authority for promotion of Senior Technician BS-14 to Chief Technician BS-16.

DHA Lahore implemented up-gradation / promotion of 4- Tier Service Structure of Allied Health professionals whereas sanctioned strength of the health facilities were not got approved from Finance Department in coherence with up-gradation. Moreover, up-gradation was made without observing the criteria mentioned *ibid*.

Audit holds that employees were up-graded / promoted to higher scale posts without sanction of relevant posts and violation of rules.

This resulted in irregular expenditure of Rs 123.653 million.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends for regularization of expenditure besides fixation of responsibility on person at fault under intimation to Audit.

(PDP No.18)

11.5.2.1.6 Electricity Charges not recovered from residents – Rs 2.520 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

⁸⁴ Director General Health Services, Punjab, Para 7 & 11 of letter No.1240/AHP/ dated 28.08.2018

During audit of THQ Hospital Mian Meer for the financial year 2018-19, it was observed that electricity was supplied to the residents out of hospital electricity meter but electricity charges were not recovered from residents of the hospital accommodations.

Audit holds that electricity charges were not recovered due to weak internal controls and weak financial discipline.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends for recovery of electricity charges and installation of separate meters for each residence separately besides fixing responsibility against the person(s) at fault under intimation to Audit.

(PDP No.6)

11.5.2.1.7 Irregular payment of Pay & Allowances- Rs 1.344 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

During the audit of THQ Hospital Mian Meer for the financial year 2018-19, it was observed that following Medical Officers did not perform duty for whole financial year 2018-19 but showed their attendance in the bio metric software as duty on call basis only as evident from bio metric attendance sheet.

Sr. No.	Name	Amount (Rs)
1	Dr. Nadeem Mansha	470,660
2	M. Naeem Tariq	873,924
Total		1,344,584

Audit holds that Medical Officers did not perform regular duty and remained on call basis due to weak administrative discipline.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends that matter of non-performing of duties of Medical Officers may be looked into at appropriate level and responsibility be fixed against the person(s) at fault under intimation to Audit.

(PDP No.5)

11.5.2.1.8 Payment of honorarium without approval of Administrative Department – Rs 2.619 million

Head of Administrative Department may sanction an honorarium up to one month basic pay⁸⁵. As per Punjab District Authorities (Delegation of Financial Powers) Rules 2017, Administrative Department means the Primary & Secondary Healthcare Department of the Government in respect of District Health Authorities.

During audit of CEO DHA Lahore for the Financial Year 2018-19, it was noticed that payments on account of honorarium of Rs 2.619 million were made to different employees without approval of Administrative Department i.e. Secretary Primary & Secondary Healthcare Department

Audit holds that unauthorized payment of honorarium was made due to weak financial discipline.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends that matter be looked into at appropriate level and responsibility be fixed against the person(s) at fault under intimation to Audit.

(PDP No.23)

⁸⁵ Government of the Punjab, Finance Department letter No. 1/9-7/2003 dated 27-12-2005,

11.5.2.2 Procurement related irregularities

11.5.2.2.1 Purchases without advertisement on PPRA website- Rs 26.854 million

According to Rule 12(1) read with Rule 9 of Punjab Procurement Rules 2014, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by PPRA regulation from time to time. A procuring agency shall announce in an appropriate manner all proposed procurements for each Financial Year and shall proceed accordingly without any splitting of the procurements so planned. The annual requirements thus determined would be advertised in advance on the PPRA's website.

Management of following formations made payment of Rs 26.854 million on account of various purchases during financial year 2018-19. Scrutiny of record revealed that the indents were split up in small orders to avoid open tender.

Sr. No.	Name of Formation	Amount (Rs in million)
1	Mian Meer Hospital	1.648
2	DOH Preventive Services	4.006
3	DOH Preventive Services	1.440
4	DDOH Samanabad	4.763
5	DDOH Samanabad	1.959
6	DDOH Allama Iqbal	0.285
7	DDOH Allama Iqbal	1.233
8	DDOH DGBT	4.133
9	DDOH DGBT	0.298
10	DOH (HRM)	0.130
11	DOH (MS)	4.355
12	DOH (MS)	2.027
13	DDOH Gulberg	0.577
Total		26.854

Audit was of the view that due to weak internal control and poor financial discipline in the organizations deliberate violation of the PPRA rules was committed.

This resulted in incurrence of irregular expenditure of Rs 26.854 million.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-

2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends regularization of the matter in manner prescribed besides fixing responsibility against the person(s) at fault.

(PDP No. 8,1,3,4,7,11,14,2,4,6,1,7 &4)

11.5.2.2.2 Irregular payment of pending liabilities – Rs 26.612 million

According to Rule 17.17(A) read with Rule 17.18 of PFR Vol-I, every disbursing officer shall maintain a register of liabilities in P.F.R form 27 in which he should enter all these items of expenditure for which payment is to be made by or through another officer, budget allotment or sanction of a higher authority is to be obtained or payment would be required partly or wholly during the next Financial Year or years.

During audit of following formation, it was pointed out that DDO paid pending liability bills to different vendors for Rs 26.612 million pertaining to the previous Financial Years without maintenance of liability register on PFR form 27 and sanction of higher authority as detailed below:

Sr. No.	Name of Formation	Rs in million
1	CEO DHA Lahore	25.401
2	Mian Meer Hospital	1.002
3	DDOH DGBT	0.209
Total		26.612

Audit holds that due to weak internal control of management irregular payment was made.

This resulted in irregular discharging of pending liabilities Rs 26.612 million.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends fixing responsibility against the officers at fault under intimation to Audit.

(PDP No. 8,7,6)

11.5.2.2.3 Irregular award of framework contract of medicine – Rs 13.019 million

According to Rule 12(1) of Punjab Procurement Rules 2014, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper.

During audit of Chief Executive Officer Health Lahore for the financial year 2018-19, it was observed that framework contract for purchase of medicine Rs 13.019 million was awarded by District Health Authority for financial year 2018-19. Advertisement was published in the newspapers and last date for submission of bids was 27-11-2018 but advertisement on PPRA website was not uploaded till last date of submission of bids. Tenders were issued after 27-11-2018.

Audit holds that due to weak internal controls, framework contracts were awarded irregularly.

This resulted in irregular award of rate contract Rs 13.019 million.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends fixing responsibility against the officers at fault.

(PDP No.9)

11.5.2.2.4 Irregular rate contract for diet – Rs 1.884 million

As per Rule 32 read with Rule 38 (2)(a)(iv)(iii) of PPRA Rules, all bids shall be evaluated in accordance with the evaluation criteria and other terms and conditions set forth in the prescribed bidding document. The financial bids found technically non-responsive shall be returned un-opened to the respective bidders.

During audit of Govt. Infectious Diseases Hospital Lahore for the period 2018-19, it was noticed that rate contracts were executed for supply of diet items. The management awarded the contracts to the firms which were technically non-responsive. This resulted in irregular award of rate contract for diet Rs 1.884 million.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends fixing of responsibility against the person(s) at fault for extending favour to the unqualified bidders.

(PDP No. 6)

11.5.3 Others

11.5.3.1 Non-accounting of purchase of medicines - Rs 1.767 million

According to Rule 15.4(a) of PFR Vol-I, all materials received should be examined, counted, measured and weighed, as the case may be, when delivery is taken, and they should be kept in charge of a responsible government servant. The receiving government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock registers.

During audit of office of DDOH Allama Iqbal Town Lahore for the financial year 2018-19 it was observed that DDHO drew Rs 1.767 million on account of purchase of medicines but neither medicines purchased were entered in stock register nor consumption of the medicines was shown. In absence of stock register and consumption record, purchase of medicines could not be ensured and verified.

Audit is of the view that purchase and consumption of medicines were not accounted for due to weak internal controls and poor financial discipline.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends for recovery of the amount involved besides fixing responsibility against the officers at fault.

(Para No. 15)

11.5.3.2 Unauthorized allocation of supplementary budget—Rs 210.698 million

Rule 38 (2) of District Authorities Budget Rules 2017 requires that the supplementary budget shall be presented in the same form and manner as that of the annual budget.

During Audit CEO DHA Lahore for the Financial Year 2018-19, it was noticed that supplementary budget of Rs 210.698 million was allocated for the offices of DHA, Lahore without obtaining approval from the Administrator/ Deputy Commissioner. Moreover, supplementary budget of Rs 30.802 million was also incorporated as negative supplementary without provision of rules.

This resulted in unauthorized allocation of supplementary budget Rs 210.698 million.

Audit holds that unauthorized allocation of supplementary budget was made due to weak internal controls and poor financial discipline.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends that matter of allocation of budget without approval be looked into for fixing responsibility against the person(s) at fault under intimation to Audit.

(PDP No.21)

11.5.3.3 Unauthorized payment out of Tied Grants / Public Account- Rs 59.862 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

During audit of CEO DHA Lahore for the Financial Year 2018-19, it was noticed that DHA utilized the funds out of tied grants / public account Rs 59.862 million without provision of rules.

Audit holds that unauthorized payment out of tied grants / public account was made due to weak internal controls and poor financial discipline.

This resulted in unauthorized payment out of tied grants / public account Rs 59.862 million.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends that matter be looked into for fixing responsibility against the person(s) at fault under intimation to Audit.

(PDP No.22)

11.5.3.4 Irregular payment due to drawl of cheque in favour of DDO instead of vendor–Rs 16.404 million

As per Accounting Policies & Procedure Manual, all cheques shall be drawn “to order” and shall be crossed and marked “Not Negotiable”, except cheques drawn in the name of the DDO for imprest and for salaries paid in cash. As per Rule 4 of Punjab District Authorities (Accounts) Rule 2017, the mode of making payment from local fund of a District Authority

shall be that the payments up to rupees one thousand may be made in cash and exceeding one thousand shall be paid through crossed non-negotiable cheque.

During audit of following Deputy District Officer Health for the Financial Year 2018-19, it was observed that DDO drew Rs. 16.106 million and cheques were issued by the DAO in favour of DDO instead of vendor in violation of rule above as per detail given below:

Sr. No.	Name of Formation	Amount (Rs in million)
1	DDOH Samanabad	16.106
2	DDOH DGBT	0.298
Total		16.404

Audit holds that irregular payments were made due to weak internal controls.

The matter was reported to the PAO concerned on 30-09-2019, 22-10-2019, 24-10-2019 and subsequent reminders dated 31-10-2019, 09-12-2019. Neither reply was furnished nor DAC meeting was convened till finalization of this report.

Audit recommends fixing responsibility against the person(s) at fault under intimation to Audit.

(PDP No.2 &9)

CHAPTER 12

DISTRICT HEALTH AUTHORITY, MANDI BAHAUDDIN

12.1 Introduction of the Authority

District Health Authority, Mandi Bahauddin was established on 01.01.2017 under Punjab Local Government Act 2013. District Health Authority Mandi Bahauddin is a body corporate having perpetual succession and a common seal, with power to acquire and hold property and into any contract and may sue and be sued in its name. The DHA Mandi Bahauddin is established to establish, manage and supervise primary, secondary health care facilities and intuitions.

The functions of District Health Authority Mandi Bahauddin as delineated in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Mandi Bahauddin manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
Basic Health Units	43
Government Rural Dispensary	24
Rural Health Centre	05
Tehsil Head Quarter Hospitals	04
District Head Quarter Hospitals	01
District Health Development Centre	01
District Health Officers	03
Any other institute/ health facility	09

12.2 Audit Profile of District Health Authority, Mandi Baha-ud-din

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Mandi Bahaud-din	17	7	1296.983	4.384

12.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 200.642 million were raised in this report during current audit of “District Health Authority, Mandi Baha-ud-din.” This amount also includes recoveries of Rs 89.791 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	-
	A. HR/Employees related irregularities	74.331
	B. Procurement related irregularities	102.159
	C. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	-
5	Others	24.152
Total		200.642

12.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	13	Not convened
2	2018-19	12	Not convened

12.5 AUDIT PARAS

12.5.1 Irregularities

12.5.1.1 HR / Employee related irregularities

12.5.1.1.1 Inadmissible drawl of Special Allowances-Rs 39.983 million

Those employees who are not in receipt of adhoc allowance- 2010 @50%, the existing amount of specialallowances shall be reduced by 50% w.e.f 1.7.2017⁸⁶.

During scrutiny of accounts records following formations of DHA Mandi Bahauddin, audit noticed that various special allowances i.e. Health Sector Reform Allowance, Health Professional Allowance, Incentive Allowance, Special Healthcare Allowance etc. the aggregate of which is more than the initial stage of their pay scales in 2008 were allowed to doctors who were not entitled of 100% special allowances. Similarly, Special Allowances i.e. Mess, Dress and Nursing Allowances were paid to the nurses without admissibility. Nurses were entitled only to draw 50% of these Special Allowances.

Sr. No.	Name of Formation	Amount (Rs)
1	MS DHQ Hospital Mandi Bahauddin	28,211,870
2	MS THQ Hospital Malakwal	1,728,760
3	MS THQ Hospital Phalia	10,042,224
Total		39,982,854

Audit is of the view that due to weak internal controls, excess payment was made to the officers/officials.

This resulted into drawl of inadmissible allowances.

The matter was reported to the CEO / PAO in September, 2019.DAC in its meeting held in November 2019, directed the department to seek clarification regarding 50% recovery of special allowances from Finance Department, Government of the Punjab.

Audit recommends recovery of the inadmissible amount paid.

[PDP No. 90,149&196]

⁸⁶ Clause 6 (ii) of Government of Punjab finance department budget notification No. FD.PC 2-1/2017 dated 14.7.17

12.5.1.1.2 Overpayment due to non-deduction of HRA & CA - Rs 13.276 million

“Government servant is allotted above entitlement residence, he / she will not draw the house rent and will pay 10% of the maximum of the scale for which residence is meant, In case of availability of designated residence, deduction of house rent allowance at the prescribed rate should be made..”⁸⁷ Conveyance Allowance would not be admissible in cases where office and residential buildings are located within the same boundary wall even if the residential building are far away from the office building.⁸⁸

During scrutiny of accounts record of the certain formations of District Health Authority Mandi Bahauddin, audit observed that CA and HRA were not deducted from the pay & allowances of officers/officials who were allotted official vehicles and designated residences or residing in government accommodations within the hospital premises. Due to non-deduction of HRA and CA, overpayment was made to the officers/officials. Detail is as under;

Sr. No.	Name of Formation	Description	Amount (Rs)
1	CEO	CA	70,000
2	DHO	CA	515,124
3	DHO	HRA & CA	9,841,752
4	DHO	CA	165,000
5	MS DHQ Hospital Mandi Bahauddin	HRA, CA & 5% repair charges	1,968,696
6	MS THQ Hospital Malakwal	HRA, CA & 5% repair charges	715,296
Total			13,275,868

Audit is of the view that due to weak internal controls, CA and HRA was not deducted from the pay and allowances of officers/officials who were allotted official vehicles and residences.

This resulted in overpayment of Rs 13.275 million to the officers.

The matter was reported to the CEO / PAO in September, 2019. DAC in its meeting held in November 2019, directed the department to recover the amount within six months of the issuance of minutes of meeting.

⁸⁷ Government of Punjab Finance Department letter No. FD(M-I) 1-15/82 – P-I, dated 15.06.2000

⁸⁸ Finance Division O.M. No.(1)-imp.1/77, dated 28th April 1977

Audit recommends recovery of the amount.

[PDP No. 26, 43, 44, 46, 91, 152]

12.5.1.1.3 Unjustified drawl of pay and allowances of absent period - Rs 6.896 million

Half of the monthly HSR allowance of the Doctor or staff member concerned on one unauthorized absence during a month will be made and stoppage of HSR allowance for three month at the minimum but may be up to six month on two unauthorized absence during a month. In case of absent from duty the official/office shall not be entitled for pay and allowance⁸⁹.

During scrutiny of accounts record of following formations of District Health Authority Mandi Bahauddin, audit observed certain officers / officials were absent from their duties during the FY 2018-19 as per biometric attendance report. The absent period was not regularized by the authority.

Sr. No.	Name of Formation	Amount(Rs)
1	MS DHQ Hospital Mandi Bahauddin	3,349,116
2	MS THQ Hospital Malakwal	3,515,712
3	MS THQ Hospital Phalia	3,1502,91
	Total	6,896,421

Audit is of the view that due to weak internal controls, pay and allowances against the absent period was disbursed.

This resulted into unjustified drawl of pay and allowances.

The matter was reported to the CEO / PAO in September, 2019.DAC in its meeting held in November 2019, directed the Medical Superintendents to recover the amount within six months of the issuance of minutes of meeting.

Audit recommends recovery of the amount.

[PDP No. 76,157 & 195]

⁸⁹ Government of the Punjab, Health Department, Secretary Health letter No.PS(SH)30-06-2010 dated 30-06-2010

12.5.1.1.4 Unjustified drawl of Incentive Allowance – Rs 6.684 million

The specialist should visit the hospital in the evening and stay for one hour for round in the wards after check in on the biometric system otherwise 40% of the incentive allowance should be deducted⁹⁰.

During scrutiny of accounts record of following formations of DHA Mandi Bahauddin, audit observed that Specialist doctors were drawing full amount of Incentive Allowance during the financial year 2018-19. Proof of evening visits along with biometric attendance of the specialists were not available on record. In the absence of evening stay register and biometric attendance, drawl of 100% Incentive Allowance without deduction of 40% was unjustified.

Sr. No.	Name of Formation	No. of Specialist	Amount (Rs)
1	MS DHQ Hospital Mandi Bahauddin	16	4,344,000
2	MS THQ Hospital Phalia	07	1,716,000
3	MS THQ Hospital Malakwal	02	624,000
Total			6,684,000

Audit is of the view that due to weak internal controls, Incentive Allowance was paid to the officers without deduction of 40%.

This resulted into drawl of unjustified Incentive Allowance.

The matter was reported to the CEO / PAO in September, 2019. DAC in its meeting held in November 2019, directed the department to seek clarification from Finance Department, Govt. of the Punjab regarding recovery of Incentive Allowance.

Audit recommends recovery of the amount.

[PDP No. 75,141&186]

12.5.1.1.5 Inadmissible drawl of HSRA – Rs 4.01 million

Health sector reform allowance is only admissible in the less attractive DHQs/THQs⁹¹.

During scrutiny of accounts record of following formations of District Health Authority Mandi Bahauddin, audit observed that the officers/officials were drawing Health Sector Reform Allowance in violation of the rule ibid as these formations were not included in the list of less attractive hospitals.

⁹⁰ Notification No.PA/DS (G)4-8/2016 dated August 3, 2016

⁹¹ Secretary Health Department letter No PO(P&EI)19-113/2004 dated 13.4.2007

Sr. No.	Name of Formation	Amount (Rs)
1	MS DHQ Hospital Mandi Bahauddin	2,459,530
2	MS THQ Hospital Phalia	1,550,378
Total		4,009,908

Audit is of the view that due to weak internal controls, HSRA was paid to officials/officers without entitlement.

This resulted in overpayment to the officers/officials.

The matter was reported to the CEO / PAO in September, 2019. DAC in its meeting held in November 2019, directed the department to recover the amount within six months of the issuance of minutes and decided to keep para pending.

Audit recommends recovery of the amount.

[PDP No.85&185]

12.5.1.1.6 Unjustified drawl of NPA & PCA – Rs 3.482 million

Contractual Doctors would not be permitted to open any clinic, dispensary, nursing home, private hospital, clinic, diagnostic laboratory or pharmacy shop⁹². Practice Compensatory Allowance @ Rs 4,000 per month. is admissible to Doctors serving in Rural Areas/ BHUs and residing at their place of postings⁹³.

During scrutiny of accounts record of certain formations of DHA Mandi Bahauddin, audit observed that Non Practicing Allowance was withdrawn from Govt. treasury without provision of Non Practicing Certificate by the doctors. Further, competent authority did not approve the NPA to draw by the concerned officers. Neither the verification of the recipients of NPA doing or not doing their practice was conducted by CEO DHA Mandi Bahauddin nor was the register for the evening patients maintained.

Sr. No.	Name of Formation	Amount (Rs)
1	MS DHQ Hospital Mandi Bahauddin	2,426,926
2	MS THQ Hospital Malakwal	499,923
3	MS THQ Hospital Phalia	555,452
Total		3,482,301

Audit is of the view that NPA was allowed to certain health officials in violation of the rule *ibid*.

⁹² Government of Punjab Health Department letter No.SO(II/WMO/ Contractor/03 dated 23-082006

⁹³ Health Department Government of the Punjab No.SO(ND)6-1/B-II dated 09.02.2011

This resulted in unjustified drawl of NPA from the public exchequer.

The matter was reported to the CEO / PAO in September, 2019. DAC in its meeting held in November 2019, directed the department to inquire the drawl of NPA & PCA by the private practicing doctors and recover the amount from the date of drawl.

Audit recommends recovery of the amount besides fixing of responsibility against the person (s) at fault.

[PDP No. 87, 145 & 184]

12.5.1.2 Procurement related irregularities

12.5.1.2.1 Unauthorized payment to DDO instead of vendors - Rs 55.64 million

According to Rule 4.49 of Punjab Sub Treasury Rules “Payments of Rs100,000 and above to contractors and suppliers shall not be made in cash by the Drawing and Disbursing Officers. At places where pre-audit is conducted and pre-audit cheques are issued, the drawing and Disbursing Officer shall make an endorsement on the bill requiring a separate crossed cheque in his favour. The Accountant General, Punjab/DAO shall then issue a crossed cheque in favour of Drawing and Disbursing Officer who will collect it either personally or through his authorized agent. The Drawing and Disbursing Officer will then endorse the cheque in favour of the contractor / supplier and deliver it to him on proper identification and obtain his acknowledgement”.

During scrutiny of accounts record of DHO, MS DHQ Hospital Mandi Bahauddin & MS THQ Hospital, Malakwal, audit observed that an expenditure of 55,645,777 million on account of Cost of Other Store, Others, POL, Repair of Machinery & Equipment, Repair of Transport and Repair of Furniture was incurred but the cheques were issued in favor of DDO instead of vendors. Further the bills of suppliers / contractors were split to keep the amount under Rs100,000.

Sr. No.	Name of Formation	Amount (Rs)
1	DHO Mandi Bahauddin	10,583,404
2	MS DHQ Hospital M.B. Din	34,368,322
3	MS THQ Hospital Malakwal	10,694,051
Total		55,645,777

Audit is of the view that due to non-compliance of government instructions, cheques were not issued in favor of suppliers/ contractors.

This resulted in unauthorized payment of Rs 55.64 million from the public exchequer.

The matter was reported to the CEO / PAO in September, 2019. DAC in its meeting held in November 2019, directed Deputy Director (Budget & Finance) DHA Mandi Baha ud-Din to inquire the matter and submit inquiry report within two months of the issuance of minutes of meeting.

Audit recommends inquiry of the matter besides fixing of responsibility against the person (s) at fault.

[PDP No. 41,68& 133]

12.5.1.2.2 Splitting of job orders to avoid open tender – Rs 27.019 million

According to Rule 12(2) read with of Rule 9 Punjab Procurement Rules 2014, procurements over two million rupees should be advertised on the PPRA’s website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies. A procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting of the procurements so planned. The annual requirements thus determined would be advertised in advance on the PPRA’s website.

Head of various formations of District Health Authority Mandi Bahauddin paid an amount of Rs 27.019 million for the purchase of different supplies by splitting the indents in small orders to avoid open tender by advertising the same on PPRA website. Partial supply orders were issued to the suppliers / contractors to procure the huge quantity of various items during the financial year 2018-19. Detail is as under;

Sr. No.	Name of Formation	Description	Amount (Rs)
1	DHO	LP medicine	1,922,781
2	DHO	General items	587,995
3	DHO	Health Council	1,102,338
4	MS DHQ Hospital Mandi Bahauddin	Medical items	12,005,661
5	MS DHQ Hospital Mandi Bahauddin	LP medicine	6,696,633
6	MS DHQ Hospital Mandi Bahauddin	Lab. items	3,765,961
7	MS THQ Hospital Malakwal	LP medicine	937,695
Total			27,019,064

Audit is of the view that due to non-compliance government rules and regulations, purchases were split up to avoid the open competition.

This resulted in irregular expenditure of Rs 27.019 million from the public exchequer.

The matter was reported to the CEO / PAO in September, 2019.DAC in its meeting held in November 2019, directed Deputy Director (Budget & Finance) DHA Mandi Baha ud-Din to inquire the matter and submit inquiry report within 2 months of the issuance of minutes of meeting.

Audit recommends inquiry of the matter besides fixing of responsibility for non-compliance of PPRA rules.

[PDP No. 31,36,59,72,73,79& 158]

12.5.1.2.3 Overpayment to the suppliers due to charging excessive rates - Rs 15.46 million

According to PPRA Rules 2014, General Provisions 4- Principals of Procurement, A procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical.

During scrutiny of accounts record of CEO District Health Authority Mandi Bahauddin, audit observed that tenders for the purchase of medicine were floated in the Financial Year 2018-19. After Technical Qualification, the Financial Bids of the firms were opened. Single bids of the certain medicines were received from the bidders. Rate Contract was awarded to the firms of single bid under Framework Contract. However, rates of medicine of single bid were charged more than 10% of the last year rates. Excessive rates were paid to the suppliers due to non-negotiation on single tender.

Audit is of the view that due to weak internal controls and non observance of prudence the medicine was purchased on excessive rates

This resulted in overpayment to the suppliers due to charging of excessive rates.

The matter was reported to the CEO / PAO in September, 2019.DAC in its meeting held in November 2019, directed Deputy Director (Budget & Finance) DHA Mandi Baha ud-Din to inquire the matter and submit inquiry report within 2 months of the issuance of minutes of meeting.

Audit recommends recovery of the amount besides fixation of responsibility against the person (s) at fault.

[PDP No. 4 & 8]

12.5.1.2.4 Unauthorized expenditure by splitting indents of routine items-Rs 4.04 million

According to Rule 12(1) and 9 of Punjab Procurement Rules 2014, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if

deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper. A procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. The procuring agency shall advertise in advance annual requirements for procurement on the website of the Authority as well as on its website.

During audit of MS THQ Hospital Malakwal, audit noticed that expenditure of Rs 4.04 million was incurred on account of regular items by splitting the indents to avoid tenders, fair competition and to avoid sanction from the next higher authority. Moreover, purchases were made without requisitions or on simple written paper without signature / counter signature of MS. Further, invoices of the suppliers were found of same font and format. In addition to this, original bills were also not available, only photocopies were made available to audit.

Audit is of the view that due to non-compliance of government rules and regulations, purchases was split up to avoid the floating tenders.

This resulted in unauthorized expenditure of Rs 4.04 million from the public exchequer.

The matter was reported to the CEO / PAO in September, 2019. DAC in its meeting held in November 2019, directed Deputy Director (Budget & Finance) DHA Mandi Baha ud-Din to inquire the matter and submit inquiry report within 2 months of the issuance of minutes of meeting.

Audit recommends investigation of the matter besides fixing of responsibility for non-compliance of PPRA rules.

[PDP No. 131]

12.5.2 Others

12.5.2.1 Unauthorized payment to the suppliers / contractors in cash - Rs 24.152 million

According to clause 4(b) of Punjab District Authorities Accounts Rules 2017, the mode of payment from local fund of district authority shall be through cross non-negotiable cheque if amount exceed one thousand.

District Health Officer M.B.Din, MS DHQ Hospital Mandi Bahauddin and MS THQ Hospital Malakwal, purchased/repared various items from Health Council during the financial year 2018-19, but the payment was made to the suppliers / contractors in cash instead of crossed cheques. Moreover, MS THQ Hospital Malakwal drew funds from the bank account of health Council and disbursed to the suppliers/ contractors in cash instead of payment through crossed cheques.

Name of Formation	Description	Amount (Rs)
DHO	Health Council in commercial banks	7,344,538
MS DHQ Hospital Mandi Bahauddin	Health Council in commercial banks	2,593,862
MS THQ Hospital Malakwal	DDO account maintained in commercial bank	14,213,827
Total		24,152,227

Audit is of the view that due to non-compliance of rules and weak financial management, payment was not made through cross cheques.

This resulted in unauthorized payment to the suppliers/ contractors from the public exchequer.

The matter was reported to the CEO / PAO in September, 2019. DAC in its meeting held in November 2019, directed Deputy Director (Budget & Finance) DHA Mandi Baha ud-Din to inquire the matter and submit inquiry report within 2months of the issuance of minutes of meeting.

Audit recommends inquiry of the matter besides fixing of responsibility against the person (s) at fault.

[PDP No. 54,83&171]

CHAPTER 13

DISTRICT HEALTH AUTHORITY, MIANWALI

13.1 Introduction of the Authority

District Health Authority, Mianwali was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Mianwali is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authorities, Mianwali as delineated in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Mianwali manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
Basic Health Units	41
Government Rural Dispensary	12
Rural Health Centre	10
Tehsil Head Quarter Hospitals	03
District Head Quarter Hospitals	01

District Health Development Centre	01
District Health Officers	03

13.2 Audit Profile of District Health Authority, Mianwali

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Mianwali	21	7	585.747	0

13.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 437.114 million were raised in this report during current audit of “District Health Authority, Mianwali.” This amount also includes recoveries of Rs 15.533 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	
	A. HR/Employees related irregularities	44.572
	B. Procurement related irregularities	57.418
	C. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	155.698
5	Others	179.426
Total		437.114

13.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	14	Not convened
2	2018-19	22	Not convened

13.5 AUDIT PARAS

13.5.1 Non-production of Record

13.5.1.1 Non production of Record

According to Section 14 (2, 3) of Auditor General of Pakistan (Functions, Powers & Terms and Conditions of Service) Ordinance 2001, the officer in charge of any office shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete as possible and with all reasonable expedition. Any person or authority hindering the auditorial functions of the Auditor General of Pakistan regarding inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Discipline Rules, applicable to such person.

Management of the following formation of District Health Authority, Mianwali did not produce the auditable record for the Financial Year 2018-19 despite repeated requested by the audit team.

Sr. No.	Name of Formation	Detail of record not produced
1	DHO, Mianwali	Cash books, cheque books, stock registers and vouchers relating to all the BHUs of District Mianwali. Cash book, cheque book, stock registers and vouchers relating to Health Council. The expense registers especially relating to medicines and general store items Log books of Motor Cycles, Vehicles and Generators. Service Books and personal files along with complete Leave Record
2	THQ Hospital, Kala Bagh	Verified expenditure statements. History Sheets, Dead Stock Register. Previous internal and external audit reports. Physical Verification report of stores & stocks.

Audit is of the view that due to weakness in financial controls, the record was not produced to Audit.

This resulted in non-verification/non-authentication of the expenditure due to non-production of record.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that RHCs/BHUs/GRDs/MCHs and district council dispensaries are working under control of PHFMC and they refused to provide the relevant record. DAC directed to produce the record within 7

days and provide the bank statements as evidence for provision/non provision of budget to health councils. No compliance of DAC directions was made till finalization of this report.

Audit recommends that record be produced to audit for verification besides disciplinary action against the person (s) at fault.

[PDP No. 40, 124]

13.5.2 Irregularities

13.5.2.1 HR/employee related irregularities

13.5.2.1.1 Irregular expenditure on pay and allowances due to illegal up-gradation as Chief Technicians - Rs 38.186

According to 1st schedule of Punjab Health Department Allied Health Professionals (service) Rules, 2012, the post of Chief Technician (all categories) was to be filled 25% by initial recruitment and 75% by promotion, amongst the senior technicians in the relevant allied health sciences discipline having five years' service and on attending technical/refresher training for three months at DHDC and after passing examination of health department/Punjab Medical Faculty.

Scrutiny of HR data of District Health Authority, Mianwali for the Financial Year 2018-19 revealed that junior technicians, technicians and senior technicians were upgraded to the post of Chief technicians over and above the prescribed percentage. Audit noticed that 52 technicians (all technologies) were up graded to the posts of Chief Technicians BPS-16 against admissible 05 seats as there exist 472 posts of all technologies. Audit noticed following irregularities in awarding up gradations.

- i. In most of the cases, the incumbent were directly up graded to the posts of Chief Technician from Junior Technician BPS-09 & Technicians BPS-12.
- ii. Incumbents were up graded without mandatory trainings and qualifying examination of Punjab Medical Faculty.
- iii. The orders of DG Health i.e. competent authority for promotions for the post of chief technicians were not available on record.
- iv. 25% reserved seats (for BSc graduates) for initial recruitments were also filled through up gradation.

Average Financial Impact of BPS-16 each post per month	10,000
Total Financial Impact for FY2018-19 (47 posts x Rs10,000 x 12 months)	5,640,000

Audit is of the view that due to weak internal and financial controls irregular higher scales were awarded.

This resulted in irregular expenditure of Rs38.186 million on pay & allowances and excess payment of Rs5.160 million during 2018-19.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that matter is under consideration at Health Department, Government of the Punjab. CEO health had already constituted a committee in this regard vide No. MWI/CEOH/21464-

67/Acctt dated 23-10-2019. DAC directed for reversion of excess Chief Technicians BS-16 to relevant scales to avoid further overpayment and to recover the overpaid amount.

Audit recommends probe in the matter, fixing responsibility of illegal up-gradations against the person(s) at fault besides reversion to their original scales and recovery of overpaid amounts from the drawer of pay of illegal up-gradation.

(PDP No. 05, 42, 140)

13.5.2.1.2 Un-due financial benefit to janitorial service providers – Rs 6.386 million

According to clause 1.2, 5.3 and 3.4 (Section-C) of contract agreement made between Primary & Secondary Health Department and Janitorial Service Providers, the service providers will be expected to maintain an average minimum score of 85% as well as 85% in each respective category at all times. If the service provider scores less than 85% in the monthly score, Rs. 25,000 fine will be imposed. If this continues for another month, the second month's fine will be doubled to Rs 50,000 and then doubled again to Rs 100,000. If the score remains below 85% for three consecutive months, then procuring agency may terminate the contract by serving a one-month termination notice to the service provider. Moreover, if in MEA scoring, the marks are below 80% for a specific month and hospital serves a dissatisfaction letter to service provider, then procuring agency may terminate the contract by serving a one-month termination notice. Service provide shall take out and maintain the group life insurance of Janitorial staff at its own cost and will share the proof of such payment of group insurance of its employees with the management of hospital

Audit observed that Janitorial work of listed below hospitals of District Health, Authority Mianwali was outsourced during 2017-18. Scrutiny of invoices of contactor for the Financial Year 2018-19 and other allied record revealed that janitorial services providers received full payments without maintaining requisites minimum standard/scores in each category as well as overall. Audit further noticed that services providers executed substandard janitorial services but got payments for super performance with the collaboration of the management hospitals and Primary & Secondary Health Department, Lahore. Moreover, service providers paid to its employees less than Government schedule wage rate as well without getting their employees group insured in violation of contract. Audit noticed following irregularities during interviews of

janitorial staff and physical verification of janitorial articles, machinery equipment.

- i. Bio-metric attendance of the janitorial staff was below 80%
- ii. For such a wide covered area of the hospital, moving machines for disinfecting/washing/scrubbing/polishing were not provided by service provider to its janitorial staff. Janitorial work was restricted to clean floors with wet towel through obsolete method rather executing as per required standard and matrix designed in contract.
- iii. Necessary cleaning articles were found short.
- iv. Employees were never paid their salaries before 10th of the next month.
- v. Minimum schedule wage rates were not paid to janitorial staff.
- vi. No proper mechanism was devised by the management intentionally to monitor and scoring as per matrix given in contract which might had been resulted in maximum penalty or termination of contract.
- vii. The management did not bother to get implement the required standard by getting available the necessary machines and other requisites nor imposed penalty but authenticated the invoices of service provided with minimum fines.

Sr. No.	Name of Hospital	Name of Service Provider	Penalty Recoverable for substandard service	Recoverable Below Schedule Wage rate Paid	Recoverable amount of group insurance	Total Recoverable Amount
1	DHQ	M/S Babar Umar Pvt. Ltd.	0	1,712,000	678,300	2,390,300
2	THQ Isakhel	M/S Babar Umar Pvt. Ltd.	0	960,000	188,100	1,148,100
3	THQ Pipolan	M/S Super Care Pvt. Ltd.	1,699,946	960,000	188,100	2,848,046
	Total:		1,699,946	3,632,000	1,054,500	6,386,446

Audit is of the view that due to weak internal and financial controls clauses of contract were not implemented.

This resulted in un-due financial aid to service provider Rs 6.386 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department admitted the irregularities in performance of service by the services provider and regarding wage rates and group insurance. DAC directed the department to take up the matter with Secretary Primary and Secondary Health Department for implementation of clauses of contract in

letter and spirit and for recovering the pointed out amount from the bills of service provider.

Audit recommends probe in the matter, fixing responsibility of lapse against the person (s) at fault besides recovery from the bills of service provider.

[PDP No. 68, 69, 98, 99, 76, 77, 78]

13.5.2.2 Procurement related irregularities

13.5.2.2.1 Irregular and un-economical purchases by splitting orders in violation of PPRA rules – Rs 29.404million

According to rule 8, 9, 12 and 22 of PPRA, 2014, a procuring agency shall, within one month from the commencement of a financial year, devise annual planning for all proposed procurements. Procuring agency shall advertise in advance annual requirement on the website of the PPRA as well as on its own website and announce in an appropriate manner all proposed procurements for each Financial Year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. Further a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement at least one national daily newspaper. The procuring agencies shall use open competitive bidding or publication of request for tender as the principal method of procurement for the procurement of goods, services and works.

Following formations of District Health Authority, Mianwali, made purchases on account of cost of other store, others, stationary, printing etc. for hospitals of Rs 29.404 million during Financial Year 2018-19 without annual purchase planning and floating advertisement on PPRA website and daily national newspapers in violation of the rule *ibid*. Audit noticed that job orders were split up to make purchases through quotations. Audit noticed further following irregularities in purchases.

- i. Specification/brands of the purchases were neither mentioned on quotations nor on bills in most of the cases.
- ii. Higher rates were charged than market rates.

Sr. No.	Name of Formation	Nature of Purchases made through Splitting	Amount
1	CEO DHA, Mianwali	Stationary, Cost of Other Store, Others, Purchase of Plant and Machinery	4,259,359
2	DHO, Mianwali	Stationary, Cost of Other Store, Others, Purchase of Furniture, Medicines	1,899,207
3	DHQ Hospital, Mianwali	Stationary, Printing, cost of Other Store, Others, R & M of Plant and Machinery and IT Equipment	15,215,335
4	MS THQ	Cost of Other Store, Others i.e.	3,901,812

	Piplan	Purchase of Surgical items and bedding clothing	
5	THQ Hospital Kala Bagh	Purchase of Plant and Machinery and medical equipment	705,610
6	RHC Daud Khel	Cost of Other Store, Others, stationary, medicines and bedding clothing	3,422,401
	Total:		29,403,724

Audit is of the view that due to weak internal and financial controls purchases were made in non-transparent manner violating PPRA rules.

This resulted in irregular and uneconomical purchases of Rs 29.404 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that funds were released on the monthly basis. Funds for non-salary were released at the end of Financial Year and due to shortage of time it was not possible to float tender. Audit contended that splitting and release of funds as well as dates of the bills were not supportive to the reply of the department. DAC directed for probe in the matter, fixing responsibility of un-economical purchases against the person (s) at fault and regularization from competent forum.

Audit recommends probe in the matter, fixing responsibility of lapse against the person (s) at fault besides regularization of the expenditure from competent forum.

[PDP No. 11, 32, 39, 45, 79, 128, 146, 155]

13.5.2.2 Irregular/un-economical purchase of medicines through quotations/splitting job orders –Rs 13.468

According to rule 8, 9, 12 and 22 of PPRA, 2014, a procuring agency shall, within one month from the commencement of a financial year, devise annual planning for all proposed procurements. Procuring agency shall advertise in advance annual requirement on the website of the PPRA as well as on its own website and announce in an appropriate manner all proposed procurements for each Financial Year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. Further a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper. The procuring agencies shall use open

competitive bidding or publication of request for tender as the principal method of procurement for the procurement of goods, services and works.

Following hospitals of District Health Authority, Mianwali procured medicines of Rs 8.530 million through quotations by splitting the purchases in small orders during Financial Year 2018-19. Audit noticed that the hospitals preferred to purchase medicines through quotations from LP vendors at higher rates/retail rates (availing nominal discount)but did not float tenders to make the purchases of medicines at competitive/economical rates.

Sr. No.	Name of Formation	Amount of bulk Medicines Purchased through quotations
1	DHQ Hospital, Mianwali	8.530
2	THQ Hospital, Piplan	4.938
	Total:	13.468

udit is of the view that due to weak internal and financial controls medicines were purchased through quotations in non-transparent manner violating PPRA rules.

This resulted in irregular and uneconomical purchases of medicines Rs 13.468 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that all the items were part of the Bulk Purchase Tender floated by DHA Mianwali for 2018-19 but no responsive was received. To ensure availability of medicine in health facilities, CEO (DHA) Mianwali directed MS, DHQ Hospital Mianwali to procure such medicine on petty or quotations basis. Audit contented that no tender was floated by the hospitals till despite availability of budget and preferred to purchases through quotation. DAC directed to probe into the matter for fixing responsibility of un-economical purchases and regularization of the expenditure.

Audit recommends fixing of responsibility of irregular/un-economical purchases besides regularization from competent forum.

[PDP No. 46, 80]

13.5.2.2.3 Excess payment on purchase of medicines - Rs 5.552 million

According to Para 2(ii) of Policy and Operational Guidelines for Local Purchase of Medicines (Day To Day) dated 16th December, 2017⁹⁴ “local purchase costs higher price in comparison to bulk purchases. Therefore, the aim is to reduce the incidences of local purchase by identifying commonly and frequently purchased items and including them into the list of bulk purchase mandate”.

Scrutiny of record of DHQ hospital, Mianwali for the Financial Year 2018-19 revealed that management purchased medicines and surgical items valuing Rs 9,765,480 on retail prices from LP vendors. Audit is of the view that these medicines and surgical items had frequent use in routine throughout the year hence were required to be purchased through rate contract. Management made no efforts to purchase these items through open tendering/bulk medicines rate contract. Audit observed that market rate of the same items as well rate offered to the other district of the division for bulk purchase for the Financial Year 2018-19 were very low. Detail is as under.

Description	Qty	Market Rate for Bulk/Rate admissible	Rate Paid (Rs)	Difference (Rs)	Loss (Rs)
Surgical Gloves (Ansel)	10,000	70	119	49	490,000
IV Burette JMS	1,000	170	238	68	68,000
IV Burette China	2,000	100	126	26	52,000
Insurgent 70/30	4,000	250(Bulk rate contracts 2017-18)	467.37	217.37	868,000
Paper tape 1inch	15,000	35(Bulk rate contracts 2017-18)	63	28	420,000
Inj Ceftriaxone 1g	21,000	65 Rate for bulk purchase approved in Distt. Sargodha	251	186	3,654,000
Total					5,552,000

Audit is of the view that due to weak managerial and financial controls surgical items were purchased at higher rate through LP.

This resulted in excess payment on purchase of medicines Rs 5.552 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that medicines and surgical items were advertised in bulk purchase tender at District level but for some items were non-

⁹⁴ No.PSHD-TC0-1 (M) 6-14/2017

responsive and in some cases companies did not make supply. To meet the day to day demand purchases were made from LP vendor at retail price availing discount. Audit contended that hospitals did not float its tenders for purchase of bulk medicines despite availability of budget. DAC directed for probe, fixing responsibility besides making the loss good from the responsible with the further direction to purchase all such items through rate contract in future.

Audit recommends fixing of responsibility of loss against the person (s) at fault besides making good the loss to government.

(PDP No. 56, 58, 59, 60,61)

13.5.2.2.4 Irregular purchase of LP medicines beyond limit – Rs 4.164 million

Policy and operational guidelines for LP medicines chalked out by the health department for guidance & strict compliance. The policy requires the hospitals management⁹⁵;

- i. to establish non-availability of prescribed medicines through an authorized pharmacist in on case-to-case basis to avoid duplication of resources.
- ii. to document all the items to be purchase under local purchase system which will help to prepare trend list.
- iii. to enter into local purchase contracts through open competitive tendering and use same purchase committee in local purchase tenders who processes bulk purchase contracts. MS of the hospital shall be responsible for devising mechanism for receiving local purchase indent, its scrutiny, sanctioning, placement of order, receiving, defacing & issuance of medicines, record keeping and payment process.
- iv. to register the patients at the central point who receives medicines.

Scrutiny of record of MS THQ Hospital, Piplan for the Financial Year 2018-19 revealed that LP medicines of Rs7,516,845 were purchased. Audit observed that medicines were purchased without observing of guidelines of purchase of LP medicine as above. Audit further noticed non-compliance of prescribed procedure and following irregularities in purchase and utilization of LP medicines.

- a. No record of patients who received LP medicines was maintained.

⁹⁵ Government of the Punjab Health Department letter No.SO(P-I)H/3-64/2008 dated 12.09.2013

- b. LP medicines purchased for months instead day to day or 7 days' requirements.
- c. Medicines of same generics names/formulas were available in store in some instances.
- d. LP medicines were purchases beyond prescribed limit of 25 % (LP + emergency).

FY	Total Budget of Allocation of Medicine	25% (15% +10%) LP/emergency Medicine Share	LP Medicine Purchased	LP Medicine Excess Purchased
2018-19	13,408,462	3,352,116	7,516,845	4,164,729

Audit is of the view that due to weak internal and financial controls, prescribed procedure and limit for purchase LP medicines was not observed.

This resulted in irregular purchase of LP medicines beyond limit Rs4.165million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that LP budget for FY 2018-19 was Rs3,352,116 and Rs 25,00,00 was given by CEO Health. Remaining amount of Rs 1,664,729 was paid for pending liabilities of LP medicine of Financial Year 2017-18. Audit contented that medicines frequently use throughout the year were purchased in LP and were even beyond limit of 25% budget fixed for LP and emergency. DAC directed for probe in the matter, fixing responsibility and regularization of the irregularity.

Audit recommends fixing responsibility of lapse against the person (s) at fault besides regularization of the expenditure from the competent forum.

[PDP-75]

13.5.2.2.5 Payment of GST to suppliers for GST exempted items supplied to hospitals – Rs 1.535 million

According to Finance Act, 2008 read with section 13 and Sr. No. 52, 52A (sixth schedule) of The Sales Tax Act, 1990 (updated), “Goods supplied to hospitals run by the Federal or Provincial Governments or charitable operating hospitals of fifty beds or more or the teaching hospitals of statutory universities of two hundred or more beds” shall be exempt from sales tax.

Scrutiny of record of CEO DHA, Mianwali for the Financial Year 2018-19 revealed that payment of Rs10,563,768 was made to different suppliers for purchases for RHCs. Audit noticed that Rs1,534,906 (17% GST) was paid to the suppliers/contractors on account of GST exempted

items for government hospitals. Audit is of the view that the GST paid to suppliers was a case of overpayment and un-due financial aid to suppliers as well as wastage of public funds allocated for the health services.

Audit is of the view that due to poor financial discipline amount of GST was paid to suppliers/contractors for sales tax exempted items supplied to government hospital.

This resulted in unauthorized payment of Rs1.535 million to the suppliers/contractor.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that directions of audit are noted for future. However no over payment was made to the Supplier because 100% GST deducted at source, amount of GST ultimately transferred to Government revenue. Audit contented that budget meant for purchases was exhausted in payment of GST as well as reply of the department regarding 100% deduction of GST at source was supported with documents. DAC directed the department for regularization.

Audit recommends regularization of the expenditure from the competent forum.

[PDP-13]

13.5.2.2.6 Acceptance of medicine below shelf life – Rs 2.183 million

Shelf life in case of imported items must not be less than 80% and in case of local items 90% at the time of delivery. However, in case of imported medicines, the stores may be accepted up to 70% shelf life and in case of locally manufactured / packed drugs up to 80% at the time of supply / delivery subject to 1% penalty charges for the actual short fall⁹⁶.

Management of the following hospitals accepted below 80% shelf life medicines from the suppliers/MSD during Financial Year 2018-19. Audit observed that neither effort was made to replace the below shelf life medicine nor penalty was imposed for less shelf life. The below shelf life medicines were utilized to patients.

Sr. No.	Name of Formation	Medicine Name	Shelf Life	Batch Number	Qty	Amount
1	CEO DHA, Mianwali	Cytol..Misoprostol 200mch	69%	-	22,400	268,800
2	THQ Hospital,	Revitale-B	42.79%	7RBBA	6750	702,000
3	Piplan	Fixvalsusp 100	64.66%	7FQBO	420	75,600

⁹⁶ Government of Punjab Health Department notification No.S.O (P-I) H/3-64/2008 dated 18th October 2008

		mg/5ml				
4		metomideinj 10mg	67.53%	M745	1350	33,075
5		azithromycin 250 mg cap	71.35%	1731003	14400	576,000
6	DHQ Hospital Mianwali	Tab. Revitale-B by GSK	25%	7RBBA	67500	528,000
7		Tab. QALSAN-D BY GSK	32%	GQNAHN	27000	
	Total:					2,183,475

Audit is of the view that due to weak administrative/technical controls medicine having below shelf life than prescribed minimum limit.

This resulted in irregular expenditure due to illegal acceptance of medicine having below shelf life Rs 2.183 million.

The matter was discussed in DAC meeting held on 07.01.2020. Departments admitted regarding acceptance of medicines having shelf life below than minimum prescribed limit and stated that medicines were provided by CEO DHA Mianwali/MSD Primary & Secondary Health Care Department hence hospital management was not in position to refuse such medicines acceptance. DAC directed the department to take up the matter with MSD for imposing penalty.

Audit recommends inquiry in the matter for fixing responsibility of negligence against the person (s) at fault.

[PDP No. 20, 87, 55]

13.5.2.2.7 Un-justified expenditure on purchase of OPD registers beyond annual requirements – Rs 1.112 million

According to rule 2.10(a) of PFR Vol-I, same vigilance should be exercised in respect of expenditure incurred from government revenues as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

Scrutiny of record of DHQ hospital, Mianwali for the Financial Year 2018-19 revealed that payment of Rs1,112,000 was made for procurement of OPD registers and other register for hospital. Audit noticed that below specification 1000 OPD registers and 1000 blank registers were purchased which were beyond annual requirements of the hospital. Audit is of the view that keeping in view the 600,000 annual number of patients of the hospital and 1000 OPD registers containing 400 pages each were sufficient for 12 years.

Audit is of the view that due to weak internal and financial controls unnecessary purchases were made beyond requirement.

This resulted in irregular expenditure on purchases beyond requirements Rs5.09 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that 4 separate OPD entry points exist i.e. old building, Diagnostic OPD, Emergency and Sakina. Separate registers are also maintained by each OPD Doctor in Hospital. Blank registers are used in large number in all wards. Said register will be consumed in 2 years hence procurement was not beyond demand. Audit contented that OPD registers are meant for registering patients at main OPDs counters. So keeping in view the annual number of patients, registers were sufficient for 12 years. DAC up held the view point of audit and directed for probe in the matter, fixing responsibility of extra printing.

Audit recommends probe in the matter, fixing responsibility of lapse against the person (s) at fault.

[PDP-67]

13.5.3 Value for money and service delivery issues

13.5.3.1 Irregular payment for substandard lab tests bills of service provider without proficiency tests – Rs82.50 million

As per clause 2.5 of the contract agreement between Primary and Secondary Health Department, Punjab and North Shore Lab. Pvt. Ltd, proficiency tests will be conducted on every 1000 tests from two CAP certified labs. Service provider will pay the charges of these tests and penalty will be imposed in case of failure of test from CAP certified labs.

Scrutiny of record of DHQ Hospital, Mianwali for the Financial Year 2018-19 revealed that payment of Rs82.50 million was paid to North Shore Lab Pvt. Ltd. (service provider of hospital lab) for the period from 01.01.2019 to 30.06.2019 without conducting proficiency tests. Audit is of the view that due to not conducting proficiency tests, payment was made for substandard tests and to avoid the penalty as evident in the preceding months the service provider was penalized Rs1 million/month (average) for substandard test from September, 2018 to December, 2018. Further following irregularities were also noticed during scrutiny of record.

