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BRIHANMUMBAI MAHANAGARPALIKA
KHAN BAHADUR BHABHA HOSPITAL, KURLA (W)

No. HO/KBK/7796/MS Date:- 09/01/2019

Sub: Enquiry report regarding shortage of medicine in MCGM Hospitals.

Ref: DMC/PH/7388 dt 06.12.2018

Introduction:

There was a news item in media regarding the shortage of medicines and overuse of medicines in a particular schedule.

A.M.C. (W.S.) has instructed to form a committee and discuss issues of the various schedules as well as utilization of medicines in the schedule. A.M.C. (W.S) has further instructed that a committee of Doctors/ Dy.Deans shall be formed and they should submit their report.

According, a committee is formed of the following officers of the Doctors.

1. Dr. K.G. Pimpale, M.S. (Kurla Bhabha) Hospital
2. Dr. Nirmla Barse- Dy.Dean (L.T.M.G.)
3. Dr. Pravin Bangar- A.M.O. (K.E.M.)
4. Dr. Mangala Gomare- Dy.EHO.

In view of above subject and reference as per order of DMC-PH enquiry committee was formed under chair person Dr. K.G. Pimpale

Accordingly the First meeting was held on Dt.07.12.2018; after discussion it is decided to collect data related to schedule-I (injection and sera vaccine) and schedule-II (tablet and capsules) from all MCGM hospitals, dispensaries and maternity homes. Accordingly, format was prepared and circulated to all. Work was assigned to all the members:

1. Major Hospitals – Dr. Pravin Bangar- A.M.O. (K.E.M.)
2. Peripheral Hospitals - Dr. K.G. Pimpale, M.S. Kurla Bhabha Hospital Kurla
3. Dispensary, Maternity Homes & Special Hospitals - Dr. Mangala Gomare- Dy.EHO.
4. Information regarding tender procedure right from quantity fixation to issue rate copy to all MCGM Hospitals, issues related to short supply and payments etc. - Dr. Nirmla Barse- Dy. Dean (L.T.M.G.)

Subsequent meetings were held on dated 15.12.2018, 20.12.2018, 21.12.2018, 28.12.2018, 30.12.2018, 05.01.2019 & 07.01.2019 and issues related to data collection, verification, compilation and final reporting were discussed.

Related Complaints received by the committee:

1. Letter receipt from Hon. Dr. Saeeda Khan (member PHC) regarding M/s. Daffodil's pending bills ref: DSK/265/2018, dt.6/12/2018.
2. Letter received from Hamari Sahali Pratistan regarding unavailability of medicines dt. 11/12/2018 ref: HSP no.0316
3. Letter signed by various vendors dt. 20/12/2018 regarding clarification on behalf of vendors for

- shortage of medicines in Municipal Hospitals.
4. Pending bills statement from various vendors.

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Types of medicine schedules:

For drug and medicine and consumables there are total 12 schedules (2050 items). Details are as follows:

- Schedule – I: Injections and Sera Vaccines
- Schedule – II: Tablets and Capsules
- Schedule – III: Creams, Drops, ointments, Oral Liquids, Lotions, and Syrups
- Schedule – IV: X-ray films, Chem, ECG Rolls etc
- Schedule – V: Drugs, Pharmaceutical and Disinfectants
- Schedule – VI: Laboratory chemicals, stains etc
- Schedule – VII: Surgical Dressings
- Schedule – VIII: Needles and Syringes
- Schedule – IX: Surgical Sutures
- Schedule – X: Laboratory articles, Dispensary. Etc
- Schedule – XI: Rubber goods
- Schedule – XII: Medical Oxygen and Nitrogen Oxide

At present all these schedules are in place. As per article published in newspaper and various complaints received about shortage of tablets, capsules and injections, detail investigations were done for Schedule – I and Schedule – II.

