

CHAPTER II

Integrated Child Development Services (ICDS)

2

Integrated Child Development Services (ICDS)

This chapter includes audit findings on the implementation of the Integrated Child Development Services (ICDS) scheme. Observations on financial outlay & expenditure, non/irregular coverage of beneficiaries, irregularities in delivery by Transport Agents, irregular renewal of contracts of Self Help Groups (SHGs), excess payment to SHGs towards supervision and processing cost, use of damaged/ unfit parboiled rice for Hot Cooked Meals (HCMs) in Anganwadi Centres (AWCs), supply of sub-standard and unsafe THR to beneficiaries, non-testing of samples, inadequate infrastructures in AWCs, etc., have been covered in this Chapter.

2. Integrated Child Development Services

The ICDS Scheme was launched by GoI on 02 October 1975 in recognition of the importance of early childhood care, which is the foundation for human development. It was designed to respond to meet the holistic needs of children, take care of health and nutrition needs of children (0-6 years) and pregnant and lactating mothers. Subsequently, GoI launched (8 March 2018) a National Nutrition Mission called POSHAN and brought the ICDS scheme under its umbrella. Further, in August 2022, the SNP of anganwadi services was also aligned under the 'Saksham Anganwadi and POSHAN 2.0 Mission' of GOI.

The SNP is one of the components under ICDS Scheme, which provides Morning Snacks and Hot Cooked Meals to children in the age group of 3 to 6 years, besides making available Take Home Ration) to pregnant and lactating mothers, Adolescent Girls and children from 6 months to 3 years. Severely underweight children (3-6 years of age) are also given THR over and above HCM under the scheme.

2.1 Financial outlay and expenditure

Para 1.1. of the guidelines for ICDS, 2017 states that it is a Centrally Sponsored Scheme funded on a cost sharing basis between GoI and the State Government. Funds are allocated for implementation of the scheme under two components, viz. ICDS (General) and ICDS (Supplementary Nutrition Programme). Under ICDS (General), the cost is shared between GoI and the State in the ratio of 60:40, while under ICDS (SNP), this cost is shared in the ratio of 50:50 between Central Share (CS) and the State Share (SS). For each quarter, the States were to submit the Statement of expenditure (SoE) along with Utilisation Certificates (UCs) to the MoW&CD. The funds were to be released by the Centre, based on the pace of expenditure by the States.

Scrutiny of records of the W&CD Department, GoO, revealed the following details of funds received and utilised during the FYs 2018-23 under ICDS (SNP) (Table 2.1):

Table 2.1: Funds received and utilised for ICDS (SNP) by GoO during 2018-23

(₹ in crore)

Year	Opening balance (CS + SS)	Funds received (CS+SS)	Total funds available	Funds utilised (CS+SS)	Percentage of utilisation	Closing balance (CS+SS)
1	2	3	4	5	6	7
2018-19	29.58	904.10	933.68	896.52	96.02	37.16
2019-20	37.16	1,005.16	1,042.32	1,013.65	97.25	28.67
2020-21	28.67	1,019.98	1,048.65	1,008.68	96.19	39.97
2021-22	39.97	1,088.48	1,128.45	910.01	80.64	218.44
2022-23	218.44	1,111.23	1,329.67	948.26	71.32	381.41
Total		5,128.95		4,777.12		

(Source: Compiled from the information furnished by the W&CD Department)

It can be seen from the above table that the Department had received ₹5,128.95 crore during the FYs 2018-23 (excluding opening balance of ₹29.58 crore of the year 2017-18) and utilised ₹4,777.12 crore, leaving an unspent balance of ₹381.41 crore as of March 2023. The year wise percentage of utilisation of funds varied from 71.32 per cent to 97.25 per cent. Though overall, 93.14 per cent of the funds received during 2018-23 were utilised, the efficiency of utilisation of funds during 2021-22 and 2022-23 remained between 71 to 80 per cent. The reasons for this were not available in the records made available to Audit.

While admitting the fact the Government replied (June 2025), that difference in funds released and expenditure incurred is due to the difference between the static survey data and fluctuating actual beneficiary coverage data. In order to minimise the gap, POSHAN tracker, a real time data monitoring application is in force from 3rd quarter of 2022-23.

2.1.1 Delay in submission of Utilisation Certificates

As per instructions of MoW&CD (May 2010), UCs for each quarter were to be submitted to the Ministry by 15th of the succeeding month¹¹ of the concerned quarter except for the quarter ending March where it was to be submitted by 31 May of the succeeding FY along with the annual SoE of the previous year.

Scrutiny of records revealed that there were persistent delays in submission of UCs to the MoW&CD by the State and these delays ranged between nine to 123 days during the period 2018-23, as detailed in *Appendix-II*. Further, scrutiny of records of six test-checked DSWOs revealed that none of the

¹¹ UC alongwith SoE for quarter ending June by 15th July, quarter ending September by 15th October and quarter ending December by 15th of January.

DSWOs had submitted the UCs to the Department in time and there were delays ranging from one to 416 days as given in *Appendix-III*

The districts were submitting UCs belatedly to the Department and the latter could not streamline the process to ensure timely submission of UCs. Due to this, there was curtailment of Central Share during 2018-19 as given in **Table 2.2** below.

Table 2.2: Details of funds proposed and Central Share released by GoI

(₹ in crore)

Year	Amount proposed for ICDS (SNP) by the Department	Amount of CS released by MoW&CD	Amount of CS curtailed by MoW&CD
A	B	C	D = (B-C)
2018-19	567.40	434.51	132.89
2019-20	567.94	494.67	73.27
2020-21	512.79	502.99	9.80
2021-22	526.50	494.54	31.96
2022-23	540.70	449.42	91.28
Total	2,715.33	2,376.13	339.20

(Source: Compiled from the records of the Department)

As seen from the above table, GoI curtailed CS of ₹132.89 crore during 2018-19 due to non-submission of UCs. Overall, there was a curtailment in approval of CS of ₹339.20 crore by GoI during the years 2018-19 to 2022-23 due to non-submission of UCs

While accepting the fact of delay in submission of UCs and noting it for future compliance the Government replied (June 2025) that currently UCs are being submitted on the basis of actual expenditure reflected in PFMS after implementation of Single Nodal Account. Regarding curtailment of CS during 2018-23, the Government replied that there was no curtailment during 2023-24 and 2024-25.

The reply regarding submission of UCs is not tenable as submission of UCs to GoI by the GoO was delayed by a period up to 123 days during the year 2022-23 even when the Single Nodal Account was integrated with PFMS. It indicates that the UCs were actually not based upon the actual expenditure reflected in PFMS but the withdrawals from treasury were considered as utilisation and UCs submitted.

2.1.2 Delay in submission of Annual Programme Implementation Plan

Scrutiny of records of the Department showed that every year GoI had issued notifications instructing the State governments to submit the Annual Programme Implementation Plan (APIP) for ICDS for the succeeding year by the dates stipulated in related notifications. The APIP consisted of detailed information about the targets for the year and financial proposal for implementation of the programme. Hence, the APIP was an important document for requisitioning funds required for ICDS under CS from GoI. However, there were delays in submission of APIP by the State Government,

ranging between seven to 58 days during 2018-23 as given in **Table 2.3** below.

Table 2.3: Details of delay in submission of AIPs during 2018-23

Year	Stipulated date for submission of AIP	Date of submission of AIP by W&CD Department	Delay in Submission (in days)
A	B	C	D
2018-19	30 January 2018	19 February 2018	20
2019-20	10 January 2019	17 January 2019	7
2020-21	25 February 2020	23 April 2020	58
2021-22	25 February 2021	5 April 2021	39
2022-23	Not specified	3 November 2022	NA

(Source: Compiled from the records of the Department)

The Department stated (April 2024) that except for the year 2018-19, in all the years (2019-23) the AIPs were submitted before the date of the meeting of the Empowered Programme Committee (EPC). Further, there was a delay of only four days in the submission of AIP for the year 2018-19.

The reply of the Department was not tenable as it failed to comply with the directions of GoI regarding due date of submission, and the comparison with the date of holding of EPC meetings was irrelevant.

2.1.3 Funds received and utilised by test-checked districts

Scrutiny of records in six test-checked DSWOs revealed that funds of ₹1,448.97 crore were received by the DSWOs during 2018-19 to 2022-23 and expenditure of ₹1,337.07 crore was incurred on implementation of the SNP programme as given in the **Table 2.4** as follows.

Table 2.4: Details of funds received and utilised by the selected districts

(₹ in crore)

Sl. No.	District	Receipt of funds during 2018-19 to 2022-23	Funds utilised during 2018-19 to 2022-23	Balance	Remarks
1	Balangir	217.32	217.32	0	-
2	Ganjam	507.56	465.81	41.75	Surrendered
3	Jharsuguda	54.73	50.15	4.58	Withdrawn by GoO ¹²
4	Mayurbhanj	328.96	308.78	20.18	Surrendered
5	Puri	184.27	145.07	39.20	Surrendered
6	Rayagada	156.13	149.94	6.19	Surrendered
	Total	1,448.97	1,337.07	111.90	

(Source: Compiled from the information furnished by the DSWOs)

¹² During 2020-21, out of unutilised balance of ₹4.58 crore, ₹1.48 crore was withdrawn by GoO, reasons for which were not on record.

It can be seen from the table above that funds of ₹111.90 crore were surrendered / withdrawn during the year 2018-23 despite the fact that all enrolled beneficiaries in these districts had not been covered, as discussed in the succeeding paragraphs.

While admitting the facts, the Government replied (June 2025) that difference in funds released to Districts and actual expenditure by them is due to the difference between the static survey data and fluctuating actual beneficiary coverage data. In order to minimize the gap, POSHAN tracker, a real time data monitoring application, is in force from 3rd quarter of 2022-23.

2.2 Programme implementation under ICDS

2.2.1 Non-coverage of beneficiaries

The Supplementary Nutrition Programme is one of the six services provided under ICDS. SNP was aimed at improving health and nutritional status of children, pregnant women, and lactating mothers by giving nutritional support for 300 days a year to children in the age group of six months to six years, pregnant women and lactating mothers. Each beneficiary was to be provided nutritious food as part of morning snacks, Hot Cooked Meal, and Take Home Ration under the programme.

