

PUBLIC ACCOUNTS COMMITTEE

(1999-2001)

EIGHTIETH REPORT

(TENTH ASSEMBLY)



**Report of the Public Accounts Committee on the Report
of the Comptroller and Auditor General of India for
the years 1991-92, 1992-1993, 93-94 and 1994-95 (Civil)
pertaining to the Health & Family Welfare
Department to the Government of Assam.**

Presented to the House on 7-4-2000

**Assam Legislative Assembly Secretariat, Dispur
Guwahati-781006**

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COMPOSITION OF THE PUBLIC ACCOUNTS
COMMITTEE-1999-2001

Chairman :

1. Shri Derhagra Mochahary

Members :

2. Shri Pulakesh Barua
3. Shri Kesharam Bora
4. Shri Hemanta Kalita
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9. Shri Mustafa Shabidul Islam
10. Shri Gautam Roy
11. Shri Kali Ranjan Deb
- *12. Smti. Renupoma Rajkhowa
- **13. Shri Karuna Dutta.

Secretariat :

1. Shri D. Talukdar, Secretary.
2. Shri A. R. Chetia, Deputy Secretary.
3. Shri B. Basumatary, Committee Officer.

* Ceased to be the Member of the Committee on her appointment as Deputy Speaker.

** Expired.

PREFATORY REMARKS

1. I Shri DERHAGRA MOCHAHARY, Chairman of the Committee on Public Accounts having been authorised to submit the Report on their behalf, present this Eightieth Report of the Committee on Public Accounts on the Audit paras contained in the Report of the Comptroller and Auditor General of India (Civil) for the years 1991-92, 1992-93, 1993-94, and 1994-95 pertaining to Health and Family Welfare Department, Government of Assam.'

2. The Report of the Comptroller and Auditor General of India (Civil) for the years 1991-92, 1992-93, 1993-94 and 1994-95 were presented to the House on 14th September, 1994, 15th March, 1995, 18th September, 1995 and 15th June, 1996 respectively.

3. The Reports as mentioned above relating to Health and Family Welfare Department were considered by the present Committee in their sitting held on 27th March, 2000.

4. The Committee has considered the draft 80th Report and finalised in their sitting held on 27th March, 2000 for presentation before the House.

5. The Committee thanks to the Departmental witness for their kind co-operation. The Committee also place on records their appreciation for the valuable assistance rendered by Accountant General (Audit), Assam, Finance Department and Secretary, Assam Legislative Assembly along with officers and staff attached to Public Accounts Committee Branch.

Dispur,
The 27th March, 2000.

DERHAGRA MOCHAHARY,
Chairman,
Public Accounts Committee.

CHAPTER- I

Avoidable/Infructuous/Unfruitful expenditure

(Paras 3.30/CAG/91-92, 3.25/CAG/92-93, 3.21/CAG/94-95 and 3.27/CAG-94-95)

1.1. The audit has pointed-out the following cases of avoidable/infructuous/unfruitful expenditure during the period under report:—

(a) For use in the Cardiology and Surgical Department of Silchar Medical College Hospital, Government approved (January 1991) purchase of 2 Respirator ventilators (Model CPU-I) at a cost of Rs. 4.30 lakhs (Plus 7 percent Assam Finance Tax) each, as approved (October 1990) by the departmental purchase committee. According to instructions (January 1991 and April 1991) of the Director of Medical Education, Assam, supply order for both the equipments, were placed with the approved firm in January 1991 and June 1991 by the Principal, Silchar Medical College Hospital with the stipulation to complete the supply within a period of 15 days. The equipment against first order was supplied by the firm in March 1991 and payment of Rs. 4.60 lakhs made in April 1991. An amount of Rs. 4.60 lakhs for the second instalment was drawn (March 1991) by the Director of Medical Education and kept under Revenue Deposit, without any recorded reason. The equipment against subsequent order (June 1991) was, however, supplied by the firm on 28th December 1991 immediately after upward revision (21 December 1991) of its price to Rs. 7.21 lakhs plus Assam Finance Tax of Rs. 0.51 lakh as approved by the purchase committee. The price for the second equipment as claimed by the firm at enhanced rate of Rs. 7.72 lakhs was accordingly paid (January 1992) by the Director of Medical Education after keeping the money in revenue deposit for 9 months. Non-placement of order for both equipment at a time and non enforcement of completion of supply within the time resulted in avoidable extra expenditure of Rs. 3.12 lakhs.

(b) Government in September 1987 up-graded the Dhekiajuli Primary Health Centre to a thirty bedded rural hospital alongwith creation of additional posts. The construction work of the hospital complex was entrusted to the

Public Works Department and the site for the construction was handed over in October 1989. Test-check (April 1992) of records of the Chief Medical and Health Officer, Tezpur revealed that though the construction of hospital had not yet been started an expenditure of Rs. 6.06 lakhs was incurred during the period from December 1988 to March 1992 on pay and allowances of the staff appointed against the proposed up graded hospital. Their services are presently utilised in Dhokiajuli Primary Health Centre in addition to their existing strength.