- i. Instances of cutting, overwriting and increasing number of test by North Shore Lab staff were found.
- ii. Before Jan, 2019, 216 proficiency test were performed out of which 38 test failed (variation in tests was beyond acceptable level).
- iii. Payment for the period Jan, 2019 to onward paid without proficiency test.
- iv. Amount of invoices of test doubled in May, 2019 comparing with September, 2018 i.e. Rs10,624,914 and Rs4,759,315 respectively.
- v. Web based system was not implemented fully for availability of data for hospital administration.
- vi. Patient turnaround time for outdoor and indoor patients not followed.

Rs in million

Sr. No	Month	Invoice Amount	Penalty @ Rs2 million/month for the period test not conducted on the basis of Rs1 million average penalty when test were performed (6 Months x 2 million)	Proficiency Tests fee was to be paid to other labs by the services providers as per total number of required test were to be
1	September, 18	4,759,315		
2	October, 18	7,443,794		
3	November, 18	6,768,632		
4	December, 18	8,191,229		
5	January, 19	9,666,545		
6	February, 19	7,041,457		
7	March, 19	8,234,068		

8	April, 19	10,629,085		performed
9	May, 19	10,624,914		
10	June, 19	9,137,883		
Total		82,496,922	12 million	1.350 million
Total Recoverable amount (12+1.350)				13.350

Audit is of the view that due to weak internal controls the clauses of agreement were not implemented.

This resulted in un-justified/un-authentic verification of invoices of Rs82.50 million and financial aid to service provider on account of test fee and penalty Rs13.50 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that Contract for provision of pathology services has been made between PMU and service provider and PMU is responsible for payment. Hospital administration has taken up case several times regarding refusal of proficiency testing by the management of service provider. Payment was withheld due to this issue for 9 months. Later on PMU directed vide letter No. PMU/P&SHD/Path-02/2019/245 dated 17/09/2019 to withhold 20% of the invoice amount and pay rest of the amount to the service provider. 20% is withheld till issue of proficiency testing is sorted out. Average Rs.1 million monthly penalties for failed proficiency tests was imposed in starting 4 months. Audit contented that hospital administration was responsible for devising mechanism to ensure quality of tests from the service providers. DAC directed the department to take up the matter with Secretary Primary and Secondary Health Department for implementation of clauses of contract in letter and spirit and for recovering the pointed out amount from the bills of service provider.

Audit recommends probe in the matter, fixing responsibility of lapse against the person(s) at fault besides recovery of the penalty and proficiency test fee.

(PDP No. 50,51)

13.5.3.2 Irregular verification of invoices of service provider of CT scan – Rs25.834 million

According to clause 4.1 and 10 of the service contract between Primary and Secondary Health Department and M/S Eastern Medical Technology Services, service provider will perform CT scan of patients on the prescriptions/recommendations of the consultants of concerned specialty and Additional MS. Service provider will employ a radiologist for each health facility. Moreover, according to minutes of the meetings

between PMU of Primary and Secondary Health Department and Eastern Medical Services, CT scans will be performed after prior X-Rays and other requisite clinical test.

During audit of MS DHQ Hospital Mianwali for the Financial Year 2018-19, it was observed that CT scan services were outsourced to Easter Medical services. Payment advices of Rs25.834 million were verified by the hospital administration and forwarded to PMU for payment. Audit noticed the following irregularities in verification/ authentication of the invoices of service provider.

- i. SOP of minutes of meeting between PMU and Easter Medical Services were not followed while conducting CT scans i.e. prior X-Rays and other requisite clinical test.
- ii. Radiologist of the service provider never visited the hospital hence CT scans were performed by technicians without supervision of radiologist.
- iii. Multiple scans (up to 4 scans) of many patient at a time were performed by service provider to maximize its revenue without following SOPs.
- iv. No internal control mechanism was devised to monitor the scans by the service provider.
- v. Invoices were never compared with the copy of requisition retained by hospital but it was always compared with the requisition copy in the custody of service provider.
- vi. The service provider was not penalized for non-availability of injection for contrast scan since long.
- vii. Instances of non-provision of CT scan films to patients were also reported instead patients were provided screen shots in mobiles during March and September, 2019.

Audit is of the view that due to weak monitory controls, unauthentic invoices of service provider, were verified.

This resulted in verification of unauthentic invoices of service provider.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that CT Scan services was outsourced by PMU. Contract is silent about penalty on non-availability of radiologist at each health facility. Radiologist works from Lahore for monitoring of CT scan. Invoices are always compared with copies of requisition slips. Non-availability of contrast injection and non-provision of CT scan films to patients are serious issues. DAC directed the department to devise

effective internal controls to implement SOPs of performing CT scans, redesign the CT scan requisition forms. Further directed to take up the matter with Secretary Primary and Secondary Health Department for implementation of clauses of contract in letter and spirit.

Audit recommends probe in the matter, fixing of responsibility against the person (s) at fault and effect resultant recovery.

[PDP-72]

13.5.3.3 Doubtful consumption of medicines –Rs17.963 million

According to Rule 15.4(a) of PFR Vol-I, all materials received should be examined, counted, measured and weighed, as the case may be, when delivery is taken, and they should be kept in charge of a responsible government servant. The receiving government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock registers.

Scrutiny of accounts record of MS THQ Hospital, Piplan for the Financial Year 2018-19 revealed that consumption of medicines as per stock register and expense books of store and various department did not match with the medicines consumed as per PIMS (Prescription Management Information System). Audit noticed following irregularities in the issuance /consumption record.

- i. Either excess medicines were shown consumed/issued than the medicines prescribed by doctors and not entered in PMIS by data entry operators.
- ii. Day to day consumption as per expense books of different departments did not match the medicines prescribed by the doctors. Excess consumption was charged for every item in manual consumption record.
- iii. Separate medicines were issued to every shift of emergency.
- iv. Dual consumption of injectable for the same patient by the emergency and dispensary was noticed.
- v. Costly injectable i.e. ceftriaxone 1gm, 500mg and 250mg and Solo Cartif, 7-10 injections were excess charged by Indoor and Emergency on daily basis (Sample selected from daily expense book).
- vi. Tempering, cutting, overwriting, erasing and flouting was a common practice to make post adjustments of the consumed medicines.
- vii. Pharmacists of the hospital never conducted audit of medicine expense as required in his job description,

Audit is of the view that due to weak internal and administrative controls excess consumption of medicines than actual was shown.

This resulted in doubtful consumption of medicines worth Rs17.963 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that difference is due to not uploading of OPD/Indoor tickets on the portal as the posts of data entry operators remained vacant from Sep 2018 till April 2019 due to non-availability of Health Council funds. DAC did not accept the reply of the department and directed for probe in the matter, fixing responsibility of non-entry in the portal and recover resultant shortage.

Audit recommends fact finding inquiry, fixing responsibility and recover resultant shortage.

[PDP-86]

13.5.3.4 Non-auction of old / unserviceable equipment, material and vehicles – Rs 7.530 million

According to Rule 15.3 of PFR Vol-I, a competent authority may sanction the sale or disposal of stores regarded as surplus, obsolete or unserviceable.

Scrutiny of record of following formation of District Health Authority, Mianwali for the Financial Year 2018-19 revealed that large number of fixtures, fittings, electric equipment's, medical equipment/machinery and hospital beds were replaced under the development scheme "revamping of DHQ/THQ Hospitals". Similarly, large number of off road unserviceable vehicles found parked. Audit noticed that auction was not done despite lapse of considerable time whereas most of the items are lying in the open space and deteriorating value with passage of time.

Sr. No.	Name of Formation	Description of material to be auctioned	Estimated Amount from Auctioned
1	DHO, Mianwali	5 Nos. off road vehicles i.e. Jeeps, Pickups ect.	1.680
2	DHQ Hospital, Mianwali	Huge quantities of misc. building material, hospital equipment, fixture, furniture, ACs, Large Number of patients beds obtained in result of revamping of hospital	5.000
3	THQ Hospital Kala Bagh	5 Nos. pld off road vehicles and misc. items etc.	0.850
Total			7.53

Audit is of the view that due to weak internal and financial controls huge quantity of old items / material was not auctioned.

This resulted in non-auction of old replaced material worth Rs 7.530 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that material / items will be auctioned shortly. DAC directed to auction the old material and unserviceable vehicles within 60 days.

Audit recommends early auction of the old material and unserviceable vehicles.

[PDP No.30, 52, 132]

13.5.3.5 Difference in payment of electricity bills paid by hospital and payment booked by FESCO – Rs7.280 million

According to Rule 2.33 of PFR Vol-3 every government servant should realize fully and clearly that he would be held personally responsible for any loss sustained by the government through fraud or negligence on his part.

During audit of MS DHQ, Mianwali for the Financial Year 2018-19 it was observed that hospital drawn Rs18,919,489 while as per payment history side of the bills for the same months the figure came to Rs11,639,717. Audit noticed difference of Rs 7.280 million in payment drawn and payment booked by FESCO.

Audit is of the view that due to weak internal and financial controls less payment was made to FESCO.

This resulted in difference in payment drawn and payment booked of Rs7.280 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that payment was made to FESCO through cross cheque. They had been taken up the matter with Finance/Revenue Department of FESCO vide letter No.48/DHQ (H) Mianwali dated 01.11.2019. Payment issues will be rectified by FESCO and results will be intimated to audit. DAC directed for reconciliation with FESCO within one month and get credit in bill.

Audit recommends reconciliation, rectification besides probe in the matter for fixing of responsibility against the person (s).

13.5.3.6 Loss due to theft of building material valuing - Rs 6.500 million

According to Rule 2.33 and 15.1 of P.F.R Vol-I, every government servant 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. The departmental officers entrusted with the care, use or consumption of stores are responsible for keeping them in proper custody and in good and efficient condition and should also take proper pre-cautions to prevent loss of public store.

Scrutiny of record of RHC Daud Khel for the Financial Year 2018-19 revealed that building material of 13 No. hospital residences has been stolen by unknown persons as evident from the written statement and correspondence by the management in this regard. During audit, visit of the buildings site revealed that material was not available Neither departmental inquiry was conducted nor any FIR was found registered. No serious efforts to make the loss good was as record. Audit noticed that due to negligence the DHA Bhakkar had to sustain appropriate loss of Rs. 6.500 million.

Audit is of the view that due to gross negligence on the part of management building material inside fence of hospital material was stolen.

This resulted in loss to government of Rs 6.500 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that matter regarding theft of building material was reported to police for recovery. Investigation is under process. DAC directed the department to probe into the matter for fixing responsibility against the persons at fault besides making the loss good.

Audit recommends that departmental inquiry may be conducted besides recovery of loss under intimation to Audit.

13.5.3.7 Un-justified/doubtful payment of POL - Rs2.955 million

According to Rule 2.33 of P.F.R Vol-I, every Government servant 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.

Scrutiny of record of CEO Health, Mianwali for the Financial Year 2018-19 revealed that a payment of Rs 2.954 million was made to Rescue

1122 on account of pending liabilities for the Financial Year 2016-17. Audit noticed following irregularities in this payment.

- i. For each ambulance more than 150 liters diesel was drawn in 24 hours consecutively in routine which means it was traveling up to 1000Kms daily as per its per liter consumption which is totally un-justified.
- ii. An ambulance MIG-20 met major accident on 30.05.2017 but POL was drawn for the same vehicle from 30.05.2017 to 07.06.2017 which had to fraudulent drawl of money.

Document No	G/L Acc	G/L Acc Description	Posting Date	C.center	Amount
1900085708	A03807	P.O.L Charges A.planesH.coptorsS.Cars M/C (Govt)	17.09.2018	MY9004	2,954,797.00

Audit is of the view that due to weak financial and internal controls un-justified payment of POL was made.

This resulted in un-justified/doubtful payment of Rs 2.955 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that on the direction of Govt. of the Punjab PP&SHC Department Lahore ambulances of DHA were shifted to Rescue 1122. Log books were maintained in the office of 1122 and this office had to pay the bill received from 1122 after vetting form concerned officer. Payment was directly made to vendor through Rescue 1122 office. Audit contended that such huge consumption was charged which could not be justified. DAC up held the view point of audit and refer the matter for inquiry to Rescue 1122 and production of log book.

Audit recommends probe in the matter for fixing responsibility against the person (s) at fault and making good the loss.

(PDP No. 11)

13.5.3.8 Non-imposition of penalty for delay – Rs 1.946 million

As per Rate Contract and supply orders, in case of late delivery of goods penalty @ 4 % per month or 0.134% per day of the cost of late delivered supply shall be imposed upon the supplier.

Scrutiny of record of CEO DHA, Mianwali for the Financial Year 2018-19 revealed that the management awarded supply order of medicines to different suppliers. The supplier could not provide medicine within stipulated period. Audit observed that the management accepted medicines and payment to the vendors without imposition of penalty of Rs 2.034 million.

Audit is of the view that due to non-observance of rules and dereliction, penalty was not imposed.

This resulted in late supply of medicine and non-imposition of penalty Rs2.034 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that penalty on late delivery of medicine Rs 88,183 has been made from the bill of M/S Bosch pharmaceuticals. As soon as the payment is made to other firms amount of penalty will be recovered. DAC directed for recovery of penalty as per audit para and decided to reduce the amount of para to Rs 1,945,817.

Audit recommends for recovery of penalty amount.

(PDP No. 17)

13.5.3.9 Un-justified creation of liabilities for next financial year – Rs 1.592 million

According to Rule 17.17 (A) read with Rule 17.18 of PFR Vol. every disbursing officer shall maintain a register of liabilities in P.F.R Form No.27 in which he should enter all those items of expenditure for which payment is to be made by or through another officer; budget allotment or sanction of a higher authority is to be obtained; or payment would be required partly or wholly during the next financial year or years. Further, under no circumstance the charges incurred be allowed to stand over to be paid from the grant of another year.

MS THQ, Piplan made purchases of Rs 1.592 million under different heads during Financial Year 2018-19 but the payment of these bills was not made to suppliers/vendors without any justification despite available funds. Audit observed that neither effort was made to process bills of suppliers/vendors during the financial year nor the pendency of these bills was reported to the budget approving authorities for allocation in the next budget grants.

Audit is of the view that due to non-compliance of rules unjustified liabilities were created despite availability of budget.

This resulted in un-justified creation of liabilities of Rs1.592 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that procurement was made in best public interest and most of these are LP medicine. Audit contented that purchases without availability of budget is a financial irregularity. On other side a huge

amount of released budget remained un-utilized. DAC directed for regularization of the expenditure.

Audit recommends fixing of responsibility of lapse against the person (s) at fault besides regularization of the expenditure from competent forum.

[PDP-94]

13.5.3.10 Un-justified excess expenditure on POL – Rs 1.598 million

As per Rules 2.33 of PFR Vol-I, every Government servant should realize fully and clearly that he would be held personally responsible for any loss sustained by Government through fraud or negligence on his part or to the extent he contributed to the loss by his own action or negligence.

Scrutiny of record of MS THQ Isakhel for the financial year 2018-19 revealed that payment of Rs 1,797,862 was drawn from treasury on account of POL for the generators of the hospital. Audit observed following irregularities in drawl and utilization of POL.

- i. Comparative study of the other THQs expenditure in the division revealed that genuine expenditure of the THQs for this financial year 2018-19 was not more than Rs 200,000.
- ii. Keeping in view the availability of electricity in 2018-19 (particularly in May and June before and after Ramzan) expenditure was un-justified.
- iii. No schedule of load shedding was available.
- iv. Electricity bills and unit consumed also did not support the expenditure on POL.

Audit was of the view that due to weak administrative and financial controls un-justified excess expenditure was incurred on POL.

This resulted in unjustified excess expenditure on POL Rs 1.598 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that POL consumption remain high in May and June before and after Ramzan due to low electricity voltage problems in Esa Khel. Further two generators were installed during that period. Two-hundred-liter tank were fully filled to test functionality of newly installed generators. Audit contended that consumption is un-justified keeping in view the availability of electricity, consumed units of electricity as per bills, consumption of POL by other THQs of District Mianwali as well as

other districts which is maximum up to Rs500,000. DAC directed the department to inquiry the matter for finding facts within 30 days and fixing responsibility against the person (s) at fault.

Audit recommends probe in the matter for finding facts and fixing of responsibility of against the person (s) at fault.

[PDP-110]

13.5.4 Others

13.5.4.1 Irregular blockage/non-surrendering of funds – Rs 124.218 million

According to the rule 61 (1) and 55 (1) (C) (IV) of Budget Rules of District Authorities, 2017, the statement of excess and surrenders shall be prepared on the basis of actual expenditure incurred during the first eight month of the financial year and last four month of the previous financial year for estimating the expected expenditure for the remaining four month of the financial year. The head of offices or institutions and drawing and disbursing officers (DDO) shall be responsible for effectively utilizing the budget appropriations.

Following Drawing and Disbursing Officers of DHA, Mianwali, for the financial year 2018-19, neither utilized nor surrendered funds of Rs 124.218 million for further utilization/re-appropriation to some other urgent requirement. Audit noticed that a huge amount of Rs75 million was available in purchase of drugs and medicines head but bill of 42 million were pending for next year.

Sr. No.	Name of Formation	Amount of Saving (Rs in million)
1	CEO DHA Mianwali	81.372
2	DHQ Hospital, Mianwali	25.783
3	THQ Hospital, Piplan	7.650
4	THQ Hospital, Isa Khel	7.069
5	RHC Daud Khel	2.344
	Total	124.218

Audit is of the view that due to weak internal control excess budget was not surrendered well in time to utilize the other department.

This resulted in irregular blockage of fund /none surrendering of Rs81.372 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that saving in the head of medicine bulk purchase was due to non-receiving of DTL in time. Remaining savings were in salary due to vacant post of staff in DHA Mianwali. DAC directed for regularization of the irregularity from the competent forum.

Audit recommends regularization of expenditure from the competent forum.

[PDP No. 19, 36, 63, 81, 100, 147]

13.5.4.2 Wastage of public funds on 4 number 200 KVA Generators beyond hospital requirements – Rs 20 million

According to rule 2.33 of PFR Vol-I, every government servant should fully realize that he will be held personally responsible for any loss sustained by government through fraud or negligence.

Scrutiny of accounts record of MS THQ Hospital, Isakhel for the Financial Year 2018-19 revealed that 6 heavy generators of 200KVA and 100KVA were placed in the premises of hospital. Audit noticed that most of these generators were sent by PMU Health Department in recent years as well as 1 was purchased by hospital without requirement. Audit is of the view that the maximum requirement of hospital is 2 generators, one in routine and other one as reserve as the hospital has dedicated service line of electric supply. Deployment of 4 extra generator costing Rs20 million is totally wastage of public funds.

Audit is of the view that due to weak internal and financial controls assets over and above requirements were purchased and dumped in the hospital.

This resulted in wastage of public funds of Rs20 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that three generators were delivered by PMU of Primary & Secondary Healthcare Department in FY 2017-18 while one procured by Hospital through PMU back in FY 2016-17. DAC directed to take the matter with Health department for shifting extra generators to other health facilities of District Mianwali where required.

Audit recommends probe in the matter for finding facts besides fixing responsibility of purchases beyond requirements and loss to public exchequer against the person (s) at fault.

[PDP-96]

13.5.4.3 Non-utilization of health council funds – Rs 33.708 million

According to section 55 (1) (C)(IV) of District Health Authority Budget Rules, 2017 the head of offices or institutions and drawing and disbursing officers (DDO) shall be responsible for effectively utilizing the budget appropriations.

Drawing and Disbursing Officers of the following hospitals of DHA Mianwali did not utilize the health councils budget during Financial

Year 2018-19. Audit noticed that Rs 33.708 million provided for the up keep of hospital remained un-utilized but neither meetings of health council were convened nor any significant amount was incurred for betterment of hospitals for which the money was provided.

Sr. No.	Name of Formation	Amount of Un spent Funds of Health Council on 30.06.2019
1	DHQ Hospital, Mianwali	26,104,403
2	THQ Hospital, Piplan	7,604,000
	Total:	33,708,403

Audit is of the view that due to financial mismanagement, health council funds were not utilized.

This resulted in irregular blockage of health council funds of Rs 33.708 million.

The matter was discussed in DAC meeting held on 07.01.2020. Department replied that funds were received at the end of financial year and health council funds are not lapsable as the funds are placed in commercial bank account Available funds are bound for payment for various tasks approved in health council meetings. Audit contented that no significance amount out of these was utilized till date of this meeting. DAC up held the view point of audit and directed the department to get regularize the lapse from competent forum.

Audit recommends fixing of responsibility of lapse against the person (s) at fault besides utilizing health council funds for the betterment of hospitals.

[PDP No. 64, 83]

13.5.4.4 Non-functional/non-utilization of water purification plant - Rs 1.500 million

According to rule 2.33 of P.F.R Vol-I, every government servant 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.

Scrutiny of record of RHC Daud Khel for the Financial Year revealed that a Water Purification Plant along with two large sized water tanks were available in the hospital. Plant was not functional since its date of installation i.e. 25.3.2011.

Audit is of the view that due to internal controls weakness the equipment was not utilized.

This resulted in depriving the public from the benefits of water purification plan of Rs 1.5 million.

The DAC meeting was held on 07.01.2020. The para could not be discussed in DAC meeting due to non-submission of working papers by the department. DAC directed the department to produce the record to audit within 7 days. No compliance was made till finalization of this report.

Audit recommends fixing of responsibility of lapse against the person (s) at fault besides proper utilization of water purification plant.

[PDP-145]

CHAPTER 14

DISTRICT HEALTH AUTHORITY, NANKANA SAHIB

14.1 Introduction of the Authority

District Health Authority, Nankana Sahib was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Nankana Sahib is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authority, Nankana Sahib as described in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Nankana manages following primary and secondary health care facilities and institutes:-

Description	No. of health facility/ institute
Chief Executive Officer, DHA	1
District Health Officers	1
Deputy District Officer	3
Deputy District Officers	1
District Head Quarter Hospitals	1

Tehsil Head Quarter Hospitals	2
District Health Development Centre	1
Rural Health Centre	6
Basic Health Units	40

14.2 Audit Profile of District Health Authority, Nankana Sahib

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Nankana Sahib	16	5	989.242	0

14.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 114.087million were raised in this report during current audit of “District Health Authority, Nankana Sahib.” This amount also includes recoveries of Rs 41.703 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	12.072
2	Reported cases of fraud, embezzlement, and misappropriation	3.187
3	Irregularities:	-
	A. HR/Employees related irregularities	61.869
	B. Procurement related irregularities	24.459
	C. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	12.500
5	Others	-
Total		114.087

14.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	23	Not convened
2	2018-19	23	Not convened

14.5 AUDIT PARAS

14.5.1 Non-production of Record

14.5.1.1 Non-production of vouched accounts - Rs 12.072 million

According to Section 14(1)(b) of Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, the Auditor-General shall have authority to require that any accounts, books, papers and other documents which deal with, or form, the basis of or otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may direct for his inspection.

MS DHQ Hospital Nankana Sahib failed to provide vouched account of Rs 12.072 million. Moreover, tender record of auction of canteen and parking stand was also not produced as detailed below. In the absence of record, authenticity, validity, accuracy and genuineness of expenditure and receipt could not be verified.

Sr. No.	Financial Year	Description	Amount Rs in million
1	2018-19	Bedding & Clothing	1.398
2	2018-19	LP Medicines	10.674
3	2018-19	Auction record of canteen	-
4	2018-19	Auction record of parking stand	-
Total			12.072

Audit held that due to financial indiscipline and weak internal controls, relevant record was not produced to audit in violation of criteria *ibid.*

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends fixing responsibility for non-production besides ensuring submission of record.

[PDP No.29 & 30]

14.5.2 Fraud / misappropriation

14.5.2.1 Misappropriation of government money- Rs 2.157 million

According to Rule 15.4(a) of PFR Vol-I, all materials received should be examined, counted, measured and weighed, as the case may be, when delivery is taken, and they should be kept in charge of a responsible government servant. The receiving government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock register. According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

District Health Officer (Preventive Services) Nankana Sahib drew Rs 2.157 million on account of purchase of consumable items but neither accountal was found nor consumption was shown in stock registers. Purchased items were also not found physically in the store. Moreover, The purchases were also made at exorbitant rates.

Audit holds that items were not accounted in the stock register as not purchased due to weak financial discipline.

This resulted in misappropriation of government money for Rs 2.157 million.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends investigation of the matter at appropriate level besides fixing responsibility against person(s) at fault.

[PDP No.11]

14.5.2.2 Loss to the Government due to purchase of sub-standard printing material – Rs 1.030 million

According to Rule 2.31 of the PFR Vol-I, drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriation and negligence on the part of the DDO.

District Health Officer (Preventive Services) Nankana Sahib received sub-standard/ less pages of the printing material in quantity than quoted in supply order. This resulted in misappropriation of public money Rs 1.030 million.

Audit is of the view that misappropriation occurred due to poor financial management and weak internal controls.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends that matter be looked into at appropriate level besides fixing responsibility against the person(s) at fault under intimation to Audit.

[PDP No.19]

14.5.3 Irregularities

14.5.3.1 HR/ Employee related irregularities

14.5.3.1.1 Inadmissible payment on account of HRA & CA - Rs 11.827 million.

Job title of the medical officer posted at BHUs were required to reside in the designated houses provided within BHUs for ensuring their presence round the clock for service delivery at the place of their posting⁹⁷. In compensation of this, they are allowed to draw Practice Compensatory Allowance.

Following offices of DHA Nankana Sahib, paid Conveyance Allowance and HRA without admissibility as drawers were either resided in government accommodation in the premises of health facility or were compensated by the receipt of Practice Compensatory Allowance. This resulted in overpayment of Rs 11.827 million as detailed below:

Sr. No.	Name of the office	Amount (Rs in million)
1	CEO, DHA, Nankana Sahib	4.654
2	MS DHQ Hospital, Nankana Sahib	1.921
3	District Officer (Preventive Services)	4.715
4	MS THQ Hospital, Sangla Hill	0.537
	Total	11.827

Audit holds that due to financial indiscipline and weak internal controls, the inadmissible payment was made.

This resulted in inadmissible payment on account of HRA & CA to government Rs 11.827 million.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends ensuring prompt recovery of the overpaid emoluments besides fixing responsibility against the officers at fault.

[PDP Nos.6,8,24,7]

⁹⁷ Health Department, Government of the Punjab No. SO(ND)6-1/B-II dated 09-02-2011,

14.5.3.1.2 Non-reduction of allowances due to merger of 50% Adhoc Allowance 2010 in Basic Pay Scale – Rs 8.137 million

Those who are in receipt of an allowance equal to 100% of basic pay in BPS-2008 as on 30-06-2011 and not in receipt of Adhoc Allowance 2010 @ 50% the existing amount of 100% allowance (being drawn at frozen level) shall be reduced by 50% w.e.f. 01-07-2017. The remaining amount shall continue to be drawn at reduced frozen level. Further, for those who are in receipt of an allowance equal to 100% of basic pay in BPS-2011 as on 30-06-2015 (being drawn at frozen level) shall be reduced w.e.f. 01-07-2017 by 50% of the amount to be calculated at the level admissible on 30-06-2011. The remaining amount shall continue to be drawn at reduced frozen level⁹⁸.

District Health Authority Nankana Sahib paid HSRA/ Special Allowance equal to or greater than 100% of basic pay in BPS-2008 to doctors (MO/ WMO), but reduction for the amount equal to 50% of basic pay in BPS-2008 was not made w.e.f. 01-07-2017 in violation of notification *ibid*. This resulted in overpayment of Rs 8.137 million during the FY 2018-19.

Audit holds that due to financial indiscipline and weak internal controls, the overpayment to doctors was made.

This resulted in overpayment of Rs 8.137 million to the government.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends ensuring prompt recovery of the overpaid emoluments besides fixing responsibility against the officers at fault.

[PDP No.1 & 5]

14.5.3.1.3 Non-deduction of Personal Allowance after up-gradation of the officials - Rs 8.654 million.

According to Finance Department letter No.FD.SR-II/9-214/2013 Dated 2nd April, 2014 the personal allowance will be discontinued upon fresh appointment, promotion, retirement and posting to another cadre post.

⁹⁸ Government of the Punjab, Finance Department Notification No. FD.PC.2-1/2017 dated 14th July 2017

Following offices of District Health Authority, Nankana Sahib paid Personal Allowance amounting to Rs 8.654 million to the officials of following offices even after their up-gradation and creation of a new cadre during service in violation of the rule ibid. This resulted in over payment of Rs 8.654 million.

Sr. No.	Name of the office	Amount (Rs in million)
1	CEO, DHA, Nankana Sahib	4.661
2	MS DHQ Hospital, Nankana Sahib	0.494
3	District Officer (Preventive Services)	3.499
	Total	8.654

Audit holds that overpayment was made due to defective financial discipline and weak internal controls.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends ensuring prompt recovery of the overpaid emoluments besides fixing responsibility against the officers at fault.

[PDP No.2, 20 & 16]

14.5.3.1.4 Overpayment to regular doctors – Rs 8.306 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

Following offices of DHA Nankana paid a sum of Rs 8.306 million to the regular doctors after relieving from the hospital. Recovery of overpayment was not made by the management. This resulted in overpayment of Rs. 8.306 million as detailed below:

Sr. No.	Name of the office	Amount (Rs in million)
1	MS DHQ Hospital, Nankana Sahib	2.758
2	MS THQ Sangla Hill	1.144
3	DHO Preventive Services	4.404
	Total	8.306

Audit was of the view that overpayment on accounts of Pay and Allowances to Adhoc employees was due to defective financial discipline and weak internal controls.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends ensuring prompt recovery of the overpaid emoluments besides fixing responsibility against the officers at fault.

[PDP Nos. 27,15,7]

14.5.3.1.5 Overpayment payment on account of Incentive Allowance - Rs 7.306 million

Specialist should visit the hospital in the evening and stay for one hour for round in the wards after check in on the biometric system otherwise 40% of the incentive allowance should be deducted⁹⁹.

Following offices of DHA Nankana Sahib paid full amount without deduction of 40% of incentive allowance to the specialists who did not visit the Health Centre in the evening.

This resulted in overpayment of Rs 7.306 million to the government.

Sr. No.	Name of the office	Amount (Rs in million)
1	MS DHQ Hospital, Nankana Sahib	1.440
2	MS THQ Hospital, Shahkot	3.666
3	MS THQ Hospital, Sangla Hill	2.200
	Total	7.306

Audit holds that the overpayment made was due to financial indiscipline and weak internal controls.

The matter was reported to PAO in December, 2019. Department neither submitted reply nor convened DAC meeting till finalization of this Report.

Audit recommends ensuring prompt recovery of the overpaid emoluments besides fixing responsibility against the officers at fault.

[PDP 14,2,2]

14.5.3.1.6 Unauthorized payment on account of Leave encashment – Rs 4.567 million

All cases of leave encashment must be supported with documentary proof of all leave taken during the last year of service by the incumbent, whether retired on superannuation or premature basis¹⁰⁰.

⁹⁹ Notification No.PA/DS (G)4-8/2016 dated August 3, 2016

MS THQ Hospital Shahkot paid Rs 4.567 million as leave encashment of LPR but leave title was not available on record. This resulted in unauthorized payment as detailed below:

Name	Designation	Amount (Rs in million)
Dr. Muhammad Ijaz Ullah	SMO	0.984
Dr. Israr Ul Haq	Pediatrician	1.103
Muhammad Ilyas	Tubewell operator	
Riaz Ahmad Nadeem	Sr. Technician	0.644
Muhammad Ramzan	Chief Technician	0.464
Boota Masih	Sanitary Worker	0.194
Faqeer Hussain	Naib Qasid	0.270
Bunyad Hussain	Sanitary Petrol	0.189
Tahir Mehmood	Cook	0.242
Riaz Ahmad	Sr. Technician	0.477
Total		4.567

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends production of leave title besides fixing of responsibility against the person(s) at fault.

[PDP No. 3]

14.5.3.1.7 Overpayment of Health Sector Reform Allowance – Rs 1.138 million

HSRA is admissible only to the staff working at RHCs and BHUs¹⁰¹.

District Officer Health, Nankana Sahib paid Health Sector Reform Allowance (HSRA), to the employees which were not working at BHUs/ RHCs. This resulted in over payment of HSRA amounting to Rs 1.138 million.

Audit holds that the overpayment made was due to financial indiscipline and weak internal controls.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

¹⁰⁰ Government of Punjab Finance Department letter No.SO(B&E-II)6-6/2016 dated:12th September 2018,

¹⁰¹ Government of the Punjab, Health Department, notification No. PO(P&E-I) 19-113/2004 dated 20th June, 2006

Audit recommends ensuring prompt recovery of the overpaid emoluments besides fixing responsibility against the officers at fault.

[PDP No. 18]

14.5.3.1.8 Non-recovery of overpayment made to Adhoc doctors – Rs 4.418 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

MS DHQ Hospital Nankana Sahib paid Rs. 2.345 million to Adhoc doctors/charge nurse after relieving from the hospital. Recovery of overpayment was not made by the management.

This resulted in overpayment of Rs. 2.307 million.

Sr. No.	Name of the office	Amount (Rs in million)
1	MS DHQ Hospital, Nankana Sahib	2.345
2	DHO Preventive Services	2.073
	Total	4.418

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends ensuring prompt recovery of the overpaid emoluments besides fixing responsibility against the officers at fault.

[PDP No. 26 & 13]

14.5.3.1.9 Non-deduction of Conveyance Allowance during Long leave - Rs 2.754 million

Conveyance Allowance is a compensatory allowance for travelling from residence to office and office to residence.

Following offices of DHA Nankana Sahib paid Conveyance Allowance amounting to Rs 2.754 million to the staff, which was not admissible during long leave, resulted in over payment of Rs 2.754 million as detailed below:

Sr. No.	Name of the office	Rs in million
1	CEO, DHA, Nankana Sahib	0.120
2	MS DHQ Hospital, Nankana Sahib	0.520
3	District Officer (Preventive Services)	2.114
	Total	2.754

Audit holds that due to financial indiscipline and weak internal controls, the overpayment were made.

This resulted in overpayment of Rs 2.754 million.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends ensuring prompt recovery of the overpaid emoluments besides fixing responsibility against the officers at fault.

[PDP No.7, 15, 28, 12]

14.5.3.1.10 Irregular expenditure on account of payment of daily wages staff – helper and technicians- Rs 1.995 million

According to Government of the Punjab, Primary & Secondary Healthcare Department Notification No. SO(B&A)1-48/2017-18 dated 20th November 2018 read with Health Council guidelines for all DHQs/THQs/RHCs/BHUs issued in 2017, THQ Hospital is allowed to recruit and pay only data entry operators to the extent in number of ten out of Health Council Funds.

MS THQ Hospital Sangla Hill recruited employees like dispensers/technicians other than Data Entry Operators and paid out of Health Council Funds in violation of the instruction *ibid*. Moreover, biometric attendance of the recruited staff was also not provided to audit. This resulted in irregular expenditure on account of payment worth Rs 1.995 million.

Audit was of the view that funds were not spent in conformity of instructions due to weak internal controls.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends investigation of the matter and effecting recovery if any from concerned besides fixing of responsibility.

[PDP No.19]

14.5.3.1.11 Overpayment on account of Social Security Benefit after regularization - Rs 1.713 million

According to (XIII)(i)(b) Contract Appointment Policy in 2004 issued by Government of the Punjab S&GAD, Social Security Benefit @

30% of minimum of basic pay is admissible only for the persons working on contract in lieu of pension.

A. MS DHQ Nankana Sahib made overpayment during the F.Y. 2018-19 on account of Social Security Benefit after termination of contract period of the following officials resulting in overpayment of Rs 652,395.

Sr. No.	Pers. no.	Job Title	BPS	Date of Joining	Date of Regularization	SSB	Month	Total
1	31579721	Male Nurse	16	12.07.2012	18.09.2017	5673	24	136,152
2	31579749	Charge Nurse	16	20.07.2012	14.03.2017	5673	21	119,133
3	31668532		16	17.01.2014	14.03.2017	5673	21	119,133
4	31730835		16	17.03.2014	14.03.2017	5673	24	136,152
5	31846973		16	12.08.2016	03.12.2018	5673	5	28,365
6	31848561		16	17.08.2016	24.11.2018	5673	4	22,692
7	32003589		16	22.11.2018	22.11.2018	5673	7	39,711
8	32003589		16	27.11.2018	27.11.2018	5673	9	51,057

B. Similarly, overpayment of Rs 1.061 million was made after regularization of the following officers, resulted in over payment of Rs 1.061 million as detailed below.

Sr. No.	Pers. No.	Job Title	BPS	Date of Regularization	Recovery Period	Recoverable Amount
1	31579721	MALE NURSE	16	18.09.2017	18.09.17 to 31.10.19	190,303
2	31579749	CHARGE NURSE	16	14.03.2017	14.03.17 to 31.10.19	228,485
3	31668532		16	14.03.2017		228,485
4	31730835		16	14.03.2017		228,485
5	31846973		16	03.12.2018	3.12.18 to 31.10.19	45,308
6	31848561		16	24.11.2018	24.11.18 to 31.10.19	46,509
7	32003586		16	22.11.2018	22.11.18 to 31.10.19	46,778
8	32003589		16	27.11.2018	27.11.18 to 31.10.19	46,106
	Total					

Audit holds that the overpayment made was due to financial indiscipline and weak internal controls.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends ensuring prompt recovery of the overpaid emoluments besides fixing responsibility against the officers at fault.

[PDP No.9 & 21]

14.5.3.1.12 Non-deduction of special allowances during leave period - Rs 1.054 million

Special allowances are linked with performance of duty of the employees. In case of earned leave, special allowances were not allowed to draw.

MS DHQ Hospital Nankana Sahib did not deduct conveyance Allowance and special allowances attached to the duty amounting to Rs 1.054 million from the salary of charge nurses availing leave as detailed below. This resulted in over payment of Rs 1.054 million.

Sr. No.	Name	From	To	Days	CA +Nursing +Mess+ Dress	Total
1	Abida Tabasam	11-Sep-19	08-Dec-19	90	3100+8000 + 9,000+5000	75,300
2	Shamsa Kanwal	01-Sep-19	29-Nov-19	90		75,300
3	Uzma Aslam	16-Aug-19	13-Nov-19	90		75,300
4	Sobia Shaheen	27-May-19	23-Aug-19	90		75,300
5	Zaiba Zunmbeel	01-Jul-19	27-Sep-19	90		75,300
6	Nadia Tariq	28-Mar-19	24-Jun-19	90		75,300
7	Sofia Yaqoob	01-Jan-19	30-Mar-19	90		75,300
8	Syeda Tabassum Bukhari	05-Dec-18	03-Mar-19	90		75,300
9	Kalsoom Akhtar	05-Nov-18	01-Feb-19	90		75,300
10	Shazia Ghani	09-Dec-18	07-Mar-19	90		75,300
11	Anila Anwar	25-Oct-18	22-Jan-19	90		75,300
12	Sadia Ashraf	15-Jul-18	12-Oct-18	90		75,300
13	Allah Rakhi	11-Aug-18	08-Nov-18	90		75,300
14	Samina Kalsoom	30-Jun-18	14-Aug-18	90		75,300
						1,054,200

Audit holds that overpayment was made due to defective financial discipline and weak internal controls.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends recovery of the overpayment besides fixing responsibility against the officers at fault.

[PDP No.16]

14.5.3.2 Procurement related irregularities

14.5.3.2.1 Irregular utilization of LP medicines at outdoor Patients –Rs 7.196 million

Practice of local purchase of medicines by hospitals at OPD was discontinued¹⁰². Further, local purchase in Government hospitals is allowed to ensure fulfillment of immediate need of medical treatment that is otherwise not possible from medicines and surgical disposable available within the hospital. Local purchase is permitted for emergencies and indoor patients department on the prescription of authorized medical practitioner¹⁰³.

District Health Officer (Preventive Services) Nankana Sahib consumed LP medicine in BHUs outdoor patients instead of indoor patients, which was in violation of government instructions referred above.

Audit holds that purchase of LP medicines for outdoor patients was made due to weak internal controls.

This resulted in irregular utilization of LP medicines at outdoor patients Rs 7.196 million as per attached detail.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends fixing of responsibility against the person(s) at fault under intimation to Audit.

[PDP No.4]

14.5.3.2.2 Irregular Purchases of medical supplies– Rs 5.565 million

As per MS DHQ Hospital Notification No. 12316-19 dated 22-07-2017, Medical Superintendent, Dr. Najma Shabir - SMO, Waqas Sarwar-Admin Officer were included in tender opening committee. A sum of Rs 300,000 will be deposited as CDR with the bidding documents. As per tender documents, sealed tenders were required to be submitted.

¹⁰² Government of the Punjab Finance Department letter FD-SR-111-4-108/2010 (B) dated 15-07-10

¹⁰³ Policy and operational guidelines for local purchase of medicine circulated vide letter No. SO(P-I)H/3-64/2008 dated 12-09-2013 of Health Department, Government of Punjab

MS DHQ Hospital Nankana, paid Rs5.565 million purchases which could not be termed as legitimate due to the following reasons:

- i. Sealed envelopes were not available with the procuring agency.
- ii. Signature of MS, SMO and Admin Officer were also not available on the financial bid.
- iii. Technical bids were not produced to audit.
- iv. AJM Pharma submitted CDR of Rs 160,000 instead of Rs 300,000 but he was qualified to supply Inj. Erythropoietin worth Rs 1,495,000.

Sr. No.	Cost Center	Description of Purchase	Invoice No.	Invoice Date	Supply order date	Supplier	Amount (Rs)
1	NY9023	Fistula Needle	67	13-03-18	24-02-18	3 N Life Med	269,400
2	NY9023	Nitto tape, syringes	2936, 2937	04-06-18	24-04-18	Eastern Medical	809,000
3	NY9023	Erythropoietin	14400B	30-04-18	02-05-18	AJM Pharma	1,495,000
4	NY9023	Bicarbonate	17121115	30-12-17	20-10-17	Renacon Pharma	1,029,500
5	NY9023	Dialyzer F8	89	24-03-18	24-02-18	3 N Life Med	1,962,000
Total							5,564,900

Audit was of the view that due to non-compliance of rules, irregular purchases were made.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends, seeking regularization of expenditure from the competent authority besides fixing responsibility against the persons at fault.

[PDP No.32]

14.5.3.2.3 Payment of medicines without obtaining DTL reports - Rs 4.533 million

No drug / medicine shall be accepted & used without the report of Drug Testing Lab (DTL). Moreover, payment on account of drugs / medicines shall be released to the suppliers only on receipt of standard /

positive DTL report¹⁰⁴.

MS DHQ Hospital Nankana Sahib, purchased medicines of Rs 4.533 million without obtaining DTL reports to determine their quality. Acceptance, purchase, payment and consumption of medicines without DTL reports may put the life of the patient at stake. This resulted in irregular purchase of medicines Rs 4.533 million as detailed below:

Sr. No.	Cost Center	Description of Purchase	Invoice No.	Invoice Date	Batch No.	Amount (Rs)
1	NY9023	Fistula Needle	67	13-03-18	TE171201K	190,825
2	NY9023	Fistula Needle	67	13-03-18	TE17081K	56,125
3	NY9023	Fistula Needle	67	13-03-18	TE170825K	22,450
4	NY9023	Nitto tape	2936	04-06-18	181801	401,500
5	NY9023	Acetic Acid	2936	04-06-18	Not mentioned	99,500
6	NY9023	Sodium hypochlorite	2936	04-06-18	-do-	119,000
7	NY9023	Disposable Syringe 20 cc	2937	04-06-18	-do-	137,500
8	NY9023	Disposable Syringe 01 cc	2937	04-06-18	-do-	49,500
9	NY9023	Erythropoietin	1400B	30-04-18	201803057V	1,495,000
10	NY9023	Dialyzer F8	89	24-03-18	PES710544 B	266,832
11	NY9023	Dialyzer F8	89	24-03-18	T1703378	60,168
12	NY9023	Dialyzer F8	89	24-03-18	PE170523A	1,258,296
13	NY9023	Dialyzer F8	89	24-03-18	PE170523B	251,136
14	NY9023	Dialyzer F8	89	24-03-18	PE170523C	125,568
	Total					4,533,400

Audit holds that irregular expenditure was made without DTL reports due to weak internal control and poor financial discipline.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

¹⁰⁴ Health Department's policy letter No. SO(P-I)H/RC 2001-2002/01 dated 29.9.2001,

Audit recommends, seeking regularization of expenditure from the competent authority besides fixing responsibility against the persons at fault.

[PDP No.4]

14.5.3.2.4 Non-transparent purchase of Printed Material due to improper invoking urgency clause-Rs 2.880 million

According to Rule 12(1) & (2) of Punjab Procurement Rules 2014, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by PPRA regulation from time to time. All procurement opportunities over two million rupees should be advertised on the PPRA's website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu. Rule 59 (d) iii & iv of PPRA Rules 2014, for reasons of extreme urgency brought about by events unforeseeable by the procuring agency, the time limits laid down for open and limited bidding methods cannot be met, however, the circumstances invoked to justify extreme urgency must not be attributable to the procuring agency.

MS DHQ Hospital drew Rs 2.880 million on account of printing & publication without advertisement at PPRA website or in the newspapers. Department purchased printed material from Khyber Int'l Printing on the basis of rate concluded by the Government Printing Press after invoking urgency clause of PPRA Rules without recording any circumstance of urgency which was not attributable to the procuring agency. Moreover, supply was demanded by the Medical Superintendent after so many days, as shown from comparison of supply orders date and rate contract date, also revealed that the work was not of urgent nature. This resulted in non-transparent purchases of printed material Rs 2.880 million as detailed below:

Sr. No.	Cost Center	Invoice No.	Invoice Date	Supply order date	NOC date/ rate Contract Date	Amount (Rs)
1	NY9020	1118	01-06-2018	08-05-2018	07-08-2017	950,000
2	NY9020	1108	15-05-2018	15-05-2018	07-08-2017	650,000
4	NY9020	918	18-01-2018	12-01-2018	07-08-2017	600,000
5	NY9020	953	01-03-18	16-02-2018	07-08-2017	380,000
6	NY9020	1109	15-05-2018	08-05-2018	07-08-2017	300,000
	Total					2,880,000

Audit held that due to financial indiscipline and weak internal controls, the procurement was made in violation of Punjab Procurement Rules.

This resulted in an irregular expenditure of Rs 2.880 million.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends, seeking regularization of expenditure from the competent authority besides fixing responsibility against the persons at fault.

[PDP No.1]

14.5.3.2.5 Depriving patients by unauthorized petty purchase of medicines from bulk purchase of medicines – Rs 1.903 million

According to Rule 12(1) and 9 of Punjab Procurement Rules 2014, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper. A procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. The procuring agency shall advertise in advance annual requirements for procurement on the website of the Authority as well as on its website. According to Finance Department's policy letter No. FD(FR)11-2/89 dated 1st September, 2001, budget allotted for purchase of drugs & medicines is required to be utilized in ratio of 75% : 25% on Bulk Purchase of drugs and medicines and Local Purchase respectively. In case of bulk purchases the rate contract would be made for all standardized medicines/ pharmaceuticals.

MS DHQ Hospital, Nankana Sahib made purchases of bulk medicine of Rs 1.903 million incurred through petty purchases / quotations by splitting indents to avoid competitive rates.

The petty purchases resulted in un-economical and non-transparent purchases of medicines Rs 1.903 million as detailed below:

Sr. No.	Company Name	Invoice Date	Invoice Number	Invoice Amount (Rs)
01	M/S Chaudhary Medical Store	11-04-2019	101	85,440
02	M/S Star Pharmacy	27-04-2019	501	96,250
03	M/S Star Pharmacy	27-04-2019	502	93,600
04	M/S Star Pharmacy	06-05-2019	506	72,000
05	M/S Star Pharmacy	06-05-2019	503	93,600
06	M/S Star Pharmacy	27-04-2019	505	98,000
07	M/S Ali Medical Store	27-04-2019	1001	94,000
08	M/S Ali Medical Store	11-04-2019	1004	86,055
09	M/S Ali Medical Store	12-04-2019	1003	95,950
10	M/S Ali Medical Store	06-05-2019	1005	66,000
11	M/S Ali Medical Store	21-04-2019	1002	70,000
12	M/S Roman Traders	10-05-2019	396	98,040
13	M/S Roman Traders	11-04-2019	34	96,750
14	M/S Roman Traders	11-04-2019	35	81,700
15	M/S Roman Traders	22-04-2019	302	70,000
16	M/S Roman Traders	15-05-2019	413	96,200
17	M/S Roman Traders	02-05-2019	357	93,720
18	M/S Moon Pharmacy	08-04-2019	99	15,500
19	M/S Moon Pharmacy	11-04-2019	111	97,200
20	M/S Moon Pharmacy	13-05-2019	168	74,000
21	M/S Moon Pharmacy	25-04-2019	147	75,500
22	M/S Moon Pharmacy	14-05-2019	169	99,000
23	M/S Moon Pharmacy	08-05-2019	158	54,000
Grand Total				1,902,505

Audit is of the view that due to financial indiscipline and weak internal controls irregular expenditure was incurred.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends, seeking regularization of expenditure from the competent authority besides fixing responsibility against the persons at fault.

[PDP No.31]

14.5.3.2.6 Exorbitant purchases of printing material - Rs 1.28 million

As per tender documents, sealed tenders were required to be submitted. As per MS DHQ Hospital Notification¹⁰⁵ dated 28-05-2018,

¹⁰⁵ 23050-57

Medical Superintendent, Dr. Najma Shabir - SMO, Logistic Officer were included in tender opening committee.

MS DHQ Hospital Nankana purchased printing material from M/s Meeran Traders during the Financial Year 2018-19 but sealed envelopes were not available with the procuring agency. Signature of MS, SMO and Logistic Officer were also not available on the financial bid. Tender register was also not maintained. Only one firm quoted the rate of printing material which was technically qualified and ultimately material was purchased but due diligence/ vigilance and prudence was not exercised regarding reasonability of rate printing material. This resulted in exorbitant purchase of printing material as compared to rate charged by the THQ Hospital Shahkot.

Sr. No	Date of purchase	Description of purchase	Qty	Rate charged at DHQ (Rs)	Amount (Rs)	Rate charged at THQ Shahkot (Rs)	Excess Rate (Rs)	Excess Amount (Rs)
1	19-10-18	Emergency card	10,000	56	560,000	15	41	410,000
2	19-09-18	-do-	10,000	56	560,000	15	41	410,000
3	03-08-18	-do-	10,000	60	600,000	15	45	450,000
4	06-09-18	Stock register	50	850	42,500	650	200	10,000
	Total							1,280,000

Audit was of the view that due to non-exercising the due vigilance and prudence, exorbitant purchases were made.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends, seeking regularization of expenditure from the competent authority besides fixing responsibility against the persons at fault.

[PDP No. 33]

14.5.3.2.7 Installation of Air Conditioners without advertisement at PPRA website – Rs 1.102 million

According to Rule 12(1) and 9 of Punjab Procurement Rules 2014, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper.

MS DHQ Hospital Nankana incurred expenditure on installation of Air Conditioners without advertisement on PRA website. This resulted in non-transparent expenditure of Rs 1.102 million.

Audit is of the view that due to financial indiscipline and weak internal controls expenditure was incurred without advertisement at PPRA website.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends, seeking regularization of expenditure from the competent authority besides fixing responsibility against the persons at fault.

[PDP No35]

14.5.4 Value for money and service delivery issues

14.5.4.1 Blockage of Public money due to non-operation of equipment -Rs 12.500 million

Rule 4 (c) of PLG (Property) Rules 2003 requires that manager shall take steps to ensure that property meant for use of public is actually used to the maximum benefit of the public. according to 4 (c) of PLG (Property) Rules, 2003, the manager, in the month of July of each year, shall take stock of the movable property under his charge, verify the immovable property under his charge, submit a report to the concerned Council showing the result of such stock taking and verification including particulars of unserviceable articles, losses and wastage if any, cases of defalcation of accounts or misappropriation of property.

The incharge of following health centres failed to make the equipment functional valuing Rs 12.500 million as mentioned below. The same had been lying non-functional/idle in the Hospital since its receipt. This resulted in blockage of public money and deprived the patients from better health facility.

