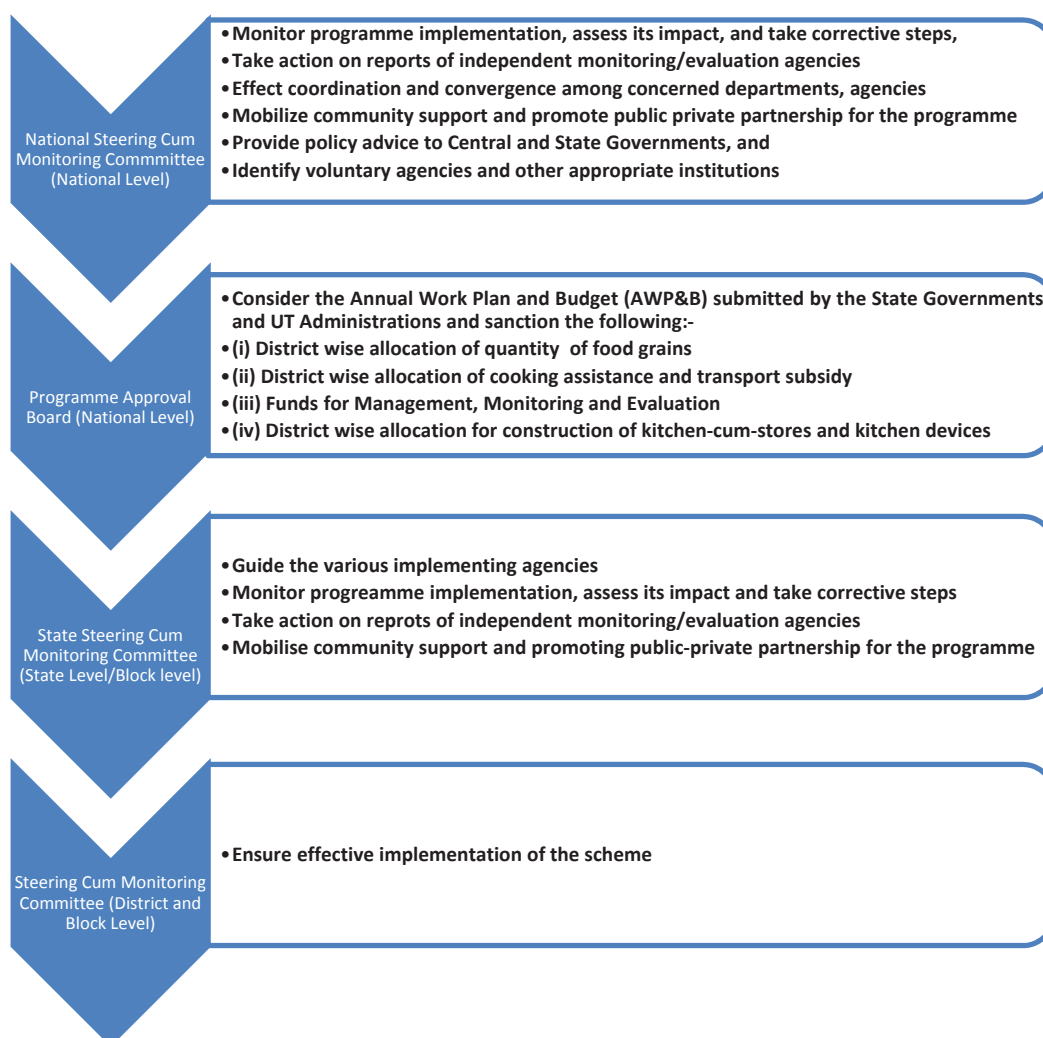


CHAPTER-V

Management, Monitoring and Evaluation

5.1 Management, Monitoring and Evaluation (MME)

The MDM Scheme is being and monitored at National Level (by Ministry of HRD) and State level (by respective state government). The structure for MME is given below:



5.2 National Level Steering cum Monitoring Committee

Ministry set up (December 2004) a National Level Steering cum Monitoring Committee (NSMC) to oversee the implementation of the programme. The main functions of the NSMC are to monitor programme implementation, assess its impact, and take corrective steps, effect coordination and

convergence among concerned departments, agencies (e.g. FCI), provide policy advice to Central and State Governments etc.

