

Infrastructure Development

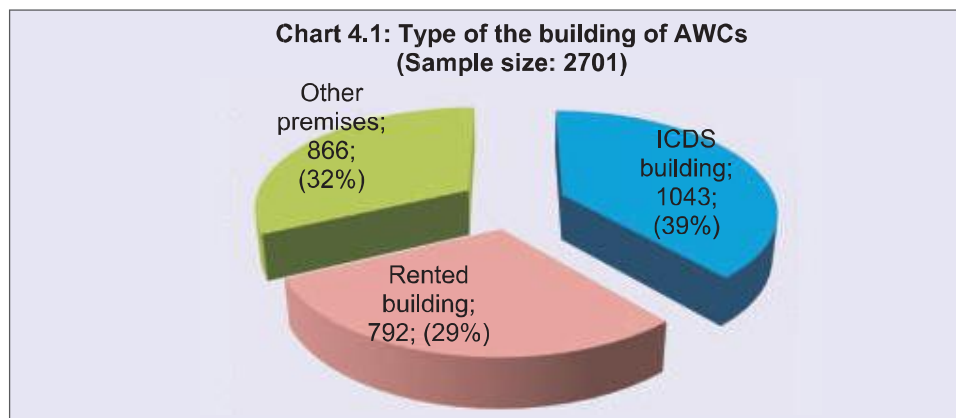
4.1 Physical infrastructure at Anganwadi Centres (AWCs)

An Anganwadi Centre (AWC) is the focal point for delivery of ICDS services accommodating up to 40 children during day-time. In order to discharge the functions effectively, the AWCs require basic infrastructure. As per the norms for construction of AWC building prescribed by the Ministry (2011), an AWC must have a separate sitting room for children/women, separate kitchen, store for storing food items, child friendly toilets, separate space for children to play (indoor and outdoor activities) and safe drinking water facilities.

4.1.1 Availability of Anganwadi Centre (AWC) building

As per the Report of the Conference of State Women and Child Development Ministers (July 2011), the AWC has to be consolidated as the first village/habitation post for health, nutrition and early learning and for that it is imperative that AWCs have their own buildings with adequate infrastructure. Under the ICDS Scheme, the States/UTs were to arrange for AWC buildings either through community support or by hiring suitable buildings on rent or by tapping funds from other schemes for construction of buildings.

Audit noted that out of 2701 test-checked AWCs, 1043 AWCs were operating from dedicated ICDS buildings. Further, 792 AWCs were running from rented premises, while the remaining 866 AWCs were running neither in ICDS buildings nor in rented premises, but at other places/sites as depicted in the following diagram:



[Other premises mainly include AWCs located in school premises (53 per cent) and panchayat house/community buildings (29 per cent) and other than these places and sites (18 per cent)]

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The availability of ICDS building for Anganwadi Centres (AWCs) varied across the audited States. In six States¹, less than one-third of the test-checked AWCs had their own building. On the contrary, in four States² more than two thirds of AWCs were housed in their own designated ICDS building. In Odisha, an AWC was functioning under a banyan tree in Phulbani district. Further, in West Bengal, 17 test-checked AWCs were functioning in primary schools. As these schools changed their working hours from afternoon to morning during summer days, these AWCs had to function in open space at that time. In Jharkhand, children were found to be receiving their lessons outdoors at AWC Oraon Tola Pathariya, Nagar Utari, Garhwa, and AWC Beliad, Nirsa in Dhanbad, as the study spaces were being used by the building owners.

The State-wise list of nature of housing of test checked AWCs is given in **Annex 4.1**.



¹ Andhra Pradesh, Bihar, Haryana, Jharkhand, Uttar Pradesh and West Bengal

² Chhattisgarh, Gujarat, Karnataka and Meghalaya

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Exhibit 4.3
An Anganwadi
Centre
functioning in
open space in
Odisha

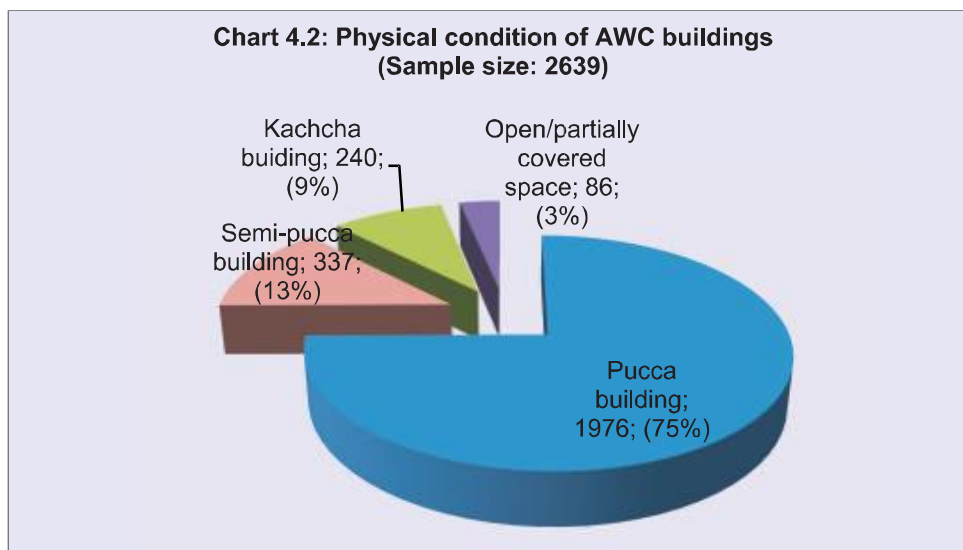


**Exhibit 4.4
and 4.5**
Anganwadi
Centre Oraon
Tola Pathariya,
Nagar Utari,
Garhwa and
Anganwadi
Centre Beliad,
Nirsa in
Dhanbad
district,
Jharkhand
functioning
outside the
building as their
space was
encroached by
the building
owners



4.1.2 Physical condition of Anganwadi Centre (AWC) buildings

An AWC requires a building in good condition. The status of physical condition of 2639 sample AWC buildings is depicted in the chart 4.2.



Besides, large number of AWCs was functioning in dilapidated/incomplete buildings. Door(s) were not present/broken in 364 (14 per cent) test-checked AWC buildings, windows were not present/broken in 374 (14 per cent) AWC buildings and floor was incomplete/broken in 354 (13 per cent) AWC buildings.

