collection of samples, thus, rendering the procedure risk prone at the very outset. There was inordinate delay in issuing analysis reports of the collected samples. Analysis reports had not been issued for 312 samples so far (March 2018) which also included samples drawn in April 2014. The State Drug Controller and DCOs initiated action very late for the drugs declared 'not of standard quality' and had not checked subsequent batches. The NSQ drugs were not categorised for ensuring timely recall and issuing rapid safety alerts. This is fraught with the risk of issuing sub-standard drugs and has serious implications for health of the people. The department had not kept a record for ensuring that the NSQ drugs were destroyed by the traders and manufacturers. The working of the department left much to be desired and there were huge gaps in compliance of requisite instructions.

The matter was referred to Government in May 2018 and further reminder was issued in July 2018; their reply was awaited (May 2019).

Health Department

3.6 Procurement and Utilisation of Medicines and Medical Equipment

There were shortcomings in procurement of medicines and equipment such as delay in processing of the indents, award of rate contract to ineligible firms, inadequate price comparison leading to extra expenditure of ₹ 1.25 crore and non-levy of penalty of ₹ 1.09 crore for non-supply of medicines. Availability of medicines at medical facilities was inadequate. Procedure followed for local purchase of medicines was not uniform and lacked transparency. Further, equipment worth ₹ 1.81 crore were lying unutilised at facilities.

3.6.1 Introduction

The State Government approved Medicine Procurement and Management Policy 2012 with the objective of providing uninterrupted access to essential medicines of good quality in all Government Institutions through efficient supply chain management practices. The State Government established (January 2014) Haryana Medical Services Corporation Limited (HMSCL) for purchase of drugs, consumables and equipment (including installation and maintenance) for all District Hospitals (DHs), Sub Division Hospitals (SDHs), Community Health Centres (CHCs), Primary Health Centres (PHCs), Medical Colleges and other dispensaries. HMSCL operates "Online Drug Inventory and Supply Chain Management System". Field units make online demand for medicines through this system on the basis of which HMSCL procures medicines. In case HMSCL is unable to supply the medicines and consumables, the hospitals are allowed to

procure the same at their own level. For equipment, Director General, Health Services (DGHS) compiles demand received from field units.

To assess whether procurement of medicines and medical equipment was as per procurement policy and adequate drugs and equipment were available in Government Institutions, records of HMSCL headquarters, its three out of seven warehouses[26], 15 DHs/ SDHs/CHCs in five[27] districts for the period 2015-18 were test checked during January-June 2018. Audit assessed availability of medicines and equipment in the medical facilities under the administrative control of DGHS. Medicines and equipment purchased on behalf of medical Colleges were not covered under audit.

As against the budget provision of ₹ 390.90 crore for purchase of medicines and equipment during 2015-18, an expenditure of ₹ 340.28 crore was incurred. Besides, as against budget provision of ₹ 80 crore, ₹ 71.27 crore was spent under *Mukhyamantri Muft Ilaz Yozna* (MMIY) during the same period. DGHS transfers funds for purchase of medicines and equipment to HMSCL. In case of non-supply of medicines by HMSCL, local purchases are made by medical facilities for which funds were allocated by DGHS.

Audit observed that though there was improvement in purchase of medicines and equipment through the centralized purchased system yet there were some shortcomings, which are discussed in succeeding paragraphs.