The NSMC was to meet at least once every six months. Scrutiny revealed that the NSMC had not met as per its prescribed schedule. The details of shortfalls in the meetings are given in **Table 5.1** below:

Table 5.1: Details of NSMC meetings

Year	Number of meetings to be held	Number of meetings actually held
2009	2	1
2010	2	1
2011	2	1
2012	2	1
2013	2	2

During 2009 to 2013, only 6 meetings were held as against prescribed 10 meetings resulting in shortfall of 40 *per cent*.

5.2.1 Non-implementation of the decisions taken by the NSMC

Examination of the minutes of the meeting of NSMC held during 2009-10 to 2013-14 revealed that some decisions taken by the NSMC could not be implemented by the Ministry as of March 2014. The details are given in **Table 5.2** below:

Table 5.2: Details of decisions of NSMC

Date of meeting	Decision	Ministry's reply
01.08.2011	4.2 Linkage of cooking cost to MDM price index	The Cabinet Committee on Economic Affairs (CCEA) did not approve the proposal.
01.08.2011	6.2 Inclusion of private unaided schools of tribal areas under MDM	The proposal was considered by EFC in meeting held on 30 th January 2014 and it was decided that the proposal for extension of the scheme to cover private unaided schools in these areas should be considered after thorough review by the Department of School Education and Literacy.
24.08.2012	4.2 Coverage of pre-primary children under MDM	The proposal to cover pre-primary children under MDM was not supported by the concerned department.
24.08.2012	4.4 Enhancement of Kitchen Devices grant on sharing basis	The Ministry had submitted the proposal to revise the norms for central assistance for procurement of kitchen devices from ` 5000 per school to the range of

		10000-25000 linked to enrolment in school, but the CCEA had deferred the proposal.
24.08.2012	4.6 Model kitchen-cum-training centres	This proposal was not accepted by the Ministry.
24.08.2012	4.7 Enhancement of transportation assistance for states other than special category states	This proposal was not approval by the CCEA.
24.08.2012	4.8 Coverage of children admitted under Section 12(1)(c) under RTE Act 2009 in private schools	The proposal was not supported by the different Ministries/organisations during inter-ministerial consultation on EFC note.
05.08.2013	4.6 Baseline study for assessing the impact of MDM Scheme	This proposal was not approved by the CCEA.
17.01.2014	5.8 Enhancement of honorarium for cook-cum-helpers to ` 2000 pm	This proposal was not approved by the CCEA.

5.3 Shortfall in meetings of Steering cum Monitoring Committee at State, District and Block level

Ministry issued (August 2010) instructions for setting up of Steering cum Monitoring Committees at the State, District and Block level to oversee the implementation of MDM Scheme. The functions of these SMCs were:

- (a) Providing guidance to the various implementation agencies
- (b) Monitor programme implementation, assess its impact and take corrective steps
- (c) Take action on reports of independent monitoring/evaluation agencies,
- (d) Effect coordination and convergence among concerned departments, agencies (eg. FCI), and scheme, and
- (e) Mobilise community support and promote public-private partnership for the programme.

Further, the meeting of SMC at district and block level, was to be held in the first week of each month to monitor the implementation of the scheme in the previous month and arrangements for properly implementing the scheme in every school of that particular block particularly the availability of foodgrains and funds. The meeting of SMC at State level shall be held in atleast every six months in which the review of the SMCs meetings held at District level would be done in addition to the normal functions of SMC.