In six States (Chhattisgarh, Gujarat, Madhya Pradesh, Meghalaya, Rajasthan and Uttar Pradesh) 81 to 97 per cent AWCs were housed in a pucca building. However, in West Bengal and Jharkhand less than half of the test-checked AWCs were housed in pucca buildings.

Positive finding
In Haryana, all the 160 test-checked AWCs had a pucca building.

State-wise details on physical condition of test-checked AWC buildings are given in **Annex 4.2**.

Buildings in good condition were not available for many AWCs even after three decades of implementation of this flagship scheme. The infrastructural deficiencies at the AWCs were adversely affecting the quality of services rendered by them. A good building can serve as the primary attraction for parents, encouraging them to send kids for feeding and pre-school education at AWCs. The existing infrastructure of AWCs may not be able to attract intended beneficiaries to the centres.

The Ministry stated (November 2012) that emphasis on improvement of physical infrastructure of the AWCs during the review meetings with States had led to some improvement and as per the latest status 16 per cent AWCs were running in a kachcha building.



Exhibit 4.6
Dilapidated
Anganwadi Centre
building in Project
Parvathipuram,
Vizianagarma
district, Andhra
Pradesh



Exhibit 4.7
Poor condition of
floor at an
Anganwadi Centre
building in Gujarat



Exhibit 4.8
Umbhed-1
Anganwadi
Centre, project
Kamrej district
Surat, Gujarat
housed in a
kachcha building



Exhibit 4.9
An Anganwadi
Centre functioning
in a thatched
house exposed to
sun, shower and
cold in Keonjhar
district, Odisha



Exhibit 4.10
Anganwadi Centre
Jodithimmapura,
Karnataka

4.1.3 Adequacy of space and furniture in Anganwadi Centre (AWC) buildings

As per the Scheme guidelines, the AWCs are required to provide hot cooked foods under supplementary nutrition (SN). In addition to the SN, the AWCs are also required to provide pre-school education to children between the age-group of three to six years.

As per the norms for construction of AWC building prescribed by the Ministry (2011), an AWC must have a separate sitting room for children/women, separate kitchen, store for storing food items and separate space for children to play (indoor and outdoor activities). Besides, the State Governments were allowed to spend ₹ 5,000 for each AWC for providing the basic and necessary equipment and furniture.

Audit test checked the adherence to the norms prescribed by the Ministry regarding availability of space and furniture at 2716 sample AWCs and noted the following (State wise data given in **Annex 4.3**):

- Separate space for cooking (kitchen) was not available in 1,752 test-checked AWCs (64.51 per cent).
- Space for storage of food items was not available in 1,505 test-checked AWCs (55.41 per cent).
- Separate space for indoor activities of children was not present in 1,082 test-checked Anganwadi Centres (AWCs) (39.84 per cent)
- Space for outdoor activities was not available in 1,202 test-checked AWCs (44.26 per cent).
- Basic furniture like table and chair was not available at 1,405 test-checked AWCs (51.73 per cent).
- Mats/dari were not available in 1,071 test-checked AWCs (39.43 per cent).
- Blackboards were not available at 1,262 test-checked AWCs (46.47 per cent).

At the remaining sample AWCs deficiency was not noticed on the above parameters.

In Jharkhand, 15 AWCs were found conducting all activities in a single room having no separate toilet facility, kitchen and storage. In three AWCs open toilet inside a single room was constructed.



The notable deficit in basic infrastructure for AWCs poses a serious challenge to the effectiveness of the services delivered under the Scheme. Audit could not find assurance on quality of services in view of inadequate space and furniture at the AWCs.

The Ministry stated (November 2012) that guidelines for construction of AWCs were issued on 10 March, 2011. Earlier there were no guidelines in this regard. There is likely to be improvement in the physical infrastructure of the AWCs in future but it will take some time.

4.1.4 Construction of Anganwadi Centre (AWC) buildings

The Ministry, in various conferences of the State Ministers/Secretaries in-charge of the department of Women and Child Development had emphasized the need for appropriate infrastructure for AWCs. In view of the scarcity of ICDS buildings and deficiencies in existing infrastructure

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(refer to paragraphs 4.1.1 to 4.1.3 of this Report), construction of AWC buildings was expected to remain a priority area for State Governments. Further, the Ministry had advised the States to undertake construction by tapping funds available under various Schemes such as Backward Region Grant Fund (BRGF), Rural Infrastructure Development Fund (RIDF), Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGS), Panchayati Raj, and Member of Parliament Local Area Development Scheme (MPLADS).

4.1.4.1 Delay in construction of Anganwadi Centre (AWC) buildings under RIDF scheme

In four States (Andhra Pradesh, Bihar, Gujarat and Rajasthan) 8,700 AWCs were taken up by the State Governments for construction during 2006-11 involving the sanctioned cost of ₹ 316.06 crore. Eighty five *per cent* of the cost was provided from National Bank for Agriculture and Rural Development (NABARD) credit under RIDF and the remaining 15 *per cent* was provided from the State Government's resources. Information in respect of the remaining states was not available.

Audit noted that out of 8,700 sanctioned works, buildings for only 3,070 AWCs (35 *per cent*) were completed. The work was yet to commence in respect of 1,831 buildings (21 *per cent*) even after one to four years of sanction. The State-wise details of construction of AWCs from NABARD loan are given in Table 4.1.

Table 4.1: Delay in construction of AWCs from NABARD loan

State	Sanctioned amount (₹ in crore)	Number of AWCs				Year of sanction	Stipulated date of completion	Status as of
		Sanctioned for construction	Actually constructed	Works in progress	Works yet to commence			
		Percentage of sanctioned number in bracket						
Andhra Pradesh	56.32	1,976	665 (34)	684 (35)	627 (32)	2008-09	Not available	Mar-2012
Bihar	149.75	3,011	911 (30)	1,495 (50)	605 (20)	2006-07	Mar-2008	Nov-2011
Gujarat	100.00	3,333	1,486 (45)	1,248 (37)	599 (18)	2009-10	Mar-2012	Dec-2011
Rajasthan	9.99	380	8 (2)	372 (98) ³	NA	2009-10	Mar-2011	Sep-2011
Total	316.06	8,700	3,070 (35)	3,799 (44)	1,831 (21)			

In Bihar, Audit noted that out of ₹ 149.75 crore sanctioned for construction of AWCs, ₹ 116.64 crore was released to the executing agencies (Building Construction Department and Bihar Education Project) up to September 2010. Out of this, an amount of ₹ 46.76 crore only was incurred up to November 2011, resulting in interest liability of ₹ 6.69 crore on the unspent funds of ₹ 102.99 crore on account of

³ Separate data for works in-progress and works yet to commence is not available.