(c) An Auxiliary Nurse, Cum Midwife (ANM) training centre under the administrative control of Joint Director of Health Services, Mangaldoi was established in 1984 for imparting training to selected trainees in batches of 30 for a duration of 18 months to enable them to render medical and health care services to hospitals and other peripheries. The training centre had 12 officers/staff. On completion of training of batch of trainees in April 1992, the list of candidates of the next batch along with the result of their written test was forwarded to the Director of Health Services, Assam between October 1992 and January 1994 for approval. There was no justification on record produced to Audit for the long time taken to complete the process of selection of candidates. The approval of the Director of Health Services was received only in May 1994 and training courses started from June 1994. Consequently the activities of training centre remained suspended from May 1992 to May 1994. The Joint Director, Health Services, Mangaldoi stated (March 1994) that the services of the officer/staff of the Centre were utilised in Mangaldoi Civil Hospital without indicating the nature of services rendered by them. As the staff were not employed gainfully due to non-functioning of the training centre since May 1992, the expenditure on their pay and allowances amounting to Rs. 7.67 lakhs as on May 1994 proved infructuous.

(d) The Director of Health Services, Assam sanctioned (May 1992) the creation of the posts of 575 Superior Field Workers (SFW) and 3005 Field Workers (FW) against a monthly consolidated payment of Rs. 750.00 plus variable dearness allowance of Rs. 78.00 per month to each worker for two rounds of DDT spray operation in 23 districts of the state during 1992-93 for a period of two and half month duration in each round commencing from May

1992. Pursuant to this order, the Joint Director of Health Services (Malaria) Assam placed (May 1992) the services of 28 SFW and 140 FW at the disposal of the District Malaria Officer (DMO), Goalpara with instructions to undertake two rounds of DDT Spray operation in that district to cut down the malaria transmission cycle. The first round of spray operation, however, started from 1st August 1992 and completed on 3rd November 1992, when the area was affected by malaria. Due to delay in completing first round of spray operation and due to on set of winter season before completion of first spray operation, the second round of spray operation could not be undertaken. For the first round of spray operation an expenditure of Rs. 3.35 lakhs was incurred by the Department as wages to the field workers. The Government attributed (September 1995) the delay in commencement of first round of spray operation to non-availability of required spraying equipment and found. Thus, delay in taking up the first round of spray operation and failure to take up its second round due to departmental lapses not only rendered the expenditure of Rs. 3.35 lakhs largely unfruitful but also defeated the very objective of the operation.

1.2. The Department have replied against each objections, as follows :—

(a) The first machine for the Department of Surgery, S.M.C.H. Silchar was purchased out of the normal fund provided in the budget for the financial year 1990-91 and as such the indent for supply of the machine was placed with the firm in the month of January, 1991. For the Second machine, sanction was accorded for purchase of the equipments out of the additional fund of Rs. 92.60 lakhs and was kept under the revenue deposit. The indent for supply of the second machine was placed with the firm in the month of June, 1991 but in the meantime the firm appealed for revision of the price of the said machine due to escalation of its price. As the Purchase Committee approved the price of it at Rs. 7.72 lakhs inclusive of taxes, the payment was made accordingly.

(b) It is a fact that in anticipation of construction of buildings, posts were created and filled up. Though the buildings are not constructed, the staff, are properly utilised for rendering service to people.

(c) (The departmental memorandum is not found available).

(d) The Joint D.H.S. (M) Assam reported that the objective of D.D.T. spray operation is to control adult vector Mosquitoe. Ideal timing for spray is in April/May for the 1st round and to continue for the 2nd round after 2½ months. The indoor residual in sectoral spray with D.D.T. 50% maintain efficacy for a period of 10-12 week. The climatic condition of Assam is favourable for breeding of various materiogenic mosquitoes. The malaria is one of the important health problem in Assam. The transmission at malaria continues through out the year with seasonal vaciation. The spray operation carried-out from 1st August and completed on 3rd November 1992 with an expenditure of Rs. 3.35 lakhs is justified on the prevailing circumstances.

OBSERVATIONS / RECOMMENDATIONS

1.3 (a). Regarding the objection at para 1.1. (a) the Committee observes that, the sanction for purchase of both the machines were accorded in January, 1991 but the amount for the 2nd machine was drawn and kept in Revenue Deposit. It has come to the notice that the orders for supply of the 2nd machine was placed in June, 1991 with the stipulation to complete the supply within 15 days but the machine was supplied in December, 1991 after upward revision of price. The Committee therefore, recommends that the whole matter may be enquired into, to locate lapses at various stages and a report along with the action taken report thereof may be furnished to the Committee within a period of two months from the date of presentation of this Report before the House.

1.3 (b) The Committee could not comprehend as to why the Department appointed all these Doctors, Nurses and other staff without completion of the building for their accommodation and what was the ground behind it. The Committee, therefore, recommends, in this regard that an enquiry should be instituted and action taken report should be submitted to the Committee within a period of two months from the date of presentation of this report before the House.

1.3 (c) Regarding the objection at para 1.1.(c), the Committee observes that the expenditure of Rs. 7.67 lakhs as of May, 1994 made on pay and allowances/teaching staff was infructuous. The Committee, therefore, recommends that why lapses have been occurred should be enquired into and appropriate action should be taken against the defaulting officer and action taken report should be submitted to the Committee within two months, from the date of presentation of this report before the House.