Comparison of prescribed and actual number of meetings of various SMCs held during 2009-10 to 2013-14 indicated shortfall as detailed in **Annex-XVII**. Significant shortfall in meetings is given below:

- At state level, shortfall of more than 60 *per cent* in meetings was noticed in eight states viz. **Andhra Pradesh, Assam, Goa, Haryana, Jharkhand, Karnataka, Lakshadweep and Puducherry.**
- At district level, shortfall of more than 60 *per cent* in meetings was noticed in 18 states viz. **Andhra Pradesh, Arunachal Pradesh, Bihar, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Manipur, Tamil Nadu, Tripura, Uttarakhand, West Bengal, A&N Islands, Chandigarh, D&N Haveli, Daman & Diu and Lakshadweep.**
- At block level, shortfall of more than 60 *per cent* in meetings was noticed in 15 states viz. **Andhra Pradesh, Arunachal Pradesh, Bihar, Goa, Gujarat, Haryana, Manipur, Tamil Nadu, Uttar Pradesh, Uttarakhand, West Bengal, A&N Islands, D&N Haveli, Daman & Diu and Lakshadweep.**

Infrequent meetings by various SMCs were not consistent with good governance practices and would certainly have an adverse impact on the monitoring and implementation of the MDM Scheme.

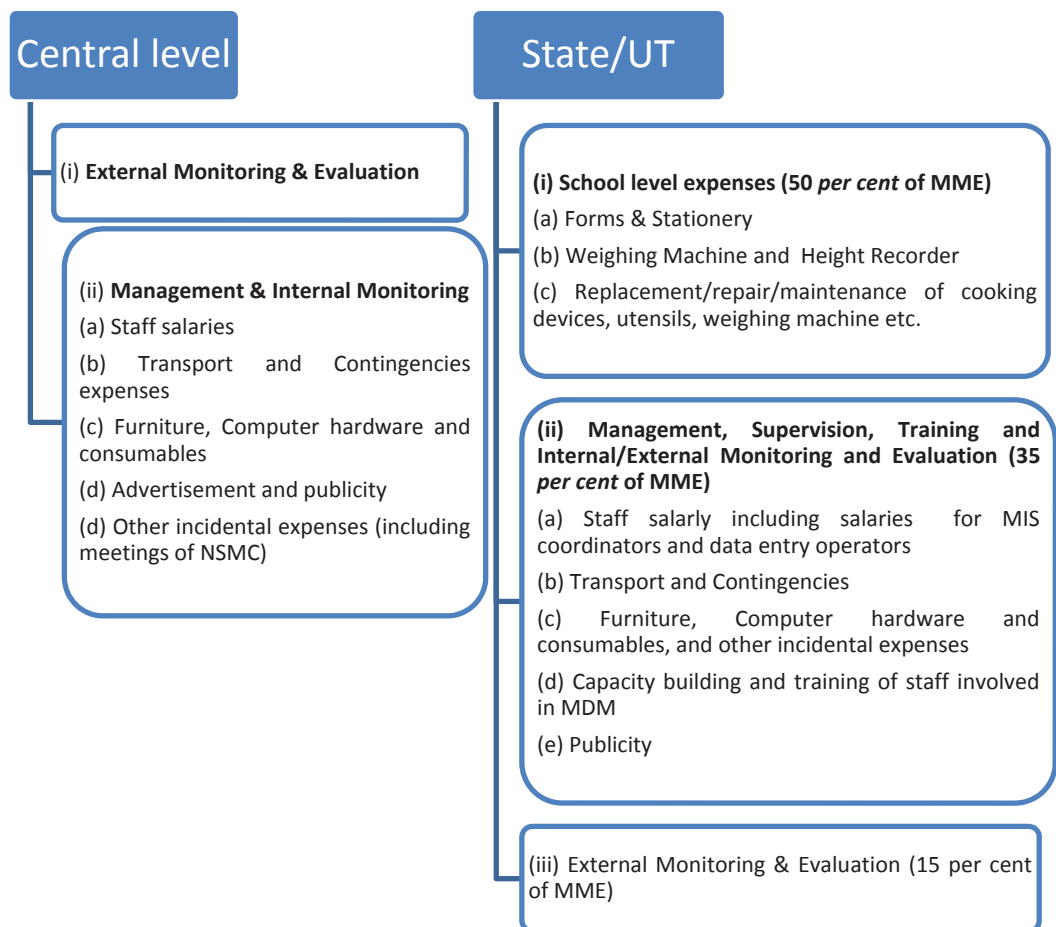
5.4 Utilisation of funds for Management, Monitoring and Evaluation (MME)