Scrutiny of records in the six test-checked DSWOs revealed that 57,64,642 beneficiaries were enrolled during 2018-23 under SNP. Out of this, 55,66,539 beneficiaries were covered under the scheme and provided with nutritional support while 1,98,103 beneficiaries were deprived of this support. Details of district-wise enrolment and coverage of beneficiaries is given in **Table 2.5** below.

Table 2.5: Beneficiaries enrolled and Coverage therein in the test-checked districts (during 2018-23)

Sl. No.	Name of the district	No. of beneficiaries enrolled	No. of beneficiaries provided nutritional support	No. of beneficiaries not provided nutritional support
<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>	<i>E</i>
1.	Balangir	9,30,581	8,56,942	73,639
2.	Ganjam	20,50,019	19,72,024	77,995
3.	Jharsuguda	2,36,493	2,02,251	34,242
4.	Mayurbhanj	12,81,953	12,73,282	8,671
5.	Puri	6,47,177	6,47,177	0
6.	Rayagada	6,18,419	6,14,863	3,556
Total		57,64,642	55,66,539	1,98,103

(Source: compiled from the information furnished by the DSWOs)

Thus, despite availability of funds, 1,98,103 beneficiaries were deprived of the benefits under SNP. This was also corroborated during the interview conducted by Audit wherein 13 out of 121 surveyed beneficiaries stated that

they had been left out due to non-enrolment in the Poshan tracker¹³ and other reasons like non-linkage with Aadhaar, temporary migration of pregnant woman for childbirth to their parental house etc. There is thus a need for the Government to take necessary steps to ensure enrolment of all the eligible beneficiaries by addressing such issues.

In reply the Government stated (June 2025) that efforts are being made to attain 100 *per cent* Aadhar enrolment and coverage of beneficiaries.

2.2.2 Short lifting of foodstuff

Para 6 of the revised Guidelines for the Implementation of Take Home Ration, 2018 stipulated that GoI should supply wheat at a subsidised rate for the preparation of THR. Wheat meant for THR should be lifted from the Food Corporation of India (FCI) and supplied to the concerned Self-Help Groups (SHGs.) Further, para 1.2 under Part-B of the guidelines stipulates that rice was to be supplied by the Odisha State Civil Supplies Corporation (OSCSC) for HCM.

Scrutiny of records revealed that against the allocated quantity of 2,22,851.21 MT (including opening balance of 326.31 MT) of rice and 2,98,403.20 MT of wheat (including the opening balance of 300 MT) during the period 2018-23, the Transport Agents (TAs)¹⁴ lifted and delivered 2,02,598.15 MT and 2,85,375.60 MT respectively. As such, there was short lifting of rice and wheat by 20,253.06 MT (2.27 to 33.22 *per cent*) and 13,027.60 MT (0.47 to 21.16 *per cent*) respectively (as given in *Appendix-IV*), impacting the coverage of beneficiaries under the THR component.

In reply, the Government stated (June 2025) that allocation of foodgrains to Districts was made based on quantity of food grain received from GoI and actual number of beneficiaries to be covered in the districts.

The reply is not acceptable as the audit findings in six test checked DSWOs showed less coverage of beneficiaries as discussed in **Paragaph 2.2.1**.

2.2.3 Unrealistic preparation of APIP proposal

The MoW&CD, GoI while approving (29 July 2020) APIP for the year 2020-21 suggested that physical verification of beneficiaries should be carried out.

Scrutiny of APIP proposals of the Department and UCs submitted for the respective years revealed that there was lesser utilisation of funds ranging from ₹28.67 crore to ₹381.41 crore against the available funds for SNP, as mentioned in *Appendix-V*. This indicated that APIP proposals for SNP had

¹³ POSHAN Tracker application enables real-time monitoring and tracking of all AWCs, AWWs and beneficiaries against defined indicators. Beneficiaries are Aadhaar seeded to ensure last mile tracking and delivery of services.

¹⁴ Transporter / Transport Agents are engaged through open tendering by the DSWOs for transportation of wheat from FCI godown to SHGs and rice from the godowns of OSCSC to the Anganwadi Centers.

not been prepared correctly by taking into account the actual number of beneficiaries available during 2018-23, as detailed below.

During the period under scrutiny, coverage of 2,19,43,372 beneficiaries (under three categories: (i) children between six months – six years, (ii) six months – six years severely malnourished children and (iii) pregnant and lactating mothers was planned for in the AIPs under SNP. For this, funds amounting to ₹5,430.66 crore were required as per the cost norms¹⁵ approved in the AIPs. However, all beneficiaries *i.e.*, 2,19,43,372 were shown as covered after an expenditure of ₹4,777.12 crore only (instead of the full projected requirement of ₹5,430.66 crore), which indicated that either all the beneficiaries had actually not been covered, or that the GoO had furnished incorrect information in UCs submitted with regard to number of eligible beneficiaries covered, to GoI for release of higher CS funds. Further, there was no evidence on records regarding any physical verification of beneficiaries undertaken by the State.

The Government replied (June 2025) that the proposal in APIP is based on survey data and expenditure incurred was based on actual beneficiaries registered at AWCs during the period.

The reply was not tenable as the actual number of beneficiaries was required to be assessed for the APIP and submission of financial proposal to GOI. Since all the eligible beneficiaries were shown as covered in the UCs despite the short release of CS by GoI and under-utilisation of allotted funds, this indicated that the assessment of fund requirement for the financial proposal in the APIP was not based on actual numbers of beneficiaries. Further, Audit also noted that 1,98,103 beneficiaries enrolled under the scheme were not provided nutritional support in the test-checked six DSWOs.

2.2.4 Delay in Aadhaar enrolment of beneficiaries

As per MoW&CD, GoI notification (February 2017), individuals desirous of availing SNP at AWCs were required to furnish proof of possession of Aadhaar number or undergo Aadhaar authentication¹⁶ from 1 April 2018. Aadhaar enrolment process was also to be followed for children below the age of five years. In case authentication by using Aadhaar was not possible, the beneficiaries would continue to avail the SNP at AWCs subject to production of certain documents as prescribed by MoW&CD, GoI¹⁷. Further, as per Notification (July 2017) of MoW&CD, GoI, Unique Identification Authority of India (UIDAI) authorised W&CD Department of States to become

¹⁵ Cost per beneficiary per day (as fixed in Guidelines) ; Children (7 month to 3 years): ₹8.00, Severe underweight children (6 month to 3 years): ₹12.00 and Pregnant and Lactating Mother: ₹9.50.

¹⁶ “Authentication” means the process by which the Aadhaar number along with demographic information or biometric information of an individual is submitted to the Central Identities Data Repository for its verification and such Repository verifies the correctness, or the lack thereof, on the basis of information available with it, as per Section 2(c) of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016.

¹⁷ Notification No. SO 348(E) dated 6 February 2017.

Registrars for Aadhaar enrolment and start enrolment facilities at AWCs at regular intervals for enrolment of children, adolescent girls and women beneficiaries. The capital cost of full enrolment (including laptops, computers, printers, scanners, GPS devices, fingerprint and iris scanners) were to be met from administrative expenses under ICDS (General) as per existing cost sharing basis. The Aadhaar seeding and data validation of beneficiaries was to be completed by 31 March 2018.

Scrutiny of records at W&CD Department revealed that ₹15.21 crore¹⁸ was available with the Department for procurement of three sets of Aadhaar enrolment kits¹⁹ each for 338 Child Development Project Offices (CDPOs) totalling to 1,014 sets as of December 2017. After lapse of more than two years from the date of notification, the W&CD Department intimated (13 March 2020) Odisha Computer Application Centre (OCAC), Bhubaneswar for submission of detailed estimates for procurement of the kits. OCAC submitted (20 March 2020) estimates for 338 Tablet based (Child Enrolment Lite Client) Aadhaar kits and 676 Laptop based Aadhaar kits at a total cost of ₹9.46 crore excluding GST and consultancy charges.

Subsequently, W&CD Department placed (June 2020) funds of ₹9.46 crore with OCAC towards the cost of the Aadhaar equipment. However, OCAC procured only 676 Laptop based Aadhaar kits at a total cost of ₹7.32 crore as of October 2020. As stated by OCAC, 338 Tablet based Aadhaar kits were not procured due to delays in finalisation and notification of tablet specification by UIDAI, due to which ₹2.14 crore remained unutilised (as of March 2023).

Further, scrutiny of records of the Department revealed that out of 676 Aadhaar kits procured, only 394 kits were functional (in 338 CDPOs) and the remaining 282 Aadhaar kits were non-functional. Hence, the Department directed (May 2023) all District Collectors to take prompt steps to make all the Aadhaar kits functional and expedite Aadhaar enrolment as only 42 *per cent* children in the age group of zero to five years were Aadhaar enrolled in the State as of May 2023.

Thus, (i) the delay of more than two years in procurement of Aadhaar enrolment kits; (ii) non-procurement of 338 Tablet based enrolment kits despite availability of funds; and (iii) non-utilisation of 282 Aadhaar kits led to delay in Aadhaar based authentication of beneficiaries, which was originally targeted to be completed by 31 March 2018.

In reply, the Government stated (June 2025) that 338 tablets could not be procured by OCAC due to frequent change in UIDAI client and kit specifications. However, OCAC had purchased 250 Aadhaar linked Birth registration kits with the assistance of Health & Family Welfare Department. OCAC has been intimated to make 282 non-functional Aadhaar kits functional and districts have been instructed to conduct camps on Aadhaar enrolment at district level. The status of Aadhaar enrolment in the age group of zero to 5 years as of January 2025 is more than 52 *per cent*.

¹⁸ CS: ₹9.13 crore and SS: ₹6.08 crore

¹⁹ Laptop based Aadhaar kit and Tablet based Aadhaar kit

The reply was not acceptable as after the sanction of funds by GoI in December 2017, the W&CD Department initiated (March 2020) procurement procedure with OCAC after a lapse of more than two years. Further, the Department could not utilise all the procured Laptop based Aadhaar kits which further delayed enrolments. Thus, the Department failed to ensure enrolment of beneficiaries through Aadhaar enrolment kits and deprived eligible beneficiaries of benefits of SNP during the period of delay and achievement of Aadhaar enrolment was limited to 52 *per cent* only as of January 2025.