Sr. No.	Equipment Name	Qty	Estimated Cost/Unit	Total	Date of Receipt	Remarks	
MS THQ Hospital Sangla Hill							
1	Vacuum Extractor	1	90,000	90,000	06.11.2018	Remained non functional in the Hospital	
2	Bed side Monitor	1	210,000	210,000	06.11.2018		
3	Anesthesia Machine	1	2,200,000	2,200,000	02.03.2019		
MS DHQ Hospital Nankana							
4	ICU Ventilator	3	2,500,000	7,500,000	21.05.2018		
5	-do-	1	2,500,000	2,500,000	14.11.2018		
Total				12,500,000			

Audit holds that non-functional of ventilators was due to poor financial management.

The matter was reported to PAO concerned on 12-12-2019, 19-12-2019 and subsequent reminder dated 09-01-2019 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends investigation of the matter and fixing responsibility upon the concerned under intimation to Audit.

[PDP No.12,19]

CHAPTER 15

DISTRICT HEALTH AUTHORITY, NAROWAL

15.1 Introduction of the Authority

District Health Authority, Narowal was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Narowal is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authority Narowal as delineated in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Narowal manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
Basic Health Units / MNCH centers	61
Government Rural Dispensary	05
Rural Health Centre	07
Tehsil Head Quarter Hospitals	01
District Head Quarter Hospitals	01
District Health Development Centre	01
District Health Officers	01
Principal, General Nursing School	01
Blood Transfusion Officer	01

15.2 Audit Profile of District Health Authority, Narowal

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Narowal	15	7	1748.50	16.919

15.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 213.454 million were raised in this report during current audit of “District Health Authority, Narowal.” This amount also includes recoveries of Rs 106.962 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	-
	A. HR/Employees related irregularities	129.077
	B. Procurement related irregularities	84.377
	C. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	-
5	Others	-
Total		213.454

15.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years were submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	20	Not convened
2	2018-19	31	Not convened

15.5 AUDIT PARAS

15.5.1 Irregularities

15.5.1.1 HR / Employee related irregularities

15.5.1.1.1 Inadmissible drawl of special allowances of – Rs 42.899 million

Those employees who are not in receipt of adhoc allowance- 2010 @50% , the existing amount of special allowances shall be reduced by 50% w.e.f 1.7.2017¹⁰⁶.

During scrutiny of records, audit observed that the doctors in District Narowal under jurisdiction of CEO Health Narowal were drawing various special allowances i.e. Health Sector Reform Allowance, Health Professional Allowance and Special Healthcare Allowance, the aggregate of which was more than the initial stage of their pay scales in 2008.

Audit is of the view that due to weak internal controls, excess payment was made to the officers and officials.

This resulted into drawl of inadmissible allowances of Rs 42.899 million.

The matter was reported to the CEO / PAO in November. The matter was also discussed in DAC meeting held in January 2020. Department replied that special allowances including HSRA, NPA, Special Healthcare etc were granted by the Primary & Secondary Healthcare Department. However DAC did not accept the reply of the department and directed to seek clarification of special allowances from Finance Department, Government of the Punjab.

Audit recommends recovery of the amount on actual basis from the concerned employees under intimation to audit.

[PDP No.13]

15.5.1.1.2 Non recovery of pay and allowances due to absence from duty - Rs 28.03 million

Half of the monthly HSR allowance of the Doctor or staff member concerned on one unauthorized absence during a month will be made and stoppage of HSR allowance for three months at the minimum but may be

¹⁰⁶ Clause 6 (ii) of Government of Punjab finance department budget notification No.FD.PC 2-1/2017 dated 14.7.17

up to six months on two unauthorized absences during a month¹⁰⁷. In case of absent from duty the official/office shall not be entitled for pay and allowance. HSR allowance is payable only when the doctors / Paramedics and other staff perform their duties under the PHSRP at RHCs / BHUs. Any doctor / Paramedic and other staff whether regular or on contract, posted and drawing pay against the posts of RHCs/BHUs is directed to perform the somewhere else will not be entitled to PHSRP(HSR) allowance¹⁰⁸.

During scrutiny of accounts record of following formations, audit observed that officers / officials were found absent during the FY 2018-19 as per biometric attendance report and service record but pay and allowances Rs 28.03 million were paid to the officers/officials.

Sr. No.	Name of formation	Description	Amount (Rs in million)
1	MS DHQ Hospital	Recovery of pay and allowances	21.461
2	MS DHQ Hospital	Recovery of HSRA	1.980
3	MS THQ Hospital Shakargarh	Recovery of pay and allowances	1.587
4	MS THQ Hospital Shakargarh	Recovery of HSRA	2.026
5	DO (Health)	Recovery of HSRA	0.914
6	MS THQ Shakargarh	Recovery of HSRA	0.062
Total			28.03

Audit is of the view that the payments were made during absent period due to defective financial discipline resulting in unauthorized payment to the officers / officials.

The matter was reported to the CEO / PAO in November, 2019. The matter was discussed in DAC meeting held in January 2020. Department replied that staff of the hospital was maintaining attendance on biometric system. Due to fault day off, leaves and before joining period was shown as absent. However DAC did not accept the reply of the department and directed Deputy Director (B&F) DHA to enquire the matter and recover the actual overpayment amount within 6 month.

Audit recommends that recovery be effected besides fixing responsibility against the person(s) at fault.

[PDP No. 65,66,88,93,26,93]

¹⁰⁷ Government of the Punjab, Health Department, Secretary Health letter No.PS(SH)30-06-2010 dated 30-06-2010

¹⁰⁸ Government of the Punjab, Health Department, letter No. PMU/PHSRP/G-I-06/61/760 dated the 16th March, 2007

15.5.1.1.3 Irregular drawl of arrears of pay and allowances - Rs 20.752 million

According to section 35(i) of PLG (Accounts) Rules, 2013, every item of the expenditure shall be entered in prescribed bill form and shall be supported by the bills of suppliers if any, cash memos and sanction order.

During scrutiny of accounts record of following formations, audit observed that pay and allowances amounting to Rs 20.752 million were paid through adjustments to the officer/officials during the FY 2018-19. Further probe revealed that regular pay and allowances were also being drawn by the following staff, however supporting documents i.e. orders, sanction of the competent authority, additional budget, due drawn statement, stoppage of pay and justification to make payment to the employees through adjustment was not produced for audit verification. In the absence of requisite record, the expenditure could not be verified and chances of misappropriation could not be ruled out.

Sr. No.	Name of formation	Amount (Rs in million)
1	CEO Health	1.303
2	MS DHQ Hospital	12.113
3	MS THQ Hospital	7.336
Total		20.752

Audit is of the view that due to weak internal control, the arrears were paid without obtaining the allied documents.

The matter was reported to the CEO / PAO in November, 2019. The matter was also discussed in DAC meeting held in January 2020. Department replied that arrear bills of the doctors /nurses/officials were paid after preaudit by the DAO Narowal. However DAC did not accept the reply of the department and directed to regularize the expenditure from Administrator DHA Narowal within 4 month.

Audit recommends investigation of the matter and fixing of responsibility besides production of the record.

[PDP No. 15,48,95]

15.5.1.1.4 Unjustified payment of SSB 30% and overpayment of pay and allowances - Rs 19.125 million

According to S&GAD (Regulations wing), Govt. of the Punjab, dated 14.10.2019, the contract employees appointed on contracted basis shall not be entitled of "30% SSB in lieu of pension" after regularization.

During scrutiny of accounts record, auditor observed that Social Security Benefit @ 30% in lieu of Pension was paid to certain officials of CEO (DHA) and MS DHQ Hospital Narowal during the financial year 2018-19. However, services of the officials were regularized later. The pay of these employees was required to be fixed on initial of their pay scales and payment of SSB 30% discontinued. This resulted in unjustified payment of SSB of Rs 19.125 million and overpayment of pay and allowances which may be calculated by the account office at the time of fixation of pay.

Audit holds that due to weak internal controls, Social Security Benefit @30% in lieu of pension was paid to certain officials even after the regularization of the services.

The matter was reported to the CEO / PAO in November, 2019. The matter was also discussed in DAC meeting held in January 2020. Recovery of overpayment of Rs 13.472 million was started through Salary Change Form (Pay-02) in the month of December 2019. DAC decided to keep para pending till recovery of the whole amount.

Audit stresses recovery of the amount.

[PDP No. 27 & 58]

15.5.1.1.5 Inadmissible payment due to non deduction of house rent, conveyance and health sector reform allowance- Rs 6.468 million

Incase Government servant is allotted above entitlement residence, he / she will not draw the house rent and will pay 10% penal rent of the maximum of the scale for which residence is meant¹⁰⁹. According to Rule-7 of Treasury Rules, conveyance allowance is not admissible during leave period. Further, conveyance allowance would not be admissible in cases where office and residential buildings are located within the same boundary wall¹¹⁰.

During scrutiny of accounts record of the certain formations of District Health Authority Narowal, it was observed that officers/officials were allotted designated residences and remained on leave. However house rent, conveyance and health sector reform allowance was not deducted Rs 6.468 million from their salaries as detailed below

¹⁰⁹ Government of Punjab Finance Department letter No. FD(M-I) 1-15/82 – P-I, dated 15.06.2000

¹¹⁰ Finance Division O.M. No.(1)-imp.1/77, dated 28th April 1977

Sr. No.	Name of formation	Description	Amount (Rs in million)
1	DHO	CA	1.797
2	MS DHQ Hospital	CA & HRA	1.868
3	MS DHQ Hospital	CA & HSRA	1.875
4	MS THQ Hospital	CA & HRA	0.928
Total			6.468

Audit is of the view that due to weak internal controls, pay and allowances were paid to the officers/officials without their entitlement.

This resulted in inadmissible payment of Rs 6.468 million to the officers / officials.

The matter was reported to the CEO / PAO in November, 2019. The matter was also discussed in DAC meeting held in January 2020. Department prepared Salary Change Form (Pay-02) for recovery of overpayment. DAC decided to keep para pending till recovery of the whole amount.

Audit recommends recovery from the concerned employees under intimation to audit.

[PDP No. 33,49,55,94]

15.5.1.1.6 Unjustified drawl of Incentive Allowance – Rs 5.037 million

Specialist should visit the hospital in the evening and stay for one hour for round in the wards after check in on the biometric system otherwise 40% of the incentive allowance should be deducted¹¹¹.

During scrutiny of accounts record of following formations of DHA Narowal, it was observed that specialists doctors were drawing full amount of Incentive Allowance during the financial year 2018-19. However proof of evening visits along with biometric attendance of the specialists was not available on record. In the absence of evening stay register and biometric attendance, drawl of 100% Incentive Allowance without deduction of 40% Rs 5.037 million was unjustified.

Sr. No.	Name of formation	Amount (Rs in million)
1	MS DHQ Hospital	2.324
2	MS THQ Hospital	2.713
Total		5.037

¹¹¹ Notification No.PA/DS (G)4-8/2016 dated August 3, 2016

Audit is of the view that due to weak internal controls, incentive allowance was paid to the officers without deduction of 40%.

This resulted into drawl of unjustified Incentive Allowance.

The matter was reported to the CEO / PAO in November, 2019. The matter was also discussed in DAC meeting held in January 2020. Department replied that consultant/specialists were remain "on call basis". However department did not produce biometric attendance of visits of consultants on call. Therefore DAC did not accept the reply of the department and directed to recover the amount within 6 month. Audit recommends recovery from the concerned employees at actual under intimation to audit.

Audit recommends reovery besides fixing responsibility against the officers at fault.

[PDP No. 53, 89]

15.5.1.1.7 Pay and allowances paid through HR/Off Cycle - Rs 4.372 million

As required under section 153 of income tax ordinance, every prescribed person making a payment in full or part including a payment by way of advance to a resident person or permanent establishment in Pakistan shall deduct income tax at the prescribed rates. According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

During scrutiny of SAP/HR/Off Cycle data of DHQ Hospital, Narowal, auditor observed that certain officials were paid Rs 4.372 million through Off Cycle during FY 2018-19 but justification of the same along with supporting documents was not provided. Further Income Tax of Rs 437,173 was also not deducted.

Audit holds that record of Off Cycle payments was not maintained due to negligence of management and weak internal controls.

This resulted in to doubtful expenditure of Rs 4.372 million and non deduction of Income Tax Rs 437,173.

The matter was reported to the CEO / PAO in November, 2019. The matter was also discussed in DAC meeting held in January 2020. Department replied that pay and allowances were paid to the officers/officials either transferred from other cities or on EOL. However

DAC did not accept the reply of the department and directed to regularize the expenditure from Administrator DHA Narowal within 4 month.

Audit recommends regularization and fixing responsibility against the person(s) at fault besides recovery of income tax.

[PDP No.63]

15.5.1.1.8 Overpayment on account of Health Sector Reform Allowance -Rs 1.082 million

Health sector reform allowance will be given to the Staff at the rates below¹¹²:

BPS	Rate of HSRA at less attractive DHQ/THQ Hospital (Rs)
MO (BS-17)	5,000
WMO (BS-17)	6,000
Other Specialist	15,000

M.S DHQ Hospital Narowal paid an amount of Rs 1.082 million to different doctors on account of Health Sector Reform Allowance during 2018-19 which was more than their entitlement. Furthermore, female doctors appointed on the post of MO was not entitled to draw HSRA @ rate given to WMO. This resulted in excess payment of Rs 1.082 million.

Audit is of the view that the payments without admissibility/entitlement were due to defective financial discipline.

The matter was reported to the CEO / PAO in November, 2019. The matter was also discussed in DAC meeting held in January 2020. Department prepared Salary Change Form (Pay-02) for recovery of overpayment. DAC decided to keep para pending till recovery of the whole amount.

Audit recommends effecting recovery besides fixing responsibility against the person(s) at fault.

[PDP No.51]

15.5.1.1.9 Overpayment of pay and allowances due to non deduction of GP Fund, Group Insurance and Benevolent Fund - Rs 1.312 million

According to Rule 2.33 of PFR Vol-1 every government servant should realize fully and clearly that he would be held personally responsible for any loss sustained by the government through fraud or

¹¹² Punjab Finance Department Letter No. PO (P&E-I)19-113/2004 dated 13.04.2017

negligence on his part. According to the provisions of national pay scales conveyance allowance is admissible to meet the expenses of travelling from house to duty place, as conveyance allowance is not admissible during leave period.

During scrutiny of record, auditor observed that MS DHQ Hospital Narowal did not deduct GI, BF and General Provident Fund from the pay and allowances of the following regular employees due to which they were paid in excess of the regular pay and allowances. This resulted in overpayment of pay and allowances of Rs 1.312 million due to non deduction of BF,GI and GPF as detailed below;

(Amount in Rupees)

Pers.nnel No.	Name of Employee	Job Title	Basic Pay	GI	BF	GP Fund	Total
32102920	Shakeela Bibi	Aaya	9,640	63x24=15 12	850x24=20 400	1290x24=309 60	105,74 4
32086330	Muhammad Boota	Ward Attendant	11,950	63x24=15 12	850x24=20 400	1290x24=309 60	105,74 4
32070845	Nasir Mehmood	Ward Attendant	12,030	63x24=15 12	850x24=20 400	1290x24=309 60	105,74 4
31605266	Shazia Bibi	Sweeper	11,160	63x24=15 12	850x24=20 400	1290x24=309 60	105,74 4
31605265	Ronina Masih	Sweeper	11,160	63x24=15 12	850x24=20 400	1290x24=309 60	105,74 4
31605264	Sonia Masih	Sweeper	11,160	63x24=15 12	850x24=20 400	1290x24=309 60	105,74 4
31605259	Asif Masih	Sweeper	11,160	63x24=15 12	850x24=20 400	1290x24=309 60	105,74 4
31605258	Imran Masih	Sweeper	11,160	63x24=15 12	850x24=20 400	1290x24=309 60	105,74 4
31605255	Saman Noreen Akht	Charge Nurse	20,430	215x24=5 160	826x24=19 824	4270x24=102 780	254,92 8
30764745	Irfan Masih	Sweeper	12,280	63x24=15 12	850x24=20 400	1290x24=309 60	105,74 4
30764649	Nazar Hussain	Naib Qasid	19,210	63x24=15 12	850x24=20 400	1290x24=309 60	105,74 4
Total							1,312,368
Overpayment of pay and allowances due to non fixation							450,000

Audit holds that due to weak internal control, GPF, GI and BF were not deducted from the arrears of pay and allowances.

This resulted in non-deduction of GPF, GI and BF Rs 1.312 million.

The matter was reported to PAO concerned in November, 2019.

The matter was also discussed in DAC meeting held in January 2020. Department submitted irrelevant reply of the para. DAC directed the department to recover the amount of compulsory deductions from the date of regularization within 6 months.

Audit recommends recovery besides fixing of responsibility against the person(s) at fault.

[PDP No.54]

15.5.1.2 Procurement related irregularities

15.5.1.2.1 Inadmissible issuance of medicines to -Rs 51.666 million

Practice of local purchase of medicines by hospitals at OPD was discontinued¹¹³.

During scrutiny of record of following formations of DHA Narowal for the year 2018-19, audit observed that LP medicines of Rs 51.666 million were purchased without maintaining separate treatment register showing the name of patients, diagnosis and medicines recommended. Further, retail price list was not found on record to ascertain the market price and medicines were purchased in bulk instead of patient to patient basis in violation of the above instructions.

Sr. No.	Name of formation	Amount (Rs in million)
1	DHQ Hospital	46.145
2	THQ Hospital Shakargarh	2.446
3	SMO RHC Baddomalhi	3.075
51.666		

Audit is of the view that due to poor financial discipline, unauthorized purchases were made.

The matter was reported to the CEO / PAO in November, 2019. The matter was also discussed in DAC meeting held in January 2020. Department replied that LP medicine were issued to the needy patients, patient wise entries in registers were made and also defaced the medicine by the management of the hospital. However DAC did not accept the reply of the department and directed Deputy Director (B&F) DHA to enquire the matter within 6 months.

Audit recommends regularization besides fixing responsibility against the person(s) at fault.

[PDP No. 70, 0114, 130]

15.5.1.2.2 Non transparent local purchase of medicines - Rs 9.236 million

According to Rule 59 (b) of PPRA Rules 2014, a procuring agency may provide for petty purchases through at least three quotations where the cost of the procurement is more than fifty thousand rupees but less

¹¹³ Government of the Punjab Finance Department letter FD-SR-111-4-108/2010 (B) dated 15-07-10

than one hundred thousand rupees and such procurement shall be exempted from the requirements of bidding procedures; the procuring agency shall, however, ensure that such procurement is in conformity with the principles of procurement. According to Section 153 of Income Tax Ordinance, 2001 duly amended vide Finance Act 2014, every prescribed person making a payment in full or part including a payment by way of advance to a resident person or permanent establishment in Pakistan of a non-resident person shall, at the time of making the payment to other than a company, deduct tax from the gross amount @ 4.5%, 10% and 9% on account of supplies, services and execution of contract respectively, in case of filer and 9% and 15% on account of supplies, services rendered and execution of contract respectively, in case of non-filer, other than company.

During scrutiny of record of THQ Hospital Shakargarh, auditor observed that day to day medicines of Rs 9.236 million were purchased through call quotations . Further probe revealed that in all these purchases, three quotations without number, date were entertained i.e. M/s Sardar Pharmacy, M/s AL-Shaafi Traders and Abrar Pharmacy but the owner of these three pharmacies was one as evident from NTN No.2519895 -5. All the purchases were made either from M/s Sardar Pharmacy or M/s Al-Shaafi Traders. The same NTN No. 2519895-5 was printed on the invoice of M/s Sardar Pharmacy was also printed on the invoices of M/s Al-Shaafi Traders but as per FBR record M/s Al-Shaafi was not registered against this NTN No. Income Tax from un-registered firm was charged @ 4.5% instead of 9%.

Audit is of the view that due to connivance of the management and supplier, non transparent purchases were made.

The matter was reported to the CEO / PAO in November, 2019. The matter was also discussed in DAC meeting held in January 2020. Department replied that tender of LP medicine was advertised three times during FY 2018-19 through DGPR. However DAC did not accept the reply of the department and directed Deputy Director (B&F) DHA to enquire the matter within 4 months. Audit recommends investigation of the matter besides fixing of responsibility for non-compliance of PPRA rules.

Audit recommends regularization of the matter from the competent authority besides fixing responsibility against the officers at fault.

(PDP No.98)

15.5.1.2.3 Splitting of job orders to avoid open tender – Rs 7.301 million

According to Rule 12(2) read with of Rule 9 Punjab Procurement Rules 2014, procurements over two million rupees should be advertised on the PPRA's website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies. A procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting of the procurements so planned. The annual requirements thus determined would be advertised in advance on the PPRA's website.

Head of various formations of District Health Authority, Narowal paid an amount of Rs 7.301 million for the purchase of different supplies by splitting the indents in small orders instead of advertising the tender on PPRA website. Supply orders were issued in piecemeal during the financial year 2018-19.

Sr. No.	Name of formation	Amount (Rs in million)
1	CEO (DHA)	1.078
2	DHO	1.698
3	DHO	0.985
4	DHO	1.958
5	MS DHQ Hospital	1.582
Total		7.301

Audit is of the view that due to non-compliance of government rules and regulations, purchases was split up to avoid the advertisement in newspaper as well as on PPRA website.

The matter was reported to the CEO / PAO in November, 2019. The matter was also discussed in DAC meeting held in January 2020. Department replied that purchases were made through quotations due to prevailing situation and emergency. DAC did not accept the reply of the department and directed Deputy Director (B&F) DHA to enquire the matter within 4 months.

Audit recommends investigation of the matter besides fixing of responsibility for non-compliance of PPRA rules.

[PDP No.9,19,20,24,73]

15.5.1.2.4 Purchase of bulk and LP medicines at excessive rates- Rs 7.418 million

According to PPRA Rules 2014, General Provisions 4- Principals of Procurement, A procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical.

During scrutiny of record of the following formations of DHA Narowal for the financial year 2018-19, audit observed that bulk and LP medicines were supplied by the same supplier having same specification, generic and potency at higher rates in the light of rate contract approved by the CEO Health Narowal, when compared to other districts' rate contract resulting in excess payment of Rs 7.418 million.

Sr. No.	Name of formation	Amount (Rs in million)
1	DHO	4.574
2	DHQ Hospital	1.069
3	THQ Hospital	0.984
4	THQ Hospital	0.791
Total		7.418

Audit is of the view that due to weak internal controls, excess payment was made to the suppliers by charging rates more than rates approved by other DHA.

The matter was reported to the CEO / PAO in November, 2019. The matter was also discussed in DAC meeting held in January 2020. Department replied that Rate Contract was awarded by the CEO DHA Narowal after the approval of District Purchase Committee. DAC directed the department to issue letters to the concerned firms for the deposit of overpayment.

Audit recommends recovery of the amount besides fixing of responsibility against the person(s) at fault under intimation to audit.

[PDP No.18,78,99,100]

15.5.1.2.5 Unauthorized purchase of emergency medicines - Rs 3.680 million

The budget allocation under head of accounts A03927 medicines is to be distributed in the ratio i.e.10% reserve for natural calamities /

emergencies in bulk, 15% day to day purchase for normal medicines and 75% bulk purchase¹¹⁴.

During scrutiny of record of THQ Hospital Shakargarh, auditor noticed that emergency medicines of Rs 3.680 million were purchased from the 10% budget reserved for natural calamities / emergencies but the same were purchased when there was no such emergency in the district. This resulted in unauthorized purchase of medicine amounting to Rs 3.680 million.

Audit is of the view that due to defective financial discipline, unauthorized purchases were made.

The matter was reported to the CEO / PAO in November, 2019. The matter was also discussed in DAC meeting held in January 2020. Department replied that Anti Rabbits vaccine was purchased from emergency budget. DAC did not accept the reply of the department and directed Deputy Director (B&F) DHA to enquire the matter within 4 months.

Audit recommends regularization besides fixing responsibility against the person(s) at fault.

(PDP No.110)

15.5.1.2.6 Non/less deduction of Income Tax - Rs 1.94

Every prescribed person making a payment in full or part including a payment by way of advance to a resident person or permanent establishment in Pakistan of a non-resident person shall, at the time of making the payment to other than a company, deduct tax from the gross amount @ 4.5%, 10% and 9% on account of supplies, services and execution of contract respectively, in case of filer and 9% and 15% on account of supplies, services rendered and execution of contract respectively, in case of non-filer, other than company according to Section 153 of Income Tax Ordinance, 2001 duly amended vide Finance Act 2014.

Scrutiny of accounts record of following formations of DHA Narowal, auditor observed that payments were made to suppliers on account of purchase of medicines but the Income Tax was less/not deducted. Due to non/ less deduction of Income Tax, overpayment of Rs 1.94 million was made to the suppliers. No exemption letter was found attached with the claim.

¹¹⁴ Letter No. FD (FR) 11-2/89 dated 1-11-2001

Sr. No.	Name of formation	Amount (Rs in million)
1	DO Health	0.983
2	DHQ Narowal	0.957
Total		1.94

Audit holds that due to weak internal controls, Income Tax amounting to Rs 1.94 million was not deducted from the suppliers' bills.

The matter was reported to the CEO / PAO in November, 2019. The matter was also discussed in DAC meeting held in January 2020. Department replied that firms were exempted from tax deduction but did not produce the exemption certificates on account of Income Tax. DAC directed the department to recover the amount within 4 months.

Audit recommends recovery of the amount.

[PDP No.25,67]

15.5.1.2.7 Unauthorized purchase of LP medicine without annual planning - Rs 3.136 million

According to Rule 8 of PPRA Rules 2014, a procuring agency shall, within one month from the commencement of a financial year, devise annual planning for all proposed procurements with the object of realistically determining the requirements of the procuring agency, within its available resources, delivery time or completion date and benefits that are likely to accrue to the procuring agency in future.

During scrutiny of record of THQ Hospital Shakargarh, auditor observed that procurement officer did not devise annual planning within one month from the commencement of the financial year 2018-19 for purchase of medicines. First tender notice was advertised on print media during the month of mid October 2018 almost after passing of four months from the commencement of financial year. This resulted in unauthorized purchase of medicines Rs 3.136 million through call quotations from the vendors of choice.

Audit is of the view that due to non compliance of PPRA rules, unauthorized purchase of medicines was made.

The matter was reported to the CEO / PAO in November, 2019

The matter was also discussed in DAC meeting held in January 2020. Department replied that LP medicine were procured through quotations due to non participation of bidders in tender. DAC did not accept the reply of the department and directed Deputy Director (B&F) DHA to enquire the matter within 4 months.

Audit recommends regularization besides fixing responsibility against the person(s) at fault.

(PDP No.107)

CHAPTER 16

DISTRICT HEALTH AUTHORITY, OKARA

16.1 Introduction of the Authority

District Health Authority, Okara was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Okara is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authority, Okara as described in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Okara manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
Chief Executive Officer, DHA	01
District Health Officer	01
Deputy District Officer	3
District Head Quarter Hospitals	02
Tehsil Head Quarter Hospitals	03
District Health Development Centre	01
Rural Health Centre	10

Government Rural Dispensary	40
Basic Health Units	96

16.2 Audit Profile of District Health Authority, Okara

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Okara	18	11	2142.027	-

16.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 190.126 million were raised in this report during current audit of “District Health Authority, Okara.” This amount also includes recoveries of Rs 176.254 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	5.132
2	Reported cases of fraud, embezzlement, and misappropriation	41.623
3	Irregularities:	-
	A. HR/Employees related irregularities	136.236
	B. Procurement related irregularities	7.135
	C. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	-
5	Others	-
Total		190.126

16.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	25	Not convened
2	2018-19	27	Not convened

16.5 AUDIT PARAS

16.5.1 Non-production of record

16.5.1.1 Non-production of record – Rs 5.132 million

According to Section 14(1)(b) of Auditor General's (Functions, Powers and Terms and Conditions of Service), Ordinance, 2001, the Auditor-General shall have authority to require that any accounts, books, papers and other documents which deal with, or form, the basis of or otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may direct for his inspection.

Management of following formations of District Health Authority Okara did not produce auditable record of Rs 5.132 million for Financial Year 2018-19. In the absence of record, authenticity, validity, accuracy and genuineness of expenditure could not be verified as detailed below:-

Formations	Period	Description	Amount (Rs in million)
THQ Depalpur	2018-19	Personal Allowance to Charge Nurses	0.394
DO Health	2018-19	Encashment of LPR	1.538
	2018-19	Financial Assistance	3.200
Total			5.132

Audit was of the view that due to weak internal controls and negligence on the part of management, relevant record was not produced to Audit, which could have lead to misuse of public money.

The matter was reported to PAO concerned on 18th December 2019 and subsequent reminder on 3rd January 2020 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends fixing of responsibility for non-production besides ensuring submission of record.

16.5.2 Fraud / Misappropriation

16.5.2.1 Loss due to unlawful promotions to Chief Technicians - Rs 16.463 million

According to 1st schedule of Punjab Health Department Allied Health Professionals (service) Rules, 2012 read with, Para 7 & 11 of letter¹¹⁵ dated 28.08.2018, the post of Chief Technician (all categories) will be filled 25% by initial recruitment and 75% by promotion, amongst the senior technicians in the relevant allied health sciences discipline having five year service and after passing examination of health department/Punjab Medical Faculty after attending technical/refresher training for three months at DHDC with the approval of Director General Health, Punjab after DPC.

During Audit of Chief Executive Officer Health Okara for the financial year 2018-19, it was observed that there were 96 sanctioned posts of Sanitary Inspectors / Technician. The management decided/ reserved post 1% of total sanction strength for up gradation of Sanitary Inspectors in new four tier system (Public Health Technology) as chief technician and upgraded one employee against 1% post (which comes one post) of Chief Technician as evident from office order No 9705-11 dated 12-08-2013 issued by Executive District Officer Health Okara. This was done in compliance of the Secretary Govt. of the Punjab Health Department, Lahore Notification No. SO(ND) 7-11/2010 (Paramedics) dated 24.11.2011. It is further added that management malafidely changed reserved sanctioned posts for chief Technician from 1% to 15% (which comes 15 posts) and upgraded four other employees as chief technicians vide EDO Health Okara office order No 1805-11 dated 08-02-2016. While examining HR SAP data of DHA Okara, it was further noticed that 21 employees (Sanitary Inspector promoted to chief technicians) were drawing pay & allowances against one post of chief technician.

	No of Posts	Remarks
Total Sanctioned Posts	96	As shown in working papers
1% of Sanctioned posts (Senior Technician)	1	$96 \times 1/100 = 1$
Total employees up gradated to post of Senior Technician)	4	$4 - 1 = 3$ 02 employees excess upgraded by authority
As per SAP HR data	21	$21 - 04 = 17$ 17 employees without any promotion orders by any authority

Note: Only one category of Sanitary Inspector was checked due to time constraints. Other categories i.e. midwife, Dispensers, Vaccinators etc may be checked on similar lines.

¹¹⁵ No.1240/AHP/

Audit holds that up gradation of 21 employees as Chief Technician against one post was illegal and fraudulent.

This resulted in fraudulent drawl of pay & allowances of Rs 16.463 million from public exchequer.

The matter was reported to PAO concerned on 18th December 2019 and subsequent reminder on 3rd January 2020 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends for detailed enquiry along with recovery of overpayment besides fixation of responsibility on person at fault under intimation to Audit.

16.5.2.2 Loss due to unlawful promotions to Senior Technicians – Rs 12.068 million

According to 1st schedule of Punjab Health Department Allied Health Professionals (service) Rules, 2012 read with, Para 7 & 11 of letter¹¹⁶ dated 28.08.2018, the post of Chief Technician (all categories) will be filled 25% by initial recruitment and 75% by promotion, amongst the senior technicians in the relevant allied health sciences discipline having five year service and after passing examination of health department/Punjab Medical Faculty after attending technical/refresher training for three months at DHDC with the approval of Director General Health, Punjab after DPC.

During Audit of Chief Executive Officer Health Okara for the financial year 2018-19, it was observed that there were 96 sanctioned posts of Sanitary Inspectors. The management decided/ reserved post 15% of total sanction strength for up gradation of Sanitary Inspectors in new four tier system (Public Health Technology) as Senior Technician and upgraded 24 employee against 15% post (which comes fourteen posts)of Senior Technician as evident from office order No 9719-25 dated 12-08-2013 issued by Executive District Officer Health Okara. Further probe of HR SAP data of DHA Okara revealed that 29 employees (Sanitary Inspector promoted to Senior Technicians) were drawing pay & allowances against 14 posts of Senior Technicians as detailed below:

	No of Posts	Remarks
Total Sanctioned Posts	96	As shown in working papers
15% of Sanctioned posts (Senior Technician)	14	$96 \times 15 / 100 = 14$
Total employees up gradated	24	$24 - 14 = 10$

¹¹⁶ No.1240/AHP/

to post of Senior Technician)		10 employees excess upgraded
A s per SAP HR data	29	28-24=04 04 employees without any promotion orders. Important Fact: Employees whose orders were issued for BPS14 were shown as chief technician in SAP in BPS-16. Now all senior technicians shown in SAP and drawing pay & allowances of BPS-14 were without any order by any authority.

Note: Only one category of Sanitary Inspector was checked due to time constraints. Other categories i.e. midwife, Dispensers, Vaccinators etc may be checked on similar lines.

Audit holds that up gradation of 28 employees as Senior Technician against 14 posts was illegal and fraudulent.

This resulted in fraudulent drawl of pay & allowances of Rs12.068 million from public exchequer.

The matter was reported to PAO concerned on 18th December 2019 and subsequent reminder on 3rd January 2020 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends for detailed enquiry along with recovery of overpayment besides fixation of responsibility on person(s) at fault under intimation to Audit.

16.5.2.3 Loss due to Payment of Salaries to Fake / Bogus Employees – Rs 10.547 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

During Audit of CEO DHA Okara for the financial year 2018-19, scrutiny of HR record revealed that employees were hired on SAP Software but District Health Authority Okara did not take ownership of the persons as its employees. This resulted in fraudulent payment of Rs 10.547 million to employees from public exchequer as detailed below:

Sr. No.	Formation Name	No. of Fake Employees	Amount (Rs in million)
1	CEO – DHA	15	7.242
2	General Nursing School	2	0.484
3	DOH	12	2.821
		Total	10.547

Audit is of the view that fake / bogus employees were hired on SAP due to weak administrative control and lack of sufficient controls on SAP.

The matter was reported to PAO concerned on 18th December 2019 and subsequent reminder on 3rd January 2020 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends detailed investigation of the matter besides fixation of responsibility under intimation to Audit.

16.5.2.4 Illegal adjustment / promotion of Bildar to the post of Dental Assistant / Technicians – Rs 2.545 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

During the Audit of Accounts of District Health Authority Okara for the financial year 2018-19, it was observed that Mr. Gulzar Ahmad was originally appointed as Beldar BPS 02 in DHQ Hospital Okara. Thereafter, official was adjusted / posted as Dental Assistant BPS-06 vide office order No 4254-59/EDO (H) dated 29-07-2013 issued by EDO Health Okara. He was promoted /shown as Dental Technician (BPS-09) w.e.f 01-02-2015 vide office order No 5291-95/EDOH date 13-04-2015 issued by EDO Health Okara and adjusted in RHC Shahbore.

Audit holds that Act of authority posting / adjusting of a Beldar against the post of Dental Assistant and then promotion to Dental Technician without any promotion channel and required qualification was quite illegal, unlawful and fraudulent.

It resulted into irregular expenditure of Rs 2.545 million from public exchequer.

The matter was reported to PAO concerned on 18th December 2019 and subsequent reminder on 3rd January 2020 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends for detailed enquiry along with recovery of overpayment besides fixation of responsibility on person(s) at fault under intimation to Audit.

16.5.3 Irregularities

16.5.3.1 HR/Employee related Irregularities

16.5.3.1.1 Loss due to Illegal Appointment of Employees – Rs 88.127 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

During Audit of Chief Executive Officer Health Okara for the financial year 2018-19, it was observed that 62 Lady Health Visitors were drawing pay & allowances worth Rs 88.127 million in BPS-09. These LHVs were appointed on adhoc basis for one year in June 2015. Later, fresh letters bearing the same date and number were issued to these Lady Health Visitors mentioning appointment on contract basis for two years. It was observed that legal & procedural formalities were not followed in issuing of these fresh letters as department failed to provide documentary evidence in support of contract appointments of adhoc appointees despite repeated requests.

Audit holds that status of employment was changed to contract appointment to benefit employees to achieve their ulterior purposes due to weak internal controls.

This resulted in fraudulent drawl of pay & allowances of Rs 88.127 million from public exchequer.

The matter was reported to PAO concerned on 18th December 2019 and subsequent reminder on 3rd January 2020 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends detailed enquiry of the matter and to fix responsibility on person(s) at fault along with recovery of overpayment under intimation to Audit

16.5.3.1.2 Non-recovery of inadmissible allowances – Rs 23.115 million

In case a designated residence is available to the Government servant for whom it is meant, cannot draw HRA even if he does not reside in it. Conveyance Allowance is also not admissible during earned leave¹¹⁷. PHSRA allowance is payable only when the doctors, para-medic & other

¹¹⁷ As per clarification issued by Government of the Punjab, Finance Department letter No. FD(M-1)1-15/82-P-I dated 15.1.2000

staff perform their duties under the PHSRP at RHCs and BHUs¹¹⁸. According to (XIII)(i)(b) Contract Appointment Policy in 2004 issued by Government of the Punjab S&GAD, Social Security Benefit @ 30% of minimum of basic pay is admissible only for the persons working on contract in lieu of pension. Personal Allowance was not admissible for fresh appointment, promotion, retirement and posting to another cadre post¹¹⁹.

Management of different formations under Health Authority Okara paid an amount of Rs 23.115 million on accounts of inadmissible allowances in violation of the rule *ibid*.

Audit held that inadmissible allowances were paid to employees due to careless attitude of management and weak internal controls.

This resulted in payment of inadmissible allowances Rs 23.115 million.

The matter was reported to PAO concerned on 18th December 2019 and subsequent reminder on 3rd January 2020 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends recovery of the stated amount besides fixing of responsibility against the person(s) at fault.

16.5.3.1.3 Illegal and fraudulent Adjustment / promotion under Health Authority – Rs 16.319 million

As per Para No.02 of Health Department Government of Punjab Notification No.SO(G-11)7-11/21010(P) dated 21-02-2013, No Contract / Adhoc employee shall be upgraded in pursuance of Health Department's Notification No.SO (ND) 7-11/2010 (Paramedics) dated 24.11.2011. Further, as per Para No. 03 of aforementioned Notification, all orders regarding up gradation of contract / adhoc appointee are illegal and are directed to withdraw the same, if any, immediately.

During Audit of District Health Authority Okara for the financial year 2018-19, scrutiny of promotion / upgradation record of different offices under DHA revealed that the competent authorities promoted / upgraded different officials / officers appointed on adhoc / contract basis in violation of rule *ibid* as detailed as under:

¹¹⁸ Government of Punjab Health Department Letter No.PMU/PHSRP/G.1-06/61/270-340 dated 16th March 2007

¹¹⁹ Finance Department of Government of Punjab letter no. FD SR-II/9-214/2013 dated 02-04-2014

Sr. No.	DDO	Description	Amount (Rs in million)
1	CEO Health	Higher Time Scale under 4-Tier up-gradation	8.857
2	DO Health	Salaries of higher scales	4.321
3	GNS Okara	Doubtful Regularization in service	0.360
4	THQ Haveli	Salaries of higher scales	2.070
Total			16.319

Audit was of the view that fraudulent adjustment / promotion was made due to weak internal controls and poor administration.

This resulted in irregular and unauthorized expenditure on salaries of Rs 16.319 million.

The matter was reported to PAO concerned on 18th December 2019 and subsequent reminder on 3rd January 2020 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends for detailed enquiry along with recovery of overpayment besides fixing of responsibility on person at fault under intimation.

16.5.3.1.4 Doubtful payment of pay & allowances – Rs 7.070 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

During scrutiny of record of District Health Officer, Okara for the financial year 2018-19, it was observed that employees were being paid as per HR report of SAP but their place of duty was not known / confirmed. For verification, Audit Team demanded list of employees working in BHUs, MCH Centers and Rural Dispensaries from their in-charges. Reconciliation report of SAP HR report and list of employees reported by BHUs, MCH Centers and Rural Dispensaries was prepared that revealed significant differences. List of differences (Non-verified employee) were handed over to District Health Officer Okara for resolution / confirmation. No confirmation about existence of employees and their place of duty was received/ conveyed despite repeated requests by audit.

This resulted in doubtful payment of Rs 7.070 million to employees from public exchequer during the FY 2018-19.

Audit holds that employees were not recruited but hired on SAP system due to breach of internal controls.

The matter was reported to PAO concerned on 18th December 2019 and subsequent reminder on 3rd January 2020 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends for detailed investigation into hiring of employees in DHA Okara to determine actual fake/bogus number of employees besides fixation of responsibility under intimation to Audit.

16.5.3.1.5 Illegal appointment of employee – Rs 1.605 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

During scrutiny of record of District Health Officer, Okara for the financial year 2018-19, it was observed that Mr. Tariq Ali was appointed as Dental Technician /Junior Technician in BPS-09 at adhoc basis at RHC Buttak for one year vide EDO Health Okara letter No 9372/EDOH dated 22.06.2015. On same date, new letters of appointment was issued to Mr. Tariq Ali for contract appointments for two years bearing same number and date without fulfillment of any legal and procedural formalities. No documentary evidence was provided in support of appointment on contract despite repeated requests. Furthermore, employee was drawing pay & allowances of BPS 12 without any orders. Rs 1.605 million were paid to employee as detailed below:

Pers. no.	Name of Employee	Job Title	Scale	G. Pay	No of Month	Amount
31719141	CH. TARIQ ALI	JUNIOR TECHNICIAN	12	30867	52	1,605,084

It resulted into unauthorized expenditure of Rs 1.605 million from public exchequer.

The matter was reported to PAO concerned on 18th December 2019 and subsequent reminder on 3rd January 2020 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends for detailed investigation to fix responsibility on person(s) at fault under intimation to Audit.

16.5.3.2 Procurement related irregularities

16.5.3.2.1 Irregular expenditure due to consumption of medicines without DTL reports – Rs 4.516 million

No drug/medicine shall be accepted and used without obtaining DTL report from the Drug Testing Laboratory¹²⁰.

During Audit of CEO DHA Okara for the financial year 2018-19, Management of the following formations incurred Rs 4.516 million for purchase of medicines. Suppliers of medicines were paid without DTL reports as detailed below:

Sr. No.	Name of formation	Amount (Rs in million)
1	DO Health	2.331
2	THQ Hospital Haveli Lakha	0.857
3	DHQ South City	1.328
	Total	4.516

Audit held that payments were released to suppliers without fulfillment of DTL requirement to achieve their ulterior purposes due to weak internal controls.

This resulted in irregular expenditure due to payment of medicines without DTL reports worth Rs4.516 million.

The matter was reported to PAO concerned on 18th December 2019 and subsequent reminder on 3rd January 2020 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends regularization of the matter besides fixing of responsibility against the person(s) at fault.

(PDP No. 18,9,15)

16.5.3.2.2 Irregular expenditures without open tender - Rs 2.619 million

According to Rule (9) of PPRA Rules, 2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned the annual requirements has determined would be advertised in advance on the PPRA's website as well as on the website of the procuring agency in case the procuring agency has its own website. Furthermore, according to rule 12 (1) all procurements

¹²⁰ Government of the Punjab, Health Department letter No.SO(P-I)H/Rc 2001-2002/01 dated 29-09-2001

over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by regulation by the PPRA from time to time.

Management of the following formations incurred Rs 2.619 million under different heads. The expenditure was incurred without advertisement as required in PPRA rule as under:

Sr. No.	Formation	Object Head	Amount Rs
1	GNS Okara	Repair of Vehicle	494,500
2	DHQ Hospital South City	Printing	999,200
3		Purchase of P&M	1,125,000
Total			2,618,700

Audit is of the view that expenditure was incurred without advisement on PPRA web to avoid open competition due to weak internal controls and poor financial discipline.

This resulted in irregular expenditures of Rs 2.619 million.

The matter was reported to PAO concerned on 18th December 2019 and subsequent reminder on 3rd January 2020 but neither reply was submitted nor DAC meeting convened till finalization of this report.

Audit recommends regularization of payment made besides fixing the responsibility against person at fault.

(PDP 14,17,18)

CHAPTER 17

DISTRICT HEALTH AUTHORITY, RAWALPINDI

17.1 Introduction of the Authority

District Health Authority, Rawalpindi was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Rawalpindi is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authority, Rawalpindi as described in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Rawalpindi manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
CEO (District Health Authority)	1
District Health Officers	5
Deputy District Officers	7
Tehsil Head Quarter Hospitals	7
Rural Health Centre	8
Government Rural Dispensary	2
Basic Health Units	99
District Health Development Centre	1
Any other institute/ health facility	7

17.2 Audit Profile of District Health Authority, Rawalpindi

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Rawalpindi	18	10	647.187	3.098

17.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 159.652 million were raised in this report during current audit of “District Health Authority, Rawalpindi.” This amount also includes recoveries of Rs 25.800 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	
	A. HR/Employees related irregularities	34.781
	B. Procurement related irregularities	50.404
	C. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	58.671
5	Others	15.796
	Total	159.652

17.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Report pertaining to the following period was submitted to the Governor of the Punjab.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1	2017-18	27	Not Convened
2	2018-19	25	Not Convened

17.5 AUDIT PARAS

17.5.1 Irregularities

17.5.1.1 HR / Employee related irregularities

17.5.1.1.1 Un-authorized Payment of Incentive Allowance – Rs 16.754 million

Specialist should visit the hospital in the evening and stay for one hour for round in the wards after check-in on the biometric system otherwise 40% of the incentive allowance should be deducted¹²¹.

Audit of the following formations working under District Health Authority, Rawalpindi, for the year 2018-19, revealed that all specialists/Consultants were drawing full amount of incentive allowance without visiting the hospital in the evening. There was no proof of evening visits in biometric attendance system. This resulted in overpayment of Rs 16.754 million on account of non deduction of 40% of the incentive allowance from the allowances paid to the specialist.

(Amount in Rs)

Sr. No.	Name of formation	AIR Para No.	Gross Amount	40% incentive allowance
1	THQ Kallar Syedan	6	9,699,032	3,879,613
2	Wah General Hospital	1	12,187,091	4,874,837
3	THQ Murree	9	3,510,000	1,404,000
4	THQ Kahuta	1	5,761,252	2,304,501
5	THQ Gujar Khan	8	4,250,000	1,700,000
6	THQ Hospital Kotli sattian	3	6,480,000	2,592,000
			Total	16,754,951

Audit is of the view that due to weak internal control, 40% incentive allowance was not deducted. This resulted in violation of government rules and loss to the government.

Matter was reported to the managements in August 2019. Managements replied that the case is under trial in the court of law so being sub-judice no comment can be offered. DAC in its meeting held on 02.01.2020 kept the para pending till the outcomes of the court.

Audit recommends finalizing the case with the court concerned on urgent basis.

(AIR Para No.6,1,9,1,8,3)

¹²¹ Notification No.PA/DS (G)4-8/2016 dated August 3, 2016

17.5.1.1.2 Irregular payment to contingent paid staff – Rs 12.327 million

As per preface of Schedule of Wage Rates, 2018 issued by the Government of the Punjab Finance Department, the appointment of contingent staff may be made by competent authority subject to the following conditions;

- The posts shall be advertised properly in leading newspapers.
- The recruitment to all posts in the Schedule shall be made on the basis of merit specified for regular establishment¹²².

Hiring of contingent paid staff shall not be allowed except with the prior approval of the austerity committee / finance department¹²³.

During audit of the following offices working under District Health authority, Rawalpindi, for the period 2018-19, it was observed that a sum of Rs 12.327 million was paid to Contingent Paid Staff. Scrutiny of the record revealed that prior approval of Finance Department for hiring was not obtained. Expenditure in this regard stands irregular.

Sr. No.	Name of formation	AIR Para No.	Amount (Rs.)
1	DO (Preventive) Rawalpindi	30	11,949,688
2	THQ Murree	18	376,992
		Total	12,326,680

Audit is of the view that due to weak control prior approval was not obtained before appointment of contingent paid staff resulted in incurrance of un-authorized.

Matter was reported to the managements in August 2019. Managements replied that all the contingent paid staff has been recruited after obtaining approval from Finance Department, all relevant documents are available, will be produced at the time of verification, no record was provided in DAC for verification. DAC in its meeting held on 02.01.2020 directed for regularization. No compliance was reported till finalization of this report.

Audit recommends regularization of expenditure from finance department.

(AIR Para No.30,18)

¹²² Recruitment policy issued by S&GAD vide No. SOR-IV (S&GAD) 10-1/2003 dated 17.09.2004

¹²³ Government of the Punjab Finance Department letter No. FD.SO (GOODS)44-4/2011 dated 23rd July, 2012

17.5.1.1.3 Non-recovery of House Rent –Rs 2.862 million

The officers/ officials residing in the residential colonies situated within work premises are not entitled to the facility of conveyance allowance¹²⁴.

During audit of DHO (MS) Rawalpindi it was noticed that designated residences were available in BHUs for doctors but the doctors mentioned were drawing house rent allowance. This resulted in irregular payment of house rent allowance of worth Rs 2.862 million.

Audit is of the view that due to weak internal control house rent and conveyance allowance was not deducted from officials whose designated residence are available in the premises of the hospital.

Matter was reported to the management in August 2019. Management replied that the Chief Executive Officer, District Health Authority, Rawalpindi granted sanction of House Rent Allowance to mentioned Medical Officers/Women Medical Officer. Reply was not acceptable as against these sanctions “non availability certificate of residence was not provided by the XEN / CEO and further, no building was declared dangerous by the XEN buildings. In light of the fact payment of House Rent on BHU levels, where government accommodation is always available, was unjustified. DAC in its meeting held on 02.01.2020 directed for recovery. No compliance was reported till finalization of the report.

Audit recommends that responsibility against the person(s) at fault be fixed besides recovery.

(AIR Para No. 4)

17.5.1.1.4 Un-authorized payment of Health Sector Reform allowance & Hill Allowance – Rs 1.784 million

Payment of HSRA is attached with the duty performed in less attractive THQs or less attractive DHQ and other THQ Hospitals¹²⁵. Shifting of head quarter of a government servant for the period exceeding three months is a financial irregularity¹²⁶.

¹²⁴ Finance Department Government of the Punjab letter No.FD.SR.1.9-4/86 (PR) dated 15.10.2011

¹²⁵ According to Government of the Punjab Health department letter No.PO(P&E-I)19-113/2004 dated 13th April 2007

¹²⁶ Government of the Punjab Finance Department No. FD. SR 4-8-1/76 (Prov.) dated 16-03-1988

According to CEO (DHA) Rawalpindi order No.944-54/E&A dated.11.01.18 in compliance with the directions passed by the Director General Health Services Punjab, Lahore vide letter No.211-246/Admin dated.08.01.18 the staff of any health facility placed on general duty (if any) by this office, DHO (HRM-MIS) DHA Rawalpindi or by the Dy District Health Officers of Rawalpindi District is hereby directed to resume duty at original place of posting.

During audit of DHO (MS) Rawalpindi for the Financial Year 2018-19 it was noticed that various officials were deputed on general duty by ignoring the instructions passed by the Director General Health Services Punjab Lahore. The staff was drawing the pay from the BHUs but working at other centers/offices and drawing HSRA / Hill Allowance which was not admissible at urban area. This resulted in un-authorized shifting of head quarter and payment of in-admissible allowances.

Audit is of the view that due to weak internal controls officials /officers were attached un-authorized and HSRA and Hill allowance were not deducted.

Matter was reported to the management in August 2019. Management replied that due to shortage of professional staff in offices, some Computer Operators have been placed in offices on purely temporary basis to fulfill official business in District Rawalpindi. DAC in its meeting held on 02.01.2020 kept the para pending and directed to probe the matter by the CEO. No compliance was reported till finalization of the report.