Preamble:

Tender procedure for procurement of medicine being followed in MCGM is as follows:

1. Addition, deletion, quantity fixation:

- Schedule- I to IV done by Dy. Dean L.T.M.G. Hospital, Sion.
- Schedule- V to VIII done by Dy. Dean B.Y. L. M. Nair Hospital, Mumbai Central.
- Schedule- IX to XII done by Dy. Dean S.G.S.M.C. KEM Hospital, Parel.

As above deputy deans of three major hospitals carry on the work of compilation of quantity requirement for 2 years after getting it from concerned hospital heads. These deputy deans arrange meeting at their level with all concern HOD to fix quantity, addition of new items and then final statement is prepared. With this final statement the final meeting arrange under the chairmanship of Director (ME. & MH.), now DMC(PH), with all deans Ch.M.S. EHO, Dy.Deans, Concern HOD'S, and store staff. But many times due to busy schedule Deans and higher authority not able to give time for this meeting and many times final meeting conducted by concern Dy. Dean.

2. Administrative Approval for proposal:

After addition, deletion, quantity fixation meetings, proposal prepared by concerned hospital Dy. Deans and put up for administrative approval through account department (Dy.C.A.Hospital). After final Administrative approval from AMC (W.S.), file submitted to DMC (C.P.D.) to invite tender.

3. Procedure to invite tender is as follows:

- Approval of D.M.C. (CPD) is taken to publish advertisement in approved local newspapers and MCGM website.
- Bid is created in SAP System.
- Tender Notice is published for invitation of e-tenders in 3 Pkt. System.
- On-line sale and on-line acceptance of E.M.D.
- Pre-Bid Meeting is held under chairmanship of A.M.C.(W.S.).
- Minutes of Pre-Bid Meeting are uploaded on the website.
- On due date e-tender is opened. List of tenderers is taken out from SAP system.
- Next day Pkt. 'A' & 'B' are downloaded.
- Scrutiny of Pkt. 'A' & 'B' are carried out.
- Proposal is then prepared for obtaining approval of D.M.C.(CPD) to accept short documents, if any with penalty @ Rs.2000/- Per document.
- After approval of D.M.C.(CPD) letters are sent to concerned tenderers via e-mail to submit short documents, after payment of penalty within 6 working days
- Scrutiny of short documents submitted by tenderers is then carried out.
- Statement to be kept before the Tender Committee is then prepared. HODs of 4 major Hospitals, M.S.Kasturba Hospital, EHO, Ch.M.S., M.O., Dental College, S.P.(CPD) & Dy. Dean (CPD) are members of the Tender Committee.
- Decision is then taken by the Tender Committee regarding itemwise responsive and non-responsive tenderers.
- A rate envelope (Pkt. 'C') of responsive tenderers is then opened.
- Samples are invited from lowest tenderers.
- Samples scrutiny is done by Heads of concerned departments in 4 major hospitals.
- Where sample of the lowest tenderers fails, sample from second lowest tenderers is invited. Again samples are scrutinized.
- Rank wise chart to be kept before the Tender committee is then prepared. This chart contains item number its description, quantity, packing, tender rates, last rates, DMER rates, Other institutions rates, cost of item, rank & reasons for failure of samples
- Decision is then taken by the Tender committee regarding itemwise recommendation. If the sample of lowest tenderer fails, the offer of 2nd and 3rd tenderer as the case may be is recommended. Where there are more than one offer and if item is life-saving/essential and difference between rate of the lowest & 2nd lowest tenderer is less than 10% & cost of the item is more than Rs.10,00,000/-, the quantity is divided if the 2nd lowest tenderer is ready to match the rate of the lowest tenderer. (80% L1 and 20% L2). This ensures Smooth & uninterrupted supply of life-saving/essential drugs and corporation gets stand-by tenderer without extra cost.
- As per recommendation of the Tender Committee, negotiations, if any are carried out under the Chairmanship of D.M.C.(CPD)
- Draft letter to Mun. Secretary (D.L. TO M.S.) is then prepared to obtain sanction of the standing

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committee and sent to Accounts Department for verification.

