

# The Pakistan Medical Commission (Finance) Regulations, 2021

Islamabad the June 4, 2021

In exercise of the powers conferred by section 40 read with clause (b), (c) and (t) of sub section 2 of Section 8 of the Pakistan Medical Commission Act 2020, the Medical & Dental Council is pleased to make the following regulations, namely: —

## The Pakistan Medical Commission (Finance) Regulations, 2021

### 1. Short title and commencement

- (1) These regulations may be called the Pakistan Medical Commission (Finance) Regulations, 2021.
- (2) They shall come into force at once.

### 2. Definitions

- (1) In these regulations, unless there is anything repugnant in the subject or context, —
  - (a) "Act" means the Pakistan Medical Commission Act, 2020;
  - (b) "Authority" means National Medical Authority constituted under the Act;
  - (c) "Commission" means the Pakistan Medical Commission established under section 3 of the Act;
  - (d) "Council" means Medical and Dental Council constituted under the Act;
  - (e) "Division" means Division to which business of the Act stand allocated;
  - (f) "Member" means member of the National Medical Authority; and
  - (g) "PMC Fund" means the fund established under regulation 3 of these regulations;
- (2) All other terms and expressions used, but not defined in these regulations, shall have the same meanings as assigned to them in the Act;



## CHAPTER - 2

### FUND

#### 3. PMC Fund

- (1) There shall be constituted a fund to be called the "PMC Fund" and there shall be credited thereto-
  - (a) charges, fees and penalties levied by the Commission;
  - (b) 50% of penalties levied by the Medical Tribunal;
  - (c) Returns on investments and income from assets of the Commission;
  - (d) allocations and grants by the Government, if any;
  - (e) contributions from local and foreign donors or agencies with the approval of the Federal Government; and
  - (f) all other sums which may in any manner become payable to or vested in the Commission;

#### 4. Financial Year

The Financial year of the Commission shall begin on 1<sup>st</sup> July of each year and end on 30<sup>th</sup> of the succeeding year except the first financial year which shall begin on the appointed day and end on 30<sup>th</sup> June of the succeeding year.

#### 5. Annual Estimates

- (1) The Authority shall, in each financial year, prepare or cause to be prepared the annual estimates of income and expenditure of the Commission for the ensuing financial year.
- (2) The Authority may, in each financial year, prepare or cause to be prepared the supplementary estimates of income and expenditure of the Commission for ensuing financial year.

#### 6. Budget

- (1) For the first financial year, the Authority shall prepare and submit to the Council for its approval, a budget for the period up to and including the end of the then current financial year and thereafter it shall, not later than thirty days before the expiry of each financial year, submit to the Council for approval a budget for the next financial year.



- (2) No expenditure shall be made for which provision has not been made in any approved budget except if made from any previously approved contingency funds, unless further approval is sought and obtained from the Council on the recommendation of the Finance Committee.
- (3) The Authority shall act as the secretariat of the Council and provide all the necessary facilities to enable the Council to exercise its powers and perform its functions under the Act and the necessary and proper expenses in that connection shall form part of the budget of the Commission.

#### **7. Bank Accounts**

- (1) The Authority with the approval of the Finance Committee may open and maintain the accounts of the Commission in rupees or in any foreign currency at such scheduled banks as it may from time to time determine.
- (2) Every such account shall be operated by the Authority in a manner as may be determined, from time to time by the Finance Committee.

## **CHAPTER - 2 EXPENDITURE**

#### **8. Expenditures to be Charged to PMC Fund**

- (1) The PMC Fund shall be expended or applied for the
  - (a) paying any expenditure lawfully incurred by the Commission, including the remuneration of the Members and employees appointed and employed by the Council, including any allowances or gratuities or other benefits as the Council may determine;
  - (b) payment of legal fees and costs;
  - (c) paying any other expenses, cost or expenditure properly incurred or accepted by the Commission in the performance of its functions or the exercise of its powers under the Act;
  - (d) purchasing or hiring equipment, machinery and any other materials, acquiring land and erecting buildings, and carrying out any other work and under takings in the performance of its functions or the exercise of its powers under the Act;



- (e) repaying any financial accommodation received or moneys borrowed and the profit, return, mark-up or interest due thereon;
  - (f) for making investments in such manner as the Council deem appropriate; and
  - (g) generally, paying any expenses for carrying into effect the provisions of the Act;
- (2) The PMC Fund shall be administered by the Authority or such Members of the Authority as may be determined by the Council from time to time.