As per the MDM Scheme guidelines, 2 *per cent* of the cost of foodgrains, transport cost, honorarium to cook-cum-helpers and cooking cost is

available for MME. This amount would be allocated to Central Government and states/UTs in the following proportion:

- (i) Central Government - 0.2 per cent
- (ii) States/UTs - 1.8 per cent

The items of expenditure from funds allocated under MME each year are listed below:-



5.4.1 Central level

Monitoring is an integral part of implementation of the MDM Scheme and utilisation of MME fund is an indicator of the performance at the Central and State level of the MDM. The year-wise utilisation of MME funds by the MHRD is given in **Table 5.3** below:

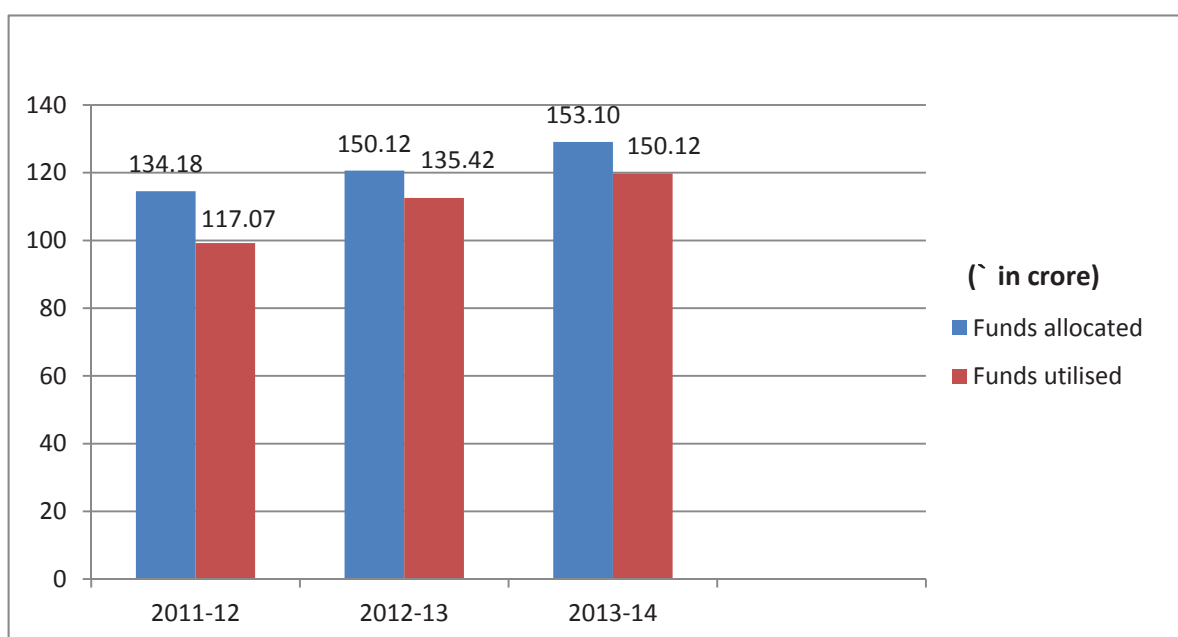
Table 5.3: Year-wise utilization of MME funds

Year	Amount allocated (` in crore)	Amount utilised (` in crore)
2009-10	15.00	0.53
2010-11	10.00	3.92
2011-12	13.15	11.19
2012-13	20.00	9.74
2013-14	26.06	16.86
Total	84.21	42.24

Thus, the Ministry could utilise only ` 42.24 crore (50 per cent) out of ` 84.21 crore allocated for MME during 2009-10 to 2013-14 indicating that this aspect remained largely neglected.

5.4.2 State level

The position of utilisation of MME fund by 27 states during 2011-12 to 2013-14 is given below:



During 2011-12 to 2013-14, out of total funds of ` 437.40 crore, states could utilise only ` 402.61 crore. State wise detail of utilisation of MME funds is given in **Annex-XVIII**. Seven states viz. **Goa, Jharkhand, D&N Haveli, Daman and Diu, Delhi, Lakshadweep** and **Puducherry** could utilise less than 60 per cent of the allotted MME

Low utilisation of MME fund indicates poor monitoring of the programme resulting in inadequate implementation of the scheme.