Audit findings

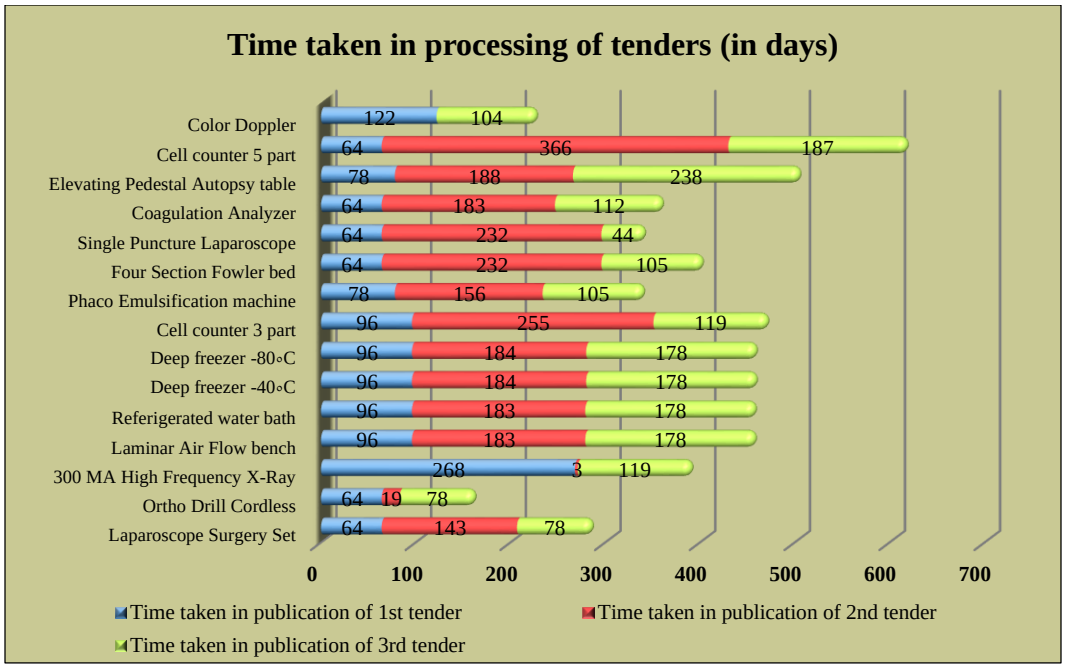
3.6.2 Procurement

3.6.2.1 Non-fixation of timeline for processing of indents

HMSCL is the service provider and timeframes for processing of indents was required to be fixed. However, no benchmarks were fixed for processing of tenders after receipt of indents. The details of time taken in finalization of tenders of equipment in 15 test-checked cases are depicted below:

[26] Selected: 3 - Ambala, Hisar and Gurugram and remaining 4 - Karnal, Kaithal, Bhiwani and Rohtak.

[27] Hisar: DH Hisar, SDH Hansi and CHC Barwala, Ambala: DH Ambala Cantt, SDH Naraingarh and CHC Mullana, Fatehabad: DH Fatehabad, SDH Tohana and CHC Ratia, Gurugram: DH Gurugram, CHC Pataudi and CHC Farukhanagar and Palwal: DH Palwal, CHC Hathin and CHC Dudhola.



The time taken in publication of tender after receipt of indents, publication of tender second time after dropping first tender and finalisation of tender ranged between 64-268 days, 3-366 days and 78-187 days respectively. The total time taken in finalisation of tenders ranged between 274-798 days from the date of indent by DGHS. HMSCL had taken more than 100 days in 12 out of 15 cases of equipment for publishing tender documents for the second time. The delay in procurement of these items had deprived the patients of the required medical facilities.

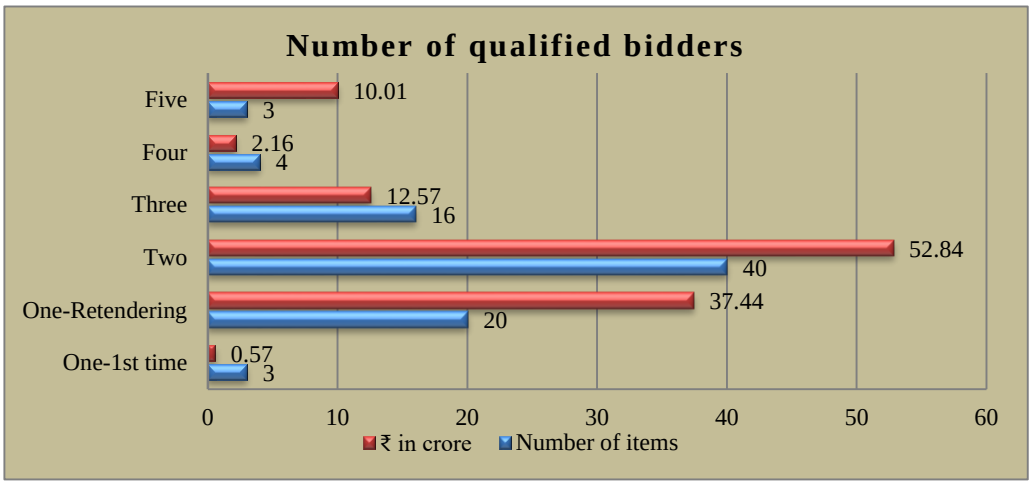
HMSCL stated (November 2018) that timelines have since been defined to avoid delay in purchases in future.

3.6.2.2 Lack of competitiveness in procurement

High Power Purchase Committee (HPPC[28]) had directed (January 2015) all procuring entities to prepare a database of suppliers from their purchase files, Bureau of Indian Standards (BIS) website, or by means of web search, etc. Procuring entities were also asked to email the tenders to the known suppliers of the concerned items. Although tenders were floated online, yet, neither the HMSCL nor the DGHS had prepared such database or developed any system to proactively contact known suppliers through emails (April 2018). Analysis of all the 76 tenders

[28] Department wise committees constituted under chairmanship of Minister In-charge of the concerned Department for high value purchases (above ₹ 30 lakh till September 2016 and above ₹ one crore thereafter).

for purchase of 86 equipment revealed that those were finalised with inadequate number of bidders as given below:



In case of 23 items, supply orders worth ₹38.01 crore (33 *per cent* of total value of supply orders given during this period) were placed on single bids. In case of only 23 items, number of technically qualified bidders was in the range of 3 to 5 and value of supply orders was ₹ 24.74 crore which was only 21 *per cent* of total value (₹ 115.59 crore) of supply orders given during this period. **Had the system of emailing the tenders to known manufacturers or suppliers of equipment been in place, there was possibility that a better response could have been received.**

HMSCL replied (November 2018) that first tender floated in November 2015 was shared with all the major medical corporations and registered vendors. Audit, however, observed that the practice of sharing information about tenders was followed only once and thereafter the practice fell in disuse.