2.2.5 Disruption of feeding days for supply of Hot Cooked Meals

As per Para 1 of the Revised guidelines for implementation of THR, 2018 children in the age group of three to six years were to be given HCM as part of nutritional support for 300 days in a year.

Scrutiny of records of 60 AWCs under six selected DSWOs revealed that in 45 AWCs, children in the age group of three to six years had been provided HCM for 62,100 days against the requirement of 65,400 days, resulting in disruption of 3,300 days of HCM during 2018-19 to 2022-23, as detailed in *Appendix-VI*. Thus, the target of providing HCM for 300 days per year at the AWCs could not be achieved.

In reply the Government stated (June 2025) that two major reasons for disruption of 3,300 days of HCM was due to Covid 19 pandemic and extreme heat wave during peak summer in which dry rations were distributed in place of HCM to pre-school children at AWCs.

The reply could not be verified as there were no records in the AWCs evidencing the distribution of dry ration during disruption period of 3,300 days of HCM.

2.3 Irregularities in delivery of foodstuff by the Transport Agents

As per para 2 of the Revised Guidelines for Implementation of THR, 2018, this THR was to be given to pregnant and lactating mothers, children between the ages of six months to three years, as they do not attend the AWC on a daily basis. Severely underweight children (three-six years) were also to be given THR, over and above HCM. Further, Para 6 of the Guidelines stipulated that GoI should supply wheat at a subsidised rate and that wheat based *chhatua*²⁰ would be prepared by SHGs²¹. Wheat meant for THR should be lifted from FCI and supplied to the concerned SHGs by the Transport Agents (TA), engaged for this purpose. Proper receipts regarding quality and quantity should be taken from the SHGs and the District Collector was to monitor this closely. Delivery must be done at each SHG/AWC point only for a month's requirement. The processes for delivery of rice and wheat at AWCs and SHGs are given in the Flow Charts 3 and 4.

²⁰ Chhatua is made by dry-roasting of wheat, ground nut, Bengal gram and sugar and grinding to a fine flour.

²¹ A group of poor or disadvantaged people come together on their own (voluntarily) with the clear objectives of bringing about a positive change in the situation in which they find themselves in, through self-help and self-reliance.

Chart 3: Process of allotment of rice (ICDS)



Chart 4: Process of allotment of wheat (ICDS)



2.3.1 Short delivery of wheat by the Transport Agent

As per clause 12 of the agreement (February 2019) between the District Collector, Rayagada and the TA, the DSWO had the right to deduct and adjust any amount found recoverable towards supply of less quantity of the food stuffs.

Scrutiny of records (including stock registers) available at DSWO, Rayagada revealed that the TA was unauthorisedly keeping a stock of wheat while the Scheme Guidelines provided for delivery of full quantity of wheat issued by FCI, directly to SHGs. This practice of keeping the wheat issued by FCI in unauthorised stock maintained by the TA facilitated scope for pilferage as noticed in the following case.

Under DSWO, Rayagada, the Stock Register of the TA showed that there was a Closing Balance (CB) of 928 quintals of wheat for the year 2017-18. The TA had lifted 85,852.86 quintals of wheat from FCI during the years 2018-19 to 2022-23. Therefore, the total quantity of wheat available for delivery was 86,780.86 quintals as given in the table. As per DSWO records, during 2018-23, the TA had delivered 86,409.86 quintals to the SHGs. Hence, there should have been a closing stock of undelivered wheat of 371 quintals as detailed in **Table 2.6** below, however the Stock Register of the TA showed closing balance as nil at the end of the year 2022-23.

Table 2.6: Details of delivery of wheat to the SHGs

Year	Opening Balance	Total quantity allocated to DSWO and lifted by TA from FCI	Total quantity available for delivery	Quantity delivered by the TA to the SHGs	Closing balance
1	3	3	4	5	6
2018-19	928	17,850.70	18,778.70	18,778.70	0.00
2019-20	0.00	17,437.50	17,437.50	17,433.50	4.00
2020-21	4.00	18,277.56	18,281.56	17,328.36	953.20
2021-22	953.20	17,035.20	17,988.40	17,346.60	641.80

Year	Opening Balance	Total quantity allocated to DSWO and lifted by TA from FCI	Total quantity available for delivery	Quantity delivered by the TA to the SHGs	Closing balance
1	3	3	4	5	6
2022-23	641.80	15,251.90	15,893.70	15,522.70	371.00
Total		85,852.86	86,780.86	86,409.86	

(Source: Information furnished by FCI and DSWO, Rayagada)

The value of this undelivered balance of 371 quintals of wheat was ₹9.71 lakh²² but the DSWO, Rayagada neither reconciled the stock position with the stock account of the TA nor did he deduct any amount for the short delivery from the payment made to the TA. Thus, due to lack of close monitoring of lifting and delivery of wheat by the Collector and co-ordination between the Collector and the DSWO, there was short delivery of 371 quintal of wheat amounting to ₹9.71 lakh.

In reply, the Government stated (June 2025) that DSWO, Rayagada has been instructed to recover the amount from the TA for short delivery and Department has prepared SOPs to avoid the same in future.

2.3.2 Short delivery of rice by the Transport Agencies to AWCs

As per para 1.2 of the Guidelines for Implementation of Morning Snacks and HCM, 2018, TA may be engaged for lifting of rice from the godown of OSCSC and supplying the same to the AWCs. Further, the TA should carry weighing machine and weigh the stock at the delivery point in front of the Jaanch Committee²³ (JC)/ Mothers Committee²⁴ (MC), as the case may be. Para 1.3 of the Guidelines stipulated that availability of measuring equipment should be ensured at the level of AWCs so as to ensure greater transparency and amenability to checks.

In order to ascertain the actual quantity of rice delivered to AWCs by the TAs, Audit conducted JPIs (between 02 September 2023 and 20 January 2024) of 60 sampled AWCs under six selected DSWOs and found 119 sealed rice bags in 37 AWCs.

- Audit weighed all the 119 sealed bags of rice in the presence of Anganwadi workers (AWWs) and the Supervisors and found that in 115 bags (96.64 per cent), against the required quantity of 50 kg rice per bag, there was shortage of rice ranging from 0.1 kg to 16.580 kg. Thus, against the required quantity of 57.50 quintals²⁵ of rice, there was 50.77 quintals of rice available in the bags.

²² 371 quintals X ₹2,617 per quintal (Wholesale price of wheat for the year 2022 published by Ministry of Agriculture and Farmers Welfare, GoI) = ₹9,70,907

²³ Jaanch Committee is set up in village with a composition of a retired Government/ PSU employee, President/ secretary of best graded SHGs, one person with disability, Chairperson of Mothers Committee and president of village Education Committee to ensure all feeding programme maintain prescribed standards of quality and quantity.

²⁴ Mothers Committee is the committee of mothers whose children are attending AWCs.

²⁵ 115 bags X 50 kg per bag = 5,750 kg (57.50 quintals)

- As per the Scheme Guidelines, the TA was responsible for delivery of correct quantity of food stuff to the AWCs, hence the short delivery clearly raised the risk that in test-checked districts, the TAs had removed rice from the sealed bags and short quantities of rice bags had been delivered to the AWCs.
- In total, 10,92,980 bags of rice were delivered to the six test-checked districts during 2018-23. Considering the average shortage of rice in the AWCs, there was a possibility of short delivery of almost 62,686.12 quintals of rice to AWCs in these districts worth approx. ₹20.85 crore as detailed in *Appendix-VII*.

Instances of delivery of 43.240 kg and 39.780 kg rice bags instead of 50 kg each at AWC, Mandirapada under CDPO, Kolabira of Jharsuguda district and AWC, Thudibhal under CDPO, Belapara of Balangir district respectively are given in **Photographs 1 and 2** below.



Photograph 1 and 2: Actual weight of rice bag was 43.240 kg at AWC, Mandirapada and actual weight of rice bag was 39.780 kg at AWC, Thudibhal

As stated by the AWWs, the TAs never carried weighing machines and never weighed the rice at the time of delivery at AWCs in the entire 60 test checked AWCs during 2018-23. It was also informed that JC/MC members were also not present at the time of delivery of rice at the AWCs. Thus, non-monitoring of delivery of rice at AWCs by the JCs/ MCs and non-weighing of rice bags by the TAs not only resulted in short delivery of rice, it also raised the risk of feeding of lesser quantity of rice to the beneficiaries.

The Government accepted the observation and stated (June 2025) that all the six districts have been instructed to take action against the present TA and recover the short supply of rice. Further, the Department had prepared SOPs that would be shared with districts to avoid the same in future.

2.3.3 Irregularities in selection of Transport Agent

As per para-2(i) and 6(ii) of the Revised Guidelines for Implementation of THR, 2018, a transporter may be engaged by the DSWO for transportation of wheat from FCI godown to the SHGs. Similarly, as per para-1.2 (i) of the Revised Guidelines for Implementation of Morning Snacks (MS) and HCM, 2018, a transport agent may be engaged for lifting of rice from the godown of OSCSC and supplying to the AWCs. Further, para 1.2 (ii) of the Guidelines and para 2(i) of the Guidelines for THR provide that a fair, open and transparent tendering procedure should be followed in the selection of TAs and local condition and prevailing prices should be taken into account to arrive at competitive rates.

Scrutiny of records of DSWO, Balangir revealed the one bidder²⁶ was selected as TA for the year 2020-21 under the Puintala ICDS project in Balangir district. On receipt (May 2021) of complaints from CDPO, Puintala against the TA, regarding short delivery of rice to 21 AWCs, the DSWO, Balangir issued show cause notice (June 2021). In reply to the show cause notice, the TA denied any wrongdoings, which was not accepted by the DSWO. Subsequently, six CDPOs of the district intimated (July 2021) the DSWO regarding short delivery of rice and other irregularities like non-distribution of rice on time, non-submission of delivery challans *etc.*, by the TA during 2020-21. Accordingly, the DSWO debarred (August 2021) the TA from participation in any similar tenders in the district. Audit however, noticed that the bidder was again selected as TA for the year 2022-23 in the same district (Balangir) by the tender committee despite the above-mentioned allegations against his performance.

