National Rural Health Mission

Guidelines on financial, accounting, auditing, fund flow and banking arrangements as approved by Empowered Programme Committee of NRHM

The National Rural Health Mission (NRHM) has provided an umbrella under which the existing Reproductive and Child Health Programme (RCH) and National Disease Control Programme (NDCPs) have been repositioned. In addition, the Mission has tried to fill the gaps in the existing programmes with respect to infrastructure and service delivery through 'Additionalities under NRHM'. Under the Mission the States/UTs would reflect their requirements in a consolidated NRHM States Sector Programme Implementation Plan (PIP) having various sections for individual programmes under Parts - (A) RCH, (B) Additionalities under NRHM, (C) Immunization, (D) RNTCP (E) NVBDCP (F) other NDCPs & (G) Inter-Sectoral issues. The funding would be provided on the basis of approval of these PIPs by GoI. When the programmes have been repositioned under one umbrella, it is pertinent that the financial processes are also restructured to reflect the aspirations of the Mission.

2. At present the funds to State Health Societies (SHSs) are disbursed from the Centre in a disjointed manner by each Programme Division sending grants individually. As a corollary, the reporting of utilization by SHSs is also done separately to each concerned Division. The fragmented approach is expected to pose problems in arriving at the total funds disbursed to State Health Societies and the total utilisation by them under the Mission at any given time at the Central level. Similarly, at the SHS and District Health Society (DHS) levels, it is difficult to find the fund utilisation details at a common point, with each Programme Officer managing his/her own funds. In this scenario centralised financial management of NRHM as a whole at all levels is, thus, not possible.

3. The roadmap for realigning the financial processes was, therefore, considered by the Empowered Programme Committee (EPC) of NRHM at its 5th Meeting on 9th October, 2006. It was decided to put in place the following financial management and fund flow processes at Central, State and District levels under NRHM. The guidelines with respect to State and District Health Societies will become effective from 1st of April, 2007.