# The Punjab Health Systems Corporation Act, 1996

PUNJAB India

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#### Act 6 of 1996

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The Punjab Health Systems Corporation Act, 1996Punjab Act No. 6 of 1996An Act to provide for the constitution of a Corporation for establishing, expanding, improving and administering medical care in the State of Punjab.Be it enacted by the Legislature of the State of Punjab in the Forty- seventh Year of the Republic of India as follows:-

#### 1. Short title, extent and commencement.

(1) This Act may be called the Punjab Health Systems Corporation Act, 1996.(2) It extends to the whole of the State of Punjab.(3) It shall come into force at once.

# Chapter 1 Preliminary

#### 2. Definitions

. - In this Act, unless the context otherwise requires, -(a)"Board of Directors" means the Board of Directors constituted under Section 6 of this Act;(b)"Chairman" means the Chairman of the Corporation;(c)"Corporation" means the Punjab Health Systems Corporation constituted under Section 3 of this Act;(d)"Expert" means a person who holds a post-graduate degree, and has a working experience of at least ten years in the line and has held responsible positions in the Government or private Sector;(e)"Government" means the Government of the State of Punjab;(f)"Managing Director" means the Managing Director of the Corporation appointed under Section 5 of this Act;(g)"Professional" means a person who has at least ten years' experience in Telecommunication or Systems Management;(h)"regulations" means the regulations made by the Corporation;(i)"specialist" means a medical practitioner with post-graduate qualification in any of the disciplines relating to medical sciences; and(j)"Super Specialist" means a medical practitioner with any higher qualification than a post-graduate qualification in any of the disciplines relating to

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medical sciences e.g. specialisation in heart surgery, neuro-surgery and cancer cure, etc.

# **Chapter II Establishment of Corporation**

#### 3. Constitution of the Corporation

. - (1) As soon as may be, after the commencement of this Act, the Government may, by notification in the Official Gazette, constitute a Corporation for the State of Punjab to be called the "Punjab Health Systems Corporation."(2)The Corporation shall be a body corporate having perpetual succession and a common seal, with power, subject to the provisions of this Act and the regulations made thereunder, to acquire, hold and dispose of property, and to enter into contracts, and shall by the said name sue and be sued.(3)The Corporation shall consist of, -(a)the Chairman of the Corporation who shall be the Secretary to the Government of Punjab in the Department of Health and Family Welfare or a distinguished and eminent medical person; (b)the Managing Director, who shall be an officer of the Indian Administrative Service; (c)a Board of Directors; and(d)such other employees, as may be determined by the Board of Directors.(4)The salary and other terms and conditions of the service of the Managing Director and those of the other employees of the Corporation shall be such, as may be specified by regulations.

#### 4. Functions of the Corporation.

- The functions of the Corporation shall be as follows, namely :-(a)to formulate and implement the schemes for the comprehensive development of the dispensaries and hospitals; (b)to construct and maintain dispensaries and hospitals and maintenance of cleanliness therein ;(c)to implement National Health Programmes as per the directions of the State. The State Government and Central Government shall make available funds for this purpose; (d) to purchase, maintain and allocate quality equipment to various dispensaries and hospitals; (e)to procure, stock and distribute drugs, diet, linen and other consumables among the dispensaries and hospitals; (f)to provide services of specialists and super-specialists in various hospitals; (g)to enter into collaboration for super-specialities with health institutions both within the country or abroad to provide better medical care; (h)to receive donations, funds and the like from the general public and institutions from both within and outside India; (i)to receive grants or contributions which may be made by the Government on such conditions as it may impose; (j)to provide for construction of houses to the employees of the dispensaries and hospitals, and the maintenance thereof by mobilising resources from financing institutions; (k)to plan, construct and maintain commercial complexes, paying wards and providing diagnostic services and treatment on payment basis and to utilise the receipts for the improvement of the hospitals and dispensaries; (1) to run public utility service and undertake any other activity of commercial nature for the delivery of health care within or without the hospital premises directly or in collaboration with private or voluntary agency on contract basis; (m)to engage specialised agencies or individuals in the relevant disciplines, directly or from external sources for the efficient and expeditious conduct of any of the functions detailed above; and(n)to provide immediate treatment in case of emergency and for un-accompanied patients.

