

**GOVERNMENT OF INDIA
HEALTH AND FAMILY WELFARE
LOK SABHA**

UNSTARRED QUESTION NO:4916
ANSWERED ON:02.09.2011
ALLOCATION OF FUNDS UNDER NRHM
Tewari Shri Manish

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

- (a) the total funds released to States under the National Rural Health Mission (NRHM) since its launch, State-wise and year-wise;
- (b) the details of the apparatus to audit and monitor the usage of NRHM funds so disbursed;
- (c) the State-wise appraisal of NRHM fund utilisation so far;
- (d) whether there is a structure in place in the Ministry to look into the misconduct of officers responsible for performance of NRHM;
- (e) if so, the details thereof;
- (f) whether the Ministry has received any complaints regarding misuse of NRHM funds since its launch;
- (g) if so, the details thereof, State-wise and the action taken thereon;
- (h) whether the Ministry has taken cognizance of allegations of misuse of NRHM funds in UP and Punjab; and
- (i) if so, the action taken on these specific reports?

Answer

THE MINISTER OF STATE FOR HEALTH & FAMILY WELFARE (SHRI SUDIP BANDYOPADHYAY)

(a): A statement showing the Allocation, Release and Expenditure under National Rural Health Mission to States / UTs for the Financial Years 2005-06 to 2011-12 (up to 30.06.2011) is annexed.

(b): The grants-in-aid provided to the States under National Rural Health Mission [NRHM] are audited annually by Chartered Accountants' firms selected through open tender system by the States / Union Territories. In addition to this, audit at the Central level is conducted by the Director General of Audit, Central Expenditure (DGACE), New Delhi. The Comptroller & Auditor General of India (C&AG) also had conducted a Performance Audit of the NRHM for the period 2005-06 to 2007-08 at the Central, State and sample District and Block levels. The report of the C&AG was laid on the Table of the House in December, 2009.

(c): The Ministry regularly monitors the utilization of funds through analysis of quarterly Financial Management Reports and annual statutory Audit Reports and also emphasizes on concurrent audits being conducted in the State. The Ministry also monitors the implementation of NRHM through annual Common Review Mission (CRM), Joint Review Mission (JRM) and review meetings. Teams are also sent periodically to States to review the management of funds under the Mission. The reports are shared with the States for taking corrective measures.

(d) & (e): NRHM is a centrally sponsored programme. Funds are made available to States for implementing the NRHM, and the primary responsibility for proper financial management and taking action against the officers and staff responsible for implementation lies with the States. The Central Government facilitates the State's effective implementation of the Mission and provide guidelines for implementation, monitoring and reporting of physical and financial progress.

(f) & (g): No specific complaints have been received regarding misutilization of funds allocated under NRHM since its launch. However, annual statutory audit of NRHM is conducted for all States which are examined in the Ministry and the deficiencies and observations are communicated to the States for taking appropriate remedial action.

(h) & (i): No complaint has been received regarding misuse of NRHM funds allocated under NRHM from Punjab.

A Central team reviewed fund management under the Mission in Uttar Pradesh during May, 2011 and the major findings are outlined below:

(i) Irregularity in award of contract for procurement of Emergency Medical Transport Services and Mobile Medical Units, Management of Hospital cleaning and gardening, procurement of safe drinking water and R.O. systems etc.

(ii) Supply of poor quality of IEC/ BCC material and poor quality of drugs and consumables etc.

(iii) In respect of civil construction works, there was mere transfer of funds to various State Government agencies without any formal agreement and without any system.

(iv) Poor monitoring of progress of the civil construction as well as quality of construction, and no action on the defects in constructions pointed out by JEs/ CMOs.

(v) Non operationalisation of emergency transport services even after procurement of 779 ambulances.

The report and the observations of the Central team were sent to the State Government for necessary remedial action and for further investigations.