National Bank for Agriculture and Rural Development (NABARD) loan at the interest rate of 6.5 per cent per annum under RIDF scheme.

Similarly, in Rajasthan, an amount of ₹ 9.99 crore was kept in Personal Deposit Accounts of 16 Zilla Parishads in March 2010. Out of this, expenditure of ₹ 0.22 crore only was incurred by September 2011 and the remaining amount of ₹ 9.77 crore was lying with Zila Parishad. Audit noted that, NABARD was charging interest of ₹ 53.93 lakh per annum at the rate of 6.5 per cent per annum on the loan amount of ₹ 8.30 crore (85 per cent of ₹ 9.77 crore).

In Uttar Pradesh, an amount of ₹ 48.33 crore released for construction of 1644 Anganwadi Centres (AWCs) in the year 2008-09 was surrendered to the Government at the close of the financial year due to late release (02 March 2009) of funds by the Government.

Audit found varied reasons for slow progress of works; the common ones were as under:

- Non-finalisation of location for AWCs (Gujarat),
- Site disputes, local level problems and non availability of suitable sites (Andhra Pradesh, Bihar and Gujarat),
- Delay in finalization of tenders (Andhra Pradesh), and
- Low unit cost (Andhra Pradesh - ₹ 2.85 lakh per unit).

4.1.4.2 Delay in construction of Anganwadi Centre (AWC) buildings under various State Government schemes (State specific observations)

During 2006-11⁴, construction of 68,272 AWCs was taken up in seven audited States, out of which construction of 39,606 AWC buildings (58.01 per cent) was completed. The work in respect of remaining AWC buildings was either in-progress or was yet to commence even after a lapse of one to five years of their sanction. The State-wise details of the status of construction of AWC buildings were as under:

Table 4.2: Status of construction of AWC buildings

State	Audit observation
Andhra Pradesh	<ul style="list-style-type: none"> • Under Tsunami relief, World Bank allotted ₹ 5.00 crore to the State for 400 Anganwadi Centres (AWCs) to be constructed by September 2005. As per the information provided by the Department, 239 AWCs (60 per cent) were constructed as of March 2012, work was in-progress in respect of 141 AWCs (35 per cent) and work was yet to start for 20 AWCs (5 per cent). Audit observed that completion reports were not on record in respect of any of 239

⁴ 2001-02 to 2010-11 in case of Chhattisgarh, i.e. since State's formation

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State	Audit observation
	<p>AWCs stated to be complete.</p> <ul style="list-style-type: none"> • The Ministry sanctioned ₹ 0.38 crore in May 2008 under IGA Scheme for construction of 90 model AWCs. Out of this, 55 model AWCs were constructed as of March 2012, for 30 AWCs work was in-progress, while work was yet to commence for five AWCs. • Under Backward Region Grant Fund (BRGF), 2569 AWCs were taken up for construction during 2006-11 with scheduled date of completion by 31 March 2011. Out of this, 1445 AWCs (56 per cent) were constructed as of March 2012. The work was yet to commence for 209 AWCs (9 per cent) and was in-progress for 915 AWCs (35 per cent). • During 2006-11, the State Government sanctioned ₹ 19.49 crore for construction of 1,333 AWCs through the Zilla Parishads. Audit noted that scheduled date for completion of works was not indicated in the sanction order. The statements of expenditure, status of funds utilization and completion report issued by Project Director were not found on record.
Chhattisgarh	Out of 12,012 Anganwadi Centres (AWCs) to be constructed during 2001-02 to 2010-11 (since the formation of the State), 8,705 AWCs (72 per cent) were constructed. The work was yet to commence for 1904 AWCs (16 per cent) and was in progress for 1403 AWCs (12 per cent) even after a lapse of three to eight years of deposit of funds with the executing agencies (Rural Engineering Services and Janpad Panchayats).
Jharkhand	During 2008-09 and 2009-10, 10 AWCs were to be constructed in Scheduled Tribe area of one test checked district (Dumka). The Centres were to be constructed under National Rural Employment Programme (NREP) at a unit cost of ₹ 2.32 lakh by September 2009 and January 2010 respectively. However, only one AWC was constructed by January 2012. Further, due to delay in construction and mid way revision in design of AWCs the executing agency had raised the demand at a revised rate of ₹ 4.32 lakh per unit. This resulted in cost escalation of ₹ 19.97 lakh, while the AWCs remained incomplete.
Madhya Pradesh	<p>During 2006-11, construction of 5695 AWC buildings was sanctioned by the Department under State Plan through the Zilla Panchayats and the Janpad Panchayats.</p> <p>Out of this, 2049 AWCs (36 per cent) buildings were constructed as of December 2011 and the remaining were incomplete. An amount of ₹ 116.66 crore remained unspent with the executing agencies for a period of one to five years⁵.</p> <p>The Department stated (January 2012) that due to non-availability of land and/or death/change of Gram Panchayat Sarpanch, the construction of AWCs could not be completed.</p>
Odisha	Out of 31,824 Anganwadi Centre (AWC) buildings taken up for construction under various schemes of the State Government, 16,720

⁵ Year wise details of advance lying outstanding with executing agencies (₹ in crore):
2006-07 – 1.20, 2007-08 – 6.72, 2008-09 – 20.50, 2009-10 – 38.28, 2010-11 – 49.96