Audit recommend fixing responsibility against person(s) at fault, reversing detainment orders besides recovery of HSR and Hill allowance.

(AIR Para No. 11)

17.5.1.1.5 Overpayment of conveyance allowance - Rs 1.054 million

According to Government of the Punjab, Finance Department letter No. FD.SR.1.9-4/86(P) (PR) dated 21st April 2014, officers who are availing government vehicles including bikes (sanctioned/pool) are not entitled to the facility of Conveyance Allowance w.e.f. 01-03-2014.

Audit of the DHO (HRM & MIS) for the year 2018-19, revealed that management did not deduct conveyance allowance from the pay of the officers / officials to whom transport facility was provided. This resulted in overpayment of conveyance allowance of Rs 1.054 million.

Audit is of the view that due to weak internal control overpayment was made.

Matter was reported to the management in August 2019. Management replied that recovery is under process. DAC in its meeting held on 02.01.2020 kept the para pending till full recovery. No compliance was reported till finalization of this report.

Audit recommends recovery beside fixing responsibility against person(s) at fault.

(AIR Para No. 22)

17.5.1.2 Procurement related irregularities

17.5.1.2.1 Irregular purchase through splitting – Rs 32.549 million

According to Rule 9 of Punjab Procurement Rules 2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. According to Rule 12(1) of Punjab Procurement Rules 2014, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by regulation by the PPRA from time to time.

Audit of the following formations working under District Health Authority, Rawalpindi, for the year 2018-19 revealed that DDOs of these formations incurred expenditure of Rs 32.549 million on procurement of different store articles. Scrutiny of the record revealed that the purchases were made by splitting the indents to avoid the tendering process. This resulted in irregular expenditure of Rs 32.549 million.

Sr. No.	Name of formation	Amount (Rs)
1	DHO (MS)	3,216,845
2	DHO, BHU	5,368,349
3	THQ Kallar Syedan	1,496,145
4	Wah General Hospital	5,663,561
5	THQ Murree	2,141,119
6	THQ Murree	1,138,255
7	THQ Kahuta	2,282,307
8	THQ Kahuta	1,437,283
9	THQ Gujar Khan	2,709,919
10	RHC Doultala	3,707,501
11	CEO(DHA)	564,619
12	THQ Hospital Kotli Sattian	750,949
13	THQ Taxila	2,072,467
	Total	32,549,319

Audit is of the view that due to weak financial controls development work was split up to avoid sanction of higher authority and tendering process.

Matter was reported to the management in August 2019. DAC meeting was convened on 02.01.2020 in which management replied that different articles were procured on different dates. Reply was not cogent as the procurement was made without considering the procurement planning thus violating Procurement Rules. DAC directed for regularization. No compliance was reported till finalization of the report.

Audit recommends regularization of the expenditure besides fixing responsibility against the person (s) at fault.

(AIR Para No. 1,12,4,2,6,14,4,8,5,2,8,7,9)

17.5.1.2.2 Irregular purchases violating Public Procurement Rules - Rs 15.438 million

According to Rule 9 of Punjab Procurement Rules 2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. According to Rule 12(1) of Punjab Procurement Rules 2014, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by regulation by the PPRA from time to time

Audit of following formations working under the District Health Authority, Rawalpindi, for the period 2018-19, revealed that these formations incurred an expenditure of Rs.15.438 million. Scrutiny of the record revealed that the expenditure was incurred in violation of Procurement Rules.

Sr. No.	Name of formation	Amount (Rs)
1	DHO (MS)	1,857,983
		350,064
	DHO (HRM&MIS) Rawalpindi	95,000
2		142,899
		228,676
3	DHO (Preventive)	405,150
		258,420
4	DHO (PS)	199,700
		392,082
5	THQ Kallar Syedan	1,907,007
6	MS THQ Kahuta	3,556,994
		3,149,233
7	THQ Murree	1,045,471
8	THQ Gujar Khan	1,801,396
9	THQ Hospital Kotli Sattian	48,415
	Total	15,438,490

Matter was reported to the management in August 2019. Management replied that medicines purchased from L.P budget for the requirement of emergency /Disaster. A DAC meeting was convened on 02.01.2020 and directed to probe the matter to fix responsibility. No compliance was reported till finalization of the report.

Audit recommends regularization of the expenditure besides fixing responsibility against the person (s) at fault.

(AIR Para No. 2,25,26,27,28,33,34,35,36,2,5,10,3,6,12)

17.5.1.2.3 Non supply of medicines - Rs 2.417 million

According to clause 6 of rate contract awarded by CEO (DHA) Rawalpindi to various firms, if the successful bidders fail to supply the goods as per orders within the stipulated time/as per terms and conditions of the contract or they try to withdraw/amend/revise their offer within the validity period, the offer shall stand cancelled, the earnest money/call deposit/security deposit will be forfeited and the relevant goods will be purchased at the risks and cost of the bidder.

According to clause 7 of supply orders issued by CEO (DHA) Rawalpindi, delivery period is 60 days after the issue date of the supply order.

Audit of the MS THQ Kotli Sattian for the year 2018-19 revealed that management issued supply orders of Rs 2.417 million to the firms for supply of medicines but firms failed to supply the medicines till date. Neither firm was penalized nor the recovery against the payments was made which resulted in loss to public exchequer. Detail is as under:

Sr. No.	Medicine Name	Firma Name	Date of Supply Order	Quantity Ordered	Unit Price	Amount (Rs)
1	Lignocan gel	Arsons Pharma	13-12-18	1,000	15.45	15,450
2	Tab. Amoxicillin500mg	Novartis pharma	13-12-18	150,000	4.98	747,000
3	Inj. Furodemide 20/2ml	Wimits Pharmaceuticals	13-12-18	6,000	2.5	15,000
4	Tab. Levofloxacin 500mg		13-12-18	120,000	4.9	588,000
5	Inj Diclofanac Sodium 75mg		13-12-18	10,000	3.7	37,000
6	Tab. Levofloxacin 500mg		13-12-18	70,000	4.9	343,000
7	Syp. B Complex + Lytsine+ Minerals 120ml	Bloom Pharma	13-12-18	2,000	70	140,000
8	Amoxicillin+clavilanic Acid375mg	Bosch Pharma	13-12-18	50,000	8.35	417,500
9	Surgical Gloves 6 ½ & 7 ½	Meher Trader	13-12-18	3,000	38	114,000
					Total	2,416,950

Matter was reported to the management in August 2019. Management replied that all these items were not received before 30th June 2019. Reply was not cogent as these medicines were not supplied till the date of inspection. DAC in its meeting dated 02.01.2020 directed for recovery. No compliance was reported till finalization of this report.

Audit recommends forfeiture of earnest money besides action against the firms.

(AIR Para No.4)

17.5.2 Value for money and service delivery issues

17.5.2.1 Non-approval of accounting systems of Health Council from Finance Department Punjab -Rs32.884 million

According to Sr No. 304 Chapter 15 of GFR Volume-I, the form in which and the general principles and methods according to which the accounts of Government should be kept have been prescribed by the Auditor General with the approval of Finance department and the main directions in respect thereof are contained in Volume I of the account Code.

During audit of the following formations working under District Health authority, Rawalpindi for the year 2018-19, it was observed that DDOs incurred an expenditure of Rs 32.884 million and withdrawal of funds from health council account was carried out with the approval Primary and secondary department. Scrutiny of the record revealed that procedure of accounting system was neither approved by the Finance Department Punjab nor adopted with the concurrence of AG Punjab. It was also noticed that bank account was maintained in commercial bank instead of government bank as approved in violation of above rule. This resulted in irregular expenditure from health council. Detail is as under:

Sr. No.	Name of formation	Amount (Rs)
1	DHO (BHUs)	8,925,441
2	THQ Kallar Syedan	1,545,505
3	THQ Murree	11,004,000
4	THQ Gujar Khan	13,501,161
5	RHC Daultala	3,294,329
6	THQ Kotli Sattain	5,716,000
7	THQ Taxila	10,372,473
	Total	32,883,963

Audit is of the view that due to internal control failures and financial mismanagement, the neither the accounting system was followed nor the guide lines of health council were adopted.

The matter was reported to managements in August 2019. DAC in its meeting held on 02.01.2020 directed to get the approval from Finance Department. No compliance was reported till finalization of this report.

Audit recommends fixing responsibility of the person(s) at fault besides regularization.

(AIR Para-20,9,20,4,3,24,20)

17.5.2.2 Doubtful execution of unapproved development schemes - Rs21.634 million

According to Rule 2.82 of B&R Code, it is a fundamental rule that no work shall be commenced unless Administrative Approval by competent authority is given, and properly detailed design and estimate have been sanctioned, allotment of funds made and orders for its commencement issued by competent authority

During audit of CEO (Health) Rawalpindi for the year 2018-19 and study of development schemes documents, it was observed that following schemes were shown executed by the XEN Building Division-2 but their ADPs and inclusion in expenditure statement were not found. Detail is as under:

(Rs in million)			
Sr. No.	Name of schemes	Approved Cost	Expenditure
1	Provision of Missing Facilities in THQ Hospital Gujer Khan	14.985	13.408
2	Provision of Missing Facilities in THQ Hospital Taxila	Not known	7.824
3	Provision of Missing Facilities in THQ Hospital, Kotli Satian	Not known	0.402
		Total	21.634

Further, the funds provided differs with the expenditure incurred against the scheme mentioned at Sr.No.1, which needs justification

Audit is of the view that due to weak financial discipline schemes were allowed to be executed without administrative approval of the authority.

Matter was reported to the management in August 2019. No reply was submitted by the department in DAC meeting held on 02.01.2020. DAC kept the para pending. No compliance was reported till finalization of this report.

Audit recommends fixing responsibility against the person(s) at fault besides regularization.

(AIR Para No. 22)

17.5.2.3 Un-authorized expenditure on M&R in hospital without valid administrative approval – Rs 4.153 million

According to Para 2.17 of B&R Code, The actual execution of works, asked for by civil officers, must in every case be dependent on the

necessary funds being specifically sanctioned by the competent authority. No work shall be taken up without Administrative Approval, Technical sanction and funds.

Audit of MS THQ Hospital Kotli Sattian for the period 2018-19, it was observed that an expenditure of Rs 4.153 million on M&R of the hospital under revamping program. Scrutiny of the record revealed that the expenditure was incurred without having administrative approval.

Matter was reported to the management in August 2019. Management replied that all the expenditures was approved in health council meetings according to the guidelines of Health council 2018 and after this tender process was carried out for this civil work. Neither such proposal found made in agenda register nor the formal approval was obtained by the health council was shown in the DAC meeting. DAC in its meeting held on 02.01.2020 kept the para pending for the compliance. No compliance was reported till finalization of the report.

Audit recommends for the regularization from the competent authority.

(AIR Para No. 19)

17.5.3 Others

17.5.3.1 Irregular incurring of expenditure through misclassification – Rs 4.800 million

According to NAM, the budgetary allocation be made according to the chart of accounts / classification approved by the Auditor General of Pakistan. Further, according to Rule 12 of General Financial Rules, the expenditure may be incurred for the purpose for which the budget is allocation is made.

Audit of following formations working under the District Health Authority, Rawalpindi, for the period 2018-19 revealed that DDOs incurred expenditure of Rs 4.800 million out of the irrelevant object codes without observing chart of classification, in violation of the criteria. Hence expenditure of Rs 4.800 million was irregular.

Sr. No.	Name of formation	Amount (Rs.)
1	RHC Doultala	891,574
2	CEO (Health)	3,908,623
	Total	4,800,197

Audit is of the view that due to poor performance and non appointment of specialists hospital machinery was not utilized.

Matter was reported to the Managements in August 2019. A DAC meeting was convened on 02.01.2020. In DAC, managements replied that purchases were made as per classification / proper object code which was not accepted by the DAC and directed for regularization. No compliance was reported till finalization of the report.

Audit recommends that expenditure be regularized from the Finance Department.

(AIR Para No. 6,5)

17.5.3.2 Irregular expenditure without approval of health council – Rs 2.671 million

According to Serial No. 3 of Health Council Guidelines issued by Primary & Secondary Health Guidelines provides detail about meeting of Health Council.

During audit of following formations working under the District Health Authority, Rawalpindi, for the period 2018-19, it was observed that these formations incurred an expenditure of Rs 2.671 million out of the health council fund. Scrutiny of the record revealed that the expenditure

was incurred without prior approval of the respective health councils. Further, neither any meeting agenda was circulated nor the council's meeting was convened. In this regard expenditure was irregular.

Sr. No.	Name of formation	Amount (Rs)
1	THQ Murree	1,045,471
2	BHUs Rawalpindi	1,223,074
3	THQ Kalarsyedan	402,900
		2,671,445

Audit is of the view that due to non compliance of rules the irregularity was made.

Matter was reported to the managements in August 2019. Management replied that purchases were made with approval of the councils. No record was provided in support of reply. A DAC meeting was convened on 02.01.2020 and directed to get the regularization. No compliance was reported till finalization of the report.

Audit recommends for the regularization from the competent authority.

(AIR Para No. 3,13,13)

17.5.3.3 Un-authorized payment of GST on electric bill – Rs 2.178 million

As per sixth schedule exemption from sales tax on supply of electricity and gas is available to fifty beds or more teaching and territory care hospitals functioning under the control of Punjab Health Department¹²⁷.

During audit of the following hospitals working under District Health Authority, Rawalpindi for the financial year 2018-19 it was observed that these hospital paid GST worth Rs 2.178 million on the different utility bills. Payment of GST was un-authorized as these hospitals were exempt from sales tax under sixth schedule of Sales Tax Act, 1990, being more than 40 bedded hospitals. This resulted in un-authorized payment of GST. Detail is as under:

Sr. No.	Name of formation	GST (Rs.)
1	MS THQ Hospital Kallar Syedan	339,171
2	Wah General Hospital	889,929

¹²⁷ Clarification issued by Section Officer-I of FBR Regional Tax Office, Faisalabad vide letter No.318 dated.07.02.2018

3	MS THQ Hospital Murree	419111
4	MS THQ Hospital Kahuta	232218
5	MS THQ Hospital G.Khan	297659
		2,178,088

Audit is of the view that overpayment was made due to weak financial control.

Matter was reported to the management in August 2019. Management replied that efforts are being made to get the adjustment in the bills of the supplying companies. DAC in its meeting held on 02.01.2020 directed the DDO to get the adjustment by the IESCO & SNGPL authorities. No compliance was reported till finalization of the report.

Audit recommends for early adjustments of the GST from IESCO.

(AIR Para No. 7,4,19,15,13)

17.5.3.4 Loss to government due to shortage of store - Rs 1.738 million

According to Rule 2.33 of PFR Vol-I, every government servant should realized fully and clearly that he will be held personally responsible for any loss sustained by government through fraud or negligence on his part. Rule 15.4, 15.5 and 15.7of PFR Vol-1, the expenditure should not be prima facie more than the occasion demands and all purchases should be accounted for in the stock register and issued on prescribed form where closing entry must be clear on stock register which is attested by DDO.

During audit it was observed that the MS THQ Hospital Kotli Sattian, procured different general and medicine store items like, cotton rolls, ARV Vaccine, dental cartage etc during 2018-19 for Rs 1.738 million. On verification and comparing of stock (main) register with stock in store, it was observed that stock was found short in the store. Further, store expense was shown without indents for laboratory and X-Ray. Moreover indents of emergency were not found available in the record to verify the expense.

Audit is of the view that due to weak managerial controls, store was improperly maintained and found short.

Matter was reported to the management in August 2019. Management replied that there is no shortage in the store. DAC in its meeting held on 02.01.2020 directed to probe the matter for recovery and

fixing responsibility. No compliance was reported till finalization of the report.

Audit recommends fixing responsibility against person(s) at fault besides making government loss good.

(AIR Para No.6)

17.5.3.5 Non-imposition of penalty – Rs 1.608 million

According to the Clause 4 of contract, work should be completed within 60 days of the work order and in case of delay, penalty @ 10% be imposed.

During audit of following formations working under the District Health Authority, Rawalpindi, for the period 2018-19, it was observed that these formations incurred an expenditure of Rs 16.083 million on execution of civil work. Scrutiny of the record revealed that these schemes were not completed within stipulated time but the management did not impose penalty clause. The negligence resulted in loss to government for Rs 1.608 million. Detail is as under:

(Rs in million)

Sr. No.	Name of formation	Amount	Penalty @10%
1	THQ Hospital, Taxila	9.205	0.920
2	THQ Hospital, Kotli Sattian	6.878	0.688
	Total	16.083	1.608

Matter was reported to the managements in August 2019. MS THQ Hospital Taxila replied that the firm executing the civil work (M/s Amjad Mehmood & sons) requested the management to grant them extra time for the execution of civil work due to unforeseen & and uncontrollable circumstances and management Reply was not accepted as penalty was not imposed. Similarly, MS THQ Hospital Kotli Sattian replied that that in first phase work was completed within time so there was no penalty imposed and in second phase penalty is imposed relevant documents have been attached herewith. Reply was not acceptable as no supporting document regarding imposing penalty was provided. DAC in its meeting held on 02.01.2020 directed to impose the penalty on the firms. No compliance was reported till finalization of the report. .

Audit recommends for recovery of penalty besides action against the person(s) at fault.

(AIR Para No.18,22)

17.5.3.6 Irregular expenditure without proper approval of health council – Rs 1.421 million

According to Sr. No. 1.3 of Health Council Guidelines issued by Primary & Secondary Health Guidelines following will be the constitution of health council:

Sr. No	Particular	Remarks
1	Medical Officer of BHU concerned	Chairperson
2	School Health Nutrition Supervisor of Concerned BHU	Secretary
3	Executive Monitoring PHFMC	Member
4	Headmaster of nearest High School	Member
5	Lambardar of concerned moza/village	Member

Audit of Health Council Funds of BHUs of District Rawalpindi for the period 2018-19 revealed that following BHUs incurred an expenditure of Rs1,421,002 from health council fund. Expenditure was irregular as members of health council were nominated in violation of the policy / guidelines issued by Primary & Secondary Health Care Department. In some cases LHVs and Dispensers were performing the functions of the chairman and secretary of BHUs Health Council and in some cases LHVs and Naib Qasids were nominated as Chairman and Secretary of Health Council. Detail is as under:

Name of BHU	Amount (Rs)	Remarks
BHU Jungle	410,000	Miss Ambreen Akhter LHV as chairperson and Mr. Jamshed Ishaq Dispenser as Secretary Health Council vide DDO Health Gujar Khan vide letter No.456 dated.16.03.2017. Moreover, cash book of BHU Jungle is not signed till now.
BHU Karub Baloch	100,000	Sectary HC is LHV
BHU Kasran	200,000	HC Chairman is FMT & Sectary is Dispenser
BHU Sukho	611,002	HC chairman is Medical Assistant Shahaid Masood
BHU Devi	100,000	HC chairman is LHV and Sectary is Naib qasid
Total	1,421,002	

Audit is of the view that due to non compliance of rules the irregularity was made.

Matter was reported to the management in August 2019. Management replied that being administrator of Basic Health Units, Rawalpindi, already directions were passed to the concerned Deputy District Health officers, chairpersons and secretaries of Health Council to submit relevant documents regarding health council audit. DAC in its meeting held on 02.01.2020 directed for regularization. No compliance was reported till finalization of this report.

Auditors recommend that responsibility against the person(s) at fault be fixed besides regularization.

(AIR Para No. 14)

17.5.3.7 Non forfeiture of 5% earnest money - Rs 1.380 million

According to clause 6 of rate contract awarded by CEO (DHA) Rawalpindi to various firms, if the successful bidders fail to supply the goods as per orders within the stipulated time/as per terms and conditions of the contract or they try to withdraw/amend/revise their offer within the validity period, the offer shall stand cancelled, the earnest money/call deposit/security deposit will be forfeited and the relevant goods will be purchased at the risk and cost of the bidder.

During audit of following formations working under the District Health Authority, Rawalpindi, for the period 2018-19, it was observed that these formations incurred an expenditure of Rs 27.609 million on account of Purchase of Bulk Medicines from various suppliers. On scrutiny of delivery challans it was noticed that these firms failed to supply medicines within stipulated time. Management did not forfeit their earnest money amounting to Rs 1.380 million as penalty. Non-forfeiting of earnest money resulted in loss to government. Detail is as under:

Sr. No.	Name of formation	AIR Para No.	Amount (Rs)	Earnest Money (Rs)
1	DHO (MS)	3	8,801,995	440,100
2	THQ Kallar Syedan	1	2,380,034	119,002
3	Wah General Hospital	3	4,624,226	231,211
4	THQ Murree	8	2,782,884	139,144
5	THQ Kahuta	2	2,652,955	132,648
6	THQ Kallar Syedan	14	401,652	20,083
7	THQ Kahuta	3	2,636,510	131,826
8	THQ Gujar Khan	10	3,328,740	166,437
		Total	27,608,996	1,380,451

Audit is of the view that overpayment was made due to weak financial control.

Matter was reported to the managements in August 2019. Managements replied that the work was awarded by the CEO and the security is rest with their office. The reply was not tenable as CEO DHA Health Rawalpindi did not forfeit the earnest money under the above mentioned criteria. DAC in its meeting directed to forfeit the earnest money in compliance of the contract clause. No compliance was reported till finalization of the report.

Audit recommends forfeiture of earnest money of the firms besides taking appropriate action against person(s) at fault.

(AIR Para No.3,13,8,2,14,3,10)

CHAPTER 18

DISTRICT HEALTH AUTHORITY, SARGODHA

18.1 Introduction of the Authority

District Health Authority, Sargodha was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Sargodha is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authorities, Sargodha as delineated in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Sargodha manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
Basic Health Units	138
Government Rural Dispensary	40
Rural Health Centre	12
Tehsil Head Quarter Hospitals	08

District Head Quarter Hospitals	01
District Health Development Centre	01
District Health Officers	03
Any other institute/ health facility	16

18.2 Audit Profile of District Health Authority, Sargodha

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Sargodha	35	11	1,527.92	0

18.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 806.926 million were raised in this report during current audit of “District Health Authority, Sargodha.” This amount also includes recoveries of Rs 50.988 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	3.782
2	Reported cases of fraud, embezzlement, and misappropriation	8.858
3	Irregularities:	-
	D. HR/Employees related irregularities	102.719
	E. Procurement related irregularities	85.686
	F. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	129.035
5	Others	476.846
	Total	806.926

18.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	11	Not convened
2	2018-19	16	Not convened

18.5 AUDIT PARAS

18.5.1 Non production of record

18.5.1.1 Non production of record of Health Council Fund- Rs 3.782 million

According to Section 14 (2, 3) of Auditor General of Pakistan (Functions, Powers & Terms and Conditions of Service) Ordinance 2001, the officer in charge of any office shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete as possible and with all reasonable expedition. Any person or authority hindering the auditorial functions of the Auditor General of Pakistan regarding inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Discipline Rules, applicable to such person.

Scrutiny of record of THQ Sillanwali for the year 2018-19 revealed that an amount of Rs 3.782 million was expended out of Health Council as evident from Bank Statement of current account bearing No. 0387-1005213553. It was observed that record of civil works and vouched account of contingent expenditures was neither maintained nor produced to Audit for necessary verification, which leads to doubtful expenditure in health council fund.

Audit is of the view that due to weak internal controls and negligence on the part of management, relevant record was not produced.

Non-production of record resulted in unauthentic expenditure of Rs 3.782 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department neither submitted annotated reply / working papers nor attended the meeting. The audit explained that the record seems to relate misappropriation. It is therefore it was not produced to audit.

DAC considered it serious offence on the part of THQ management and directed to probe into the matter, fix responsibilities besides production of record to audit for verification. No reply was shown to audit till the finalization of this report.

Audit recommends production of record for verification and action against the responsible persons.

[PDP No. 85, 86]

18.5.2 Misappropriation

18.5.2.1 Illegal / doubtful drawl and disbursement of funds - Rs 3.294 million

According to rule 2.33 of PFR Vol-I, every government servant should fully realize that he will be held personally responsible for any loss sustained by government through fraud or negligence.

Scrutiny of the account record /Cash book of THQ Sillanwali Sargodha revealed that Ex-Medical Superintendent relinquished the charge on 31-12-18 after superannuation. DDO power granted to next MS as on 28.03.2019 whereas an amount of Rs 3.294 million was drawn and disbursed in the intervening period. The whereabouts of this amount was not available in record leads to misappropriation of public money.

Audit is of the view that due to weak financial control fund were illegally drawn / misappropriated.

This resulted in misappropriation of funds – Rs 3.294 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department neither submitted annotated reply / working papers nor attended the meeting. Audit explained that the para relate to misappropriation as the management could not justify it during the currency of audit nor submitted annotated replies for DAC. The DAC considered it serious offence at the part of THQ management and directed to probe into the matter, fix responsibilities and recover resultant fraudulent payment besides action against the person at fault. No compliance was shown to audit till the finalization of this report.

Audit recommends to probe into the matter, fixing of responsibility, action under PEEDA Act, besides recovery from the culprits.

[PDP No. 78]

18.5.2.2 Misappropriation of medicine Rs 3.781 million

According to rule 2.33 of PFR Vol-I, every government servant should fully realize that he will be held personally responsible for any loss sustained by government through fraud or negligence.

Scrutiny of account record of THQ Sillanwali Sargodha revealed that medicine costing Rs 2.085 million was issued to evening dispensary during 2018-19. The indents presented to audit were only signed by MS, the signatures of pharmacist and storekeeper did not exist on the indents nor the receiving of medicine was found in the back of indents. The

officials deployed at evening dispensary had denied about the receipt of medicines in the evening dispensary. Audit further noticed that medicines purchase were by generic name, without brand and batch number. Audit observed that the medicines was misappropriated Rs 3.781 million.

Audit is of the view that due to weak financial control medicines shown issued to evening dispensary were misappropriated.

This resulted in misappropriation of medicine from evening dispensary Rs 2.086

The matter was discussed in DAC meeting held on 27.11.2019. The department neither submitted annotated reply / working papers nor attended the meeting. The DAC considered it a serious offence on the part of THQ management and directed to probe into the matter, fix responsibilities and recover resultant fraudulent payment besides action against the person at fault. No compliance was shown to audit till the finalization of this report.

Audit recommends that stated amount may be recovered from person at fault besides investigation for this misappropriation and action under PEEDA Act.

[PDP Nos. 69&77]

18.5.2.3 Bogus purchase of medicine-Rs1.783 million

According to rule 2.33 of PFR Vol-I, every government servant should fully realize that he will be held personally responsible for any loss sustained by government through fraud or negligence.

Scrutiny of the account record of THQ Sillanwali Sargodha revealed that payment of medicine was made to Sargodha Pharmacy against the petty purchase of medicine. Most of the medicines were not physically available in stock. Findings of the probe committee also confirmed this state of affairs. Neither stock register was available nor provided to audit to check the physical existence of these medicines. Non availability of theses medicines leads to non-supply and misappropriation of funds of medicines.

Audit is of the view that due to weak internal and financial controls, medicines was misappropriated.

This resulted in loss to Govt due to misappropriation of medicines Rs1.783 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department neither submitted annotated reply / working papers nor

attended the meeting. Audit explained that the para relate to misappropriation as the management could not justify it during the currency of audit nor submitted annotated replies for DAC. The DAC considered it serious offence at the part of THQ management and directed to probe into the matter, fix responsibilities and recover resultant fraudulent payment besides action against the person at fault. No compliance was shown to audit till the finalization of this report.

Audit recommends that stated amount may be recovered from person at fault besides action against the culprits, under prevailing rules.

[PDP No. 71]

18.5.3 Irregularities

18.5.3.1 HR / Employees related irregularities

18.5.3.1.1 Irregular payment of pay & allowance due to illegal up-Gradation of Chief Technician Rs 25.0 million

According to 1st schedule of Punjab Health Department Allied Health Professionals (service) Rules, 2012, the post of Chief Technician (all categories) was to be filled 25% by initial recruitment and 75% by promotion, amongst the senior technicians in the relevant allied health sciences discipline having five year service on attending technical/refresher training for three months at DHDC and after passing examination of health department/Punjab Medical Faculty.

Scrutiny of HR data of District Health Authority, Sargodha for the Financial Year 2018-19 revealed that 42 number of Chief Technicians BPS-16 were upgraded over and above the prescribed ratio. Audit noticed the DHA made irregular payment on pay and allowances Rs 25.00 million. The expenditure stand irregular as under.

- i. In most of the cases, the incumbent were directly up graded to the posts of Chief Technician from Junior Technician BPS-09 & Technicians BPS-12.
- ii. Incumbents were up graded without mandatory trainings and qualifying examination of Punjab Medical Faculty.
- iii. The orders of DG Health i.e. competent authority for promotions for the post of chief technicians were not available on record.
- iv. Incorrect number of posts were calculated by applying 1% ratio on BS-17 to avail 14% ratio on BS-16 (chief technician post) in violation of 4 tier service structure.
- v. Incumbents were up graded without mandatory trainings and qualifying examination of Punjab Medical Faculty.
- vi. 25% reserved seats (for BSc graduates) of initial recruitments were also occupied through up gradation.
- vii. junior technicians of BS-09 were up-graded at the post of Senior technicians more than prescribed ratio.

Average Financial Impact of BPS-16 each post per month	10,000
Total Financial Impact for FY2018-19 (42 posts x Rs10,000 x 12 months)	5,040,000

Audit is of the view that due to weak internal and financial controls irregular higher scales were awarded.

This resulted in irregular expenditure of (Rs50,000 x 42 x 12) Rs25 million on pay & allowances and excess payment of Rs5.00 million (10,000x42x12).

The matter was discussed in DAC in its meeting held on 27.11.2019. Department informed the committee that the matter is in the court. The DAC pended the para till decision of the court / recovery. No compliance was shown to audit till finalization of this report.

Audit recommends action in the light of court's judgment.

[PDP No. 30]

18.5.3.1.2 Irregular Expenditure on Pay & allowances during general duty – Rs 23.241 million

Health Department discontinued all general duty orders of doctors and staff working in hospital facilities. All the CEOs of health authorities were directed to cancel all general duty orders of medical, paramedical and other staff and depute them at their original place of posting¹²⁸.

During audit of District Health Officer, Sargodha for the Financial Year 2018-19, scrutiny of biometric attendance system revealed that a large number of employees of BHUs were on general duties in violation of the directions of Director General Health Services. The staff remained deputed on general duty, the drawl of Rs 23.241 million on account of pay & allowances was held irregular.

Audit is of the view that due to weak administrative controls staff remained deputed on general duty in violation of DG Health's directions.

This resulted in irregular payment of pay and allowances of Rs 23.241 million.

The matter was discussed in DAC in its meeting held on 27.11.2019. Department replied that the competent authority can utilize human power at his own level on administrative grounds with placing the staff on general/ temporary duty in the best interest of public. Audit contended that no employee can be posted / transferred out as general duty for more than three months. DAC pended the para with direction to get the expenditure regularized from competent forum. No compliance was shown to audit till the finalization of this report.

Audit recommends regularization of the expenditure from competent forum.

¹²⁸ Director General Health letter No. 211-246/Admn dated 24.01.2018

18.5.3.1.3 Un-authorized payment of incentive allowance – Rs 23.899 million

specialist should visit the hospital in the evening and stay for one hour for round in the wards after check in on the biometric system otherwise 40% of the incentive allowance should be deducted¹²⁹.

During scrutiny of HR data of following formations of DHA Sargodha, it was observed that consultant doctors were drawing full amount of incentive allowance without visiting the hospital in the evening during 2018-19. There was no proof of evening visits in biometric attendance system of concerned Hospital. This resulted in overpayment of Rs 23.899 million on account of Incentive Allowance.

Sr. No.	Department	Amount (Rs in million)
1	THQ Hospital Shahpur	3.550
2	THQ Hospital 90 SB	6.079
3	THQ Hospital Kotmomin	8.723
4	THQ Hospital Baghtanwala	5.547
Total:-		23.899

Audit holds that due to financial mismanagement and weak financial controls 40% incentive allowance was not deducted.

This resulted in unauthorized payment of incentive allowance Rs 23.899 million.

The matter was discussed in DAC in its meeting held on 27.11.2019. Department replied that the incentive allowance was paid to the consultants on submission of affidavit that they would be on call 24/7 and on verification of bio metric attendance by MS of respective health facility. Audit contended that the department could not provide bio metric attendance during currency of audit as well as during verification of record for DAC. It would be against the spirit of Incentive Allowance, if it is paid to the consultants who had not visited hospital and attended patient in the evening throughout the year. DAC directed the department to seek clarification from health department, Govt. of the Punjab. No compliance was shown to audit till the finalization of this report.

Audit recommends recovery of overpayment from concerned officials, besides fixing responsibility for making overpayment.

¹²⁹ Primary & Secondary Healthcare Department Government of the Punjab No.PA/DS (G)4-8/2016 dated August 3, 2016

18.5.3.1.4 Non-recovery of inadmissible allowances – Rs 14.026 million

In case a designated residence is available, the Government servant cannot draw HRA for whom it means¹³⁰. Officers who are availing government vehicles including bikes (sanctioned/Pool) are not entitled the facility of Conveyance Allowance. Moreover, Conveyance Allowance is also not admissible during earned leave¹³¹. HSRP allowance is admissible to doctors, para-medic & other staff perform at RHCs and BHUs¹³². According to (XIII)(i)(b) Contract Appointment Policy in 2004 of Government of the Punjab “Social Security Benefit is admissible only to contract employees. Non-practicing allowance @ Rs 4,000 P.M (BS- 17 & 18) and Rs 6,000 P.M (BS-19 & 20) w.e.f 1.1.2007 is admissible only for those doctors who do not opt for private practice¹³³. According to Para 10(xii) of the Revised Basic Pay Scale 2005, Integrated Allowance is admissible to Naib Qasid, Daftri, Farash, Chowkidar, Sweeper/Sweeppress.

Scrutiny of record for the financial year 2018-19 revealed that some DDOs of District Health Authority, Sargodha made unauthorized payment of Rs 14.026 million on account of inadmissible allowances in violation of the rule *ibid*.

Audit held that due to weak internal controls inadmissible allowances were paid.

This resulted in payment of inadmissible allowances Rs 14.026 million

The matter was discussed in DAC in its meeting held on 27.11.2019. The department replied that all the health formations have been directed to calculate and deduct the miscellaneous allowance. Department further replied that the staff was posted in general duties at the best interest of public. DAC did not accept the contentions of the departments and kept the para pending with the direction to recover the stated amount within 60 days. No compliance was shown to audit till the finalization of this report.

¹³⁰ Finance Department letter No. FD(M-1)1-15/82-P-I dated 15.1.2000

¹³¹ Finance Department letter No.FD.SR-1.9.4/86(P)(PR) dated 21.4.2014

¹³² Punjab Health Department Letter No.PMU/PHSRP/G.1-06/61/270-340 dated 16th March 2007

¹³³ Government of Punjab, Health Department’ s order No SO(N.D)2-26/2004(P.II)

Audit recommends recovery of overpaid in admissible allowances from the employees concerned.

18.5.3.1.5 Irregular expenditure on account of pay & allowances of computer operators - Rs 8.285 million

Health department discontinued all general duty orders of doctors and staff working in hospital facilities. All the CEOs of health authorities were directed to cancel all general duty orders of medical, paramedical and other staff and depute them at their original place of posting¹³⁴.

Scrutiny of record of DHO Sargodha revealed that 21 Computer operators appointed against sanctioned posts of BHUs drew Rs 8.284 million on account of pay and allowances for the Financial Year 2018-19. Audit noticed that neither computers were available at BHUs nor the computer operators performed duties at BHUs as is evident from the absence of biometric record of BHUs. The computer operators were either remained deployed on general duties without any legal authority or drew salaries without performing duties in some instances. Moreover, some of the computer operators were performing duties in provincial government offices outside district health authority and drew pay from District health authority budget AC-VI without any legal authority.

This resulted in irregular expenditure on pay and allowances of computer operators- Rs 8.285 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that Deputy Commissioner, Sargodha being Health Management Resource Authority is competent to utilize human power at his own. Audit contended that the Chairman of the DHA has no power to transfer and utilize the services of health authority personnel to any other department. DAC pended the para with direction to transfer the employee to the parent office. No compliance was shown to audit till the finalization of this report.

Audit recommends regularization of the expenditure from competent forum.

[PDP No. 31]

18.5.3.1.6 Non-contribution to pension contribution of MC/ZC employees Rs 2.546 million

According to Rules 6 (K) of District Authorities Budget Rules, 2017 read with para 5 of notification number FD(DG)1/Instruction-Act-

¹³⁴ Director General Health letter No. 211-246/Admn dated 24.01.2018,

13/2016 dated 25.05.2016 of Finance Department Government of the Punjab, the budget and accounts officer shall be responsible to maintain pension fund for the Government employees of Health sector adjusted in the District Authority. The Authority shall deposit the monthly pension contribution @ 40%/50% as the case may be of the pay of employees of defunct MC/ZC adjusted in authority w.e.f. 01.01.2017 onward to the District Health Authority Pension Funds.

During audit of CEO Health Authority Sargodha for Financial Year 2018-19 it was observed that Health Authority, Sargodha did not pay pension contribution of 62 employees of Zila Council and Municipal Committees up to the date of audit.

Audit is of the view that non-contribution of pension contribution of MC/ZC employees was due to weak financial discipline.

This resulted in non contribution of pension contribution. of Rs 2.546 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that PFC share has released on monthly basis which is not sufficient. DAC pended the para with the direction to make payment of pension contribution of ZC employees. No compliance was shown to audit till the finalization of this report.

Audit recommends payment of pension contribution at the earliest.

[PDP No. 18]

18.5.3.1.7 Unjustified payment of salary-Rs 2.511 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

During examination of record of THQ Hospital, Sillanwali for the year 2018-19, it was noticed that unjustified salary amounting to Rs 2.511 million was paid to the officers of Health Department from the budget grant of THQ Hospital Sillanwali. The officers were not at the strength of the hospital. Management of the hospital did not know the whereabouts of the officers. The record also revealed that the designation of the officers did not relate to THQ Hospital Sillanwali. Moreover, Two Medical Superintendents were drawing the salary against the one post of Medical Superintendent.

Name of Officer	Designation as used for draw of salary	Amount of Gross Salary as per record (period from 7/18 to 6/19)	Total Amount
Mr. Shafqat Ullah Nasir	MS	104,993	1,259,916
Dr. Zafar Shah	District Officer	104,248	1,250,976
TOTAL			2,510,892

It is pertinent to mention that audit team worked out the amount of salary on the basis of pay slips as provided by management of auditee formation. The management may work out the amount of salary on the basis of whole relevant record.

Audit is of the view that due to weak in financial controls, the salary was paid to unknown officers.

This resulted in loss to government amounting to Rs 2.510 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department neither submitted annotated reply / working papers nor attended the meeting. The DAC considered it serious offence at the part of THQ management. DAC directed the department to probe into the matter, fix responsibilities and recover resultant fraudulent payment besides action against the person at fault. Para was kept pended. No compliance was shown to audit till the finalization of this report.

Audit recommends probe into the matter, fixing of responsibility, action under PEEDA Act besides recovery of fraudulent payment.

[PDP No. 89]

18.5.3.1.8 Non-recovery of penal rent from unauthorized occupants - Rs 1.224 million

Government residences should be vacated within the grace period of two months from the date of transfer/promotion otherwise penal rent @ 60% of basic pay shall be recovered from the occupant¹³⁵.

During audit of following formations under District Health Authority, Sargodha for the Financial Year 2018-19, it was noticed that illegal occupants were residing in the official accommodation of the health premises. The management neither intimate to the controlling authority about these illegal occupants since from the date of their residing in the hospital accommodation nor make any serious effort to vacate these

¹³⁵ Finance Department letter No. SO (SR) IV-3/38-78 dated 30-06-1979,

residences or made recovery of Rs 1.224 million from these occupant. It was a serious lapse on the part of the management as detailed below;

Sr. No.	Department	Occupants	Period	Basic Pay (average) of scale for resident meant	60% Penal Rent per month Rs.	Recovery Penal Rent of Rs.
1.	THQ Hospital Bhalwal	Bazaga Jabeen LHV	7-18 to 6-19	35000	21000*12	252,000
2.	THQ Hospital Sillanwali	Dr. Munawar (BS-19)	7/18 to 6/19	55,000	33,000*12	396,000
3.	THQ Hospital Sahiwal	AC Tihsil sahiwal	7-18 to 6-19	40000	24000*12	288,000
		SHO Thana Sahiwal	7-18 to 6-19	40000	24000*12	288,000
	Total:					828,396

Audit is of the view that due to weak administrative controls, paid rent could be recovered from unauthorized person residing in the residence of hospital.

This resulted in recovery of penal rent of Rs 1.224 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that notices have been issued and recovery has been started through SAP .No record of pay slips provided to audit for verification. DAC pended the para with the direction to make recovery within 30 days.

Audit recommends for the recovery of stated amount.

[PDP No. 55, 84, 111]

18.5.3.1.9 Doubtful payment on account of pay & allowances through off cycle – Rs1.987 million

According to rule 2.33 of PFR Vol-I, every government servant should fully realize that he will be held personally responsible for any loss sustained by government through fraud or negligence.

During desk audit, scrutiny of record revealed that listed below employees were paid Rs 1.987 million on account of pay & allowances through off cycle and expenditure was charged to the cost center “SM-9040 MS THQ Shahpur” and “SM-9091 THQ Hospital 46 SB”. Further scrutiny of record revealed that these employees were not at the strength of these THQ Hospitals. In absence of the posting transfer or any other

record, at THQ, payment to these employees from off cycle seems doubtful.

Sr. No.	Department	Amount (Rs in million)
1.	THQ Hospital Shahpur	1.534
2.	THQ Hospital 46 SB	0.453
	Total:	1.987

Audit is of the view that due to weak internal and financial controls employees were paid from cost center of THQ through off cycle without any record at THQ.

This resulted in doubtful payment of Rs 1.987 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that leave encashment, GPF advances etc. were paid to the employees through off cycle, but could not produce relevant record. DAC pended the para with directions to provide documentary evidence in support of payments made. No compliance was shown to audit till the finalization of this report.

Audit recommends probe in the matter for finding facts.

[PDP No. 138, 161]

18.5.3.2 Procurement related irregularities

18.5.3.2.1 Irregular Expenditure in violation of PPRA -Rs 45.344 million

According to Rule 12(1) read with Rule 9 of Punjab Procurement Rules 2014, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by PPRA regulation from time to time. A procuring agency shall announce in an appropriate manner all proposed procurements for each Financial Year and shall proceed accordingly without any splitting of the procurements so planned. The annual requirements thus determined would be advertised in advance on the PPRA's website.

Following formations of District Health Authority, Sargodha expensed Rs 45.344 million for the purchase of different store items during the Financial Year 2018-19. Job orders were split up in order to avoid open tender on PPRA website.

Sr.No.	Department	Description	Amount (Rs in million)
1.	CEO DHA, Sargodha	Stationery	2.066
2.	DOH Sargodha	Store items	3.429
3.	THQ Sillanwali	Other store items	9.968
4.	THQ Sillanwali	Stationery	0.591
5.	THQ Sahiwal	Others, printing, stationery & COS	13.616
6.	THQ Shahpur	-do-	3.768
7.	THQ Hospital chak 46/SB	Medicine	3.964
8.	THQ Hospital chak 46/SB	Air conditioners etc	1.005
9.	THQ Hospital chak 46/SB	X-ray, lab items etc	1.092
10.	THQ Hospital chak 46/SB	Printing etc.	0.435
11.	THQ 90/SB	Electric items	1.575
Total			45.344

Audit holds that payment for purchase of store items without advertisement on PPRA website was due to weak internal control.

This resulted in irregular expenditure of Rs 45.344 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that due to insufficient PFC share and less provision of funds the tender cannot be advertised. Further some purchases were made on urgent basis by the orders of the higher authorities. DAC reduced the Para to the tune of Rs 40.34 million after verification of record and kept the

para pended for regularization. No compliance was shown to audit till the finalization of this report.

Audit recommends probe into the matter, fixing responsibility, besides its regularization from the competent authority/forum.

[PDP No. 8, 21, 82, 87, 109, 123, 141, 143, 145, 151, 171]

18.5.3.2.2 Non imposition of penalty for acceptance of below shelf life medicines - Rs 0.604 million

Shelf life in case of imported items must not be less than 80% and in case of local items 90% at the time of delivery. However, in case of imported medicines, the stores may be accepted up to 70% shelf life and in case of locally manufactured / packed drugs up to 80% at the time of supply / delivery subject to 1% penalty charges for the actual short fall¹³⁶.

DDOs of following formations of District Health Authority Sargodha procured medicines for Rs 27.558 million during the financial year 2018-19. The purchased medicine was below shelf life of 90% but deduction of penalty @ 1% amounting to Rs 0.604 million was not made from the suppliers of medicines in violation of above.

Sr. No.	Name of formation	Expenditure (Rs)	Amount of penalty (Rs)
1	CEO DHA Sargodha	6,833,610	410,017
2.	THQ Hospital Bhalwal	9,450,000	47,250
3.	THQ Hospital Sillanwali	866,250	43,312
4.	THQ Hospital 90 SB	3,193,020	31,930
5.	THQ Hospital Kotmomin	4,022,207	40,222
6.	THQ Hospital Kotmomin	3,193,020	31,930
	Total:	27,558,107	604,661

udit was of the view that due to weak administrative / technical controls medicines of below shelf life were accepted without imposition of penalty.

This resulted in non-imposition of penalty on acceptance of less shelf life medicines Rs 0.604 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that the concerned firm has been requested for payment of penalty. DAC directed for recovery within 30 days and pended the para. No compliance was shown to audit till the finalization of this report.

¹³⁶ Government of Punjab Health Department Notification No.S.O (P-I) H/3-64/2008 dated 18th October 2008

Audit recommends for the recovery of penalty from the pharmaceutical companies.

[PDP No. 16, 58, 76, 186, 204, 205]

18.5.3.2.3 Irregular/un-economical purchase of medicines - Rs 19.459 million

Locally purchased medicine should not be for more than seven days for the patient¹³⁷. Further as per instruction issued by the Health Department Govt. of Punjab, LP medicine should be purchase maximum 15% of the total budget.

Scrutiny of record of District Officer Health for the period 2018-19 revealed that DHO purchased LP medicines of Rs 19.459 million during 2018-19. Audit observed that the medicine purchased as LP medicine was supplied to BHUs sufficient for their half yearly requirement instead for seven days. Audit is of the view that the medicine was required to be purchased through bulk medicine rate contract (more economical purchase) instead on MRP. Furthermore, total budget of DHO for medicines was utilized on purchase of LP medicines instead 15%.

This resulted in irregular / un-economical purchase of medicines Rs 19.459 million.

The matter was discussed in DAC in its meeting held on 27.11.2019. The department replied that medicines were purchased to meet the requirement of 134 BHUs, 20 MCH centers & 18 rural dispensaries to achieve the goals of health community. This condition does not apply for the patients of field health facilities. The DAC upheld the view point of audit and directed for probe, fixing responsibility, resultant recovery from responsables besides regularization of expenditure from competent forum. No compliance was shown to audit till the finalization of this report.

Audit recommends regularization of expenditure from competent authority besides fixing of responsibility for laps against the person (s) at fault.

[PDP No. 26]

¹³⁷ Health deptt. Letter No. AAC/HD/1-92/94 (P) dated 14-4-1998

18.5.3.2.4 Irregular purchase of LP medicines for-Rs 9.913 million

Following guidelines were issued for incurring expenditure on local purchase of medicines¹³⁸.

- i. LP drugs should be received, defaced and issued from store against the proper acknowledgment on the register.
- ii. Discount rate for drugs of national firm should be from 8 % to 12%.
- iii. Consultant recommending medicines will put his stamp with name.
- iv. Separate treatment register should be maintained encompassing name, registration number, address, diagnosis medicines etc.
- v. Pharmacists should verify the bills in comparison entries in the tock register.
- vi. Budget for day to day and bulk should be segregated and notified on receipt of allocation.
- vii. Patient should be registered at the central point
- viii. LP should not be more than 7 days for one patient
- ix. Medical store should be situated in a radius of 2 KMs or delivery desk be provided within or near the hospital

Scrutiny of accounts record of THQ Hospital chak No.46 SB and THQ Kotmomin District Sargodha revealed that an amount of Rs 9.913 million was spent on the local purchase of medicines. The medicine was to be issued to the indoor patient only whereas medicines were also issued to outdoor (OPD) patients.

Following shortcomings were noticed;

1. No separate treatment register showing the name of patients, diagnosis and medicines recommendation was maintained.
2. Medicines were purchased for patients treated at OPD amounting to Rs 230,700
3. No proper issuance record i.e., indents and acknowledgment of recipient was available on record.
4. Bills with stock entries were not verified by the pharmacist / MO.

Sr.No.	Department	Amount (Rs in million)
1.	THQ Hospital 46 SB	3.964

¹³⁸ Director General of Health Services Punjab letter No. 199-336/MS dated 30.04.1989 the

2.	THQ Hospital Kotmomin	5.949
	Total:-	9.913

Audit holds that due to weak technical and financial controls the management made irregular purchase of L.P medicines.

This resulted in non-credit of receipt under proper account of DEA of Rs 11.255 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that no A-category medical store is available at Tehsil Kotmomin due to which Local purchase of medicine on day to day basis was not possible. However, the medicine was purchased after entering into rate contract through open tendering process as per PPRA rule. DAC directed to produce record for detail verification within 7 days. No compliance was shown to audit till the finalization of this report.

Audit recommends regularization of lapse from competent forum.

[PDP No. 146, 196]

18.5.3.2.5 Un-authorized payment of GST to suppliers Rs 4.481 million

According to Finance Act, 2008 read with section 13 and Sr. No. 52, 52A (sixth schedule) of The Sales Tax Act, 1990, Goods supplied to the hospitals run by the Federal or Provincial Governments or charitable operating hospitals of fifty beds or more or the teaching hospitals of statutory universities of two hundred or more beds” shall be exempt from sales tax.

DDOs of following formations of District Health Authority Sargodha expended Rs 29.894 million for the purchase of store items for different health institutions during 2018-19. Audit noticed that an amount of Rs 4.481 million on account of 17% GST was paid to the suppliers / contractors on exempted items for government hospitals. GST paid to suppliers was a case of overpayment and un-due financial aid to suppliers and wastage of public funds allocated for the health services.

Sr. No.	Department	Expenditure (Rs)	GST (Rs)
1.	DHO, Sargodha	5,585,765	949,580
2.	THQ Hospital Shahpur	6,695,818	972,897
3.	THQ Hospital 90 SB	7,954,286	1,155,751
4.	THQ Hospital Kotmomin	6,309,004	916,693
5.	THQ Hospital Baghtanwala	3,349,617	486,696
	Total:	29,894,490	4,481,617

audit is of the view that due to poor financial discipline amount of GST was paid to suppliers/contractors for sales tax exempted items supplied to government hospital.

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that as per section 52.58 (6th schedule) of Sales Tax Act 1990 exemption is applicable to the hospital of 50 beds or more. The said THQ hospital is 40 bedded which was not exempted of GST. Audit contended that the condition of 50 or more beds are for private, charitable hospitals, and not for the government owned hospitals. The committee upheld the view point of audit and directed for recovery. No compliance was shown to audit till the finalization of this report.

Audit recommends probe in the matter, recovery of overpaid amount besides fixing responsibility of lapse against the person (s) at fault.

[PDP No. 47, 122, 170, 192, 230]

18.5.3.2.6 Overpayment on account of purchase of LP Medicine - Rs 2.557 million

As per condition 9 of the of rate contract of LP medicine issued by MS THQ Kotmomin dated 13.10.2018, if the price being found excess then in District Sargodha or any other District of the Punjab Province then the firm will be bound to refund the excess amount.

Scrutiny of record of DO Health Sargodha for the period 2018-19 revealed that DHO did not float tenders for the purchase of LP medicines during FY 2018-19. The DOH preferred to purchase LP medicine valuing Rs 19,459,735 at rate contract concluded by MS THQ Hospital Kotmomin instead of MS THQ Hospital Baghtanwala despite the fact that L.P rate contract of THQ Bhagrtanwala was cheaper than the rate contract of THQ Kotmomin. Audit is of the view that THQ Kotmomin's tender was for purchase of Rs 3.00 million medicines while DHO purchased medicines of Rs 19.460 million. DHO was bound under financial and purchase rules to float its own tender keeping in view its volume of purchase or made purchase from the supplier who offered more discount on MRP in the district in the best public interest.