#### **9. Application of Money**

- (1) Authority or the Members delegated the financial powers in the Schedule I to these regulations shall spend monies out of the PMC Fund for carrying out the operations and objectives of the Commissions mentioned in regulation 8 for which the PMC Fund has been constituted.
- (2) The Authority shall keep proper accounts and records of its transactions and affairs and shall do things necessary to ensure that all payments are correctly made and authorized.
- (3) Ten percent of all licensing fees and charges received by the Authority from licensing services rendered to practitioners and students and five percent of all examination fees received by the Authority, shall be deposited in the PMC National Scholarship Fund. The Council may from time to time approve any additional percentage or amount from such fees or any amount from the surplus funds to be paid to the PMC National Scholarship Fund.

#### **10. Procurement**

- (1) The Administration Department shall prepare annual plan for procurement including description, specifications, statement of requirements and quantities, based on rational demand and place before the Authority for consideration.
- (2) Procurement plan shall be made part of the annual estimates under regulation 5 and presented to the Council for approval.
- (3) No procurement shall be made for which provision has not been made in any approved budget except if made from any previously approved contingency funds, unless further approval is sought and obtained from the Council.



- (4) The Authority may constitute a procurement committee to deal with a specific procurement task.

#### **11. Procurement Process**

- (1) Procurement shall be carried out in the manner prescribed under the Public Procurement Regulatory Authority, Rules as amended from time to time.
- (2) The procurement of recurrent or common use items, services including maintenance services and commodities whose market prices fluctuates shall be made through pre-qualification process of vendors and service providers, for a maximum period of three years.
- (3) All the procurements shall be made with the approval of the competent authority as specified in this behalf in the **Schedule II** to these regulations.
- (4) Preparation of bidding documents and the process of procurement for evaluation and selection of bidder shall be carried out in accordance with parameters and guidelines provided in the **Schedule III** to these regulations.
- (5) Any procurement made above PKR 500,000 shall be approved by the by the Executive Member, Member Finance and Member Administration.

#### **12. Disposal of Assets**

- (1) If an asset has become obsolete before the completion of its useful life, it shall be disposed of by the Administration department by inviting sealed bids along-with bid money, through advertisement in print media as well as on official website of Public Procurement Regulatory Authority, the Commission and a renowned internet based auction site.
- (2) Sealed bids shall be opened in the presence of representatives from Administration and Finance departments as authorized by the concerned Members along with the Internal Auditor.
- (3) After obtaining approval from the competent authority as specified in the **Schedule IV** to these regulations, the assets will be handed over to the successful bidder upon receiving full payment.

- (4) Council shall be apprised on the disposed of assets by the Member Finance on annual basis at the time of presenting the annual audited financial statements.

**CHAPTER -3**  
**BORROWING AND GRANTS**

**13. Power to obtain Finance, Borrow Money and receive Grants**

- (1) The Commission may, from time to time, and with the approval of the Federal Government, obtain finance or borrow money from sources within Pakistan or from abroad, as the case may be, with such rate of mark-up or interest payable thereon, as the case may be, and for such period and upon such terms as to the time and method of repayment and otherwise, in respect of any sums required by the Commission for meeting any of its obligations or performing any of its functions.
- (2) The Commission may also accept grant from the Federal Government and with the approval of the Federal Government may accept grants from entities both domestic and international, including multilateral agencies.