Audit also conducted JPI of 10 AWCs (between 17 October 2023 and 16 November 2023) in Balangir district where the same bidder was supplying rice and noticed that the bidder had supplied 1144.15 kg of rice against 1300 kg resulting in short supply of 155.85 kg rice to the 10 AWCs. Further, in two ICDS projects²⁷, 12,095.80 quintals of rice was supplied by the TA during 2018-23. However, the rice had not been weighted in the AWCs in presence of JCs/MCs due to which actual quantity of rice received in the AWCs could not be ensured. As such, short receipt of rice in these AWCs could not be ruled out. Thus, selecting the bidder as TA for the year 2022-23 despite allegations against his performance was irregular.

The Government accepted (June 2025) the audit observation and stated that DSWO, Balangir has been instructed to take necessary action.

2.3.4 Irregular release and non-forfeiture of security deposits of the TAs

The DSWO, Ganjam floated (January/April 2018) a tender for selection of TA for transport of SNP foodstuff during 2018-19 with the following terms and conditions:

²⁶ Rajesh Ranjan Patra

²⁷ Belpada and Balangir under Balangir district

- Para 5 (ix) of the tender documents (Notice Inviting Tender) stipulated that the bidder had to submit the Earnest Money Deposit (EMD) amounting to ₹20 lakh. The instrument of deposit²⁸ was to be duly pledged in the name of District Collector Ganjam/ DSWO Ganjam with validity of at least one year from the date of Tender Notice.
- As per Para 6 (viii) of the tender document, in case there was more than one bidder as L1, an open lottery system would be adopted.
- Further, as per para 15, EMD amount of the unsuccessful bidders was to be refunded after finalisation of the tender whereas the EMD of the successful bidders was to be converted into Security Deposit (SD) and was to be released only after successful completion of the contract period and after audit of the accounts relating to the period.
- Breach of any terms/ conditions of the agreement/ unwillingness to undertake the transport work after acceptance of tender would lead to forfeiture of EMD/ SD.

For the year 2019-20 also NIT for selection of TA, with same terms and conditions was floated (February 2019). Scrutiny of related files/ records in DSWO, Ganjam revealed the following irregularities:

2.3.4.1 Irregular splitting of tender

For the year 2018-19 and 2019-20 tenders were called for finalisation of engagement of TA for transport of SNP foodstuff for the entire district. Six bidders (in 2018-19) and seven bidders (in 2019-20) participated in these tenders and quoted the same price of ₹54.34 and ₹73.75 in both the years respectively. Subsequently the tender committee under the Chairmanship of the District Collector, Ganjam on May 2018 and February 2019 finalised the tender by apportioning the work of transportation of food stuff among all the six and seven qualified bidders for the respective years.

Thus, instead of resorting to lottery process to finalise the bidders as circulated in the NITs, tenders were split and awarded to all the participating bidders in violation of the terms and conditions of the tender document. Quotation of the exact same rates by six/seven bidders in two tenders also raises the doubt of collusion.

2.3.4.2 Irregular refund of SD to TA and less realisation of SD from TA

During 2018-19, all the six successful bidders²⁹ submitted EMD at the rate of ₹20 lakh each, in shape of Term Deposit Receipt (TDR) in favour of DSWO, Ganjam which was to be converted to SD after finalisation of the tender. It

²⁸ In the shape of Kisan Vikash Patra (KVP)/ National Savings Certificate (NSC)/ Fixed Deposit (FD)/ Bank Draft (BD)/ Bankers Cheque (BC) issued by any Scheduled Bank/ Post Office

²⁹ Anil Kumar Patra, Bineta Swain, Jamuna Mohanty, Kabindra Nath Panda, Pramod Kumar Sahoo, and Sisir Kumar Panigrahy

was, however, observed that considering the representations of the TAs for refund of SD, the District Collector, Ganjam, approved the refund (November 2018) of ₹20 lakh. This was on the ground that the TAs had deposited ₹20 lakh each as EMD with their bids for tender of transportation of SNP foodstuff for the entire district, whereas each TA was distributing foodstuff for 1/6 of the district now. As such, the DSWO, Ganjam directed (November 2018) the TAs to deposit ₹five lakh each in shape of FD duly pledged in favour of DSWO, Ganjam. Accordingly, the TAs deposited ₹five lakh each in shape of pledged TDR. Subsequently, the DSWO, Ganjam requested (November 2018) the concerned Bank for de-pledging the amount of ₹20 lakh of each TA. Thus, SD amounting to ₹90 lakh (₹15 lakh to each bidder) was refunded (November 2017 and January 2018). During 2019-20, engagement of TA was similarly done by apportioning the work among all seven bidders and SD at the rate of ₹five lakh was collected from each of the seven TAs instead of ₹20 lakh each as per condition of tender document.

Thus, inviting tender for the whole district with EMD ₹20 lakh and awarding the contract by splitting the work and reducing the SD to ₹five lakh was in contravention of the conditions of the tender documents and it deprived other interested bidders (with less resources) of equal opportunity of participation in the tendering process.

The Government stated (June 2025) that the audit observation has been noted for future guidance and all districts have been instructed to sign a standard legal document with TAs and collect SD as per tender document.

2.3.4.3 Non-forfeiture of security deposit

As per the terms and conditions of the tender documents, breach of any terms/ conditions of the agreement/ failure/ unwillingness to transport after acceptance of tender shall lead to forfeiture of SD. Audit noticed that one TA³⁰, engaged for transportation of SNP foodstuff for the year 2020-21 and 2021-22 with submission of SD of ₹five lakh, expressed (28 February 2022) inability to work further on the ground of participation in the Municipal Election 2022. The TA requested the DSWO, Ganjam to accept resignation as Transport Agent under SNP. Accordingly, the District Collector, Ganjam, disengaged the TA (4 March 2022) with effect from 01 March 2022 before completion of the contract period (*i.e.*, 31 March 2022) and another TA³¹ was instructed to take charge temporarily of distribution of rice and wheat during the remaining period of the contract. However, the SD of ₹five lakh of the disengaged TA was not forfeited. Thus, disengagement of TA before completion of contract period without forfeiture of SD was irregular and against the terms of the contract.

In reply the Government noted (June 2025) the observation for future guidance.

³⁰ Bineta Swain

³¹ Sisir Kumar Panigrahy

2.3.5 Short realisation of cost of foodstuffs from the TA

As per clause 3(e) of the agreement between DSWO, Puri and the TA, the TA would be held responsible for taking delivery of stock, shortage and damage noticed if any, during transit of stock and no shortage would be allowed to the TA. Further, clause 3(g) of the Agreement stipulated that the agent was liable to pay the cost of the foodstuff, if any is lost by theft or damage by fire or any other natural calamities during transportation. In case, the TA failed to comply with any of the terms and conditions of the agreement, it shall be lawful on the part of the authority to either forfeit the SD amount in part or full.

Scrutiny of records of DSWO, Puri revealed that one TA³² was engaged for transportation of foodstuffs for the year 2019-20 for CDPOs, Puri Sadar and Puri Municipality and the agreement was subsequently extended up to 2020-21. Before expiry of the extended agreement, the TA requested (February 2021) the DSWO for disengagement on health grounds. In response, the DSWO instructed (April 2021) CDPOs, Puri Sadar and Puri Municipality to submit the no dues certificate in respect of the TA and engaged another TA for 2021-22 onwards. The CDPOs informed (April/ July 2021) the DSWO that the TA had not delivered 966.15 quintals³³ of wheat lifted from FCI. As such, the TA was liable to pay ₹23.19 lakh³⁴ towards the value of the wheat short supplied. Audit noticed that the DSWO recovered only ₹2.65 lakh from the TA. This resulted in short recovery of ₹20.54 lakh for the short supply of wheat from the TA. Although an EMD of ₹five lakh was received which was converted to SD, nothing about encashment or return of SD was found on record.

In reply the Government noted (June 2025) the observation for future guidance and directed the District Collector/DSWO, Puri to recover the remaining amount.

2.3.6 Engagement of SHGs with expired/ no food safety license

As per para 18 of the Revised Guidelines for implementation of THR, 2018, SHGs engaged in production of THR would come under the purview of the Food Safety and Standards (FSS) Act, 2006. It was mandatory for DSWOs to ensure that the SHGs/SHG Federations were registered or licensed, as applicable, under the Food Safety and Standards Authority of India (FSSAI) or applicable Rules/ Regulations. Further, the SHGs engaged were to display the certificate in the premises of the THR unit.

Scrutiny of records in DSWO, Jharsuguda showed that there was no valid food safety license for the period ranging between 61 to 271 days in respect of seven SHGs, responsible for preparation and distribution of THR during 2018-23 in contravention to the provisions of the Guidelines.

³² Shri Prasanna Kumar Mishra

³³ Puri Sadar: 687.15 quintals and Puri Municipality: 279.00 quintals

³⁴ 966.15 quintals X ₹2,400 per quintal= ₹23,18,760

Further, scrutiny of records in DSWO, Ganjam revealed that one SHG³⁵ continued preparation and distribution of THR during 2020-22 without renewal of its food license while in case of another SHG³⁶, it continued its preparation and distribution till the date of audit (August 2023) without renewal of its food license since 2019-20. Similarly, in DSWO, Balangir, six SHGs³⁷ were engaged in preparation and distribution of THR without valid food license from the Designated Officer, Food Safety-cum-District Public Health Officer of respective districts at the time of renewal of contract for the year 2019-20 to 2022-23.

This lack of food license raised the risk of distribution of THR prepared without due monitoring and compliance with prescribed norms of hygiene and quality. In reply, the DSWO, Jharsuguda stated (February 2024) that instructions would be issued to all the SHGs to renew the license well in advance. Replies of the DSWO, Ganjam and Balangir are awaited (May 2024). In reply the Government stated (June 2025) that all the SHGs supplying THR in Ganjam, Balangir and Jharsuguda district currently have valid food licenses and instructions have been issued to all districts to take necessary action against SHGs without valid food safety licenses.