- After verification of D.L., is sent to Mun. Secretary for getting approval of standing committee.
- After receipt of standing committee resolution (SCR No.) Tender acceptance letters along with contracts are issued to the successful tenderers.
- Rate circulars containing rate copy, Names and addresses of Tenderers, Terms & conditions and hospital wise bifurcation of allotted quantity is sent to all Municipal Hospitals, Mat. Homes and dispensaries.
- E.M.D. of unsuccessful tenderers is then refunded.
- E.M.D. of successful tenderers is refunded only after submission of B.G. in lieu of contract deposit by the tenderer & receipt of Bank confirmation letter.

4. Purchase procedure and billing:

a) PR assignment

- In major hospitals PR is assigned by SP CPD.
- In peripheral hospitals PR is assigned by Ch.M.S. Bandra office.
- In Dispensaries, maternity homes and special hospitals PR is assigned by EHO office at F/south office.

b) Placement of PO

- It is done at the level of concerned health facility (Authorisation given to store I/C)

c) PO release.

- PO release authorization given to officer in charge.
- Hard copy of PO signed by concerned authority and dispatch to vendor.

d) Supply received.

- Goods received along with challan and QCR (Supply period 37 days).
- Supply approval by user department and then indent is issued to OPDs and Depts.

e) Bill payment.

- Bill should be settled within 30 days after bill submission by vendor.

5. Risk and Cost purchase:

If supply is not received within 37 days after issuing purchase order, then procurement is done through risk and cost purchase by following due procedure.

6. Local Purchase:

Required medicine which is not on schedule but required by the user then local purchase is done by calling quotation by following due procedure.

Data Collection:

Following data has been collected from Head of the departments of all MCGM hospitals, Maternity homes and Dispensaries.

- i. Medicines and injections procurement of current schedule I and II
- ii. Patients statistics' for last four years
- iii. Regarding delay in supply and pending payments

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Data Analysis:**1. Analysis of data collected as above**

Schedule I : Contract period 05/04/2017 to 04/04/2019.

Total schedule items (On RC) - 176

Details of items whose quantity is fully consumed:

Item No.	Description	Allotted Quantity (2 years Qty +40%)	Total Usage	Over Consumption	Over Consumption %
95	Anti-Rabies Vaccine Tissue Culture 2.5 IU per vial or amp.or Purified Vero Cell Rabies Vaccine 2.5 IU/vial or amp.or Anti-Rabies-Human deploid Cell Vaccine or Purified Chick Embriyo Vaccine 2.5 IU/vial or amp. for intramuscular use.	17668	32743	15075	85%
114	Human Rabies Immunoglobulin 150 i.u. per ml. inj. 2 ml. Amp. Or Vial Or prefilled syringe	6090	6565	475	8%
118	Omega - 3 fatty acids as a fat emulsion	15982	19951	3969	25%
124	Sodium Chloride 0.9% I. V. use 100ml	160035	463252	303217	190%
135	Inj. Methyl Prednisolone 500 mg. Vial or amp.	8610	11898	3288	38%
150	Inj. Low molecular Weight Heparin Enoxaprine 0.4 ml-40 mg. prefilled syringes.	32580	37400	4820	15%
179	IV Paracetamol Infusion 1 gm in 100 ml. ready to use solution for post operative analgesia	852870	884442	31572	4%
227	Inj. Tranexamic Acid 100 mg/ml IM/IV use 5 ml. Amp.	64070	82155	18085	28%
234	Respoules 2 ml containing Budesonide - 0.5 mg/2 ml	11170	49325	38155	342%
237	Inj. Anti D 300 microgram / Amp or Vial Polyclonal / Monoclonal	1700	2152	452	27%
240	Inj. Labetolol 20 mg Iv 5 mg/ml	1280	1374	94	7%
243	Ulinastatin 100000 I. U. 5 ml Vial	400	1249	849	212%

Source: as per information provided by the hospitals

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2. Analysis of procurement under schedule II:

Contract period 27/09/2017 to 26/09/2019.

