

Supplementary Nutrition

6.1 Supplementary Nutrition - Introduction

ICDS Scheme is India's policy response to child malnutrition. By providing supplementary feeding, the scheme attempts to bridge the protein-energy gap between the recommended dietary allowance (RDA) and average dietary intake (ADI) of children and pregnant and lactating women. Every beneficiary under SN is to be provided supplementary nutrition for 300 days a year. Out of ₹ 50,587 crore spent on ICDS scheme during the period 2006-11, ₹ 30,861 crore (61 per cent) was spent on providing nutrition.

6.2 Shortfall in expenditure on supplementary nutrition (SN)

The financial norms for providing SN were as under:

Table 6.1: Financial norms per beneficiary per day expenditure under SN

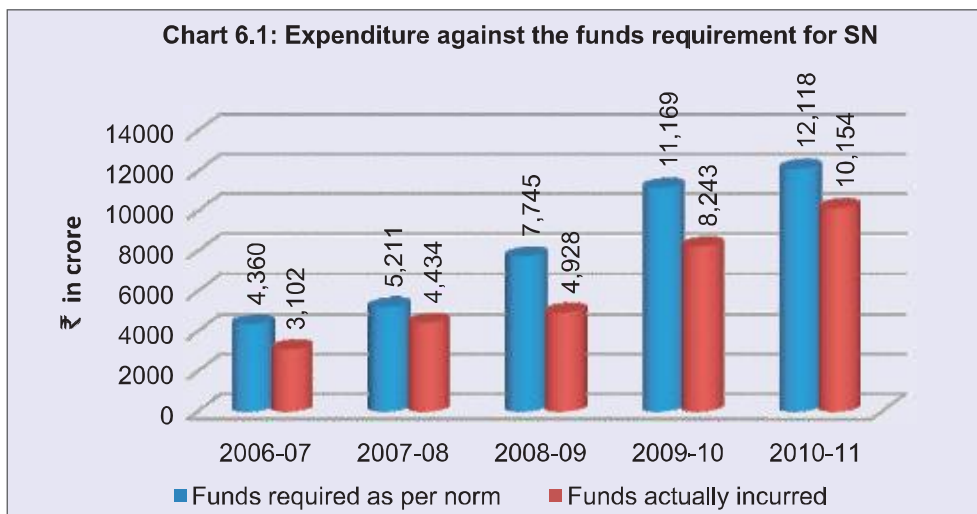
Category	With effect from October 2004	With effect from November 2008
Children aged 6-72 months	₹ 2.00	₹ 4.00
Severely malnourished children (6- 72 months)	₹ 2.70	₹ 6.00
Pregnant women and nursing mothers	₹ 2.30	₹ 5.00

Based on these norms, the Ministry stipulated that State Governments were required to spend ₹ 2.06 (weighted average) per beneficiary per day up to October 2008. The norms were revised to ₹ 4.21 per beneficiary per day with effect from November 2008.

Audit noted that the funds required for providing SN to all beneficiaries nationwide during 2006-11 worked out to ₹ 40,604 crore¹, against which, the cumulative expenditure of Central and State Governments was ₹ 30,861 crore (76 per cent). The year-wise shortfall ranged between 15 per cent and 36 per cent², absolute numbers of which are depicted in Chart 6.1:

¹ Under the Scheme 50 per cent of funds are provided by the Central Government, the rest 50 per cent is borne by State Governments. For Northeast States, Central Government provides 90 per cent of the funding requirements from the year 2009-10.

² 2006-07: 29 per cent, 2007-08: 15 per cent, 2008-09: 36 per cent, 2009-10: 26 per cent) and 2010-11: 16 per cent.



[Requirement of funds has been worked out on the basis of the number of beneficiaries for that year and the financial norms.]

Audit found that year wise shortfall in expenditure on Supplementary Nutrition (SN) against the prescribed norms varied among States (including Delhi) as detailed in **Annex 6.1**. The States which reported substantial shortfall are listed below:

Table 6.2: States having considerable shortfall in expenditure on SN against the financial norms

Year	States where shortfall was between 25 per cent to 50 per cent	States where shortfall was more than 50 per cent
2006-07	Himachal Pradesh, Madhya Pradesh, Gujarat, Bihar, Arunachal Pradesh, West Bengal, Chhattisgarh, Punjab, Uttarakhand and Delhi (10)	Odisha and Assam (2)
2007-08	Bihar, Odisha, Delhi, Punjab and Assam (5)	NIL
2008-09	Tripura, West Bengal, Chhattisgarh, Gujarat, Jammu and Kashmir, Madhya Pradesh, Uttar Pradesh, Odisha and Manipur (9)	Goa, Punjab, Arunachal Pradesh, Uttarakhand and Assam (5)
2009-10	Chhattisgarh, Nagaland, Assam, West Bengal, Rajasthan, Gujarat, Uttar Pradesh, Maharashtra, Madhya Pradesh, Odisha and Punjab (11)	Manipur, Arunachal Pradesh and Uttarakhand (3)
2010-11	Haryana, West Bengal, Uttarakhand, Bihar and Maharashtra (5)	Punjab and Assam (2)

The shortfall in the expenditure on SN in many States resulted in lower per beneficiary expenditure thereon. The actual expenditure per beneficiary per day on SN was less than the prescribed weighted average in 12 to 23 States during 2006-07 to 2010-11 (State wise year wise status is given in **Annex 6.2**). At the national level average daily expenditure per beneficiary on supplementary nutrition (SN) was ₹ 1.52 to ₹ 2.01 during 2006-09 and ₹ 3.08 to ₹ 3.64 during 2009-11.

The list of States with considerable shortfall in per beneficiary expenditure on SN is given in table 6.3.

Table 6.3: States with considerable shortfall in per capita expenditure on SN³

Year	Less than ₹ 1.00	Between ₹ 1.00 and ₹ 1.50
2006-07	Odisha (1)	Andhra Pradesh, Arunachal Pradesh, Bihar, Chhattisgarh, Delhi, Gujarat, Madhya Pradesh, Maharashtra, Punjab, Uttarakhand and West Bengal (11)
2007-08	NIL	Assam, Bihar, Delhi, Odisha and Punjab (5)
2008-09	Uttarakhand (1)	Arunachal Pradesh, Madhya Pradesh and Punjab (3)
	Less than ₹ 2.00	Between ₹ 2.00 and ₹ 3.00
2009-10	Arunachal Pradesh, Manipur and Uttarakhand (3)	Chhattisgarh, Gujarat, Madhya Pradesh, Maharashtra, Nagaland, Odisha, Punjab, Uttar Pradesh and West Bengal (9)
2010-11	Maharashtra, Punjab and Uttarakhand (3)	Bihar (1)

Shortfall in the expenditure on SN indicated that the beneficiaries had been receiving insufficient nutrition. Also, there were temporal breaks in providing SN (as given in paragraph 6.5.2 of this Report).

The reasons for shortfall in expenditure in test checked States were non-assessment of the requirement of funds, short provision of funds in the budget, short release of funds by the Ministry, inadequate allocation of State share, release of funds at the fag end of the financial year, delay in transfer of funds by the ICDS directorate, non- finalization of tenders for procurement of food material and non-availability of the targeted number of children in Anganwadi Centres (AWCs).

The Ministry stated (February 2012) that the responsibility of implementation of ICDS Scheme rest with the States/UTs. It further stated (November 2012) that the cost norms were revised in November, 2008 and some States actually took longer time to implement the revised financial norms which may be the reason for fall in average daily expenditure.

Audit noted that ICDS is a centrally sponsored scheme and the Ministry shares equal responsibility for ensuring that it is implemented effectively. The Ministry determines the policy, releases funds and is, therefore, responsible for monitoring.