HMSCL further stated that database of suppliers and manufacturers would be created very soon. Audit examined 22 tenders out of 76 tenders for purchase of equipment and observed that in three cases, rates finalized were quite high and ineligible firms were awarded contracts as brought out in paragraphs 3.6.2.3 and 3.6.2.4 below:

3.6.2.3 Award of rate contract to ineligible firms

Tender documents prescribed that manufacturers must have manufactured and supplied a similar model quoted in each item of the Schedule of Requirements (SOR) either himself or through any other authorized dealer to the extent of 100 *per cent* quantities mentioned in it in the past 24 months or 50 *per cent* quantities in past 12 months to Government or Private Tertiary Care Hospitals from the date of closure of tender date. Further, products were to comply with required quality certifications such as USFDA (United States Food and Drug Administration), CE

certified (European Union), CE compliant, BIS (Bureau of Indian Standards), etc. on case-to-case basis as per requirement.

(a) HMSCL invited bids (December 2016) for purchase of five Elevating Pedestal Autopsy Tables. Only one firm of Panchkula was considered technically qualified and rate contract was awarded in October 2017 at the rate of ₹ 6.37 lakh per unit (inclusive taxes). Further, repeat order of eight such equipment was given in May 2018 and value of total supply orders for 13 tables was ₹ 82.81 lakh.

Audit, however, observed that as per technical specifications, width of Autopsy Table was 85 cm with stainless steel headrest but as per bid submitted by the firm, width was 30" (i.e. 76 cm) with wooden headrest. The firm had not even submitted documentary evidence in support of having supplied Autopsy Tables in other hospitals as per requirement of tender. Thus, the firm was technically not eligible and as such the contract was awarded to ineligible firm.

(b) Online bids were invited (April 2017) for supply, installation and commissioning of eight 'Cell Counter 5 Part' for Government hospitals against which two bids were received. As per tender specifications, machine should have been US FDA certified {510(K) Clearance} or should have CE Mark[29]. The rate contract was awarded to a New Delhi based firm at the rate of ₹10.50 lakh per unit for 20 machines valuing ₹2.10 crore.

Audit observed that document in support of CE certification was not submitted with the bid. The firm submitted CE certificate issued by Center Testing International (CTI), (a EU notified body) dated 9 August 2017, i.e. **much after the date of closing of tender (June 2017). Thus, supply order was placed to ineligible firm, which is tantamount to extending undue favour to the firm.**

HMSCL stated (December 2018) that it was not mentioned in the tender document that the quoted item must have CE Mark from notified body before closing date of tender. The reply of HMSCL is not tenable **as it was mentioned in the tender specifications that equipment should have USFDA or CE Mark from the Notified Body (EU) which implies that the firm should have the certificate at the time of submission of bid.**

[29] CE marking is a certification mark that indicates conformity with health, safety and environmental protection standards for products sold within the European Economic Area.

3.6.2.4 Inadequate price comparison leading to excess expenditure

DGHS indented 19 Single Puncture Laparoscope[30] Machines in September 2015 and HMSCL invited open tender for rate contract for the same in November 2015 but the purchase was not finalised due to receipt of single tender. The tenders were again invited in February 2017. Only one firm of New Delhi, submitted its bid in March 2017 for this product. RC was awarded in June 2017 for 21 machines for two years at the rate of ₹12.90 lakh (excluding VAT at the rate of 5.25 *per cent*) per machine.

HMSCL compared this offer with rate contracts entered by Himachal Pradesh State Electronics Development Corporation Limited (at rate of ₹ 16.76 lakh/machine) and Punjab Health System Corporation (PHSC) (at rate of ₹ 13.14 lakh per machine) with comprehensive maintenance contract (CMC) of five years for the same make and same specifications. Audit observed that Rajasthan Medical Service Corporation Limited (RMSCL) had purchased the machine with same specifications and of the same make at the rate of ₹ 6.95 lakh (excluding VAT at the rate of 2 *per cent*) and its RC was valid during the period from October 2015 to April 2017. HMSCL was also aware of the RC of RMSCL with the manufacturer (Karl Storz, Germany) for this machine. However, HMSCL did not compare rates of RMSCL while finalising the rates.

It is pertinent to mention that copy of the purchase order of RMSCL were in their record and rates should have been compared to get a more competitive price.

Detailed comparison was also made by Audit in respect of different components of the machine including its spares supplied in Haryana and Rajasthan ***(Appendix 3.16)***.

HMSCL stated (November 2018) that rates of bidders were compared with the recent purchases made by Punjab Health System Corporation and HP State Electronics Development Corporation Limited of same model of equipment and from the same vendor and further contended that terms and condition of HMSCL's tender documents were more stringent than that of RMSCL. **However, this contention was also not correct as RC of RMSCL covered three years guarantee and five years Comprehensive Maintenance Contract (CMC) against 3 years warranty and four year CMC of HMSCL. Thus, due diligence was not exercised while finalising the rates on single tender as a result of which HMSCL incurred extra expenditure of ₹ 1.25 crore.**

[30] When an operation is done for viewing inside the abdomen through a telescope is called laparoscopy.

