



SO(RMC)8-19/2018
GOVERNMENT OF THE PUNJAB
SPECIALIZED HEALTHCARE &
MEDICAL EDUCATION DEPARTMENT
(Technical Wing)

Dated 23rd January, 2026



**POLICY FOR UTILIZATION OF COMMERCIAL AND PERSONAL LEDGER
ACCOUNT (PLA) FUNDS IN TERTIARY CARE HOSPITALS OF PUNJAB**

Purpose

The purpose of this policy is to ensure standardized, efficient, transparent and patient-oriented utilization of Commercial and Personal Ledger Account (PLA) funds in tertiary care hospitals of the Punjab. The policy aims to address misaligned expenditures, underutilization of available financial resources, and inadequate availability of essential medicines and medical disposables, with a view to improving emergency readiness and strengthening hospital service delivery.

Background and Challenges

It has been observed that, despite generation of considerable own-source revenues through user charges, diagnostic services, private wards/ room charges and allied hospital services, many tertiary care hospitals continue to highlight shortages of essential medicines, medical and surgical disposables, and other critical supplies. Such shortages have resulted in increased expenditure on local purchase of medicines by the hospitals from the allocated budget for bulk purchase of medicines.

It has further been observed that, in several instances, Commercial / Personal Ledger Account (PLA) funds have been utilized for expenditures not directly contributing to patient care, thereby undermining the fundamental purpose for which these funds are generated and retained at the institutional level. The absence of a standardized and enforceable utilization framework has led to misaligned spending priorities, weak financial oversight, and inconsistent service delivery across institutions.

In order to address the foregoing challenges, ensure transparency and accountability, and align utilization of Commercial/ PLA funds with patient-centric objectives following comprehensive policy has been framed by the Specialized Healthcare & Medical Education Department. The policy emphasizes:

- Mandatory deposit of all hospital receipts into designated commercial bank accounts;
- prioritization of expenditure on medicines, medical and surgical disposables, and emergency and life-saving services;

- clearly defined, percentage-based utilization of funds for medicines, infrastructure improvement in patient-handling areas, and contingency services;
- transparent, auditable and codal-compliant expenditure mechanisms; and
- Monitoring of fund utilization through defined Key Performance Indicators focused on patient care outcomes.

Scope

This policy shall apply to all tertiary care hospitals and entities under the administrative control of the Specialized Healthcare & Medical Education Department.

Policy Provisions

1. Utilization Framework: Utilization of Commercial / PLA funds shall be regulated in accordance with the following distribution framework:

- **60%** for procurement of medicines and essential medical and surgical disposables (mandatory expense);
- **40%** for contingency, which may include services directly linked with patient care, improvement of infrastructure and environment in patient-handling and clinical care areas (secondary expense)

2. Priority Use for Local Purchases: All local purchases of medicine & disposables, irrespective of category, shall be made on priority from Commercial / PLA funds according to Schedule V of the Punjab Medical & Health Institutions Act, 2003 (Amended 2016).

3. Secondary Priority Expenditures: Subject to fulfillment of mandatory priorities, Commercial / PLA funds may be utilized for diagnostic and laboratory support, patient welfare and indigent care, and maintenance and repair of critical infrastructure and life-saving equipment.

4. Regulated Expenditures: Expenditures on furniture, non-clinical equipment and information technology upgrades shall be permissible only after fulfillment of mandatory priorities and shall be restricted to items directly supporting patient care and hospital service delivery, subject to approval of the Board of Managements / Competent Authority.

5. Prohibited Uses: Commercial / PLA funds shall not be utilized for non-essential items i.e. purchase of vehicles or expenditures unrelated to patient care and hospital service delivery.

6. Approval and Codal Compliance: All proposals for utilization of Commercial / PLA funds shall be processed after fulfillment of all prescribed codal, financial and procurement formalities and approval of the Competent Authority / Boards.

Supersession


Upon Notification of this policy, this Department's Notification No.SO(H&D)12-13/73 dated 11.04.1985, subsequent letters bearing No.SO(H&D)8-19/89(P) dated 07.12.1996 and 03.09.2008, Notification No.SO(RMC)8-19/2018 dated 06.06.2018 and No.PA/DS(A)Misc/2024 dated 12.08.2024 the earlier share-distribution mechanism of hospital receipts is hereby discontinued with immediate effect.

**SECRETARY
GOVERNMENT OF THE PUNJAB
SPECIALIZED HEALTHCARE &
MEDICAL EDUCATION DEPARTMENT**

Number Even & Dated Lahore, the 23rd January, 2026:

Copy of the above is forwarded for information & necessary action to the:

1. Minister for Specialized Healthcare & Medical Education, Punjab
2. All the Vice Chancellors / Principles / Deans / Executive and Medical Directors / Medical Superintendents / HOIs of the tertiary care institutes.
3. Director IT (ICT) Cell, SHC & ME Department with the request to upload on official website and email to all the concerned.
4. PSO to Secretary, SHC & ME Department.
5. PS to Special Secretary (Ops) and (D&R) SHC & ME Department
6. PAs to all Additional Secretaries of SHC & ME Department
7. PAs to all Deputy Secretaries of SHC & ME Department


23/01/26
**DR. HAFIZ MUHAMMAD WASEEM
ADDITIONAL SECRETARY (TECHNICAL)**

SHC & ME DEPARTMENT