#### 5. Managing Director.

(1)The Managing Director shall be the Executive Officer of the Corporation and he shall implement the decisions of the Board of Directors and shall exercise such other powers and perform such other functions, as may be delegated to him from time to time by the Board of Directors.(2)The Managing Director shall exercise general control and supervision over the dispensaries and hospitals in the effective performance of their functions under this Act or the regulations made thereunder.

#### 6. Constitution of Board of Directors.

- There shall be a Board of Directors consisting of the following members, namely:-(a)The Chairman of the Corporation who shall be the Secretary to the Government of Punjab in the Department of Health and Family Welfare or a distinguished and eminent medical person; (b)the Managing Director; (c)the Secretary to the Government of Punjab in the Department of Finance; (d)the Secretary to the Government of Punjab in the Department of Rural Development and Panchayats; (e)the Secretary to the Government of Punjab in the Department of Local Government; (f)a representative of the Government of India in the Ministry of Health; (g)the Director of Health Services, Punjab; and(h)six eminent persons as given below, nominated by the Government for a period of three years: Provided that no nominee shall be a member of the Board of Directors for more than two terms or six years whichever is less; (i)a representative of a Medical Institution of excellence in the country; (ii)two distinguished experts in professions related to Medicine and Health; (iii)an experienced professional in Systems Management or Telecommunications; (iv)the Director of the National Institute of Pharmaceutical Education and Research; and(v)a representative of a reputed industrial house manufacturing pharmaceuticals.

### 7. Meeting of the Board of Directors.

(1)The Board of Directors shall hold meetings at such intervals, as may be specified in the regulations; a meeting may be convened by the Managing Director at any time for the transaction of any urgent business.(2)The number of members necessary to constitute a quorum at a meeting and the procedure to be followed thereat shall be such, as may be provided in the regulations.

#### 8. Power of the Board of Directors.

(1)The Board of Directors shall be the principal policy formulating body of the Corporation and shall have the following powers, namely:-(a)to make regulations for fulfilling the objectives of this Act; (b)to take decisions for mobilising and borrowing money for carrying out the activities of the Corporation; (c)to promote research and dissemination of knowledge in medical science in collaboration with kindred institutions; (d)to have linkages or agreements with specialized institutions or agencies both within the country and outside for imparting training to its personnel; (e)to consider and take such action, as may be deemed fit on the basis of the annual report, the annual accounts and the financial estimates of the Corporation; (f)to enter into agreements with the Central or any State Government or with a private entity for assuming management of any

dispensary or hospital and for taking over its assets and liabilities or for any other purpose of the Act ;(g)to decide and regulate all matters concerning the regulations of this Act;(h)to exercise such other powers and perform such other functions, as may be conferred or enjoined upon it by this Act or the regulations made thereunder; (i)to appoint persons to the various posts of the dispensaries and hospitals and to fix their emoluments, define their duties and terms and conditions of service and to provide for filling up of vacancies; (j) to hold, control and administer the properties of the Corporation; (k) to direct the form, custody and use of the common seal of the Corporation; (l) to administer the funds placed at the disposal of the Corporation for specific purpose; (m)to accept on behalf of the Corporation endowments, bequests, donations, grants and transfer of any movable and immovable properties made to it;(n)to raise on behalf of the Corporation loans from the Central or any other State Government or the public; (o) to levy and collect such fees, as may be specified by regulations for various services rendered; (p)to purchase, stock, manufacture and distribute drugs, linen and other consumables among the dispensaries and hospitals;(q)to construct and maintain dispensaries and hospitals; (r) to purchase, maintain and allocate quality equipment to various dispensaries and hospitals;(s)to provide the services of specialists, super-specialists at various hospitals;(t)to provide housing facilities to the employees of the dispensaries and hospitals, as may be specified by regulations; and(u)to exercise such other powers and perform such other functions, as may be conferred or enjoined upon it by this Act or the regulations made thereunder. (2) The Board of Directors may, by an order in writing, delegate all or any of its powers to the Managing Director or to any other officer of the Corporation for the effective fulfilment of its objectives.