3.6.2.5 Purchase of medicines from blacklisted firms

As per paragraph 1.5 of Drug Purchase Policy 2015, bidders were not eligible to submit the bids for the product/ products for which the firm/ company had been blacklisted/ debarred by Government of Haryana or by any other State/Central Government organization during the period of debarment. Scrutiny of records revealed that HMSCL purchased medicines worth ₹ 42.94 lakh from two blacklisted firms ***(Appendix 3.17)***.

HMSCL stated (May 2018) that if any firm is debarred by any other organization after issuance of RC by it, it does not have any impact on the RC. The reply is not tenable as the firms listed in the Appendix were blacklisted by other States before entering into the RC by HMSCL.

HMSCL should ensure a more thorough verification of status of suppliers from website of other medical corporations/ departments to ensure the status of firms.

3.6.2.6 Non-levy of penalty for non-supply of medicines

As per paragraphs 3.1 and 3.2 of Purchase Policy (April 2015), delivery period will be 60 days and in case of drug items requiring sterility test, the delivery period will be 75 days. Further, paragraphs 3.4 to 3.6 stipulates that in case of supply of drugs less than 90 *per cent* of ordered quantity within delivery period, penalty of 20 *per cent* of unexecuted value would be levied besides purchase of balance quantity at risk and cost of the firm.

A review of the record relating to non-supply of drugs during 2015-18, revealed that there were 146 cases where supply was not made fully or partly even after allowing maximum time allowed for delivery. In these cases, delay in supply of drugs over and above the delivery period, ranged between 68 and 464 days[31]. The total penalty recoverable in these cases works out to ₹ 1.09 crore (20 *per cent* of ₹ 5.43 crore being the value of unsupplied medicines) which was not recovered. HMSCL stated (November 2018) that levy of penalty was under process.

3.6.3 Availability and utilisation of medicines and equipment

3.6.3.1 Inadequate supply of medicines by HMSCL

The Essential Drugs List (EDL) is the list of minimum medicines needed for a basic health-care system, listing the most efficacious, safe and cost effective medicines for priority conditions. DGHS had included 790 medicines/consumables under

[31] 68-100 days: 16 cases, 100-200 days: 64 cases , 200-300 days: 37 cases and 300-464 days: 29 cases.

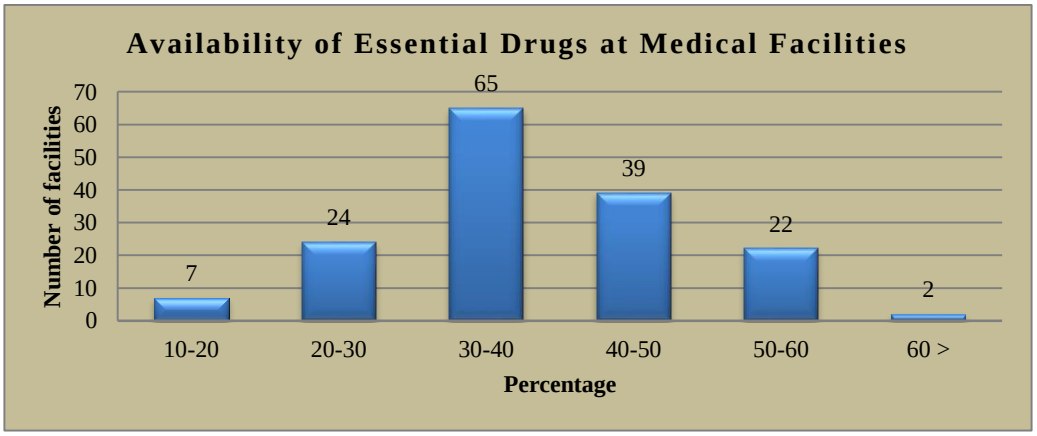
EDL. As of May 2018, HMSCL had finalized RCs for only 426 (53.92 *per cent*) EDL items, out of which only 299 RCs were for medicines. Only 271 (232 medicines), 299 (257 medicines) and 296 (221 medicines) items were available in test-checked warehouses at Hisar, Ambala and Gurugram respectively. Audit observed that HMSCL had not taken appropriate action against those suppliers who failed in supplying the Essential Drugs (EDs) within the stipulated period as pointed out in paragraph 3.6.2.6.

HMSCL in its reply (November 2018) stated that out of 790 items, only 357 were medicines and rate contract for 80 *per cent* medicines were available. It was also added that there are 249 drugs (like Ciprofloxacin, Amoxicillin, etc.) which along with different strength and dosage makes 357 different components, which serves the purpose.

All these 790 medicines/consumables were part of essential drugs declared by the State Government and HMSCL was responsible to make them available in the medical facilities.

3.6.3.2 Non-availability of essential drugs in medical facilities

The availability of EDs (supplied by HMSCL as well as local purchases) at 159 DHs/SDHs/CHCs was examined (June 2018) from Online Drug Inventory and Supply Chain Management System and position of the same is given in graph below:



As depicted above, only two medical facilities (CHCs at Kurali and Tosham) had EDs marginally above 60 *per cent.* In 126 medical facilities, availability of EDs was in the range of 30 to 60 *per cent*. In case of seven[32] medical facilities, availability of EDs was in the range of 10-20 *per cent*.