2.3.7 Irregular renewal of contracts of SHGs for preparation and distribution of THR

As per para 12 of the Revised Guidelines for Implementation of THR, 2018, a contract should be signed between the CDPO and the SHG (s) laying down the terms and conditions of preparation and distribution of THR. Normally, the contract should be for a period of one year only. Further, before the end of one year, a review of the SHG's performance should be done by the District Collector after which a decision can be taken to either renew or rescind the contract. Moreover, as per para 16 of the Guidelines, in case it was found that the THR had not been prepared as per specifications or was contaminated, the whole lot would be seized and rejected. The concerned SHG should then be black-listed and another SHG be immediately engaged for THR preparation so that there was no disruption in supply. As per notification (July 2013) of W&CD Department, the CDPOs had to collect *chhatua* samples from the SHGs and send the same to the State Food Testing Laboratory (SFTL) for testing for quality. As per the Department's communication (July 2019) to all District Collectors, renewal/ extension of contract of THR producing SHGs should be aligned with the financial year. The process of assessment could start in February every year and renewal of fresh agreement was to be completed by 31st March every year.

Scrutiny of records of six selected DSWOs revealed the following irregularities.

³⁵ Sri Laxmi Narayana SHG, Buguda

³⁶ Maa Mangala SHG, Bhanjanagar

³⁷ Rani Laxmibai Shakti Sanchayika Mahasangha SHG, Maa Santoshi SHG, Kendumundi, Maa Laxminarayan SHG, Dhanghara, Narishakti Masala Udyog, Baragaon, Sri Laxmi Maa SHG, Saintala and Satyasai WSHG, Belpada

2.3.7.1 Renewal of contracts of SHGs inspite of adverse analysis report

In DSWOs, Ganjam and Balangir, it was noticed that in spite of adverse analysis reports of *chhatua* in the year 2018, 2019 and 2022, renewal of contracts of 14 SHGs³⁸ for processing and supply of *chhatua* for subsequent years upto March 2023 were done by respective DSWOs. The contracts should have been rescinded on the ground of production and supply of substandard and unsafe *chhatua*, instead these were renewed in violation of the Guidelines and terms and conditions of contract. Such renewals indicate lack of quality monitoring by the concerned authorities and further put the health of the beneficiaries at risk.

In reply the Government stated that (June 2025) the audit observation has been noted for future guidance, and districts have been instructed to take necessary action against the SHGs for supply of sub-standard and unsafe THR. Show cause notices have been issued to defaulter CDPOs for not taking action against SHGs for supply of sub-standard and unsafe THR.

2.3.7.2 Delay in renewal of contracts of SHGs

As per the instructions of the Department (January 2019), contracts with the SHGs should be for one year and aligned with the financial year i.e from 1 April to 31 March. Before the end of one year, a review of the SHG's performance would be done by the District Collector concerned after which a decision would be taken to either renew or rescind the contract.

It was noticed in DSWO, Balangir that renewal of contract for all the SHGs engaged in the district for the year 2020-21 to 2022-23 had not been done within the timeline of 31 March of each year. Instead, the renewals were done in a phased manner on different dates subsequent to the expiry, with delays ranging between 57 to 264 days during 2020-21 to 2022-23. However, the SHGs continued supplying the THR in the gap period pending renewal of the annual contracts. In the absence of any contract, the SHGs may not be held accountable in case of supply of poor quality of THR, which may cause health hazards to the beneficiaries.

The Government while accepting (June 2025) the audit observation for future guidance, instructed the DSWO, Balangir to submit action taken report.

2.3.8 Irregularity in security deposit by the SHGs

As per clause 13 of the Revised Guidelines for implementation of THR, 2018, the SHGs while signing the agreement with the CDPO should provide a Security Deposit in the shape of a fixed deposit (FD), in favour of DSWO of the concerned district equivalent to five *per cent* of the total value of

³⁸ 1. Satyasai SHG, 2. Tulasi SHG, 3. Maa Santoshi SHG, 4. Maa Laxmi Narayan SHG, 5. Jankalyan SHG, 6. Maa Laxmi SHG, 7. Rani Laxmibai SHG, 8. Laxmi Narayani SHG, 9. Mahila Vikas SHG, 10. Maa Phulamauli, 11. Indira SHG, 12. Nari Shakti SHG under DSWO, Bolangir and 13. Radhakrushna SHG and 14. Maa Mangala SHG under DSWO, Ganjam

production of THR in a year. Subsequently, W&CD Department, GoO revised (September 2020) the SD to ₹one lakh per annum (fixed amount) per SHG which was to be collected from the FY 2020-21 onwards at the time of contract/ renewal of the contract. The SD would be refunded after successful completion of the agreement or readjusted at the time of renewal of the agreement by DSWOs.

Scrutiny of records of the test checked DSWOs revealed that there were irregularities in the receipt of SD in respect of 18 SHGs entrusted with preparation and distribution of THR under three DSWOs during the period 2018-19 to 2022-23, as follows:

- Eight out of 12 SHGs under DSWO, Jharsuguda had submitted SD in the shape of cash amount ranging from ₹1,000 to ₹one lakh, instead of FD during FY 2020-21.
- In DSWO, Jharsuguda, two SHGs had pledged FD in favour of CDPO instead of DSWO and two SHGs submitted unpledged SD.
- In DSWO, Balangir, three SHGs were engaged during 2018-20, who had not submitted the SD, since no evidence regarding submission of the same was found on records.
- Out of the 12 SHGs under DSWO, Jharsuguda, six SHGs had submitted FDs ranging from ₹2,000 to ₹80,000 instead of ₹one lakh.
- Security Deposits of five SHGs under DSWO, Balangir and Jharsuguda were not renewed. However, the un-renewed FDs were accepted for continuation of the contract for subsequent years, violating the provisions of the guidelines.
- Three SHGs under two CDPOs in Ganjam district had executed agreements without submission of SDs, as detailed in *Appendix-VIII*.

Thus, the DSWOs did not adhere to the provisions made in the Guidelines/ notifications of GoO for safeguarding the interest of the Government by ensuring submission of proper SDs to guarantee satisfactory performance in supply of THR.

In reply the Government while admitting (June 2025) the audit observation for future guidance, instructed the DSWOs of concerned districts to submit an action taken report.

2.3.9 Loss of wheat due to excess supply over the required quantity

As per para 2 (ii) of the Revised Guidelines for Implementation of THR, 2018, on no account should a TA deliver wheat for more than a month's requirement to an SHG. In case of deviations, penal clause should be invoked against the Agent. Further, in cases of persistent deviations relating to quantity and/ or regularity of supply, stringent action as per law should be taken. Further, para 3 (i) of the above Guidelines stipulated that the average quantity required to be

stored by SHG for a month should be worked out by the concerned CDPO. Moreover, as per para 1 (a) (Financial guidelines) of the revised THR guidelines, the Supervisor of the concerned CDPO was responsible for verification of stock register and distribution register once a month.

Scrutiny of records of two SHGs³⁹ assigned with the preparation of THR under DSWO, Puri showed that 1,600 quintals and 400 quintals of wheat in the two SHGs respectively was damaged in cyclone Fani as shown by the SHGs in their stock registers. It was noted that one of the reasons for the damage was excess or more than required quantity of wheat being delivered by the TA as shown in the **Table 2.7** below.

Table 2.7: Details of quantity of wheat delivered vis-a-vis quantity utilised by the SHGs

(Quantity in quintals)

ICDS Project	Name of the SHG	Opening balance as on 01 April 2018	Received during April 2018 to June 2019	Total	Consumed during April 2018 to June 2019	Balance stock at the end of June 2019	Balance stock shown at the end of June 2019	Wheat shown as damaged
1.	2.	3.	4.	5.	6.	7.	8.	9.
Gop	Maa Bhagawati SHG	215.11	4,227.00	4,442.11	2,400.96	2,041.15	441.25	1,600
Puri Sadar	Maa Dakhinakali SHG	180.50	2,630.25	2,810.75	2,348.17	462.58	62.58	400
Total		395.61	6,857.25	7,252.86	4,749.13	2,503.73	503.83	2,000

(Source: Records of DSWO, Puri)

As can be seen from above **Table 2.7**, that Maa Bhagwati SHG under CDPO, Gop had received 4,227 quintals of wheat during April 2018 to June 2019 in addition to the opening balance of 215.11 quintals. As such the total available stock with the SHG was 4,442.11 quintals out of which the SHG utilised 2,400.96 quintals upto June 2019. Taking into account the total available stock of wheat and quantity utilised during April 2018 to June 2019, the closing balance with the SHG should have been 2,041.15 quintals. However, it was noticed that the SHG had showed a closing balance of only 441.25 quintals in the stock register and 1,600 quintals of wheat was shown as damaged during the Fani Cyclone.

Similarly, Maa Dakhinakali SHG under CDPO, Puri Sadar received 2,630.50 quintals of wheat during April 2018 to June 2019, in addition to the closing balance of 180.50 quintals. As such the total available stock with the SHG was 2,810.75 quintals during April 2018 to June 2019, of which the SHG utilised 2,347.17 quintals upto April 2019. Taking into account the total available stock of wheat and that utilised during April 2018 to June 2019, the closing balance with the SHG should have been 462.58 quintals. However, the SHG had shown a closing balance of only 62.58 quintal wheat in the stock register and 400.00 quintals was shown as damaged in Fani Cyclone.

Thus, delivery of excess wheat over what was actually required led to huge accumulation of unused stocks of wheat with the SHGs resulting in loss of

³⁹ Maa Bhagawati SHG, Gop and Maa Dakhinakali SHG, Puri Sadar

2,000 quintals of wheat worth ₹41 lakh⁴⁰. Further, the DSWO, Puri also did not assess the actual monthly requirement of wheat required for distribution to the SHGs and placed indents to TA for more quantity of wheat than the average requirement.

In reply, the Government while admitting (June 2025) the audit observation for future guidance, instructed the DSWO, Puri to submit an action taken report and directed the District Collector/ DSWO to recover the loss.