#### 9. Committee of Professional experts.

- The Board of Directors may, in such manner, as may be specified by regulations constitute committees of professional experts in respect of such dispensaries and hospitals as it may consider necessary as and when required with a view to bring about qualitative improvements of the medical care facilities which shall function under the administrative control of the Corporation.

# **Chapter III**

# **Finance and Funds of The Corporation**

# 10. Levy of fee by the Corporation

. - For the purpose of this Act, the Corporation may, -(a)levy fees, or other charges from such persons or class of persons making use of the services available in the dispensaries or hospitals in accordance with such regulations, as may be made; (b)defray operating expenses, and ensure better upkeep and hygienic conditions and sustained improvement of the dispensaries or hospitals; (c)continuously update equipment and modernise the services so as to keep pace with the advancement in the medical care facilities to the public and to provide upto date facilities to the public; (d)effect repayment of loans and other borrowings; and(e)provide for such other purposes, beneficial to the promotion of medical care, as the Corporation may determine.

#### 11. Funds of the Corporation.

(1) The Corporation shall have its own fund consisting of, -(a) the grants from the Government voted by the State Legislature which shall not be less than the present annual expenditure of the State Government on salaries/medicines, equipment and maintenance of the medical institutions specified in the Schedule appended to this Act and grants received from the Central Government (b) loans or grants from the World Bank or other International Financial Institutions or Agencies on such terms and conditions, as may be stipulated and agreed upon ;(c)loans from financial institutions as well as from other medical institutions who might be prepared to collaborate with the Corporation; (d) all moneys received by or on behalf of the Corporation from public bodies, private bodies or private individuals by way of contributions, grants, gifts or deposits; (e) all moneys received by or on behalf of the Corporation under the provisions of this Act or any other law for the time being in force, or under any contract; (f) all proceeds of the disposals of the property by or on behalf of the Corporation; (g) all rents accruing from any property of the Corporation; and(h) all interests and profits arising from any investment of or from any transaction in connection with any money belonging to the Corporation.(2)All moneys belonging to the fund shall be invested in such manner, as the Board of Directors may decide.(3)The Corporation may spend such sums as may be deemed fit for performing its functions under this Act and such sums shall be treated as expenditure payable out of the fund.

#### 12. Vesting of dispensaries and hospitals with the Corporation.

- With effect from such date, as may be notified by the Government in the Official Gazette, -(a)the control and management of all dispensaries and hospitals with dispensaries and non-teaching hospitals as per Schedule appended to this Act, shall stand transferred to and vest in the Corporation and shall function under its administrative control; and(b)all the assets and liabilities, rights and obligations in relation to such dispensaries and non-teaching hospitals, and all obligations of the Government in relation to them, shall be transferred to the Corporation on terms and conditions that may be mutually agreed upon.

# 13. Staffing pattern.

(1)With a view to securing the services of the best talent available in all fields, the Corporation shall encourage professionals from various disciplines to join it on contractual terms on such remuneration, as may be prevalent in the reputed organisations in the country.(2)The day-to-day management of the Corporation shall vest in the Managing Director, who will be assisted by experts in the fields of Administration, Equipment, Procurement and Maintenance, Information and Systems Management and Health & Financial Management. The Corporation may assign some of these specialised functions to a reputed external agency.

# Chapter IV Miscellaneous

#### 14. Members, Officers and other employees to be public servants.

- All members, officers and other employees of the Corporation shall be deemed, when acting or purporting to act in pursuance of the provisions of this Act or any regulation made thereunder, to be public servants within the meaning of the provisions of the Indian Penal Code, 1860 and the Prevention of Corruption Act, 1988.

#### 15. Protection of action done in good faith.

(1)No suit or prosecution shall be entertained in any court against the Corporation or against any officer or servant of the Corporation or person acting under the order or direction of the Corporation for anything which is in good faith done or intended to be done under this Act or any regulation made thereunder.(2)No suit, prosecution or other legal proceedings shall lie against any officer or servant of the Corporation for any act done or purporting to be done under this Act or any regulation made thereunder without the previous sanction of the Corporation.