[32] (i) SDH Ballabgarh, (ii) KL Jalan Eye Hospital Bhiwani, (iii) CHC Sondh, (iv) CHC Aurangabad, (v) SDH Narwana, (vi) SDH Hansi and (vii) SDH Kosli.

In test checked 15 medical facilities, availability of medicines was in the range of 20-55 *per cent*[33]. Joint verification of OPD slips/prescriptions at random at medicine counter in four hospitals also brought out that a number of essential medicines prescribed by doctors were not available in their stocks, as detailed in **Table 3.6.**

Table 3.6: Detail of medicines found unavailable during joint verification

Sl. No.	Medical facilities	Number of prescriptions verified	Number of medicines Prescribed	Number of medicines not available (Percentage)
1	DH Ambala Cantt	107	382	84 (22)
2	DH Palwal	60	169	21 (12)
3	DH Gurugram	44	159	69 (43)
4	SDH Naraingarh	52	169	7 (4)

(Source: Data compiled on basis of joint verification of OPD prescription)

From above, it was evident that 4 to 43 *per cent* prescribed medicines were not available in test checked medical facilities. **Audit observed that main reasons for non-availability of medicines were failure on the part of HMSCL to supply all EDs, failure of DHs to make local purchase as local RC did not cover all the EDs and inadequate budget for local purchase (in case of Ambala).** In case of CHCs/PHCs, shortage of doctors was one of the reasons for not keeping sufficient quantity of EDs in stores.

3.6.3.3 Absence of uniformity in local purchase of medicines

Hospitals are allowed to make local purchases of medicines/ consumables, which are not available with HMSCL warehouse. Out of total purchase of EDs worth ₹ 30.23 crore in test checked facilities, local purchase was of ₹ 7.24 crore which constituted 24 *per cent* of total purchase of EDs (***Appendix 3.18***).

Percentage of local purchase to total procurement (including medicines issued by HMSCL) in selected medical facilities ranged between four (CHC Farukhanagar) and 44 *per cent* (SDH Tohana).

Audit observed that there was no fixed policy for local purchase of medicines. Different medical facilities were following different procedures for purchase of medicines as depicted in **Table 3.7**.

[33] (i) SDH Hansi-20 *per cent* and (ii) DH Hisar-*55 per cent.*

Table 3.7: Procedures adopted in various districts for purchase of medicines

Sl. No.	District	Purchase procedure adopted
1	Hisar and Palwal	Local Purchases were being made with or without quotations. However, Hisar district had rate contract for 2015-16.
2	Gurugram and Ambala	Only DH Ambala City and DH Gurugram had entered into rate contracts. Other facilities were making local purchase with or without quotations.
2	Fatehabad	The Civil Surgeon had finalised RCs every year during 2015-18, which were applicable for all medical facilities in the district.

(Source: Information provided by the department)

Comparison of rates of local purchase of DH Hisar, CHC Barwala and SDH Hansi with that of rate contract of nearby district Fatehabad revealed that rates of latter were on the lower side, and in few cases, it was even half the rates of Hisar district. For instance, during 2015-16, DH Hisar procured Ciprofloxacin Drops, Injection Vancomycin 250 and Haemoglobin (HB) Tube at per unit rate of ₹ 11.70, ₹ 237 and ₹ 110 while in Fatehabad district, these items were purchased at ₹ 4.30, ₹ 90 and ₹ 25 respectively, although most of the suppliers for Fatehabad district were Hisar based.

The difference between rates among adjoining districts/ medical facilities resulted in procurement of medicines at higher rates by ₹ 27.15 lakh[34].

DGHS stated (December 2018) that instructions to all Civil Surgeons and PMOs had been issued (December 2018) for entering into RCs through tender process at district level**.**

3.6.3.4 Non-utilisation of equipment

Equipment such as Phaco Emulsification Machine, X-ray Machines, Ortho drill, dental chairs, etc., worth ₹ 1.81 crore ***(Appendix 3.19)*** were lying unutilised due to non-availability of trained/professional manpower. For instance, radiographers for operating X-ray machines were not posted at six medical facilities[35] even after installation of machines for the last 7 to 45 months. Thus, machines were supplied without ensuring availability of radiographers. Similarly, eight Intensive Care Units (ICUs) beds received at DH Hisar in September 2017 were lying idle, as no ICU had been set up (March 2018). Further, equipment such as impendence meter, audiometer, BERA and OAE were supplied without any demand at DH Fatehabad and DH Palwal. One Phaco Emulsification Machine was received at SDH Hansi in

[34] Hansi- ₹ 0.38 lakh, Barwala- ₹ 1.34 lakh, Hisar- ₹ 14.13 lakh, Ambala Cantt- ₹ 4.81 lakh, Naraingarh- ₹ 1.52 lakh and Palwal -₹ 4.97 lakh.

[35] UHC Suryanagar Hisar, Polyclinic HUDA Fatehabad, CHC Mullana, DH Gurugram, SDH Helly Mandi and Polyclinic Sector 31, Gurugram.

