

**CHAPTER VIII : MINISTRY OF HEALTH AND FAMILY  
WELFARE**

**Government Medical Stores Depot, Kolkata**

**8.1 Expiry of Anti-TB drugs and X-Ray film**

**Failure of the DGHS to issue the release order in time and take effective action against the procurement agent for replacement of sub-standard drug resulted in expiry of Anti-TB drugs and X-Ray film valuing Rs. 66.16 lakh in GMSD, Kolkata. Consequently, the drug and the film could not reach the patients for whom these were meant, defeating the very purpose of procurement.**

Procurement agents selected by the Ministry of Health and Family Welfare procure Anti-TB drugs/items for the Revised National TB Control Programme. The Government Medical Store Depot (GMSD), Kolkata receives the Anti-TB drugs/items through the suppliers of the procurement agents. On receipt of release order from the Central TB Division of Director General of Health Services (DGHS), New Delhi, GMSD distributes the Anti-TB drugs/items to the District TB Centres.

Test check of the records of GMSD in March 2004 revealed that 55,162 pouches of SSC combipack, an Anti-TB drug, valuing Rs. 28.67 lakh and 8864 rolls of X-Ray film valuing Rs. 23.84 lakh received during 1999-2000 to 2000-01 as part of the Revised National TB Control Programme, had expired in the store of GMSD between February and November 2002 due to non-receipt of release order from the DGHS. It was noticed in audit that GMSD had requested the DGHS several times for issuing the release order to avoid expiry of the drug/film. Reason for non-issue of release order(s) by the DGHS, however, could not be ascertained from the records of GMSD.

Audit further noted that 3,228 boxes of CAT-I, another Anti-TB drug, valuing Rs. 13.65 lakh received during 2000-01 under the same programme, were found to be sub-standard by GMSD on testing in its laboratory in July 2001. In the same month GMSD brought the matter to the notice of the DGHS. DGHS requested the procurement agent to take necessary action against the supplier. In January 2002, GMSD informed the DGHS that the procurement agent had taken no action to replace the sub-standard drug by fresh stock. DGHS again took up the matter in January 2002 with the procurement agent. Accordingly, representatives of the procurement agent and the supplier collected samples of the drug in January 2002, six months after the drugs were declared sub-standard by GMSD. Records of GMSD showed that the DGHS had taken no further action in the matter after January 2002. Shelf life of the

drugs expired in February-May 2002, but neither the procurement agent nor the supplier had replaced the sub-standard drugs with fresh stock (August 2004).

In July 2003, GMSD sought instruction from the DGHS for disposal of the expired drug/film but the disposal order had not been received till August 2004.

Thus, failure of the DGHS to issue the release order in time and take effective action against the procurement agent for replacement of sub-standard drug with fresh stock resulted in expiry of Anti-TB drugs and X-Ray film valuing Rs. 66.16 lakh in GMSD. Consequently, the drugs and the film could not reach the patients for whom these were meant, thereby defeating the very purpose of procurement.

The matter was referred to the Ministry in July 2004; their reply was awaited as of February 2005.

## **Department of Health**

### **Lady Hardinge Medical College & Smt. Sucheta Kriplani Hospital**

#### **8.2 Non-recovery of electricity charges**

**Lady Hardinge Medical College & Smt. Sucheta Kriplani Hospital incurred avoidable extra expenditure of Rs. 97.17 lakh during April 1997-July 2004 on account of its failure to obtain electricity connection at domestic rate for its staff quarters. Of Rs. 51.86 lakh recoverable from the occupants even at domestic rates, LHMC had recovered only Rs. 5.75 lakh after the matter was pointed out in audit.**

Lady Hardinge Medical College (LHMC) & Smt. Sucheta Kriplani Hospital were supplied electricity for the hospital by New Delhi Municipal Council (NDMC) at non-domestic tariff of Rs. 5.23 per unit upto August 2001 and at Rs. 6.37 per unit thereafter. LHMC provided electricity to its 127 staff quarters from this supply for which the occupants paid at domestic tariffs ranging from Rs. 1.05 per unit to Rs. 3.78 per unit, on the basis of meter readings taken by the staff member of Central Public Works Department (CPWD) upto March 1997.

From April 1997, CPWD stopped taking meter readings in respect of electricity consumed in staff quarters. LHMC did not make any arrangement for meter reading and asked CPWD in July 2001 to suggest the average monthly consumption of electricity for different categories of staff quarters. The CPWD intimated in October 2001 that the average monthly consumption ranged from 200 to 800 units. Although LHMC decided to start recovery of

electricity charges from the salaries of November 2001 on the basis of average monthly consumption, it did not actually do so as the occupants represented that the recovery should be made on the basis of actual meter reading. Electricity charges remained unrecovered.

It was noticed in audit that LHMC had taken up the matter of providing separate domestic connections in the residential complex with NDMC in March 1993. The latter expressed their inability to do so in April 1993. Thereafter, LHMC did not make sustained efforts to get individual domestic connections in their residential complex and as a result the electricity consumed in the staff quarters was being subsidised by them even as of July 2004.