Recommendation

- ***The Ministry should ascertain the reasons for shortfall in expenditure on SN and reach the prescribed norm.***

³ Figures in brackets indicate no. of states. Revised rates have been calculated from 2009-10

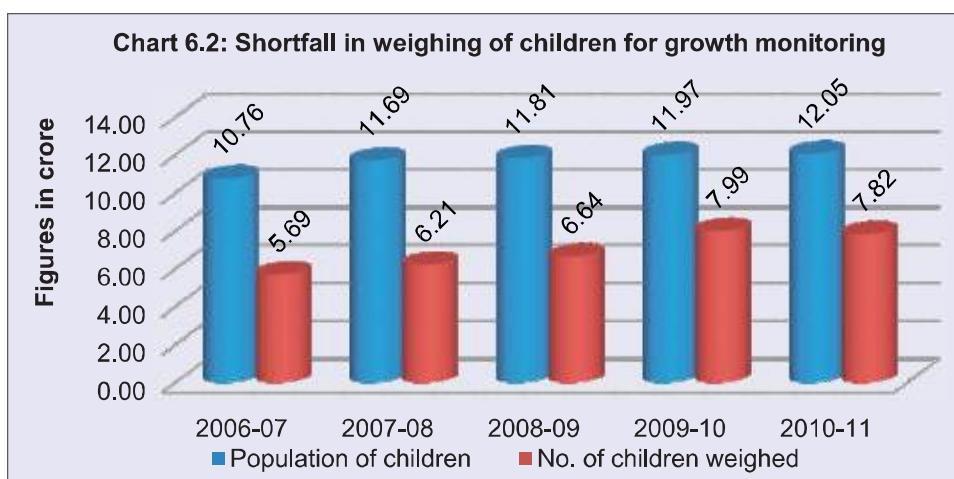
6.3 Growth monitoring

6.3.1 Shortfall in growth monitoring

Chapter – 6
Supplementary
Nutrition

The scheme prescribes maintenance of growth chart/card for every child at Anganwadi Centres (AWCs) for assessing their growth using weight-for-age as an indicator. Children up to the age of three years are to be weighed monthly and children between the age three to six years are to be weighed quarterly. The growth charts are required to be analysed by Child Development Project Offices/health personnel to identify malnourished children for taking remedial measures.

Audit noted significant shortfall in growth monitoring under the scheme. 33 to 47 per cent⁴ children were not weighed during 2006-07 to 2010-11 as depicted in the chart below:



Test-check of records at the Ministry revealed shortfall of more than 50 per cent of the eligible beneficiaries in 11 States/UTs (Arunachal Pradesh, Assam, Goa, Jammu & Kashmir, Manipur, Meghalaya, Rajasthan, Uttar Pradesh, Uttarakhand, Delhi and Puducherry). Six States which fared better with shortfall less than 25 per cent were Andhra Pradesh, Haryana, Maharashtra, Odisha, Punjab and Tamil Nadu. State-wise details given in **Annex 6.3**.

Audit observed the following shortcomings at test checked Anganwadi Centres(AWCs) which were attributable to shortfall:

- The growth charts were not provided in any of the 309 test-checked AWCs of Uttar Pradesh and 57 to 201 AWCs (out of 280) of Madhya Pradesh during 2006-11.

⁴ 2006-07: 47 per cent, 2007-08: 47 per cent, 2008-09: 44 per cent, 2009-10: 33 per cent and 2010-11: 35 per cent.

- In four States growth charts, though available were not used by some AWCs during 2006-11 (Jharkhand: 76 to 119, Rajasthan: 124 to 131, Odisha: 10 to 11, and West Bengal: 3 to 4).
- In seven States (Jharkhand, Madhya Pradesh, Meghalaya, Odisha, Rajasthan, Uttar Pradesh and West Bengal), lack of adequate training to Anganwadi Workers (AWWs) affected the growth monitoring during the period 2006-11.
- Non availability of a functional baby weighing machine at 25.70 per cent AWCs could be attributed as a major reason for shortfall in growth monitoring under the Scheme (Andhra Pradesh, Meghalaya) (details in paragraph 4.3 of this Report).
- Growth charts maintained at Anganwadi Centres (AWCs) were not checked by the supervisor/Child Development Project Officer (CDPO) in any of the test-checked AWCs of Gujarat and Jharkhand, 162 to 222 AWCs in Madhya Pradesh, 46 to 50 in Rajasthan and 41 to 46 AWCs in West Bengal. Similarly, it was not checked by the visiting medical officer in any test checked AWC of Gujarat, Chhattisgarh, Jharkhand, Madhya Pradesh, Haryana, Bihar and West Bengal and 76 to 102 test checked AWCs of Odisha, 85 of Karnataka, and 211 to 212 of Rajasthan.

Positive developments

- In Gujarat, Chhattisgarh, Haryana, Bihar, Andhra Pradesh and Karnataka AWWs of every test checked AWC were trained for analysis of growth chart. In these States growth charts in all test checked AWCs were maintained by the AWWs.
- In Chhattisgarh, Haryana and Andhra Pradesh growth charts in all test checked AWCs were checked by the Supervisors/ CDPOs.

The shortfall in growth monitoring of children indicated that system of identification of target for interventions to mitigate the incidence of malnourishment among many children was not adequate.

The Ministry stated (July 2012) that shortfall in growth monitoring was on account of non-enrolment of children at AWCs and gaps in their attendance, as ICDS is a self selecting Scheme. It further stated (November 2012) that it was continuously reviewing with States/UTs to optimise coverage of beneficiaries.

The reply of the Ministry indicates the low reach of ICDS Scheme. This also indicates inadequate information, education and communication programme for community mobilisation under the scheme as discussed in Chapter 8 of this Report.

Recommendation

- **The Ministry should ensure availability of required equipment and adequate training to AWWs with a view to monitoring growth standard of beneficiaries. The maintenance of necessary database must be prescribed and monitored.**

6.3.2 Nutritional status of children

The scheme prescribes five-tier categorisation of children in accordance with their age-weight status, viz normal, grade-I, grade- II, grade-III and grade-IV. The children falling under grade III and IV are to be treated as severely malnourished and are required to be provided additional SN, regular health check up and referral to the health centres.

Year-wise nutritional status of the children who were ICDS beneficiaries is depicted below in table 6.4 (State-wise details are in **Annex 6.4**):

Table 6.4: Nutritional status of children (as per the Ministry's records)

(figures in crore)

Status as on	Total children weighed	Normal		Grade I and II (moderately malnourished)		Grade III and IV (severely malnourished)	
		Number	Per cent	Number	Per cent	Number	Per cent
31 March 2007	5.69	2.84	49.90	2.82	49.54	0.03	0.55
31 March 2008	6.21	3.21	51.64	2.97	47.84	0.03	0.52
31 March 2009	6.64	3.55	53.43	3.06	46.08	0.03	0.49
31 March 2010	7.99	3.89	48.74	3.21	40.18	0.89	11.08
31 March 2011	7.82	4.60	58.84	2.96	37.84	0.26	3.33

[Note: Figures for first three years do not contain data in respect of Bihar]

The analysis of State-wise data on nutritional status of children indicated the following:

- North-eastern States fared better in respect of the nutritional status of the children, where the percentage of normal children was satisfactory vis-à-vis the total weighed children as on 31 March 2011 (Arunachal Pradesh: 98 per cent, Assam: 69 per cent, Manipur: 86 per cent, Meghalaya: 71 per cent, Mizoram: 77 per cent, Nagaland: 92 per cent, Sikkim: 89 per cent and Tripura: 63 per cent).
- In five other States/UTs the percentage of normal children exceeded 70 per cent as of 31 March 2011, viz. Madhya Pradesh: 72 per cent, Maharashtra: 77 per cent, Uttarakhand: 75 per cent, Andaman & Nicobar Islands: 82 per cent, and Dadra & Nagar Haveli: 75 per cent.

- Total number of malnourished children (Grade I, II, III and IV) exceeded the 40 per cent mark in 10 States/UTs (Andhra Pradesh: 49 per cent, Bihar: 82 per cent, Haryana: 43 per cent, Jharkhand: 40 per cent, Odisha: 50 per cent, Rajasthan: 43 per cent, Uttar Pradesh: 41 per cent, Delhi: 50 per cent, Daman & Diu: 50 per cent, and Lakshadweep: 40 per cent).
- The number of severely malnourished children exceeded one per cent of total weighed children in eight States (Bihar: 26 per cent, Chhattisgarh: 2 per cent, Gujarat: 5 per cent, Karnataka: 3 per cent, Madhya Pradesh: 2 per cent, Maharashtra: 3 per cent, Uttarakhand: 1 per cent, and West Bengal: 4 per cent).
- There was substantial decrease in the malnourished children in six States (Gujarat: from 71 to 39 per cent, Karnataka: from 53 to 41 per cent, Maharashtra: from 45 to 23 per cent, Uttar Pradesh: from 53 to 41 per cent, Uttarakhand: 46 to 25 per cent and West Bengal: 53 to 37 per cent).