June 2017 but the post of Ophthalmist was lying vacant since July 2016. Moreover, no steps had been taken either to shift the machine or to make alternate arrangement for its utilization by posting full/part time Ophthalmist. Laparoscope Surgery set was lying unutilized at DH Ambala as training to operate the machine had not been imparted.

Thus, demands/supplies for equipment were being made without ensuring availability of adequate manpower/infrastructure. No steps had been taken to deploy staff/doctors with additional charge so as to utilize equipment for the intended purpose. The responsibility for non-utilisation of equipment lies on the concerned Civil Surgeons since demand was being forwarded to DGHS by them. Further, the warranty period of equipment also expired in several cases without any use of equipment. In case of equipment received from HMSCL, hospitals/dispensaries did not produce any record relating to preventive quarterly maintenance of equipment done, if any, though the equipment were required to be maintained quarterly as per terms of supply orders.

DGHS stated (December 2018) that instructions to all Civil Surgeons and PMOs had been issued (December 2018) to ensure the availability of space, manpower and infrastructure before sending demand for medical equipment. It was also added that information had also been sought from field offices regarding availability of equipment which were not in use so that those can be put into use in other districts.

In the absence of medical equipment and para medical staff proper medical treatment cannot be ensured to general public.

3.6.4 Supply chain management

3.6.4.1 Store management

Efficient store management is essential for ensuring safe and proper storage of medicines, protection from damage and unauthorized removal, and issue of medicines in the right quantities, at the right time and to the right place. As per WHO guidelines, storage space as well as storage conditions should be adequate/scientific[36]. During field visit of warehouses, following deficiencies in Store Management were observed:

[36] Adequate storage space, clean and hygienic storage conditions, separation of damaged and expired products, etc.

- Sufficient numbers of racks or pallets were not available. There was shortage of 413 pallets and 80 racks in selected warehouses[37]. In the absence of adequate pallets and racks, boxes of medicines were being stacked on floor as shown below:

	
HMSCL Warehouse- Ambala	HMSCL Warehouse- Hisar

HMSCL stated (November 2018) that procurement of additional racks and pallets was under progress.

- 60, 18 and 162 batches of essential drugs in warehouses at Hisar, Ambala and Gurugram respectively were found stored in non-pass[38] area and 127[39] batches had lost their shelf life for 2 to 17 months.

- Expired/un-replaced/un-lifted stock worth ₹ 1.24 crore was lying in warehouses for more than one year. There should be provision for levy of penalty against suppliers for not lifting stock after reasonable time.

HMSCL stated (November 2018) that Board of Directors would be apprised of the suggestions of the Audit.

Following deficiencies were noticed in store management of hospitals:

- There was no register/record in DHs showing opening balance, additions during the year, issued during the year and closing balances of equipment such as BP apparatus, stethoscope, suction machines, ECG Monitor, linen, etc. Annual physical verification of these items was not being conducted as per requirement of Rule 15.16 of Punjab Financial Rules (Volume-I) as adopted by Haryana.

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37 Pallets: Hisar-40, Ambala-130, Gurugram-243; Racks- Hisar-21, Ambala-11 and Gurugram-48.

38 Non-pass area means earmarked area where drugs/consumable are kept till quality clearance.

39 Hisar-51, Ambala-17 and Gurugram-59.

DGHS stated (December 2018) that instructions to all Civil Surgeons and PMOs had been issued for maintaining such records.

- It was also noticed that medicines/consumables were issued from main store to different wards such as casualty, maternity, emergency, pharmacy, etc. Actual consumption of these items was being recorded in register maintained by these wards/ wings. However, there was no system to check the entries of consumption made by the nursing staff. Further, physical verification was also not being conducted. In the absence of such internal control, chances of pilferage of these items cannot be ruled out.

DGHS stated (December 2018) that instructions to all Civil Surgeons and PMOs had been issued for maintaining such registers and to evolve system for checking the entries of consumption.

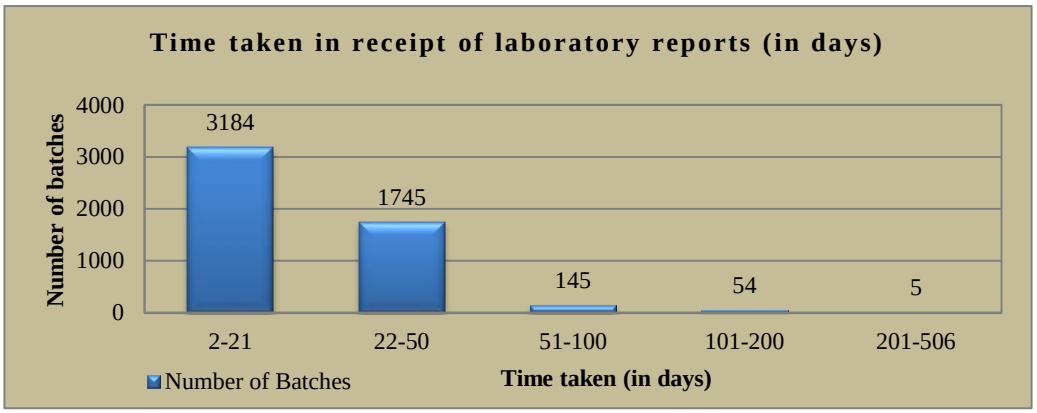
- At CHC Ratia, Pharmacist had not maintained any details regarding total medicines received from HMSCL Warehouse, issued to wards, closing balance, etc. This information was being maintained in all other hospitals. During 2014-18, value of medicines/consumables received from HMSCL warehouse was ₹ 82.02 lakh and further local purchase of ₹ 9.82 lakh was made for which no details were maintained. No reply has been received from Department.