1.3(d) Regarding the objection at para 1.1.(d), the Committee observes that the department has failed to carry out both round of spray operation in 1992-93 which was the main reason for the outbreak of Malaria in the State. The Committee therefore, recommends that stern action should be taken against the officer concerned under whose negligence fund of the Central Assistance was not properly utilised for which the people of the State have to suffer and furnish a report to the Committee within two months from the date of presentation of this report before the House.

CHAPTER II

Misappropriation/Loss etc.

(Para 3.29/CAG-92-93 and 3.23/CAG-93-94)

2.1. The Audit has pointed out the following cases of misappropriation, loss etc.

(a) The Director of Health Services (Family Welfare) Assam, Guwahati purchased 47 lakhs Antispasmodic tablets (cost Rs. 5.77 lakhs) and 29 lakhs Haemostat tablets (cost Rs. 6.94 lakhs) during the year 1990-91 against the estimated requirement of only 11.21 lakhs Antispasmodic tablets. The approval of the Government was also not obtained for such purchase. Of this purchase, only 11.98 lakhs Antispasmodic tablets were issued till 14th August 1991. Haemostat tablets were not issued till the date. At the instance of the Director, the Deputy Director (Family Welfare) conducted physical verification stores in August 1991 and found shortage of 20.34 lakhs Antispasmodic tablets and 24.68 lakhs Haemostat tablets valued at Rs. 8.40 lakhs. Action was not initiated (December 1992) against the person/persons responsible for shortage of medicines even after lapse of two years.

(b) At the instance of Audit the closing cash balance of Rs. 9.77 lakhs as on 31st December 1992 as per cash book in the office of the Joint Director, Health Service, Nalbari was physically verified and it was found to be Rs. 0.11 lakh only against Rs. 9.77 lakhs. The Cashier was, therefore, placed under suspension from January 1993. The cash book and other relevant records for the period from May 1992 to December 1992 were seized/sealed in July 1993 by the Chief Medical and Health Officer, Nalbari. However, a new cash book was maintained from January 1993 wherein Rs. 0.11 lakh found on physical verification was neither taken as opening balance nor refunded into Treasury. It was further noticed in audit that no physical verification of cash was carried out between August 1988 and April 1992. Thus, the entire amount of Rs. 9.77 lakhs has not been accounted for. The case was neither departmentally investigated nor was any attempt made to recover the amount from the officers/officials responsible. This indicates serious lapses in

the system followed for cash security and management procedure in the office.

2.2 The Departmental replies are on under :-

(a) The Antispasmodic tablets and Haemostat tablets were purchased considering the important drugs used for the treatment of colic pain after laparoscopic sterilisation operation and abdominal pain/stop of bleeding in general. The requirement of Antispasmodic tablet, and Haemostat tablets were assessed on the basis of the sub-centres pattern and availability of fund for using in the sub-centres and sterilisation camps. Out of the purchase of 47 lakhs Antispasmodic tabs. Stock entry for 29.60 was made till 29th October 1991 leaving a balance of (47.00 lakhs-29.60) 17.40 lakhs to be recorded in the stock Book. This might be inadvertently on the part of the then official who dealt with the matter. However, through checking has been processing regarding recording of 17.40 lakhs tabs in the stock book. As regards purchase of 29 lakhs Haemostat tabs including balance 50,000 tabs. from previous year, the stock has been updated and record, shows that the tabs. were issued to the districts properly for their use in the peripheries.

(b) The Joint Director of Health Services, Nalbari has been instructed to file Bakijai case with the D.C. Nalbari against the erring officials for realisation of misappropriated amount.

OBSERVATIONS/RECOMMENDATIONS

2.3(a) In respect of the objection at para 2.1.(a) the Committee recommends that the matter be thoroughly enquired into and stock book verified. The enquiry report and the departmental action taken against the persons at fault should be intimated to the Committee within a period of two months from the date of presentation of this Report before the House.

2.3(b) Regarding the objection at para 2.1.(b) the Committee expresses its dissatisfaction on the reply and the departmental action. The Committee therefore recommends that stern action should be taken on the persons found at fault and the mis-appropriated money should be recovered. A report on the action taken may be furnished within a period of 30 days from the date of presentation of this Report before the House.

CHAPTER III

Irregularities Relating to Medicine

(Para 3.24/CAG. 92-93, 3.26/CAG. 92-93, 3.28/CAG. 92-93, 3.22 CAG. 93-94, 3.23/CAG. 94-95 and 3.26/CAG. 94-95).

3.1 The audit has brought out the following cases of irregularities of purchase, supply, issue etc. of medicine:—

(a) The Director of Health Services instructed (August 1990) all field officers (Chief Medical and Health officer, Additional Chief Medical and Health officer including all indenting officers under Health Department) to limit purchase of Oxyphenium Bromide (a very strong pain killer) to very urgent purposes. Even in such cases purchases were not to exceed Rs. 2,000 at a time. A test-check of records (December 1992), however, revealed that during the period from October 1990 to March 1991 a total quantity of 2,70,000 tablets of Oxyphenium Bromide valued at Rs. 0.78 lakhs (on three supply orders each exceeding Rs. 2,000 at a time) had been purchased by the Additional Chief Medical & Health Officer, Goalpara and the stock was exhausted by May 1991.

