

Executive Summary

Why did the Government of India (GOI) launch the Integrated Child Development Services Scheme?

The Integrated Child Development Services (ICDS) Scheme was launched as a centrally sponsored scheme on 02 October 1975, in pursuance of the National Policy for Children, 1974. The policy laid down that the State should provide adequate services to children before and after birth and during the period of growth to ensure their full physical, mental and social development. Thus the Scheme aimed at holistic development of children in the age group of zero to six years and pregnant and lactating mothers through a package of six services.

Why did we select it for audit now?

India's status on key child development and health indicators did not compare well with its own targets as well as with the neighbouring and other regions. The Infant Mortality Rate (IMR) was 48 per 1000 live birth and the Child Mortality Rate (CMR) 63 per 1000 live birth in 2010 as against the targets of 30 and 31 respectively. These indicators (IMR and CMR) for the neighbouring countries were: China (IMR: 16, CMR: 18) and Sri Lanka (IMR: 14, CMR: 17). In industrialised countries, the IMR and the CMR were as low as 5 and 6 respectively. Further, 43 *per cent* children were underweight in India during the period 2006-10 and 16 *per cent* children were severely underweight. These indicators (underweight and severely underweight children) when compared to the neighbouring countries viz. Bangladesh (41 and 16) and Sri Lanka (21 and 4) or even with sub-Saharan Africa (20 and 7), were poor.

About a decade ago, our audit report on ICDS (No. 3 of 2000 (Civil)) had revealed that the policy of universalisation of ICDS Scheme remained unattained and the scheme could not achieve the desired goals. We had also reported that the Supplementary Nutrition (SN) component had failed to improve the health status of beneficiaries, implementation of the component of health check-up and referral services was found deficient and due to non-fixation of targets and absence of monitoring mechanism, full coverage under immunization could not be assured besides many other findings.

We decided to conduct a follow-up audit to assess the current status of the ICDS Scheme, and also whether the issues highlighted in our earlier report had been appropriately addressed. Further, Hon'ble Supreme Court issued a number of directions to the Central and the State Governments for universalisation of the Scheme and improvement of service delivery thereunder. Our audit attempted to examine the implementation of new interventions in the wake of the Hon'ble Court's orders.

What has been covered in audit?

The performance audit covered 2730 of the test checked Anganwadi Centres (AWCs) from 273 project offices of 67 districts from 13 States (Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana, Jharkhand, Karnataka, Madhya Pradesh, Meghalaya, Orissa, Rajasthan, Uttar Pradesh and West Bengal) for the period 2006-07 to 2010-11 on three services, viz. supplementary nutrition, pre-school education and nutrition and health education under the Scheme. The selection of States was made on the basis of population, funding and nutrition indicators as per the National Family Health Survey-3, 2005.

How is the report organized?

Chapters I and II of this Report provide background information on the Scheme, audit approach, details of sample selection and the previous audit findings. Chapters III to X provide overall audit findings on eight predefined audit objectives dealing with themes on universalisation of ICDS, infrastructure development, human resource and training, supplementary nutrition, pre-school education, community mobilisation, financial management, and monitoring and evaluation in seriatim. Chapter XI is the conclusion.

Highlights of audit findings

- (i) To universalize the ICDS, Hon'ble Supreme Court had directed the Central and State Governments to operationalise 14 lakh AWCs by December, 2008. The Ministry sanctioned 13.71 lakh AWCs and could operationalise 13.17 lakh. This left a shortfall of 0.54 lakh. Similarly, out of 7075 sanctioned ICDS projects, 7005 projects were operationalised.

(Paragraph 3.3)

- (ii) Sixty one *per cent* of the test checked AWCs did not have their own buildings and 25 *per cent* were functioning from semi-pucca/kachcha buildings or open/ partially covered space. Separate space for cooking, storing food items and indoor and outdoor activities for children was not available in 40 to 65 *per cent* of the test checked AWCs.

(Paragraphs 4.1.1 to 4.1.3)

- (iii) Poor hygiene and sanitation were noticed in the AWCs due to the absence of toilets in 52 per cent of the test checked AWCs and non-availability of drinking water facility for 32 per cent of the test checked AWCs.

(Paragraph 4.2)

- (iv) Functional weighing machines for babies and adults were not available in 26 and 58 *per cent*, respectively, of the test-checked AWCs. The essential utensils required for providing supplementary nutrition to the beneficiaries were also not available in several test-checked AWCs.
(Paragraphs 4.3 and 4.4)
- (v) Medicine kits were not available in 33 to 49 *per cent* of the test checked AWCs due to failure of the State Governments in spending the funds released to them by the Centre.
(Paragraphs 4.5 and 4.5.1)
- (vi) Fifty three *per cent* of the test checked AWCs did not receive annual flexi fund of ₹ 1,000 from the State Governments during the period 2009-11.
(Paragraph 4.6)
- (vii) There were shortages of staff and key functionaries at all levels.
(Paragraph 5.1.1)
- (viii) The shortfall under various categories of training ranged from 19 to 58 *per cent* of the targets fixed under the State Training Action Plan (STRAP).
(Paragraph 5.3.1)
- (ix) The shortfall in expenditure on Supplementary Nutrition (SN) ranged between 15 *per cent* and 36 *per cent* of the requirements during the period 2006-11. The average daily expenditure per beneficiary on SN was ₹ 1.52 to ₹ 2.01 against the norm of ₹ 2.06 during 2006-09 and ₹ 3.08 to ₹ 3.64 against the norm of ₹ 4.21 during 2009-11.
(Paragraph 6.2)
- (x) Thirty three to 47 *per cent* children were not weighed for monitoring their growth during 2006-07 to 2010-11. The data on nutritional status of children had several discrepancies and were not based on World Health Organisation's growth standards.
(Paragraphs 6.3.1 to 6.3.4)
- (xi) There was a gap of 33 to 45 *per cent* between the number of eligible beneficiaries identified and those receiving the SN during 2006-07 to 2010-11.
(Paragraph 6.5.1)
- (xii) The Wheat Based Nutrition Programme suffered from lack of proper coordination among the Ministry of Women and Child Development, the Department of Food and Public Distribution and the State Governments. The Ministry could allocate 78 *per cent* of food grains demanded by the States. The actual off-take by the States was merely 66 *per cent* of total demand placed by them.
(Paragraphs 6.6.1 and 6.6.2)

