

# Overview



## OVERVIEW

This Report contains two performance audits viz. (i) Information Technology Audit of e-Aushadhi and (ii) Working of Punjab Building and Other Construction Workers' Welfare Board and 19 paragraphs involving money value of ₹ 194.53 crore.

## PERFORMANCE AUDIT

### 1. Information Technology Audit of e-Aushadhi

With a view to strengthening and streamlining the supply chain management system for storage and distribution of drugs and consumables in the State of Punjab and to eliminate the prevailing manual system of processes followed in the hospitals where the chances of human errors are significant, a customized Drugs and Vaccine Distribution Management System (DVDMS) named 'e-Aushadhi' was implemented (August 2014) in Health and Family Welfare Department (Department). An information technology audit of the 'e-Aushadhi' brought out shortcomings/deficiencies in its implementation that undermined the achievement of its objectives in the State. Some of the significant audit findings are summarised below:

The Department had not prepared any time-bound roll-out plan for implementation of e-Aushadhi system for 360 health institutions still to be covered.

*(Paragraph 2.1.6.1)*

In the absence of a barcode system, users were not entering the data on real time basis resulting in critical data input errors.

*(Paragraph 2.1.7.2 (ii & iii))*

As many as 4,405 delivery challans were frozen after a delay of up to 531 days. In 1,424 instances, the drugs/consumables were accepted with shorter shelf-life by three Drug Warehouses. The users while verifying the supplies of drugs/consumables ignored the system alert with regard to shorter shelf-life in these cases.

*(Paragraph 2.1.7.3 (i)(a) & (ii))*

1,324 samples of drugs/consumables were sent for quality check to Central Quality Control Cell (CQCC) after a delay of up to 412 days.

*(Paragraph 2.1.7.4 (iii))*

Test reports of samples of drugs/consumables were received after a delay of up to 315 days (387 batches) from Government laboratory and up to 51 days (686 batches) from empanelled laboratories. Activation of drugs not of standard quality (NOSQ) and their distribution showed that the system was not robust and lack of internal control diluted the quality assurance for testing of drugs/consumables.

*(Paragraph 2.1.7.5 (ii & iv to vii))*

Inadequate logical access controls, application standards, audit trails and non-conducting of internal audit showed weak information system security of e-Aushadhi.

*(Paragraph 2.1.8)*

## **2. Working of Punjab Building and Other Construction Workers' Welfare Board**

Punjab Building and Other Construction Workers' Welfare Board (Board) was constituted in April 2009 to implement the welfare schemes in the State. The performance audit on the working of the Board brought out various deficiencies in planning to identify/register workers as well as establishments, poor financial management, inefficient implementation of welfare schemes and disbursement of benefits to ineligible workers, besides inadequate manpower and monitoring system. Some of the significant audit findings are enumerated below:

State Advisory Committee and Expert Committee were not holding meetings regularly to discuss the efficient implementation of welfare schemes as provided in the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (Act).

*(Paragraph 2.2.6.1)*

No mechanism existed to register the establishments under the Act and the Board failed to identify/encourage the workers for registration.

*(Paragraphs 2.2.6.2(i) and 2.2.6.3(i))*

Poor financial management of the Board was noticed as only ₹ 590.38 crore was spent on the welfare schemes despite availability of ₹ 1,471.08 crore during 2013-18, besides the Board failed to recover ₹ 23.97 crore from cess collecting authorities.

*(Paragraphs 2.2.7 and 2.2.7.4)*

Welfare schemes were not efficiently/effectively implemented. Irregular payments of ₹ 4.44 crore to 5,198 ineligible workers in nine schemes were noticed.

*(Paragraphs 2.2.8 and 2.2.8.1)*

Under Pension scheme, the Board failed to clear 3,274 pension cases and 1,456 family pension cases despite identification of beneficiaries. Non-funding to the Life Insurance Corporation as per requirement of the scheme would result in denial of pensionary rights to 90,000 eligible workers.

*(Paragraph 2.2.8.2)*

Monitoring and internal control system was weak as no targets were fixed for regular inspections to assess the effectiveness of the welfare schemes.

*(Paragraph 2.2.11)*

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**COMPLIANCE AUDIT**

Delay in release of funds by Punjab Mandi Board for payment of land compensation led to avoidable extra payment of ₹ 2.80 crore.

*(Paragraph 3.1)*

Failure of the Drawing and Disbursing Officers and the District Treasury Officers to exercise prescribed checks on the bills presented to treasury facilitated suspected fraudulent drawal and misappropriation of ₹ 29.13 lakh.

*(Paragraph 3.2)*

Due to laxity on the part of the Medical Education and Research Department and Baba Farid University of Health Sciences in providing requisite grant-in-aid and additional staff, the upgraded building constructed at a cost of ₹ 4.88 crore could not be put to use even after more than four years of its taking over by Senior Medical Officer, Civil Hospital, Badal, thereby rendering the expenditure of ₹ 4.88 crore unfruitful.