However, the reply confirms that the 2,000 quintals of wheat was recorded as damaged in the stock account by the SHGs and the excess wheat was indented and delivered under the orders of the concerned DSWO, hence, there was no scope of recovery.

2.3.10 Irregular accounting of stock of wheat by the SHGs

As per Para 3 under Part B (financial guidelines) of the Revised Guidelines for Implementation of THR, 2018, the receipts and issue of raw materials, finished goods were to be recorded in the stock registers by SHG. Separate registers were to be maintained for raw materials and finished goods. As per para 12 of the Revised Guidelines for Implementation of THR, 2018, a variation in physical stock and book of accounts would entail suspension and termination of the contract. Further, DSWO, CDPO and Supervisors were required to monitor and supervise THR producing SHGs once in a month in terms of para 16 of the Guidelines.

Scrutiny of stock registers of four SHGs⁴¹ engaged in the preparation of THR under three CDPOs⁴² showed that, in addition to the opening balance of 1,174.85 quintals as on April 2018 (brought forward as closing balance of the year 2017-18), the SHGs received 29,354.94 quintals of wheat during April 2018 to November/ December 2023. Of the total stock of 30,529.79 quintals of wheat, the SHGs had utilised 27,800.87 quintals upto November/ December 2023. As such, the closing balance with the SHGs should have been 2,728.92 quintals in the stock registers as of December 2023. However, the SHGs had shown only 188.91 quintals⁴³ as closing balance in their stock registers, which was also corroborated during JPI with the representatives of the CDPOs. Thus, there was shortage of 940.01 quintals of wheat worth ₹24.60 lakh⁴⁴.

Audit noticed that there was shortfall in monthly visits to SHGs by CDPOs (Gop, Suliapada and Baripada) under DSWO Puri and DSWO Mayurbhanj during the audit period as discussed in **Paragraph 2.6.4**. Due to inadequate periodical physical verification of stock of wheat with the SHGs, the shortage

⁴⁰ 2,000 quintals X ₹2,050 per quintal (Wholesale price of wheat published by the Ministry of Agriculture and Farmer's Welfare, GoI) = ₹41 lakh

⁴¹ (i) Maa Bhagawati SHG under CDPO Gop, under district Puri, (ii) Maa Chakrashila SHG and (iii) Baitarani Maa Laxmi SHG under CDPO Suliapada, and (iv) Maa Tarini SHG (B) under CDPO Baripada all three under district Mayurbhanj.

⁴² CDPO, Gop in Puri district, CDPOs, Suliapada and Baripada in Mahyurbhanj district

⁴³ Excluding 1,600 quintals of wheat under Maa Bhagawati SHG, Gop which was shown in the stock register as damaged during Fani cyclone.

⁴⁴ 940.01 quintals X ₹2,617 per quintal = ₹24.60 lakh

of wheat could not be detected in time. DSWOs had not suspended/ terminated contracts of the four SHGs for such shortage of foodgrains (as of November 2023 and January 2024 respectively).

The Government while accepting (June 2025) the audit observation for future guidance instructed the DSWOs, Puri and Mayurbhanj to submit action taken reports and directed the District Collectors/ DSWOs to recover the loss.

The reply confirms that there was loss to the exchequer due to shortage of stock, which was a result of non-verification of wheat stock periodically by the competent authorities.

2.3.11 Diversion of THR costs towards other expenditure

Para 8 of the Revised Guidelines for the implementation of THR 2018 prescribed the ration entitlement for different categories of beneficiaries like pregnant /lactating women, children (six months to three years), severely underweight children (six months to three years and three to six years) etc. Based on this entitlement, the cost of THR per category⁴⁵ to be paid to the SHGs was also fixed.

Para 9(a) of the Guidelines provided that the SHGs would be responsible for procurement of all the ingredients required for the preparation of THR except wheat, which would be provided by the district authority. Hence, the SHGs would be paid cost of ingredients and processing/supervision costs.

Para 9(c) stipulated that SHGs should be paid ₹0.31 per beneficiary, per day towards supervision (₹0.10) and processing cost (₹0.21) which would include cost of transportation of THR from SHG(s) points to AWC points. Para 10 of the Guidelines further stated that payment would be released by the DSWO to the SHG(s) only against proof of delivery of THRs at AWCs.

Further, as per Para 14 of the Guidelines, SHGs should be encouraged to utilise the amount provided for ingredients strictly without deducting any amount from foodstuff towards transportation cost.

During scrutiny of records of six selected DSWOs, following irregularities were noted, as discussed in the succeeding paragraphs.

2.3.11.1 Excess payment to SHGs towards processing and supervision charges

Audit noticed that nine SHGs⁴⁶ were engaged by the six CDPOs for production and distribution of THRs to the AWCs during the period 2018-19

⁴⁵ Cost per beneficiary per day; Children (7 month to 3 years): ₹8.00, Severe underweight children (6 month to 3 years): ₹12.00 and Pregnant and Lactating Mother: ₹9.50.

⁴⁶ (i) Maa Dakhinakali SHG under CDPO, Puri, (ii) Baitarani Maa Laxmi SHG and (iii) Maa Chakrashila SHG under CDPO, Suliapada (iv) Maa Ujjaleswari SHG under CDPO, Chhatrapur (v) Maa Mangala SHG and (vi) Radhakrushna SHG under CDPO, Bhanjanagar (vii) Kamala SHG under CDPO, Balangir (viii) Maa Tulasi SHG and (ix) Satyasai SHG under CDPO, Belpada

to 2022-23. These SHGs submitted their payment claims to the CDPOs against the quantity of THRs supplied to the AWCs by them. The CDPOs in turn, submitted these claims to the concerned DSWOs for payment. The DSWOs passed the bills and made payments of ₹49.69 crore to the SHGs during the period 2018-23.

Further, audit scrutiny of the bills submitted by the SHGs revealed that the SHGs had supplied THRs for distribution to 36,03,184 beneficiaries during 2018-23. As such, supervision and processing cost of ₹2.79 crore⁴⁷ was to be paid to the SHGs at the rate of ₹0.31 per beneficiary for 25 days per month against which the SHGs were paid ₹8.52 crore.

Audit noticed that the SHGs had raised bills as per rates prescribed in Para 8 of the revised Guidelines but in the statements of expenditure (attached to the bills) for procurement of ingredients, ineligible expenditure on amounts like rent of premises, SHG profit etc., were also included and paid by the DSWOs of Balangir, Ganjam, Mayurbhanj and Puri. In addition, the processing and supervision costs were also not calculated at the prescribed rates of ₹0.31 as per revised Guidelines for implementation of THR, 2018. This resulted in excess payment of ₹5.73 crore to the nine SHGs towards supervision and processing cost as detailed in **Appendix-IX**. Since the bills were raised at the rates fixed by the Government, the inter-component allocation of more costs towards processing and supervision and inclusion of ineligible expenditure in the bills resulted in curtailment of ingredients of THR.

The Government while accepting (June 2025) the audit observation for future guidance, instructed the concerned DSWOs to submit action taken reports and directed the District Collectors/ DSWOs to recover the excess supervision and processing charges paid to SHGs.

2.3.12 Use of damaged/ unfit parboiled rice for Hot Cooked Meals in the AWCs

As per para 3.10 of Mission Saksham Anganwadi and Poshan 2.0 Scheme guidelines, States/ UTs shall ensure the quality of supplementary nutrition, and ascertain that THRs and HCMs are being provided with reference to the norms of food safety as well as nutrient composition. Supplementary Nutrition must conform to the prescribed standards laid down under the FSS Act, 2006 and regulations made there under to ensure consistent quality and nutritive value per serving. As per uniform specification of rice as prescribed by Food Safety & Standards Act, 2006 and Rules prescribed thereunder, maximum limit of damage of raw/ parboiled/ single parboiled rice is 4 *per cent* and moisture content should not be more than 14 *per cent*. Quality testing would be done through FSSAI owned or authorised laboratories. Further, as per para 10 of SNP Guidelines, 2018, the CDPOs and ICDS supervisors have the primary responsibility of monitoring of supplementary nutrition. Supervisors should ensure that all AWCs under their jurisdiction follow proper norms of food

⁴⁷ Supervision and processing cost per beneficiary payable to SHGs = ₹0.31*25=₹7.75
Total amount payable to SHGs for the beneficiaries during 2018-23 = 36,03,184*₹7.75 = ₹2,79,24,676 rounded to ₹2.79 crore.

handing, right from receipt of stocks to delivery of supplementary nutrition to children.

During JPIs (10 to 12 January 2024) of five AWCs⁴⁸ under CDPO, Jharsuguda, it was noticed that the parboiled rice (PBR) used for HCMs was damaged and discoloured. In Mandirapada AWC, it was noticed that all PBR bags were affected by black bugs and were in a damaged condition. Audit team collected samples of PBR from two AWCs⁴⁹ and sent these to the laboratory of FCI, Sambalpur for quality test as per the suggestions of FCI. On the date of JPI, 297.480 Kg of PBR was in stock of these two AWCs. The results of the test carried out by the FCI Laboratory are as follows:

- The sampled rice of Mundadhipa AWC was found not fit for human consumption as content of damaged PBR was 24.8 per cent while moisture content was 14.9 per cent against the prescribed maximum limit of four and 14 per cent respectively.
- Further, 80 per cent of rice grain in the sample of Banjari AWC was found encrusted with live infestation and the moisture content in the sample was 14.5 per cent.

Photo 3: Bag of rice from which sample was taken in Mundadhipa AWC



Further, test check of monthly bills of 12 SHGs under DSWO, Jharsuguda revealed that seven SHGs had procured palm oil for preparation of THR though only refined oil or sunflower oil was to be used, as per the SNP Guidelines, 2018. Thus, PBR and oil used in HCM/ THR, provided to the beneficiaries, did not meet the quality assurance standards as prescribed by GoI. This further indicated that the supervisors responsible for monitoring the quality of PBR/ oil, also did not perform their duties.