6.3.3 Discrepant data on nutritional status

Audit test-checked the data on number of severely malnourished children reported by the Ministry for 2009-10 and 2010-11 and noted the following instances of serious anomalies:

- In Madhya Pradesh out of 66.57 lakh children weighed, 29,750 children (0.44 per cent) were severely malnourished on 31 March 2009. The number of children weighed and incidence of severe malnourishment increased suddenly after a year. As on 31 March 2010, 139.19 lakh children were reported to be weighed, out of which 69.59 lakh (50 per cent) were reported severely malnourished. Again as on 31 March 2011, 73.97 lakh children were reported to be weighed, out of which 1.39 lakh (1.88 per cent) children were reported severely malnourished.
- In the case of Bihar, the number of severely malnourished children remained exactly the same at 16.64 lakh in two successive years 2010 and 2011⁵, whereas the number of total children weighed had increased from 46.22 lakh on 31 March 2010 to 64.16 lakh on 31 March 2011.

There was marked difference between the data reported by the Ministry and those submitted by the States through their Statements of Expenditure (SOEs). The detail on cases where the difference was substantial (more than 10,000) is given in table 6.5:

⁵ Information for 2006-09 in respect of Bihar was not available with the Ministry.

Table 6.5: Discrepancy in data on number of severely malnourished children

States	2009-10			2010-11		
	Figures reported by the Ministry to Audit	Figures mentioned in the SOE	Difference	Figures reported by the Ministry to Audit	Figures mentioned in the SOE	Difference
Assam	10,504	1,11,246	1,00,742	8,789	4,62,725	4,53,927
Bihar	16,64,418	9,62,532	(-) 7,01,886	16,64,418	9,62,532	(-) 7,01,886
Madhya Pradesh	69,59,462	34,302	(-)69,25,160	1,38,748	32,28,000	30,89,252
Maharashtra	Difference was not significant			1,59,969	82,26,289	80,66,320
West Bengal				2,11,593	2,49,161	37,568

Chapter – 6
Supplementary
Nutrition

The above facts indicated that the Ministry did not have fully reliable data on number of malnourished and severely malnourished children of the country. In the absence of reliable data capture, the targeting of malnourished and severely malnourished children could not be considered as effective.

The Ministry stated (November 2012) that data of some Anganwadi Centres (AWCs) on nutritional status of children belong to old growth standards and the remaining were as per new World Health Organisation (WHO) Child Growth Standards, resulting in increase/decrease in data over the period. The issue regarding discrepancy in data on nutritional status of children was being taken up with State Governments of Madhya Pradesh and Bihar.

The reply of the Ministry indicated that it was compiling data on child malnutrition adopting two different methods for the same database. Thus, the extent of malnourishment among children was not available with the Ministry.

Recommendation

- ***The Ministry should conduct periodical surveys on the nutritional status of children by engaging independent consultants so as to achieve better targeting of interventions to arrest the menace of malnourishment.***

6.3.4 Non-introduction of World Health Organisation (WHO) Growth Standards

Chapter - 6
Supplementary
Nutrition

The ICDS since its inception had been using Harvard standard⁶ for the purpose of monitoring growth among children. The Ministry decided (2008) to introduce the new WHO Growth standards⁷ under the scheme. As a first step the Ministry asked National Institute of Public Cooperation and Child Development (NIPCCD) to organise the training for the functionaries concerned. The Ministry also requested States/UTs to organise workshops for the functionaries including Anganwadi Workers (AWWs) and Anganwadi Helpers (AWHs). The new WHO standards provide reference values for assessing growth problems for identifying the child at risk. With these new standards the stakeholders, viz. parents, communities, child care workers, programme managers, healthcare advocates etc., know when the nutrition and care needs of children are being compromised. The use of this tool enables them to take timely corrective action at different levels.

The implication of the new growth standards, *inter alia*, included drastic increase in the number of severely malnourished children requiring additional SN, medical care and constant monitoring.

As per the information provided by the Ministry, new growth standard charts had been printed and distributed up to the Project level in all the States except in Haryana and Himachal Pradesh and partly in Delhi and Jammu and Kashmir. Test-check in sample States revealed that orders for implementation of WHO standards for growth monitoring were issued between 2008-09 and 2010-11.

Audit compared the state-wise data on nutritional status provided by the Ministry with the data of National Family Health Survey-3 (NFHS-3) for 28 States and Delhi. NFHS-3 was conducted by Ministry of Health and Family Welfare. It provides data on malnourishment of children in the age-group of zero to five years of age for the year 2005-06 using the

⁶ As per the Harvard standard, a child weighing 80 per cent and above of the median weight for his age group is treated as normal. It prescribes four types of malnourishment, viz. mild (Grade I: 70 to 79.999 per cent of the median), moderate (Grade II: 60 to 69.999 per cent of the median), severe (Grade III: 50 to 59.999 per cent of the median) and very severe (Grade IV: less than 50 per cent of the median).

⁷ The WHO growth standard adopts a prescriptive approach, describing how healthy children should grow. Its nutritional status indicator is expressed in standard deviation units (Z-scores) from the median of the reference population. Children whose weight-for-age is below minus two standard deviations (-2 SD) from the median of the reference population are classified as underweight. Children whose weight-for-age is below minus three standard deviations (-3 SD) from the median of the reference population are considered to be severely underweight.

WHO growth standards. The State-wise details in this regard are given in the table 6.6:

Table 6.6: Percentage of malnourished and severely malnourished children

Chapter – 6
Supplementary
Nutrition

Name of the state/UT	Data as per NFHS – 3 (Status for 2005-06)		Data provided by the Ministry (status as on)			
	Malnourished	Severely malnourished	31-March-2007		31-March-2011	
			Malnourished	Severely malnourished	Malnourished	Severely malnourished
Andhra Pradesh	32.5	9.9	53.23	0.13	48.72	0.08
Arunachal Pradesh	32.5	11.1	9.13	0.01	2.00	0.00
Assam	36.4	11.4	40.12	1.40	31.32	0.46
Bihar	55.9	24.1	NA	NA	82.12	25.94
Chhattisgarh	47.1	16.4	54.14	1.18	38.47	1.97
Goa	25.0	6.7	41.41	0.15	34.11	0.04
Gujarat	44.6	16.3	70.69	0.85	38.77	4.56
Haryana	39.6	14.2	45.34	0.11	42.95	0.05
Himachal Pradesh	36.5	11.4	38.86	0.15	34.24	0.06
Jammu & Kashmir	25.6	8.2	32.61	0.78	31.12	0.06
Jharkhand	56.5	26.1	47.36	1.74	40.00	0.70
Karnataka	37.6	12.8	53.39	0.31	39.50	2.84
Kerala	22.9	4.7	38.80	0.07	36.92	0.08
Madhya Pradesh	60.0	27.3	49.61	0.75	28.49	1.88
Maharashtra	37.0	11.9	45.47	0.21	23.32	2.61
Manipur	22.1	4.7	10.06	0.19	13.83	0.24
Meghalaya	48.8	27.7	36.74	0.14	29.13	0.18
Mizoram	19.9	5.4	22.67	0.48	23.26	0.20
Nagaland	25.2	7.1	13.79	0.31	8.36	0.07
Odisha	40.7	13.4	56.54	0.82	50.43	0.72
Punjab	24.9	8.0	35.36	0.37	33.63	0.05
Rajasthan	39.9	15.3	54.09	0.27	43.13	0.33
Sikkim	19.7	4.9	27.17	0.08	10.72	0.86
Tamil Nadu	29.8	6.4	39.10	0.04	35.22	0.02
Tripura	39.6	15.7	14.83	0.19	36.89	0.35
Uttar Pradesh	42.4	16.4	53.36	1.09	40.93	0.21
Uttarakhand	38.0	15.7	45.71	0.23	24.93	1.19
West Bengal	38.7	11.1	52.75	0.68	36.92	4.08
Delhi	26.1	8.7	54.36	0.07	49.91	0.03
All India	42.5	15.8	50.10	0.55	41.16	3.33

[Percentage of malnourished children covers all malnourished children including severely malnourished]

Table 6.6 indicated that the percentage of severely malnourished children remained very low as per data provided by the Ministry as

compared to findings of NFHS-3. There was only a marginal increase in percentage of severely malnourished children from 0.55 *per cent* in 2006-07 to 3.33 *per cent* in 2010-11. This increase was, however, due to exceptionally high percentage of severely malnourished children in Bihar (25.94 *per cent*). The moderate increase in percentage of severely malnourished children was noticed in seven States (Chhattisgarh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Uttarakhand and West Bengal).