**CHAPTER - 4**  
**INVESTMENT**

**14. Investment**

- (1) Subject to sub- regulation (2), the Authority may, in so far as moneys are not required to be expended under these regulations, invest in terms of the followings:
- (a) Government Securities;
  - (b) Government Bonds;
  - (c) Corporate Bonds, Term Finance Certificates and other forms of Debt;
  - (d) Deposits with scheduled banks; and
  - (e) Investment in other class of assets as approved by the Council.
- (2) The Authority shall not make any investment of the surplus moneys unless approved by the Council. The Council shall make decision on the recommendations of the Finance Committee which shall assess the investment of surplus moneys the on the basis of following criteria:



**I. Government Securities:**

- a. Securities as defined under the relevant securities laws including securities repayable or irrevocably guaranteed to be paid by a Provincial Government or the Federal Government;
- b. Securities could be at a fixed or variable rate of interest;
- c. Return offered on government security compared to other modes of investment; and
- d. The maximum exposure limits in these investments shall not exceed 15% of invested surplus money.

**II. Government Bonds:**

- a. Issued by or under the authority of the Federal Government, a Provincial Government or by a body or entity owned or controlled by the respective government;
- b. Listed on a stock exchange or issued under a prospectus approved by the Securities and Exchange Commission of Pakistan;
- c. Return offered by the government bond compared to other modes of investment; and
- d. The maximum exposure limits in these investments shall not exceed 10% of invested surplus money.

**III. Corporate Bonds, Term Finance Certificates and other forms of Debt – New Issue as well as through secondary market:**

- a. Listed on a stock exchange or issued under a prospectus approved by the Securities and Exchange Commission or issued with approval of the State Bank of Pakistan;
- b. The issuer and the security to have a minimum rating of "AA" long term assigned by a credit rating agency operating in Pakistan;
- c. Last three years' performance of the issuer, wherever applicable;
- d. Financial projections of the issuer for at least three years;
- e. Total Issue size and tenor of the security;



- f. Return / yield offered by the corporate bond / term finance certificate / other forms of debt compared to other modes of investment; and
- g. The maximum exposure limits in these investments will not exceed 10% of invested surplus money.

**IV. Deposit with Scheduled Banks:**

- a. Scheduled banks having minimum rating of "AAA" long term assigned by a credit rating agency operating in Pakistan;
  - b. At least three offers shall be taken from different scheduled banks to make comparative sheet. The scheduled bank offering higher rate with rating as described in (a) above will be recommended for investment; and
  - c. Aggregate of deposits in a one scheduled bank shall not exceed 20% of the surplus money available to invest in scheduled banks.
- (3) The Council may approve any other form of investment on the recommendations of the Finance Committee, from time to time.
- (4) No investment shall be made for a period of less than three months or more than three years except an investment with scheduled banks under clause (IV) of sub regulation 2 and other investment approved by the Council sub-regulation (3) above.

**CHAPTER -5  
ANNUAL REPORTS/ACCOUNTS**

**15. Annual Report and Account**

- (1) Within ninety days from the end of each financial year, the Authority shall, after the approval of the Council, cause a report to be prepared on the activities of the Commission including investigations and enquiries made by the Commission under this Act during that financial year.
- (2) The Authority shall cause proper accounts to be kept and shall as soon as practicable after the end of each financial year cause to be prepared for that financial year a statement of accounts of the Commission which shall include a balancesheet and an account of income and expenditure.





- (3) The Authority shall cause the statement of accounts to be audited by auditors, appointed by Authority with the approval of the Council who shall be a firm of chartered accountants.
- (4) The auditors shall make a report to the Council, upon the annual balance sheet and accounts, and in any such report they shall state whether in their opinion the balance sheet is a full and fair balance sheet containing all necessary particulars and properly drawn up so as to exhibit a true and correct view of the affairs of the Commission and, in case they have called for any explanation or information from the Authority, whether it has been given and whether it is satisfactory.
- (5) The Council may if it deems fit also require the accounts of the Commission for any financial year to be audited by the Auditor- General of Pakistan.
- (6) The Council shall, within one hundred and twenty days of the end of each financial year, send a copy of the annual report of the Commission along with the statement of accounts of the Commission certified by the auditors to the Division and also publish on the website of the Commission.



