

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

UNSTARRED QUESTION NO:1147

ANSWERED ON:28.11.2014

FUNDS UNDER NRHM

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

(a) the details of the funds allocated/ released/utilised for various programmes running under the National Rural Health Mission (NRHM) and for strengthening/ upgrading of district hospitals in the country during each of the last three years and the current year, scheme and State/UTwise;

(b) whether the Government has received the utilisation report from the State Governments during the above said period and if not, the reasons therefor along with the corrective measures taken/being taken by the Government in this regard, State/ UT-wise;

(c) whether the Government has received proposals from various States/ UTs for allocation of more funds under NRHM and if so, the details thereof along with the action taken by the Government thereon, proposal and State/UT-wise;

(d) whether cases of misuse of funds under NRHM have come to the notice of the Government during the said period and if so, the details thereof along with the action taken by the Government in this regard, State/UT-wise; and

(e) the steps taken/being taken by the Government to ensure proper utilisation of funds and continuous monitoring of implementation of NRHM at various levels?

Answer

THE MINISTER OF HEALTH AND FAMILY WELFARE (SHRI JAGAT PRAKASH NADDA)

(a): The details of the funds allocated/released/utilized for various programmes running under the National Rural Health Mission(NRHM) in the country during each of the last three years and the current year, Scheme and State/UT-wise is provided at Annexure I and II respectively. The funds are released to the States/UTs on lump sum basis scheme/programme wise instead of activity-wise. A statement showing approvals and expenditure under Strengthening of District hospitals for the last three years State/UT-wise is given at Annexure III.

(b): The statutory audit reports containing utilization certificates are required to be submitted within 12 months of the closure of the financial year. The audited utilisation certificates for the financial year 2011-12 and 2012-13 have been received from all the States/UTs. 18 States/UTs have furnished audited Utilization Certificates so far for the grants sanctioned for the financial year 2013-14.

(c): The States/UTs regularly seek more allocation of funds under NRHM to improve health care facilities. However, allocation to a State/UT is determined by the budgetary provision for NRHM and the formula approved by the Mission Steering Group for allocation of NRHM-RCH flexi pool funds among States.

(d): Certain instances of misuse of NRHM funds like mis-appropriation, misuse of untied funds, diversion of funds from one pool to another without authorisation, excessive and infructuous purchases etc. have come to light through Audit in States like Uttar Pradesh, Assam, Bihar, Haryana, Jammu & Kashmir, Odisha and Rajasthan.

The observations have been duly communicated to the concerned States for taking necessary remedial action. To ensure proper financial discipline, the following activities have been undertaken:

Detailed Operational Guidelines on Financial Management has been disseminated to States for better financial management;

Model Accounting Handbooks for sub-district level finance/accounts personnel have been rolled out;

E-training modules on finance and accounts under National Health Mission introduced to building financial management capacities of finance personnel in the States;

Guidelines and Advisories on utilization of funds of Rogi Kalyan Samities(RKS), Village Health and Sanitation Committees and State Contribution issued;

Financial reviews and Training Programmes have been organized for capacity building of the State & District's finance & accounts staff;

Implemented customized accounting software for maintenance of NHM Accounts at State & Districts.

(e) The Department requested the Comptroller & Auditor General (CAG) for conducting annual transaction audits of the National Rural Health Mission

(NRHM) in all the States from the Financial Year 2011-12 in order to identify the existing gaps, facilitate independent monitoring and timely corrective measures so that a quality and timely audit assessment becomes available to assist the State Governments in undertaking remedial measures and achieving the targets of NRHM. The CAG has agreed to undertake annual audit and initiated the process.

Besides provision of annual CAG audit, following monitoring mechanisms have been put in place by the Department of Health & Family Welfare for adherence to financial procedures and proper financial utilization:

Submission of quarterly Financial Monitoring Reports by the States;

Annual Statutory Audits;

Concurrent Audits;

Visits by the teams of the Financial Management Group of the Department to states for periodical review;

Annual visits to states by Common Review Mission, which inter-alia, looks at financial systems and mechanisms.

Institute of Public Auditors of India (IPAI) has been awarded the work to review financial aspects under NHM.

Implementation of Public Financial Management System (PFMS) in NHM. The PFMS has been developed by the office of the CGA of Ministry of Finance for monitoring and management of funds on just in time basis.