(b) Between April 1990 and February 1992 the Director of Health Services (FW) supplied 6,48,200 Adrostryp--CD. Tablets (Haemostatio) valued at Rs. 3.24 lakhs to the Additional Chief Medical and Health Officer, Goalpara without any demand from the District, of this 1,12,900 tablets has been issued (between May 1991 and June 1992) to 7 State Dispensaries all though no Physician/staff from Family Welfare Wing was posted there, and without any requisition having been submitted by those State Dispensaries. A Test-check (December 1992) also revealed that:—

(i) as printed in each label of container, tablet Adrostryp CD. could be prescribed by a physician only but 1,11,700 tablets had been issued (between May 1990 and December 1991) by Primary Health Centres (PHC) to sub-centres run by Family Welfare Department with one Auxiliary Nurse Midwife.

(ii) Between July 1990 and October 1990, 2,70,000 tablets had been issued to 7 PHC's. without formal indent (Lakhimpur : 43,000),

Agia; 40,000 Aorno 60,000 Rangjuli; 63,000 Boitamari; 20,000 Srijangram; 20,000 and Matia 18,000),

(iii) 2 (two) State Dispensaries and one Mini P.H.C. did not account for 72,900 tablets issued (between March 1991, August 1991) by the Additional Chief Medical & Health Officer,

(iv) 16,500 tablets supplied to Agia P.H.C. (12,000), Karmaya Mini PHC (2,500) and Ambari Bazar State Dispensary (2000) could not be utilised within the short life period. In reply to audit query the Additional Chief Medical & Health Officer inter-alia stated (7th December 1992) the following :—

(1) Since Adrostryp-CD was not of much use in Family Welfare Wing no requirement was submitted (a similar drug Ergometrine Mabate tablet was procured during the same period);

(2) Since the tablets were sent by the Director it was found expedient to exhaust the stock which otherwise would have become time expired; (3) A few State Dispensaries were also supplied so that they could utilise the same as and when occasion arose. Thus it could be seen that the purchase was made without proper assurances and there has been loss of Rs. 0.45 lakh on account of short accountal and non-utilisation within shelf life period.

(c) Government in September 1990, deleted from the approved list of common medicines, the following (i) Tablet Influenza; (ii) cough linctus and (iii) Tablet Gracephen and ordered that Oral rehydration salt (ORS) should be obtained from the Director of Health Services (FW) free of cost. The Government order was circulated in September 1990 to all the field units. During test-check in audit (March 1992) of the accounts of the Chief Medical and Health Officer (C.M.&H.O) Barpeta and Kokrajhar it was noticed that despite the Government order of September 1990, the Chief Medical & Health Officer (C.M. & H.O), Barpeta incurred an expenditure of Rs. 1.25 lakhs during the period from March 1991 to December 1991 for purchase of Tablet Influenza and Rs. 2.31 lakhs during the period from October 1990 to November 1991 for purchase of Oral Rehydration Salt (ORS). The C. M. & H.O. Kokrajhar had also spent Rs. 0.92 lakh during the period

from December 1990 to September 1991 for purchase of O.R.S. Thus the purchase of medicines worth Rs. 4.48 lakhs was unauthorised and irregular.

(d) A test-check (March 1994) of stock register of Jalah Hospital (30 bedded) revealed that 36 items of medicines, surgical instruments, linen etc, valued at Rs. 1 lakh were received from the District Medical Store, Barpeta between June 1992 and June 1993. But, was neither there any stock entry in support of issue of any of the afore-said medicines etc. upto January 1994 nor could any other record in support of issue of the items be shown. Now stock register was opened from January 1994 onwards and the balance of any of the 36 items received by the Hospital was not reflected in the new stock register. No action was initiated either by the Medical Officer in charge of the Hospital or by the Joint Director.

(e) In June 1989 the Directorate of National Malaria Eradication Programme (NMEP), New Delhi forwarded a copy of the National Drug Policy for Malaria and emphasised that only the drugs prescribed under National Drug Policy should be used for treatment of Malaria cases. A test check (April 1995) of the records of the Joint Director of Health Services (Malaria), Assam, Guwahati revealed that between January 1993 and March 1995, 19.20 lakhs Chloroquine tablets valued at Rs. 8.81 lakhs were despatched to Nagaon (17.74 lakhs) and Karbi Anglong (1.48 lakhs) though it was established that Chloroquine were not useful in Plasmodium falciparum cases in those areas as per studies carried out by the NMEP Directorate of Government of India (vide their note of October 1989) and circulated by the Joint Director of Health Services (M) of the State in the same month. Issue of Chloroquine tablets worth Rs. 8.81 lakhs to these areas of Nagaon & Karbi Anglong where maximum patients were found to have suffered from P. Falciparum unfruitful and injudicious.

(f) In July 1989, the Government directed all Chief Medical and Health Officers (CMHO) of the State not to purchase Sulphadiazine cream, Vitamin-B-Complex injection, Antacid tablets, Ibuprofen tablets and Antiseptic spray for free distribution except under special circumstances and only with full justification. Besides the Director of Health Services in August 1990 specifically directed all

Chief Medical and Health Officers, not to purchase tablets "Oxyphenium Bromide" for more than Rs. 2000 at a time. A test-check (February 1994) of the accounts of the Chief Medical and Health Officer/Joint Director of Health Service (JDS), Barpeta revealed that.

