

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

UNSTARRED QUESTION NO:1352

ANSWERED ON:17.08.2012

IRREGULARITIES UNDER NRHM

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

- (a) the funds allocated/utilised/released and unutilised under the National Rural Health Mission (NRHM) during each of the last three years and the current year, State/UT-wise;
- (b) whether the Government has increased the Central share of funds for States under NRHM;
- (c) if so, the details thereof in each State including State/UT-wise?
- (d) whether a few cases of irregularities and misappropriation of funds allocated under the NRHM have been reported from various States;
- (e) if so, the details thereof and the present status of enquiries made by the Government in this regard State/UT-wise including Madhya Pradesh, Uttar Pradesh and Jharkhand; and
- (f) the corrective measures taken by the Government for proper utilisation of funds under NRHM?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF HEALTH AND FAMILY WELFARE (SHRI SUDIP BANDYOPADHYAY)

- (a) A statement showing the Allocation, Release and Utilization for the Financial Years 2009-10 to 2011-12 and for the current year is annexed.
 - (b) & (c): The Central share of funds under NRHM during the last three years has remained the same. However, from the Financial Year 2012-13, the ratio of Central Share and States Share has been revised to 75:25 except for 11 states including 7 North East States and 4 Special Category States of Himachal Pradesh, Jammu and Kashmir, Uttrakhand and Sikkim where the ratio between the Central and State share is 90:10.
 - (d) & (e): Yes. The complaints regarding irregularities in the implementation of the NRHM have come to the knowledge of this Ministry from the States of Assam, Bihar, Haryana, Jammu & Kashmir, Orissa, Rajasthan and Uttar Pradesh. The complaints received are sent to State Governments for inquiry and necessary action.
- The major findings of the Central team which reviewed the fund management under the Mission in Uttar Pradesh during May, 2011 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 services, 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 operationalization of emergency transport services even after procurement of 779 ambulances.

Further as per the information made available by CBI, it has registered five Preliminary Enquiries (PEs) in UP pursuant to the orders of Hon'ble High Court of Allahabad, Lucknow Bench dated 15.11.2011 "to enquire into irregularities committed in the implementation of NRHM and utilisation of funds at various levels in the entire state of UP from 2005 onwards till date and to register regular cases (RCs) in respect of persons against whom prima facie cognizable offences is made out". During the course of enquiry into the aforesaid 5 PEs, 13 RCs have been registered by CBI so far and out of the same charge sheets have been filed in 3 cases.

In addition, earlier CBI had also re-registered two RCs which were transferred from the State Government, pursuant to the orders of

the High Court dated 27.7.2011.

(f) The following mechanisms have been put in place for adherence to financial procedures:

- (i) Submission of quarterly Financial Monitoring Reports by the States;
- (ii) Annual Statutory Audits;
- (iii) Concurrent Audits; and
- (iv) Visits by the teams of the Financial Management Group of the Ministry to States for periodical reviews.

In order to build financial management capacities in States, the following initiatives have been taken by the Ministry:-

- (i) Model Accounting Handbooks for sub-district level finance / accounts personnel for Community Health Centres / Primary Health Centres, Village Health, Sanitation and Nutrition Committees (VHSNCs), Sub Centres, Rogi Kalyan Samitis (RKS) and Block Accountants have been prepared and circulated;
- (ii) Detailed operational guidelines on Financial Management have been prepared for adoption and implementation at State, district, block and village levels under the NRHM;
- (iii) E-training modules on finance and accounts to help train finance personnel in all States have been disseminated;
- (iv) E-transfers are being effected for fund releases to all States and Districts countrywide. An E-banking web enabled MIS to generate information on funds available and expenditure there against is under implementation;
- (v) Guidelines and advisories on non-diversion of funds, State share contribution and utilization of funds (RKS and VHSNC) have been sent to the States; and

The implementation of NRHM in States is reviewed through Joint Review Missions (JRM), Common Review Missions (CRMs) and periodical reviews by the Ministry.

Deficiencies / shortcomings noticed during the reviews are immediately brought to the notice of the States for remedial action.