**Secretary**  
Pakistan Medical Commission



**Regulation 9**  
**Delegation of Financial Powers**  
**Operational Expenditure**

Schedule -I

Sr.No.	Financial Limits	Competent Authority
1.	upto Rs.100,000	Member Administration
2.	From Rs.100,001 to Rs.500,000	Executive Member and in his absence Member Administration
3.	Above Rs. 500,000	Executive Member, Member Finance and Member Administration



**Regulation 11**  
**Delegation of Financial Power**  
**Procurement**

**Schedule -II**

<b>Sr. No.</b>	<b>Financial Limits</b>	<b>Approval Authority</b>
1.	UptoRs100,000 per order	Member Administration
2	Above Rs.100,000/= up to Rs.500,000/= per order	Executive Member/ Member Administration
3.	Beyond Rs.500,001/ and above per order.	Executive Member, Member Finance and Member Administration



**Regulation 11**  
**General Principles for Procurement**

**Schedule III**

**1. Purchase/ Service Requisition**

All requirements, except small administrative cash items, for acquisition of the assets or services shall be formally initiated by the relevant department/division, giving rationale and specifications, if applicable.

**2. Invitation and Opening of Quotes**

2.1 Due to the varying nature of activities at the Commission, the size of transactions varies. The Administration department shall invite quotes in terms of following:

Category	Codal Requirements	Advertisement
Small administrative expenses	No quotes required.	Not Applicable
Small Purchases (Up to PKR 100K)	Three quotes from open market, preferably on official stationery, including WHT & GST (if applicable)	Not applicable
Medium Purchases (Up to PKR 500K)	Three quotes from open market in line with company provided specifications (if possible), on official stationery including WHT & GST (if applicable)	As per PPRA Rules
Large Purchases (Above PKR 500K)	Three Sealed Quotes in line with Company provided 'Request for Proposal' (RFP) from vendors/service providers prequalified in line with Annexure III	To be advertised as per PPRA rules.



<b>Single Source</b>	One quote only from the single source / local service providers recommended by the relevant Member for the specific product, with a formal statement of this fact on official stationery of vendor, including WHT & GST (if applicable)	As per PPRA Rules
<b>Software or IT solutions licensee fee for enterprise licenses.</b>	From the enterprise solution provider approved by the DPID Committee and where licensee fee is on a monthly basis.	If < Rs,500,000/ per license
<b>Emergency Procurement</b>	If the situation permits, obtain quotes including WHT & GST (if applicable) otherwise formally provide rationale	If < Rs,500,000/
<b>Repeat Order</b> (Within one year of previous approval)	Only one quote from the vendor / service provider, including WHT & GST (if applicable), with same or better specifications, quality and price.	As per PPRA Rules subject to approval of Finance Committee.

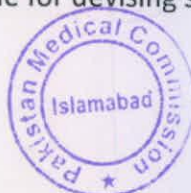
2.2 Where a procurement committee is constituted by the Authority for any particular procurement, each member of the procurement committee will sign off each original technical / financial proposal opened in front of them to ensure that it was opened in his presence.

### 3. Screening of Vendors/Service Providers

3.1 Best efforts will be employed to ensure that there is no conflict of interest in engaging any vendors / service providers. There shall be a pre-defined criteria for screening / pre-qualification of the vendors and service providers. While pre-qualifying the vendors, following factors shall be considered:-

- i. Qualification
- ii. General/specific experience& past performance
- iii. Capabilities with respect to personnel, equipment, and plant;
- iv. Financial position and appropriate managerial capability.