Total schedule items (On RC) – 149

Details of items whose quantity is fully consumed:

Item No.	Description	Allotted Quantity (2 years Qty + 40%)	Total Usage	Over Consumption	Over Consumption %
13	Calcium Carbonate equivalent to 400-500 mg of elemental Calcium with Vit. D3 (100-250IU)/tab.	4156333	7198203	3041870	73%
35	Terbinafine 250 mg./tab.	148960	222460	73500	49%
80	Tab. Fluconazole 150 mg. / tab	525959	909742	383783	73%
82	Tab. Omeprazole 20 mg.	605248	715320	110072	18%
121	Tab. Glimeperide 1 mg.	1258296	1335120	76824	6%
124	Tab. Clomiphene citrate 50 mg.	8580	8730	150	2%
159	Tab. Mycophenolate Mofetil 500 mg	4000	9300	5300	133%
163	Tab. Ivermectin 12 mg	11872	13230	1358	11%
173	Cap. Cyclosporin 25 mg	3560	3850	290	8%
176	Tab. Mycophenolate Mofetil 250 mg	150	200	50	33%
182	Tab. Danazole 200 mg	400	2300	1900	475%
184	Tab. Tranexamic Acid 500 mg	9049	10238	1189	13%
185	Tab. Sitagliptin 100 mg	41736	46315	4579	11%
186	Tab. Vildagliptin 50 mg	24528	46490	21962	90%
189	Acetyl Salicylic Acid (Aspirin) 150 mg./tab. Scored Tab.	186510	251143	64633	35%
190	Tab. Defarasirox 100 mg	2265	6065	3800	168%
194	Cap. Deferiprone 250 mg	3105	3400	295	10%
211	Tab. Levateracetam 250 mg	7105	11200	4095	58%

Source: as per information provided by the hospitals

3. Patients statistics:

a) Hospital wise patient Statistics

Total No. of Patients	2015-2016		2016-2017		2017-2018		2018- Till Date	
	OPD	IPD	OPD	IPD	OPD	IPD	OPD	IPD
KEM HOSPITAL	1846352	84425	1952456	86290	1967166	81922	2020142	81803
NAIR HOSPITAL	1004001	55487	1094000	55793	1052253	52169	1064443	50662
SION HOSPITAL	1901153	81862	1984629	82167	1873189	73379	1784579	71245
COOPER HOSPITAL	509046	28584	530299	25270	572794	28469	569976	28797

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HBTH TRAUMA HOSPITAL	243499	14050	213661	13773	304210	18783	240990	17806
NAIR DENTAL HOSPITAL	326541	1920	282893	1072	276168	1032	207126	1038
PERIPHERAL HOSPITALS	4368522	192701	4876003	164204	4972214	183935	4107004	157560
EXECUTIVE HEALTH OFFICER	14890604	534851	16307482	539767	16589671	524287	12597363	376506
Total	24356275	993880	26420607	968336	26827933	963976	21791623	785417