Similarly, DHO purchased LP medicine from local market and supplier charged rates over and above the MRP to the tune of Rs 0.669 million.

Audit holds that due to weak internal and administrative controls LP medicines were purchased at higher rates.

This resulted in overpayment of Rs 2.557 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that medicines were purchased to meet the requirement of 134 BHUs, 20 MCH centers & 18 rural dispensaries to achieve the goals of health community. This condition does not apply for the patients of field health facilities. Audit contended that the purchase was made at minimum discount rate. The department could avail higher discount if the purchases were made through rate contract through open competitive tender under PPR. The DAC upheld the viewpoint of audit and directed for probe, fixing responsibility, resultant recovery from responsible besides regularization of expenditure from competent forum.

Audit recommends fixing of responsibility against the person(s) at fault besides making good the loss to government.

[PDP No. 25, 27, 28]

18.5.3.2.7 Non deduction of Income Tax Rs 1.686 million

According to Section 153 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 person or permanent establishment in Pakistan of a non-resident person shall, at the time of making the payment, deduct tax from the gross amount @ 4.5% and 7.5% respectively on accounts of supplies and services rendered.

DDOs of following formations of District Health Authority made payments to suppliers for the purchase of different items but deduction on account of Income Tax was not made from the payment. This resulted in a loss of Rs 1.686 million to the government.

Sr. No.	Department	Amount (Rs)
1.	CEO DHA	768,489
2.	THQ Bhalwal	113288
3.	THQ Sillanwali	31357
4.	THQ Sahiwal	119276
5.	THQ Shahpur	51152
6.	THQ 46 SB	93305
7.	THQ Shahpur	107560
8.	THQ Kotmomin	140645
9.	THQ Bhera	108332
10.	THQ Bhera	122765
11.	THQ Bhaghtanwala	30667
Total:		1,686,836

Audit held that due to weak financial discipline Income Tax was not deducted at source.

This resulted in loss of Rs 1.568 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that the firms are being contacted for payment of taxes. DAC directed the department to affect recovery within 30 days. No compliance was shown to audit till the finalization of this report.

Audit recommends recovery of stated amount besides fixing responsibility against the person (s) at fault.

[PDP No. 01, 59, 92, 104, 132, 144, 175, 199, 214, 218, 235]

18.5.3.2.8 Irregular purchase of LP medicines Rs 1.642 million

According to Rule 2.33 of PFR Vol-I, every government should realize fully and clearly that he would be held personally responsible for any loss sustained by the government through fraud or negligence on his part.

MS THQ Sillanwali incurred an expenditure of Rs 1.642 million on the purchase of LP medicine under “object head A03927-Others” through local purchase. It was noticed that rate contract for purchase of LP medicine was awarded to Sargodha Pharmacy but the purchases was made from Hadayat Ullah & Sons irregularly which leads to doubtful supply.

Audit holds that due to failure of administrative control and financial discipline non-transparent purchase was made from vender without rate contract.

This resulted in an non-transparent purchases of Rs 1.642 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department neither submitted annotated reply/ working papers nor attended the meeting. The DAC considered it serious offence at the part of THQ management and directed the department to probe into the matter and regularize the expenditure from the competent authority. No compliance was shown to audit till the finalization of this report.

Audit recommends to probe into the matter, beside regularization from the competent forum.

[PDP No. 73]

18.5.4 Value for money and service delivery issues

18.5.4.1 Cash payment instead of cross cheque - Rs 64.862 million

According to rule 4(1) of District Authorities accounts Rules 2017, the mode of payments from local fund of District Authority shall be that the payments: (a) up to rupees one thousand may be made in cash (b) exceeding rupees one thousand shall be made through crossed non-negotiable cheque.

During audit of following formations of District Health Authority Sargodha, it was noticed that an amount of Rs 64.862 million was drawn from government treasury through cheque in the name of DDO and payment was made in cash to different firms / suppliers in violation of rule *ibid*.

Sr. No.	Name of Formation	Description	Amount (Rs in million)
1	DOH Sargodha	Leave encashment / financial assistance	44.989
2	THQ Hospital Shahpur	Leave encashment / financial assistance	3.486
3	THQ Hospital Shahpur	Civil work, COS, salary etc	8.894
4	THQ Hospital 90 SB	Leave encashment	1.818
5	THQ Hospital Kotmomin	Leave encashment / financial assistance	4.112
6	THQ Hospital 46 SB	Contingent expenditures	1.563
Total			64.862

Audit was of the view that cash payment to suppliers was due to poor financial discipline.

This resulted in irregular drawl and disbursement of Rs 64.862 million.

The matter was discussed in DAC meeting held on 16.10.2019. The department replied that payment of leave encashment in lieu of LPR & financial assistance to the families of deceased Govt. servant are being made by cash. Further, the cheques/bills of non-gazette employees were made in the name of DDO due to high amount and paid in cash to concerned employee after proper receiving. DAC did not accept the contention of the department and directed the department to take up the case with DAO for future payment in the name of the beneficiaries and get the lapses regularized from competent forum. The DAC pended the para

till verification of payments made to concerned. No compliance was shown to audit till the finalization of this report.

Audit recommends regularization of the matter in a manner prescribed besides fixing responsibility against the officers / officials at fault and production of payment record for verification.

[PDP No. 40, 124, 128, 167, 195, 150]

18.5.4.2 Irregular Expenditure due to misclassification - Rs 25.164 million

According to NAM, the budgetary allocation be made according to the chart of accounts/classification approved by the Auditor General of Pakistan. As per Article 30 of Audit Code, all financial transactions are required to be properly recorded and allocated to proper heads of account. Further, according to Rule 12 of General Financial Rules, the expenditure may be incurred for the purpose for which the budget is allocation is made.

DDOs of following formations of DHA Sargodha incurred an expenditure of Rs 25.164 million on procurement of medicine, repair of machinery, POL, TA/DA, etc and expenditure was charged to “object head-AO-5270 Others” during the Financial Year 2017-19. Audit noticed that neither proper head wise budget allocation was made as mentioned in the Chart of Accounts nor expenditure was booked to actual minor object heads. Resultantly actual figure of expenditure against each minor head was neither transpired nor could be authenticated.

Sr.No.	Department	Amount (Rs in million)
1.	THQ Hospital 46 SB	1.348
2.	THQ Hospital 90 SB	12.20
3.	THQ Hospital Kotmomin	11.616

Audit held that due to weak internal control and financial indiscipline, expenditure of Rs 25.164 million was incurred without following chart of accounts.

This resulted in irregular drawl and disbursement of Rs 25.164 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that purchases in question were made strictly after observing all codal/ legal formalities. Reply of department was not accepted. The committee pended the para till regularization from

competent authority. No compliance was shown to audit till the finalization of this report.

Audit recommends regularization of expenditure from the competent authority besides fixing of responsibility against the person(s) at fault.

[PDP No. 148, 172, 190]

18.5.4.3 Utilization of MSD budget on Local Purchase of Medicines Rs 24.747 million

Seventy five percent of the total budget of medicines will be utilized through bunk purchase of medicines on rate contract awarded by the District Government¹³⁹.

DDOs of following formations of District Health Authority, Sargodha purchased MSD medicine locally instead of bulk purchase on the rate contract awarded by DHA Sargodha. Major portion of MSD budget was used in petty purchase of medicine in violation of above instructions.

Sr. No.	Department	MSD Budget (Rs)	Expenditure (Rs)	Remaining Amount (Rs)
1	THQ Hospital Bhalwal	13,939,130	9,551,018	4,388,112
2	THQ Hospital Sillanwali	12,103,478	6,539,213	5,564,265
3	THQ Hospital Sahiwal	12,103,478	8,657,432	3,446,046
Total:-		38,146,086	24,747,663	13,398,423

Audit is of the view that due to weak financial and administrative control funds were expended by violating the instructions.

This resulted in irregular purchase of medicine- Rs 24.747 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that needful efforts were made to purchases as per previous instruction of health department but even at the end of the financial year, these efforts were not succeeded. DAC decided to pend the para for regularization. No compliance was shown to audit till the finalization of this report.

Audit recommends regularization of expenditure from competent forum.

¹³⁹ Government of the Punjab, Finance Department letter No. FD/FR/11-2/89 dated 01-11-2001,

18.5.4.4 Excess expenditure incurred over and above budget allocation Rs 7.872 million

Rule 13(1)(a) of Punjab Local Government Accounts Rules 2017, the head of office shall ensure that object wise expenditure is kept within authorized appropriation. No expenditure shall be incurred without the necessary appropriation or in excess of the sanctioned appropriation would be considered as financial irregularity.

During audit of THQ Hospital Chak No.46 SB District Sargodha for the Financial Years 2017-19, revealed that expenditure of Rs 7.872 million was incurred over and above budget allocation as detailed below:-

Sr. No.	Year	Description	Budget (Rs)	Expenditure (Rs)	Excess (Rs)
1	2017-18	Personal Pay of Staff	0	18,480	18,480
2	2017-18	Fixed Daily Allowance	0	3,408	3,408
3	2017-18	HSRP	760,000	8,465,846	7,705,846
4	2017-18	Personal Allowance	0	144,290	144,290
Total			760,000	8,632,024	7,872,024

Audit held that due to weak internal control and defective financial management expenditure was incurred over and above the budget.

This resulted in irregular expenditure of Rs 7.872 million without appropriation.

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that the excess funds were demanded from district governments Sargodha in the second excess surrender statement to meet actual expenditure. DAC pended para with directions to get the expenditure regularized from competent authority. No compliance was shown to audit till the completion of this report.

Audit recommends regularization of excess expenditure besides fixing of responsibility and action against official at fault.

18.5.4.5 Wastage of public funds on electric equipment and appliances dumped in hospital beyond requirement worth Rs 5.085 million

According to rule 2.33 of PFR Vol-I, every government servant should fully realize that he will be held personally responsible for any loss sustained by government through fraud or negligence.

Scrutiny of accounts record of MS THQ Hospital, Shahpur for the Financial Year 2018-19 revealed that costly electric appliances and other assets i.e. AC, LED TVs, computers and other fixture were dispatched by Primary & Secondary Health Department Government of the Punjab. Audit noticed that all equipment was beyond the requirement of the hospital as already excessive equipment and appliances were installed. These equipments were not installed being surplus. Warranty period of these equipment have almost been expired.

Audit is of the view that due to weak internal and financial controls assets beyond requirements were purchase and dumped in the hospital.

This resulted in wastage of public funds of Rs 5.085 of million beyond requirements.

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that the equipment were sent by Primary & Secondary Health Department Government of the Punjab seeing current and future needs of the hospital. Equipment are still under installation whenever and wherever needed. The contention of department was not accepted. DAC directed for facts finding inquiry and fixing of responsibility. No compliance was shown to audit till the completion of this report.

Audit recommends probe in the matter for finding facts besides fixing responsibility of lapse against the person (s) at fault.

[PDP No. 136]

18.5.4.6 Doubtful Deposit of Government Money - Rs 1.305 million

According to Rule 2.4 of PFR Vol-I, all deposits into Government account are required to be reconciled with the record of District Account Officer concerned.

DDOs of the following formations of DHA Sargodha revealed that an amount of Rs 1.305 million was shown as deposited but the deposit challan were neither available in record nor got verified from DAO,

Sargodha. Further cash book of receipt was not maintained, the chance of less deposit / non deposit cannot be eliminated.

Sr. No.	Department	Department	Amount (Rs)
1.	THQ Hospital Sillanwali	X-ray, lab and dental	432,756
2.	THQ Hospital 90 SB	X-ray, lab and dental	873,131
		Total	1,305,887

Audit is of the view that due to weak internal controls, the codal formalities regarding the deposit of government money were not fulfilled.

This resulted in doubtful deposit Rs 1.305 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that all the branches of this hospital are bound to deposit fees on monthly basis. Reply of the department was not accepted. DAC pended the para with the directions to provide challan form duly verified from DAO Sargodha. No compliance was shown to audit till the finalization of this report.

Audit recommends to reconcile the receipt with DAO concerned.

[PDP No. 94, 160]

18.5.5 Others

18.5.5.1 Non-surrendering of anticipated saving – Rs 247.0 million

According to Rule 8 (d) of Punjab District Authorities (Budget) Rules 2017, DDO is responsible to prepare and furnish Excess & Surrender Statement after completion of eight months of the financial year.

DDOs of following formation of DHA Sargodha neither utilized nor surrendered funds amounting to Rs 247.0 million during 2018-19. The funds remained unspent throughout the financial year.

Amount in Rs					
Sr. No.	Department	Description	Funds allocated	Funds utilized	Saving
1	CEA DHA SGD	Purchase of medicine	120,139,000	55,005,825	65,133,175
2	THQ Hospital Shahpur	Salary & Non-salary	137,200,000	98,631,892	38,610,108
3	THQ Hospital chak 46 SB	Salary & Non-salary	21,812,000	10,552,165	11,259,835
4	THQ Hospital 90 SB	Salary & Non-salary	90,226,001	48,980,485	41,245,516
5	THQ Hospital Kotmomin	Salary & Non-salary	89,967,236	41,521,991	48,445,245
6	THQ Hospital		82,720,142	57,132,548	25,587,594
7	THQ Hospital Sahiwal	Purchase of medicine	31,009,771	23,399,123	7,578,845
8	CEO DHA	Purchase of medicine	16,829,579	7,689,596	9,139,983
	Total:		589,903,729	342,913,625	247,000,301

Audit holds that due to weak internal and financial indiscipline anticipated saving was not surrendered well in time.

This resulted in irregular blockage of government funds of Rs 247.0 million

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that the excess & surrender statements were submitted timely for the readjustment of funds. The salary budget could not be surrendered due to the fact that vacant posts can be filled at any time during the Financial Year. DAC pended the para for regularization. No compliance was shown to audit till the finalization of this report.

Audit recommends regularization of expenditure.

[PDP No. 10, 117, 163, 165, 188, 227, 100, 215]

18.5.5.2 Doubtful consumption of medicines - Rs 21.493 million

According to Rule 15.4(a) of PFR Vol-I, stipulates that all materials received should be examined, counted, measured and weighed as the case may be, when delivery is taken, and they should be kept in charge of a responsible government servant.

Scrutiny of the record of THQ Sillanwali for the Financial Year 2018-19 revealed that all the medicine purchased through MSD, LP and Petty purchase system worth Rs 21.493 million was shown consumed in the record of the hospital but the record pertaining to receiving of indent / consumption of medicines by the concerned wards were neither available nor produced to audit for verification.

Audit is of the view that due to weak internal and financial controls, doubtful purchase was made.

This resulted in loss to Government regarding doubtful purchases / consumption of medicines valuing Rs 21.493 million.

The matter was discussed in DAC in its meeting held on 27.11.2019. The department neither submitted annotated reply/ working papers nor attended the meeting. The DAC considered it serious offence at the part of THQ management. Audit explained that the paras relate to misappropriation/ irregularities & gross financial indiscipline. The management neither submitted initial reply during the currency of audit nor submitted working papers for DAC. DAC directed the department to probe into the matter , fix responsibilities and recover resultant fraudulent payment besides action against the person at fault. Para pending.

Audit recommends that the matter may be regularized besides conducting departmental inquiry.

[PDP No. 70, 93]

18.5.5.3 Doubtful consumption of medicines – Rs 18.106 million

According to rule 2.33 of PFR Vol-I, every government servant should fully realize that he will be held personally responsible for any loss sustained by government through fraud or negligence.

Scrutiny of accounts record of MS THQ Hospital, Shahpur, 90 SB and Baghtanwala for the Financial Year 2017-19 revealed that consumption of medicines as per stock register and expense books of store and various department did not match with the medicines consumed as per PIMS (Prescription Management Information System).

Audit noticed following irregularities in the issuance /consumption record.

- i. Excess medicines were shown consumed/issued than the medicines prescribed by doctors and entered in PMIS.
- ii. Record of PMIS was checked on random basis which shown that all the prescriptions and Bed Tickets were entered in PMIS.
- iii. Day to day consumption as per expense books of different department did not match the medicines prescribed by the doctors. Excess consumption was charged for every item in manual consumption record.
- iv. Separate medicines were issued to every shift of emergency.
- v. Costly injectable i.e. ceftriaxone 1gm, 500mg and 250mg were shown excess consumed by Indoor and Emergency on daily basis.
- vi. Tempering, cutting, overwriting, erasing and flouting was a common practice to make post adjustments of the consumed medicines.

Audit is of the view that due to weak internal and financial controls excess medicines were shown utilized in manual record than actual consumed.

This resulted in doubtful consumption of medicines worth Rs 6.362 million.

The matter was discussed in DAC in its meeting held on 27.11.2019. The department replied that the difference was due to less entry of medicines in PMIS due to non-facility of internet facility at THQ Hospital Shahpur. DAC directed the department to probe into the matter within 30 days. No compliance was shown to audit till the finalization of this report.

Audit recommends probe in the matter for finding facts besides fixing responsibility against the person (s) at fault.

[PDP No. 118, 181, 243]

18.5.5.4 Non-reconciliation of bank account with the proposed revised budget-Rs 178.992 million

According to Rule 4 (n) (m) of the Punjab District Authorities (Budget) Rules 2017, the Chief Executive Officer of district authority as PAO shall ensure monthly reconciliation of district offices and institutions expenditure with the Accountant General, Punjab or district accounts officer and that it receives consolidate statement of monthly expenditure duly reconciled and provide strategic guidance and oversight on

generation and publication of monthly budget execution reports by the budget and accounts officer.

Scrutiny of accounts record of CEO Health Authority, Sargodha revealed that as bank statement there was a balance of Rs. 178.992 million as on 30.06.2019 whereas as per summery of revised budget estimate there was nil balance. The difference of Rs 178.992 million was not reconciled with the bank in violation of rule ibid.

Audit holds that non-reconciliation was due to weak internal control and poor financial discipline.

This resulted in non-reconciliation of Rs 178.992 million.

The matter was discussed in DAC meeting held on 16.10.2019. The department replied that the revised budget and bank balance is totally two different issues. Audit contented that the authority has shown nil closing balance & revised budget whereas there is a balance of Rs 172.992 million in the bank on 30.06.2019. The DAC directed the department for re-verification of record within 3 days. Para pended. No compliance was shown to audit till the finalization of this report.

Audit recommends reconciliation of expenditure besides fixing of responsibility for lapses and negligence.

[PDP No.15]

18.5.5.5 Non-crediting of public receipts in local government fund—Rs 11.255 million

According to Section 68 of the Punjab District Authorities (Budget) Rules 2017, the primary obligation of the collecting officer shall be to ensure that all revenue due is claimed, realized and credited immediately to the District Authority fund and to record entries under proper receipt head. The head of offices or institutions shall supervise and take corrective measures in respect of the activities of the collecting officers. Further as per Rule 7 (h) of Punjab District Authorities Accounts Rules, 2017, all cash transactions shall be entered in Receipts Register and Cash book as soon as they occur and attest in token check. Accounts of receipts and expenditure of District Authority shall be maintained in such form and in accordance with such principles and methods as given in new accounting model (NAM) duly prescribed by the Auditor General of Pakistan, from time to time.

DDOs of following formations of DHA Sargodha realized Rs 11.255 million on account of public receipts during Financial Year

2018-19, but the receipts were credited into Provincial A/C-I instead of Health Authority A/C-VI. Further neither consolidation of receipts collected by the authority was made nor reconciled till the close of the financial year.

Sr. No.	Department	Description	Amount (Rs in million)
1.	CEO, District Health Authority, Sargodha	Public receipt	9.123
2.	THQ Hospital Sillanwali	Lab, x-ray etc	0.432
3.	THQ Hospital Sahiwal	Lab, x-ray etc	1.700
Total			11.255

Audit holds that due to weak internal and financial controls the management did not realize and credit the receipt into District Health Authority Accounts.

This resulted in non-credit of receipt under proper account of DEA of Rs 11.255 million.

The matter was discussed in DAC meeting held on 27.11.2019. The department replied that all the DDOs of DHA Sargodha have deposited the receipt in AC-VI but DAO booked it into account-I. DAC pended the para with the direction to get the matter regularized from competent authority. No compliance was shown to audit till the finalization of this report.

Audit recommends that receipt needs to be realized, reconciled and credited to the District Health Authority Fund.

[PDP No. 07, 75, 99]

CHAPTER 19

DISTRICT HEALTH AUTHORITY, SHEIKHUPURA

19.1 Introduction of the Authority

District Health Authority, Sheikhpura was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Sheikhpura is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authority, Sheikhpura as described in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Sheikhpura manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
Chief Executive Officer, DHA	01
District Health Officers	01
Deputy District Officers	04
District Head Quarter Hospitals	04
Tehsil Head Quarter Hospitals	04
District Health Development Centre	01
Rural Health Centre	07

Government Rural Dispensary	0
Basic Health Units	79

19.2 Audit Profile of District Health Authority, Sheikhpura

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Sheikhpura	18	8	1,442.027	0

19.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 184.273 million were raised in this report during current audit of “District Health Authority, Sheikhpura.” This amount also includes recoveries of Rs 58.659 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	3.533
2	Reported cases of fraud, embezzlement, and misappropriation	5.020
3	Irregularities:	-
	A. HR/Employees related irregularities	57.756
	B. Procurement related irregularities	117.964
	C. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	-
5	Others	-
	Total	184.273

19.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	20	Not convened
2	2018-19	20	Not convened

19.5 AUDIT PARAS

19.5.1 Non-production of record

19.5.1.1 Non-production of record – Rs 3.533 million

According to Section 14(1)(b) of Auditor General's (Functions, Powers and Terms and Conditions of Service), Ordinance, 2001, "The Auditor-General shall have authority to require that any accounts, books, papers and other documents which deal with, or form, the basis of or otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may direct for his inspection".

Management of following formations of District Health Authority, Sheikhpura did not produce auditable record of Rs3.533 million for Financial Year 2018-19. In the absence of record, authenticity, validity, accuracy and genuineness could not be verified as detailed below:-

Sr. No.	Formations	Description	Amount (Rs in million)
1	THQ Hospital Sharaqpur	Arrears / Adjustments of Salaries through Off-Cycle Payroll	0.964
2	DHQ Hospital Skp	Pay and Allowances	0.950
3	RHC Kharianwala	Arrears / Adjustments of Salaries through Off-Cycle Payroll	1.619
Total			3.533

Audit is of the view that due to weak internal controls and negligence on the part of management, relevant record was not produced to Audit, which could lead to misuse of public money.

The matter was reported to the PAO concerned in October 2019. Departments replied in DAC meeting held on 08-11-2019 that pay & allowances were drawn from District Account Office by the officers/officials. Moreover, Gazatted officers might submit their claims directly without reporting to the DDO to the District Account Office. The negligence and lapse regarding non-production of record was accepted by the department. DAC directed the departments to submit the record without further loss of time to Audit for verification and scrutiny. No compliance was made till finalization of this Report.

Audit recommends fixing responsibility for non-production besides ensuring submission of record.

19.5.2 Fraud and Misappropriation

19.5.2.1 Misappropriation on account of purchase of medicines – Rs 5.020 million

According to Rule 2.33 of PFR Vol-I provides that every Government servant should realized fully and clearly the he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

During audit of DHQ Hospital SKP, it was noticed that a sum of Rs 5.020 million were drawn out of 10% emergency medicines but physical inspection of medicines were carried out with the delay of one month to eight months from the issuance of purchase invoice date by the hospital committee. Requisition and non-availability certificate of the pharmacist were neither available on record nor shown to audit. Moreover, petty purchase could not be kept in store for eight months. Scrutiny of stock register showed that physical inspection was carried out after consumption of the medicines. These resulted in misappropriation on account of purchase of medicines worth Rs 5.020 million.

Audit was of the view that purchase of medicines was misappropriated due to weak financial discipline.

The matter was reported to PAO concerned in October, 2019. Department replied in DAC meeting held on 08-11-2019 that inspection report dates were written mistakenly. The reply was not satisfactory being evasive. DAC directed the CEO DHA SKP to inquire the matter at appropriate level. No compliance was made till finalization of this Report.

Audit recommends investigation of the matter at appropriate level besides fixing responsibility against person(s) at fault.

[PDP No.40]

19.5.3 Irregularities

19.5.3.1 HR/ Employee related irregularities

19.5.3.1.1 Unauthorized expenditure on contingent paid staff – Rs 4.117 million

As per Wage Rate 2018, the appointment to a post included in the schedule shall be advertised properly in leading newspapers and recruitment to all posts in the schedule shall be made on the basis of merits specified for regular establishment¹⁴⁰.

Management of following formations of DHA Sheikhpura paid Rs 4.117 million to contingent paid staff during Financial Year 2018-19. Payment was held unauthorized because staff was appointed without fulfilling codal formalities as mentioned in the recruitment policy as detailed below:

Name of Formation	Amount (Rs in million)
THQ Sharaqpur	2.217
THQ Ferozewala	1.900
Total	4.117

Audit was of the view that payment made to contingent paid staff without fulfillment of codal formalities was due to weak administrative and financial discipline.

This resulted in unauthorized expenditure of Rs 4.117 million on contingent paid staff.

The matter was reported to PAO in October 2019. MS THQ Sharaqpur replied that wages paid from the account Health Council Committee. All recruitments were made with the approval of Assistant Commissioner concerned. MS THQ Hospital Ferozewala replied that MS was authorized to hire the contingent staff on need basis. Replies were not satisfactory because codal formalities were not fulfilled for recruitment. DAC held on 08-11-2019 directed the department to get the expenditure regularized from competent authority.

Audit recommends, seeking regularization of expenditure from the competent authority besides fixing responsibility against the persons at fault.

¹⁴⁰ Para 11 of the Recruitment Policy issued by the S&GAD vide No. SOR-IV(S&GAD)10-1/2003 dated 17.9.2004.

19.5.3.1.2 Overpayment to officials - Rs 45.282 million

According to Primary & Secondary Healthcare Department Government of the Punjab notification¹⁴¹ dated August 3, 2016, the specialist should visit the hospital in the evening and stay for one hour for round in the wards after check in on the biometric system otherwise 40% of the incentive allowance should be deducted. According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

Scrutiny of HR data of the certain formations of DHA Sheikhpura, it was noticed that Rs 45.282 million has been paid to different officers/officials on account of pay & allowances / arrears, which were not admissible during 2018-19. This resulted in over payment of Rs 45.282 million. **Annexure-K**

Audit is of the view that due to financial mismanagement, inadmissible payments were made to officers/officials.

The matter was reported to PAO concerned in October, 2019. In case of incentive allowance, DDOs replied that the Secretary, P&SHC Department, Lahore issued a letter No. SO(SG)29/attock dated 1.10.2019 in which department clarified that additional 40% allowance would be allowed to consultants performing duty on call basis instead of deduction of 40 % from their existing incentive allowance. In case of Sr. No. 11, DO Health replied that matter had been taken for disciplinary action. For Sr. No. 4, 12, 13, DDO replied that amount was admissible to concerned under the rules. In case of Sr. No. 25, MS replied that the building of RHC totally demolished and all the employees worked in THQ Hospital Sharaqpur. However, separate cost centres were allotted to RHC and THQ Hospital. In case of Sr. No. 26, department admitted recovery.

DAC in its meeting held on 08-11-2019 directed the department for recovery in all the cases except for incentive allowance and NPA. For the sake of incentive allowance, DAC directed the department to get the matter clarified from FD and showed the affidavit previously taken from the doctors concerned regarding NPA to Audit.

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

¹⁴¹ No.PA/DS (G)4-8/2016

19.5.3.1.3 Overpayment to Doctors – Rs 6.984 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

Audit scrutiny of accounts record of following formations of DHA Sheikhpura for the financial year 2018-19 revealed that a sum of Rs 6.984 million was paid to Adhoc / Regular doctors even after expiry of their Contract or relieving from the Hospital by transfer or otherwise. Recovery of overpayment was not made by the management which resulted in overpayment of Rs 6.984 million as detailed below.

Name of Formation	Description	Amount (Rs in million)
DHQ Hospital Skp	Adhoc Appointees	3.752
	Regular Doctors	2.592
THQ Sharaqpur	Adhoc Appointees	0.639
	Total	6.984

Audit is of the view that due to financial mismanagement, over payments were made to officers/officials amounting to Rs 13.716 million.

This resulted in overpayment of salaries to the Doctors of Adhoc appointments / regular to the tune of Rs 6.984 million.

The matter was reported to PAO concerned in October, 2019. DDOs admitted recovery. DAC in its meeting held on 08-11-2019 directed for recovery.

Audit recommends that recovery be effected from concerned besides fixing responsibility against the person(s) at fault.

(PDP No. 26,27,10)

19.5.3.1.4 Non-recovery of Penal Rent – Rs 1.373 million

Government servant who is provided with a government residence is entitled to retain such residence for a maximum period of two months (now six months) after his transfer otherwise penal rent @ 60% of his pay will be recovered from him¹⁴².

During audit of formations under DHA Sheikhpura for the period 2018-19, scrutiny of record revealed that staff is residing in the residences of THQ Muridke / Safdarabad who were not on the strength of those hospitals. The officials were residing without depositing penal rent

¹⁴² Letter No. SO(SR)-IV-3/38-78 dated 30th June, 1979

resulted in approximate loss of Rs 1.373 million to government as detailed below:

Name of Formation	Amount (Rs in million)
THQ Hospital Safdarabad	0.905
THQ Hospital Muridke	0.468
Total	1.373

Audit is of the view that non-recovery of penal rent was due to weak internal controls and poor financial discipline.

This resulted in non-recovery of penal rent Rs 1.373 million.

The matter was reported to the PAO in October 2019, MS THQ Muridke replied that the staff mentioned in para has taken stay against the notice to vacate residence. MS THQ Safdarabad replied that the letters have been written to the relevant offices/departments for recovery of Penal Rent from the illegal occupants as they are not employees of THQ Safdarabad and are not drawing their salaries from THQ Safdarabad. DAC in its meeting held on 08-11-2019, directed CEO DHA Sheikhpura to take action for recovery under intimation to Audit.

Audit recommends for recovery besides fixing responsibility against the officers at fault under intimation to Audit.

(PDP No. 5,19)

19.5.3.2 Procurement related irregularity

19.5.3.2.1 Unauthorized Purchases of Medicines-Rs 44.623 million

As per SOPs for procurement plan issued by Primary & Secondary Healthcare Department, Govt. of the Punjab letter¹⁴³ dated 30th August 2018, the funds shall be budgeted at DDO level and subsequently released to them for payments. Furthermore, District Purchase Committee was constituted for the purchase of medicines and M&E under development projects vide CEO DHA notification dated 01-03-2019¹⁴⁴.

During audit of CEO DHA Sheikhpura for the period 2018-19, it was noticed that an amount of Rs 44.623 million was incurred under Purchase of medicines and machinery & equipment. The expenditure was held unauthorized because it was incurred at CEO level instead of placing the budget at concerned DDO level in violation of above referred SOPs.

Audit is of the view that due to weak internal and financial discipline, expenditure incurred without approval from competent forum.

The matter was reported to PAO concerned in October, 2019. Department replied in DAC meeting held on 08-11-2019 that funds were placed under development projects. Moreover, in case of purchase of medicines, these were purchased for RHCs and BHUs on the direction of government. DAC directed the department to get the expenditure regularized from competent authority.

Audit recommends fixing responsibility against the person(s) at fault besides regularization of the matter under intimation to Audit.

(PDP No. 4)

19.5.3.2.2 Irregular expenditure due to violation of PPRA Rules – Rs 33.703 million

According to Rule 9 read with Rule 12(1) of PPRA 2014, “procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA’s website in the manner and format specified by regulation by the PPRA’s from time to time. Rule 59 (d) iii & iv of PPRA Rules 2014, for reasons of extreme urgency brought about by events unforeseeable by the procuring agency, the time limits laid down for open and limited bidding methods cannot be met, however, the circumstances invoked to justify extreme urgency must not be attributable to the procuring agency.

¹⁴³ No.SO(B&A)1-71/2018-19

¹⁴⁴ No.4239-43/P&D

Management of following formations of DHA Sheikhpura incurred an expenditure of Rs 33.703 million on account of procurement of different items for the Financial Year 2018-19 without advertisement on PPRA's website, in violation of Punjab Procurement Rules quoted above. Furthermore, MS DHQ Hospital Sheikhpura purchased printed material from Sabry & Co. based on rates concluded by the Government Printing Press after invoking urgency clause of Punjab Procurement Rules without recording any circumstance of urgency, which was not attributable to the procuring agency. Moreover, the department received supplies after so many days of invoking urgency also revealed that the work was not of urgent nature. The expenditure without tender under Punjab Procurement Rules 2014 was irregular as detailed below:

Sr. No.	Name of Formation	Description	Amount (Rs in million)
1	MS DHQ Hospital	Printing & Publications	5.006
2			0.118
3		Purchase of Fixed Assets	3.070
4		Purchase of Fixed Assets (fans)	0.596
5		Purchase of Medicines	7.185
6		Purchase of Electrification material	1.492
7	DO Health	Purchase of Medicines	2.524
8	THQ Hospital Ferozewala	Cost of Other Stores	1.633
9		Janitorial Services	1.687
10		Different items under LP Head	0.501
11		Purchase of Bulk Medicines	8.246
12	THQ Sharqpur	Printing, Repair of M&E	0.607
13		Cost of Other Stores	0.458
14		Purchase of Stationery, F&F	0.061
Total			33.703

Audit is of the view that due to weak internal control and poor financial management, advertisement was not made on PPRA website and competitive & economical rates could not be achieved. This resulted in irregular expenditure Rs 33.703 million.

The matter was reported to PAO concerned in October, 2019. MS DHQ Hospital replied for Sr. No. 1 that material was got printed after obtaining rate contract of Government Printing Press duly endorsed by the CEO. In case of Sr. No. 2, it was replied that purchases were made on the basis of tender for the FY 2017-18. In case of Sr. No. 3, it was replied that purchases were made after open competition but only one firm was found technically qualified. Department admitted the lapse in case of Sr.

No.4,5&6. DO (Health) replied that the purchase was made according to demand given by end user time to time. MS THQ Ferozewala replied in case of Sr. No. 8,10, 11 that an enquiry was under process against previous MS of the Hospital. In case of janitorial Services, it was replied that services were hired at CEO level during the previous FY and the same was extended on monthly basis. MS THQ Sharaqpur replied in case of Sr. No. 14 &12 that Govt. of the Punjab, Health Department, Lahore and District Health Authority Sheikhpura released the annual allocation of funds on quarterly basis due to which the urgently required items purchased on petty basis as per PPRA Rule 59 (A). In case of Sr No. 13, it was replied that X-ray films purchased as per demand of the department as and when demanded for the smooth functioning of the hospital.

DAC in its meeting held on 08-11-2019 directed for regularization of the matter at Sr. No. 1,3,4,7 & 14 and at Sr. No. 2,5,6,8,10,11 &13 directed to enquire the matter by CEO. At Sr. No. 9 & 12, matter was referred to CEO for justification and scrutinized the competitiveness of rates.

Audit recommends fixing responsibility against the person(s) at fault besides regularization of the matter.

(PDP No. 9,10,17,18,35,36,15,13,14,22,23,02,20 & 01)

19.5.3.2.3 Irregular Expenditure on account of Previous Year's Liabilities - Rs 25.982 million

According to Rule 17.17(A) read with Rule 17.18 of PFR Vol-I, every disbursing officer shall maintain a register of liabilities in P.F.R form 27 in which he should enter all these items of expenditure for which payment is to be made by or through another officer, budget allotment or sanction of a higher authority is to be obtained or payment would be required partly or wholly during the next financial year or years.

Management of various formations of DHA Sheikhpura paid the pending liability bills during 2018-19 amounting to Rs 25.982 million pertaining to the financial year 2017-18. It was noticed by the audit that neither specific budget provision for pending liabilities was made nor liability register was maintained on PFR form 27 in violation of the above rule as detailed below:

Name of Formation	Description	Amount (Rs)
DHQ Hospital Skp	Others, Purchase of Fixed Assets	6,378,328
	Medicines	1,598,002

Name of Formation	Description	Amount (Rs)
CEO DHA	Purchase of Medicines	15,513,403
THQ Safdarabad	Different Items	1,252,307
THQ Sharaqpur	X-Ray Films etc.	219,565
THQ Ferozewala	COS, Others	1,020,805
Total		25,982,410

Audit is of the view that due to non-compliance of rules, payment of pending liabilities were made.

This resulted in unauthorized expenditure of Rs 25.982 million on discharge of previous year's liabilities.

The matter was reported to PAO concerned in October, 2019. In DAC meeting held on 08-11-2019, all the departments admitted lapse and negligence. DAC directed the CEO to inquire the matter in case of DHQ Hospital and THQ Ferozewala. DAC directed the departments to get the expenditure regularized from competent authority in all other cases.

Audit recommends regularization of the matter besides fixing responsibility against person(s) at fault.

(PDP No. 12, 37, 05, 09, 19 & 12)

19.5.3.2.4 Irregular expenditure due to consumption of medicines without DTL reports – Rs 4.933 million

According to Government of the Punjab, Health Department letter dated 29-09-2001, no drug/medicine shall be accepted and used without obtaining DTL report from the Drug Testing Laboratory¹⁴⁵.

MS DHQ Hospital Sheikhpura incurred Rs 4.933 million for purchase of medicines without obtaining DTL reports.

Audit held that due to weak internal controls, the medicines were received and consumed without obtaining DTL Reports.

This resulted in irregular expenditure due to consumption of medicines without DTL reports worth Rs 4.933 million.

Audit pointed out irregularity to PAO in October 2019. MS DHQ Hospital did not reply.

DAC in its meeting held on 08-11-2019 pended the para for compliance.

¹⁴⁵ No.SO(P-I)H/Rc 2001-2002/01

Audit recommends regularization of lapse besides fixing of responsibility against the person(s) at fault under intimation to Audit.

(PDP No. 45)

19.5.3.2.5 Expiry of medicine due to non-utilization – Rs 2.299 million

According to Rule 2.33 of PFR Vol-I provides that every Government servant should realized fully and clearly the he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

Scrutiny of drug record of following formations for the year 2018-19 revealed that the medicines were available in the medicine store. The formation neither used the medicines nor shifted it to the other health centre in time. The medicines expired resulted in loss of Rs 2.299 million as detailed below:

Name of Formation	Amount (Rs in million)
DHQ Hospital Sheikhpura	2.071
THQ Hospital Ferozewala	0.228
Total	2.299

Audit was of the view that due to weak internal controls, the substandard medicines were neither replaced, nor its prices were recovered from the suppliers.

This resulted in loss due to expiry of medicine Rs 2.299 million.

The matter was reported to PAO in October 2019. MS DHQ Hospital replied that medicines were received from DG Health Punjab without requirement. They make so many efforts to consume or shift but in vain. MS THQ Ferozewala replied that the Section office (Drugs Control-II) directed all Executive District Officers (Health) in Punjab to stop usage of listed items vide SO (DC) 6-6/2015 dated 28th October, 2016 till further orders.

DAC in its meeting held on 08-11-2019 directed the department to inquire the matter for fixing responsibility against the person(s) at fault.

Audit recommends fixing responsibility against the person(s) at fault besides matter be looked into at an appropriate forum for recovery.

(PDP No. 2,1)

19.5.3.2.6 Irregular development expenditure more than estimated cost – Rs 1.973 million

Rule 13(1)(a) of Punjab Local Government Accounts Rules 2017, the head of office shall ensure that object wise expenditure is kept within authorized appropriation.

During audit of CEO DHA Sheikhpura for the period 2018-19, it was noticed that different items were purchased under development project. The expenditure of Rs4.493 million was held irregular and unauthorized because items were purchased at the rates more than double of estimated cost. Total 1.973 million was paid in excess of estimated cost as detailed below:

Description	Qty in PC-I	Qty Purchased	Estimated Cost (Rs)	Actual price (Rs)	Difference (Rs)
Items for RHC Narang Mandi					
Baby Warmer	-	-	380,000	637,000	257,000
Mobile Operating Light	2	3	271,000	670,000 X 2 1,340,000	598,000
Centrifuge Machine	-	-	156,000	216,450	60,450
Items for BHU Mahmowali					
Autoclave	1	2	250,000	480,000 X 2 = 960,000	460,000
Mobile Operation Light	2	3	271,000	670,000 X 2 = 1,340,000	598,000
Total				4,493,450	1,973,450

Audit is of the view that due to financial indiscipline, excess expenditure was made as compared to its estimated cost.

This resulted in irregular expenditure of Rs1,973,450 more than estimated cost.

The matter was reported to PAO concerned in October, 2019. It was replied that the rates given the PC-I were estimated rates which might differ due market fluctuations. However items purchased were within the total cost/ allocation for revenue component of the scheme. All payments are within the limit of allocated funds. No excess in funds was demanded. Reply being evasive was not accepted.

DAC in its meeting held on 08-11-2019 directed the department to get the expenditure regularized form the competent authority.

Audit recommends fixing responsibility against making unjustified payment besides recovery of overpayment.

(PDP No. 09)

19.5.3.2.7 Loss due to Non-auction of Canteen and Parking Stands – Rs 4.451 million

According to Rule 78(1) read with Rule 77, 78 & 79 of Punjab District Authorities Budget Rules, 2017 the primary obligation of the collecting officer shall be to ensure that all revenue due is claimed, realized and credited immediately into the authority's account under the proper receipt head.

Management of the following formations failed to award the contract of auction of parking stand and canteen for the financial year 2018-19. Moreover, MS of the hospitals did not deposit even a single penny on account of parking stand on the basis of self-collection, resulting in loss of Rs 4.451 million as detailed below:

Name of formation	Description	Amount (Rs in million)
THQ Ferozewala	Parking Stand and Canteen	1.400
THQ Muridke		3.051
Total		4.451

Audit was of the view that due to financial indiscipline and weak administrative controls canteen and parking stands were not auctioned during 2018-19.

This resulted in loss of revenue of Rs 4.451 million by non auctioning of collection rights of parking stand and canteen.

The matter was reported to the PAO during October, 2019. MS THQ Ferozewala replied that PMU restricted the health facilities for this fiscal year, MS THQ Muridke replied that verbal instructions were given by the PMU Government of the Punjab, Primary & Secondary Healthcare Department that the auction would be done at their own level.

DAC in its meeting held on 08-11-2019, directed the CEO Health to enquire the matter at appropriate level in both cases and pended the para for fixing responsibility against the person(s) at fault.

Audit recommends investigation of the matter besides fixing responsibility against the officers / officials at fault.

CHAPTER 20

DISTRICT HEALTH AUTHORITY, SIALKOT

20.1 Introduction of the Authority

District Health Authority, Sialkot was established on 01.01.2017 under Punjab Local Government Act 2013. DHA, Sialkot is a body corporate having perpetual succession and a common seal, with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

The functions of District Health Authority, Sialkot as delineated in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise primary and secondary health care facilities and institutions;
- approve the budget of the Authority and allocate funds to health institutions;
- coordinate health related emergency response during any natural calamity or emergency;
- develop referral and technical support linkages between primary and secondary levels of health care on the one hand and tertiary level health facilities and medical education institutions on the other;
- ensure human resource management and capacity development of health service delivery personnel under the policy framework given by the Government;
- ensure timely reporting of progress on health indicators relating to disease surveillance, epidemic control, disaster management to the Government; and
- ensure implementation of minimum standards of service delivery, infrastructure, patient safety, hygiene and public health as prescribed by the Punjab Health Care Commission.

DHA Sialkot manages following primary and secondary health care facilities and institutes:

Description	No. of health facility/ institute
Basic Health Units/MNCH Centers	105
Government Rural Dispensary	03
Rural Health Centres	06
Tehsil Head Quarter Hospitals	04
District Head Quarter Hospitals	01
District Health Development Centre	01
District Health Officers	01

Description	No. of health facility/ institute
General Nursing School	01
District Blood Transfusion Unit	01

20.2 Audit Profile of District Health Authority, Sialkot

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DHA Sialkot	14	8	1368.525	0.511

20.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 177.247 million were raised in this report during current audit of “District Health Authority, Sialkot.” This amount also includes recoveries of Rs 78.648 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Sr. No.	Classification	Amount Placed under Audit Observation (Rs in million)
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	-
	D. HR/Employees related irregularities	79.751
	E. Procurement related irregularities	97.496
	F. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	-
5	Others	-
Total		177.247

20.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	18	Not convened
2	2018-19	26	Not convened

20.5 AUDIT PARAS

20.5.1 Irregularities

20.5.1.1 HR / Employee related irregularities

20.5.1.1.1 Inadmissible / Overpayment of special allowances - Rs 54.240 million

According to Clause 6 (ii) of Government of Punjab finance department budget notification¹⁴⁶ dated 14.7.17 those employees who are in receipt of an allowance equal to 100% of initial of their basic pay in BPS-2008 as on 30.6.2011 and not in receipt of ad-hock allowance- 2010 @50%, the existing amount of 100% allowance shall be reduced by 50% w.e.f 1.7.17 and remaining amount shall continue to be drawn at frozen level.

Scrutiny of record of following offices observed that the doctors working in these health facilities were drawing various Special Allowances i.e. Health Sector Reform Allowance (HSRA), and Health Professional Allowance (HPA), etc. the aggregate of which was more than the initial stage of their pay scales in 2008 thus rendering the subject doctors not entitled for 100% of Special Allowances.

Amount in Rupees		
Sr. No	Name of office	Amount of Special Allowances
1	DHO Sialkot	18,587,000
2	THQ Pasrur	9,959,000
3	RHC Jamke Cheema	6,804,000
4	THQ Daska	18,890,000
Total		54,240,000

Audit holds that due to weak financial and internal control of management, Special Allowances were paid in excess of what was admissible.

This resulted into overpayment of Special Allowances for Rs.54.240 million.

The matter was reported to the CEO/PAO in November, 2019. Neither any reply was submitted nor was DAC meeting convened till the finalization of this report.

Audit recommends recovery from the concerned under intimation to Audit.

[PDP No. 36,74,139,157]

¹⁴⁶ No.FD.PC 2-1/2017

20.5.1.1.2 Irregular appointment/extension of the ad-hoc employees –Rs 8.270 million

According to Rule 22 of The Punjab Civil Servants (Appointment & Conditions of Service) Rules, 1974, when a post is required to be filled, the Appointing Authority shall forward a requisition to the Selection Authority immediately after decision is taken to fill the post. After forwarding a requisition to the Selection Authority, the Appointing Authority may, if it considers necessary in the public interest, fill the post on ad hoc basis for a period not exceeding one year pending nomination of a candidate by the selection authority. Furthermore, the Chairman PPSC in his DO letter¹⁴⁷ dated 16.12.13 addressed to Chief Secretary Punjab clarified that adhoc appointment can only be made for one year only by forwarding a requisition to the PPSC which can only be extended for six months with the approval of PPSC and discourages the unhealthy practice of adhocism.

THQ Hospital Samberial District Sialkot made payment of pay and allowances to the staff appointed on ad-hoc basis beyond the period of one year without any approval in violation of the rules *ibid*. This resulted in irregular appointment/extension of the employees involving pay and allowances of Rs 8,270,076 as detailed below:

Sr. No.	Name of the Doctor	Appointment Dates	Estimated Amount (Rs)
1	Dr. Musawar Mustafa	6/5/2018	1,172,868
2	Dr. Hassan Irshad	14/04/2018	1,172,868
3	Dr. Shabana Faiz	15/04/2018	1,184,868
4	Dr. Sidra Mumtaz	15/03/2018	1,184,868
5	Dr. Mehwish Khan	20/04/2018	1,184,868
6	Dr. Sara Bashir	28/05/2018	1,184,868
7	Dr. Sabahat Safdar	6/3/2018	1,184,868
Total			8,270,076

Audit is of the view that due to weak internal control and non compliance of rules the irregular appointments/extensions were made on ad-hoc basis.

This resulted into overpayment of pay and allowances and non deduction of compulsory deductions.

¹⁴⁷ No SORI(S&GAD)5-41/2013

The matter was reported to the CEO/PAO in November, 2019. Neither any reply was submitted nor was DAC meeting convened till the finalization of this report.

Audit recommends recovery from the concerned under intimation to Audit.

[PDP No.102]

20.5.1.1.3 Excess payment of HSRA - Rs. 4.193 million

According to letter ¹⁴⁸ dated 13.04.2017 of Punjab Finance Department, Health Sector Reform Allowance will be given to the Staff at prescribed rates at less attractive DHQ/THQ hospitals.

Audit of District Health Authority revealed that Health Sector Reform Allowance was paid to various doctors / staff which was not admissible to them as detailed below;

Sr. No.	Name of office	HSRA paid (Rs)
1	Dy. DHO Pasurur	144,000
2	Dy. DHO Sambharriar	144,000
3	Dy. DHO Sialkot	144,000
4	THQ Kotli Loharana	378,000
5	THQ Pasurur	94,736
6	THQ Sambharriar	2683000
7	RHC Jamke Cheema	283,773
8	THQ Daska	322,000
Total		4,193,509

Audit holds that due to weak financial and internal control, HSRA was paid without entitlement.

This resulted in unauthorized payment of Rs.4.193 million on account of HSRA.

The matter was reported to the CEO/PAO in November, 2019. Neither reply was submitted nor was DAC meeting convened till the finalization of this report.

Audit recommends recovery from concerned under intimation to Audit.

[PDP No. 43,45,48,60,78,93,142,161]

¹⁴⁸ No. PO (P&E-I)19-113/2004

20.5.1.1.4 Unauthorized payment of Health Sector Reform Allowance-Rs 2.683 million

According to Secretary Health Department letter ¹⁴⁹ dated 13.4.2007 that Health sector reform allowance is only admissible in the less attractive DHQs/THQs. Furthermore, whereas THQ Samberial is not included in the list of Less attractive DHQs/THQs vide Secretary Health Notification¹⁵⁰ dated 10.3.2007, as announced by the health department.

MS THQ Hospital Samberial District Sialkot, paid HSRA to the MOs, WMOs and Specialists during the period 2018-19 in violation of above notification where as the hospital was not included in the list of less attractive hospitals.

Audit holds that due to weak financial and internal control HSRA was paid without any authority.

This resulted into unauthorized payment of Rs2.683 million on account of HSRA.

The matter was reported to the CEO/PAO in November, 2019. Neither reply was submitted nor was DAC meeting convened till the finalization of this report.

Audit recommends recovery be made from the concerned under intimation to Audit.

[PDP No.97]

20.5.1.1.5 Excess payment of pay & allowances-Rs 2.652 million

According to Rule 2.33 of PFR Vol-1 every government servant should realize fully and clearly that he would be held personally responsible for any loss sustained by the government through fraud or negligence on his part. According to the provisions of national pay scales conveyance allowance is admissible to meet the expenses of travelling from house to duty place, and conveyance allowance is not admissible during leave period.

Scrutiny of accounts record of District Officer (Health), Sialkot revealed that pay and allowances were disbursed to various employees for the period during which they remained on LFP / EOL etc. without making necessary deductions.

¹⁴⁹ No PO(P&EI)19-113/2004

¹⁵⁰ No PO(P&E-I) 19-113/2004(V)

Audit holds that due to weak financial and internal, excess pay and allowances were paid without making deductions against leave period.

This resulted into non recovery of excess pay & allowances of Rs.2.652 million.

The matter was reported to the CEO/PAO in November, 2019. Neither reply was submitted nor was DAC meeting convened till the finalization of this report.

Audit recommends recovery from concerned under intimation to Audit.

[PDP No 19, 21 & 31]

20.5.1.1.6 Unjustified drawl of Incentive Allowance - Rs 1.995 million

Specialist should visit the hospital in the evening and stay for one hour for round in the wards after check in on the biometric system otherwise 40% of the incentive allowance should be deducted.¹⁵¹”.