The Government while accepting (June 2025) the audit observation for future guidance, instructed the concerned DSWO to submit action taken reports and directed all DSWOs to take immediate strict action against SHGs using palm oil and damaged rice and instructed not to use damaged / unfit parboiled rice in future. The Government also directed Commissioner, Food Safety to draw samples for HCM and THR for examination at SFTL.

However, Audit is of the view that instead of just issuing instructions in such matters, for which guidelines already exist, monitoring and controls need to be strengthened and action should be taken against responsible persons.

⁴⁸ Banjari, Barmal, Indraswapada, Mundadhipa and Old Koilaga

⁴⁹ Banjari and Mundadhipa

2.3.13 Implementation of Scheme for Adolescent Girls (SAG)

A special intervention for adolescent girls was devised in the year 2010 by GoI using the ICDS infrastructure, with an aim to break the inter-generational life-cycle of nutritional and gender disadvantage and thus providing a supportive environment for self-development of adolescent girls. Realizing the multi-dimensional needs of out of school pre-adolescent girls (11-14 years) and with an aim to motivate these girls to join the school system, GoI approved (November 2017) implementation of the Scheme for Adolescent Girls (SAG). The guidelines for implementation of SAG were issued by the MoWCD, GoI in April 2018, and then revised in August 2018. Consequently, GoO also issued (August 2018) revised guidelines for HCM and THR under SNP to incorporate SAG focus areas for implementation in the State. However, the said SAG was discontinued in March 2022 and a revised SAG was introduced and subsumed under Saksham Anganwadi and Poshan 2.0. The targeted beneficiaries under the revised SAG were adolescent girls in the age group of 14-18 years in aspirational districts of the States, which included 10 districts⁵⁰ of Odisha. Scrutiny of records of six selected DSWOs revealed irregularities in the implementation of SAG, as discussed in the succeeding paragraphs.

2.3.13.1 Lack of efficiency in incurring expenditure

GoI released ₹18.48 crore to W&CD Department, GoO for implementation of SAG during 2018-19 to 2022-23 of which GoO utilised only ₹10.74 crore (54.77 per cent) upto March 2023, as detailed in the **Table 2.8** below:

Table 2.8 Funds released and utilised for SAG during 2018-23*(₹ in lakh)*

Year	Opening Balance	Fund released by GoI	Total	Fund utilised by GoO	Percentage of funds utilised	Closing Balance
1	2	3	4	5	6	7
2018-19	-409.75	939.37	529.62	386.42	72.96	143.20
2019-20						
2020-21	143.20	29.69	172.89	10.54	6.10	162.35
2021-22	162.35	96.54	258.89	40.80	15.76	218.09
2022-23	218.09	782.39	1,000.48	636.72	63.64	363.76
Total	113.89	1,847.99	1,961.88	1,074.48	54.77	

Note: Negative opening balance during 2018-19 was due to the adjustment of CS that is utilised in excess (in anticipation of CS) during the previous financial years.

(Source: Data furnished by W&CD Department)

As seen from the table above, the Department incurred an expenditure of ₹10.74 crore (54.77 per cent) during 2018-23 out of funds available. Thus, less-utilisation of funds resulted in poor implementation of SAG in the State, resultantly depriving intended beneficiaries of the benefits of the Scheme.

⁵⁰ Balangir, Dhenkanal, Gajapati, Kandhamal, Kalahandi, Koraput, Malkangiri, Nabarangpur, Nuapada and Rayagada

In reply the Government stated (June 2025) that expenditure incurred was based on actual number of beneficiaries.

The reply is not acceptable as utilisation of less funds against the funds released as per the estimates prepared on the basis of number of intended beneficiaries indicates either the estimates were not based on actual number of beneficiaries or all the intended beneficiaries were not covered.

2.3.13.2 Tardy implementation of SAG in Test Checked Districts

As per Section-2 of the Revised Guidelines for Implementation of THR, 2018, adolescent girls were to be provided THR under SAG with a ration cost of ₹9.50 per beneficiary, per day.

Scrutiny of records in DSWOs⁵¹, Balangir and Rayagada showed that between 65,572 to 1,34,556 eligible beneficiaries were enrolled under SAG during 2018-19 to 2022-23. Funds of ₹154.12 crore were thus required at the rate of ₹9.50 per beneficiary, per day, for providing SNP (THR) to all the enrolled beneficiaries. However, funds of ₹2.38 crore (1.54 per cent) only were allotted by the Department to the DSWOs of Balangir and Rayagada for implementation of SAG in their districts during 2018-23, of which the DSWOs incurred an expenditure of ₹1.99 crore only. The year-wise receipt and utilisation of funds for implementation of SAG during 2018-19 to 2022-23 are given in the **Table 2.9** below:

Table 2.9: Details of funds received vis-a-vis expenditure incurred for SAG during 2018-19 to 2022-23

(₹ in crore)

Year	No. of beneficiaries enrolled	Funds required	Funds allotted by the Department	Funds short allotted	Funds drawn by DSWOs	Funds utilised	Percentage of funds utilised against requirement
2018-19	1,34,556	38.35	0.89	37.46	0.89	0.31	0.81
2019-20	1,33,046	37.92	0.00	37.92	0.00	0.46	1.21
2020-21	80,962	23.07	0.31	22.76	0.27	0.07	0.30
2021-22	1,26,643	36.09	0.21	35.88	0.21	0.20	0.55
2022-23	65,572	18.69	0.97	17.72	0.97	0.95	5.08
Total	5,40,779	154.12	2.38	151.74	2.34	1.99	1.29

(Source: Compiled from the records of DSWO, Rayagada and Balangir)

Further, as per the guidelines, 2.343 kg of wheat was to be provided for preparation of wheat based THR per month, per beneficiary under SAG. Therefore, 1,52,045 quintals⁵² wheat was required for all the beneficiaries of the districts enrolled under SAG during 2018-23. However, the DSWOs received 7,567 quintals wheat which was only 4.98 per cent of the total requirement. The year-wise requirement and allotment of wheat in these districts are given in the **Table 2.10** as follows:

⁵¹ Out of the ten districts where SAG was implemented in Odisha, these two districts were included in the six sampled districts for this Performance Audit.

⁵² 5,40,779 beneficiaries x 2.343 kg per month x 12 months

Table 2.10: Requirement of wheat vis-a-vis allotment of wheat in during 2018-23

(In quintals)					
Year	No. of beneficiaries enrolled	Requirement of wheat during the year	Allotment of wheat	Short allotment of wheat	Percentage of allotment of wheat against requirement
2018-19	1,34,556	37,831.76	0.00	37,831.76	0.00
2019-20	1,33,046	37,407.21	1433.30	35,973.91	3.83
2020-21	80,962	22,763.28	321.00	22,442.28	1.41
2021-22	1,26,643	35,606.95	984.60	34,622.35	2.77
2022-23	65,572	18,436.22	4827.68	13,608.54	26.19
Total	5,40,779	1,52,045.42	7,566.58	1,44,478.84	4.98

(Source: Compiled from the records/ information of DSWO, Rayagada and Balangir)

Thus, allotment of only 1.54 per cent funds and 4.98 per cent of wheat against actual requirements, hampered the implementation of SAG and the objectives of supplying supplementary nutrition to adolescent girls.

The Government while accepting (June 2025) the audit observation for future guidance, instructed concerned DSWOs to submit action taken reports.

2.3.14 Deficient monitoring of growth of children

As per Para 1.5 (1) of the Revised Guidelines for Implementation of Morning Snacks and HCM, 2018, each child in the age group of zero to six years must be weighed at least once every month and the weight should be plotted in the World Health Organisation's (WHO) growth standards register.

Scrutiny of records of six sampled districts revealed that in five districts, all the children covered under the scheme had not been weighed, as given in Table 2.11 below:

Table 2.11: Details of weighment of children during 2018-23

Sl. No.	Name of the district	No. of children eligible for weighment	No. of children weighed	Shortfall in measurement	No. of children found moderately malnourished	No. of children found severely Malnourished
1	2	3	4	7	5	6
1	Balangir	8,03,822	7,06,264	97,558	29,531	2,377
2	Ganjam	17,56,225	17,09,688	46,537	42,230	1,018
3	Jharsuguda	1,91,655	1,89,963	1,692	17,472	780
4	Puri	5,56,190	5,33,918	22,272	12,671	472
5	Rayagada	5,14,761	5,05,687	9,074	54,772	76
	Total	38,22,653	36,45,520	1,77,133	1,56,676	4,723

(Source: Compiled from the information furnished by the DSWOs)

As seen, out of total 38,22,653 children eligible for weighment, weight and height of 36,45,520 children had been measured, leaving out 1,77,133 children as unmeasured in the sampled districts. Of the children who had been

measured, 1,56,676 children were found moderately malnourished, and 4,723 children were found severely malnourished⁵³. Due to non-measurement of 1,77,133 children, health status of these children could not be ensured, highlighting shortfall in monitoring growth of children.

In reply the Government stated (June 2025) that District wise action plan to ensure 100 *per cent* weighment with a focus on high shortfall districts has been conducted through monthly review meeting. Further, digital monitoring tools like POSHAN tracker application for real time tracking have been developed.

2.3.15 Quality assurance of SNP

2.3.15.1 Supply of sub-standard and unsafe THR to the beneficiaries

As per para 7 of the Revised Guidelines of Implementation of THR, 2018, THR (*chhatua*) was to be prepared and supplied to beneficiaries by the SHGs. The CDPOs had been instructed (July 2013) by the Department to collect *chhatua* samples from the SHGs and send the same to the State Food Testing Laboratory (SFTL) for testing the quality of *chhatua* with regards to its proportion of ingredients, calorie value, protein quantity, fungal infection, and moisture contents. Moreover, the CDPOs were to send a monthly certificate to the concerned DSWO stating that the quality of *chhatua* supplied to all the AWCs was appropriate. Further, as per para 12 of the revised guidelines for implementation of THR, 2018, in case the *chhatua* was found adulterated, the SHG would be terminated and blacklisted for five years along with forfeiture of SD and lodging of an FIR against the SHG.