(1) In violation of Government orders of July 1989, the CMHO, Barpeta purchased medicines worth Rs. 9.17 lakhs between April 1990 and July 1993 without Government approval justifying the purchase as having been under special circumstances. The details of the medicines purchase were as below:—

Name of the Medicine	Quantity purchased	Value (Rs.in lakhs)	Date of receipt
1. Silver Sulpha Diazione cream	1000 jars	0.96	December 1992
2. Vitamin—B Complex injection	19000 vials	1.06	December 1992
3. Antacid tablets	23 lakhs	4.07	May 1990
4. Iboprofen tablets	14.25 lakhs	3.08	April 1990 to March 1992.
		9.17	

(2) In violation of the directive issued in August 1990 the CMHO, Barpeta in March 1993 purchased 3.50 lakhs tablets of Oxyphenium bromide costing Rs.1.06 lakhs by placing two supply orders as shown below:—

Date of placing Supply order	Quantity	Value (Rupees in lakhs)
16 March 1993	2 lakhs tablets	0.60
31 March 1993	1.50 lakhs tablets	0.46

Admitting the purchase of quantity of medicines in excess of the limit the Department stated in May 1995

that the purchase were made for the benefit to the poor people in villages. The reply is not tenable in view of the restrictions imposed by the Government and as there were no special circumstances for the purchase of these medicines. The Department had not furnished any reply for purchase of Oxyphenium bromide in excess of permissible limit.

3.2. The Department in their written replies have stated as follows :-

(a) Then the Adl. Chief Medical and Health Officer (FW), Goalpara have not received the letter asking not to purchase bulk quantities of tablet Oxyphenium Bromide from the D.H.S. (FW). The said tablet urgently needed for vasectomy, Tubectomy etc. Cases. In that period Tubectomy (Laperoscopic) Camps have been done in different P.H.C., St. Dist. S.C. etc. under the District. So the then Adl. Chief Medical and Health Officer (FW), Goalpara purchased the above medicine for the interest of F.W. programme.

(b) The above medicine (Tab. Adropstyp C.D.) received from the D.H.S. (FW) Assam, Guwahati-6 accordingly distributed to different Health Institutions for used for the interest of public Services.

(c) The Joint Director of Health Services, Kokrajhar purchase ORS under compelling circumstances due to non receipt of Government supply to meet the crisis in the interest of the public service as per authority issued by the Director of Health Services vide his letter No. HSPB/37/96/2230, dated 20th October, 1990. The Joint Director of Health Services, Barpeta purchased ORS in some emergency situation like Diarrhera Chollerah etc. in absence of adequate supply of ORS from Director of Health Services (F.W.) as per authority issued by the Director of Health Services. The Influenza Tablets is a common Medicine which is required for common people of the Rural Areas to tideover some emergency situation. When fever and Influenza Type diseases are in Epidemic from there is no alternative, but to purchase Influenza Tablet to avoid resentment. He was not aware of the circular issued by the Director of Health Services at the time of purchase of the medicine in question. He has been instructed not to resort to this practice in future.

(d) The Deputy Superintendent Jalah C. H. C. has reported that all items of Medicines and Surgical instruments mentioned in the para were subsequently utilised. These items were entered in the day to day utilisation book of the C. H. C.

(e) The Drugs resistance studies were carried out for *Plasmodium falciparum* in Manja and Kakajan PHC's of Karbi-Anglong District and Salana Tea Estate, Simanabasti and Jakhlabandha PHC of Nagaon District and subsequently NMEP Delhi was revised the Drugs schedule by substituting chloroquine with amodiaquine. Both the District mentioned above are predominant with *Plasmodium vivax* (PV) malaria cases also chloroquine tabs has to be used for those cases and as such supply of Chloroquine is justified.

It may be mentioned here that the Directorate NMEP New Delhi has communicated the revised Drugs policy dated 18th January, 1996. Where it is mentioned that Amodiaquine tabs. has no advantage over Chloroquine in Chloroquine resistant area in the treatment of resistant strain of *P-falciparum*.

(f) Medicine were purchased with full justification under special circumstances in the interest of Public Services.

(g) Indents were issued for more than 50,000 as restriction were relaxed by the Government under letter No. HLA 605/x8/48, dated 12th February, 1992.

OBSERVATION/RECOMMENDATION

3.3. The Committee, in general observes that the replies of the Department against the objections are found unsatisfactory and the purchase of medicines are not properly regulated through sound monitoring. The Committee therefore, recommends that a thorough enquiry may be instituted to oversee the purchase and distribution of medicines at different level right from Head office to Hospitals after proper verification of Stock Book and counter check with particular reference to the objections found place in this chapter. The enquiry may be made by an officer not below the rank of Joint Secretary and the enquiry report along with action taken report may be furnished to the Committee within a period of 2 months from the date of presentation of this Report before the House.

CHAPTER—IV

Irregular Payment of Health Hazard Allowance.