3.2 Following shall be used a guideline for devising selection criteria



Sr. No.	Selection	Screening	Criteria	Procurement Sizes				
				Petty Cash	Small	Medium	Large	
1	✓		<b>Vendor Years in Business</b> <i>You need to know that the company is established and ready to service your requirements.</i>				✓	
2	✓		<b>Previous work experience with us</b> <i>How did the vendor perform in his previous working with the Company? What was there satisfaction against their promised deliverance?</i>			✓	✓	
3	✓		<b>Ability to Constantly supply products or services</b> <i>You need your products and services on a regular basis. A vendor that has supply issues will affect your ability to supply your customers and this is an important factor when selecting a vendor.</i>			✓	✓	
4	✓		<b>Ability to supply the complete solution</b> <i>This is particularly necessary when you are looking for a one of business solution such as a new computer system.</i> <i>You may also be attempting to rationalize the number of vendors you are dealing with or wish to purchase a product line from one vendor only.</i> <i>It would be particularly difficult to obtain good terms if you need to purchase just a small range from another supplier, because your chosen vendor was unable to supply the complete range.</i>				✓	
5	✓		<b>Flexibility to allow changes in orders or product lines</b> <i>All businesses need to change their orders sometimes – if your vendor heavily penalizes you for doing this – perhaps they are not the one for you and you need to move on with selecting a vendor.</i>				✓	
6	✓		<b>Substantial catalogue of products or range of services</b> <i>This not only indicates an established vendor of size, but also means that you have flexibility in your ordering. As your business grows, you can keep with the same vendor. It also means that you are able to minimize the number of vendors you are dealing with.</i>				✓	
7	✓		<b>Appropriate supply of internal experts that can cater to different queries</b> <i>Again, this is very pertinent if you are purchasing a high value service, but we all need experts at some time or other.</i>			✓	✓	
8		✓	<b>Testimonial and references</b> <i>These are valuable if you can check that the vendor is reliable and as they purport to be.</i>		✓	✓	✓	
9		✓	<b>Sustainability and financial stability</b> <i>The last thing you want is to have to change your vendors very quickly because one of them has gone out of business.</i>		✓	✓	✓	
10		✓	<b>Prices</b> <i>Discounts on the price list are always negotiable, but they are an important part of selecting a vendor, if PPRA allows.</i>	✓	✓	✓	✓	
11		✓	<b>Delivery Times</b> <i>You need to know that deliveries can be made where and when you want them. The number of deliveries per week or month may also be important to you.</i>	✓	✓	✓	✓	
12		✓	<b>Terms of Business</b> <i>Payment terms are particularly important as they impact upon your cash flow.</i>		✓	✓	✓	
13	✓		<b>Customer Service</b> <i>Always an important part of any relationship. What is the availability of ordering and help staff? Are they cordial, professional and easy to contact. No one likes hanging on the end of the phone being told by a machine, "your call is important to us"!</i>		✓	✓	✓	

3.3 The Administration department while devising criteria for prequalification, review and periodic updation of the list of approved vendors/ service providers shall refer to the PPRA Rules.



#### **4. TORs/ Bidding Document**

4.1 Precise and unambiguous bidding documents/TORs for each procurement shall be devised by the Administration department in consultation with the concerned Division which shall include but not limited to the following:-

- i. Invitation to bid;
- ii. Instructions to bidders;
- iii. Form of bid;
- iv. Form of contract;
- v. General or special conditions of contract;
- vi. Specifications and drawings or performance criteria (where applicable);
- vii. List of goods or bill of quantities (where applicable);
- viii. Delivery time or completion schedule;
- ix. Qualification criteria (where applicable);
- x. Bid evaluation criteria;
- xi. Format of all securities required (where applicable);
- xii. Details of standards (if any) that are to be used in assessing the quality of goods, works or services specified; and
- xiii. Any other detail as may be deemed necessary.

4.2 Standard bidding document shall be devised in line with the PPRA Rules which shall be used in all request for proposals/invitation to bids etc.

4.3 All bids shall be evaluated in accordance with the evaluation criteria and other terms and conditions set forth in the bidding documents.

#### **5. Bid Security**

The bidders shall be required to furnish a bid security not exceeding five per cent of the bid price for all procurement exceeding the parameter of medium transactions.