#### 16. Annual Financial Statement.

(1)The Corporation shall prepare an annual financial statement on or before such date, as may be specified by the regulations, of the estimated capital and revenue receipt and expenditure for the ensuing year.(2)The statement referred to in sub-section (1) shall include a statement of salaries and allowances of members, officers and servants of the Corporation and of such other particulars, as may be specified by regulations.(3)The Government shall, as soon as may be, after receipt of the said statement, cause it to be laid on the table of the State Legislature.(4)The Corporation shall take into consideration any comments made on the said statement in the State Legislature.(5)The Corporation may submit at any time during the year in respect of which a statement under sub-section (1) has been prepared, to the Government, a supplementary statement, and all provisions of this section shall apply to such statement, as they apply to the statement under the said sub-section (1).

### 17. Subventions and loans to the Corporation.

- The Government may, with the approval of the State Legislature make subventions and grant loans to the Corporation from time to time for the purpose of this Act on such terms and conditions, as the Government may determine.

# 18. Powers of the Corporation to borrow.

(1)The Corporation may, from time to time, with the previous sanction of the Government and subject to the provisions of this Act, and to such conditions, as may be specified by regulations, borrow any sum required for the purpose of this Act.(2)The Government may, for the purpose of this section, empower the Corporation to borrow by the issue of bonds or stocks or otherwise and to make arrangements with Bankers.(3)The maximum amount which the Corporation may at any time

raise as loan under sub-section (1), shall be twenty crores of rupees unless the Government by notification in the Official Gazette fix a higher maximum amount.(4)Stocks issued by the Corporation under this section shall be issued, transferred, dealt with and redeemed in such manner as may be specified by regulations.

#### 19. Guarantee of loans.

- The Government may guarantee in such manner, as it may think fit, the payment of the principal and interest of any loan proposed to be raised by the Corporation or of either the principal or the interest :Provided that the Government shall, so long as any such guarantees are in force, lay before the State Legislature in every year during the budget session, a statement of the guarantees, if any, given during the current financial year of the State, and an upto date account of the total sums, if any, which have been paid out of State revenues by reason of any such guarantees or paid into State revenue towards repayment of any money so paid.

#### 20. Payment of interest to Government.

- In respect of the loans advanced by the Government to the Corporation by virtue of the provisions of this Act, the Corporation shall pay interest on the cost of such loans at such rates, as may, from time to time, be fixed by the Government in consultation with the Corporation and such interest shall be deemed to be a part of the expenditure of the Corporation.

#### 21. Accounts and Audit.

(1)The Corporation shall cause proper accounts and other records in relation thereto to be kept, including the proper system of internal check and prepare an annual statement of accounts, including the income and expenditure account and the balance sheet in such form, as may be specified by regulations. The format of the accounting systems may be drawn up by a reputed external agency.(2)The accounts of the Corporation shall be audited by such firm of auditors, as may be appointed by the Board of Directors.(3)The accounts of the Corporation certified by the officer so appointed or any other official authorised by him in this behalf together with the audit report thereon, shall be forwarded annually to the Government and the Government may issue such instructions to the Corporation in respect thereof, as it may deem fit and the Corporation shall comply with such instructions.(4)The Government, may cause the accounts of the Corporation together with the audit report thereon forwarded to it under sub-section (3) to be laid annually before the State Legislature.

### 22. Authentication of orders and other instruments of the Corporation.

- All orders and decisions of the Corporation shall be authenticated by the signature of the Managing Director or any other officer authorised by the Corporation in this behalf and all other instruments issued by the Corporation shall be authenticated by the signature of such officer of the Corporation as may be authorised by the Corporation in this behalf.

#### 23. Directions by the Government.

(1)In the discharge of its functions under this Act, the Corporation shall be guided by such directions on questions of policy relating to the functions of the State or in case of any emergency, as may be given to it by the Government.(2)If any dispute arises between the Government and the Corporation as to whether the question is or is not a question of policy relating to the functions of the State or whether an emergency has arisen, the decision of the Government thereon, shall be final.(3)The Corporation shall function under the general supervision of the Government and the Government shall have power to review the action of the Corporation taken under this Act.