This indicated that despite implementation of WHO growth standards, their use in growth monitoring at Anganwadi Centre (AWC) level had actually not taken off. For instance, Audit noted in Jharkhand that against the requirement of 4462, only 2450 charts were provided in Dhanbad whereas 760 charts provided for girls were short in Dumka district which was not commensurate with the Ministry's statement that Jharkhand had printed and distributed the Growth chart to all the Projects. The Ministry, on its part, failed to effectively monitor the same.

Thus, the Ministry's initiative to focus interventions under the ICDS scheme by detecting severe malnourishment at an early stage through the introduction of WHO growth standards remained unaccomplished.

The Ministry stated (July 2012 and November 2012) that States/UTs were in various stages of implementation of new WHO Growth Chart at all Anganwadi Centres (AWCs). It was pursuing with States/UTs for expediting implementation of new WHO Growth Chart at all AWCs. These charts had been rolled out in 6,305 projects and 7.67 lakh AWCs as of March 2012. The revised MIS format effective from March 2012 would capture information based on new growth charts.

The reply of the Ministry indicated that even after four years of introduction of WHO growth standards, the same were yet to be introduced in 41 *per cent* operational AWCs. The reply shows that in Haryana and Chandigarh the printing of charts was in progress, while status of introduction of these charts in AWCs was not known to the Ministry in respect of nine States/UTs⁸. In these circumstances, the Ministry would receive nutritional status of children on new standards from AWCs where these charts had been introduced and on old standards from the remaining AWCs. Consequently, a reliable database on the extent of malnourishment would not be available with the Ministry.

⁸ Bihar, Himachal Pradesh, Jammu and Kashmir, Jharkhand, Kerala, Maharashtra, Uttarakhand and West Bengal

Recommendation

- **The Ministry should ensure implementation of new growth standards throughout the country at the earliest so as to enable timely identification of children at risk for necessary intervention.**

Case study: Absence of special care for severely malnourished children in test checked districts of Jharkhand

- 10 out of 12 test-checked projects regularly reported the number of severely malnourished children in their Monthly Progress Reports (MPRs) to the Districts and the Directorate. However, the distribution of additional ration to them was not found in the distribution registers at 120 test-checked AWCs.
- Nagarutari project of Garhwa district, reported 27 severely malnourished children in the month of March 2011. However, the record of Malnutrition Treatment Centre (MTC), Nagarutari reported admission of nine malnourished children. None of the children was referred by the AWW/AWH. During June 2009 to November 2011, 193 malnourished children were admitted at MTC, out of which only 11 were referred by the AWW/AWH.
- 12 test-checked projects indicated 742 severely malnourished children in their MPR for March 2011. However, no visit of doctors at AWCs for their health check-ups was on record.

6.4 Cost and Nutrition Norms

6.4.1 Shortfall in implementation of revised nutrition norms

In February 2009 the Ministry revised the nutritional norms under the SN so as to meet the gap between the Recommended Dietary Allowance (RDA) and Average Dietary Intake (ADI) as detailed below:

Table 6.7: Nutrition norms for SN

Beneficiaries	Prior to February 2009		After February 2009	
	Calorie	Protein	Calorie	Protein
Children(6 – 72 months)	300 calorie	8-10 gm.	500 calorie	12 – 15 gm.
Severely malnourished children(6 – 72 months)	600 calorie	16-20 gm.	800 calorie	20 – 25 gm.
Pregnant and lactating mothers	500 calorie	15-20 gm.	600 calorie	18 – 20 gm.

The test-check in four States revealed the following:

West Bengal: The quantum of supplementary food provided to the beneficiaries was to be reduced in view of the increase in the price of food stuff, while per beneficiary per day expenditure remained unchanged. In October 2010, 60 gm rice and 25 gm *dal* were provided to severely malnourished children, which were reduced to 45 gm and 20 gm respectively in January 2011.

Shortage in nutritional value for various categories of beneficiaries as of April 2011 was between 102 to 344 calories as indicated in the table below:

Table 6.8: Shortage in calories in West Bengal

Category of Beneficiaries	Stipulated quantity of energy	Actual quantity of energy provided	Shortfall
Children of 6 to 72 months	500 cal.	384 cal.	116 cal.
Severely malnourished children	800 cal.	456 cal.	344 cal.
Pregnant women and lactating mothers	600 cal.	498 cal.	102 cal.

Jharkhand: Take Home Ration (THR)⁹ under the new nutritional norms provided only 484 cal against the requirement of 500 cal for children in the age group of six months to three years. Similarly, for malnourished children, THR of 760.20 cal was provided against the norm of 800 cal.

Madhya Pradesh: No additional meal was given to 1138 malnourished children (3-6 year) in all selected Anganwadi Centres (AWCs) as per revised norms from February 2009.

Gujarat: In 160 selected AWCs, the department provided only 500 calories and 20 gm of protein to malnourished beneficiaries against the prescribed nutrition norms.

Audit noted that the Ministry had no information regarding implementation of revised nutrition norms by the State Governments.

The Ministry stated (July 2012) that affidavits were filed by the States on implementation of the revised nutrition and financial norms in the Supreme Court. This aspect was being monitored by the Commissioners appointed by the Court.

The reply of the Ministry indicated that despite the fact that State Governments had informed the Supreme Court on implementation of new norms; the Ministry had no information on actual implementation of the revised norms.

6.4.2 Shortfall in implementation of revised feeding norms

The revised norms effective from February 2009 (as against the old norms indicated in Table 6.7), *inter alia*, included serving of more than one meal to the children of the age group three to six years at the AWCs that included morning snacks and hot cooked food since children of this age group might not be able to consume 500 calories in one sitting. Further, ready-to-eat micronutrient fortified food was mainly provided to

⁹ For children in the age group six months to three years, SN is provided in the form of Take Home Ration (THR) where either dry or raw ration (wheat and rice) is given in the form that is palatable to the child.

the beneficiaries in place of hot cooked food. The children only in the age group of six months to three years were to be provided SN in the form of Take Home Ration (THR).

Test check in the 13 States revealed that the revised norms were implemented only in Gujarat whereas following shortcomings in the implementation of the new norms at the end of March 2011 were noticed in the remaining 12 states (The State-wise details are given in **Annex 6.5**):

- In 420 test-checked AWCs (17 *per cent*) the revised norms were yet to be implemented.
- In 2,192 test-checked AWCs (86 *per cent*) arrangements for serving more than one meal to the beneficiaries under age group of three to six years was not made.
- In 735 Anganwadi Centres (AWCs) (31 *per cent*) there was no provision of morning snacks. In 160 AWCs (6 *per cent*) hot cooked food was not served to the beneficiaries.
- In 260 AWCs (10 *per cent*) AWCs, SN was provided to the beneficiaries of three to six years age group in the form of THR.
- In 240 AWCs (10 *per cent*) there were instances of providing SN at the centre, instead of on the THR pattern, to the children of 6 months to 3 years age.

Case study: Surrender of funds for hot cooked food in Uttar Pradesh

Out of the total requirement of ₹ 1981.73 crore during 2006-11 for serving hot cooked food at all the AWCs, the State Government released 1060.79 crore to districts. The actual expenditure incurred on this was ₹ 861.86 crore (44 *per cent* of the requirement), while an amount of ₹ 198.93 crore was surrendered due to delay in release of funds at Directorate level and also delay in drawal of funds at the district level.

Audit further noted that the Ministry had no information on the implementation of the revised norms by the States.

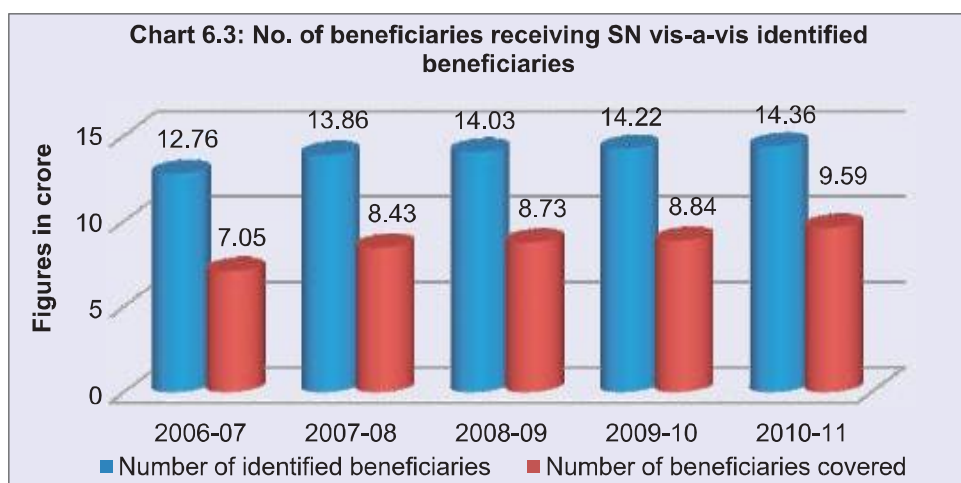
The instances indicated that the revised nutrition norms, introduced in view of slow pace of reduction in malnutrition ratio, were not completely implemented even two years after their introduction.