(Para 3.31/CAG 91-92)

4. 1. The audit has brought-out that in February 1984 the Govt. of Assam sanctioned Health Hazard Allowance (effective from 1st September 1982) to certain categories of officers and staff of Radiology Department of the Medical Colleges and TB Hospitals and Cliniks, Leprosy Hospitals and Clinics Mental Hospitals as well as Medical; para-Medical and other staff engaged in epidemic duty at the rate of 7 per cent of pay subject to a maximum of Rs. 75 per month. It was noticed in audit (November 1990) that the Chief Medical and Health Officer, Kokrajhar had drawn and disbursed Health Hazard Allowance of Rs. 1.78 lakhs for the period from 1st September 1982 to 31st December 1991 to certain non-gazetted officials who were neither engaged in epidemic duty nor working in any departments/clinics mentioned in the Government order. Similarly, the Chief Medical and Health Officer, Darrang paid Health Hazard Allowance amounting to Rs. 1.45 lakhs to staff during the period from September 1982 to December 1988 although they were not engaged in epidemic duty and were not working in any department/clinic mentioned in the Government order. The payment of Hazard Allowance amounting to Rs. 3.23 lakhs by the Chief Medical and Health Officers Kokrajhar and Darrang districts, not covered by the Government order dated February 1984, was therefore unauthorised/irregular payment.

4. 2. The Department in their written memorandum have replied that Joint Director of Health Services, Kokrajhar reported that the Health Hazard Allowances was not recovered previously. Now he started recovery on instalment basis from each employee. Final position will be intimated later on. The Joint Director of Health Services, Mangaldoi has reported that recoveries have been made from the incumbents concerned

OBSERVATIONS/RECOMMENDATIONS

4. 3. The Committee observes that irregular payment of Rs. 3.23 lakhs as Health Hazard Allowance was made without any sanction from authority. The recovery has

been started on receipt of the audit objection. The action of the Drawing and Disbursing Officer may be malafid and there may be similar cases in other districts which are not audited. No action appears to have been taken against the defaulting officer.

4. 4. The Committee therefore, recommends that full recovery should be made and the defaulting Officer should be brought to book. The department should collect information from all other districts and action as required may taken. A report of recovery and punitive action taken may be reported to the Committee within a period of two months from the date of presentation of this Report before the House.

5. 2. The department in their written statement stated that the Joint Director of Health Services of Kokrajhar received DDT in 121 bags in short. Compensation was claimed as per rule from the Railway authority after six months of receipt but he received no reply till date. The Joint Director pursued the matter for early settlement. The Joint Director is stated to have discussed the matter with the Railway authority who in turn told that it will take some more time.

OBSERVATIONS/RECOMMENDATIONS

5. 3. The Committee observes under Rule claim against Railway for non-delivery of goods booked for carriage have to be preferred within 6 months of their booking. From their written memorandum, it is clear that the Joint Director preferred the claim after six months. The reasons for delay is not explained. The department have not also fixed any responsibility upon the responsible Officer.

5. 4. The Committee therefore recommends that responsibility should be fixed and action taken against the Officer found guilty for not preferring the claim within 6 months. The loss may be recovered from the guilty Officer within a period of 3 months. The Committee with a period of 3 months before the date of presentation of this Report before the House.

CHAPTER V
 Loss due to delay in preferring claim
 (Para 3.27/CAG 1992-93)

5.1. The audit has brought out that out of 1320 bags of DDT powder booked on 14 November 1987 for delivery to the Chief Medical & Health Officer, Kokrajhar (C.M. & H.O.) only 1199 bags were delivered on 19th May 1988 and a short delivery certificate was issued by the Station Master, Kokrajhar Railway Station for 121 bags on 20th May 1988. A claim against short delivery was lodged by the C.M. & H.O., Kokrajhar in August 1988, which was turned down as the claim was not preferred within six months from the date of booking and was therefore, time barred. The delay in preferring the claim for compensation resulted in a loss to the department to the extent of Rs. 1.18 lakhs.

5.2. The department in their written statement stated that the Joint Director of Health Services of Kokrajhar received DDT in 121 bags in short. Compensation was claimed as per rule from the Railway authority after six month of receipt but he received no reply till date. The Joint Director pursued the matter for early settlement. The Joint Director is stated to have discussed the matter with the Railway authority who in turn told that it will take some more time.

OBSERVATIONS/RECOMMENDATIONS

5.3. The Committee observes under Rule claim against Railway for non-delivery of goods booked for carriage have to be preferred within 6 months of their booking. From their written memorandum, it is clear that the Joint Director preferred the claim after six months. The reasons for delay is not explained. The department have not also fixed any responsibility upon the irresponsible Officer.

5.4. The Committee therefore recommends that responsibility should be fixed and action taken against the Officer found guilty for not preferring the claim within 6 months. The loss may be recover from the guilty Officer with intimation to the Committee with a period of 3 months from the date of presentation of this Report before the House.

CHAPTER—VI

Appropriation of Departmental receipts for departmental expenditure

(Para 3.21/CAG. 93-94)

6.1. The Audit has brought-out that all moneys received on account of the revenue of the State shall without undue delay be paid full into Treasury or in the Bank and shall be included in the Public Account as per the rules. Money received on this account shall not be appropriated to meet the departmental expenditure nor otherwise, kept apart from the Public Account. Audit has however noticed (November 1993) in course of test-check of the records of the Superintendent, Silchar Medical College Hospital (AMCH) that out of Rs. 3.04 lakhs received between September 1992 and October 1993, Rs. 2.12 lakhs were utilised for purchase of Petrol, Oil and Lubricants, Oxygen Gas Cylinders and other items. On being pointed out by Audit the Superintendent, SMCH deposited Rs. 2.40 lakhs into treasury between December 1993 and August 1994. The balance Rs. 0.64 lakhs is yet to be deposited (September 1994). It was stated by the Superintendent SMCH that the expenditure was incurred for want of funds.

