



Anuradha Gupta, IAS

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भारत सरकार
स्वास्थ्य एवं परिवार कल्याण मंत्रालय
निर्माण भवन, नई दिल्ली - 110108
Government of India
Ministry of Health & Family Welfare
Nirman Bhavan, New Delhi - 110108

D.O. No. G-27017/21/2010-NRHM (F)

Dated: January 23, 2012

Dear

Please refer to letter No. 107/FMG/2005-06-NRHM (F) dated: 14-12-2006 (copy enclosed) through which detailed guidelines for banking and financial arrangements at central, state and district levels were circulated to States. The intention of the guidelines was creation of a single window for receipt of funds from the Ministry and a consolidated audit for all the programmes run by the SHS and DHS. The guidelines specifically pointed out that the existing bank accounts being maintained for individual National Disease Control Programmes will be closed on 31st March 2007 after transferring the balance amount to the respective account in the Group account of State Health Society.

2. It has been noticed that even after a prolonged period, several SHSs and DHSs are still not adhering to the guidelines with respect to opening of a Group Bank account having facility of linked sub-accounts for NDCPs and if such accounts had been opened, these are yet to be fully operationalized by the States.

3. The guidelines for opening and operating the single Group Bank Account and linked sub-accounts have been revised and are appended herewith for your information and necessary action.

4. I would, therefore, request that all existing separate bank accounts of SHS and DHS in your state other than consolidated NRHM Bank account (as outlined above) may be closed by February 28, 2012 and a report indicating the new bank account numbers may be submitted to the Ministry at the earliest.

With regards,

Yours sincerely,

o/c

Anuradha Gupta
(Anuradha Gupta)

Encl: As above

To,
The Principal Secretary/ Secretary (Health & F W),
(All States and UTs)

Copy for information to: The Mission Director, State Health Society, All States & UTs

Copy for information to : PPS to JS (PH)/ JS (P)/JS(SK)/AS & FA.

No. G-27017/21/2010-NRHM (F)
Government of India
Ministry of Health & Family Welfare

Sub: Guidelines regarding integration of State and District Health Societies- Opening of a Group Bank account linked to the sub-accounts

As per earlier guidelines dated: 14-12-2006 issued by this Ministry, a detailed procedure had been outlined to operationalize the banking arrangements in States which included, inter alia, opening of a Group Bank account with ICICI Bank which had a single sub account for parts A, B & C viz. for RCH, Mission Flexipool and Immunization respectively and separate sub accounts linked to the Group account viz. (D) for RNTCP, (E) for NVBDCP, and (F1) for National Blindness Control Program, (F2) for Iodine Deficiency Disorder Control Program, (F3) National Leprosy Eradication Program, (F4) for Integrated Disease Surveillance Program. It was intended that all funds transfers from GOI under NRHM would be electronically credited into the respective bank sub-accounts with effect from 1st April 2007 and existing bank accounts maintained by each National Disease Control Program were to be closed from 31st March, 2007.

2. It is stated that the condition of opening main bank account only with ICICI Bank has been withdrawn and SHSs may maintain the main Group account **with any bank, preferably a nationalised bank or state- accredited bank or state lead bank** if the bank concerned has the facility of maintaining RTGS enabled Group bank accounts linked to sub accounts for NDCPs. Similar banking arrangements would need to be implemented at DHS level.

3. The individual sub-bank accounts would be linked to the Main Group Account for parts A, B & C viz. for RCH, Mission Flexipool and Immunization and for each NDCPs viz. (D) for RNTCP, (E) for NVBDCP, and (F) for National Blindness Control Program, (G) for Iodine Deficiency Disorder Control Program, (H) National Leprosy Eradication Program, (I) for Integrated Disease Surveillance Program. (Please see Diagram annexed)

4. In addition following points to be noted for compliance while operating the Group bank account and linked sub-accounts :

- The main Group account will be utilized for crediting funds received under all NRHM Programmes from GOI.
- Funds released for parts A, B & C viz. for RCH, Mission Flexipool and Immunization will flow directly from Group account into the sub-accounts for parts A, B & C
- Funds released for NDCPs will flow directly from the main Group account into the sub-accounts of each NDCP viz. RNTCP, NVBDCP, NLEP, IDSP, NIDDCP and NPCB.
- Any additional funds received under Non-NRHM Program and Non GoI funded programs viz. UNICEF, USAID, EU, NACO, SACP etc. sponsored programs or State Govt. funded health & other programs will not be routed through main Group bank account or sub accounts linked thereto and shall have to be maintained in a separate bank account.
- Where funds are being routed through SHS / DHS, a separate bank account (non-NRHM) may be opened for other national programs viz. Non Communicable Diseases, National Tobacco Control Program, National Program for Prevention and Control of Deafness, Mental Health, Integrated Child Development Scheme, Panchayati Raj Department, Education Department, AYUSH (other than salary), Tele-medicine and any other health or family welfare programs which are not part of NRHM
- Existing separate bank accounts of all NDCPs (other than SHS's/ DHS's NRHM Accounts) may please be closed after transferring the balance to the respective sub-accounts. A confirmation of the same may be submitted to the Ministry after completion of the process.
- Cheque signing mandate to be given to the bank having Group account and sub-accounts will be as per guidelines issued on 14-12-2006 and in line with delegation of powers issued by Ministry and/or State Govt.