6.5 Coverage and quality of Supplementary Nutrition (SN)

6.5.1 Gaps in coverage of beneficiaries

Universalisation of ICDS envisaged coverage of all eligible beneficiaries throughout the year. Audit, however, noted from the records of the Ministry a gap of 33 to 45 *per cent* between the number of eligible

beneficiaries identified and those receiving the SN throughout the year during 2006-07 to 2010-11, as depicted in the chart below:



The State wise details against the relevant year are given in **Annex 6.6**. The following table gives list of States where more than 50 per cent of the eligible beneficiaries did not receive SN throughout the year:

Table 6.9: States where gap between eligible beneficiaries and actual beneficiaries was more than 50 per cent

Year	States
2006-07	Assam, Bihar, Goa, Jammu & Kashmir, Jharkhand, Kerala, Rajasthan, Tamil Nadu and West Bengal (9)
2007-08	Bihar, Goa, Gujarat, Jammu & Kashmir, Kerala, Rajasthan, Sikkim and Uttarakhand (8)
2008-09	Bihar, Goa, Jammu & Kashmir, Kerala & Rajasthan (5)
2009-10	Assam, Bihar, Goa, Haryana, Jammu & Kashmir, Kerala, Rajasthan and Uttarakhand (8)
2010-11	Bihar, Goa, Haryana, Jammu & Kashmir, Kerala, Rajasthan and Sikkim (7)

Ministry's records further revealed discrepancy between year-wise data on number of beneficiaries provided by the Ministry and those reported by the States through their Statements of Expenditure (SOEs), as detailed below (State wise details are given in **Annex 6.7**):

Table 6.10: Discrepancy in data on number of beneficiaries

Status as on	Data obtained from SOEs	Data reported by the Ministry	Difference
31 March 2007	7,17,56,851	7,04,08,586	13,48,265
31 March 2008	8,39,22,327	8,41,87,887	-2,65,560
31 March 2009	8,83,86,726	8,72,04,872	11,81,854
31 March 2010	9,59,28,025	8,82,96,000	76,32,025
31 March 2011	10,65,29,746	9,58,06,000	1,07,23,746

The figures on number of beneficiaries reported by the States in SOEs, through which their entitlement for funds was decided, substantially exceeded the figures reported by the Ministry during 2009-10 and

2010-11 (9 per cent and 11 per cent respectively). The Ministry failed to reconcile the two sets of data.

The Ministry stated (July 2012) that the ICDS is a self-selecting Scheme and it was not mandatory to reach an unwilling target group. However, the States/UTs were being requested from time to time to optimise the coverage of the beneficiaries in view of the revised population norms for the AWCs. As regards, the discrepancy in figures in number of the beneficiaries, the Ministry stated that figures reported by it indicate the position as on 31 March of the particular year, while the figures indicated in the SOE signified the average number of the SN beneficiaries in the quarter ending 31 March.

The reply of the Ministry on low coverage under the Scheme indicated low response of targeted beneficiaries to the services offered under the Scheme. The Ministry failed to provide reasons for the unwillingness of 33 to 45 per cent targeted beneficiaries to avail of the services offered under the Scheme. It had also not indicated the measures required to be taken to improve the coverage of the Scheme necessary for its universalisation. Audit noted shortfall in the implementation of Information, Education and Communication (IEC) activities which were aimed to create awareness about the scheme as discussed in Chapter 8 of this Report. As regards data discrepancy, the reply of the Ministry was not correct. As per the guidelines for central assistance for Supplementary Nutrition (SN) (December 2005), the States/UTs were required to indicate the number of SN beneficiaries on a particular date in their SOEs. Audit had identified the discrepancy between the number of beneficiaries, as on 31 March of the year, as reported by the Ministry and the data indicated in the SOEs.

6.5.2 Disruptions in delivery of service

The scheme guidelines envisaged provision of Supplementary Nutrition (SN) for 300 days in a year (25 days in a month) at AWCs. The Ministry informed Audit that during 2008-09 to 2010-11¹⁰ there was no disruption in feeding days in 26 States/UTs. Moderate disruptions were reported from five States (Assam: 108 to 168 days, West Bengal: 18 to 53 days), Himachal Pradesh: 24 to 40 days, Odisha: 12 to 24 days and Kerala: 12 days). Three States/UTs (Chhattisgarh, Jammu & Kashmir and Lakshadweep) did not send their reports.

The data provided by the Ministry, however, did not match with the findings of Audit of the test checked Anganwadi Centres (AWCs). The extent of disruptions in providing SN in eight States (Chhattisgarh, Gujarat, Karnataka, Madhya Pradesh, Odisha, Rajasthan, Uttar Pradesh

¹⁰ The Ministry failed to provide data for 2006-07 and 2007-08.

and West Bengal) is depicted below (State-wise details are in **Annex 6.8**):

Table 6.11: Disruption in providing SN at the AWCs as found in field audit

Year	No. of test checked AWCs	No. of AWCs where SN was NOT provided	No. of AWCs where the provision of the SN was disrupted for			
			31-75 days	76-150 days	151-225 days	226-300 days
2006-07	1690	11	342	138	16	8
2007-08	1727	5	364	123	19	0
2008-09	1733	4	308	145	22	2
2009-10	1758	3	319	107	17	3
2010-11	1766	3	295	73	6	0

In Andhra Pradesh, number of feeding days at AWCs as reported by the State Government to Audit ranged between 180 to 252 days during 2006-11. In seven to ten *per cent* AWCs, average monthly feeding days remained below 21 days during 2006-07 to 2010-11.

In Jharkhand, shortfall of 12 to 251 days was noticed in 40 out of 120 test-checked Anganwadi Centres (AWCs).

Similarly, in Bihar, shortfall in average feeding days at AWCs was reported by the State Government. While in 2008-09 there was no shortfall, in the remaining years, shortfall ranged between 38 and 138 days (13 *per cent* to 46 *per cent*).

The reasons for disruption in providing SN were as under:

- Non/short supply of food grains/Ready to Eat Food (RTE);
- Delay in supply of Supplementary Nutrition;
- Delay in transportation of nutrition from Child Development Project Office godown to Anganwadi Centres (AWCs);
- Availing of leave intermittently by Anganwadi Workers (AWWs); and
- Non-availability of funds with AWWs for purchasing food grains.

The disruptions in providing SN at many AWCs and the claim of the Ministry to the contrary indicated its weak oversight over scheme implementation. Further, significant variation in the two sets of data eroded the credibility of the data provided by the Ministry to Audit.

Good practice

- In Odisha despite disruptions, some AWCs developed mutual dependency to provide supplementary nutrition as far as possible to children by borrowing from the neighbouring AWCs due to temporary non availability/ insufficiency of food stock.

Positive finding

- In Haryana, no disruption in providing SN was noticed at any of the test-checked AWC.

Recommendation

- ***The Ministry may take measures to improve the quality of reporting by the States. Suitable action may be taken to mitigate the reasons responsible for disruptions in providing the SN at AWCs.***

The Ministry stated (November 2012) that it had noted the recommendation of the Audit. It was in the process of revising Management Information System (MIS) at all levels for reporting on physical parameters. With the revision of MIS and proposed restructuring of the ICDS, the disruption in delivery of service would be checked.

6.5.3 Testing the quality of supplementary food

The scheme prescribed mandatory laboratory checks of the food materials being used for providing Supplementary Nutrition (SN) in order to ensure that the food material contain the required nutrition component. Test check of the quality of the supplementary food was to be done by the Food and Nutrition Board (FNB)¹¹ through its network of Quality Control Laboratories (QCLs) and Community Food and Nutrition Extension Units (CFNEUs) located in the States/UTs. Samples for this purpose were to be collected by the field units of FNB during the course of regular inspections of Anganwadi Centres (AWCs). ICDS functionaries were also required to send samples to QCLs.