3.6.4.2 Quality control-Delay in getting Laboratory Reports

As per policy of HMSCL, all batches of drugs procured were subjected to quality tests through its empanelled laboratories. The laboratories were required to submit test reports of non-sterile and sterile[40] samples within 8 and 21 days respectively of receipt of the samples. Drugs declared as not of standard quality were to be frozen and not to be issued to health Institutions.

HMSCL sent 5,133 batches of drugs to empanelled laboratories during 2015-18 (up to 07 February 2018). However, out of 5,133 batches, laboratories failed to submit the test result within stipulated period in 1,949 batches and delay ranged between 22 and 506 days as depicted below:

[40] Sterile products refer to products that are free from microbial organisms e.g. Injection, sutures, etc.



Audit further observed that out of 43 batches test checked, 9 batches had lost shelf life in the range of 20 to 69 *per cent* due to abnormal delay in testing process.

HMSCL stated (November 2018) that corrective and preventive action would be taken to avoid delays in testing the samples.

3.6.5 Conclusion

Though there was improvement in purchase of medicines and equipment due to centralized purchase, there were some shortcomings in the system such as delay in processing of the indents, award of rate contract to ineligible firms, procurement from black-listed firms, inadequate price comparison leading to extra expenditure and non-levy of penalty of ₹ 1.09 crore for non-supply/ delayed supply of medicines. Availability of medicines at medical facilities was inadequate. Procedure followed for local purchase of medicines by health facilities was not uniform and transparent. Further, equipment worth ₹ 1.81 crore were lying unutilised at facilities. These issues need to be addressed to achieve the objective of providing effective health care services to the people.

These points were referred to the Government in July 2018 and further reminder was issued in January 2019; their reply was still awaited (May 2019).

Appendix 3.16

(Reference: Paragraphs 3.6.2.4; Page: 67)

Detailed comparative of components of Single Puncture Laparoscope supplied to HMSCL and RMSCL

Description	Name of items	Quantity purchased by HMSCL	Rate quoted by firm for the Product make M/s Karl Storz		Quantity purchased by RMSCL directly from M/s Karl Storz	Remarks
			Rate per unit	Total amount		
Components of machine	Telescope	1	3,22,000	3,22,000	1	
	Trocar and Cannula	1,1	31,500	63,000	1,1	
	Ring Applicator	2	47,789	95,578	3	1 less procured by HMSCL
	Cone	1	180	180	5	4 less procured by HMSCL
	Veress Needle 10cm	1	7,300	7,300	3	2 less procured by HMSCL
	Veress Needle 15cm	1	9,200	9,200	3	2 less procured by HMSCL
	Electronic Co_2Edoflator 0-20 range	1	4,86,500	4,86,500	1	
	High Pressure Hose	1	29,300	29,300	1	
	Cold Light Source	1	1,05,500	1,05,500	1	
	Fiber Optic Cable	1	31,400	31,400	1	
	Main Card	2	1,860	3,720	2	
	Wrench Kit included with Edoflator	1	4,600	4,600	1	
	Co_2 Cylinder 5kg	2	20,500	41,000	2	
	Formalin Chamber (26x8x8 in inches) with 3 trays	1	5,800	5,800	1	
	Tray for Sterlization (27x7x5 in inches)	1	5,800	5,800	1	
	UPS 1.0KVA	1	25,000	25,000	1	
Essential Spares	Spare washer for trocar, Cannula, automatic clave	10 10 10	1,884 250 1,884	18,840 2500 18,840	10 10 10	
	Kits for Cleaning -Cleaning Brush for Cannula -Cleaning brush for trocar -Silicon Oil -Special Lubricant	 2 2 2 5	 440 440 780 270	 880 880 1,520 1,350	 2 2 2 5	
Spare Parts	-Spring Ring Applicator -Finger Ring -Knurled Screw -Inner Sheath -Adopter for cannula for inlet -Stopcock for cannula for inlet -Spring Cap for stop	5 5 5 5 2 2 2	180 7,900 290 13,300 280 1,190 500	900 39,500 1,450 66,500 560 2,380 1,000	2 2 2 2 2 2 2	Qty. more procured by HMSCL 180X3=540 7900X3=23,700 290X3=870 13300X3=39,900 TOTAL 65,010

(Source: Records of the Department)

Appendix 3.17

(Reference: Paragraphs 3.6.2.5; Page: 68)