Source: as per information provided by the hospitals

4. Analysis regarding delay in supply and pending payments:

SCHEDULE -I										
Sr No	Name of Vendor	How many times vendor failed to supply PO items within 37 days in last Year (From 01.01.2018 to 31.12.2018)								
		KEM	Nair	Sion	Cooper	HBT	Nair Dental	CMS	EHO	Total
1	Abbott india ltd (sai pharma)	1				0		0	2	3
2	Acculife Healthcare (self)	0	3	1		1		2	0	7
3	Aishwarya Healthcare(shrutika trading co)	0	4	2		0		1	1	8
4	ANG Lifesciences(Jainam pharma)	14		1	1	3		12	7	38
5	Alpa Laboratories Ltd (Orson Pharmaceuticals)	0				0		0	4	4
6	Amanta Healthcare Ltd. (Chirag Surgicals)	0	5			0		2	0	7
7	B Braun Medical (India) Pvt Ltd. (Manta Trading Co.)	0				1		0	0	1
8	Bharat Biotech International Ltd (Self)	1				0		1	0	2
9	Bharat Serums & Vaccines Ltd (Self)	1	3	1	4	0		7	1	17
10	Brassica Pharma Pvt Ltd (Shreeji International)	0				0		2	2	4
11	Celon Laboratories Pvt. Ltd. (Mitraseren Medicare)	13			2	0		8	0	23
12	Cipla Ltd. (Delpha Drugs Pharmaceuticals Pvt Ltd)	0				0		0	0	0
13	Ciron Drugs & Pharmaceuticals Pvt Ltd (Vinit Enterprises)	9			3	3	3	7	6	31
14	Daffodills Pharmaceuticals Ltd (Self)	47	20	29	16	22	5	176	79	394
15	Denis Chem Lab Limited (Delpha Drugs Pharmaceuticals)	0				0		4	2	6
16	Fresinius Kabi India Pvt.Ltd (Self)	0	1			0		0	0	1
17	Gland Pharma Ltd (Shrutika Trading Co.)	4	1			0	2	1	1	9
18	Guffic Biosciences Ltd (ShrutiKa Trading Co.)	6	1			0		1	1	9
19	Inject Care Parenterals Pvt Ltd (Self)	0				0		0	0	0
20	Maan Pharmaceuticals (Parag Surgicals)	2			3	0		5	8	18

21	MSD Pharmaceuticals (Shreeji Internatinal)	1				0		1	0	2
22	M.J.Biopharm Pvt Ltd (Kamdhenu Distributers)	0			1	0		0	0	1
23	Nandani Medical Laboratories (Surgix Health Care Pvt Ltd)	13	1		2	5		26	8	55
24	Napord Life Sciences Pvt Ltd (Orson Pharmaceuticals)	0	1			0		0	1	2
25	Neon Laboratories (Shrutika Trading Co.)	13	2		1	2		6	3	27
26	Psychotropic's India Ltd(Shrutika Strading)	0				0		2	0	2
27	Rusoma Laboratories Pvt Ltd (Orson Pharmaceuticals)	0			2	0	1	9	7	19
28	Reliance Life Sciences Pvt Ltd (Jainam Pharma India Pvt Ltd)	0				0		0	0	0
29	Samarth Life Sciences Pvt Ltd (Mitrasen Medicare)	4				0		2	0	6
30	Sanjiviani Paranteral Ltd (Shrutika Trading Co.)	3				0		0	0	3
31	Scott-edil pharmacia Ltd (Pinnacle Biomed Pvt.Ltd)	0		1	3	0		8	5	17
32	Serum Institute of India Pvt.Ltd (Shreeji Internatinal)	0				0		0	1	1
33	Shyamshree Life Sciences Ltd (Shrutika Trading Co.)	0				0		0	0	0
34	Shreya Life sciences Pvt Ltd (Shrutika Trading CO.)	0				0		3	2	5
35	Swiss Parenterals Pvt Ltd(Chirag Surgicals)	3				0		9	0	12
36	Themis Medicare Ltd (Delpha Drugs Pharmaceuticals)	0			1	0		0	0	1
37	Theon Pharmaceuticals Ltd (Mitrasen medicare)	0				4		6	2	12
38	Trigenesis Lifesciences Pvt Ltd(Mitrasen Medicare)	2				0		0	0	2
39	Troikaa Pharmaceuticals Ltd (Delpha Drugs Pharmaceuticals (I) Pvt Ltd)	1				1		0	0	2
40	Venus Remedies Ltd (Lifeline Pharma)	9		2	2	0		2	0	15
41	Verve Human care laboratories (Jainam Pharma India Pvt Ltd)	7	2			0		1	0	10
42	VHB Mediscienses Ltd (Shrutika Trading Co.)	0				0		0	0	0
43	Vins Bioproducts Ltd (Self)	0				2		7	0	9
44	Fresineus Kabi oncology Ltd (Shreeji Internatinal)	0				0		0	0	0