#### 24. Inspection, and Control.

- The Government shall have the right to cause an inspection to be made, by such person or persons, as it may direct, of the affairs and properties of the Corporation, its buildings, laboratories, libraries, equipment maintained by the dispensaries and hospitals, medical institutions and also cause an enquiry to be made into the matters connected with the Corporation. The Government shall in every case give notice to the Corporation of its intention to cause such an inspection or enquiry to be made and the Corporation shall be entitled to be represented thereat.

#### 25. Power to make Regulations.

- The Corporation may make regulations not inconsistent with this Act to provide for all or any of the following matters, namely:-(a)the duties of the members, officers and employees of the Corporation and their salaries, allowances and other terms and conditions of service;(b)the procedure to be followed at the meetings of the Corporation and the manner in which the Corporation shall conduct its meetings;(c)the administration of the funds and other properties of the Corporation and the maintenance of its accounts;(d)the procedure to be followed by the Corporation in inviting, considering and accepting tenders; and(e)any other matter arising out of the functions of the Corporation under this Act in which it is required, necessary or expedient to make regulations.

# 26. Repeal and saving.

(1)The Punjab Health Systems Corporation Ordinance, 1995 (Punjab Ordinance 4 of 1995), is hereby repealed.(2)Notwithstanding such repeal, anything done or any action taken under the Ordinance referred to in sub-section (1), shall be deemed to have been done or taken under the corresponding provisions of this Act.

# **Schedule**

**DISTRICTSAMRITSAR** -Sub-Divisional Hospitals:

1. Tarn Taran (50)
2. Patti (50)
3. Ajnala (50)
4. Baba Bakala (50)
C.H.C. :
1. Lopoke (30)
2. Majitha (30)
3. Tarsika (30)
4. Jandiala (Ma-awala) (30)
5. Chariala (30)
6. Khemkaran (30)
7. Sursinghwala (30)
8. Sirhali (30)
9. Naushera Pannuan (30)
10. Mainwind (30)
BATHINDADistrict Hospitals :
1. Bathinda (50)
Sub-Divisional Hospitals :

1. Rampuraphool (50)

The Punjab Health S
2. Talwandi Sabo (30)
C.H.C. :
1. Goniana (30)
2. Saagat (30)
3. Nathana (30)
4. Bhagata (30)
Area Hospitals :
1. Bhucho Mandi (4)
2. Maur Mandi (25)
3. Women Hospital, Rama Mandi (10
Special Hospitals :
1. Children Hospitals (100)
FARIDKOTDistrict Hospitals :
1. Faridkot (50)
C.H.C. :
1. Matta (30)
Area Hospitals :
1. Jaitu (10)
2. Kot Kapura (50)

 ${\bf FATEHGARH\ SAHIB\ .\ -District\ Hospitals:}$ 

## 1. Fatehgarh Sahib (50)

#### SUB-DIVISIONAL HOSPITALS:

- 1. Amloh (25)
- 2. Bassi Pathana (25)
- 3. Khamano (4)

C.H.C.:

1. Gobindgarh (50)

FEROZEPUR . -District Hospitals :

1. Ferozepur (100)

SUB-DIVISIONAL HOSPITALS:

- 1. Fazilka (50)
- 2. Zira (50)
- 3. Nehru Hospital, Abohar (106)

- 1. Jalalabad (36)
- 2. Mamdot (30)
- 3. Firozshah (30)
- 4. Guru Harsahai (30)
- 5. Dhabwala Kalan (30)

- 6. Sito Gunno (30)
- 7. Khuri Khera (30)
- 8. Kot Ise Khan

GURDASPUR . -District Hospitals:

1. **Gurdaspur** (100)

Sub-Divisional Hospitals:

- 1. Batala (50)
- 2. Pathankot (100)

C.H.C.:

- 1. Qadian (30)
- 2. Kot Santokh Rai (30)
- 3. Kahnuwan (30)
- 4. Kalanaur (30)
- 5. Fatehgarh Churian (30)
- 6. Bam (30)
- 7. Gharota (30)
- 8. Bungal Badhani (30)
- 9. Narot Jaimal Singh (30)