Audit noted the following shortcomings in testing of food items by the FNB, supplied for consumption by beneficiaries in 13 test checked States:

- In 11 States (Andhra Pradesh, Bihar, Gujarat, Jharkhnad, Karnataka, Madhya Pradesh, Haryana, Rajasthan, Odisha, Uttar Pradesh and West Bengal) samples of supplementary foods were never sent by the ICDS functionaries to QCLs during the audit period. Community Food Nutrition Extension Units (CFNEUs) also failed to collect any sample for quality checking in these States. District Programme Officers of the test checked districts of Gujarat stated that due to non-availability of vehicle and non establishment of QCL in the State, sample of supplementary food could not be tested. In Odisha, the project officers stated that no instructions to that effect had been received from the district authority.

¹¹ FNB comprises of a technical wing at the Centre, four Regional Offices and four Quality Control Laboratories at Delhi, Mumbai, Kolkata and Chennai and 43 Community Food & Nutrition Extension Units located in 29 States/UTs.

- In Meghalaya, 196 to 590 samples of food items were sent to or collected from 87 to 108 test-checked AWCs for testing during 2006-11. However, satisfactory test reports of only 51 to 404 samples were received during the period of audit.
- In Chhattisgarh, against the requirement of 1270 samples, 912 samples were sent for testing during 2009-11 by three test-checked district/project offices. Out of the test reports received, 10 *per cent*, 12 *per cent* and 85 *per cent* tested samples were found to be substandard in Bastar, Raipur and Bilaspur districts respectively. Penalty was imposed on Self Help Groups (SHGs) for not supplying Ready To Eat (RTE) as per norms.

Though the Ministry had institutionalised the mechanism of testing of food supplied under the SN, yet it failed to ensure its actual implementation. In the absence of prescribed checks, it could not be verified whether the food items supplied to the beneficiaries conformed to the prescribed standards.

6.5.4 Supervision of the distribution of supplementary nutrition (SN)

(A) Supervision by the central team: The Community Food and Nutrition Extension Units (CFNEUs) of Food and Nutrition Board (FNB) are required to visit the Anganwadi Centres (AWCs) to oversee the supplementary nutrition in their areas of operation. During 2006-07 to 2010-11, against the target of 21,088 visits to AWCs, the CFNEUs made 21,513 visits to AWCs.

Audit noted that although CFNEUs achieved the targets set for visiting the AWCs, the total visits to AWCs were merely 0.41 *per cent* of operational AWCs during the period. Audit noted the following shortcomings in 2605 test-checked AWCs of States:

- No visit of CFNEU team was made in any of the test checked AWCs of eight States (Bihar, Jharkhand, Haryana, Madhya Pradesh, Odisha, Rajasthan, Uttar Pradesh and West Bengal).
- In Meghalaya 141 visits were conducted by CFNEU team during the five year period, whereas, in three States a total of 33 visits only were made (Andhra Pradesh: 14, Gujarat: 9 and Karnataka: 10).

(B) Supervision by project offices: As per the scheme the Child Development Project Officers (CDPOs)/supervisors were required to check the distribution of SN during their visit at AWCs and submit the inspection report to higher authorities with their comments. The scheme

also prescribes the involvement of local community in the distribution of SN.

Audit noted that 13,379 to 15,180 visits were conducted annually in 2,605 test-checked AWCs during 2006-07 to 2010-11 (The State-wise details in **Annex 6.9**). However, in half of these cases inspection reports were not submitted to the higher authorities.

Further, involvement of local community in the distribution of SN was noticed only in half of test-checked AWCs during 2006-07 to 2010-11. No community involvement in the distribution of SN was noticed in the test-checked AWCs of Gujarat, Jharkhand, Uttar Pradesh and West Bengal.

Good practices
<ul style="list-style-type: none"> • In Chhattisgarh, Gujarat and Meghalaya visit reports of supervisor/CDPOs were submitted to higher authorities in all test-checked cases. • In Chhattisgarh, Haryana, Meghalaya and Odisha involvement of local community in distribution of SN was noticed at all test-checked AWCs.

6.5.5 Distribution of sub-standard and infested food

Audit revealed distribution of sub-standard food by the AWCs under the supplementary nutrition (SN) in the following states:

- **Andhra Pradesh:** A social audit conducted by the Council for Social Development, New Delhi at 154 AWCs of Anantapur District during September-November 2008, revealed that 'ready to cook mixes' were unpalatable. Audit also carried out the physical inspection and found that some of these items had sticky texture, which became inedible within minutes after preparation. In 18 test-checked AWCs children were reported to have fallen ill after consuming it. The supplier, M/S A P Foods¹², continued to supply these mixes till November 2011, despite reports about the beneficiaries disliking the food in two test-checked Projects.

Audit, further, found that there was no system of watching expiry of food items. The item wise date of manufacturing and date of expiry were not found entered either by the Child Development Project Officers (CDPOs) or the Anganwadi Workers (AWWs) in the Food Stock Registers.

- **Gujarat:** Instances of supply of flour after expiry of shelf life were noticed. On being returned, the supplier reprocessed it, changed the gunny bags and resupplied. The same was sent for testing after

¹² A Government of Andhra Pradesh Enterprise engaged in manufacturing and supplying fortified nutritious food to ICDS projects

20-22 days of receipt after their distribution to AWCs. Instances of supply of sub-standard flour having 15 gm of insects per 100 gm of flour were also noticed. All these contributed to disruption of SN.

- **Haryana:** Two supply orders for ₹ 2.69 crore were placed (April to June 2006) with a firm to supply ready-to-eat (RTE) 'multi-cereal energy mix food'. The supplies were to be tested at two stages, viz. pre-dispatch testing by the Government approved laboratories and post-dispatch testing by the District Level Committee, headed by the District Collector before supplying it to the AWCs.

Two out of the 19 projects to which the RTE food was supplied refused to accept the stuff observing that the same was not as per the norms prescribed in the supply order. The same was brought to the notice of the State ICDS Directorate. However, no further testing of food stuff accepted by the remaining 17 projects was done. This posed a question mark over the standard of serving of 14,516.20 quintal food costing ₹ 2.69 crore in these projects. The State ICDS Directorate failed to take cognizance of the rejection of food stuff by two projects for taking remedial measures.

The cases of distribution of substandard foods under the SN indicated that checks and balances for ensuring the quality of food stuff were not in place.

Recommendation

- ***The Ministry should consider constituting State level Food and Nutrition Board to ensure quality of food served to the beneficiaries.***

6.5.6 Shortfall in providing Recommended Dietary Allowance (RDA) for micronutrients

The norms for the SN had been prescribed only for energy (calories) and protein intake. In view of the impact of deficiency of micronutrients¹³ on development, immunity and growth of children, the Ministry decided (January 2006) to provide 50 *per cent* of RDA through 80 gram of ready-to-eat (RTE) energy food/raw food. The guidelines required RTE energy food/ instant foods to be fortified with micronutrients with the help of vitamin-mineral premix in required composition as per the norms prescribed. It also mandated the incorporation of green leafy vegetables, other vegetables, seasonal fruits, milk and egg in the feeding and the use of iodised salt or double fortified salt (with iron and iodine).

¹³ Calcium, Iron, Iodine, Zinc, Vitamin A, Riboflavin, Ascorbic acid, Folic Acid and Vitamin B-12.

**Chapter – 6
Supplementary
Nutrition**

Audit observed that these guidelines were implemented only in all the test-checked Anganwadi Centres (AWCs) of three States (Bihar, Chhattisgarh and Haryana). The following deficiencies in implementation of these guidelines were noticed in the remaining ten states (The State-wise details are given in **Annex 6.10**):

- In 579 to 650 AWCs (28 to 30 *per cent*) RTE energy food/raw food was not introduced under RDA during 2006-07 to 2010-11.
- In 754 to 905 AWCs (32 to 34 *per cent*) the RTE energy food/instant foods were not fortified with micronutrients.
- In three States (Andhra Pradesh, Jharkhand and West Bengal) ready to eat (RTE) energy food was not introduced in the test-checked AWCs. Further, in Madhya Pradesh RTE food was not fortified with micronutrients for the beneficiaries of the age group three to six years.
- In 1233 to 1263 AWCs (57 to 59 *per cent*), green leafy vegetables, other vegetables, seasonal fruits, milk and egg were not incorporated in the supplementary feeding of the target group during 2006-11.
- 146 out of 268 test-checked projects did not make attempt to provide foods fortified with micronutrients for meeting the norms of Recommended Dietary Allowance (RDA) as on 31 March 2011. Further, 250 test-checked projects did not conduct quality tests for the prescribed level of RDA for different micronutrients.