State	Audit observation
	AWCs (53 <i>per cent</i>) were constructed and the balance 15,104 buildings (53 <i>per cent</i>) were yet to be completed.
Rajasthan	<ul style="list-style-type: none"> • Out of 3,577 AWC buildings taken up for construction by the State Government during 2006-08, only 749 (21 <i>per cent</i>) were completed. • Under Devnarayan Yojana ₹ 3.80 crore were transferred to three Zilla Parishads (Karauli, Sawai Madhopur and Alwar) during 2009-11 for construction of 132 AWCs. However, only one AWC was completed as of November 2011.
Uttar Pradesh	<ul style="list-style-type: none"> • In July 2006, the State Government sanctioned ₹ 75 crore for construction of 5000 AWC buildings. The works were to be completed within three months from the release of funds. Out of these, 4751 AWC (95 <i>per cent</i>) buildings were completed as of March 2012 while 21 buildings were incomplete even after a lapse of five years. Construction work of the remaining 228 buildings (5 <i>per cent</i>) could not be started due to non-availability of funds. An amount of ₹ 3.42 crore allotted for these buildings remained deposited in the State treasury. • ₹ 15 crore released for the construction of 416 AWC buildings in 2007-08 was actually kept in Personal Ledger Account (PLA) and finally deposited in the receipt head in March 2010.

4.1.4.3 Construction of Anganwadi Centres (AWCs) in Northeast States

In view of the special conditions, the Ministry, since 2001-02, has been providing 100 *per cent* funding support to eight Northeast States for construction of AWCs. The State Government/local community were to provide the land for the construction.

The Ministry released ₹ 966.54 crore to these States for construction of 68,504 AWCs in eight Northeast States during the period 2001-11. Against this 44,724 AWCs were finally constructed as of February 2012 leaving a shortfall of 23,780 AWCs (35 *per cent*). A sum of ₹ 737.27 crore was utilised for this purpose leaving ₹ 229.27 crore (24 *per cent* of total release) as unutilised with these States. The State-wise details are given in **Annex 4.4**.

Audit noted that the Ministry failed to monitor the physical and financial progress of the construction of Anganwadi Centres (AWCs). The sanction letter issued to the States did not mention the stipulated date of completion of construction work and utilization of funds.

The only check applied by the Ministry was that of linking the release of second instalment of funds (50 *per cent* of sanctioned amount) to the States with utilization of first instalment of funds in accordance with the General Financial Rules. Audit, however, noted that in 16 out of 44 test-checked cases of release of second instalment of funds to the States, even this basic pre-condition was not followed.

Case study: Meghalaya

During the year 2006-07, the Ministry, against 961 sanctioned AWC buildings at an estimated cost of ₹ 16.82 crore, had released 50 *per cent* of grant amounting to ₹ 8.41 crore for construction of 480 AWCs. The State Department released ₹ 3.12 crore to District Programme Offices between February 2010 and March 2011 for construction of 178 AWCs under Phase V, i.e. after a delay of three to four years. Out of this, 69 AWCs were constructed and started operations, work was in progress for 13 AWCs and work was yet to commence for 96 AWCs as of 31 March 2011.

The State Department further released ₹ 3.21 crore to the District Programme Offices for construction of 302 AWCs between November 2011 and March 2012 under Phase VI. The work was yet to commence under Phase VI.

Thus, even after five years of receipt of funds from the Ministry for construction of AWCs, the work did not commence in respect of 398 AWCs (83 *per cent*). This indicated blocking of funds to the tune of ₹ 6.97 crore, further resulting in the failure of the State to claim remaining 50 *per cent* of the grant, which was linked to the utilization of first instalment of the grant.

The State Department stated (April 2012) that delay in construction of AWCs occurred due to their failure to complete registration of land donated for this purpose within reasonable time.

The status of construction of Anganwadi Centres (AWCs) buildings clearly indicates that adequate priority was not given to this aspect by the State Governments despite acute shortage of ICDS buildings for running AWCs in many States. The construction work, though taken up by the States, was characterized by delays, resulting in blocking of funds with the executing agencies. Further, benefits of Government investment could not reach the intended beneficiaries in time.

The Ministry stated (November 2012) that the issue relating to delay in physical progress and financial utilization was taken up with the NE States at the time of Review Meetings, and inspection visits. The Ministry was devising a new format to check any delay. As on 30 June 2012, out of 68,504 AWCs sanctioned, 46,330 had been constructed leaving 32.37 *per cent* shortfall. Similarly, out of ₹ 966.54 crore released ₹ 789.05 crore had been utilised leaving 18.36 *per cent* as unutilised funds.

Recommendation

- ***The Ministry should closely monitor the construction of AWC buildings taken up by State Governments so as to ensure availability of good quality buildings for the AWCs fulfilling the prescribed standards.***

4.2 Hygiene and sanitation at Anganwadi Centres (AWCs)

The hygiene of AWCs is paramount in view of the fact that beneficiaries were required to stay at AWCs for considerable time during the day. As per the Ministry's instructions (2011), child friendly toilet and drinking water facility were the basic minimum requirements for the effective functioning of an AWC.

Audit, however, noted that a large number of AWCs lacked essential infrastructure for maintenance of hygiene and sanitation as discussed below (State-wise details given in **Annex 4.5**):

- In 1415 AWCs (52.10 per cent of the test checked AWCs) no toilet was present.
- Drinking water facility was not present at 880 AWCs (32.40 per cent of the test checked AWCs).

Good practices

- In Chhattisgarh and Gujarat drinking water was available at all AWCs.
- In Karnataka, Rajasthan and Uttar Pradesh more than 90 per cent AWCs had drinking water facilities.
- In Gujarat, Meghalaya and Uttar Pradesh more than 75 per cent AWCs had toilet.

- Despite the fact that hand pump/tube wells were the most prominent source of drinking water in AWCs, Audit found that water was generally not tested. Only in case of 242 Anganwadi Centres (AWCs) of Chhattisgarh, Meghalaya, Rajasthan and West Bengal it had been tested.
- The sanitary block, required for waste disposal, was absent in 2160 AWCs (79.53 per cent of the test checked AWCs).

In six States⁶ about two-third or more AWCs had no toilet facilities. Similarly, in five States⁷ about half or more test-checked AWCs were devoid of drinking water facilities.

State-specific cases

Chhattisgarh: Out of 89 Anganwadi Centres (AWCs) having hand pump/tube well as source of drinking water, supply of water was poor in 65 AWCs for more than 1000 days during the period 2006-11 due to non-availability of water during the summer season.