(xiii) Pre-School Education (PSE) kits were not available at 41 to 51 *per cent* of the test-checked AWCs during the period 2006-11.

(Paragraphs 7.3 and 7.4)

(xiv) In six of the test-checked States (Bihar, Haryana, Jharkhand, Madhya Pradesh, Uttar Pradesh, and West Bengal) data on beneficiaries of PSE who joined mainstream education were not available. In five States (Andhra Pradesh, Chhattisgarh, Odisha, Rajasthan and Karnataka) shortfall in the number of children who actually joined the formal education during 2006-11 ranged between seven and 30 *per cent*.

(Paragraph 7.6)

(xv) Shortfall of 40 to 100 *per cent* was noted on the expenditure against the funds released for Information, Education and Communication (IEC) in many States.

(Paragraph 8.1.1)

(xvi) Against the total release of ₹ 1753 crore to 13 States during 2008-09 and 15 States during 2009-11 for meeting the expenditure on salary of ICDS functionaries, the actual expenditure was ₹ 2853 crore indicating unrealistic budgeting and consequent diversion of funds from other critical components of the scheme.

(Paragraph 9.3.1)

(xvii) ₹ 57.82 crore were diverted to activities not permitted under the ICDS Scheme in five of the test-checked States and ₹ 70.11 crore were parked in civil deposits/ personal ledger accounts/bank accounts/treasury resulting in blocking of funds.

(Paragraphs 9.4.1 and 9.4.2)

(xviii) The Central Monitoring Unit (CMU) under the ICDS Scheme failed to efficiently carry out assigned tasks, which included concurrent evaluation of the Scheme, monitoring through the progress reports received from the States.

(Paragraphs 10.3.3 to 10.3.5)

(xix) Impact assessment of the services under the SN and the PSE based on outcome indicators, such as nutritional status of the children, was not being done.

(Paragraph 10. 4)

(xx) The follow-up action on internal monitoring and evaluation by the Ministry was not adequate and resulted in recurrence of shortcomings and lapses in the Scheme implementation.

(Paragraphs 10. 7 to 10.9)

Summary of recommendations

- ❖ *The Ministry should conduct a survey to have an assurance that all habitations, especially those inhabited by SC/ST/OBC/minority community population have been covered under the Scheme.*
- ❖ *The Ministry may analyse the reasons for delays in sanction and operationalisation of new Anganwadi Centres and Projects and ensure timely operationalisation of all sanctioned additional Projects and additional AWCs.*
- ❖ *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.*
- ❖ *Funding support may also be given to existing AWCs for replacement of inadequate and non-functional utensils and equipment.*
- ❖ *In addition to the release of 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 for AWCs.*
- ❖ *The targets fixed under State Training Action Plan (STRAP) should be analysed with reference to requirements of training under various categories. The Ministry should analyse the achievements under training with requirements thereunder as well as targets fixed under STRAP.*
- ❖ *The Ministry should ascertain the reasons for shortfall in expenditure on SN and reach the prescribed norm.*
- ❖ *The Ministry should ensure availability of required equipment and adequate training to AWWs with a view to monitoring growth standards of beneficiaries. The maintenance of necessary database must be prescribed and monitored.*
- ❖ *In addition to the release of funds for procurement of pre-school education kits to States/UTs, the Ministry should monitor progress on timely utilization of funds and final supply of these kits to AWCs.*
- ❖ *The Ministry should ask the States to prepare the annual IEC action plan in accordance with financial norms. Expenditure on IEC should be monitored so as to examine the reasons for shortfall.*
- ❖ *The Ministry may assess the requirement of funds accurately so as to ensure minimum unspent balance and to avoid excess expenditure.*
- ❖ *The Ministry may develop a system to periodically monitor the action taken on shortcomings emerging out of monitoring and evaluation reports.*

- ❖ *The Ministry should develop outcome indicators under the scheme and periodically evaluate its achievement.*
- ❖ *The Ministry should launch the Central Supervision Mission as soon as possible with wide representation including administrators, academicians, child health professionals, civil society and other stakeholders.*

The Ministry stated (November 2012) that all recommendations given by Audit had been noted and would be appropriately taken up with the States/UTs including at the Central level for corrective measures. The ICDS strengthening and restructuring had been proposed in the Twelfth Plan. The proposal envisaging implementation in the mission mode had been approved by the competent authority. Once the programme is implemented in the mission mode, most of the shortcomings in programme implementation could be taken care through better instruments and modalities of financial management and monitoring mechanism.