

Summary of Important Audit Observations

Status of Action Taken Notes in r/o Audit Observations on C&AG Paras against Department of HFW (F.Y. 2018-19)

Sl. No.	Report No. (Date of Laying of the Report)	Para No.	Brief Subject of Paras	Status of Action taken Note (ATN)
1.	18 of 2015 (08.05.2015)	7.1 (CH.-VII)	Central Government Health Scheme - Overpayment of Transport Allowance under Central Government Health Scheme (CGHS) – The doctors of CGHS in the Super Time Administrative Grade (SAG) scale were incorrectly being paid Transport Allowance at the rate of ₹7000 per month at par with the officers at the level of Joint Secretaries of the Central Government Departments. However, they were entitled to transport allowance of ₹3200 per month only in terms of the Office Memorandums issued by the Ministry of Finance. The incorrect application of rules by the CGHS led to overpayment of Transport Allowance of ₹5.74 crore to the Doctors between November, 2008 and March, 2014.	ATN is finally approved by the Audit for closure. The matter is however sub-judice.
2.	12 of 2017 (21.07.2017)	11.2 (CH.-XI)	National AIDS Control Organisation (NACO) - Extra expenditure on procurement of JLN Tablets - Failure of National AIDS Control Organisation (NACO) to follow the financial rules in the procurement of JLN tablets led to extra expenditure of ₹2.06 crore.	Final ATNs submitted to the Monitoring Cell (MC)/Audit and the para has been closed.
3.	12 of 2017 (21.07.2017)	11.3 (CH.-XI)	Central Government Health Scheme (HQ) - Rent free accommodation to a commercial undertaking in violation of rules - Hindustan Latex Limited (HLL)	Final Revised ATN has been sent to Audit/ Monitoring cell on 22.03.2019 for closure.

			provides diagnostic services to Government and private patients in a building owned by the Central Government Health Scheme (CGHS) in RK Puram, New Delhi. Apart from an inadequate discount of 10 per cent to CGHS beneficiaries, HLL does not pay rent in terms of extant orders resulting in loss of ₹1.72 crore during 2008-09 to December, 2016.	
4.	25 of 2017 (21.07.2017)	Entire Report	Performance Audit of Reproductive and Child Health under NRHM.	ATN is finally approved by the Audit for closure. Submission of final ATN is in process.
5.	37 of 2017 (19.12.2017)	Entire Report	Performance Audit of Implementation of Food Safety and Standard Act, 2006.	Final ATNs submitted to the Monitoring Cell (MC)/Audit and the para has been closed.
6.	4 of 2018 (04.04.2018)	9.1 (CH.-IX)	International Institute for Population Sciences (IIPS), Mumbai - Irregularities in award of contracts - The tender evaluation committee for procurement of human resource service irregularly disqualified two bidders in contravention of procurement policy of the Government thereby vitiating the procurement process and defeating the objective of the policy. In another case, deviation from the evaluation criteria stipulated in bid document led the work being awarded to second ranked agency resulting in additional expenditure of ₹2.42 crore.	ATN has been sent to Audit for vetting and as such action on closure of the para is in progress.
7.	4 of 2018 (04.04.2018)	9.3 (CH.-IX)	Post Graduate Institute of Medical Education and Research, Chandigarh - Procurement & Maintenance of Equipment in PGIMER, Chandigarh - The Institute lacked an established procedure in the form of a Procurement Manual that could ensure effective procurement management and timely acquisitions of equipment based on a holistic and systematic assessment of requirements. This resulted in procurements being made on an ad hoc basis, rush of expenditure towards the end of the	Final ATNs submitted to the Monitoring Cell (MC)/Audit and the para has been closed.

			financial year and delays in progressing of procurement cases. The Institute also failed to effectively invoke contractual remedies available to it where the supplier did not fulfil their contractual obligations with delay in levy of penalty amounting to ₹72.77 lakh for delay in supply or installation of equipment and incorrect calculation of downtime and non-recovery of penalty of about ₹1.46 crore for excess downtime with reference to the contractual terms. This undermined both the deterrent effect of the penal provisions as well as the Institute's ability to enforce due performance of the contract by the suppliers.	
8.	4 of 2018 (04.04.2018)	9.4 (CH.-IX)	Jawahar Lal Institute of Postgraduate Medical Education and Research, Puducherry - Failure to claim refund of custom duty exemption availed by the firm - Jawaharlal Institute of Postgraduate Medical Education and Research, Puducherry failed to claim refund of customs duty exemption availed by a firm on imported equipment resulting in loss of ₹1.08 crore.	Final ATNs submitted to the Monitoring Cell (MC)/Audit and the para has been closed.
9.	4 of 2018 (04.04.2018)	9.5 (CH-IX)	Safdarjung Hospital - Incorrect pay fixation resulting in excess payment - Failure of Safdarjung Hospital to ensure that the quantum of Non Practicing Allowance (NPA) used for pay fixation in terms of Rule 7 B of Central Civil Services (Revised Pay) Rules, 2016, did not exceed NPA being paid based on the stipulation that the Basic Pay plus NPA does not exceed ₹85,000 resulted in excess payment of Non Practicing Allowance aggregating ₹70.85 lakh.	Final ATNs submitted to the Monitoring Cell (MC)/Audit and the para has been closed.
10.	10 of 2018 (07.08.2018)	Entire Report	Performance Audit on Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) .	The Entire Report was selected by the PAC for examination and accordingly Report No. 134 of PAC (16 th Lok Sabha) has been presented to Lok Sabha on 21.12.2018. Submission of ATRs is in process.