Madhya Pradesh: In 28 AWCs hand pumps remained out of order up to 500 days during the period of audit and at nine AWCs these remained out of order for 500 to 1000 days. No alternative arrangement for drinking water was made at these AWCs.


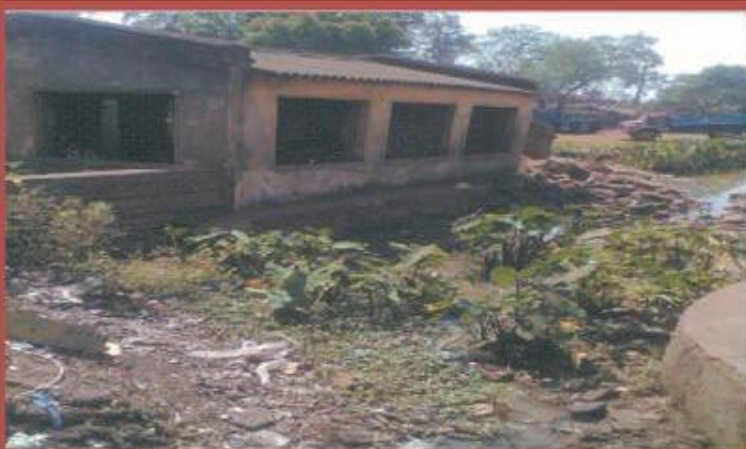
⁶ Andhra Pradesh – 82 per cent, Bihar – 71 per cent, Jharkhand – 74 per cent, Odisha – 70 per cent, Rajasthan – 64 per cent and West Bengal – 69 per cent

⁷ Andhra Pradesh - 91 per cent, Bihar – 46 per cent, Haryana – 71 per cent, Odisha – 49 per cent and West Bengal – 48 per cent

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The inadequate infrastructural support to AWCs, required for maintaining hygiene and sanitation, adversely affected the quality of services available to beneficiaries under the Scheme. The absence of basic amenities such as toilet and drinking water at many Anganwadi Centres (AWCs) put the young children in unhygienic condition.

The Ministry stated (November 2012) that no guidelines were issued by the Central Government relating to construction and maintenance of AWCs. Therefore, the facilities relating to hygiene and sanitation were being ignored in the absence of requisite resources. However, in a joint letter to all the States, the Ministry of Women and Child Development and the Ministry of Drinking Water and Sanitation, insisted on making convergence initiatives meaningful by providing facilities of drinking water and toilets at AWCs. Further, under the scheme for restructuring and strengthening of ICDS, funds for construction of about 50 per cent Anganwadi buildings and enhancement in the existing rent norms had been agreed to. About two lakh AWCs were likely to be benefitted under this initiative. Further, as per the latest status 69 per cent AWCs had drinking water facility and 50 per cent AWCs had toilet facility.

	<p>Exhibit 4.13 An Anganwadi Centre functioning without toilet in Mahabubnagar District, Andhra Pradesh</p>
	<p>Exhibit 4.14 An Anganwadi Centre situated adjacent to public drain and garbage dumping yard in Keonjhar district Odisha</p>



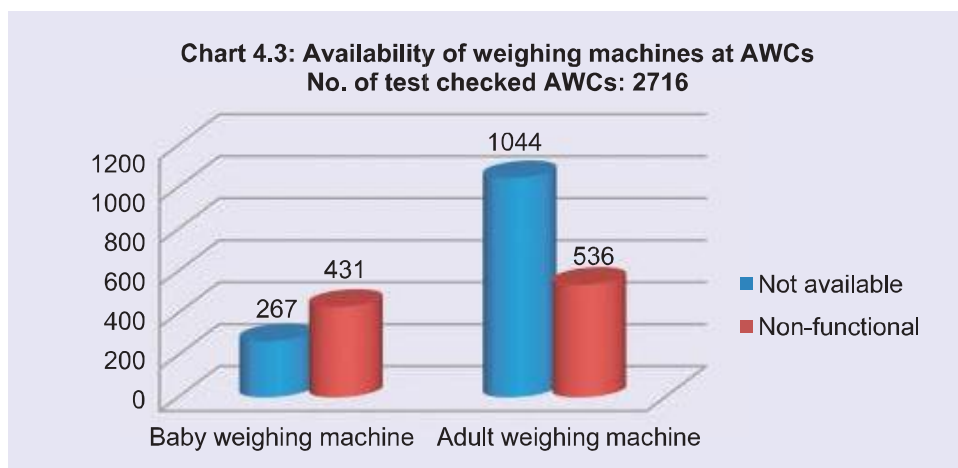
4.3 Availability of equipment

Nutrition and supplementary nutrition programme under ICDS scheme provides for growth monitoring and nutrition surveillance. Children below the age of three years are to be weighed once a month and children 3-6 years of age are to be weighed quarterly. Further, health-check up component under the scheme requires health care of children less than six years of age, antenatal care of expectant mothers and postnatal care of nursing mothers.

Baby weighing machines were not found functional in 26 per cent Anganwadi Centres (AWCs) and functional adult weighing machines were not available in 58.17 per cent AWCs as depicted in the chart below (State-wise details are in **Annex 4.6**):

Positive finding

In four audited States Gujarat: 100 per cent Karnataka: 99 per cent Madhya Pradesh: 95 per cent and Odisha: 93 per cent) more than 90 per cent AWCs had functional baby weighing machines.



In Andhra Pradesh only five *per cent* test checked AWCs and in Jharkhand 40 *per cent* test checked AWCs had functional baby weighing machines. In six States⁸ less than 50 *per cent* AWCs had functional adult weighing machines.

In the absence of weighing machines at AWCs, monitoring of supplementary nutrition component of the Scheme as an outcome indicator was improbable as discussed in paragraph 6.3.1 of this Report.