5.4.3 Non-release of Management Monitoring and Evaluation (MME) grant to schools

Para 2.3 (VII) and Para 6.4 of guidelines 2006 and subsequent modifications of June, 2010, envisages that Central assistance be provided to states/UTs for MME at the rate of 1.8 *per cent* of total assistance for (a) cost of foodgrains (b) transport cost (c) cooking cost and (d) honorarium to cook-cum-helper. The State/UTs will have the flexibility to utilize the 50 *per cent* funds at various levels other than the school level for MME depending on the need of the State/UTs. However, the remaining 50 *per cent* earmarked fund is to be spent at school level.

In **Punjab**, audit observed that ₹ 13.75 crore was released under MME component during 2009-14. As per MDM guidelines an amount of ₹ 6.88 crore (50 *per cent* of ₹ 13.75 crore) was to be utilized by schools only for various activities as specified in the guidelines. However, contrary to the guidelines the funds were utilized at Directorate/District level.

The Director General of School Education (DGSE), Punjab stated that MME funds were not released to schools and were utilized at HQ level on account of salary and other expenditure. However, concerned DEOs stated that matter would be referred to higher authority. The reply is not consistent with the scheme provisions.

5.5 Shortfall in inspections

As per MDM guidelines, the MDM Scheme is required to be monitored to assess that all children are getting a meal of satisfactory quality regularly and effect of meal on improving children's nutritional status, regularity of attendance, and retention in school.

To monitor overall quality of MDM, regular inspections of schools were to be conducted by officers of respective state government belonging to Revenue/ Administration, Rural Development, Education, Nodal Departments, Women and Child Development, Food, Health etc., Officers of Food and Nutritional Board, Nutritional Experts/Institutions identified nominated by the State Government.

Monthly targets for inspection were to be fixed by the respective State governments. On an average 25 *per cent* of the schools/special training centres should be visited in every quarter, and all schools/EGS/AIE centres should be visited at least once every year. Inspection Reports should be prepared and findings of the reports should be documented and reported in SMC meetings of all levels. Suitable remedial measures should be initiated without any delay.

Audit scrutiny of records relating to inspection in 24 states (details given in **Annex-XIX**), revealed that in **Haryana, Jharkhand** and **Nagaland** number of inspections were less than 30 *per cent* of the prescribed target. In **Andhra Pradesh, Assam, Gujarat, Kerala, Manipur, Meghalaya, Punjab** and **Chandigarh**, the number of inspections were between 30 and 60 *per cent* of the target. In **Arunachal Pradesh, Chhattisgarh, Goa, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Odisha, Tamilnadu, Uttar Pradesh, ANI, Dadra & Nagar Haveli** and **Daman & Diu** the inspections were more than 60 *per cent*.

Further, in **Chhattisgarh, Goa, Himachal Pradesh, Maharashtra, Manipur, Odisha** and **Punjab** it was observed that no inspection reports were prepared and documented in respect of inspected schools/Self Help Group (SHG) for remedial measures.

In **Bihar** and **Meghalaya**, inspection reports were not submitted/reported to the SMC for review and necessary follow up action. Shortfall in inspections indicates weak internal controls in monitoring the scheme.

5.6 Inaction on the reports of Monitoring Institutions by the state government

The Ministry signed MOU with 42 monitoring institutions (MIs) across the country to monitor the implementation of MDM Scheme in the primary and upper primary schools. MIs were to submit their reports to the Ministry and the Ministry, in turn, was to send these reports to the respective state governments for remedial action on the deficiencies pointed out in the report.

MIs reports of 15 test checked states for the year 2010-11 and 2013-14 revealed that the state governments had not taken any remedial action to

rectify the deficiencies. As a result, the deficiencies pointed out during 2010-11 were still persisting. Some important deficiencies are given below:

- Irregular supply of foodgrain to schools
- Supply of poor quality of foodgrain to schools
- Non-maintaining of buffer stock of foodgrain
- Delay in releasing funds to schools
- Inadequate infrastructural facilities of Kitchen shed, utensils etc.