Scrutiny of accounts record of MS THQ Hospital Pasrur District Sialkot revealed that specialists were drawing full amount of Incentive Allowance during the financial year 2018-19. However, proof of evening visits along with biometric attendance of the specialists was not available on record. In the absence of evening stay register and biometric attendance, drawl of Incentive Allowance was unjustified which resulted in overpayment of Rs. 1.995 million as detailed below;

Pers. No.	Name of Employee	Job Title	Total (Rs)	40% Recoverable (Rs)
31743384	Khalida Sharif	Children Specialist	1,080,000	432,000
30596417	Dr. Tariq Mahmood	Eye Specialist	1080,000	432,000
31638040	Rina Shahzadi	Children Specialist	1080,000	432,000
31654584	Aisha Ilyas	Gynecologist	310,000	124,000
31654584	Aisha Ilyas	Gynecologist	55,157	22,063
31793109	Dr. Samina Inayat	Gynecologist	1080,000	432,000
32123296	Sara Yousaf	Medical Specialist	270,000	108,000
32123296	Sara Yousaf	Medical Specialist	31,933	12,773
Total			4,987,090	1,994,836

¹⁵¹ No.PA/DS (G)4-8/2016 dated August 3, 2016

Audit holds that due to weak internal controls Incentive Allowance was drawn without justification.

This resulted into unjustified drawl of Incentive Allowance.

The matter was reported to the CEO/PAO in November, 2019. Neither reply was submitted nor was DAC meeting convened till the finalization of this report.

Audit recommends recovery from concerned under intimation to Audit.

[PDP No.80]

20.5.1.1.7 Overpayment of pay and allowances-Rs 1.553 million

According to Rule 2.33 of the PFR Vol-I, every government servant should realize fully and clearly that he will be held personally responsible for any loss sustained through fraud, negligence on the part of the government servant up to the extent to which he has contributed towards the fraud.

Social Security Benefit 30% in lieu of Pension was paid to staff by the MS THQ Hospital Pasrur District Sialkot during the financial years 2015-19. Services of the officials were got regularized since January 2015. Pay & Allowances of these employees were required to be refixed and payment of SSB 30% was to be discontinued, but the same was paid to them regularly. This resulted in excess payment of SSB for Rs 1,553,064 as detailed below.

Name of employee	Name of allowance	SAP	Designation	Amount Drawn (Rs)
Adeela Shahzadi	Social Security Ben - 30%	31487957	Charge Nurse	5673x56= 317688
Bushra Begum		31385175		5673x56= 317688
Mehwish Yousaf		31942006		5673x56= 317688
Iram Javed		31641554		5673x56= 317688
Recovery of pay and allowances due to non fixation of pay(Approximately)				600,000
Total Recoverable				1,553,064

Audit holds that due to weak internal controls, Social Security Benefit @30% in lieu of pension was paid to Charge Nurses even after the regularization of their services.

Audit holds that due to weak financial and internal control, SSB allowance @ 30% was paid without justification.

The matter was reported to the CEO/PAO in November, 2019. Neither any reply was submitted nor was DAC meeting convened till the finalization of this report.

Audit recommends recovery from the concerned quarters under intimation to Audit.

[PDP No.83]

20.5.1.1.8 Irregular payment of pay & allowances - Rs 1.5 million

According to PLGA (Accounts) Rules 2017, Bills and other vouchers presented for payment shall be scrutinized by the DDO or the person authorized by him in this behalf and if the claim is admissible and in order, he shall record certificate that after internal audit of his satisfaction sanction is accorded for payment and this payment as claimed in the bill is unavoidable with regard to the interest of the Local Government. According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

Accounts record of M.S THQ Kotali Loharan District Sialkot revealed that Miss Sidra Naz Charge Nurse BPS- 16 was deputed in THQ hospital Kotali Loharan on deputation by Secretary Health vide orders No. SO(CN) /-282/14 dated 26th June 2015 for a period of two years that ended on 26th June 2017. No further extension was given to her and she was found working in the hospital at the time of audit. This resulted in unauthorized drawl of pay and allowances for Rs.1,502,136 (62,589*24 months)

Audit holds that due to negligence of management and weak internal controls irregular expenditure of Rs. 1502136 was incurred.

This resulted into irregular payment of pay & allowances Rs1.5 million.

The matter was reported to the CEO/PAO in November, 2019. Neither reply was submitted nor was DAC meeting convened till the finalization of this report.

Audit recommends regularization of the expenditure besides fixation of responsibility on person (s) at fault under intimation to Audit.

[PDP No.73]

20.5.1.1.9 Unauthorized Payment of Health Professional Allowance-Rs 1.442 million

According to Notification dated 12.07.2011 Health Professional Allowance was granted to Medical Officers, Dental Surgeons (BPS-17 and 18), Professors, PMOs, Chief Consultants and Chief Dental Surgeons (BPS 19&20) at prescribed rates¹⁵².

Audit of following offices of DHA, Sialkot observed that Health Professional Allowance was paid to various employees in violation of rules / without entitlement. Detail is as under;

Name of office	HPA paid (Rs)
CEO DHA Sialkot	600,000
Dy. District Officer Health Pasrur	201,500
Dy. District Officer Health Sambarhial	180,000
Dy. District Officer Health Daska	201,500
THQ Hospital Samberial District Sialkot	259,185
Total	1,442,185

Audit holds that due to weak financial and internal controls, HPA was paid without entitlement.

This resulted into unauthorized payment of Health Professional Allowance for Rs.1.442 million.

The matter was reported to the CEO/PAO in November, 2019. Neither reply was submitted nor was DAC meeting convened till the finalization of this report.

Audit recommends that recovery be effected under intimation to Audit.

[PDP No. 15,41,44,46,113]

20.5.1.1.10 Overpayment of pay & allowance due to non deduction of GP Fund G.I and B.F - Rs 1.223 million

According to Rule 2.33 of PFR Vol-1 every government servant should realize fully and clearly that he would be held personally responsible for any loss sustained by the government through fraud or negligence on his part.

MS THQ hospital Pasrur, Sialkot did not deduct GI, BF and General Provident Fund from the pay and allowances of the employees,

¹⁵² No. SO(NO) 2-26 2004 (PII)

who were got regularized on 30.1.15. This resulted in overpayment of pay and allowances of Rs 1,223,038, as detailed below:

(Amount in Rupees)

Personal No	Name of employee	Designation.	GI	BF	GP Fund	Total
31382415	Nadeem Masih	Sanitary Worker	63x24= 1512	850x24= 20400	1290x24= 30960	52,872
31541440	Umar Farooq	Dispenser	63x24= 1512	850x24= 20400	1290x24= 30960	52,872
30920974	Faisal Mehmood	Sanitary Worker	63x24= 1512	850x24= 20400	1290x24= 30960	52,872
31144153	Abid Mir	Dispenser	63x24= 1512	850x24= 20400	1290x24= 30960	52,872
31382502	Ijaz Sabir Masih	Sanitary Worker	63x24= 1512	850x24= 20400	1290x24= 30960	52,872
31793109	Dr. Samina Inayat	Gynecologist	107x24= 2568	826x24= 19826	2690x24= 64560	86,954
31850290	Zobia Asghar Ch.	Medical Officer	107x24= 2568	826x24= 19826	2690x24= 64560	86,954
31904207	Nida Arshad	Women Medical Officer	107x24= 2568	826x24= 19826	2690x24= 64560	86,954
32073385	Zainab Batoool	Women Medical Officer	107x24= 2568	826x24= 19826	2690x24= 64560	86,954
32083825	Zobaria Akhtar	Women Medical Officer	107x24= 2568	826x24= 19826	2690x24= 64560	86,954
32123296	Sara Yousaf	Medical Specialist	107x24= 2568	826x24= 19826	2690x24= 64560	86,954
Total						873,038
Recovery of pay and allowances due to non fixation of pay(Approximately)						350,000
Grand Total						1,223,038

Audit is of the view that due to weak internal control GP Fund, GI and Benevolent fund was not deducted from the salaries of employees.

This resulted into overpayment of pay and allowances and non deduction of compulsory deductions.

The matter was reported to the CEO/PAO in November, 2019. Neither reply was submitted nor was DAC meeting convened till the finalization of this report.

Audit recommends recovery from the concerned under intimation to Audit.

[PDP No.81]

20.5.1.2 Procurement related irregularities

20.5.1.2.1 Irregular Local Purchase of medicines Rs 53.334 million

Budget allocation under head of accounts A03927 medicines is to be distributed in the ratio i.e.10% reserve for natural calamities / emergencies in bulk, 15% day to day purchase for normal medicines and 75% bulk purchase¹⁵³.

Scrutiny of record of following office of DHA Sialkot noticed that day-to-day L.P medicine was purchased from Sardar Pharmacy and Al-Shifa Pharmacy which was more than 15% of the medicine budget.

Name of office	Percentage of Medicine Budget	Purchase of LP (Rs in million)
DHO Sialkot	62%	49.215
DHO III Silakkot	55%	4.119
Total		53,334

Audit holds that due to weak financial control LP medicines were purchased irregularly.

This resulted into irregular purchase of LP medicines for Rs53.334 million.

The matter was reported to the CEO/PAO in November, 2019. Neither any reply was submitted nor was DAC meeting convened till the finalization of this report.

Audit recommends that matter be regularized under intimation to Audit.

[PDP No.30 & 39]

20.5.1.2.2 Doubtful Purchase of medicine-Rs. 20.387 million

According to Rule 2.33 of the PFR Vol-I. every government servant should realize fully and clearly that he will be held personally responsible for any loss sustained through fraud, negligence on the part of the government servant up to the extent to which he has contributed towards the fraud.

Audit of DHO Sialkot revealed that medicine of Rs. 20,387,200 was purchased from Sardar Pharmacy and Al-Shifa Medical stores but the

¹⁵³ Letter No. FD (FR) 11-2/89 dated 1-11-2001

Serial No. of bills of the same supplier were not in chronological order with dates.

Audit holds that due to weak financial and internal control medicines were purchased in doubtful way.

This resulted into doubtful purchase of medicines for Rs20.387 million.

The matter was reported to the CEO/PAO in November, 2019. Neither reply was submitted nor was DAC meeting convened till the finalization of this report.

Audit recommends that matter be investigated at appropriate level under intimation to Audit.

[PDP No.26]

20.5.1.2.3 Splitting of Job Orders to avoid quotations / advertisement on PPRA Website - Rs 8.023 million

According to Rule 12(2) read with Rule 9 of Punjab Procurement Rules 2014, all procurement opportunities over two million rupees should be advertised on the PPRA's website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall appear in at least two national dailies, one in English and the other in Urdu. A procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting of the procurements so planned. The annual requirements thus determined would be advertised in advance on the PPRA's website.

During scrutiny of record of District Officer, (Health) Sialkot audit noticed that expenditure for Rs 8.023 million was incurred on procurement of L.P Medicine for BHUs by splitting the indents to avoid tenders and fair competition. This resulted in irregular expenditure of Rs. 8.023 million.

Audit holds that due to weak financial and internal control purchases were made by splitting the indents in violation of rules.

This resulted into irregular purchases of Rs 8.023 million.

The matter was reported to the CEO/PAO in November, 2019. Neither reply was submitted nor was DAC meeting convened till the finalization of this report.

Audit recommends that matter be regularized besides fixing the responsibility against person(s) at fault.

[PDP No.22,40]

20.5.1.2.4 Non deduction of Income Tax and Sales Tax–Rs.1.620 million

According to Section-153 of Income Tax Ordinance 2001 the requisite deduction of Income Tax at the prescribed rate is needed to be made at source while making payments on accounts of stores / services rendered.

Scrutiny of accounts record of Health Councils of BHUs under District Officer (Health) Sialkot revealed that expenditure was incurred for the purchase of different items from different un-registered suppliers. The payment was made to the suppliers inclusive of Income Tax and Sales Tax amounting to Rs 1,620,350. Due to non deduction of taxes at source from un-registered vendors, overpayment was made to the contractors/suppliers.

Audit holds that due to weak financial and internal controls, Income Tax and Sales Tax were not deducted.

This resulted into non deduction of government revenue for Rs1.620 million.

The matter was reported to the CEO/PAO in November, 2019. Neither reply was submitted nor was DAC meeting convened till the finalization of this report.

Audit recommends recovery from concerned under intimation to audit.

[PDP No.33]

20.5.1.2.5 Non-Supply of medicine of Rs 14.132 million & non-forfeiture of performance guarantee-Rs 1.262 million

As per contract agreement, In case where the deliveries as per contract are not completed within the time frame specified in the schedule of requirement, the Contract to the extent of non-delivered portion of supply may be cancelled followed by a Show Cause Notice. No supplies shall be accepted and the amount of Performance Guaranty/ Security to the extent of non-delivered portion of supplies of relevant item shall be forfeited and the firm shall be blacklisted minimum for a period of one year. If the firm fails to supply the whole installments, the entire amount of Performance Guaranty/ Security shall be forfeited to the Government

account and the firm shall be blacklisted minimum for a period of two year.

During the audit of DHO Sialkot it was observed that supply orders of Rs. 14.132 million were issued to different companies but medicines were not supplied during the financial year. As the contracts of the firms were not completed, therefore, performance guarantee of Rs.1.262 million should have been forfeited and firms would have been black listed. Procuring Agency may have proceeded for Risk Purchase (at the risk & cost of defaulter) to ensure the un-interrupted health care services for the patients. **Annexure-M**

Audit holds that due to weak financial and internal controls, performance guarantee was not forfeited.

This resulted in non supply of medicines of Rs 14.132 million and non forfeiture of performance guarantee of Rs1.262 million.

The matter was reported to the CEO/PAO in November, 2019. Neither any reply was submitted nor was DAC meeting convened till the finalization of this report.

Audit recommends that matter be investigated and recovery be effected under intimation to Audit.

[PDP No.29]

ANNEXURES

PART-I

**Memorandum for Departmental Accounts Committee
Paras Pertaining to Current Audit Year 2019-20**

Rs in million

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
District Health Authority Attock				
1	DHO Attock	Overpayment on Purchase of LP Medicine	Procurement related irregularities	0.55
2		Fund lapsed due to un-cashed Cheques of bulk medicines	Management of Accounts with Commercial Banks	37.156
3		Difference in Physical Stock of Local Purchase Medicine and Main Stock Register	-do-	0.639
4		Purchase of LP Medicines for OPD Patients	Procurement related irregularities	6.88
5		Over payment due to non-recovery of HSRA from the staff on general duty	HR /Employees related irregularities	0.529
6		Retention of Govt. money in Bank	Management of Accounts with Commercial Banks	5.038
7		Un-authorized drawl of money by DDO name instead of vender name	Value of money and service delivery issues	14.26
8		Un-reconciled payment due to non-maintenance of personal file and other allied record of Medical officer on (Adhoc) Contract	-do-	12.409
9		Overpayments of conveyance allowance to vaccinators provided motorcycles	HR /Employees related irregularities	1.670
10		Irregular expenditure due to misclassification	Others	0.710
11	DHQ Hospital Attock	Irregular purchase of items	Procurement related irregularities	1.903
12		Un-justified pay of GST on electricity bill of more than fifty bedded hospital		0.756
13		Wasteful expenditure of millions	-do-	
14		Non auctioning of Dead stock items	Value of money and service delivery issues	
15		Non-utilization of budget of bulk purchase of medicines		19.242
16		Irregular drawl of pay and allowances	HR /Employees related irregularities	7.299
17		Irregular expenditure due to misclassification	Other	0.452
18		Non-supply of medicines	Procurement	11.347
19	THQ Hospital Fateh Jang	Doubtful payment	Value of money and service delivery issues	0.312
20		Non-utilization of budget of bulk purchase of medicines	-do-	6.414
21		Irregular Award of Civil Work Contract	-do-	1.286

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
		through Health Council without Obtaining Performance Security		
22		Irregular expenditure due to misclassification	Others	0.243
23		Non-supply of medicines	Procurement	2.388
24		Without deductions Off Cycles payment	-do-	0.498
25		Overpayment on account of purchase of transformer	Procurement related irregularities	0.132
26		Recovery due to non-availing of designated residence of MS	HR /Employees related irregularities	0.087
27		Non recovery of 5 % maintenance charges	-do-	0.003
28		Non recovery of Conveyance Allowance during leaves	-do-	0.023
29		Grant of inadmissible December increment to Adhoc Doctors	-do-	0.012
30		Drawl of salaries without verification of degrees	-do-	0.697
31	THQ Hospital Pindigheb	Irregular expenditure on account of Contingent Paid staff	-do-	0.693
32		Irregular procurement in violation of PPRA	Procurement related irregularities	0.128
33		Loss to Government on account of Local Purchase	-do-	
34		Non recovery of liquidated damages	Value of money and service delivery issues	0.077
35		Supply of medicine in violation of government instructions	-do-	4.806
36		Irregular Expenditure in Excess of Allocated Budget	-do-	1.652
37		Non care of Property	-do-	
38		Defective supply of ACs without kits caused additional Charges of ACs	Procurement related irregularities	0.0997
39		Defective Frame work rate contract of medicines less than actual Demand	Value for money and service delivery issues	56.493
40		Non-deduction of Late delivery charges	-do-	0.083
41		Unauthorized and Irregular Drawl of TA/DA and hotel charges	-do-	0.341
42	CEO DHA Attock	Irregular repair of vehicle without approval of Motor vehicle examiner	Value for money and service delivery issues	0.755
43		Irregular Grant of inadmissible allowance HSRA	HR /Employees related irregularities	0.06
44		Provision of wrong or fake import document of imported drugs	Procurement related irregularities	0.313
45		Wastage of public money due to non-use mobile health Unit	Value for money and service delivery issues	82.5
46		Non-supply of medicines	Procurement	0.275
47	THQ	Loss on account of House rent	HR /Employees	0.309

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
	Hospital Hazro	allowance and 5% HR due to non-allotment of Government residences	related irregularities	
48		Provision of wrong or fake import document of importing drugs	Procurement related irregularities	0.844
49		Overpayment on account of 5% of Basic pay and conveyance allowance	HR /Employees related irregularities	0.061
50		Extreme shortage of staff badly suffering the performance of hospital	-do-	
51		Physical verification not Carried out	Value for money and service delivery issues	
52		Non-supply of medicines	Procurement	1.492
53	THQ Hospital Jand	Irregular withholding budget of bulk purchase of medicines by secretary Health	-do-	10.043
54		Over payment on account of arrears of pay & allowance	HR /Employees related irregularities	0.437
55		Over payment on account of Personal Allowance	-do-	0.095
56		Overpayment on account of House rent allowance, Conveyance allowance and 5% of Basic pay	-do-	0.425
57		Un authorized Payment of Conveyance Allowance During Leave	-do-	0.098
58		Irregular Payment of various Allowances	-do-	0.188
59		Over payment of pay allowance after retirement	-do-	0.105
60		Overpayment due to unjustified grant of Integrated Allowance	-do-	0.076
61		Unjustified grant of annual increment on Adhoc appointment,	-do-	0.026
62		Less deduction of income tax on lab share and salary income	-do-	0.143
63		Non-supply of extra medicines for DTL	Procurement related irregularities	0.039
64		Non-deduction of Late delivery charges	Value of money and service delivery issues	0.007
65		Over pay to Contractor on account of PST	HR /Employees related irregularities	0.497
66		Less deposited of income tax and 1/5 th GST and PST deducted at source	Value of money and service delivery issues	0.57
67		Non verification of GST deposit	-do-	0.234
68		Laps of SDA funds due to non-surrendering	-do-	1.965
69		Irregular Purchase of Tabs	Procurement related irregularities	0.427
70		Laps of SDA funds due to non-surrendering to FD	Value of money and service delivery issues	1.965

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
71		Un-justified closing balance of DDO Account	-do-	0..118
72		Non-supply of medicines	Procurement	0.976
73	THQ Hospital Hassan Abdal	Less deduction of income tax on lab share and salary income	HR /Employees related irregularities	0.079
74		Non-surrendering of Anticipating Savings	Value of money and service delivery issues	2.79
75		Un-authorized shifting of medicines to health institution of other District	HR /Employees related irregularities	0.435
76		Non-return back of medicines from DHO Attock	Value of money and service delivery issues	2.887
77		Overpayment on account of pay and different allowances, Recovery thereof	HR /Employees related irregularities	0.107
78		Non-deduction of Health sector reforms Allowance during leave	-do-	0.249
79		Non verification of GST	Value of money and service delivery issues	0.161
80		Loss due to award of lump sum contract to one contractor	Procurement related irregularities	0.304
81		Physical verification not Carried out	Value of money and service delivery issues	
82		Non-supply of medicines	Procurement	2.706
District Health Authority Bhakkar				
1	CEO DHA	Less deduction of GP Fund	Recovery	0.162
2		Non-utilization of funds	Value of money and service delivery issues	30.703
3		Overpayment on account of annual increment	Recovery	1.633
4	DHO	Less deduction of General Provident Fund	-do-	0.059
5		Overpayment due to non-deduction of GPF, BF and Group insurance for regular period	-do-	0.813
6		Loss due to non-auction of unserviceable machinery and store items	Others	2.000
7		Overpayment on account of annual increment	Recovery	0.557
8		Doubtful expenditure on transportation	Value of money and service delivery issues	0.265
9	DHQ Hospital	Loss due to purchases at exorbitant rates	Recovery	0.255
10		Overpayment on account of annual increment	Recovery	0.258
11		Misclassification of Expenditure	Value of money and service delivery issues	0.642

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
12	THQ Hospital Darya Khan	Loss to Govt. due to Non deduction of Penalty of less shelf life	-do-	0.110
13		Payment to medicine companies without deducting income tax& Sales Tax	-do-	0.281
14		Non Recovery of rent from Doctors& Nurses residing	-do-	0.252
15		Overpayment of Pay & Allow to Expired contractual employees	-do-	2.602
16		Unauthorized drawl of Pay & Allow after abolish of post	HR	1.986
17		Non-Conducting of physical verification of stores and stock	Others	-
18		Irregular Payment without Measurement Books	Value of money and service delivery issues	-
19		Recovery due to unauthorized payment of incentive allowance	HR/Employee related irregularities	8.048
20		Irregular payment of pay & allowances to employees on general duty	HR/Employee related irregularities	1.851
21		Purchase of bandages at higher rate	Procurement	1.220
22		Loss due to non-auction of parking and canteen	Others	5.000
23		Loss due to non-auction of unserviceable machinery and store items	Others	3.500
24		Un-authorized occupation of Doctors Hostel and misuse of hospital electricity	Recovery	0.627
25		Loss due to purchases at exorbitant rate	-do-	0.256
26		Overpayment of discount on purchase of LP medicines	-do-	0.260
27		Misappropriation of installation material of Sub-mursible Pump	-do-	0.76
28		Misappropriation of installation material of Sursible Pump	-do-	0.088
29		Loss to Govt. due to Non deduction of Penalty of less shelf life	-do-	0.022
30		Irregular/unauthorized payment of pay and allowances absent period	HR	0.120
31		Non deduction of income tax on doctor's share	Recovery	0.035
32		Misappropriation on account of Fixer & Developer	-do-	0.096
33		Excess payment more than MRS	-do-	0.013
34		Recovery due to unauthorized payment of incentive allowance	HR/Employee related irregularities	1.316
35		Loss due to non-auction of unserviceable machinery and store items	Others	1.500
36	Loss due to non-auction of parking and canteen	Others	2.000	
37	Irregular expenditure on repair of	Procurement	0.397	

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
		Machinery & Equipment		
38	THQ Hospital Mankera	Loss to Govt. due to Non deduction of Penalty of less shelf life	-do-	0.021
39		Recovery due to unauthorized payment of incentive allowance	HR/Employee Related Irregularities	2.070
40		Irregular expenditure on repair of Machinery & Equipment	Procurement	0.728
41		Loss due to non deduction of Income Tax on Doctor's Share	-do-	0.033
42	THQ Hospital Kallur Kot	Irregular drawl of salary against abolished seats	HR	0.657
43		Illegal re-joining of junior accountant and store keeper in hospital against abolished seats	-do-	-
44		Irregular payment of GST on Electricity Charges	Recovery	0.105
45		Loss to government due to non-deposit of MLC charges	-do-	0.030
46		Non Deduction of PST on Services	-do-	0.105
47		Doubtful expenditure on repair of machinery and equipment	Value of money and service delivery issues	0.701
48		Loss due to purchase of X-ray at exorbitant rates	Recovery	0.129
48		Loss to government due to purchase of L.P medicine on less discount	Procurement	0.073
50	RHC Dulle wala	Irregular Payment of Pay and Allowances other heads	HR	0.455
51		Unjustified purchase of medicines	Procurement	0.030
52		Overpayment on account of annual increment	Recovery	0.032
District Health Authority Chakwal				
1	CEO (DHA) Chakwal	Unutilized Budget	Service delivery issues	858.211
2		Irregular Off Cycle Payments without deduction of Income Tax	HR/Employees related irregularities	9.613
3		Non-accountal of receipt deposited through challan	Others	7.721
4		Unlawful handing taking over of the government properties	Service delivery issues	0
5		Irregular purchase of medicines without DTL Report	-do-	0.672
6		Centrally procurement of medicines in violation of government instructions	-do-	94.816
7		Provision of medicine in violation of government instructions	-do-	94.816
8		Irregular payment of Risk Allowance	HR/Employees related irregularities	0.090
9		Procurement of defective medicine at the cost of public health	Procurement related irregularities	1.595
10		Non-supply of medicines	-do-	5.000

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
11		Non transfer of unspent balance to DHA	Value of money and service delivery issues	462.692
12	District Officer Health	Non recovery on account of conveyance allowance	HR/Employees related irregularities	0.533
13		Irregular drawl of pay and allowances	-do-	1.003
14		Wastage of utilities	Service delivery issues	0.346
15		Non-submission of annual account of management operation to District Government Chakwal by the PRSP / PHFMC	-do-	0
16		Expenditure more than requirement	-do-	0.819
17		Non transparent payment of Leave encashment	HR/Employees related irregularities	17.678
18		THQ Choa Saidan Shah	Doubtful payment of pay & allowance	-do-
19	Non-verification of Sales Tax		Service delivery issues	0.269
20	Less deduction of income tax		-do-	0.024
21	Loss due to award of lump sum contract to one contractor		-do-	0.247
22	Non supply of medicines		Procurement	0.373
23	Trauma Center Kallar Kahar	Over payment of SSB to regular doctor	HR/Employees related irregularities	0.055
24		Over payment on account of Health professional allowance	-do-	0.198
25		Less deduction of income tax on lab share	-do-	0.043
26		Non-verification of Sales Tax deposit	Service delivery issues	0.267
27		Inadmissible payment of Practice Compensatory Allowance	HR/Employees related irregularities	0.008
28		Non-reconciliation of Receipt with DAO	Service delivery issues	1.253
29		Non supply of medicines	Procurement	0.603
30	DHQ Hospital Chakwal	Less deposit of hospital receipts	-do-	0.049
31		Purchase of LPG on excessive rates	Procurement related irregularities	0.182
32		Purchase of X-Ray films on excessive rates	-do-	0.241
33		Non deduction of LD on bulk supply of medicines	-do-	0.464
34		Irregular expenditure due to clearance of liabilities	-do-	19.649
35		Unauthorized and doubtful expenditure on refreshment	Service delivery issues	0.847
36		Unauthorized appointment of facilitators out of health council	HR/Employees related irregularities	0.535
37		Doubtful expenditure on AC Installation	Service delivery issues	0.978
38		Non utilization of Health Council Funds	-do-	4.069
39		Non maintenance of record	-do-	4.756

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
40		Un-authorized payment of GST on electricity bills	-do-	1.160
41		Loss to government due to electricity charges	Other	2.160
42		Doubtful expenditure on POL charges	Others	2.497
43		Irregular expenditure due to misclassification	Others	1.510
44		Late deposit of hospital receipts	-do-	0.371
45		Non supply of medicines	Procurement	7.904
	THQ Hospital Talagang	Non recovery of risk & cost of medicines	Procurement related irregularities	0.238
46		Un-authorized payment of GST on electricity bills	Others	0.343
47		Non supply of medicines	Procurement	0.980
48	THQ City Hospital Talagang	Non utilization of Health Council Funds	Service delivery issues	5.681
49		Non deduction of LD and less deduction of PST	-do-	0.299 & 0.005
50		Un-authorized payment of GST on electricity bills	Others	0.235
51		Non-surrendering of Savings	-do-	75.169
52		Non supply of medicines	Procurement	0.266
District Health Authority Gujranwala				
1	CEO Health Gujranwala	Illegal payment of increments to Adhoc Appointee Doctors	HR/ Employee related	0.101
2		Non-utilization of funds	Service delivery	15.59
3		Irregular expenditure	-do-	0.192
4		Defective preparation of Budget	-do-	161.94
5		Irregular award of contract	Procurement	227.699
6		Non-transparent rate award for purchase of medicine	Procurement	
7	M.S THQ HOSPITAL Wazirabad	Non Sale of fixer	-do-	0.080
8		Unauthorized/Unjustified Payment of Pay and allowances	Employee related	0.203
9		Fraudulent Consumption of different items	Procurement	0.507
10		Unjustified drawl of pay and allowances	Employee related	0.150
11		Unjustified transfer of funds	Others	7.269
12		Non deposit of Government dues	-do-	0.772
13	THQ Noushera Verkan	Unjustified Payment of Liabilities	Others	0.220
14		Non collection of performance security	-do-	0.816
15	M.S THQ Hospital , Kamoke	Overpayment of pay & allowances	Employee related	0.090
16		Recovery of annual increments	-do-	0.133
17		Recovery of pay & allowances	-do-	0.158
18		Recovery of ansent period	-do-	0.181
19		Unauthorized payment on account printing	Procurement	0.658
20		Non deduction of PST on Services	-do-	0.162
District Health Authority Gujrat				
1	CEO Health	Non deduction of imposed penalty from	Non –Compliance of	0.9725

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
	Gujrat	the pay and allowances of the staff	Rules	
2		Inadmissible / Overpayment of special allowances	Internal Control Weakness	150.880
3		Unjustified payment of pay and allowances through off cycle	-do-	1.866
4		Doubtful Payment of GST without deposit proof	Non –Compliance of Rules	0.642
5		Irregular payment of Gas & Electricity for inciliator	Internal Control Weakness	0.551
6		Less deposit/Affixing of stamp duty due to executing the agreements on low value stamp papers	-do-	0.2555
7		Purchase of bulk medicines at excessive rates	-do-	0.1385
8		Unjustified drawl of HSRA and Irregular pay and allowances	-do-	0.5428
9		Non condemnation/auction of unserviceable vehicles of IRMNCH	Non Compliance of Rules	1.5
10		Irregular Printing from M/s Sabri Printing press	Procurement	6.627
11		Non-recovery of stipend	Internal Control Weakness	310,000
12		Irregular cash payment to suppliers and leave encashment	Non –Compliance of Rules	11.435
13		Unauthorized Drawl of Electricity in the name of DDO	Internal Control Weakness	8.863
14		Recovery of Over payment	-do-	0.254
15		Non Recovery on Account of Conveyance Allowance	Non –Compliance of Rules	0.672
16		Unjustified drawl of house rent allowance	Internal Control Weakness	0.595
17		Non Recovery of overpayment of Pay and Allowance	Non Compliance of Rules	0.442
18		Unjustified payment of inadmissible allowance of Fix T.A	Internal Control Weakness	0.1395
19	DHO Gujrat	Unjustified Payment of Liabilities	Non –Compliance of Rules	220,000
20		Non Deduction of Income Tax	Internal Control Weakness	0.231
21		Non Deduction of sale Tax	-do-	0.521
22		Unjustified/Doubtful purchase	-do-	4.028
23		Recovery of Absent Period Pay	Non Compliance of Rules	0.158
24		Splitting of Job Orders to avoid quotations/ Advertisement on PPR A Website	Internal Control Weakness	3.47
25		Non Recovery on Account of Conveyance Allowance	-do-	0.664
26		Non recovery of Health Sector Reform Allowance of staff on leave	Internal Control Weakness	0.222
27	Govt. Maternity	Unjustified Payment of Pathologist Shares to Doctor	-do-	0.851

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
28	Hospital Gujrat	Less Deposit of Receipts of Private Rooms	Non –Compliance of Rules	0.0139
29		Non Obtaining the Surety From Contractor of Hospital Canteen	Internal Control Weakness	0.254
30		Non Deduction of Income	-do-	0.0252
31		Non deduction of 16% PST	-do-	0.0517
32		Non Deduction of 5% Maintenance Charges Due To Government Accommodation	-do-	0.1726
33		Non Deduction of Conveyance Allowance	Non Compliance of Rules	0.188
34		Non Deduction of House Rent Allowance	-do-	0.056
35		Unjustified drawl of incentive allowance	Non –Compliance	0.912
36		Irregular Appointment/Extension Of The Ad-Hoc Employees Pay And Allowances	Internal Control Weakness	17.54
37		Less Collection of Government receipts	-do-	0.0846
38		Non realization of government receipts	-do-	0.1079
39		Irregular Drawl of NPA	-do-	0.180
40		Inadmissible Increment Paid to Ad-hoc Doctors	Non Compliance of Rules	0.1137
41		Non-payment of GST	Internal Control Weakness	0.328
42		Non deposit of Income Tax	Non –Compliance of Rules	0.149
43		Expenditure Incurred Without Advertisement on PPR	Internal Control Weakness	1.155
44		Non Collection of Performance Security on Local Purchase	Non Compliance of Rules	0.07625
45		Non deduction of L.D charges	Internal Control Weakness	0.015327
46		Doubtful Consumption of POL	Non –Compliance of Rules	0.242
47		Excess payment of Salary	Internal Control Weakness	0.1426
48	MS THQ Hospital Kharian	None deduction of allowances of during leave	-do-	0.501
49		Unjustified increment to the Adhoc employees	-do-	0.569
50		Non deduction of income tax on receipts shares	-do-	0.1718
51		Expenditure incurred by split up to avoid tendering process	-do-	1.782
52		Un-authorized payment of medicine without obtaining DTL reports	Non Compliance of Rules	1.150
53		Non utilization/blocage of Health council funds	Internal Control Weakness	10
54		Shifting of medicine to other centers	Non –Compliance of Rules	----
55		Non Forfeiture of Performance Guarantee	Internal Control Weakness	0.05

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount	
56		Non-observance of procedure of medication recall	-do-	---	
57		Non compliance of Government instructions	-do-	---	
58		Irregular auction of cycle stand tendering process	Non Compliance of Rules	0.2995	
59		Un-authorized payment of NPA allowance	-do-	0.1769	
60		Un-authorized procurement of under shelf life medicine	Internal Control Weakness	0.0912	
61		None deduction of allowances	-do-	0.611	
62		Unjustified increment to the Adhoc employees	-do-	0.138	
63		Non deduction of income tax onreceipts shares	-do-	0.0600	
64		Non Forfeiture of Performance Guarantee	-do-	0.0239	
65	MS THQ Hospital Dinga	Overpayment to adhoc doctor after fulfillment of seat by regular incumbent	Non Compliance of Rules	0.129853	
66		Un-authorized payment to doctor	Internal Control Weakness	0.460	
67		Non collection of performance security	Non –Compliance of Rules	0.031	
68		Non deduction/transfer of Taxes	Internal Control Weakness	0.456	
69		Non refund of Loan from Health Council funds	-do-	0.100	
70		Non-observance of procedure of medication recall	-do-	---	
71		Non execution of civil work in hospital	Procurement	3.000	
72		Non Sale of fixer	-do-	0.081	
73		MS THQ Hospital Sarai Alagir	Unjustified increment to the Adhoc employees	-do-	0.175
74			Non deduction of allowances of during leave	-do-	0.343
75	Non deduction of income tax onreceipts shares		-do-	0.0884	
76	Overpayment to employee after resignation		Non Compliance of Rules	0.147	
77	Non Forfeiture of Performance Guarantee		-do-	0.337	
78	Un-authorized acceptance of medicine packed not in standard green packaging		Internal Control Weakness	---	
79	Non deposit of MLC fee		-do-	0.047160	
80	Non deduction/transfer of Income Tax		Non –Compliance of Rules	0.049	
81	Overpayment to employee during absent days		Internal Control Weakness	---	
82	Non Imposition of Liquidity damages		-do-	---	
83	Non-observance of procedure of medication recall		-do-	---	
84	Un justified purchase of medicine		-do-	---	

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
		Non compliance of Government instructions	-do-	---
85		Non deduction of income tax on receipts shares	Non –Compliance of Rules	0.088452
86		Non execution of civil work in hospital	Procurement	3.000
87		Non compliance of Government instructions	Internal Control Weakness	---
88		Bogus Consumption/waste of medicine	-do-	--
89		Shifting of medicine to other centers	-do-	---
90	MS THPQ Hospital LalaMussa Gujrat	Recovery of pay & allowances	-do-	0.6698
91		Illegitimate drawl of pay and allowances	-do-	0.7694
92		Overpayment to the doctors due to annual increment	Non Compliance of Rules	0.312
93		Overpayment to the doctors due to annual increment and CA	Internal Control Weakness	0.1559
94		Unjustified drawl of Health Sector Reform Allowance	-do-	2.052
95		Overpayment on account of pay and allowances	-do-	0.254
96		Unjustified drawl of pay and allowances	-do-	0.137
97		Unauthorized drawl of pay and allowances	-do-	0.014898
98		Recovery of pay & allowances	Non Compliance of Rules	0.208
99		Recovery of pay & allowances	Internal Control Weakness	0.462
100		Unjustified drawl of PCA	Non –Compliance of Rules	0.109
101		Mechinery and equipment without use or installation	Internal Control Weakness	-
102	THQ Hospital Kunjah	Loss to government due to collection of parking fee and payment of security	-do-	1.101
103		Overpayment due to drawl of pay and allowances without entitlement	-do-	0.311
104		Recovery of pay and allowances due to joining of regular incumbents	Non –Compliance of Rules	0.39967
105		Non deduction of CA, Incentive Allowance and salaries	-do-	0.199
106		Machinery and equipment without use or installation	-do-	-
107		Unauthorized / doubtful consumption of reagents	-do-	1.33
District Health Authority Hafizabad				
1	CEO Health Hafizabad	In admissible payment of NPA & Special Allowance	HR related Irregularity	132,000
2		Non Replacement of Sub-standard Medicines	Value of money and service delivery issue	287,750
3		Irregular expenditure by splitting Indents of Stationery & Printing	Procurement	569,816
4		Unauthorized Repair of vehicles	Procurement	470,900
5		Doubtful reimbursement of Medical	Others	693,862

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
		Bills		
6		Unauthorized drawl of POL	Others	582,066
7		Less Deposit of Performance Security	Procurement	549,513
8		Recovery Due to Doubtful Drawl of POL	Value of money and service delivery issue	360,133
9		Recovery of Tender Fee	Procurement	45,000
10		Unauthorized drawl of POL for Generator	Procurement	212,896
11		Less Deduction of Income Tax	HR related Irregularity	43,202
12		Un-justified payment of financial assistance	HR related Irregularity	1,600
13		Non Deposit of Bid Security	Procurement	31,218
14		Unauthorized Payment of Annual Increment Recovery	HR related Irregularity	372,600
15		Non-Recovery of DTL Fee Charges	Procurement	252,300
16		Unauthorized Repair of vehicles	Procurement	220,441
17		Non-recovery of stipend	HR related Irregularity	432,000
18		Doubtful payment through POL for IRMNCH Vehicles	Procurement	3,722,249
19		Doubtful Drawl of Pay	HR related Irregularity	6,531
20		Unjustified drawl of Adhoc Allowance 2010 Allowance	HR related Irregularity	49,714
20		Illegal up-gradation to the post of chief technician In excess of prescribed ratio	HR related Irregularity	1,344
21		Unauthorized drawl of Health Sector Reform Allowance	HR related Irregularity	229,836
22	DOH Hafizabad (incl.all DDOH)	Less deduction of Income Tax	HR related Irregularity	47,392
23		Irregular expenditure on repair of vehicles	Procurement	478,880
24		Irregular expenditure on repair of Machinery & Equipment	Procurement	623,100
25		Unjustified Payment of TA / DA	Others	642,846
26		Irregular drawl of Conveyance and House Rent Allowance recovery	HR related Irregularity	299,691
27		Unauthorized Drawl of inadmissible Allowances	HR related Irregularity	240,960
28		Doutfull Drawl on account of Pay & Allowanceand excess payment of HPA	HR related Irregularity	1,135,948
29		Irregular payment of allowances during leaves period	HR related Irregularity	82,060
30		Excess payment on account Non Practicing Allowance	HR related Irregularity	33,000
31		Unauthorized payment of Risk Allowance	HR related Irregularity	57,000
32		Unauthorized Repair of vehicles	Others	215,508
33		Unauthorized Repair of vehicles	Others	286,812
34		Unauthorized Payment through DDO	Others	821,261

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
35		Unauthorized Payment through DDO	Others	797,379
36		Irregular Drawl of TA/DA	Others	166,303
37		Unauthorized Payment of Health Professional Allowance	HR related Irregularity	195,000
38		Non recovery of Social Security Benefits	HR related Irregularity	191,565
39	M.S DHQ hospital Hafizabad	Non Deduction of 5% repair charges due to government accommodation	HR related Irregularity	342,478
40		Unjustified drawl of Conveyance and House Rent Allowance recovery	HR related Irregularity	930,850
41		Un authorized payment of Health Sector Reform Allowance beyond entitlement	HR related Irregularity	173,135
42		Unauthorized payment of Health Sector Reform Allowance other than specialists	HR related Irregularity	848,304
43		Unjustified/ overpayment of increment to the adhoc employees	HR related Irregularity	494,280
44		Inadmissible payment of various allowances to the staff	HR related Irregularity	325,652
45		Payment of salaries to the staff bearing CNIC number other than Punjab province	HR related Irregularity	9.423 m
46		Unjustified drawl of 45% house rent	HR related Irregularity	40,775
47		Irregular payment of allowances during leave period	HR related Irregularity	69,418
48		Non Verification of Treasury Deposits	Others	7.377 m
49		Non deduction of income tax	Others	332,637
50		Non Realization of admission, ward charges	Others	904,410
51		Non deduction of sales tax from the rates of the frame work contract	Others	227,304
52		Wasteful consumption of medicine Issued to the patients	Procurement	25.150 m
53		Unjustified expenditure by splitting Indents	Procurement	653,200
54		Less deduction of income tax	HR related Irregularity	59,421
55	Non maintenance of log book	Others	287,088	
56	Less deduction of PST Deducted 5% instead of 16%	Others	42,812	
57	Unjustified Expenditure due to Payment of Pending Liabilities	Others	1.329 m	
58	Non deduction of 16% provincial Services tax	HR related Irregularity	158,376	
59	Non maintenance of history sheet of vehicles	Others	2,114,477	
60	Misclassification of Expenditure	Others	36000	
61	Irregular expenditure on Installation of Air Compressor	Others	652,000	
62	Misclassification of Expenditure	Others	1.198 m	
63	M.S THQ	Less deduction of Income Tax	HR related	371,960

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount	
	Hospital, Pindi Bhattian		Irregularity		
64		Unauthorized Payment of Health Sector Reform Allo	HR related Irregularity	487,716	
65		Irregular Payment of NPA recovery	HR related Irregularity	477,806	
66		Doubtful Drawl on account of Pay & Allowance	HR related Irregularity	287,947	
67		Excess Payment of Health Professional Allowance	HR related Irregularity	60,000	
68		Non deposit of Government dues	Others	27,810	
69		Irregular payment of allowances during leave period recovery	HR related Irregularity	212,251	
70		Irregular drawl of Conveyance and House Rent Allowance recovery	HR related Irregularity	268,194	
71		Non recovery of Social Security Benefits	HR related Irregularity	905,195	
72		Doubtful payment of salary	HR related Irregularity	460,635	
73		Excess payment of pay & allowances	HR related Irregularity	34,977	
74		Excess payment of pay & allowances	HR related Irregularity	435,615	
75		Excess payment of pay & allowances	HR related Irregularity	52,206	
76		Excess Payment on account of increment recovery	HR related Irregularity	32,200	
77		SMO RHC Vanike Tarar	Non-recovery of HRA and Conveyance Allowance	HR related Irregularity	209,923
78			Irregular and doubtful expenditure	HR related Irregularity	83,889
79	Irregular payment of GST		Others	12,788	
80	Irregular expenditure on account of purchase of L.P medicines		Procurement	550,050	
81	Non-verification of deposits of Govt. receipts		Others	192,825	
82	Non-deduction of 10% Income Tax		Others	23,568	
83	Loss to government due to non-deduction of government taxes		Procurement	22,234	
84	Principal GNS Hafizabad	Irregular expenditure on POL	Others	454,549	
85		Misclassification of Expenditure	Others	89,400	
86		Irregular purchases in Others head through splitting of- expenditure	Others	285,720	
87		Unjustified drawl of NPA recovery	HR related Irregularity	36,000	
88		Irregular purchases in Others head through splitting of expenditure	Procurement	225,196	
89		Unauthorized repair of vehicle	Others	198,150	
90		Irregular drawl of Arrears of pay and allowances due to non availability of whereabouts	HR related Irregularity	326,294	
District Health Authority Jhelum					

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
1	DHQ Hospital Jhelum	Irregular drawl of pay and allowances due to shifting of HQ	HR Related	6.082
2		Unjustified payment	Other	0.748
3		Irregular Expenditure out of Health Council Fund	HR Related	0.550
4		Loss to Govt. due to Non-payment/Misuse of hospital electricity by contractor	Value of money	0.141
5		Irregular booking of expenditure under head A01271 -Others	Vilation of rules	3.765
6		Un-authorized payment of GST on electricity bills	Others	2.706
7		Non-utilization of budget of bulk purchase of medicines	Violation of rules	21.573
8	THQ Sohawa	Non-Surrendering of Anticipating Savings	Value of money	65.149
9		Non/Less deduction of Taxes	DO	0.031
10		Overpayment due to unjustified grant of Integrated Allowance	DO	0.007
11		Unauthorized purchase of Medicine and consumption	Procurement	0.243
12		Irregular booking of expenditure under head A01271 –Others	Violation of rules	0.907
13		Un-authorized payment of GST on electricity bills	Others	0.285
14		Non-utilization of budget of bulk purchase of medicines	Violation of rules	2.100
15	THQ Hospital Dina	Doubtful award of contract on account of expenditure from health council	Irregularity	5.891
16	THQ Pind Dadan Khan	Non-Surrendering of Anticipating Savings	Value of money	154.451
17		Over and Above Expenditure against Allocated Budget	DO	1.481
18		Unjustified expenditure	DO	0.095
19		Less deduction of income tax	DO	0.033
20		Unauthorized Payment of Salary	HR Related	0.020
21		Un-justified deduction of withholding tax by Bank	Value for money	0.005
22		Unauthorized purchase of Medicine	Procurement	0.045
23		Doubtful payment of on account of off-cycle Payment and non-deduction of income	Value of money	2.537
24		Un-authorized payment of GST on electricity bills	Others	0.401
25		Irregular booking of expenditure under head A01271 –Others	Vilation of rules	0.552
26		Non-utilization of budget of bulk purchase of medicines	Violation of rules	3.714
27	Nursing school	Non recovery of stipend from students discontinued training	DO	0.063
28		Irregular payment on account of services rendered	DO	0.739

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
29		Overpayment	DO	0.027
30		Non- Surrendering of Savings	DO	1.590
31		Non verification of GST	Procurement	0.076
32		Excess expenditure than budget		0.009
33	CEO (DHA) Jhelum	Un authorized shifting of head quarter and irregular payment of pay &allowance	HR Related	0.442
34		Un-lawful purchase of medicines without DTL	Procurement	0.239
35		Non- auctioning of miscellaneous damaged items through committee	Value of money	0
36		Un-authorized depositing of receipts in wrong account	DO	1.074
37		Non-utilization of budget of Equipment for Up gradation of THQ Hospital Sohawa	DO	39.690
38		Non-utilization Budget for Developmental scheme	DO	14.972
39		Irregular expenditure due to payment of pension from the pension contribution	DO	3.548
40		Irregular expenditure out of budget for medicines	Procurement	2.753
41		Irregular expenditures on printing material	Procurement	1.360
42		DHO Jhelum	Un authorized shifting of head quarter and irregular payment of pay &allowance	DO
43	Irregular expenditure without proper health council		DO	0.800
44	Non-verification of GST		DO	0.185
45	Irregular booking of expenditure under head A01271 -Others			14.169
District Health Authority Kasur				
1	CEO DHA Kasur	Non-imposition of penalty for late delivery	Irregularity	0.619
2	MS DHQ Hospital	illegal occupants of Government Residences	Recovery	-
3		Irregular payment of Non-practicing allowance	Irregularity	43.000
4		Irregular payment of NPA	Irregularity	0.216
5		Irregular expenditure	Irregularity	1.109
6		Irregular payment of Salaries	Irregularity	1.066
7		Irregular consumption of POL	Irregularity	1.495
8		DHO Kasur	Non maintenance of broad sheet register	Irregularity
9	Abnormal Payment on Accounts of Electricity		Irregularity	2.868
10	Non maintenance of Immoveable Stock /property register		Irregularity	-
11	Irregular / doubtful expenditure on account of POL		Irregularity	5.469
12	Unauthorized Expenditure of Telephone		Irregularity	0.418
13	Doubtful Expenditure of TA		Irregularity	8.140

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
14		Non/less deduction of GST, PST & Income Tax	Recovery	0.178
15		Irregular payment of NPA	Irregularity	0.184
16	THQ Hospital, KRK	Irregular purchase of Medicines without mentioning delivery period	Irregularity	1.260
17		Late Deposit of Hospital Receipts	Recovery	0.795
18		Irregular Expenditure by Wrong Classification	Irregularity	0.841
19		Irregular payment of NPA	Irregularity	0.621
20	THQ Hospital, Pattoki	Loss to the government due to non-replacement of expired medicines	Recovery	0.206
21		Irregular payment of NPA	Irregularity	0.110
22		Irregular up-gradation under umbrella of 4 Tier structure of Allied Health Service structure		
23		In-ordinate delay in non-auctioning of unserviceable stores	Irregularity	0.593
24		Non-reconciliation of Expenditure	Irregularity	148.164
25		Less deposit of MLC fees	Recovery	0.187
26		Non-deposit of Income Tax and non-recovery of electricity charges	Recovery	0.043
27		Non-deduction of Punjab Sales Tax	Recovery	0.134
28		Non- auction of parking stand and canteen, resulting in loss	Recovery	0.718
29		Splitting of job orders to avoid advertisement on PPRA website	Irregularity	0.851
30		Non-transparent hiring of security guards services without advertisement at PPRA website	Irregularity	0.376
31		Inadmissible payment on account of Health Sector Reforms allowance	Recovery	0.024
32		Irregular drawal of funds through bearer cheques in favour of DDO instead of actual payees	Irregularity	6,242
33		Irregular recruitment of Contingent Paid Staff	Irregularity	1.584
34	MS Cardiac Center, Chunian	Overpayment of Pay & Allowances	Recovery	0.287
35		Irregular Drawn of Pay and allowance without Verification of Academic Record, Police Verification	Irregularity	1.612
36		Irregular / non-transparent Expenditure by splitting of Job Order	Irregularity	0.546
37		Non Reconciliation of FI and Departmental Data	Irregularity	0.133
38		Less Deduction on Account Income Tax	Recovery	0.022
39		Non Deduction/ Deposit of Income Tax on Shares	Recovery	0.084
40	MS THQ Chunian	Irregular purchase of LP medicines	Irregularity	9.249
41		Irregular payment of NPA	Irregularity	1.018
42		Doubtful consumption of medicines	Irregularity	9.209
43		Irregular payment of pending liability of LP medicine	Irregularity	6.833