4.4 Non-availability of utensils for providing Supplementary Nutrition (SN)

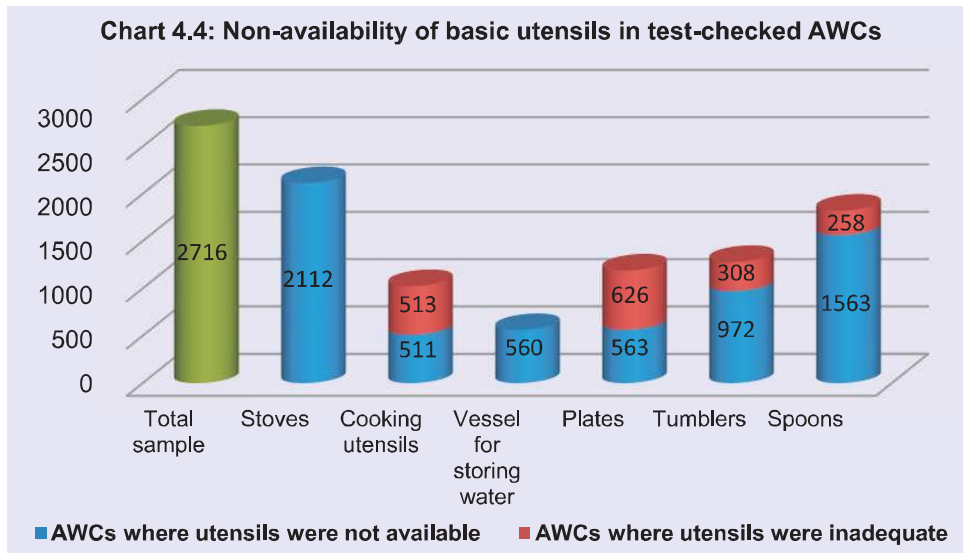
Under the ICDS Scheme, children in the age group of three to six years were to be served hot cooked meals in Anganwadi Centres (AWCs) and mini-AWCs. States/UTs were required to make arrangements for the same as a part of the supplementary nutrition component under the Scheme. As per the Ministry's instructions (October 2009), State Governments were allowed to incur expenditure of ₹ 5000 for each AWC for basic and necessary equipment and furniture.

Test check of sample of 2716 AWCs revealed that utensils required for preparation of foods at AWCs and serving them to the beneficiaries were not available at many Anganwadi Centres (AWCs) as depicted in the chart below (State-wise details are given in **Annex 4.7**):

Good practices in Gujarat

- State Government provided gas stoves, LPG cylinders and idli cookers at cost of ₹ 33.10 crore to its 49,926 AWCs.
- From 2009-10 onwards, State Government pays ₹ 200 per AWC towards the electricity bill.

⁸ Andhra Pradesh – 6 *per cent*, Gujarat – 0 *per cent*, Jharkhand – 34 *per cent*, Karnataka – 13 *per cent*, Odisha – 40 *per cent* and Uttar Pradesh – 0 *per cent*



Thus, non-availability of basic utensils at test-checked AWCs showed that the quality of supplementary nutrition provided to the beneficiaries was not commensurate with the requirements of the Scheme.

Recommendations

- ***The Ministry may formulate a list of minimum essential equipment, furniture, utensils etc. mandatory for Anganwadi Centres (AWCs) and provide funding support for them with the freedom to States to augment them as per the local requirements.***
- ***Funding support may also be given to existing Anganwadi Centres (AWCs) for replacement of inadequate and non-functional utensils and equipment.***

The Ministry stated (November 2012) that Audit recommendations in this regard had been noted for appropriate action.

4.5 Shortfall in expenditure on medicine kits

ICDS guidelines of March 2000 stipulated State/UT level procurement of medicine kits and distribution thereof to the AWCs. The decentralization of procurement of medicine kits for AWCs was done in order to streamline the process and make kits available in time to the AWCs. The Government of India provided funds at the rate of ₹ 600 per operational Anganwadi Centre (AWC) to the State/UT for procuring the medicine kits.

An analysis of the funds released to the States/UTs by the Ministry for the procurement of medicine kits and the expenditure reported by them in their Statements of Expenditure(SOEs) revealed significant shortfall in expenditure. The States which did not incur any expenditure on the

procurement of medicine kits and where the shortfall in the expenditure was more than 30 per cent are listed below (State-wise details are given in Annex 4.8):

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Table 4.3: Shortfall in expenditure on procurement of medicine kits

Year	States where no fund was spent on procurement of medicine kits	States where shortfall was 30 to 99 per cent
2006-07	Gujarat, Haryana, Jharkhand (3)	Delhi-99 per cent, Karnataka- 95 per cent, Bihar-83 per cent, Punjab-79 per cent, Kerala-45 per cent (5)
2007-08	Assam, Haryana, Jharkhand, Madhya Pradesh (4)	Karnataka-85 per cent, Punjab-75 per cent, Himachal Pradesh-40 per cent, Maharashtra-35 per cent (4)
2008-09	Delhi, Goa, Haryana, Jharkhand, Madhya Pradesh, Punjab, Uttarkhand (7)	Uttar Pradeh-61 per cent, Karnataka-31 per cent (2)
2009-10	Bihar, Delhi, Goa, Haryana, Jharkhand, Manipur, Madhya Pradesh, Odisha, Uttarakhand, West Bengal (10)	Punjab- 35 per cent (1)
2010-11	Manipur, Andhra Pradesh, Odisha, Punjab (4)	Uttar Pradeh-50 per cent, Uttarakhand-39 per cent (2)

Test check in States revealed further shortcomings and delays in procurement of medicine kits for AWCs, as detailed below:

Table 4.4: Other state-specific findings on procurement of medicine kits

State	Audit observation	Amount (₹ in crore)
Bihar	As of March 2011, ₹ 58.17 lakh released for purchase of medicine kits were kept unutilised at three test checked DPOs.	0.58
Chhattisgarh	During 2007-08 to 2009-10, the department had not purchased any medicine kits resulting in non-utilisation of funds.	5.96
Gujarat	₹ 2.59 crore and ₹ 2.87 crore released during 2009-10 and 2010-11 respectively to District Panchayats for purchase of medicine kits remained parked in Personal Ledger Accounts of the Panchayats.	5.46
Haryana	<ul style="list-style-type: none"> Instead of procuring medicine kits, the State Government purchased loose medicines and supplied it to AWCs in a piecemeal manner. None of the test checked AWC had complete set of prescribed medicines. For instance, out of the total requirement of 18.31 lakh mebendazole tablets in two test-checked districts, only four lakh tablets were supplied during 2006-07. No action was taken against the defaulting supplier. For the year 2010-11, out of eight medicines for which three supply orders were placed in March 2011, only five types of medicines were supplied during August 2011 to February 2012. For the 	0.54