State-wise deficiencies are highlighted in **Annex-XX**.

Thus, due to inaction on MIs Reports by state governments, the purpose for which the MIs were engaged had been rendered meaningless.

5.7 Failure of Grievance Redressal Mechanism

As per para 2.8 of Annexure 11 Part-B of guidelines, grievance redressal mechanism is to be established for resolving complaints. Scrutiny of records in test check districts/schools relating to grievance redressal mechanism revealed that:

- In **Andhra Pradesh** (four districts), **Bihar**, **Chhattisgarh**, **Chandigarh**, **Jammu & Kashmir**, **Jharkhand**, **Sikkim** and **Uttar Pradesh**, grievance redressal mechanism had not been established.
- In **Delhi**, **Gujarat**, **Himachal Pradesh**, **Kerala** and **Uttarakhand**, grievance redressal mechanism was established, but records in respect of complaints received and action taken on them were not maintained or documented.
- In **Arunachal Pradesh** toll free telephone number installed for public utility to address complaints pertaining to scheme implementation, was not working.
- In **Andhra Pradesh** no action had been taken on five complaints in Chittoor district.

Absence of an effective grievance redressal mechanism, affects the process of bringing in improvement in the scheme implementation.

5.8 Internal audit

Internal Audit has been recognised as an aid to the higher management for monitoring the financial performance and effectiveness of various programs, schemes and activities. Internal audit is conducted through the Internal Audit Wings in the Principal Accounts offices of concerned Ministries/Departments. This also facilitates minimising various risks involved in carrying out various tasks related to scheme implementation.

During 2009-10 to 2013-14, internal audit of the scheme by the Ministry was conducted only during 2013-14 that too covering the selected schools in Punjab only. Thus, an important tool for assessing effectiveness of controls in place was overlooked.

5.9 Technical Support Group

An agreement was signed on 22 December 2005 between Ministry of Human Resource Development and Educational Consultants India Limited (EdCIL) to set up National Support Group {now known as Technical Support Group (TSG)} with the objective of providing Management Support Services (MSS) to MHRD for implementation of its flagship programme MDM in schools through recruitment of professionally qualified Chief Consultant, Consultants, Research Assistants, necessary support staff etc. TSG-MDM consists of nine units viz. Research and Evaluation, Food and Nutrition, Management Information System (MIS), Plan Monitoring, Information Education and Communication, Civil Works, Capacity building, Community Mobilization and Grievance Redressal.

Audit observed that:

- The Ministry while awarding the MSS to EdCIL did not invite competitive bids from other similar organizations in accordance with the CVC guidelines and General Financial Rules. This led to elimination of competition. The annual expenditure of the EdCIL ranged between ₹ 78.71 lakh and ₹ 6.12 crore during 2009-10 to 2013-14.

- The Ministry was also paying ₹ 68.72 lakh *per annum* to EdCIL for hiring office premises. It, however, did not contemplate using the vacant accommodation available in South Delhi. Also, 26 support staff provided by EdCIL was posted in MHRD office as Shastri Bhawan, thus, hiring office premises at an annual rent of ₹ 68.72 lakh *per annum* was questionable.
- Out of 26 support staff provided by EdCIL 14 support staff engaged as Research Assistant, Messenger etc. were handling the work not related to MDM scheme and were assisting officers of the Ministry. Therefore, the salary and allowances paid to these support staff is questionable.
- Shortfall between 19.32 *per cent* and 56.45 *per cent* was noticed in convening of national/regional workshops/meetings/review missions and field visits made by EdCIL during the year 2010-11 and 2013-14.

Recommendations:

- The monitoring and inspection mechanisms should be strengthened at all levels to prevent leakages and misappropriations. System of surprise inspections should also be introduced to check malpractices. Prescribed number of meetings of Steering cum Monitoring Committees (SMCs) may be held for smooth implementation and monitoring of the scheme.
- The Ministry may strengthen the system of flow of information submitted by the Monitoring Institutions and their further follow up with states, so that prompt action is taken to rectify the deficiencies pointed out by the monitoring institutions. Grievance redressal mechanisms should be established so that complaints received can be resolved promptly.