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
44		Irregular drawl of funds for payment of medicines suppliers	Irregularity	1.751
45		Overpayment of pay and allowances during absent period	Recovery	1.280
46		Non-recovery of hospital receipts	Recovery	0.816
District Health Authority Khushab				
1.	THQ Sillanwali	Mis-appropriation of medicines	Recovery	0.504
2.	CEO, KHB	Irregular repair of transport	Value of money and service delivery issues	0.191
3.		Un-authorized payment on account of POL of Generator		0.303
4.		Doubtful distribution of MSD medicines		-
5.	DOH KHB	Irregular repair of transport		0.596
6.		Less deduction of GP Fund	Recovery	0.087
7.		Un-authorized imposition of GST amount on exempted items by the supplier	Recovery	0.099
8.	DHQ KHB	Non-recovery of 10% income tax on receipts Share	Recovery	0.291
9.	DHQ KHB DHQ KHB	Unjustified Expenditure due to Payment of Pending Liabilities	Value of money and service delivery issues	-
10.		Non deposit of sale proceed of fixers and developers of x-ray films	Recovery	0.054
11.		Excess Payment of House Rent Allowance	Recovery	0.0206
12.	THQ KHB	Less deduction of Income Tax	Recovery	0.432
13.	DHQ KHB	Loss to Government due to non-auction of lease Garden of hospital	Recovery	0.500
14.	THQ KHB	Loss due to un-economical Local Purchase concluded in central rate award	Procurement	0.187
15.		Less deduction of GP Fund	Recovery	0.138
16.		Non-recovery of 10% income tax on receipts Share	Recovery	0.078
17.	THQ KHB	Uneconomical purchase of LP medicine	Procurement	0.275
18.	DHQ	Non-recovery of overpaid pay & allowances	Recovery	0.212
19.	THQ	Unauthorized Payment of Salary	HR	0.120
20.	Quaidabad	Non deposit of Government dues	Recovery	0.044
21.		Less deduction of Income Tax	Recovery	0.088
22.		Doubtful drawl of POL for Generator	Irregularity	0.249
23.		Loss due to un-economical Local Purchase concluded in central rate award	Procurement	0.185
24.		Less deduction of GP Fund	Recovery	0.099
25.		Non deposit of sale proceed of fixers and developers of x-ray films	Recovery	0.010
26.		Non-recovery of 10% income tax on	Recovery	0.078

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
		receipts Share		
27.		Loss to Government due to non-auction of lease agriculture land of hospital	Recovery	1.500
28.		Uneconomical purchase of LP medicine	Procurement	0.177
29.		Non-Preparation of Fixed Assets Register	Value of money and service delivery issue	-
30		Unjustified purchase of LP medicines	Procurement	2.730
31.	THQ Noorpurthal	Un-authorized creation of liabilities on purchase of medicine	Procurement	-
32.		Non reconciliation of expenditure of	Others	-
33.	THQ Sahiwal	Non-Verification of Deposits	Others	0.411
34.	THQ Noorpurthal	Loss to government due to non auction of unserviceable vehicle	Recovery	0.300
35.	THQ Naushera	Loss to the Government due to Purchase of LP Medicine and obtaining less Discount	Procurement	0.050
36.		Non-verification of GST invoices	Others	0.303
37.	THQ Noorpurthal	Unauthorized Expenditure on Pay & Allowances Due to Shifting of Head Quarter	HR	0.677
38	DOH	Non supply of medicines for Rs 1.495 million and non-forfeiture of Performance Security Rs 74,780	Value of money and service delivery issue	0.411
District Health Authority Lahore				
1	CEO DHA	Delay in completion of Development Schemes	Irregularity	659.382
2		Irregular block allocation of funds	Irregularity	10.000
3		Irregular payment of pay of two sisters in same bank account	Irregularity	1.508
4		Fake employee was hired and paid	Irregularity	0.118
5		Irregular charging of Pension expenditure to Grant 16	Irregularity	0
6		Non-deposit of pension contribution to Pension Fund	Irregularity	
7		Non-maintenance of Pension Payment Record	Irregularity	
8		Irregular pension payments due to non-maintenance of Pension Fund	Irregularity	
9		Irregular expenditure of POL due to non-provision of mileage certificate	Irregularity	5.619
10		Irregular repair due to non-maintenance of history sheet	Irregularity	3.310
11		Record of employees was not updated and payment made without recording new CNIC number of employees	Irregularity	
12		Non-utilization of Funds	Irregularity	168.459
13		Doubtful domicile of the employees	Irregularity	
14		Wrong designation of the employees	Irregularity	
15	THQ Mian Meer	Irregular payment of arrears on provisional pay slip	Irregularity	0.532
16	Hospital	Sanction of Leave without LAC	Irregularity	

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount	
17		Incorrect CNIC of Employees	Irregularity		
18	DDOH	Doubtful drawl of financial assistance	Irregularity	2.200	
19	Shalimar	Old / Wrong CNIC of Employees	Irregularity		
20	DO Preventive Services	Irregular Expenditure on POL	Irregularity	2.296	
21	DOH	Lapse of funds	Irregularity	4.755	
22	Samanabad	Irregular expenditure without sanctioned post	Irregularity		
23	DDOH AIT	Irregular payment of pay & allowances to unknown designated posts	Irregularity		
24		Payment of PHD allowance without verification	Irregularity		
25		Wrong CNIC number	Irregularity		
26		Irregular payment of NPA	Irregularity		
27		Unauthorized use of bikes	Irregularity		
28		Non-maintenance of dead stock register	Irregularity		
29		Unauthorized payment of leave encashment	Irregularity		
30		Non-verification of GST	Irregularity		
31		Doubtful expenditure	Irregularity	0.178	
32		Non-maintenance record of off cycle payment	Irregularity		
33		Non-maintenance record of arrears of pay & allowances	Irregularity		
34		Doubtful entry in service book	Irregularity		
35		DDOH DGBT	Unauthorized payment of honorarium	Irregularity	0.082
36			Irregular expenditure due to misclassification	Irregularity	0.173
37	Unauthorized payment without sanctioned strength		Irregularity		
38	Cheque was issued in favour of DDO		Irregularity		
39	DO HRM	Utilization of LP medicines at outdoor	Irregularity	0.298	
40		Unauthorized retention of bank balance	Irregularity	0.481	
41		Allocation of funds without requirement	Irregularity		
42	DOH (MS)	Expenditure without budget allocation	Irregularity	0.081	
43		Irregular expenditure due to misclassification	Irregularity	0.569	
44		Irregular expenditure of POL	Irregularity	0.442	
45		Doubtful expenditure due to shifting of hospital	Irregularity	0.212	
46		Irregular Expenditure of Salary due to Surrendering of Services	Irregularity	0.714	
47		Abnormal expenditure on account of POL	Irregularity	0.383	
48		Excess expenditure over budget	Irregularity	2.247	
49		Non-verification of GST	Irregularity	0.514	
50		Purchases at higher rates	Recovery	0.407	
51		Overpayment on account of telephone	Recovery	0.043	
52		Non-maintenance record of off cycle payment	Irregularity		

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
53		Non-maintenance of dead stock register	Irregularity	
54	DDOH Gulberg	Unauthorized payment of honorarium	Irregularity	0.096
55		Irregular expenditure due to misclassification	Irregularity	0.167
56		Purchase of medicines without general order supplier	Irregularity	0.791
57	IDH	Irregular payment for leave encashment	Irregularity	2.730
58		Doubtful rate contract for Mutton	Irregularity	
59		Unauthorized payment of Non Practicing Allowance	Irregularity	0.456
60		Non auction of unserviceable vehicles	Irregularity	0.300
61		Illegal occupants in Hospital's residence	Irregularity	
62		Purchase of medicines without DTL	Irregularity	0.061
District Health Authority Mandi Baha-ud-Din				
1	CEO DHA MB DIN	Recovery of SSB, Adhoc Relief Allowance & GPF	HR Related	0.516
2		Non deduction of conveyance allowance	Procurement	0.406
3		Excess payment to the suppliers	Value of money and service delivery issue	2.173
4		Non maintenance of requisite record	Procurement	-
5		Non deduction of PST on Services	Procurement	0.131
6		Non deduction of Sales Tax	Others	0.480
7		Non imposition of penalty	Others	0.187
8		Non deduction of Income Tax	Recovery	0.472
9		Recovery of training cost	HR Related	0.568
10	DHO MB Din	Non Deduction of Income Tax & PST on services	Procurement	0.167
11		Doubtful Maintenance of Record of	Procurement	38.840
12		Unjustified drawl of PCA and NPA	HR Related	0.828
13		Unauthorized Payment of Allowances	HR Related	0.891
14		Unjustified drawl of Pay and Allowances	HR Related	0.439
15		Unjustified payment of SSB 30% and overpayment of pay and allowances	HR Related	3.276
16		Unauthorized Arrears bills	HR Related	131.897
17		Unjustified/ overpayment on Resignation & Removal from Service	HR Related	0.204
18		Unjustified payment through Off Cycle	HR Related	2.078
19		Overpayment of Taxes	Others	0.590
20		Non deduction of sales tax	Others	1.213
21		Non Deduction of Income Tax	Others	0.479
22		Non deduction of PST	Others	0.245
23		Irregular payment of allowances during leaves period	HR Related	0.345
24		Non recovery of Health Sector Reform Allowance of staff deputed on general duties	HR Related	0.473
25		Non deduction of health sector reform allowance	HR Related	0.790

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
26		Unauthorized Payment of Annual Increment	HR Related	1.380
27	MS DHQ Hospital M.B. Din	Misappropriation in Parking Fee Amounting to	Others	3.020
28		Unauthorized award of Laundry Contract to Blacklisted and Unregistered Contractors	Others	0.542
29		Doubtful Procurement	Procurement	43.245
30		Doubtful procurement through Quotations of	Procurement	20.791
31		Abnormal billing of electricity charges worth	Procurement	14.681
32		Irregular expenditure by splitting Indents of L.P Medicine	Procurement	6.697
33		Illegal Occupation of residence and Recovery of Penal rent worth	HR related	3.932
34		Excess/Doubtful expenditure Of Laundry to Blacklisted Supplier	Procurement	3.846
35		Unauthorized Payment of Pay without extension of contract	HR related	3.030
36		Non-imposition of Penalty for Delay –	Procurement	2.148
37		Unauthorized drawl of POL	Procurement	2.148
38		Doubtful expenditure by splitting Indents of Laundry Through Blacklisted Supplier	Procurement	1.242
39		Overpayment of POL of Generator Due to Average	Procurement	0.516
40		Overpayment of pay to Abscond WMO	HR related	0.343
41		Unjustified drawl of HSRA, Risk & Nursing Allowance -	HR related	0.262
42		Doubtful/ Over drawl of POL for nonfunctional Generator-	Others	0.220
43		Recovery of HSRA Due to Absent Period	HR related	0168
44		Non realization of penalty of	Procurement	0.093
45		Overpayment to Contractor	Procurement	0.073
46		General Nursing School MB Din	Unauthorized Drawl of Pay and Allowances Recovery of	HR related
47	Non Verification of GST		Others	0.067
48	Loss to Value of Official Van Due to Negligence of Management		Others	0.300
49	Government Vehicle Not Available in the office		Others	-
50	MS THQ Hospital Malakwal	Doubtful Invoices as Date & Invoice No.not in chronological order	Procurement	9.741
51		Recovery of Excess Rate paid for X-Rays	Procurement	0.088
52		Unauthorized payment on account of weather shield amounting	Procurement	0.373
53		Irregular payments of allowances during leave period recovery thereof	HR related	0.486

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
54		Unjustified drawl of PCA amounting	HR related	0.141
55		Unauthorized drawl of Health Sector Reform Allowance	HR related	0.340
56		Unauthorized expenditure of Staff Pay amounting	HR related	0.265
57		Unauthorized Payment of Annual Increment Recovery thereof	HR related	0.117
58		Recovery of Notice Period Pay on Resignation	HR related	0.742
59		Unjustified Payment from Health Council amounting	HR related	1.260
60		Recovery of HSRA Due to Absent Period	HR related	0.197
61		Less deduction of income tax	Others	0.123
62	MS THQ Hospital Phalia	Recovery of pay & allowances	HR related	1.390
63		Recovery of Pay	HR related	0.488
64		Overpayment of pay and allowances amounting	HR related	1.557
65		Unauthorized consumption of LP medicines	Procurement	2.028
66		Recovery of	HR related	0.497
67		Recovery of pay & allowances	HR related	0.348
68		Recovery of SSB, Adhoc Relief Allowance&GPF	HR related	0.433
69		Recovery of	HR related	0.150
70		Recovery of	HR related	0.220
71		Non deduction of SSB, Adhoc relief Allowance & compulsory deductions –	HR related	0.559
72		Unjustified payment of adjustments - and recovery of adhoc relief allowances 2017 & 2018	HR related	0.138&0.032
73		Overpayment of incentive allowance and in adjustment	HR related	0.815
74		Unjustified drawl of pay and allowances	HR related	0.293
75		Less deduction of Income Tax amounting	HR related	0.252
76		Unauthorized expenditure amounting to	HR related	4.276
77		Unjustified drawl of pay and allowances	HR related	0.129
78	In-charge Maternity Hospital Phalia	Overpayment of Health Risk Allowance & SSB	HR related	0.320
79		Unjustified drawl of	HR related	0.256
80		Non recovery of compulsory deductions	HR related	0.103
81		Overpayment amounting	HR related	0.309
82		Recovery of	HR related	0.277
83		Recovery of	HR related	0.020
District Health Authority Mianwali				
1	CEO Health, Mianwali	Loss due to Less-deduction of Income Tax	Recovery	0.042
2		Overpayment due to illegal up-	Recovery	0.564

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount	
		gradation			
3	DHO, Mianwali	Unjustified Payment of RC Allowance	HR	0.211	
4		Non Recovery of Charge Allowance paid Without Justification	HR	0.100	
5		Unjustified Payment of Risk Allowance	HR	1.899	
6		Irregular Payment of Health Risk Allowance to Staff of BPS-05 and above, recovery thereof	HR	0.044	
7		Unjustified Payment of Conveyance Allowance	HR	0.124	
8		Undue Retention of Government Money	Value of money and service delivery issues	1.199	
9		Irregular expenditure on repair of vehicle, Machinery and Furniture		0.945	
10		Difference Between Expenditure of FI Data and Actual Expenditure	Others	14.736	
11		Unjustified Expenditure on Purchase	Procurement	0.244	
12		Medicines dumped in store due unnecessary delay in DTL	Value of money and service delivery issue	4.35	
13		Acceptance failed DTL medicine		0.673	
14		Overpayment of HRA and Conveyance Allowance from the pay of official who were residing in Govt. accommodation	HR	0.201	
15		THQ Hospital, Piplan	Improper maintenance of store/stock record and non-conducting of annual physical verification	Others	0
16			Un-authorized payment of GST to FESCO on electricity bills, Recovery thereof	Value of money and service delivery issue	0.602
17	Loss due to un-economical local purchase of medicines		Procurement	0.050	
18	Loss due to un-economical local purchase of medicines		Procurement	0.041	
19	Non-recovery of CA and HSRA during earned leave		HR	0.115	
20	THQ Isakhel	Misclassification of expenditure	Value of money and service delivery issue	0.054	
21		Irregular payment of pay and allowances	HR	0.587	
22		Illegal acceptance and utilization of close to expiry medicines – Rs	Value of money and service delivery issue	0.096	
23	THQ Kalabagh	Non-recovery of income tax on auction amount	Recovery	0.081	
24		Over Payment of discount on purchase of LP medicines	Procurement	0.122	
25		Less Deposit of Government Money	Recovery	0.292	
26		Doubtful Purchase of LP Medicines	Procurement	0.463	
27		Non Maintenance of Record Leading to	Others	0.680	

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
		Unnecessary Expenditure on Repair		
28		Improper Handling of Stores/Stocks and Non-conducting of Annual Physical Verification	Others	0
29		Non-utilization of operation theater	Value of money and service delivery issue	2.500
30		Non Traceable Whereabouts of Government Money	Others	1.103
31		Loss to Government Due to Non Auction of Cycle Stand and Canteen	Recovery	0.310
32		Unjustified Payment to Contingent Paid Staff	HR	0.710
33		Loss to Government Due to Non Auction of Cycle Stand and Canteen	Recovery	0.350
34		Non Recovery of CA paid Without Justification	HR	0.060
35	RHC DaudKhel	Non Recovery of House Rent against Designated Residence	HR	0
36		Unauthorized Credit of Receipt of AC-VI in AC-I	Value of money and service delivery issue	0.154
District Health Authority Nankana Sahib				
1	MS THQ Shahkot	Unauthorized Development expenditure without Technically Sanctioned estimate	Irregularity	4.489
2		Unauthorized payment of Pending Liabilities	Irregularity	0.687
3		Non Deduction of Income Tax on Off-cycle payments	Recovery	0.276
4		Unauthorized Payment of NPA	Irregularity	0.153
5		Unauthorized expenditure on bulk purchase from the budget of LP Medicines	Irregularity	0.397
6		Unauthorized payment of Salaries to Driver	Irregularity	0.257
7	CEO, DHA, Nankana	Non deduction of Income Tax on account of Off Cycle Payments	Recovery	0.432
8		Overpayment on account Pay and Allowances after regularization	Recovery	0.023
9		Irregular expenditure due to Misclassification	Irregularity	0.838
10		Splitting of job orders to avoid advertisement at PPRA website	Irregularity	0.889
11		Non-transparent purchase of Printed Material due to improper invoking urgency clause	Irregularity	0.337
12		Inadmissible Payment on account of the Anesthesia Allowance	Irregularity	0.130
13		Irregular payment on account of different allowances	Irregularity	2.122
14		Irregular Expenditure on accounts of	Irregularity	10.474

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
		Purchase of Medicines		
15		Non-accounting of purchases in asset registers	Irregularity	1.054
16		Expenditure Over and above Budgetary Allocation	Irregularity	
17		Non-surrendering of savings	Irregularity	
18		Irregular payment of purchased equipment	Irregularity	1.228
19	MS DHQ Hospital, Nankana Sahib	Discharging of Pending Liabilities	Irregularity	2.880
20		Irregular payment of NPA	Irregularity	2.663
21		Expenditure Over and above Budgetary Allocation	Irregularity	
22		Failed Medicines/ Substandard Medicines	Irregularity	1.050
23		Non-surrendering of saving	Irregularity	
24		Discharging of Pending Liabilities	Irregularity	5.565
25		Doubtful purchase of bicarbonate	Irregularity	0.360
26		Drawl of inadmissible pay and allowances	Recovery	0.104
27		Non deposit of receipts of tender fee into treasury	Recovery	0.201
28		Inadmissible Payment on account of the Anesthesia Allowance	Recovery	0.060
29		Irregular payment of NPA	Irregularity	0.212
30		Irregular payment on account Adj. Adhoc Allowance	Irregularity	0.410
31		Over Payment of Health Sector Reform Allowance	Irregularity	
32		Non-deduction of Income Tax from doctor & staff share from government receipts	Recovery	0.317
33		Overpayment on account of Increments	Recovery	0.094
34		Splitting of job orders to avoid advertisement on PPRA website	Irregularity	0.429
35		DOH (Preventive Services)	Irregular expenditure on account of previous year liability	Irregularity
36	Over Payment of Health Sector Reform Allowance		Irregularity	2.764
37	Irregular expenditure due to splitting of job orders to avoid open tender		Irregularity	3.044
38	Non-deduction of 5% maintenance charges		Irregularity	2.066
39	Irregular Expenditure on POL		Irregularity	2.043
40	Irregular expenditure on repair		Irregularity	2.011
41	Irregular Expenditure on Printing		Irregularity	2.816
42	Irregular expenditure on local purchase of medicine		Irregularity	7.196
43	Splitting of Job Orders to avoid Annual requirements Advertisement on PPRA Website and Doubtful consumption		Irregularity	7.510
44	Overpayment to daily wage employees		Recovery	0.960
45	Misclassification of expenditure		Irregularity	0.894

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
46		Unauthorized payment of Adhoc Allowances	Irregularity	0.606
47		Irregular drawl of Travelling Allowance	Irregularity	0.535
48		Fine imposed after enquiry but not recovered	Recovery	0.323
49		Irregular Expenditure on inadmissible allowances	Irregularity	0.409
50		Irregular payment of Non Practice Allowance	Irregularity	0.238
51		Unjustified payment of Qualification Allowance	Recovery	0.220
52		Overpayment of Pay and Allowances due to wrong fixation pay on promotion	Recovery	0.202
53		Wasteful expenditure on advertisement for Recruitment	Performance	0.157
54		Non-deduction of GST & Income Tax	Recovery	0.133
55		Overpayment of Integrated Allowance	Recovery	0.071
56		Overpayment of Conveyance Allowance	Recovery	0.070
57		Irregular up-gradation under umbrella of 4 Tier structure of Allied Health Service structure	Irregularity	-
58		Deterioration of Govt. assets due to non-repairing	Performance	0.600
59		Loss of millions of rupees to the Government due to illegal appointment of staff	Irregularity	-
60		Non-deduction of 5% maintenance charges and HSRA	Recovery	0.099
61		Irregular drawl of Travelling Allowance	Irregularity	0.280
62		Irregular payment to daily wages Staff	Irregularity	8.976
63	MS THQ	Irregular payment of NPA	Irregularity	0.485
64	Sangla Hill	Over payment on account of Increments	Recovery	0.552
65		Overpayment due to non-deduction of CA and HRA	Recovery	0.234
66		Non-deduction of Personal Allowance after up-gradation of the officials	Recovery	0.187
67		Overpayment on account of HRA	Recovery	0.043
68		Non-deduction of CA and Incentive Allowance during long leave	Recovery	0.188
69		Non-deduction of the Allowances during leave period	Recovery	0.152
70		Adjustment of different allowances	Recovery	0.122
71		Splitting of job orders to avoid advertisement at PPRA website	Irregularity	0.945
72		Unjustified arrear payment on account of Pay and Allowances	Irregularity	0.313
73		Overpayment on account of salary during EOL	Recovery	0.185
74		Unjustified payment of pending liabilities	Irregularity	0.899
75		Splitting of job orders to avoid	Irregularity	0.507

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
		advertisement at PPRA website		
76		Non-deduction of Income Tax from doctor and staff share from government receipts	Recovery	0.082
77		Irregular payment of NPA	Irregularity	0.094
78		Expenditure Over and above Budgetary Allocation	Irregularity	
79		Over Payment of Health Sector Reform Allowance	Irregularity	
80	RHC Rehanwala	Irregular purchases made by splitting and violating PPRA	Irregularity	1.326
81		Irregular payment on account of printing material	Irregularity	0.289
82		Irregular payment of leave encashment	Irregularity	2.317
83		Loss due to non-deduction of HRA and Conveyance Allowance from the pay of official who were residing in Govt. accommodation	Recovery	0.172
84		Loss due to non deduction of HSRA during General Duty	Recovery	0.026
85		Overpayment of Conveyance Allowance and Health Sector Reform Allowances due to non-deduction	Recovery	0.072
86		Irregular purchases made by splitting	Irregularity	0.182
District Health Authority Narowal				
1	CEO Health, Narowal	Unauthorized drawl of Health Sector Reform Allowance	HR Irregularities	0.038
2		In admissible payment of NPA & Special Allowance	HR Irregularities	0.124
3		Irregular expenditure by splitting Indents of Stationery	Procurement irregularity	0.382
4		Unauthorized Repair of vehicles	Procurement irregularity	0.127
5		Unauthorized drawl of POL	Procurement irregularity	1.178
6		Irregular expenditure by splitting Indents of Cost of Other Stores	Procurement irregularity	0.632
7		Unauthorized Repair of vehicles amounting of IRMNCH	Procurement irregularity	0.045
8		Doubtful payment through POL for IRMNCH Vehicle	Procurement irregularity	0.097
9		Doubtful Payment of GST	Procurement irregularity	0.072
10		Irregular Expenditure due to Payment of Previous Year's Liabilities	Procurement irregularity	0.097
11		Irregular payment of stipend	HR Irregularities	0.023
12		Unjustified Off Cycle payment	HR Irregularities	0.523

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
13	DO Health Narawal	Overpayment due to resignation and SSB	HR Irregularities	0.679
14		Recovery of HSRA and pay & allowances	HR Irregularities	0.992
15		Irregular drawl of leave encashment and Financial Assistance	HR Irregularities	19.424
16		Unauthorized expenditure on account of repair of transformers	Procurement irregularity	0.728
17		Non deduction of GPF, BF and GI	HR Irregularities	0.246
18		Overpayment of pay & allowances due to drawl after relieving	HR Irregularities	0.378
19		Overpayment due to the transfer of pay and allowances after relieving	HR Irregularities	0.255
20		Overpayment on account of HRA, SSB and non deduction GPF	HR Irregularities	0.272
21		Unjustified drawl of HSRA and Qualification Allowance	HR Irregularities	0.229
22		Non deduction of conveyance allowance	HR Irregularities	0.312
23		Recovery on account of HSR allowance	HR Irregularities	0.821
24		Unjustified drawl of funds in cash	Procurement irregularity	7.774
25		Non deduction of Income Tax and GST on account of Health Council	Procurement irregularity	0.475
26		Unauthorized repair of vehicle	Procurement irregularity	0.127
27		Unauthorized expenditure on account of POL	Procurement irregularity	0.220
28		Unauthorized Repair of vehicles	Procurement irregularity	0.104
29		Unauthorized expenditure on account of POL	Procurement irregularity	0.207
30		Recovery of HSRA	HR Irregularities	0.042
31		Unauthorized Repair of vehicles	Procurement irregularity	0.073
32		Unjustified expenditure on account of POL	Procurement irregularity	0.118
32 A		Unauthorized purchase of medicine	Procurement irregularity	3.330
33		Recovery of HSRA and Integrated allowance	HR Irregularities	0.050
34		MS DHQ Hospital Narawal	Inadmissible / Overpayment of Special Allowances	HR Irregularities
35	Non Deduction of 5% repair charges due to govt. accommodation		Procurement irregularity	0.421
36	Un authorized payment of HSRA beyond entitlement		HR Irregularities	0.080
37	Unauthorized payment on account of Non Practicing Allowance		HR Irregularities	0.693
38	Irregular appointment/extension of the adhoc employees pay and allowances		HR Irregularities	1.710
39	Unjustified/ overpayment of increment		HR Irregularities	0.054

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
		to the adhoc employees		
40		Payment of salaries to the staff bearing Zero Joining Date and bearing CNIC number other than Punjab province	HR Irregularities	5.511
41		Unjustified drawl of 45% house rent and anesthesia allowance	HR Irregularities	0.255
42		Illegal Occupation of residence and Recovery of Penal rent	HR Irregularities	1.692
43		Unjustified payment of personal allowance	HR Irregularities	0.493
44		Purchase on excessive rates	Procurement irregularity	0.369
45		Short realization of penalty due to late supply of medicine of	Procurement irregularity	0.225
46		Irregular Payment of TA/ DA	HR Irregularities	0.604
47		Irregular Printing from M/s Sabri Printing press	Procurement irregularity	1.255
48		Non deposit of Income Tax due to booking of expenditure on net amount in SAP	Procurement irregularity	0.260
49		Less deposit/Affixing of stamp duty due to executing the agreements on low value stamp papers	Procurement irregularity	0.307
50		Unjustified pay and allowances	HR Irregularities	0.782
51		Loss to government due to deterioration of assets	Procurement irregularity	125
52		Loss to Value of Official Van Due to Negligence of Management	Procurement irregularity	1.00
53		Irregular Payment of Repair of Vehicle	Procurement irregularity	0.064
54	Principal, General Nursing School, Narowal	Irregular expenditure by splitting the indent and without Advertisement on PPRA Website	Procurement irregularity	0.299
55		Unauthorized payment of financial assistance	HR Irregularities	2.500
56		Irregular drawl of utility bills in the name of DDO	Procurement irregularity	27.770
57		Cash payment of Scholarships	HR Irregularities	6.652
58		Unjustified Off Cycle payment	HR Irregularities	0.386
59		Non-conducting of physical verification of stores and stock	Procurement irregularity	-
60		Service Books Not Maintained Properly	HR Irregularities	-
61	MS THQ Hospital, Shakargarh	Unjustified drawl of NPA	HR Irregularities	0.622
62		Irregular payments of allowances during leave period	HR Irregularities	0.402
63		Unauthorized payment of pay and allowances beyond sanctioned strength	HR Irregularities	14.70 (approx.)
64		Inadmissible/Overpayment of special allowances	HR Irregularities	7.177
65		Irregular payment of pay & allowances	HR Irregularities	-
66		Non-imposition of penalty for delay	Procurement irregularity	0.344

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount	
67		Irregular expenditure by splitting indents of general and cost of other stores	Procurement irregularity	0.643	
68		Purchase of others items at excessive rates	Procurement irregularity	0.257	
69		Non-accountal of stores	Procurement irregularity	7.245	
70		Irregular drawl of POL and irregular repair of 50 KVA generator	Procurement irregularity	0.523	
71		Unauthorized purchase and consumption of Anti Rabies Vaccine	Procurement irregularity	0.697	
72		Irregular expenditure on civil work and application of higher rate	Procurement irregularity	3.76	
73		Excess payment of non scheduled items	Procurement irregularity	0.388	
74		Non Recovery from Contractor for parking	Procurement irregularity	-	
75		Purchase of bulk medicines at exorbitant rates	Procurement irregularity	0.399	
76		Excess payment and less deduction of income tax	Procurement irregularity	0.02, 0.046	
77		Unjustified drawl of pay and allowances and irregular drawl of Health Sector Reform Allowance (HSRA)	HR Irregulaities	0.099, 0.184	
78		SMO RHC Zafarwal	Non-verification of deposits of Govt. receipts	Procurement irregularity	0.834
79			Irregular payment on account of POL for Generator	Procurement irregularity	0.156
80			Irregular expenditure by splitting the indent and without Advertisement on PPRA Website	Procurement irregularity	0.201
81	Inadmissible/Overpayment of special allowances		HR Irregulaities	1.766	
82	Excess Payment on account of increment		HR Irregulaities	0.011	
83	Irregular payment of arrears of pay & allowances		HR Irregulaities	0.456	
84	Non-recovery of 5% maintenance charges		HR Irregulaities	0.115	
85	Non Payment of Sales Tax		Procurement irregularity	0.022	
86	SMO RHC Baddomalhi	Non recovery of House rent	HR Irregulaities	0.549	
87		Non functional of X-Ray Machine	Procurement irregularity	0.200	
88		Non-disposal of old parts / unserviceable store items – loss to Govt.	Procurement irregularity	0.200	
89		Depriving patients from health facility and non Surrender of Amount	Procurement irregularity	7.96	
90		Irregular Drawl Of Pay Due To Shifting Headquarter	HR Irregularities	0.651	
91		Payment of medicine worth without	Procurement	0.488	

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
		obtaining DTL reports	irregularity	
92		Irregular payment of arrears of pay & allowances	HR Irregularities	1.427
93		Non deduction of Income Tax	Procurement irregularity	0.016
94		Non-deduction of income tax	Procurement irregularity	0.005
District Health Authority Okara				
1	CEO DHA Okara	Irregular pension payments due to non-maintenance of Pension Fund	Irregularity	9.675
2		Overpayment of Pay & Allowances on unreliable HR Data due to non availability of joining dates	Recovery	
3		Non utilization of Development funds	Irregularity	4.966
4	THQ Depalpur	Irregular payment of salaries to drivers	Irregularity	0.656
5		Unauthorized purchases under "Specific Consumables - A09407"	Irregularity	0.943
6		Irregular expenditure on Contingent paid staff	Irregularity	0.245
7		Irregular expenditure by misclassification	Irregularity	0.549
8		Irregular expenditure on repair of building	Irregularity	0.149
9	DO Health	Doubtful payment of Salaries	Irregularity	0.513
10		Irregular payment of Utility Bills to DDOs	Irregularity	7.713
11	General Nursing School Okara	Irregular Expenditure on repair and maintenance	Irregularity	0.327
12		Irregular cash withdrawals from bank	Irregularity	21.265
13		Abnormal expenditure on Utilities	Irregularity	1.005
14		Irregular payment of TA	Irregularity	0.480
15		Irregular / doubtful expenditure on POL	Irregularity	0.199
16		Uneconomical purchases / repair work	Irregularity	0.800
17		Doubtful purchase / consumption of misc. items	Irregularity	0.771
18		Non verification of GST invoices	Irregularity	0.244
19	DHQ South	Irregular payment of LP medicine from Health Council	Irregularity	2.955
20		Irregular purchase of medicines for store purpose	Irregularity	1.238
21		Irregular procurement of LP medicine without taking on stock	Irregularity	5.429
22		Irregular payment of Medicines as pending liabilities	Irregularity	8.285
23		Non deposit of fee from Car Parking	Recovery	0.300
24		Non deposit of Income Tax and PST	Recovery	0.480
District Health Authority Rawalpindi				
1	DHO Rawalpindi	Doubtful payment of arrears of pay	HR /Employees related irregularities	24.6
2		Illegal up gradation to the post resulting irregular expenditure	HR /Employees related irregularities	0

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount	
3		Non maintenance of record relating to health council	Value of money and service delivery issues	0.63	
4		Inadmissible payment to Hill Allowance	Value of money and service delivery issues	0.814	
5		Non deduction of income tax, Punjab sales tax & sales tax from Health		1.039	
6		Irregular/Misclassified expenditures		0.479	
7		Doubtful disbursement of TADA	Value of money and service delivery issues	1.898	
8		Doubtful/irregular payment of POL	Value of money and service delivery issues	0.792	
9		Wasteful expenditures without any function	Irregularity	4.736	
10		Irregular loan to other BHUs out of health council	irregularity	2.097	
11		THQ Hospital Kallar Sayyedana	Un-authorized Payment of leave encashment recovery	Recovery	0.804
12			Doubtful payment of arrears of pay	Irregularity	3.458
13	Excess payment of pay & allowances		Recovery	0.391	
14	Overpayment of CA and HSRA during leave period		Recovery	0.13	
15	Wah General Hospital	Irregular continuation of auction of parking stand	Irregularity	0	
16		Late purchase of medicine due to late award of rate contract	Irregularity	8.215	
17		Non-surrendering of Savings	Violation of rules	6.06	
18		Unauthorized appointment of daily wages out of health council	Value of money and service delivery issues	0.235	
19		Less deduction of income tax	Value of money and service delivery issues	0.054	
20		Late purchase of medicine due to late award of rate contract	Irregularity	7.235	
21		Non-surrendering of Savings	Violation of rules	1.49	
22		Non utilization of hospital machinery due to vacant posts	Violation of rules	5	
23	THQ Murree	Non recovery of canteen dues from contractor	Recovery	0.669	
24		Un-authorized expenditure out of health council	Irregularity	1.319	
25		Excess payment of pay & allowances	Value of money and service delivery issues	0.961	
26		Wasteful expenditures on fabrication of vehicle	Non-compliance	0.878	
27		Late purchase of medicine due to late award of rate contract	-do-	8.302	

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount	
28		Misclassification of expenditures	-do-	1.269	
29		Unauthorized appointment of daily wages out of health council	Value of money and service delivery issues	0.434	
30		Doubtful consumption of store items		0.311	
31		Non maintenance of record	Non-production of record to Audit	3.378	
32		Illegal up gradation to the post resulting irregular expenditure	HR /Employees related irregularities	0	
33		Irregular expenditures on purchases at higher price	Value of money and service delivery issues	0.447	
34		Loss to hospital assets due to low quality building work	Value of money and service delivery issues	0	
35		Doubtful payment for purchase of X-Ray Cable		0.389	
36		Expenditure in violation of financial discipline		2.407	
37		Unauthorized use of hospital water by building contractor	Value of money and service delivery issues	0	
38		Illegal encroachment on hospital land	Value of money and service delivery issues	0	
39		Illegal up gradation to the post resulting irregular expenditure	Value of money and service delivery issues	0	
40		Non maintenance of record	Value of money and service delivery issues	3.341	
41		Un-authorized expenditure out of health council	Value of money and service delivery issues	2.167	
42		THQ Kahuta	Excess payment of pay & allowances	Value of money and service delivery issues	0.122
43			Misclassified recovery of overpayment (ROP) amounting	Value of money and service delivery issues	0.082
44			Un-authorized expenditure out of health council	Value of money and service delivery issues	4.627
45		THQ Hospital, Gujar Khan	Un due retention of government money due to non-disbursement	Value of money and service delivery issues	4.491
46			Non maintenance of record relating to Off-Cycle Payment	Value of money and service delivery issues	7.233
47			Illegal up gradation to the post resulting irregular expenditure	Non-compliance	0
48	Overpayment of CA and HSRA during		Value of money and	0.531	

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount	
		leave period	service delivery issues		
49		Overpayment due to non-deduction of inadmissible allowances	Recovery	0.279	
50		Un-authorized Payment of leave encashment recovery thereof	Irregularity	0.237	
51		Non recovery of liquidated damages	Recovery	0.154	
52		Less deduction of income tax on lab share	Recovery	0.13	
53		Un-justified deduction of withholding tax by Bank	Irregularity	0.123	
54		Non-Surrendering of Anticipating Savings	Violation of rules	8.188	
55		Over payment of Rs 177,680	Recovery	0.177	
56		Non-deduction of Income Tax	Recovery	0.058	
57	RHC Doultala	Non-Surrendering Of Anticipating Savings	Value of money and service delivery issues	1.619	
58		Over and Above Expenditure against Allocated Budget		3.143	
59		Doubtful Purchase of Local Purchase Medicine		0.464	
60		Overpayment due to non deduction of inadmissible allowances	Recovery	0.434	
61		Loss to government due to un-authentic discard of medicines	Recovery	0.423	
62		Exorbitant Rate Purchases, recovery thereof	Irregularity	0.405	
63		Non deduction of GST	Recovery	0.245	
64		Unjustified expenditure on repair of furniture	Irregularity	0.158	
65		Shortage of stock and store	Irregularity	0.124	
66		Shortage of medicine	Irregularity	0.122	
67			Non utilization of development budget	Value for money and service delivery issues	129.139
68		Irregular purchase of store items without specifications	DO	1.027	
69	CEO DHA Rawalpindi	Non-production of record	Non-production of record to Audit	1.184	
70			Non-verification of GST	Value of money and service delivery issues	0.996
71			Irregular drawl of POL without consumption certificate	Irregularity	0.567
72			Doubtful drawl due to difference in FI-data	Irregularity	0.434
73			Overpayment due to unauthorized drawing of higher grade	Recovery	0.419
74			Un-authorized payment of Nursing Allowance	Irregularity	0.27
75			Un-authorized drawl of Hill Allowances	Irregularity	0.105
76			Overpayment due to allowing personal	Recovery	0.057

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
		allowance on higher rates		
77		Non-deduction of 5% HR	Recovery	0.055
78		Non utilization of budget	Irregularity	93.199
79		Excess expenditure than budget	Recovery	0.18
80		Excess payment due to drawing excess posts	Value of money and service delivery issues	0.18
81	THQ Kotli Sattian	Payment of Inadmissible Allowances	Value of money and service delivery issues	0.415
82		Non deduction of Allowances		0.335
83		Loss to Government on account of LP Medicines purchase on exuberant rate		0.235
84		Non deduction of allowances during availing government accommodation		0.234
85		Unauthorized payment of DTL (PL		0.162
86		Non imposition of penalty due to late supply of medicines		0.156
87		Doubtful expenditure without acknowledgement		0.106
88		Non deduction of Income Tax	Value of money and service delivery issues	0.102
89		Overpayment on account of Conveyance Allowance during leave	Recovery	0.069
90		Irregular execution without Technical Sanction	Irregularity	5.242
91		Irregular Payment of Development work due to non-preparation of PC-I	Irregularity	6.878
92		THQ Hospital Taxila	Overpayment on account of house rent & 5% of basic pay	Recovery
93	Over payment on account of 10% adhoc increase to fixed pay officer		Value of money and service delivery issues	0.54
94	Over payment on account of SSB 30% payment to regular employees		Recovery	0.38
95	Non deduction of Allowances during leav		Recovery	0.474
96	Difference in FI data and Expenditure Statement		Irregularity	0.075
97	Non Utilization of Health Council Budget amounting		Irregularity	1.932
98	Non-surrendering of Anticipating Savings		Irregularity	7.915
99	Irregular execution without Technical Sanction		Irregularity	9.48
100	Irregular Payment of Development work due to non-preparation of PC-I		Irregularity	6.897
District Health Authority Sargodha				
1	CEO DHA	Loss to the Govt. due to non-forfeiture of performance Guaranty of defaulter contractors	Value of money and service delivery issue	0.564

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
2.		Irregular expenditure on repair of vehicle	Value of money and service delivery issue	0.171
3.		Illegal up gradation to the post of Technician & LHV in excess of prescribed ratio	HR	-
4.		Doubtful Expenditure on repair of Photo state Machine	Value of money and service delivery issue	0.238
5.		Loss to the Govt. due to non imposition of penalty for late delivery	Recovery	0.034
6.	DOH	Overpayment to suppliers/vendors	Recovery	0.172
7.		Non authentication of GST	Recovery	0.217
8.	THQ Bhalwal	Expenditure incurred without Pre-Audit	Others	0.389
9.		Irregular appointment of data entry operator	HR	-
10.		Doubtful purchase Due to Bogus Physical verification of medicine without amour	Others	-
11.		Over Payment of discount on purchase of LP medicines	Procurement	0.135
12.		Illegal and Unnecessary purchase of Petty medicines	Procurement	1.539
13.		Non-Conducting of physical verification of stores and stocks.	Others	-
14.	THQ Sillanwali	Illegal Appointment of Daily Wage staff Loss to Govt.	HR	0.270
15.		Improper maintenance of Cash Book	Others	-
16.		Unauthorized Allotment of Residence Beyond Entitlement and Non Recovery of House Rent	Recovery	0.276
17.		Loss to Government Due to Non Auction of Cycle Stand and Canteen	Recovery	0.204
18.		Doubtful Expenditure on POL and Repair	Value of money and service delivery issue	0.610
19.		Non Traceable Whereabouts of Government Money	Others	2.071
20.		Expenditure incurred without Pre-Audit	Others	-
21.	THQ Sahiwal	Irregular appointment of data entry operator	HR	-
22.	THQ Shahpur	Imposition of penalty due to non-completion of civil work	Recovery	0.480
23.		Overpayment on purchase of X-Ray films at exorbitant rates	Recovery	0.117
24.	THQ 46 SB	Irregular retention of sub-standard medicine	Value of money and service delivery issue	0.088
25.		Doubtful purchase of POL	Value of money and service delivery issue	0.147
26.	THQ 90 SB	Unauthorized payment of previous year	Value of money and	-

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
		liabilities	service delivery issue	
27.		Overpayment on purchase of medicines and surgical items	Recovery	0.301
28.		Loss on receipt of lab fees	Recovery	0.213
29.		Acceptance of medicine below shelf life	Procurement	0.095
30.	THQ Kotmomin	Improper maintenance of store/stock record and non-conducting of annual physical verification	Others	-
31.		Irregular/un-economical purchase of medicines	Procurement	0.874
32.		Non Utilization of Funds	Management of accounts	3.256
33.		Expenditure incurred without Pre-Audit	Others	-
34.	THQ Bhera	Irregular appointment of data entry operator	HR	-
35.		Unlawful/ and irregular disbursement of salaries to the absentees	HR	0.102
36.	THQ Bhaghtanwala	Irregular Purchases beyond requirement	Procurement	0.200
37.	CEO SGD	Non-reconciliation of bank account with the proposed revised budget	Others	-
District Health Authority Sheikhpura				
1	CEO DHA	Lapse of Budget by non surrendering of savings	Irregularity	87.233
2		Unauthorized salaries of Sanitary Petrol	Irregularity	84.287
3		Non reconciliation of expenditure with FI data	Irregularity	1.691
4		Irregular promotion of Accounts Assistant	Irregularity	0.396
5		Irregular expenditure for other DDOs	Irregularity	0.209
6		Undue retention of Government money	Irregularity	0.210
7	THQ Sharaqpur	Irregular occupant of designated residence	Irregularity	
8		Irregular expenditure by misclassification	Irregularity	0.230
9		Purchase of detergent powder at exorbitant rate	Irregularity	0.037
10		Misuse of electricity	Irregularity	
11	THQ Safdarabad	Non reconciliation of receipts	Irregularity	1.215
12		Non reconciliation of expenditure	Irregularity	103.406
13		Non utilization of budget	Irregularity	88.694
14		Payment of Salaries on wrong CNIC	Irregularity	0.342
15		Payment of salaries by wrong joining date	Irregularity	4.006
16		Non verification of educational record	Irregularity	2.872
17		Non deduction of income tax on Lab's Fee share	Irregularity	0.172
18		Undue favour to contractor by non obtaining of performance guarantee	Irregularity	0.021
19		Heavy payments on account of electricity	Irregularity	3.376

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
20		Non deduction of Taxes on supplies and services	Irregularity	0.063
21	THQ Muridke	Non obtaining of performance guarantee	Irregularity	0.095
22		Unjustified payment of GST on Electricity Bills	Irregularity	0.511
23		Non reconciliation of receipts	Irregularity	2.466
24		Non verification of documents / degrees	Irregularity	4.199
25		Non utilization of budget	Irregularity	27.328
26		Wasteful expenditure due to non handing over of building	Irregularity	24.323
27		Non deduction of tax on share from Lab fee	Irregularity	0.301
28	THQ Ferozewala	Irregular occupation of Government residence	Irregularity	
29		Less deposit of MLC fee	Irregularity	0.139
30		Unauthorized expenditure on repair of buildings	Irregularity	2.979
31		Non deduction of tax on share from Lab fee	Irregularity	0.134
32	DO Health	Irregular payment of salaries on account of general duty	Irregularity	
33		Irregular drawl of funds	Irregularity	2.392
34		Irregular upgradation under 4-tier structure	Irregularity	
35	DHQ Sheikhpura	Non deposit of X-Ray fee into Treasury	Irregularity	0.098
36		Non deposit of receipts of MLC into Treasury	Irregularity	0.262
37		Deterioration of assets due to non repair	Irregularity	
38		Misuse of electricity	Irregularity	0.275
39		Doubtful payment of salaries without date of joining	Irregularity	
40		Irregular payment of salaries by non verification of degrees	Irregularity	
41		Overpayment due to charging exorbitant rates of medicines	Recovery	0.583
42		Doubtful purchase of aseptomax gel	Irregularity	0.341
43		Non deduction of tax on share from Lab Fee	Recovery	0.329
District Health Authority Sialkot				
1	CEO Health Sialkot	Irregular Purchase of Stationery without quotations	Procurement	0.135
2		Irregular Purchase of LCDs without quotations	Procurement	0.010
3		Unauthorized Payment through DDO	Procurement	20.975
4		Non Deduction of Income Tax	Procurement	0.130
5		Non- realization of penalty due to late supply of Generator	Procurement	0.019
6		Irregular award of contract on single tender	Procurement	2.890
7		Over payment of Canopy for Generator	Procurement	0.560

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount	
8		Less Deduction of Income & Sales Tax	Procurement	0.054	
9		Un-authorized payment on account of TA/DA	Other irregularity	0.478	
10		Excess payment of TA/DA	Other irregularity	0.030	
11		Expenditure incurred excess than budget releases	Other irregularity	57.555	
12		Expenditure without budget allocation	Other irregularity	47.469	
13		Untrue Budgeting due to savings	Other irregularity	167.210	
14		Recovery of pay & allowances	HR related	0.307	
15		Unauthorized Payment of Health Professional Allowance	HR related	0.600	
15 A		Irregular payment through DDO	Other irregularity	11.857	
16		Unauthorized payment of Project Allowance	Other irregularity	0.415	
17		Doubtful payment of TA/DA	Other irregularity	0.168	
18		District Officer Health Sialkot	Recovery of pay & allowances	HR related	1.099
19			Unauthorized payment of Risk Allowance	HR related	0.198
20			Recovery of pay & allowances	HR related	1.247
21			Splitting of Job Orders to avoid quotations	Procurement	0.234
22			Un-justified payment of financial assistance	HR related	2.300
23			Unauthorized Payment through DDO	Procurement	26.377
24	Short realization of penalty due to late supply of medicine		Procurement	0.301	
25	Recovery of Excess Rate of strychnine		Procurement	0.296	
26	Irregular payment of allowances during leave period		HR related	0.306	
27	Irregular purchase of Medicine without DTL		Procurement	10.878	
28	Non Recovery of Conveyance Allowance		HR related	0.286	
29	Non recovery of Social Security Benefits		HR related	0.224	
30	Inadmissible/Overpayment of special allowances		HR related	18.587	
31	Excess Payment of House Rent Allowance		HR related	0.202	
32	DHO Sialkot	Irregular purchase of Medicine	Procurement	3.589	
33		Unauthorized Payment of Health Professional Allowance	HR related	0.202	
34		Unauthorized payment of Conveyance Allowance	HR related	0.060	
35		Unauthorized payment of HSRA	HR related	0.144	
36		Unauthorized Payment of Health Professional Allowance	HR related	0.180	

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
37		Unauthorized payment of HSRA	HR related	0.144
38		Unauthorized Payment of Health Professional Allowance	HR related	0.202
39		Unauthorized payment of Conveyance Allowance	HR related	0.060
40		Unauthorized payment of HSRA	HR related	0.144
41		Unauthorized Drawl of Project Allowance Allowances	HR related	0.040
42		Unauthorized Payment through DDO	Other irregularity	0.994
43		Unjustified drawl of funds in cash	Other irregularity	1.584
44		Unjustified payment for transportation of Goods	Other irregularity	0.196
45		Unauthorized consumption of LP medicines	Procurement	3.956
46		Unauthorized consumption of LP medicines	Procurement	1.367
47		Irregular payment of arrears of pay & allowance	HR related	2.02
48		Unjustified drawl of House rent allowance at a rate of 45%	HR related	0.234
49		Un-Authorized drawl of Incentive allowance	HR related	0.84
50		Irregular Payment of NPA	HR related	0.180
51		Unjustified drawl of Pay & allowances	HR related	0.218
52	MS THQ Kotali	Payment of Health Sector Reform Allowance in excess of entitlement	HR related	0.378
53	Loharan District	Non /doubtful deposit of govt. receipt into treasury	Other irregularity	1.452
54	Sialkot	Non / Less deduction of Income Tax	Other irregularity	0.154
55		Non Sale of fixer	Other irregularity	0.020
56		Irregular payment of allowances during leave period	HR related	0.098
57		Recovery Due to Absent Period	HR related	0.048
58		Unauthorized collection of Test charges	Other irregularity	0.491
59		Less deduction of Income Tax	Other irregularity	0.312
60		Doubtful expenditure on Repair of vehicle	Other irregularity	0.210
61		Unjustified Payment of Liabilities	Other irregularity	3.363
62		Unjustified/Doubtful Purchase	Procurement	0.550
63		Splitting of Job Orders to avoid quotations/ Advertisement on PPRA Website	Procurement	0.298
64		Splitting of Job Orders to avoid quotations/ Advertisement on PPRA Website	Procurement	0.761
65	MS THQ	Inadmissible/Overpayment of special allowances	HR related	9.959
66	Pasrur, Sialkot	Non Deduction of 5% repair charges due to government accommodation	HR related	0.475
67		Irregular drawl of Arrears of pay &	HR related	1.992

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
		allow. due to non availability of whereabouts		
68		Unjustified drawl of Conveyance and House Rent Allowance	HR related	0.039
69		Un authorized payment of Health Sector Reform Allowance	HR related	0.094
70		Unauthorized collection of Test charges	Other irregularity	1.879
71		Unjustified drawl of incentive allowance	HR related	4.987
72		Unjustified drawl of 45% house rent	HR related	0.245
73		Non deduction of conveyance allowance and HSRA	HR related	0.778
74		Non Realization of admission, ward charges	Other irregularity	0.646
75		Non Realization of Operation Charges	Other irregularity	0.377
76		Non Verification of Treasury Deposits	Other irregularity	
77		Unjustified consumption of diesel by the generator	Other irregularity	0.899
78		Non deduction of Liquidated damages due to late supply of medicines	Procurement	0.042
79		Misclassification of Expenditure on Rent of Generator	Other irregularity	0.049
80		Irregular payment of Previous Years Liability in Budget of 10% LP Medicines	Procurement irregularity	0.712
81		Irregular Purch. of Homeo & Tib Medic. out of Budgt. of 15% day to day LP Medicines	Procurement irregularity	0.482
82		Irrational / unnecessary Local Purchase of Ciprofloxacin	Procurement irregularity	1.243
83		Irregular expenditure of Stationery	Procurement irregularity	0.629
84		Unjustified/Doubtful Purchase	Procurement irregularity	0.197
85		Unjustified Payment of Pathologist Shares to Doctor	Other irregularity	1.947
86		Irregular Payment of Pay & Allowances to Contingent Paid Staff	HR related	0.521
87		Non Recovery of House Rent Allowance & 5% Maintenance Charges	HR related	0.168
88	MS THQ Hospital	Unjustified Drawl Of Incentive Allowance	HR related	2.704
89	Samberial	Non Recovery of Pay & Allowances of Absent Period	HR related	0.402
90		Government receipts deposited not verified	Other irregularity	2.790
91		Less Collection of Government receipts	Other irregularity	0.118
92		Non Realization of Government	Other irregularity	0.408