State	Audit observation	Amount (₹ in crore)
	remaining medicines, the vendor communicated in March 2011 its inability to supply due to production constraint. The Department failed to take cogent measures for alternate arrangements as of March 2012 and kept the unspent amount of ₹ 53.51 lakh in Fixed Deposit Receipts.	
Jharkhand	In March 2011, ₹ 2.15 crore was allocated for purchase of medicine kits. Of the three test checked districts, no medicine kit was supplied to Anganwadi Centres (AWCs) in Garhwa and in seven project areas of Dumka as of February 2012. ₹ 4.57 lakh provided to District Social Welfare Officer, Dumka for purchase of medicine kits in the year 2003-04 was lying idle. Further, as per the health department norms, the shelf-life of medicines should not be less than 18 months. However, the medicine kits supplied in February 2012 had expiry date of January 2013, thus leaving a shelf-life of 11 months.	2.15
Uttar Pradesh	<ul style="list-style-type: none"> During the years 2006-07 and 2007-08, number of operational Anganwadi Centres (AWCs) was 1,19,538 and 1,19,595 respectively. However, the State Government procured 1,25,030 and 1,34,956 kits respectively during these years. The excess procurement of 20,853 kits resulted in avoidable expenditure of ₹ 1.17 crore. Despite adequate procurement, no medicine kits were supplied to 58,686 AWCs and 14,686 Mini AWCs operational during the year 2010-11. 	1.17

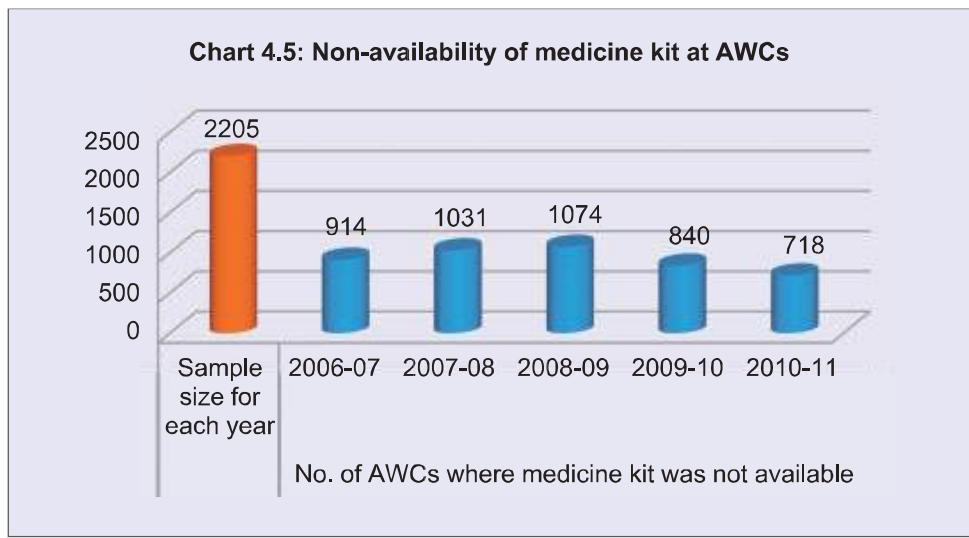
Audit noted that the State Governments failed to procure medicine kits despite availability of funds. The Ministry annually released funds to the States for all components of ICDS (General) including medicine kits, but failed to review component-wise utilization of funds by the States, specially the procurement of medicine kits and supply thereof to the AWCs.

4.5.1 Non-availability of medicine kits

The failure of States to procure medicine kits on annual basis had a direct bearing on availability of the same at AWCs. The year-wise availability of medicine kits in AWCs of 11 test-checked States⁹ are given below (State-wise details in **Annex 4.9**):

⁹ Year-wise data was not available for Andhra Pradesh and West Bengal, where medicine kits were available in all test-checked AWCs at the time of Audit.

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Audit found that in Jharkhand medicine kit was not available at any test-checked Anganwadi Centre (AWC) during the period 2006-11. In Gujarat and Chhattisgarh the kit was not available at any test-checked AWC during a period of four and three years respectively out of five year period of Audit.

Thus, the failure of the State Governments to procure and supply medicine kits to AWCs despite availability of funds exposed the young beneficiaries of the Scheme to the vulnerabilities of common ailments.

The Ministry stated (July 2012) that the States/UTs had repeatedly been asked to furnish reasons for not incurring expenditure on procurement of medicine kits. The issue had also been taken up during review meetings and State visits/inspection. It further stated (November 2012) that from the year 2012-13, the entire cost of programme components including the medicine kit had been included in the second instalment of the grant to enable the States to make procurement accordingly instead of procuring these items in a staggered manner.

Recommendation

- *In addition to releasing funds for procurement of medicine kits to States/UTs, the Ministry should monitor the progress on timely utilization of funds and final supply of the kits procured to Anganwadi Centres (AWCs).*

4.6 Shortfall in expenditure on flexi fund for Anganwadi Centres

The Ministry issued instructions (May 2009) for providing ₹ 1,000 per annum per AWC as flexi fund effective from the year 2009-10. The aim was to widen the scope of the Scheme by providing flexibility for operational exigencies and meeting expenses arising out of unforeseen circumstances. The State Government/UT Administration was to

formulate State specific modalities for use of this fund so as to ensure accountability. The fund was to be operated by the Anganwadi Worker at her own discretion.