*(Paragraph 3.3)*

Failure of the Drawing and Disbursing Officers to observe codal provisions and compromise of the internal control mechanism facilitated suspected misappropriation of ₹ 0.83 lakh in Primary Health Centre, Alamwala and Sub-Divisional Hospital, Badal. The amount had been deposited in treasury/with the hospital by the concerned officials after being pointed out by Audit.

*(Paragraph 3.4)*

The Police Department had not prepared comprehensive Strategic Policing Plan. Adequate funds for police buildings were not provided by the State Government. Twenty *per cent* of the police stations were functioning in dilapidated/condemned buildings. Infrastructural facilities ranging between 8 and 96 *per cent* were not available in 14 inspected police stations. The State could achieve only 16 *per cent* satisfaction level in providing accommodation to police personnel against 100 *per cent* as recommended by the National Police Commission. Twenty-eight *per cent* of the available family quarters (including 24 *per cent* dilapidated/condemned quarters) were lying vacant for the period ranging up to 24 years.

*(Paragraph 3.5)*

Funds ranging between 31 and 100 *per cent* could not be utilised. The jails lacked adequate modern security equipment besides having deficiencies in building structures. There was shortage of Warder staff ranging between 30 and 45 *per cent*; and that of periodical inspection of jails ranging between 15 and 88 *per cent* during 2015-18. Due to various weaknesses found in jail security, cases of possession of prohibited articles with the prisoners were noticed and 31 prisoners escaped during January 2015 to March 2018.

*(Paragraph 3.6)*

There was delay in paying instalments by the Police Department for land made available by Chandigarh Administration due to non-release of funds and non-passing of bills by Finance Department. This resulted in avoidable burden of ₹ 1.35 crore on the State exchequer on account of interest for late payment.

*(Paragraph 3.7)*

The Irrigation Department awarded a work of construction of an irrigation distributary without obtaining the requisite prior permission from the Railway authorities despite the fact that a railway line crossed the proposed alignment of the distributary. As a result, the irrigation facility had not become functional thereby resulting in blockade of an expenditure of ₹ 3.86 crore.

*(Paragraph 3.8)*

Guru Teg Bahadur Diagnostic and Superspeciality Block constructed at a cost of ₹ 24.27 crore could not be made functional for intended purposes for more than three years since its completion due to non-provision of requisite staff and funds by the Department of Medical Education and Research.

*(Paragraph 3.9)*

Non-provision of requisite manpower to make the Bhabhatron-II machine functional not only rendered the expenditure of ₹ 1.39 crore idle, but also denied the in-house treatment of advance cases of cancer for more than two years from its procurement.

*(Paragraph 3.10)*

Annual maintenance plan was not prepared for regular maintenance of link roads. 197 link road works and 44 badly damaged roads were lying incomplete due to short/non-release of funds besides creating liability of ₹ 12.35 crore. Repeated change in scope of work led to cost overrun of ₹ 20.83 crore. Execution of all road safety items was not ensured. Six physically verified link roads were in dilapidated condition due to poor quality of execution within two to six years of completion.

*(Paragraph 3.12)*

Irregular waiver of cultural and cancer cesses and non-deduction of culture cess by the respective Executive Engineers from the contractors' payments had inflicted loss of ₹ 8.72 crore on the State exchequer and extended undue financial benefit to the contractors.

*(Paragraph 3.13)*

The decision to award the consultancy works of eight road corridors without considering the financial implications and midway abandonment thereof coupled with non-commencement of work after completion of consultancy activity rendered the expenditure of ₹ 5.34 crore as idle.

*(Paragraph 3.14)*

Full pay and allowances were allowed to newly recruited faculty of the Maharaja Ranjit Singh Punjab Technical University, Bathinda instead of minimum of pay band in violation of the Notification issued by Finance Department resulting in inadmissible payment of ₹ 2.42 crore.

*(Paragraph 3.16)*

Expenditure of ₹ 8.63 crore incurred on amphibious bus project in Harike Wetlands had been rendered unfruitful as the bus operated for 10 days only; besides creation of liability on account of cost of operations.

*(Paragraph 3.17)*

Imprudent decision of the Chief Town Planner not to allow the developer to deposit Change of Land Use (CLU) charges in December 2015 coupled with undue extensions beyond permissible limits led to loss of ₹ 3.04 crore to the State exchequer and ₹ 16.11 crore to Punjab Urban Development Authority/Greater Mohali Area Development Authority.

*(Paragraph 3.18)*

Annual groundwater extraction as compared to annual recharge was very high in the State mainly due to irrigation of water intensive paddy crop. Free power to farmers coupled with absence of any legislation and negligible artificial recharging efforts rendered more than three-fourth of the blocks as over-exploited. Very high groundwater contamination especially in the south-western region of the State was awaiting State's attention. Groundwater monitoring required structured approach.

*(Paragraph 3.19)*