6.2. The Department in their written replies have stated that the hospital authority is required to meet certain emergency expenses arising particularly for (a) maintaining round the clock services of the hospital ambulance for which POL is required instantly (b) uninterrupted flow of supply of oxygen for operation theatre etc. To meet such emergency expenses, the hospital authority had to appropriate whatever fund is available with him subject to regularisation on receipt of L.O.C. periodically. The L.O.C. for payment of POL bills etc. are received in piecemeal manner and hence, in the interest of Public Service, the receipt of the hospital is appropriated very temporarily. However, step is being taken to allot fund by Spl. LOC to replenish the collection of Rs.0.64 lakhs.

OBSERVATION/RECOMMENDATION

6.3. The Committee recommends that the irregular appropriation of departmental receipt should immediately be regularised and stop recurrence of such appropriation in future.

CHAPTER VII

Loss due to delay in preferring claim

(Para 3.27/CAG 92-93)

7.1. The audit has pointed out that out of 1320 bags of DDT powder booked on 14th November 1987 for delivery to the Chief Medical & Health Officer, Kokrajhar (C.M. & H.O.) only 1199 bags were delivered on 19th May 1988 and a short delivery certificate was issued by the Station Master, Kokrajhar Railway Station for 121 bags on 20th May 1988. A claim against short delivery was lodged by the C.M. & H.O., Kokrajhar in August 1988, which was turned down as the claim was not preferred within six months from the date of booking and was therefore, time barred.

7.2. The Department in their written memorandum have stated that Joint Director of Health Services, Kokrajhar reported vide No. Nil, Dtd. 28.6.99 that he received D.D.T. 121 bags short. Compensation was claimed as per Rule from the Rly. authority after six months of receipt. But no reply is received till date from the Rly. department. The Joint Director of Health Services, Kokrajhar pursuing the matter for early settlement of the case. He has stated vide his letter, dtd. 6.7.99 that he has recently discussed the matter with the Railway Authority who in turn told that it will take some more time.

OBSERVATIONS/RECOMMENDATIONS

7.3. The Committee observes that 121 bags of DDT have been short supplied and the concerned Officer failed to raise any claim against the Railway authority within a period of 6 months. For the loss caused to the population of the area the Committee in course of oral deposition asked the department to take necessary action against the officer at fault. The Committee however, has not received any information in this regards.

7.4. The Committee therefore, recommends that the officer for whose laxity the loss is caused may be brought to book and necessary action be taken with an intimation to the Committee.

CHAPTER - VIII

Irregular Utilisation of Central Assistance

(Para 3.22/CAG 94-95)

8.1. The Audit has Pointed-out that under National AIDS Central programme, one photocopier was to be provided out of Central assistance to each AIDS cell. Accordingly, the Director of Health Services, Assam procured (January, 1994) locally 3 Mode XEROX machines at a cost of Rs. 2.94 lakhs for the one AIDS Cell established in 1992. A scrutiny (June 1994) of the stock book showed that out of the 3 machines procured, one machine had been installed (January 1994) in the AIDS Cell of the Health Department Directorate and the other two issued (betweed January and March 1994) to the Secretariat of the Government of Assam, Health (A) Department. Thus the purchase of two additional photocopiers at a cost of Rs. 1.96 lakhs for use not envisaged in the programme amounted to unauthorised diversion of central assistance.

8.2. The Department in their written statements have stated the 3 photocopiers were purchased by the State AIDS programme officer, Assam at a total cost of Rs. 2,93,919/- only from out of the allocation of Rs. 3.00 lakhs which is within the limit of National AIDS Control Organisation.

OBSERVATION/RECOMMENDATION

8.3. The Departmental witness, in course of oral deposition have stated that the photocopiers were borrowed from the Directorate of Health Services as the Secretary has to function for State AIDS Programme and to attend a lot of discussion. However, the Committee could not couprehand whether the expenditure of two photocopiers has any direct bearing on the programme. This may be enquired into and action should be taken and report thereof submitted to the Committee within 30 days.

CHAPTER IX

Short/Non-accountal of money)

(Para 3-24/CAG '94-95)

9.1. The audit has pointed-out that a scrutiny (August 1994) of the cash book maintained by the Joint Director, Health Service Goalpara revealed (between 1st July 1992 to 21st April 1994) five instances of totalling mistakes resulting in short accounting of 0.87 lakh as shown below :

Date	Page no of cash book	Amount shown as closing balance (in rupees)	Correct amount of closing balance	Excess (+) Less (-)
1st July 1992	177 of Vol-1	1,11,426	1,33,063	(-) 21,637
22nd July 1992	183 of Vol-1	1,37,925	1,50,596	(-) 12,671
31st March 1993	44 of Vol-2	1,02,012	1,03,212	(+) 800
6th October 1993	94 of Vol-2	1,73,455	1,71,038	(-) 2,417
21st April 1994	145 & 146 of Vol-2	1,03,212	1,04,012 (-) 36,725	(-) 500

There was no transaction from 22nd April 1994 to 5th May 1994 and a new cash book was opened from 6th May 1994. But the closing balance of Rs.1,04,012 as on 21st April 1994 was not brought forward as the opening balance in the new cash book resulting in total short accounting of Rs. 1,40,737. Besides, Rs. 36,067 realised during 1992-93 as hospital/PHC receipts vide receipt book No. 43380 was neither accounted for nor, deposited into treasury till the date of Audit (August 1994). The Joint Director of Health Services, Goalpara intimated in July 1995 that out of Rs. 36,067 an amount of Rs. 29,539 had been deposited to treasury on 29th July 1995 and the balance amount would be deposited within a short period. The Joint Director of

Health Services also stated (July 1995) that physical verification of cash was not done till April 1994 due to non-submission of the cash book by the cashier. Evidently, the short accounting of money could have been avoided had the cash verification been done regularly. The Department had not taken any action either to account for the money or to fix responsibility for the Irregularity (July 1995).