Positive developments

- In all test checked AWCs of Chhattisgarh, Gujarat, Meghalaya, Madhya Pradesh, Haryana, Bihar, Odisha, Karnataka and Uttar Pradesh, 80 gm RTE energy foods were introduced as part of RDA.
- In Chhattisgarh, Meghalaya, Haryana, Bihar, Karnataka Odisha and Uttar Pradesh the RTE energy food was fortified with micronutrients
- In Gujarat, Chhattisgarh, Meghalaya, Haryana, Bihar, Odisha and West Bengal green leafy vegetables, other vegetables, seasonal fruits, milk and egg were incorporated in the SN in the entire test checked AWCs.

Case studies

Target not achieved in delivery of fortified candy in Bihar

Under State Plan, there was a provision for supply of Fortified Candy at the rate of ₹ 0.20 (average) per candy to 40 children (3-6 years of age), 16 pregnant and lactating women and three adolescent girls *per centre* per day for 300 days in a year at each AWC. It was found that despite availability of ₹ 2.68

crore with the Directorate for this purpose, fortified candies were not delivered in any of AWCs of six test checked districts.

Micronutrients not provided in spite of budget provision in Jharkhand

Audit noted that provision of micronutrients was made (December 2009) for children, pregnant women/lactating mothers and adolescent girls at the rate of six paise, eight paise and four paise respectively per day per beneficiary in the new food module. In the absence of directions from the Department regarding items that were to be supplied under micronutrients, the AWCs did not provide (February 2012) any micronutrients to the beneficiaries.

The Ministry's initiative to control micronutrient deficiencies was not implemented uniformly throughout all the States. The Ministry failed to take measures to ensure compliance with its guidelines.

Recommendation

- ***The Ministry may take necessary steps to universalise micronutrient fortified ready to eat food as part of the recommended dietary allowance.***

6.5.7 Shortfall in supply of supplementary foods

Audit noted the following State-specific instances of shortfall in supply of food stuff for providing SN to the beneficiaries:

Andhra Pradesh: Against the requirement of 3.73 lakh MT, the A P Foods had supplied 3.23 lakh MT ready to eat (RTE) foods during 2006-11, resulting in shortfall of 0.50 lakh MT of food stuff (13.40 per cent of the requirement).

Uttar Pradesh: Against the requirement of 14.13 lakh MT of weaning food to be supplied as Take Home Ration (THR) to beneficiaries in 06 month to 03 year age group, delivery instructions for 12.96 lakh MT of food were issued during 2006-11, leaving a shortfall of 1.18 lakh MT (8.35 per cent of the requirement). Test check further revealed that there was excess supply in three districts during 2010-11, while in five districts the supply was lesser than the requirement.

Case study: Absence of relation between number of beneficiaries and supply in Uttar Pradesh

Supplement Nutrition (SN) food was supplied to the projects on the basis of average beneficiaries fixed uniformly per operational AWC¹⁴ irrespective of the number of beneficiaries availing the service. Further, Child Development Project Officers (CDPOs)/Supervisors responsible for issue of SN to AWCs were issuing bags of SN food on uniform basis without ascertaining the

¹⁴ Five bags per month of weaning food and nine bags of amylase rich energy food (AREF) up to September 2009 and nine bags per month of weaning food and seven bags per month AREF for children since October 2009.

availability of previous month's balance of stock. Among the test-checked projects, Audit noted excess supply of 0.34 lakh bags of weaning food in 11 projects over the requirement of 1.99 lakh bags during 2010-11, while there was a short supply of 0.36 lakh bags in 21 projects against the requirement of 4.78 lakh bags.

6.6 Wheat Based Nutrition Programme(WBNP)

Wheat Based Nutrition Programme was started in January 1986. Under the scheme, food grains (wheat/rice) are annually allocated from central reserves to the Ministry on Below Poverty Line (BPL) rates by the Department of Food and Public Distribution. This was subsequently allocated to the States/UTs for use in supplementary nutrition (SN). The purpose was to reduce the procurement cost of the SN and ensure the availability of more food grains for the beneficiaries.

6.6.1 Shortcomings in planning and coordination under WBNP

The Ministry was responsible for coordinating between Department of Food and Public Distribution and the States so as to ensure uninterrupted supply of supplementary nutrition (SN). It was required to provide firm annual requirements to the Department of Food and Public Distribution, which ultimately depended on annual requirements received from the States.

Audit noticed the following shortcomings in planning and coordination under the WBNP:

- The Ministry on the recommendation of Food Nutrition Board (FNB) adopted the norm of average quantity of 100 gm food grains per beneficiary per day from 2010-11. As per this norm, the Ministry worked out the requirement of 26.26 lakh MTs for 2010-11. However, actual demand received from the States was 16.75 lakh MTs.
- The Ministry did not analyse the pattern of consumption of food grains under the supplementary nutrition (SN) so as to increase its dependency on Wheat Based Nutrition Programme (WBNP) which is directly linked to reduction in the cost of the SN. The State-wise data on per beneficiary per day use of WBNP food grains for 2006-11 varied drastically as given in **Annex 6.11**.
- The Ministry could not send firm annual requirement to the Department of Food and Public Distribution for want of requisite information from the States. It could send only tentative requirement to the Department. During 2006-11, the Ministry sent requirement of 52.94 lakh MT of food grains, against which 42.17 lakh MT food grains were allocated.

- The Ministry's advice for introducing coarse grains such as *bajra*, *jowar*, maize and *ragi* under WBNP from 2009-10 on account of their superior nutritional value found no response from the States till 2010-11. In 2011-12, two States forwarded their request for coarse grains.

The above facts indicated that the Ministry failed to properly coordinate the implementation of WBNP so as to maximise the use of food grains available on BPL rates for providing supplementary nutrition (SN) under the ICDS scheme.

The Ministry stated (November 2012) that with a view to streamline the assessment of food grains required under WBNP, all States/UTs had been requested to furnish the basis of their requirements indicating number of SN days to be provided, quantity of SN to be provided and number of beneficiaries from 2010-11 onwards. In addition to this, a policy decision had also been taken where States/UTs would be allocated food grains only if at least 70 per cent of the allocated food grains had been lifted by the States.

6.6.2 Shortfall in allocation and off-take

The demand of food grains by the States, their allocation by the Ministry and the quantity actually lifted by the States is indicated in table 6.12:

Table 6.12: Allocation and off take of food grains under WBNP

(in lakh MT)

Year	Food grains demanded by the States	Allocation to the States			Quantity utilised by the States out of the total allocation
		Allocated by the Ministry during the year	Revalidated quantity out of the previous year's allocation	Total quantity available for the year	
2006-07	Data not available	5.23	0.25	5.48	4.77
2007-08		5.44	0.55	5.99	5.02
2008-09	9.86	7.17	0.89	8.06	6.29
2009-10	11.69	9.26	0.03	9.29	8.28
2010-11	16.70	13.56	0.35	13.91	10.64
Total	38.25	40.66	2.07	42.73	35.00

The table indicated that the Ministry could allocate 78 per cent of food grains against the demand raised by the States during the period 2008-09 to 2010-11. In spite of lower allocation, the States could lift only 81 per cent of food grains available for off-take during 2008-09 to 2010-11. Thus, actual off-take by the States was merely 66 per cent of total demand placed by them¹⁵.

The reasons for poor off-take of food grains included late release of food grains by the Ministry¹⁶, non availability of stocks in Food Corporation of

¹⁵ The calculation of percentage is based on data of 2008-11.

India warehouse (Madhya Pradesh and Chhattisgarh), and non availability of funds with the States to procure food grains (Karnataka).

Audit further observed that only 19 to 26 States/UTs actually took the food grains available under WBNP. The details on non-participation of States/UTs under the programme are depicted in table 6.13:

Table 6.13: Non-participation of States/UTs in WBNP

Period	States/UTs which did not off-take food grains under WBNP
During the period of audit (2006-11)	Assam, Bihar, Chandigarh, Delhi, Daman & Diu, Lakshadweep, Puducherry
Four out of five years	2006-10: Goa, Sikkim, West Bengal; 2007-11: Meghalaya
Three out of five years	2006-09: Kerala, A & N Islands, Manipur, 2006-08 and 2009-10: Jharkhand,
Two out of five years	2006-07 and 2010-11: Arunachal Pradesh
One out of five years	2006-07: Jammu & Kashmir; 2007-08: D & N Haveli

Audit could not find reasons of non-participation of these States/UTs under WBNP from the records of the Ministry.