An analysis of the funds released to the States/UTs for providing flexi fund to the AWCs and the expenditure reported by them to the Ministry in the SOEs revealed significant shortfall in expenditure on this account. The States not disbursing flexi fund to any of the AWCs and where the shortfall in the expenditure on providing flexi fund was more than 30 per cent are listed below (State-wise details are given in **Annex 4.10**):

Table 4.5: Non-disbursement of funds for providing flexi funds to AWCs

Year	States which did not disburse any amount for providing flexi fund to AWCs	States where shortfall was 30 to 99 per cent
2009-10	Assam, Bihar, Delhi, Goa, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Manipur, Mizoram, Punjab, Tamil Nadu, Uttar Pradesh and Uttarakhand (14)	West Bengal-53 per cent, Madhya Pradesh-39 per cent (2)
2010-11	Bihar, Delhi, Goa, Himachal Pradesh, Jharkhand, Karnataka, Manipur, Mizoram, Odisha, Tamil Nadu and Uttar Pradesh (10)	West Bengal-97 per cent, Andhra Pradesh-79 per cent, Punjab-43 per cent, (3)

Test check of 2689 Anganwadi Centres (AWCs) further revealed that during the years 2009-11, flexi funds were provided to 1274 AWCs (47 per cent). These were not made available to remaining 1415 AWCs (53 per cent). The details in this regard are as under:

- In four States (Andhra Pradesh, Chhattisgarh, Gujarat and Haryana) flexi funds were provided to all 750 test-checked AWCs.
- In Chhattisgarh, Gujarat and Haryana proper accounts were maintained by test-checked AWCs for flexi fund. Proper accounts were not maintained for flexi fund at AWCs in Andhra Pradesh.
- In six States (Bihar, Jharkhand, Karnataka, Meghalaya, Uttar Pradesh and West Bengal) flexi funds were not made available to any of the 1,245 test-checked AWCs.
- In three States (Madhya Pradesh, Odisha and Rajasthan) flexi fund was provided to 524 out of 694 test-checked AWCs. However, 448 test-checked AWCs did not maintain proper accounts for flexi fund.

Thus, the State Governments' failure to provide flexi funds to all the Anganwadi Centres (AWCs) was not only in violation of the Scheme guidelines but also exposed those AWCs to the risks attached to unforeseen circumstances envisaged by the Ministry. The Ministry, on its part, failed to monitor utilization of grant provided for the purpose for which it was released.

The Ministry stated (July 2012) that the States/UTs had repeatedly been asked to furnish reasons for not incurring expenditure on disbursement of flexi fund to the AWCs. The issue had also been taken up during review meetings and State visits/inspection. It further stated (November 2012) that from the year 2012-13, the entire cost of programme components including the grant for disbursement of flexi funds had been included in the second instalment of the grant to enable the States to their disbursal.

Recommendation

- ***The Ministry may seek compliance from the State Governments so that funds released for distribution of flexi funds to AWCs are actually distributed to them.***

4.7 State specific findings on procurement

4.7.1 Excess payment to supplier in Uttar Pradesh

As per the direction of the State Government (September 2001), departments were allowed to purchase computer and peripherals through UP Electronics Corporation or National Informatics Centre Services Inc. (NICSI). The State Government authorised (August 2004) M/s Shretron India Ltd. to supply computers on rates quoted by it.

The State ICDS Directorate sanctioned (October 2009) the purchase of 820 computers, printers and UPSs for project offices at a cost of ₹ 6.08 crore. The items were supplied during November-December 2009. The gross rate, (inclusive of taxes, freight and agency commission of supplier), per computer, printer and UPS was ₹ 49,932, ₹ 16,315 and ₹ 7,884 respectively.

Audit noted that while the purchase order was placed with the supplier on 14 October 2009 and goods were supplied during November-December 2009, agreement with the firm was entered on 26 April 2010. Further, rates were decided without following the tendering process. As per the records of the department, tendering process was avoided in view of paucity of time and importance of work.

Test check of delivery challans and bills of the Original Equipment Manufacturer, M/s HCL Infosystems, revealed that these items were supplied at much lower cost than the prices charged by M/s Shretron India Ltd., as detailed in table 4.6.

Table 4.6: Details of the difference in the rates of computers and peripherals

(Price in ₹)

Item	Base price allowed to M/s Shretron	Price charged by M/s HCL	Difference in price
HCL Infiniti Pro BL 1280 Computer	49,932	31,000	18,932
Samsung Laser Printer	16,315	6,867	9,448
Neopower 800 VA UPS	7,884	2,670.50	5,213.50

Thus, it was evident that against the total purchase value of ₹ 3.33 crore¹⁰, inclusive of taxes and duties, the Directorate paid ₹ 6.08 crore to the supplier, which resulted in excess payment of ₹ 2.75 crore to the supplier.

Audit also found that the Directorate's contention for not inviting tender for purchase of computers due to paucity of time was also unfounded. During test-check of records in sampled districts, it was noticed that in 31 out of 32 projects, computers, printers and UPSs were lying idle due to lack of electricity connection.

4.7.2 Wasteful expenditure on purchase of fax and photostat machines in Uttar Pradesh

The Department procured 337 fax machines at the rate of ₹ 7,770 per machine and 338 photostat machines at the rate of ₹ 49,782 per machine in January 2007 for supply to Child Development Project Officer (CDPO) offices at Tehsil levels. The total cost of the procurement was ₹ 1.94 crore.

Test-check of records in sample districts revealed that 41 fax machines and 41 photostat machines supplied to CDPO offices were lying idle till date due to lack of electricity or telephone connection or both.

The supply of fax and photostat machines without assessing the availability of electricity and telephone connection in the CDPO offices rendered the expenditure of ₹ 23.59 lakh wasteful.

4.7.3 Injudicious purchase of gas stove in Karnataka

The Department of Women and Child Development, Karnataka accorded the sanction and finalised the list of suppliers for purchase of gas stoves and pressure cookers for AWCs in March 2011. Simultaneously, it directed the Project Offices to procure 38,997 gas stoves and pressure cookers which were supplied during April and May 2011 at a cost of ₹ 11.24 crore.

¹⁰ Gross price charged by M/s HCL for one computer, printer and UPS: ₹ 40,537.50
Total cost of purchase of 820 computers, printers and UPSs: ₹ 3,32,40,750
Gross value of procurement: ₹ 3,32,81,288

Audit, however, noted that these gas stoves and pressure cookers could not be put to use at any of the test checked Anganwadi Centres (AWCs) for want of gas connections. The State Government went for procurement of these items without ensuring the required gas connections, rendering the expenditure unfruitful.

Recommendation

- ***The Ministry should ask the State Governments to make a reasonable assessment of the requirement of items and the availability of the infrastructure before bulk procurement for AWCs and project offices.***

The Ministry stated (November 2012) that the recommendations of the audit had been noted for appropriately taking up with the concerned states.