SCHEDULE -II										
Sr No	Name of Vendor	How many times vendor failed to supply PO items within 37 days in last Year (From 01.01.2018 to 31.12.2018)								
		KEM	Nair	Sion	Cooper	HBT	Nair Dental	CMS	EHO	Total
1	AGOG Pharma Ltd (Mfg) (Esskay surgicals)	1		0		1		4	4	10
2	Alpa Laboratories Ltd (Orson Parmaceuticals)	1		1		1		7	7	17

MUNICIPAL CORPORATION OF GREATER MUMBAI

NO.DMC/P.H.9141 DT. 16/1/19

Subject – Meeting held in A.M.C.(W.S.)'s chamber regarding drug shortage.

Meeting was held in the chamber of A.M.C.(W.S.) on 15.01.2019 at 1.00 p.m. to discuss report submitted by Enquiry Committee for investigations of drug shortage.

Following officers were present.

- 1. Shri Dhamne - D.M.C.(P.H.)
- 2. Dr.Krishnakumar Pimpale - M.S. (Kurla- Bhaha Hospsital)
- 3. Dr. Nirmala Barse – Dy.Dean (C.P.D.) L.T.M.G. Hospital
- 4. Dr.Mangala Gomare – Dy.E.H.O.
- 5. Dr.Pravin Bangar - A.M.O.(K.E.M.)

A.M.C.(W.S.) directed -

- 1. Present Committee directed to form a sub-committee to find out if there are any pilferages of medicine in hospitals.
- 2. To issue show cause notice to store incharge / incharge of the concerned plant i.e. Medical Officer / Sr.Medical Officer of Dispensary and Maternity Homes, Sr.Medical Officer/ Ch.M.O./ Medical Supdt. of Peripheral Hospitals and Speciality Hospitals, Asst.Dean/ Dy.Dean of Major Hospitals, as to why risk and cost purchases were not done in the cases where supply was not received in stipulated time period.
- 3. If risk and cost is done , then give details of total recovery done.

(Name of the supplier - -----)

Total amount of Recovery against non supply -----

Total amount of penalty against delayed supply -----)

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4. To ensure that the existing S.O.Ps. are followed vigorously if Vendor does not supply in time / delayed in supply.
 5. Do Strict monitoring at Store level. Institute head to take review every fortnightly for fast moving items and monthly for slow moving items.
 6. Prepare a panel of pharmacies who are willing to supply at M.C.G.M. rates, terms and conditions.
 7. To take action against top 5 defaulters.
 - (a) Black list Daffodils with immediate effect.
 - (b) Remaining top 4 defaulters - to order them to supply immediately for pending orders , henceforth to give regular supply till contract period gets over and debar them for upcoming tenders.
 8. In future review to be taken every year and action to be taken against top 5 defaulters.
 9. Letter regarding finance related issues and delayed payments to be sent to C.A.(Finance)
 10. To prepare list of essential drugs and consumables in a 2 categories as standard (fast moving and essential) and non standard (slow moving and required)
 11. As far as standard drugs are concerned, after taking consumption report, directly from SAP, concerned Dy.Deans will do quantity fixation and for non standard items H.O.Ds. will give input. However, for standard drug also in case concerned H.O.D. wants to give inputs, he should do diligently.
 12. Dy.Deans to finalise the quantity fixation well in advance and take a administrative approval and submit file to C.P.D. for inviting tender atleast 6 months before expiry of schedule and Dean/E.H.O./Ch.M.S. should take monthly review of this.

- 13. Embossing on Capsules is being done however, feasibility of doing it on Tablets e.g. Red dot on Tablets be procured from next bid onwards.

Sunil Dhamne
10/01/13

(Shri Sunil Dhamne)
Deputy Municipal Commissioner
(Public Health)

I.A. Kundan

(Smt. I.A. Kundan)
Additional Municipal Commissioner
(Western Suburbs)