#### **6. Bid Validity**

Bids shall be valid for the period of time specified in the bidding document.

#### **7. Performance Security**

The bidder shall be required to furnish a performance guarantee which shall not exceed ten per cent of the contract amount for all large purchases.

#### **8. Comparative Analysis**

The Administration department or the Procurement Committee as the case may be shall prepare a comparative analysis, where applicable and submit the same to competent authority, for further negotiation with the successful bidder(s), subject to the restrictions on negotiation under Rule 40 of the PPRA Rules 2004.



## 9. Negotiations

Negotiation may be made with the highest ranked bidder regarding methodology, work plan, staffing and special conditions of the contract. In case of failure of negotiations with the highest bidder, negotiation may be made with next ranked bidder. Negotiations are to be properly recorded. Provided that negotiations shall not seek changes in the rates quoted by the bidder in accordance with Rule 40 of PPRA Rules.

9.1 Following guidelines will be followed for negotiations:

Category	Head Office	
	Negotiation Team	Mandatory Quorum**
Petty Cash Items*	Not Applicable	Not Applicable
Small Purchases	Not Applicable	Not Applicable
Medium Purchases	Member Admn/Member Finance/ Internal Auditor or their representatives.	Quorum = 2 (Presence of Internal Auditor is mandatory)
Large Purchases	Subject to restrictions under Rule 40 of PPRA Rules 2004	Quorum = 3 (Presence of Member Admin, Member Finance & Internal Auditor is compulsory)
Single Source	In line with size of the transaction mentioned above – Subject to restrictions under Rule 40 of PPRA Rules 2004	In line with size of the transaction mentioned above
**Emergency Procurement		
*** Software or IT solutions licensee fee for enterprise licenses.		
Repeat Order	In line with size of the transaction mentioned above- Subject to restrictions under Rule 40 of PPRA Rules 2004	In line with size of the transaction mentioned above

\*\* *Emergency Procurement will only be allowed subject to approval of Finance Committee up to and beyond Rs. 100,000/= and less than that Executive Member can approve as single transaction and later ratify from the Finance Committee.*

\*\*\* Software or IT solutions licensee fee for enterprise licenses will only be allowed subject to approval of DPID Committee.





9.2 In case of long absence of any member of the negotiation team, his substitute duly approved by Executive Member will represent him in the meeting.

#### **10. Selection of Vendor / Service provider**

The decision to select a vendor / service provider will be made keeping in mind the commercial benefit to the Commission. This would take into consideration the quality, price, life cycle of the product, after sales service, technical capability and other parameters. Depending on the size of the procurement, the parameters and guidelines provided under the PPRA Rules shall be followed for selection of vendors and service provider.

#### **11. Approval**

Subsequent to the negotiations with the competent vendors / service providers, subject to the restrictions under rule 40 of the PPRA Rules, an approval note will be prepared by the Administration department and formal approval will be sought from the competent authority.

#### **12. Engagement Method**

The finally selected vendor shall be engaged for the provision of goods / services through a formal purchase order or a formally signed service level agreement as the case may be.

#### **13. Record Relating to Procurement**

The Administration department shall ensure proper record keeping for each procurement which shall include but not limited to:-

- i. Copy of advertisement(s)
- ii. Bids received
- iii. Copies of bid security
- iv. Minutes of the meeting (Bids opening)
- v. Evaluation Sheet
- vi. Minutes of the Meeting of Evaluation Committee
- vii. Award Letter
- viii. Contract
- ix. Delivery Challans, Goods Receiving & Inspection Report
- x. Proof of Stock entries in the relevant register



**Regulation 12  
Delegation of Power  
Disposal of Assets**

**Schedule – IV**

Sr. No.	Financial Limits	Approval Authority
1.	From Rs.10,000 to Rs.250,000 – Written Down Value (single/Aggregate)	Executive Member and in his absence Member Administration and any other Member present
2.	From Rs.250,001 or above – Written Down Value (Aggregate)	Minimum quorum of the Authority as per the Act