Case study: Impact of non-lifting of food grains under WBNP

West Bengal: The State Government did not opt for rice allocated by the Ministry under WBNP at Below Poverty Line (BPL) rate. The State Government continued to purchase rice from open market at very high rates as compared to the BPL rate¹⁷. During 2006-11, for Kolkata and the 18 districts, State Government purchased 2.94 lakh MT rice at rates varying from ₹ 10.60 per kg to ₹ 19.20 per kg whereas the BPL rate of rice was ₹ 5.65 per kg. This resulted in avoidable expenditure of ₹ 262.17 crore.

Chhattisgarh: Due to failure of the Ministry to ensure supply of rice under WBNP during 2007-08, the State Government procured 0.34 lakh MT of rice at a cost of ₹ 14.94 per kg, against the BPL rate of ₹ 5.65 per kg. This resulted in avoidable expenditure of ₹ 31.59 crore.

Wheat Based Nutrition Programme(WBNP) was aimed to fill up calorie and protein gap by providing SN to the beneficiaries under ICDS at BPL rates. However, due to deficiencies in its implementation, viz. lack of coordination with the Department of Food and Public Distribution for timely and sufficient allocation of food grains, shortfall in allocation by the Ministry to States and underutilisation/non-utilisation of food grains

¹⁶ Under the WBNP, the States were required to lift the quarterly allocation of food grains by 25th of the last month of the quarter. The Ministry released food grains (50,552 MT wheat and 38,181 MT rice for the last quarter of 2007-08 on 31 March 2008) which ultimately could not be collected by the States. Again an allocation of 30, 274 MTs food grains were made on 23 March 2010.

¹⁷ The Ministry allocated 1,15,576 MT of rice in 2010-11. The State Government, however, could not lift the same due to non-finalisation of carrying contractors at district level.

by the States, full benefits could not be ensured to the targeted beneficiaries as envisaged in the scheme.

The Ministry stated (March 2012) that efforts were being made to persuade States/UTs to avail subsidised food grains under WBNP. The number of States/UTs availing food grains under the programme had increased from 19 in 2006-07 to 28 in 2011-12.

Recommendation

- ***The Ministry should streamline the implementation of WBNP by providing rational norms for firming up the requirement of food grains and timely issue of sanctions for allocation. The States/UTs should be impressed to off-take their quarterly allocation of food grains without fail and in a timely manner.***

6.7 State specific findings on financial irregularities

6.7.1 Suspected cartelisation in contract for supply of Amylase Rich Energy Food (AREF) in Uttar Pradesh

The State Government invited bids (August 2009) for supply of micronutrient fortified AREF to all projects divided in five zones (A, B, C, D and E) for a period of three years. It finalised the contract in a short time span of one month, i.e. by September 2009. A sum of ₹ 1993.56 crore was spent during the years 2009-10 and 2010-11 for supply of AREF in the State.

Audit observed that the evaluation of bids for finalising the contract was not done in a proper manner and the following evident facts were overlooked by the State Government:

- In each of the five zones the following five firms were found technically qualified:
 - i. M/s Great Value Foods
 - ii. M/s Health Care Energy Food Private Limited
 - iii. M/s Christy Friedgram Industry
 - iv. M/s Trikal Foods and Agro Products Private Limited
 - v. M/s PBS Foods Private Limited
- These five firms were found interconnected with each other. Same person occupied the position of Director in more than one firm. For instance Mr. Rajendra Singh Chaddha was director in two firms (Sl. No. i and ii); Mr. Ajai Rastogi and Mr. Prashant Kumar were directors in another two firms (Sl. no. iii and iv). Mr. Prashant Kumar was also a founder director of firm named at Sl. No. ii. Similarly, Mr. Sudhir Agrawal, resident of 510, Turab Nagar, Ghaziabad was director in the firm named at Sl. No. v,

1.4 Policy for Use of Child Agreements – The president of the same address was director of firm named at Sl. No. iv.

1.4.1 ICDS during Five Year Plans

- Firms named at Sl. No. i and iii furnished same VAT registration number in their technical bids for zone B.
- Firms named at Sl. No. i, iii and v had three different registered addresses of Delhi and Gurgaon, but had account in same branch of the bank in Jalandhar.
- In respect of experience certificate of having executed similar contracts during previous two years, the firms named at Sl. No. ii attached the certificate of firm named at Sl. No. i, the former being incorporated in 2007-08 with commencement of manufacturing activities in June 2009.

1.4.2 National Nutrition Policy, 1993

Thus, the ICDS Directorate failed to ensure public procurement in a fair and transparent manner. The National Nutrition Policy, 1993 envisaged the constitution of 'National Nutrition Council' under chairmanship of the Prime Minister. This ignored. This eroded the bid evaluation process adopted by the Directorate leading to possible collusion.

6.7.2 Excess payment of ₹ 68.98 crore on Value Added Tax (VAT) in Andhra Pradesh

Test check revealed that instead of paying VAT at four *per cent* on food supplies to A P Foods for supply of Ready to Eat Food (RTE) and Hot Food Mixes, the Government paid the tax at the rate of 12.5 *per cent* till 2009-10 and 14.5 *per cent* from 2010-2011. The supplier was remitting the tax collected to the Sales Tax Department. This resulted in overpayment on account of VAT by ₹ 68.98¹⁸ crore during 2007-2011. The Director replied in April 2012 that the matter would be pursued with A.P Foods.

6.7.3 Non-recovery of advance from Matra Samities in Rajasthan

As per the orders (November 2005) of the Department of ICDS, an advance of ₹ 4000/- per AWC was sanctioned to Matra Samities for purchase of raw material for providing hot meal to 3-6 years children at local level. However, after the Samities expressed inability to prepare hot meal, the Department ordered (January 2009) recovery of the advance paid to them for deposit in the civil head.

Audit noticed that out of the advance of ₹ 93.00 lakh paid to these Samities, ₹ 38.08 lakh was yet to be recovered. The release of funds by the Department without reckoning the readiness of the Matra Samities to undertake the work led to blocking of funds.

¹⁸ 2007-2008: ₹ 11.33 crore; 2008-2009: ₹ 14.24 crore 2009- 010: ₹ 18.08 crore 2010-2011: ₹ 25.33 crore

6.7.4 Doubtful purchase of firewood/fuel in Meghalaya

The Ministry issued norms for procurement of firewood/fuel per beneficiary at the rate of ₹ 0.10 per day during 2006-07 to 2008-09 and ₹ 0.45 from 2009-10 onwards for preparation of hot cooked foods.

As per Rule 194 and 209 of Meghalaya Financial Rules, 1981 'all materials received should be examined or counted, measured as the case may be, when delivery is taken by a responsible government servant and recorded in the stock register'.

Test check revealed that 12 selected Child Development Project Officers of three districts purchased firewood/fuel worth ₹ 4.67 crore 2006-11. Scrutiny revealed that no bills, vouchers or cash memos in support of actual purchase of firewood/ fuel indicating rate, quantity and type of firewood/ fuel and actual expenditure on purchase were made available to audit. Thus, the actual purchase was rendered doubtful.

6.7.5 Suspected misappropriation of food stuff at Anganwadi Centre (AWC) in Odisha

Test check at Karlamunda project of Kalahandi district disclosed that out of 64.08 quintals (qtls) of supplementary nutrition (SN) food stuff issued to seven AWCs during 2009-11, only 26.75 qtls food stuff was accounted for by the recipient Anganwadi Centres (AWCs). This indicated suspected misappropriation of 37.33 qtls of food stuff (30.70 qtls of rice, 5.68 qtls of dal and 0.95 qtls of soya bean) with approximate value of ₹ 86,420.

The Department stated that non-accounting of food stuff in the stock registers might be due to oversight on the part of supervisor. Thus, the Department furnished reply in a casual manner without even inquiring to ascertain the exact reasons for discrepancies in accounts of food stuff.

Recommendations

- ***The Ministry should prepare a procurement manual for ICDS covering all its components and make its compulsory adoption by the States/UTs under all types of procurement from the Central grant.***
- ***The state-specific cases of irregularities, suspected misappropriation and suspected cartelisation should be inquired into and responsibilities fixed.***