9.2. The department in their written statement have stated that the Joint Director of Health Services Goalpara has reported that the discrepancy in the case book has been rectified through disbursement and remitting the amount into Govt. Account through Treasury Chalans.

OBSERVATIONS/ RECOMMENDATIONS

9.3. The Committee observes that the Drawing and Disbursing officer could not physically verify the cash book for non-submission of the same by the Cashier. It is, however, not stated as to what has been taken against the defaulting Cashier and why did the officer fail to exercise his responsibility of supervision.

9.4. The Committee therefore, recommends that the person at fault should be brought to book and stern action should be taken.

CHAPTER-X

Excess drawal of funds

(Para 3.25/CAG 94-95)

10.1. The audit has brought-out the following cases of excess drawal of funds:—

The Government of Assam, issued (July 1972) instructions to all the Treasury Officers (TOS) introducing the system of letter of credit (LOC) for different Departments for regulating flow of expenditure and for better financial control over appropriations in relation to drawal of funds for non-salary components under the respective head of account operated by different departments. The Treasury/Sub-Treasury Officers were instructed to allow withdrawal of funds by various Drawing and Disbursing Officers (DDOs) as per the LOC issued by the Directorates based on the release of funds by the Government. Treasury Officers/Sub-Treasury Officers were required to see that the total expenditure by the Officer authorised to operate on the treasury did not exceed the total allocation made by the Department under a Head of Account in a particular month. In order to enable the TOS/STOS to exercise the checks on bills more effectively, Government further instructed (October 1988) to all administrative departments to ensure that the bills presented at the treasury by the DDOS are supported by (i) Head of Account, (ii) Original budget provision/allocation, (iii) Reduced provision/allocation (iv) Progressive expenditure (v) Fund provided under LOC (vi) Expenditure including the bill and (vii) Balance available. The DDOs are required to furnish necessary expenditure statement for the amount to the respective Directorate by the 7th of the following month.

Cross verification of records of Joint Director of Health Services, Sibsagar with that of the TO, Sibsagar and Director of Health Services (DHS), Assam in June 1995 covering the periods from 1990-91 to 1993-94 revealed that against LOC totalling Rs. 151.63 lakhs issued by the DHS under non-salary components, the TO authorised drawals amounting Rs. 567.09 lakhs to Jt. DHS during the aforesaid

periods. This resulted in authorised and irregular excess drawal of fund to the tune of Rs, 415.46 lakhs as indicated below :-

Year	LOC issued by DHS	Fund drawn from the treasury	Funds drawn in excess
(Rupees in lakhs)			
1990-91	55.86	255.87	200.01
1991-92	39.08	198.78	159.70
1992-93	30.63	86.02	55.39
1993-94	26.06	26.42	0.36
Total	151.63	567.09	415.46

The month-wise details of LOC issued, drawals and fund drawn in excess of LOC are indicated in Appendix-18. Excess drawal of Rs.415.46 lakhs by Joint DHS not covered by LOC was facilitated due to non observance of instructions relating to LOC drawal by both the Jt. DHS and the Treasury Officer of Rs.567.09 lakhs, drawals amounting to Rs. 545.34 lakhs were accounted for in the cash book of Jt.DHS. The discrepancy of Rs.21.75 lakhs had not been reconciled as of June 1995.

According to DHS, there was no system upto 1992-93 for keeping the copy of LOC for office record. The TO also failed to produce 22 of the 34 LOC pertaining to period 1990-91 to 1992-93 to audit. These were stated to have been misplaced during the shifting of the office in April 1993.

In the following five months though no LOC was issued, the following amounts were drawn by the Joint Director.

<u>Month</u>	<u>Amount withdrawn (In Lakhs of rupees)</u>
April 1990	12.89
July 1991	1.00
June 1992	1.27
October 1992	16.98
December 1993	2.44

While the DHS in reply (June 1995) stated that he had no information about drawal of fund in excess of LOC, the Jt. DHS expressed (June 1995) his inability to clarify the excess drawals since the DDOs involved in the irregularities had already retired from services.

Thus non-observance of Government instructions by the TO/Jt.DHS and failure to exercise proper control over expenditure against LOC by the DHS/Administrative Department resulted in excess drawal of funds from the state exchequer.

10.2 The Department have stated that they have created a cell to go through the report of the House Committee of Assam Legislative Assembly and suggest action to be taken against the erring officers and staffs. Action will be taken accordingly.

OBSERVATION/RECOMMENDATION

10.3 The Committee recommends that, as the House Committee has taken all such cases of drawal of fund beyond LOC of the department, the action taken report should be submitted to this Committee within a period of two months from the date of presentation of this Report before the House.