LHMC paid Rs. 149.03 lakh for the domestically consumed electricity at higher non-domestic tariff (worked out by audit on the basis of average monthly consumption suggested by CPWD) between April 1997 and July 2004. Against this, the amount recoverable from the allottees at domestic rate worked out to only Rs. 51.86 lakh. The extra expenditure of Rs. 97.17 lakh could have been avoided had LHMC made serious efforts to obtain domestic connections for the residential complex. Further, electricity charges even at domestic rates had not been recovered over this period.

LHMC stated in August 2004 that at the instance of audit it had started recovery of outstanding electricity charges for the period from April 1997 to June 2003 from the staff members at easy monthly instalments and had recovered Rs. 5.75 lakh upto June 2004. It was further stated that individual meters were yet to be installed in the residential complex and the matter had been taken up with NDMC. In the meanwhile electricity charges at flat rates varying from Rs. 250 to Rs. 1000 per month, depending upon the accommodation provided, was being recovered for current consumption from the salary of the staff from July 2003 onwards.

Thus, failure of LHMC to make any concerted efforts and take concrete action for installing individual domestic meters in the residential complex resulted in avoidable expenditure of Rs. 97.17 lakh. Out of Rs. 51.86 lakh recoverable at domestic rates for the period April 1997 to July 2004, LHMC recovered only Rs. 5.75 lakh upto June 2004 from the occupants of the staff quarters.

The matter was referred to the Ministry in August 2004; their reply was awaited as of February 2005.

## **Central Government Health Scheme, Pune**

### **8.3 Irregular payment of patient care allowance to ineligible employees**

**Central Government Health Scheme, Pune made irregular payments of patient care allowance of Rs. 26.12 lakh to ineligible ministerial staff.**

Mention was made in paragraph 10.1 of the Comptroller and Auditor General's of India Audit Report (Union Government Civil) No. 2 of 2002 regarding incorrect payment of Patient Care Allowance (PCA) to the ministerial Group C and D employees working in Headquarters and Zonal offices of Central Government Health Scheme (CGHS). Ministry has so far (August 2004) not submitted the Action Taken Note on the Paragraph.

Scrutiny by audit in April 2004 of pay bills relating to the period from December 1998 to March 2004 revealed that CGHS, Pune had extended the benefit of PCA to 60 ministerial staff i.e. Office Superintendent, Accountant, Stenographer, Hindi Translator etc. and paid Rs. 26.12 lakh till March 2004. Payment of PCA to employees who were not directly involved with patient care was irregular.

In reply CGHS, Pune stated in April 2004 that all the Group 'C' and Group 'D' non-ministerial staff were entitled for payment of PCA. The reply is not acceptable as the allowance has to be restricted to those dealing with patient care services. The Ministry in reply stated in September 2004 that a note for consideration of the Cabinet for granting PCA to all employees has been submitted on which final decision is awaited.

## **National Institute of Communicable Diseases**

### **8.4 Irregular payment of conveyance allowance**

**National Institute of Communicable Diseases paid conveyance allowance amounting to Rs. 20.03 lakh during 2001-02 to 2003-04 to ineligible officers/ professionals.**

The Government of India had sanctioned conveyance allowance at different rates from time to time to specialists/general duty medical officers of the Central Health Service (CHS) working under the Central Government Health Scheme (CGHS) and non-CHS medical officers/specialists working in hospitals. These orders were further extended to non-medical (Group 'A') Specialists/Scientists working under Director General of Health Services

(DGHS)/Ministry of Health and Family Welfare institutions from March 1990. The allowance was payable for making a minimum number of 20 domiciliary visits during a month in case of the former and an equal number of visits to the hospital outside working hours in respect of the latter category. The allowance was payable on fulfillment of certain prescribed conditions including providing a certificate to the effect that the expenditure incurred on domiciliary/hospital visits was not less than the amount claimed as conveyance allowance.

Audit scrutiny of the National Institute of Communicable Diseases (NICD), New Delhi revealed that their officers holding the rank of Joint Director/Deputy Director and other technical officers were being paid conveyance allowance ranging from Rs. 450 to Rs. 1650 per month as per the mode of conveyance being used by the officers. The nature of duty of the officers/professionals posted at NICD, which is an institute for imparting training and conducting research in various aspects of communicable diseases, was such that they were not required to pay domiciliary visits as part of their normal duty. Further, NICD had eleven vehicles for taking their officers and staff to any place in connection with their duty. The payment of conveyance allowance by the NICD to its personnel was, thus, irregular. The irregular payment of conveyance allowance made to 51 officers amounted to Rs. 20.03 lakh during 2001-02 to 2003-04.

NICD stated in August 2003 that they were paying conveyance allowance to the Central Health Service Grade 'A' Officers and non-medical Grade 'A' Specialists/Scientists who were performing other official duties or visiting the institute after duty hours on their furnishing certificates. NICD had requested the Director General Health Services in August 2003 for a decision on whether recoveries of conveyance allowance were to be effected in these cases. The matter was still under correspondence with the last reference being issued by NICD in September 2004.

The matter was referred to the Ministry in November 2003 and July 2004; their reply was awaited as of February 2005.