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
		Receipts		
93		Inadmissible Increment Paid to Ad-hoc Doctors	HR related	0.102
94		Unauthorized Repair of Ambulance	Other irregularity	0.058
95		Unauthorized Expenditure Out of Health Council Funds	Other irregularity	0.018
96		Non-payment of GST	Other irregularity	0.085
97		Non Deduction of PST & Income Tax on Services	Other irregularity	0.020
98		Non deposit of Income Tax	Other irregularity	0.022
99		Non-recovery of Conveyance Allowance During Leave	HR related	
100		Inadmissible Payment of Health Professional Allowances	HR related	0.259
101		Inadmissible Payment of Mess & Dress Allowances	HR related	0.259
102		Expenditure Incurred Without Advertisement on PPRA	Procurement	1.399
103		Inadmissible Expenditure on Local Purchase	Procurement	14.210
104		Irregular Expenditure on Local Purchase	Procurement	7.877
105		Irregular Expenditure on Local Purchase	Procurement	14.210
106		Non Collection of Performance Security on Local Purchase	Other irregularity	0.158
107		Non deduction of L.D charges	Other irregularity	0.237
108		Doubtful expenditure on the repairs of Machinery & Equipment	Other irregularity	0.279
109		Doubtful Consumption of POL	Other irregularity	0.641
110		Non Deduction of GPF, BF & GI	HR related	0.222
111		Over payment of House Rent	HR related	0.074
112		Physical verification not carried out	Other irregularity	0
113		Irregular payment of allowances	HR related	0.089
114		Unauthorized consumption of LP medicines	Procurement	1.677
115		Irregular expenditure by splitting Indents of Stationery	Procurement	0.299
116		Irregular Purchase on Single Quotation	Procurement	0.446
117	SMO RHC Satrah, Sialkot	Irregular expenditure by splitting Indents of Printing	Procurement	0.245
118		Non-realization of penalty due to late supply of medicine	Procurement	0.029
119		Irregular expenditure without rate contract	Procurement	1.732
120		Doubtful Invoices as Date & Invoice No. not in chronological order	Procurement	3.104
121		Non Deduction of Income Tax	Other irregularity	0.120
122		Unauthorized Payment through DDO	Other irregularity	3.967

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
123		Irregular cash payment to contractor & supplier	Other irregularity	1.330
124		Non deduction of Income and Sales Tax	Other irregularity	0.123
125		Unauthorized payment of Risk & overtime Allowance	HR related	0.115
126	SMO RHC Jamke Cheema	Unauthorized collection of Test charges	Other irregularity	0.592
127		Non accountal/ Non Auction of cutted trees of Government assets	Other irregularity	4.500
128		Irregular payment of HSR to General Duty Staff	HR related	0.283
129		Govt. receipts deposited not verified	Other irregularity	0.162
130		Illegal Occupation of Residence of MO & recovery of electricity charg	HR related	1.330
131		Wasteful payment of salary against redundant post without performing duties	HR related	0.843
132		Irregular payment of allowances during leave period	HR related	0.058
133		Irregular drawl of Conveyance and House Rent Allowance	HR related	0.919
134		Unjustified drawl of pay and allowances	HR related	1.611
135		Unjustified payment of Adjustments of account of pay and allowances	HR related	1.415
136	SMO RHC Jamke Cheema	Irregular payment of Pathlogist share to the SMO	Other irregularity	0.860
137		Non deduction of income & sales tax	HR related	0.405
138		Non production of service books involving pay and allowances	HR related	1.2
139		Unjustified payment of personal allowance	HR related	0.064
140		Overpayment of pay & allow. due to non ded. of GP Fund G.I and B.F	HR related	2.077
141		Irregular expenditure for maintenance of buildings	Other irregularity	2.00
142		Irregular payment of Gas & Electricity for incliator	Other irregularity	5.138
143	MS THQ Hospital Daska	Irregular drawl of Arrears of pay & allow	HR related	8.524
144		Non deduction of 5% Repair Charges , HSRA and House Rent	HR related	0.618
145		Unauthorized collection of Test charges	Other irregularity	3.705
146		Payment of Health Sector Reform Allowance in excess of entitlement	HR related	0.322
147		Unauthorized payment on account of Non Practicing Allowance	HR related	0.266
148		Unjustified drawl of incentive allowance	HR related	11.847 4.739
149		Payment of salaries to the staff bearing	HR related	2.720

Sr. No.	Name of Formation	Title of Para	Nature of Para	Amount
		Zero Joining Date and bearing CNIC number other than Punjab province		
150		Non Realization of Operation Charges	Other irregularity	1.680
151		Non Realization of admission,	Other irregularity	2.661

Annexure-B

Summary of Revenue Receipts in 2017-18 and 2018-19				
District Health Authority Attock				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	0.062	0.01	4.810	0.01
Non-Tax Revenue	4.130	0.36	5.882	0.36
Share of PFC/ Grants from Provincial Govt.	1155.606	99.63	2042.321	99.63
Other receipts	0.108	0.01	1.010	0.01
Total	1,159.91	1,159.91	1,159.91	100.00
District Health Authority Bhakkar				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	0.013	0.00	-0.108	0.00
Non-Tax Revenue	4.870	0.46	9.368	0.42
Share of PFC/ Grants from Provincial Govt.	1060.920	99.51	2196.444	99.56
Other receipts	0.387	0.04	0.361	0.02
Total	1,066.19	100.00	2,206.07	100.00
District Health Authority Chakwal				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	0.000	0.00	0.022	0.00
Non-Tax Revenue	3.474	0.33	7.757	0.45
Share of PFC/ Grants from Provincial Govt.	1045.708	99.67	1703.391	99.55
Other receipts	0.000	0.00	0.000	0.00
Total	1,049.18	100.00	1,711.17	100.00
District Health Authority Gujranwala				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	1.376	0.07	1.016	0.04
Non-Tax Revenue	6.259	0.33	15.801	0.61
Share of PFC/ Grants from Provincial Govt.	1882.725	99.37	2569.602	99.24
Other receipts	4.298	0.23	2.749	0.11
Total	1,894.66	100.00	2,589.17	100.00
District Health Authority Gujrat				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	0.440	0.02	-0.657	-0.03
Non-Tax Revenue	14.575	0.81	16.481	0.74
Share of PFC/ Grants from Provincial Govt.	1773.665	99.07	2214.860	99.29
Other receipts	1.570	0.09	0.000	0.00

Total	1,790.25	100.00	2,230.68	100.00
District Health Authority Hafizabad				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	0.138	0.02	0.363	0.03
Non-Tax Revenue	3.163	0.44	3.268	0.27
Share of PFC/ Grants from Provincial Govt.	718.170	99.54	1215.370	99.65
Other receipts	0.045	0.01	0.696	0.06
Total	721.52	100.00	1,219.70	100.00
District Health Authority Jhelum				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	0.193	0.02	1.593	0.09
Non-Tax Revenue	1.912	0.16	6.137	0.34
Share of PFC/ Grants from Provincial Govt.	1215.389	99.80	1801.459	99.53
Other receipts	0.347	0.03	0.798	0.04
Total	1,217.841	100.00	1,809.99	100.00
District Health Authority Kasur				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	0.094	0.02	0.858	0.03
Non-Tax Revenue	0.178	0.03	1.098	0.04
Share of PFC/ Grants from Provincial Govt.	499.282	97.75	2472.696	99.69
Other receipts	11.234	2.20	5.697	0.23
Total	510.79	100.00	2,480.35	100.00
District Health Authority Khushab				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	0.008	0.00	0.529	0.03
Non-Tax Revenue	0.015	0.00	0.460	0.03
Share of PFC/ Grants from Provincial Govt.	957.382	100.00	1587.109	99.83
Other receipts	-0.015	0.00	1.769	0.11
Total	957.390	100.00	1,589.867	100.00
District Health Authority Lahore				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	0.701	0.03	1.136	0.03
Non-Tax Revenue	0.227	0.01	0.546	0.02
Share of PFC/ Grants from Provincial Govt.	2759.278	99.96	3463.646	99.87
Other receipts	0.210	0.01	2.665	0.08
Total	2,760.42	100.00	3,467.99	100.00
District Health Authority M.B Din				

Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	0.000	0.00	0.961	0.06
Non-Tax Revenue	-0.077	-0.01	3.665	0.21
Share of PFC/ Grants from Provincial Govt.	1102.207	100.01	1741.615	99.71
Other receipts	0.006	0.00	0.489	0.03
Total	1,102.14	100.00	1,746.73	100.00
District Health Authority Mianwali				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	0.161	0.02	1.615	0.08
Non-Tax Revenue	4.324	0.44	34.985	1.83
Share of PFC/ Grants from Provincial Govt.	983.589	99.54	1874.303	98.02
Other receipts	0.046	0.00	1.260	0.07
Total	988.12	100.00	1,912.16	100.00
District Health Authority Nankana Sahib				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	1.267	0.12	1.853	0.13
Non-Tax Revenue	11.478	1.12	10.169	0.70
Share of PFC/ Grants from Provincial Govt.	1010.420	98.66	1448.106	99.11
Other receipts	1.016	0.10	0.991	0.07
Total	1,024.18	100.00	1,461.12	100.00
District Health Authority Narowal				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	0.022	0.00	0.468	0.02
Non-Tax Revenue	13.846	1.04	21.269	1.12
Share of PFC/ Grants from Provincial Govt.	1314.551	98.98	1876.672	98.85
Other receipts	-0.294	-0.02	0.000	0.00
Total	1,328.13	100.00	1,898.41	100.00
District Health Authority Okara				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	0.094	0.01	1.396	0.05
Non-Tax Revenue	7.013	0.39	11.125	0.38
Share of PFC/ Grants from Provincial Govt.	1781.774	99.49	2887.032	99.54
Other receipts	1.976	0.11	0.828	0.03
Total	1,790.86	100.00	2,900.38	100.00
District Health Authority Rawalpindi				
Description	2017-18		2018-19	
	Amount	%	Amount	%

Tax Revenue	0.868	0.05	-0.835	-0.03
Non-Tax Revenue	0.687	0.04	0.597	0.02
Share of PFC/ Grants from Provincial Govt.	1914.053	99.76	3076.903	99.57
Other receipts	3.098	0.16	13.478	0.44
Total	1,918.71	100.00	3,090.14	100.00
District Health Authority Sargodha				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	-0.004	0.00	0.265	0.01
Non-Tax Revenue	-0.489	-0.03	-0.531	-0.02
Share of PFC/ Grants from Provincial Govt.	1855.481	100.04	3160.431	100.01
Other receipts	-0.190	-0.01	0.000	0.00
Total	1,854.80	100.00	3,160.17	100.00
District Health Authority Sheikhpura				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	0.437	0.02	5.388	0.16
Non-Tax Revenue	0.780	0.04	1.461	0.04
Share of PFC/ Grants from Provincial Govt.	1899.031	99.94	3285.435	99.78
Other receipts	0.007	0.00	0.352	0.01
Total	1,900.26	100.00	3,292.64	100.00
District Health Authority Sialkot				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	-0.013	0.00	0.022	0.00
Non-Tax Revenue	-0.605	-0.03	0.265	0.01
Share of PFC/ Grants from Provincial Govt.	1965.875	100.06	2493.537	99.99
Other receipts	-0.603	-0.03	-0.101	0.00
Total	1,964.65	100.00	2,493.72	100.00
Total				
Description	2017-18		2018-19	
	Amount	%	Amount	%
Tax Revenue	5.857	0.02	20.695	0.05
Non-Tax Revenue	75.760	0.28	149.803	0.35
Share of PFC/ Grants from Provincial Govt.	26895.106	99.61	43110.932	99.53
Other receipts	23.246	0.09	33.042	0.08
Total	26,999.97	100.00	43,314.47	100.00

Annexure-C
Rs in million

Sr. No.	Name of District	DHA			
		Budget	Expenditure	Saving	% age Saving
1	Attock	2,079.010	1,832.299	246.711	11.87
2	Bhakkar	2,161.627	1,955.558	206.069	9.53
3	Chakwal	2,646.688	1,788.477	858.211	32.43
4	Gujranwala	3,755.493	2,450.646	1,304.847	34.75
5	Gujrat	3,229.351	2,168.728	1,060.623	32.84
6	Hafizabad	1,284.312	1,225.960	58.352	4.54
7	Jhelum	2,536.403	1,743.600	792.803	31.26
8	Kasur	3,474.125	2,493.971	980.154	28.21
9	Khushab	2,113.224	1,541.505	571.719	27.05
10	Lahore	4,226.904	3,675.592	551.312	13.04
11	M.B.Din	2,133.355	1,672.100	461.255	21.62
12	Mianwali	2,764.536	1,760.580	1,003.956	36.32
13	Nankana Sahib	1,480.533	1,467.237	13.296	0.90
14	Narowal	2,011.725	1,888.551	123.174	6.12
15	Okara	3,440.064	2,843.274	596.790	17.35
16	Rawalpindi	3,475.737	3,053.788	421.949	12.14
17	Sargodha	4,700.164	2,980.810	1,719.354	36.58
18	Sheikhupura	3,718.223	3,118.315	599.908	16.13
19	Sialkot	2,714.790	2,591.168	123.622	4.55
	Total	53,946.264	42,252.159	11,694.105	21.68

Annexure-D

Para-2.5.2.2

Name of Formation	Name of Firm	Name of Item	Qty	Final Rate	Market Rate	Excess Rate	Amount (Rs)	
CEO (Health) Attock	Munawar Pharma	Diclofenac Sodium Tab	1,930,000	0.84	0.6	0.24	463,200	
	Bio Labs	SuspCefixime	12,300	52.5	45	7.5	92,250	
	Hiranis Pharma	Tab Levofloxacin 250mg	188,000	4.59	3.1	1.49	279,744	
	Zafa pharma	InjCefurexime Sodium 750mg	2,000	75	71.95	3.05	6,100	
	Munawar Pharma	Artemether + LumefantrineSusp 90 mg	2,700	79.89	60	19.89	53,703	
	Bio Labs	Inj Metoclopramide 10mg	80,200	6.3	3	3.3	264,660	
	Munawar Pharma	Ranitidine Tab 150mg	443,000	3.89	2.5	1.39	615,770	
		Ranitidine inj. 50mg/2ml	38,900	6.89	5	1.89	73,521	
	Zafa pharma Lab	Tab GlycerylTrinitrate 2.6 mg	4,500	2.57	2.25	0.32	1,440	
	Munawar Pharma	Ammonium Chlorid	54,100	29.89	20	9.89	535,049	
	Bosch Pharmas Pvt Ltd	Ciprofloxacin Eye Drops 0.30%	4,500	42	34	8	36,000	
	B. Braun Pakistan	Modified Fluid Gelatin 4% infusion 500ml	300	266.2	5	265	1.25	375
	Zafa pharma Lab	Folic Acid	1,290,000	0.39	0.33	0.06	77,400	
	Munawar Pharma	Ferrous salt + Folic Acid Tablets	1,010,000	0.66	0.5	0.16	161,600	
	Karim Industries	Absorbent Cotton Wool BPC Pack 500gm	94,800	189	170	19	1,801,200	
	Karim Industries	Cotton Bandage 10cmx6m	45,300	28.68	8.75	19.93	902,829	
	Karim Industries	Cotton Bandage 15cmx6m	17,000	43.02	10.42	32.6	554,200	
	Fresenius Medical Care	Hollow Fiber Dialyzer	4,000	1100	890	210	840,000	
	Meher Traders	Sterile Surgical Gloves	34,200	38	32	6	205,200	
	-do-	Endotracheal tube	1,500	76	62	14	21,000	
	-do-	Foley's catheter	5,100	68	64	4	20,400	
	-do-	Urine Bags Sterile	7,150	33	20	13	92,950	
	-do-	Examination Gloves	654,670	5.4	4.5	0.9	589,203	
	Macter Intl Ltd	Tab Atorvastatin 20mg	110000	8.95	6	2.95	324,500	
	Cotton craft	Bandage Plaster of Paris	5300	71.77	48	23.77	125,981	
	Cotton craft	Bandage Plaster of Paris	1200	93	90	3	3,600	
	Akram Brothers	Black Silk, 2/0, 30mm	2460	66	25	41	100,860	
	Akram Brothers	Black Silk, Size1, 30mm,	1100	43	28	15	16,500	
	Akram Brothers	Black Silk, Size1,40mm	2600	43	26.66	16.34	42,484	
	Macter Intl Ltd	Ceftriaxone Inj 1gm	20000	88	65	23	460,000	

	-do	Ceftriaxone Inj 250mg	18000	55	38	17	306,000
	Neomedix	Cetirizine Tablets 10mg	72000	1.55	1.2	0.35	25,200
	Lisko Pakistan	Chlorpheniramine maleate Syrup	23000	22.2	12	10.2	234,600
	Lisko Pakistan	DimenhydrinateSyp. 120ml	10000	32	19	13	130,000
	NisaImpe x	Disposable syringe 10ml	11000	8.26	5	3.26	35,860
	NisaImpe x	Disposable syringe 20ml	6000	11.99	5.6	6.39	38,340
	Silver Surgical	Disposable Syringe 3ml	341000	4.89	3.4	1.49	508,090
	NisaImpe x	Disposable Syringe 50ml	2000	30.89	19.5	11.39	22,780
	Silver Surgical	Disposable syringe 5ml	751000	4.89	3.5	1.39	1,043,890
	Neomedix	DoxycyclineCap 100mg	54000	3.15	2	1.15	62,100
	Neomedix	Fluconazole Cap 150mg	2200	36.65	25	11.65	25,630
	Macter Intl Ltd	Glimepiride Tab 2mg					
	NisaImpe x	I.V. Sets	388000	4.5	4.2	0.3	116,400
	NisaImpe x		216000	16.5	13	3.5	756,000
	Lisko Pakistan	Ibuprofen Susp.	80000	41.85	24	17.85	1,427,600
	M/S FDL	Normal Saline 500 ml	800	40.42	26	14.42	11,536
	M/S FDL	Mannitol 500ml Infusion	760	85.3	31	54.3	41,268
	Lisko Pakistan	MetronidazolSyp 200 mg	40100	50.98	20	30.98	1,242,138
	-do-	ParacetamolSyp 120 mg	71500	42.4	17.5	24.9	1,780,064
	Akram Brothers	Poly propylene 40mm	900	165	104.16	60.84	54,756
	Akram Brothers	Poly propylene, 30mm	600	195	104.16	90.84	54,504
	Akram Brothers	Poly propylene, 60mm	300	225	104.16	120.84	36,252
	Macter Intl Ltd	Salbutamol Inhaler	1300	173	126	47	61,100
	Kohinoor Inds	Surgical Gauze roll	4310	539	28	511	2,202,410
	Lisko Pakistan	Tramadol Hcl Cap 50 mg	70000	8	7.5	0.5	35,000
	FDL	Water for injection 10 ml	1200	4.92	3	1.92	2,304
	Neomedix	Tranexamic Cap 500mg	52000	10.6	10	0.6	31,200
	Lisko Pakistan	Amoxicillin Syp	22000	53.7	35	18.7	411,400
	WimitsPharmas	Artemether + Lumefantrine Tablets 20mg + 120mg	49600	12	11	1	49,600
	Lisko Pakistan	Cetirizine Syp	47000	22	14	8	376,000
	Lisko Pakistan	Clarithromycin Syp	132500	189	150	39	5,167,500
DHQ Hospital Attock	Bio Labs	Inj Metoclopramide 10mg	30,000	6.3	3	3.3	99,000
	Munawar Pharma	Ranitidine inj. 50mg/2ml	20,000	6.89	5	1.89	37,800
	Kohinoor Inds	Surgical Gauze roll	2,000	539	275	264	528,000
	Fresenius Medical Care	Hollow Fiber Dialyzer	7,000	1,100	890	210	1,470,000
		Total					27,186,041

Annexure-E
Para-4.5.1.1.3

Detail of employment made without advertisement in DHQ Hospital Chakwal

Cheque No	Date	Designation	Month	No. of Employees	Amount
27371491	30.07.2018	Facilitators	Jul-18	8	119,200
27371491	30.07.2018	DEO	Jul-18	20	401,541
27371492	30.07.2018	Facilitators	Jul-18	1	9,000
27371492	30.07.2018	Security Guards	Jul-18	16	209,400
27371506	26.10.2018	Facilitators	Aug-18	9	116,111
27371506	26.10.2018	DEO	Aug-18	20	415,536
27371507	26.10.2018	Security Guards	Aug-18	17	205,555
27371508	15.12.2018	Facilitators	Sep-18	6	82,826
27371508	15.12.2018	Facilitators	Oct-18	6	90,000
27371508	15.12.2018	DEO	Sep-18	11	213,358
27371508	15.12.2018	DEO	Sep-18	12	246,037
27371509	15.12.2018	Facilitators	Sep-18	2	28,696
27371509	15.12.2018	Facilitators	Oct-18	3	41,667
27371509	15.12.2018	Security Guards	Sep-18	8	120,000
27371509	15.12.2018	Security Guards	Oct-18	8	60,000
27371510	04.05.2019	Facilitators	Jan-19	4	60,000
27371510	04.05.2019	Facilitators	Feb-19	4	60,000
27371510	04.05.2019	Facilitators	Mar-19	4	55,385
27371510	04.05.2019	DEO	Jan-19	8	168,960
27371510	04.05.2019	DEO	Feb-19	8	170,539
27371510	04.05.2019	DEO	Mar-19	8	168,960
27371511	04.05.2019	Facilitators	Jan-19	3	48,000
27371511	04.05.2019	Facilitators	Feb-19	3	48,000
27371511	04.05.2019	Facilitators	Mar-19	3	48,000
27371512	03.06.2019	Facilitators	Apr-19	3	48,000
27371512	03.06.2019	Facilitators	May-19	3	48,000
27371513	03.06.2019	Facilitators	Apr-19	6	90,000
27371513	03.06.2019	Facilitators	May-19	2	30,000
27371513	03.06.2019	DEO	Apr-19	10	214,290
27371513	03.06.2019	DEO	May-19	5	106,321
Total					3,723,382

Annexure-F
Para-4.5.1.1.7

Name	Allowance	due	drawn	Differ	Months	Total	
Riffat Shahnaz			01.07.2017 to 30.11.2017				
	Basic Pay	42,120	44,750	2,630	2	5,260	
			01.12.2017 to 30.11.2018				
Abida Yasmeen		due	drawn	Differ	Months	Total	
	Basic Pay	42,120	46,270	4,150	11	45,650	
	HRA						
	Conveyence						
	Adhoc 2017	4,212	4,627	415	11	4,565	
		due	drawn	Differ	Months	Total	
		01.12.2017 to 30.11.2018					
	Basic Pay	42,120	46,270	4,150	11	45,650	
	HRA						
Conveyence							
Adhoc 2017	4,212	4,627	415	11	4,565		
Ghulam Zohra			01.12.2017 to 30.11.2018				
	Basic Pay	42,120	46,270	4,150	5	20,750	
		due	drawn	Differ	Months	Total	
		01.12.2017 to 30.11.2018					
		42,120	46,270	4,150	5	20,750	
		due	drawn	Differ	Months	Total	
		01.12.2018 to 30.06.2019					
		43,080	47,790	4,710	2	7,065	
		due	drawn	Differ	Months	Total	
		01.12.2018 to 30.06.2019					
		43,080	47,790	4,710	2	7,065	
		due	drawn	Differ	Months	Total	
		01.12.2018 to 30.06.2019					
	Basic Pay	43,080	47,790	4,710	2	7,065	
	Conveyence	1,306	5,000	3,694	7	24,011	
Adhoc 2017	4,212	4,627	415	7	2,698		
	due	drawn	Differ	Months	Total		
Tauseef Fatima		01.07.2017 to 30.11.2017					
	Basic Pay	41,160	43,230	2,070	4	8,280	
	HRA						
	Conveyence	2,856	5,000	2,144	11	23,584	
	Adhoc 2017	4,116	4,320	204	4	816	
		due	drawn	Differ	Months	Total	
		01.12.2017 to 30.11.2018					
	Basic Pay	42,120	44,750	2,630	5	13,150	
	HRA	1,306	1,818	512	11	5,632	
	Conveyence						
	Adhoc 2017	4,212	4,475	263	12	3,156	
		due	drawn	Differ	Months	Total	
		01.05.2018 to 30.11.2018					
	Basic Pay	42,120	46,270	4,150	7	29,050	
		due	drawn	Differ	Months	Total	

Name	Allowance	due	drawn	Differ	Months	Total	
						01.12.2018 to 30.06.2019	
	Basic Pay	43,100	47,790	4,690	7	32,830	
	HRA	1,306	2,727	1,421	12	17,052	
	Conveyence						
	Adhoc 2017	4,212	4,627	415	7	2,905	
		due	drawn	Differ	Months	Total	
						01.07.2017 to 30.11.2017	
Azra Sultana	Basic Pay	42,120	44,750	2,630	3	7,890	
	HRA	1,306	1,818	512	11	5,632	
	Conveyence	2,856	5,000	2,144	4	8,576	
	Adhoc 2017	4,116	4,320	204	4	816	
		due	drawn	Differ	Months	Total	
							01.12.2017 to 30.11.2018
	Basic Pay	43,080	46,270	3,190	12	38,280	
	HRA	1,959	2,727	768	5	3,840	
	Conveyence	2,856	5,000	2,144	7	15,008	
	Adhoc 2017	4,308	4,627	319	12	3,828	
		due	drawn	Differ	Months	Total	
							01.12.2018 to 30.06.2019
	Basic Pay	44,040	47,790	3,750	7	26,250	
	HRA	1,959	2,727	768	7	5,376	
	Conveyence						
	Adhoc 2017	4,404	4,779	375	7	2,625	
Mumtaz Amjad	Basic Pay	42,120	44,750	2,630	3	7,890	
	HRA	1,306	1,818	512	11	5,632	
	Conveyence	2,856	5,000	2,144	4	8,576	
	Adhoc 2017	4,212	4,475	263	3	789	
		due	drawn	Differ	Months	Total	
							01.12.2017 to 30.11.2018
	Basic Pay	43,080	46,270	3,190	12	38,280	
	HRA	1,959	2,727	768	5	3,840	
	Conveyence	2,856	5,000	2,144	7	15,008	
	Adhoc 2017	4,308	4,627	319	12	3,828	
		due	drawn	Differ	Months	Total	
							01.12.2018 to 30.06.2019
	Basic Pay	44,040	47,790	3,750	7	26,250	
	HRA	1,959	2,727	768	7	5,376	
	Conveyence						
	Adhoc 2017	4,404	4,779	375	7	2,625	
		due	drawn	Differ	Months	Total	
							01.07.2017 to 30.11.2017
	Batool Zahra	Basic Pay	42,120	44,750	2,630	4	10,520
		HRA	1,306	1,818	512	11	5,632
Conveyence		2,856	5,000	2,144	4	8,576	
Adhoc 2017		4,212	4,475	263	4	1,052	
		due	drawn	Differ	Months	Total	
							01.12.2017 to 30.11.2018
Basic Pay		43,080	46,270	3,190	12	38,280	
HRA		1,959	2,727	768	5	3,840	
Conveyence		2,856	5,000	2,144	7	15,008	
Adhoc 2017		4,308	4,627	319	12	3,828	
		due	drawn	Differ	Months	Total	
							01.12.2018 to 30.06.2019
Basic Pay		44,040	47,790	3,750	7	26,250	

Name	Allowance	due	drawn	Differ	Months	Total		
	HRA	1,959	2,727	768	7	5,376		
	Conveyence							
	Adhoc 2017	4,404	4,779	375	7	2,625		
Zafria Shaheen		due	drawn	Differ	Months	Total		
	01.12.2017 to 30.11.2018							
	Basic Pay	40,200	43,230	3,030	4	12,120		
	HRA	1,961	2,727	766	4	3,064		
	Conveyence	2,856	5,000	2,144	11	23,584		
	Adhoc 2017	4,020	4,323	303	4	1,212		
		due	drawn	Differ	Months	Total		
	01.12.2018 to 30.06.2019							
	Basic Pay	41,160	44,750	3,590	7	25,130		
	HRA	1,961	2,727	766	7	5,362		
	Conveyence							
	Adhoc 2017	4,116	4,475	359	7	2,513		
		due	drawn	Differ	Months	Total		
	Shagufta Rehana	01.12.2017 to 30.11.2018						
		Basic Pay	38,280	41,710	3,430	4	13,720	
HRA								
Conveyence		2,856	5,000	2,144	11	23,584		
Adhoc 2017		3,828	4,171	343	4	1,372		
		due	drawn	Differ	Months	Total		
01.12.2018 to 30.06.2019								
Basic Pay		39,240	43,230	3,990	7	27,930		
HRA								
Conveyence		2,856	5,000	2,144	7	15,008		
Adhoc 2017		3,924	4,323	399	7	2,793		
		due	drawn	Differ	Months	Total		
01.12.2018 to 30.06.2019								
		39,240	43,230	3,990	7	27,930		
	2,856	5,000	2,144	7	15,008			
	3,924	4,323	399	7	2,793			
	due	drawn	Differ	Months	Total			
01.12.2016 to 30.06.2017								
Nusrat Parveen	Basic Pay	31,140	33,800	2,660	5	13,300		
	HRA	1,306	1,818	512	5	2,560		
	Conveyence	2,856	5,000	2,144	5	10,720		
	Adhoc 2017	3,114	3,380	266	5	1,330		
		due	drawn	Differ	Months	Total		
	01.07.2017 to 30.11.2017							
	Basic Pay	37,320	40,190	2,870	5	14,350		
	HRA	1,306	1,818	512	7	3,584		
	Conveyence	2,856	5,000	2,144	5	10,720		
	Adhoc 2017	3,732	4,019	287	5	1,435		
		due	drawn	Differ	Months	Total		
	01.12.2017 to 30.11.2018							
	Basic Pay	38,280	41,710	3,430	112	384,160		
	HRA	1,961	2,727	766	4	3,064		
	Conveyence	2,856	5,000	2,144	11	23,584		
Adhoc 2017	3,828	4,171	343	11	3,773			
	due	drawn	Differ	Months	Total			

Name	Allowance	due	drawn	Differ	Months	Total
		01.12.2018 to 30.06.2019				
	Basic Pay	38,280	41,710	3,430	1	3,430
	HRA					
	Conveyence					
	Adhoc 2017	3,828	4,171	343	1	343
					Total	1,570,457

Annexure--G
Para-4.5.1.2.2

Firm	Item	Quantity Purchased	Rate Approved (Rs)	Market Rates (Rs)	Expenditure (Rs)
Goeffman Pharma	Prednisolone Tablets 5mg	234,000	1.37	N/A	320,580
Goeffman Pharma	Glibenclamide Tablets 5mg	135,000	1.3	N/A	175,500
BF Bioscience	Erythropoietin injection 4000 I.U.-5000 I.U	1,500	272	NA	408,000
Mehar Traders	Nasogastric tube (all sizes) Sterile Packs ADULT / PAEDS	7,425	25	NA	185,625
Danas Pharma	Tramadol Hcl Tablet/Cap 50 mg TRAMADAN Regd.No. 063252	44,000	3.74	NA	164,560
Danas Pharma	Diclofenac (Sodium) Tablets 50 mg CYCLOFEN Regd.No. 038642	2,055,000	0.88	NA	1,808,400
Danas Pharma	Cetirizine Tablets 10mg AREX Regd.No. 038673	170,000	0.92	NA	156,400
Danas Pharma	Levofloxacin Tablet 250mg LEVODAN Regd.No. 038680	152,604	4.78	NA	729,447
BLOOM PH.	Clotrimazole Vaginal tablet 500 mg MACROLEX Regd.No. 030364	3,000	30	NA	90,000
Munawar Pharma	Metoclopramide (hydrochloride) Syrup 5mg/5ml METOCLOP Regd No. 025603	15,900	23.89	NA	379,851
Munawar Pharma	Metoclopramide (hydrochloride) Injection 10mg METOCLOP Regd. No. 024843	48,000	6.89	NA	330,720
Munawar Pharma	Salbutamol (Sulfate) Tablets 4mg RESPOLIN Regd No. 018763	2,300	0.85	NA	1,955
Neomedix	Montelukast Tablets 10 mg MONEKAST Regd.No. 044502	57,500	2.15	NA	123,625
Munawar Pharma	Ammonium Chloride +Diphenhydramine + others Antitussive Expectorant 131.5mg/5ml +1mg/5ml +13.5mg/5ml +55mg/5ml HYLINE Regd No. 018711	57,500	29.89	NA	1,718,675
BLOOM PH.	Ferrous salt + Folic Acid Tablets BLOMIC Regd.No. 025467	870,000	0.84	NA	730,800

Firm	Item	Quantity Purchased	Rate Approved (Rs)	Market Rates (Rs)	Expenditure (Rs)
Searle Infusion	Iron iii Hydroxide Polymaltose Syrup Brand Name: MACRON-H SYP 60 ML Regd.No. 041446	13,970	62	NA	866,140
HakimSons	Volumetric Chamber (I.V Burette) Sterile Packs 100ml size Brand Name FOYMEDMEDICAL CHINA	10,000	115	NA	1,150,000
NisaImpex	Disposable Syringe 1ml with needle (Blister Pack)—Piece Brand Name. NISA Regd. NoNo. 063910	2,200	5.05		11,110
NisaImpex	Disposable syringe 5ml with needle. (Blister pack). - 5 ml – Piece Brand Name: Nisa Regd.No. 063910	631,500	5.27	NA	3,328,005
NisaImpex	Disposable syringe 10ml with needle. (Blister pack), - 10 ml – Piece Regd. 063910	46,000	8.26	NA	379,960
NisaImpex	Disposable Syringe 50ml with needle. (Blister pack), - 50 ml – Piece Brand Name: Nisa Regd. No. 063911	6,450	30.89	NA	199,241
NisaImpex	Disposable Syringe 60ml with Central Nozzle or Catheter Tip. - 60ml – Piece Brand Name: Nisa Regd. No. 063911	4,470	32.42	NA	144,917
Meher Traders	Sterile Surgical Gloves Pairs 6 ½, 7, 7 ½ Brand Name WELLMED/China Regd.No. NA	78,900	38	NA	2,998,200
Meher Traders	Endotracheal tube (all sizes) Sterile Packs without cuff Set of 12 Brand Name WELLMED/K&K	400	62.4	NA	24,960
Meher Traders	Foley's catheter (all sizes) Sterile Packs All sizes Brand Name WELLMED/China	14,720	60	NA	883,200
Meher Traders	Urine Bags Sterile Packs Adult / Paeds Brand Name MELLMED/China	16,950	30	NA	508,500
HakimSons	Suction Catheter Brand Name FOYMEDMEDICAL CHINA	4,550	22	NA	100,100

Firm	Item	Quantity Purchased	Rate Approved (Rs)	Market Rates (Rs)	Expenditure (Rs)
Meher Traders	Sterilized Surgical Blades Sterile Packs All Sizes Brand Name WELLMED/CHINA	14,200	5.55	NA	78,810
Eastern Medical Care	Examination Gloves Latex (S.M.L) Name of Manufacturer ASAP International SDN, BHD, Malaysia	78,000	5.94	NA	463,320
Total					18,460,601

Annexure-H
Para No.3.5.1.2.5

THQ Hospital Choa Saidan Shah

Central Purchase Data		LP Purchase Data			Excess rate	Loss
Medicine Name	Rate	Name of medicine & Brand	Quantity	Rate		
Sterile Surgical Gloves 7.5 Number	38	Comfeel Malaysia	2000	71.25	33.25	66,500
Sterile Surgical Gloves 7.0 Number	38	Comfeel Malaysia	2000	71.25	33.25	66,500
Surgical Blade	5.5	Feather Blades Japan	2000	38	32.5	65,000
Latex Examination Gloves	5.94	Mexitex Malaysia	5000	7.1	1.16	5,800
Total						203,800

THQ Hospital Kallar Kahar

LP Data		Bulk Data		Rate Diff	LP Quantity	Loss Amount (Rs)
Name	Rate	Name	Rate			
Syp Hydralin	63.135	Sy Hilin	29.89	33.245	2,300	76,464
Inj Oxytocin	9.15	Inj Oxytocin	6	3.15	1,500	4,725
Normal Saline 100 ml	34.77	Normal Saline 100 ml	33.7	1.07	1,000	1,070
Normal Saline 1000 ml	50.325	Normal Saline 1000 ml	44.7	5.625	1,200	6,750
Disposable Syring 10cc	18.3	Disposable Syring 10cc	8.26	10.04	1,500	15,060
Syp Vidalyne	106.14	Sy Miltivitamin	46	60.14	400	24,056
Total						128,125

DHQ Hospital Chakwal

Name of Item/Medicine	Purchased Date of LP Bulk	LP Bulk Quantity	Rate of LP/Pc	Discount on LP	Rate of LP / Pc after Discount	Tender Rate/pc	Difference	Amount
Bicarb Solution	23.5.2019	500	490.00	15.00	416.50	230	186.50	93,250
cotton wool 400g	2.2.2019	100	250.00	15.85	210.38	198	12.18	1,218
crepe bandage 7.5	7.5.2019	24	87.00	15.00	73.95	38	36.45	875
inj ceftriaxone 1g	23.5.2019	1,000	321.00	15.00	272.85	48	225.12	225,120
dialyzer F6	8.6.2019 / 23.5.2019	1,320	1,500.00	15.00	1,275.00	1,108	167.00	220,440
disposeable syringes 20cc	23.5.2019	800	30.00	15.00	25.50	8	17.24	13,792
disposeable syringes 10cc	23.5.2019	1,000	25.00	15.00	21.25	12	9.29	9,290
Heparin	23.5.2019 / 7.9.2019	660	550.00	15.00	467.50	350	117.50	77,550
Metoclopramide	7.5.2019 / 23.5.2019	1,100	24.46	15.00	20.79	7	13.90	15,291
Nitto tape	23.5.2019	800	200.00	15.00	170.00	54	116.33	93,064
nasogastric tube	2.3.2019	100	85.00	15.85	71.53	25	46.53	4,653
inf paracetamol	23.5.2019	300	128.00	15.00	108.80	51	57.80	17,340
surgical gloves 6.5,7,7.5	23.5.2019	5,000	150.00	15.00	127.50	38	89.50	447,500
surgical blade 11	23.5.2019	200	95.00	15.00	80.75	6	75.20	15,040
surgical blade 15	23.5.2019	200	95.00	15.00	80.75	6	75.20	15,040
urine bag	2.3.2019	300	120.00	13.50	103.80	30	73.80	22,140
vicryl 1	7.5.2019 /11.5.2019/ 23.5.2019/ 7.9.2019	444	196.00	15.00	166.60	165	1.60	710
vicryl 2/0	23.5.2019	150	203.00	15.00	172.55	165	7.55	1,133
Total								1,273,445

DHQ Hospital Chakwal

Bill No	Date	Supplier	Amount of Bill	Item	Amount	Qty	Rate Purchased	Rate contract /pc	Difference	Excess Amount	Remarks
				Blood Tubing Set	37,125	74	501.69				In Rate contract all items are treated as one item. Here calculation is based on 500 units purchased because every item has different quantity
				Dialyzer	1,102,875	850	1,297.50				
				Fistula Needle 16 G A	121,100	500	242.20				
2703	16.02.2018	M/s Hassan & Muwaddat Enterprises	3277805	Fistula Needle 16 G V	121,100	500	242.20	864	1,419.59	709,795	
2649	10.01.2018	M/s Hassan & Muwaddat Enterprises	517400	IV Canula 22	12,845	135	95.15	26.36	68.79	9,286	
				IV Canula 22	462,905	4865	95.15	26.36	68.79	334,664	
2609	27.12.2017	M/s Hassan & Muwaddat Enterprises	954064	IV Canula 22	475,750	5000	95.15	26.36	68.79	343,950	
26	14.0	M/s Hassan &	8964	IV		5		26.36			

Bill No	Date	Supplier	Amount of Bill	Item	Amount	Qty	Rate Purchased	Rate contract /pc	Difference	Excess Amount	Remarks
51	1.2018	Muwaddat Enterprises	90	Canula 20	475,750	000	95.15		68.79	343,950	
Total										1,741,645	

THQ City Hospital Talagang

Name of Medicines	Quantity Purchased from LP	Rate of LP Per Piece	Discount on LP (%)	Rate of LP Per Piece After Discount	Rate Contract Firm	Price Per Piece according to Rate Contract	Excess Rate Per Piece	Excess Expenditure
Crepe Bandgaes 6 inch	458	106	10	95.40	M/s Kohinoor	21.50	73.90	33,846
Urine Bags	1,060	80	10	72.00	M/s Mehar Traders	30.00	42.00	44,520
Disposable Gloves	12,900	7	10	6.30	M/s Eastern Medical	5.94	0.36	4,644
Surgical Gloves	510	65	10	58.50	M/s Mehar Traders	38.00	20.50	10,455
Follys Catheter all size	446	120	10	108.00	M/s Mehar Traders	60.00	48.00	21,408
Disposable Syringe 10 CC	400	20	10	18.00	M/s Nisa Impex	8.26	9.74	3,896
Catgut 1	222	115	10	103.50	M/s Akram Brothers	62.00	41.50	9,213
Total								127,982

Annexure-I
Para-4.5.1.2.5

Name of Firm	Name of Item	Quantity	Final Rate PKR	Market Rate	Difference	Total
Munawar Pharma	Tramadol Hcl Injection 100mg/2ml	22,515	11.89	10.80	1.09	24,541
Novartis Pharma	Carbamazepine Syp/susp 100mg / 5ml	500	69.38	64.52	4.86	2,430
Novartis Pharma	Amoxicillin susp 250mg/5ml	31,890	70.38	65.45	4.93	157,218
Asian Continental Pvt. Ltd.	Metformin (hydrochloride) Tablets 500mg	341,950	1.25	1.14	0.11	37,615
Goeffman Pharma	Oxytocin Injection 5IU in 1 – ml	108,100	8.9	8.2	0.70	75,670
Unisa	Normal Saline Infusion 100ml	13,400	33.7	29.07	4.63	62,042
Unisa	Normal Saline Infusion 0.9% (1000ml)	38,473	44.7	42.84	1.86	71,560
Frontier Dext Rose	Potassium Chloride Solution 7.46% in 20 MI ampoule	3,126	7.39	6.12	1.27	3,970
Novartis Pharma	Silver Sulphadiazine Cream 1%	3,850	136.01	126.48	9.53	36,690
Neomedix	Cefixime Suspension 100mg/5ml SPANIX Regd.No. 044521	17,582	39.65	38	1.65	29,010
Munawar Pharma	Metoclopramide (hydrochloride) Tablets 10mg METOCLOP Regd No. 016595	532,710	0.82	0.54	0.28	149,159
Akram Bros	Catgut Chromic, Size 1,30mm, ½ Circle RB Needle Brand Name: Wego CHROMIC CATGUT Regd.No. 070979	1,000	62.42	62.4	0.02	20
Nisa Impex	Disposable Syringe 1ml with needle (Blister Pack)—Piece Brand Name. NISA Regd. NoNo. 063910	16,400	5.05		5.05	82,820
Nisa Impex	Disposable Syringe 3ml with needle. (Blister pack). - 3 ml – Piece Brand Name: Nisa Regd. No 063910	236,090	5.13	4.92	0.21	49,579
LISKO PK.	Aluminium Hydroxide + Magnesium Trisilicate/Hydro-oxide + Simethicone Susp. BRAND NAME: GEOCONE SUSP. REG @ 015684	52137	28.78	20	8.78	457,763
LISKO PK.	Drotaverine Tablet 40mg BRAND NAME : DROTALIS TAB. 40 MG REGD No. 058167	256000	1.94	1.8	0.14	35,840

MIRACLE PH.	Amlodipine Tablets 5 mg BRAND NAME : TAB VASIC REGNo. 043882	69760	4.25	3	1.25	87,200
AXIS PH.	Atenolol Tablet 50mg BRAND NAME: TAB. TENIM REG No. 060770	133542	3.30	1.25	2.05	273,761
AXIS PH.	ORS Sachet BRAND NAME : ORAES sachet Reg No. 059640	43870	10.50	6	4.5	197,415
UNIFEROZ	Surgical Hypoallergenic Latex Free Breathable Paper Tape 2.5 cm X 5 m BRAND NAME : NICHIPORE REG No. 016123	13774	322	320	2	27,548
UNIFEROZ	Surgical Hypoallergenic Latex Free Breathable Paper Tape 5cm X 5 m BRAND NAME : NICHIPORE REG No. 016123	7132	322.00	322	2	14,264
Total						1,876,115

Annexure-J

(Rs in million)

Sr. No.	Tender inquiry No.	Name of item & Approved Specifications	Approved Rate PKR . Per Unit	Quantity Nos.	Rate Awarded to	Rate offered in other district	Difference per unit	Total difference	District
1	70	Levofloxacin Tablet 250mg	4.9	38000	M/S. Wimits Pharmaceuticals (Pvt) Ltd	4.4	0.5	19,000	Bhakkar
2	190	Vitamin D3 Injection 5mg Cal-Dee Inj. 5mg per ml	32	2500	M/S. Wimits Pharmaceuticals (Pvt) Ltd	23.9	8.1	20,250	Bhakkar
3	18	Paracetamol Syrup 120 mg/5 ml. Bottle of 120ml, individually packed in carton.	42.44	247500	M/S. Lisko Pakistan (Pvt) Ltd	41.4	1.04	257,400	Bhakkar
4	73	Drotaverine Tablet 40mg. Blister/Al strip pack of 20 in carton with leaflet.	1.95	246000	M/S. Lisko Pakistan (Pvt) Ltd	1.9	0.05	12,300	Bhakkar
5	171	Dextrose Infusion 5%, 1000ml)	52.65	33300	M/S. Frontier	43.53	9.12	303,696	Hafizabad
6	174	Normal Saline Infusion 0.9% (1000ml)	50.3	34650	M/S. Frontier	40	10.3	356,895	Hafizabad
7	222	I.V. Sets Sterile blister Pack	15.69	147500	M/S. NisaImpex	14.51	1.18	174,050	Hafizabad
8	256	Disposable Insulin Syringe 1ml with needle - 1 ml – Piece	8.42	26500	M/S. NisaImpex	7.81	0.61	16,165	Hafizabad
9	260	Disposable syringe 10ml with needle. (Blister pack), - 10 ml – Piece	8.49	3400	M/S. NisaImpex	7.74	0.75	2,550	Hafizabad
10	261	Disposable Syringe 20ml with needle. (Blister pack), - 20 ml – Piece	13.77	800	M/S. NisaImpex	11.29	2.48	1,984	Hafizabad
Total								1,164,290	

Annexure-K

Sr. No.	Name of Formation	Description	PDP No.	Amount (Rs in million)
1	CEO DHA Lahore	Project Allowance	13	0.452
2	CEO DHA Lahore	Conveyance Allowance during leave period	14	0.182
3	CEO DHA Lahore	Pay & allowances during leave period	15	0.663
4	Mian Meer Hospital	Incentive Allowance	03	0.552
5	Mian Meer Hospital	Pay & allowances to absentees	04	1.432
6	Mian Meer Hospital	Pay & allowances during leave period	10	1.466
7	Mian Meer Hospital	Pay & allowances during leave period	11	0.914
8	DDOH Wahga Town	CA but allotted vehicle	03	2.005
9	DDOH Shalimar Town	CA and HRA due to residing accommodation within govt. boundary wall	04	0.209
10	DDOH Samanabad	Pay & allowances during absentees	06	2.886
11	DDOH Samanabad	CA but allotted vehicle	08	1.839
12	DDOH Allama Iqbal	HSRA not entitles	05	0.967
13	DDOH Allama Iqbal	CA during leave period	19	0.024
14	DDOH DGBT	Pay & allowances without entitlement	01	1.025
15	DDOH Wahga Town	CA but allotted vehicle	05	1.577
16	DOH (HRM)	CA but allotted vehicle	02	0.124
17	DOH (HRM)	CA but allotted vehicle	03	0.060
18	DOH (MS)	CA but allotted vehicle	03	0.070
19	DOH (MS)	HRA due to residing accommodation govt.	04	0.005
20	DDOH Gulberg	Pay & allowances without entitlement	01	0.345
21	DDOH Gulberg	CA but allotted vehicle	07	1.206
22	IDH	Health Risk Allowance	07	0.018
23	IDH	Integrated Allowance	09	0.092
24	IDH	CA and HRA due to residing accommodation within govt. boundary wall	12	0.045
	TOTAL			18.158

Annexure-L
19.5.3.1.2

Overpayment to Officials

Sr. No.	Name of Formation	Description	PDP No.	Amount (Rs)
1	DHQ Hospital	PCA, NPA, etc.	4	30,060
2		Anesthesia Allowance	14	619,999
3		Health Sector Reforms Allowance	15	129,909
4		Non-Practicing Allowance	16	676,160
5		CA and HRA	23	1,294,4347
6		Overpayment to Charge Nurse	28	53,214
7		Conveyance Allowance during Leave	29	741,000
8		Non Practicing Allowance	34	7,584,897
9		Incentive Allowance	8	4,542,000
10		Pay & Allowances after regularization	30	543,258
11	DO Health	Salaries during absent period	2	139,487
12		Non Practicing Allowance	4	1,013,290
13		Conveyance Allowance to Vaccinators	6	156,492
14		QA, Hill Allowance, CA etc.	7	108,581
15		Conveyance Allowance during leave	9	303,961
16		Salaries during EOL	13	37,002
17	CEO DHA	Project Allowance	14	129,000
18		Health Sector Reforms Allowance	16	75,213
19	THQ	Health Sector Reforms Allowance	2	626,868
20	Safdarabad	Inadmissible Allowances	8	93,112
21	THQ Muridke	Incentive Allowance	9	300,000
22	THQ Sharaqpur	Non Practicing Allowance	3	1,504,000
23		NPA to Consultants	4	432,000
24		Incentive Allowance	5	6,073,871
25		Health Sector Reforms Allowance	6	824,679
26	THQ	Undue increments to Adhoc Doctors	5	90,134
27	Ferozewala	Incentive Allowance	6	4,602,000
28		Non practicing Allowance	19	791,742
29		Non practicing Allowance to consultants	20	116,000
Total				45,282,276

Annexure-M
(Amount in Rs)

Name of Suppliers	Supply order No. Data	Name of Meidince	Supply order Amount	Medicine received	Less Supply	Performance Guarantee
DANAS PHARMACEUTICALS (PVT) LTD	567-71 21.02.19	Misc Items	3,138,000	2,776,622	361,378	156,900
Kaumdex	17936-40 31.12.18	Surgical Gluves	743,000	-	743,000	37,150
Frontier Dextrose	127-32 31.01.19	Misc Items	989,400	-	989,400	49,470
Global Pharmaceutical	532-36 21.02.19	Metoclopramide	400,000	-	400,000	20,000
LISKO PAKISTAN (PVT) LTD	552-56 21.2.19	Misc Items	4,592,000	2,837,500	1,754,500	229,600
MUNAWAR PHARMA (PVT) LTD	562-66 21.02.19	Lumefant rine suspension	449,450	-	449,450	22,473
Neomedics	527-31 21.02.19	Paracetamole	5,165,000	-	5,165,000	258,250
USMANCO INTERNATIONAL	17941-45 31.12.18	IV Canula	1,461,000	942,000	519,000	73,050
Vision Pharmaceutical	557-61 21.02.19	Naproxen Sodium	1,090,000	-	1,090,000	54,500
WIMITS PHARMACEUTICALS	547-51 21.02.19	Misc Items	4,820,000	4,560,000	260,000	241,000
NOVARTIS PHARMA (PAKISTAN) LIMITED	133-38 03.01.19	Amoxicililne	2,400,000	0	2,400,000	120,000
Total			25,247,850	4,560,000	14,131,728	1,262,393