

## CHAPTER VI : MINISTRY OF HEALTH AND FAMILY WELFARE

### 6.1 Irregular payment of ₹ 3.26 crore to National Payments Corporation of India

**Ministry of Health and Family Welfare made irregular payment aggregating ₹ 3.26 crore for DBT transactions on account of additional cash-out incentive in respect of schemes not covered under the extant instructions of Ministry of Finance.**

Department of Expenditure, Ministry of Finance (MoF) instructed<sup>1</sup> all Ministries/Departments (May 2017) that all DBT and PAHAL transactions are to be routed through the National Payments Corporation of India (NPCI). A transaction cost of ₹ 0.50 would be payable for each transaction, to be shared between the sponsor banks, destination entities and NPCI in accordance with the extant NPCI circular. In addition, for Mahatma Gandhi NREGA, Maternity Benefits and Pension Schemes, an additional cash-out incentive {(a fixed component of ₹ 5.00 per transaction and a variable component of ₹ 0.50 per hundred (transaction amount rounded up to next hundred) subject to maximum of ₹ 5.00)} would also be payable to NPCI.

Ministry of Health and Family Welfare (MoHFW) made payments through Direct Benefit Transfer (DBT) from December 2017 for schemes such as ASHA Incentives, Family Planning Compensation Scheme, Janani Suraksha Yojana, Nikshay-Tribal TB Patients, Nikshay-DOT provider Honorarium and Nikshay-TB Notification Incentive for Private Sector. Only JSY (Maternity Benefit Scheme) qualified for the payment of additional cash-out incentive.

During the Audit of the Ministry, Audit observed that in five months (January 2018 to May 2018), MoHFW paid additional cash-out incentive of ₹ five per transaction on the transactions related to all the schemes provided by MoHFW. As this incentive was payable only to the transaction related to Maternity Benefits i.e. “Janani Suraksha Yojana”, payment of this incentive to all the schemes was irregular. Consequently, this resulted in excess payment aggregating ₹ 1.68 crore on account of fixed component at the rate of ₹ five per transaction (**Annexe-6.1**).

<sup>1</sup> O.M. No. 32(07)/PF-II/2011 (Vol. II) dated 26 May 2017

In addition, MoHFW also paid ₹ 2.24 crore on account of variable component of the incentive. As the scheme-wise break-up of this component was not found available in the files produced to audit, audit calculated an excess payment of ₹ 1.20 crore on account of variable component (**Annexe-6.2**).

Thus, the Ministry made irregular payment of additional cash-out incentive aggregating ₹ 2.88 crore on account of DBT transactions in contravention of the extant instructions of MoF. Such cases point out a need for strengthening of the internal control mechanism of the Ministry.

On this being pointed out (March 2020), MoH&FW admitted (November 2020) that bills submitted for the period January 2018 to May 2018 included cash-out incentives for the schemes other than JSY, leading to an excess payment of ₹ 3.26 crore which would be adjusted against the outstanding bills of NPCI aggregating ₹ 14.47 crore for the period between January 2019 and August 2020.