Details of medicines procured from blacklisted firms

Sl. No.	Firm	Period of blacklisting	Period of Rate contract of HMSCL	Period of Procurement	State/ Corporation where blacklisted	Reasons	Value of procurement (₹ in lakh)
1	M/s Medipol Pharmaceutical Private limited	01 January 2015 to 31 December 2016	21 January 2015 to 23 February 2017	July 2015 to January 2017	Gujarat Medical Service Corporation Limited	Zero *per cent* content of *Calcium Pantothenate* (NSQ) for all tablets	29.53
2	M/s Zee Laboratories Limited	September 2016 for two years	December 2016 to December 2018	January 2017 to January 2018	Bihar Medical Service Corporation Limited	Non supply	13.41
Total							**42.94**

(Source: Records of the Department)

Appendix 3.18

(Reference: Paragraphs 3.6.3.3; Page: 70)

Statement showing available essential drugs and medicines procured through HMSCL as well as by local purchase during 2015-18

(₹ in lakh)

Sl. No	Medical facility	Essential Drugs required	Available Essential Drugs (June 2018)	Percentage of Essential Drugs available	Drugs supplied by HMSCL (2015-18)	Local Purchase (2015-18)	Total Procurement	Percentage of local purchased medicines
1	DH Hisar	790	436	55	397.69	145.14	542.83	27
2	DH Fatehabad	790	301	38	312.24	105.57	417.81	25
3	DH Gurgaon	790	343	43	464.42	202.51	666.93	30
4	DH Palwal	790	322	41	294.75	61.06	355.81	17
5	DH Ambala Cantt	790	360	46	223.39	83.35	306.74	27
6	SDH Naraingarh	790	322	41	155.86	11.6	167.46	7
7	SDH Tohana	790	294	37	60.85	47.16	108.01	44
8	SDH Hansi	790	156	20	81.33	9.56	90.89	11
9	CHC Mulana	546	263	48	37.06	1.41	38.47	4
10	CHC Hathin	546	210	38	54.18	17.33	71.51	24
11	CHC Dudhola	546	198	36	30.1	4.3	34.4	13
12	CHC Pataudi	546	248	45	35.67	7.67	43.34	18
13	CHC Ratia	546	272	50	63.86	18.16	82.02	22
14	CHC Farrukhnagar	546	233	43	25.34	1.13	26.47	4
15	CHC Barwala	546	215	39	61.69	8.31	70	12
Total					**2,298.43**	**724.26**	**3,022.69**	

(Source: Records of District Hospitals and CHC concerned)

Appendix 3.19

(Reference: Paragraphs 3.6.3.4; Page: 71)

List of equipment lying unutilised in various medical facilities of Haryana

Sr. No.	Medical Facility	Equipment/ Machinery	Month/year of installation or receipt	Value (₹in lakh)	Idle period	Reasons
1	UHC Suryanagar	300 mA X ray Machine Mars 30	May2015	6.82	3 years	Radiographer not posted and no dark room to develop X ray film
2	CH Hisar	8 ICU beds	September 2017	7.60	6 months	No ICU
3	SDH Hansi	Phaco Emulsification Machine	June 2017	23.50	9 months	No Ophthalmist, since July 2016
4	CH Fatehabad	Ortho drill cordless Machine	March 2017	7.42	12 months	Non-availability of C-Arm machine (intra-operative imaging scanner)
5		Ultra Sound System	September 2008	12.70	36 months	Non-availability of radiologist for last 4 years. The Headquarters had been informed for the posting of same.
6		Impendence Audiometer	February 2015	5.95	37 months	These equipment were received without any requirement and till date neither infrastructure nor manpower was arranged.
7		Audiometer	February 2017	6.45	13 months	
8		BERA	February2015	3.94	37 months	
9		OAE	February2015	2.70	37 months	
10	Poly Clinic HUDA Fatehabad	X-ray machine Mars 30	February 2015	6.82	37 months	Machine was received despite non-availability of radiographer
11	CHC Ambala Cantt	Electro Cautery Machines (five)	June 2017	17.55	9 months	Lying uninstalled as two machines were already there. Demand was given without justifying need of five more machines.
12		Laparoscopy Surgery Set	March 2017	27.05	13 months	Due to non-impartation of training
13	CHC Mulana	300 mA X ray Machine	August 2017	6.73	7 months	Non-availability of radiographer
14	CH Palwal	BERA	February 2015	6.25	37Months	Non set up of sound proof room
15		ASSR	February 2015	5.95	37 months	Non set up of sound proof room
16		Impendence Audiometer	February 2015	3.94	37 months	Non set up of sound proof room
17	CH Sector 10 Gurugram	X-Ray Machine Mars- 30	July 2014	6.82	45 months	Non-availability of radiographer
18		CR System	November 2016	9.65	17 months	Non-availability of radiographer
19	SDH Helly Mandi	X-Ray Machine Mars- 30	July 2014	6.82	45 months	Non-availability of radiographer
20	Polyclinic Sector 31 Gurugram	X-Ray Machine Mars- 30	May 2015	6.82	35 months	Non-availability of radiographer
Total				**181.48**		

(Source: Records of the Department)