- For DHS, similar Group bank account preferably with the same bank is required to be opened having sub-accounts linked to it.
- The number of bank accounts at Block level may be kept at minimum so as to discourage scattered maintenance of NRHM funds as this results in weak financial management and poor internal controls.
- For each Rogi Kalyan Samiti in the state, there should be a single bank account for receipt of RKS Grants and depositing user charges and any other receipt by RKS.
- For all VHSCs, a separate bank account shall have to be opened without fail. If no bank is available in a village, then bank account may be opened with banks in nearby places or alternate arrangements be made. Under any circumstances, retention of cash in individual custody should be discouraged.
- The number of bank accounts opened at State shall have to be kept at a minimum and should not exceed one main account with linked sub-accounts at SHS and DHS level.

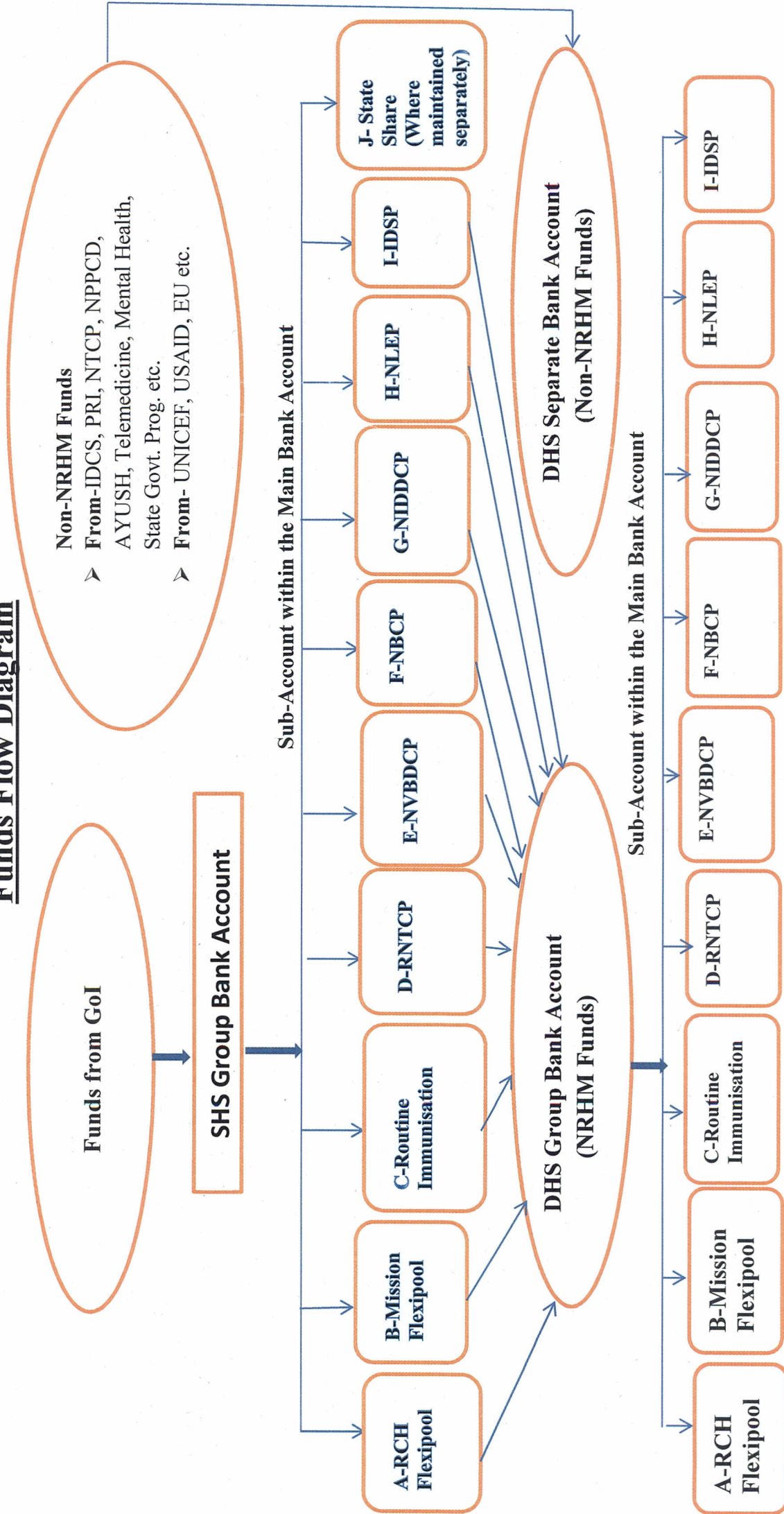
J Bhagat
23.1.2012

(Jaya Bhagat)

Director (NRHM-Finance)

Tel: 011 – 2306 1360

Funds Flow Diagram



*State share where maintained separately by the State would be in a separate sub-group account, Otherwise, this would be credited against relevant sub-group account as desired by the state.