**HOSHIARPUR** . - District Hospitals :

## 1. G.H. Hoshiarpur (200)

Sub-Divisional Hosbitals	al Hospitals :
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- 1. Garh Shankar (50)
- 2. Mukerian (50)
- 3. Dasuya (50)

C.H.C.:

- 1. Bhunga (30)
- 2. Saro-a (30)
- 3. Mand Mandher (30)
- 4. Budha Bar (30)
- 5. Hajipur (30)
- 6. Tanda (30)
- 7. Mahalpur (30)

JALANDHAR . -District Hospitals :

1. GH, Jalandhar (400)

Sub-Divisional Hospitals:

- 1. Phillaur (50)
- 2. Nakodar (56)

3. Mukandpur (30)
4. Shahkot (30)
5. Bandalo (50)
6. Bara Pind (30)
Area Hospitals :
1. Nur Mahal (25)
2. Shankar (25)
KAPURTHALADistrict Hospitals :
1. GH, Kapurthala (125)
Sub-Divisional Hospitals:
1. Phagwara (50)
2. Sultanpur Lodhi (50)
C.H.C. :
1. Kala Sangian (30)
2. Begowal (30)
3. Panchhat (30)
4. Tibba (30)
LUDHIANADistrict Hospitals :

1. Kala Bakra (30)

2. Kartarpur (30)

#### 1. GH, Ludhiana (100)

- 1. Samrala (50)
- 2. Khanna (106)
- 3. Raikot (0)
- 4. Jagraon (50)
- 5. Payal (30)

C.H.C.:

- 1. Sanhewal (30)
- 2. Malaud (30)
- 3. Pakhowal (30)
- 4. Manupur (30)
- 5. Machhiwara (30)
- 6. Sidhwan Bet (30)
- 7. Gur Sar Sudhar (30)

MANSA . -District Hospitals:

1. GH, Mansa (100)

Sub-Divisional Hospitlas:

1. Jhunir (30)

#### 1. Khiata Kala (30)

MOGA . -District Hospitals :

1. Moga (100)

C.H.C.:

- 1. Nihal Singh Wala (30)
- 2. Bagha Purana (30)
- 3. Dudeki (30)
- 4. Daroli Bhai (30)

MUKTSAR . -District Hospitals :

1. Muktsar (50)

Sub-Divisional Hospitals:

1. Malout (38)

C.H.C.:

- 1. Chak Sherewala (30)
- 2. Badal (30)
- 3. Doda (30)

Area Hospitals:

1. Giddhar Baha (50)

NAWAN SHAHAR . -District Hospitals :

1. Nawan Shahar (50)

**Sub-Divisional Hospitals** 

C.H.C. :
1. Banga (30)
PATIALASub-Divisional Hospitals :
1. Rajpura (50)
2. Nabha (100)
3. Samana (25)
C.H.C. :
1. Model Town, Patiala (30)
2. Dudhan Sadhan (30)
3. Kalo Majra (30)
4. Dera Bassi (30)
5. Ghanaur (30)
6. Bhadson (30)
7. Badshapur (30)
8. Shutrana (30)
Special Hospitals :
1. M.K.H., Patiala
RUPNAGARDistrict Hospitals:

1. Balachaur (30)

#### 1. C.H., Rupnagar (100)

Sub-Divisional Hospitals:

- 1. Anandpur Sahib (30)
- 2. Kharar (30)

C.H.C.:

- 1. C.H., Chamkaur Sahib (30)
- 2. Nurpur Bedi (30)
- 3. Kurali (30)

Area Hospitals:

1. S.A.S. Nagar, Mohali (50)

SANGRUR . -District Hospitals :

1. C.H., Sangrur (100)

Sub-Divisional Hospitals:

- 1. Barnala (100)
- 2. Malerkotla (100)
- 3. Sunam (50)

- 1. Dhuri (30)
- 2. Bhadaur (30)
- 3. Lehragaga (30)

- 4. Longowal (30)
- 5. Bhawanigarh (30)
- 6. Dhanaula (30)
- 7. Amargarh (30)
- 8. Ahmadgarh (30)
- 9. Kauhrian (30)

Total Hospitals = 150