Scrutiny of records of SFTL, Bhubaneswar revealed that the SFTL had tested 27,880 samples of *chhatua* received from CDPOs of the State during 2018-19 to 2022-23. Out of these, 444 samples were found to be substandard and 508 samples were found as unsafe, as detailed in **Table 2.12** as follows:

Table 2.12: Details of receipt and testing of *chhatua* samples by SFTL during 2018-23

Year	No. of <i>chhatua</i> samples received	No. of <i>chhatua</i> samples tested	No. of <i>chhatua</i> samples found satisfactory	No. of samples found Sub-standard	No. of samples found unsafe	Total found sub-standard and unsafe
2018-19	6,051	6,051	5,581	164	306	470
2019-20	6,362	6,362	6,127	88	147	235
2020-21	4,765	4,765	4,708	7	50	57
2021-22	5,296	5,296	5,253	40	3	43
2022-23	5,406	5,406	5,259	145	2	147
Total	27,880	27,880	26,928	444	508	952

(Source: Compiled from the information furnished by the SFTL, Bhubaneswar)

⁵³ The department has adopted 'weight for age' WHO standards for nutritional assessment of children at the AWC and has revised the growth monitoring charts. The new growth chart has a three colour tracks in contrast to the earlier classification or normal, Grade-I, Grade-II and Grade-IV. In the new growth chart, the lines have been shifted and Grade-I and Grade-II have been merged together and termed as 'moderately underweight' and show by a yellow track. Below the yellow track, there is an orange track which comprises Grade-III and Grade-IV children and termed as 'severely underweight'. Normal children are represented by the green track.

Further, scrutiny of records in the test checked CDPOs of the six sampled districts revealed that out of 480 samples tested by SFTL during 2018-19 to 2022-23, 14 samples were found sub-standard, and nine samples were found unsafe, as given in **Table 2.13** below:

Table 2.13: Samples of *chhatua* tested in seven test-checked CDPOs during 2018-23

Sl. No.	Name of District	Name of CDPO	No. of samples sent to SFTL for testing	No. of samples tested by SFTL	No. of samples found sub-standard	No. of samples found unsafe
1	Balangir	Belpada	52	25	0	3
2		Balangir	32	06	1	0
3	Ganjam	Bhanjanagar	110	67	0	0
4		Chhatrapur	60	55	0	0
5	Jharsuguda	Kolabira	57	27	0	2
6		Jharsuguda	94	36	0	0
7	Mayurbhanj	Suliapada	116	90	6	1
8		Baripada	75	43	0	0
9	Puri	Gop	63	40	1	3
10		Puri Sadar	60	35	0	0
11	Rayagada	Muniguda	56	9	3	0
12		Rayagada Sadar	120	47	3	0
	Total		895	480	14	9

(Source: Compiled from the records and information furnished by the CDPOs)

Thus, unsafe/ sub-standard *chhatua* was supplied by 12 SHGs engaged by seven CDPOs in five out of the six test-checked DSOWs. However, the concerned SHGs were not terminated and blacklisted by the DSOWs.

The Government while admitting (June 2025) the facts directed the concerned DSOWs to take necessary action against SHGs distributing sub-standard / unsafe *Chhatua*.

2.3.15.2 Non-testing of essential parameters of *chhatua*

The Operational Guidelines for Food Safety and Hygiene for supplementary nutrition under ICDS, issued (December 2013) by the MW&CD, GoI, prescribed for testing against nine parameters⁵⁴ to provide food that was safe and contamination free.

Analysis of food sample reports, received by the test-checked CDPOs from the SFTL revealed that the SFTL had not followed the stipulated parameters prescribed by GoI for testing of *chhatua*, as given in **Table 2.14** below:

⁵⁴ 1) Protein; 2) energy (total calories); 3) minerals (iron and calcium); 4) vitamins (vitamin A and C), Thiamine, Riboflavin, Niacin, Folic Acid); 5) Microbiological parameters; 6) Total Aflatoxin; 7) Self-life of the product; 8) Heavy Metal and 9) Pesticide Residue

Table 2.14: Testing parameters of *chhatua* prescribed vis-a-vis tested by SFTL during 2018-23

Sl. No.	Parameters prescribed by MW&CD, GoI	Parameters prescribed by GoO	Parameters tested in the laboratory	Parameters not tested
1	2	3	4	5
1	Protein	Protein	Protein content	-
2	Energy (Total Calorie)	Calorie value	Fat content, Carbohydrate, Energy in Kcal per 100 gram	-
3	Mineral (Iron and calcium)	-	Test for sugar	Mineral (Iron and calcium)
4	Vitamins- Vitamin A and C, Thiamin, Riboflavin, Niacin, Folic Acid	-	Test for Khesari	Vitamins- Vitamin A and C, Thiamin, Riboflavin, Niacin, Folic Acid
5	Microbiological parameters – Total Plate Count, Yeast and Mould, Coliform, e-coli, Saureus, Salmonella, Clostridium, botullinum.	Fungal infection	Test for artificial sweetener	Microbiological parameters - Total Plate Count, Yeast and Mould, Coliform, e-coli, Saureus, Salmonella, Clostridium, botullinum.
6	Total Aflatoxin	-	Added coloring matter	Total Aflatoxin
7	Shelf life of the product	-	-	Shelf life of the product
8	Heavy metal	-	-	Heavy metal
9	Pesticide residues	-	-	Pesticide residues
10	-	Proportion of ingredients	Microscopic examination	Proportion of ingredients
11	-	Moisture contents	Moisture content	-

(Source: Compiled from the analysis reports of SFTL)

As seen from the above table, although SFTL had conducted tests against ten analytical parameters of *chhatua* samples, it had not tested these samples against essential parameters/ characteristics such as proportion of ingredients, minerals, vitamins, microbiological parameters, total aflatoxin⁵⁵, heavy metal and pesticide residue.

Thus, requisite testing was not done to ensure that the composition of *chhatua* was as prescribed and that only safe and prescribed quality *chhatua* was distributed to targeted beneficiaries.

In reply the Government attributed (June 2025) non-testing of essential parameters to availability of a single food testing laboratory in the State and lack of infrastructure and facility for testing.

2.3.15.3 Delay in food analysis of THR (*chhatua*)

As per Section-8 (i) of the Revised Guidelines for implementation of THR, 2018, distribution of THR (*chhatua*) was to be done once between the 1st and 5th of every month at AWCs. W&CD Department, GoO had instructed (August 2019) all District Collectors to ensure mixing of ingredients of

⁵⁵ Aflatoxin is fungal toxins that have mutagenic and carcinogenic effects, especially hepatocellular carcinoma effect, typically found in groundnuts.

chhatua on the 23rd of each month without fail for distribution to beneficiaries in the succeeding month. Further, as per para 4.3 of the Manual on General Guidelines on Sampling, 2015 issued by FS&SAI, sample analysis should be considered as per the urgency basis. Minimum time should be taken to analyse and report the findings of the disputed sample. In either case, the samples should be analysed and reported within 7-14 working days from the date of receipt of the samples by public analyst.

Scrutiny of records of test checked CDPOs (in six sampled districts) revealed that the 12 CDPOs had sent 895 samples of *chhatua* to the SFTL during 2018-19 to 2022-23. However, analysis reports of 480 samples only were received by the concerned CDPOs after a lapse of 23 to 576 days from the date of sending the samples for testing. Analytical reports of the remaining 415 samples had not been received by the CDPOs even after a lapse of 96 to 2,117 days till the date of audit (August 2023 to January 2024) as shown in **Table 2.15** below:

Table 2.15: Details of number of *chhatua* samples sent for testing vis-a-vis test reports received during 2018-23

Sl. No.	Name of district	Name of ICDS project	No. of samples sent to SFTL	No. of test reports received	Delay in days reports were received after sending	No. of test reports not received	Period lapsed after sending
1	2	3	4	5	6	7	8
1	Balangir	Belpada	52	25	67 to 432	27	141 to 897
2		Balangir	32	06	80 to 341	26	295 to 2,031
3	Ganjam	Bhanjanagar	110	67	44 to 431	43	131 to 1,857
4		Chhatrapur	60	55	35 to 399	05	96 to 884
5	Jharsuguda	Kolabira	57	27	90 to 509	30	318 to 2,117
6		Jharsuguda	94	36	96 to 384	58	313 to 1,714
7	Mayurbhanj	Suliapada	116	90	63 to 475	26	291 to 2,064
8		Bariapada	75	43	31 to 399	32	290 to 2,100
9	Rayagada	Muniguda	56	9	131 to 228	47	1,324 to 1,844
10		Rayagada Sadar	120	47	145 to 414	73	185 to 1,986
11	Puri	Gop	63	40	30 to 437	23	242 to 1,973
12		Puri Sadar	60	35	23 to 576	25	261 to 2,010
	Total		895	480		415	

(Source: Compiled from the information and records furnished by the CDPOs)

As the *chhatua* was to be distributed to beneficiaries between the 1st and 5th of each month, the process of production of *chhatua*, checking their quality via testing and obtaining reports thereof, were to be completed before distribution, in order to ensure that *chhatua* of prescribed quality and standard only was distributed to the beneficiaries for consumption. However, lacunae pointed out above highlighted that the CDPOs did not ensure that the *chhatua* distributed to the beneficiaries conformed to the prescribed standards laid down under the FSS Act and regulations.

In reply the Government attributed (June 2025) the delay in receipt of analysis reports to availability of only a single food testing laboratory in the State and lack of infrastructure and capacity for testing huge number of samples.

The reply indicated the need for establishment of sufficient number of food testing laboratories and of strengthening the infrastructure capacity of the existing ones in the State.

2.3.15.4 Less content of energy and protein in *chhatua*

ICDS was launched with the major objective of improving the nutritional and health status of children in the age group zero to six years, reducing the incidence of mortality, morbidity and malnutrition. The objective of Poshan Abhiyaan launched in March 2018 was also to reduce the level of stunting, under-nutrition, low birth weight children. As per para 8 of revised Guidelines for implementation of THR, 2018, *chhatua* was to be prepared from gross quantity of mixture of wheat (62.50 per cent), bengal gram (12.50 per cent), groundnut (9.38 per cent) and sugar (15.62 per cent). The details of monthly entitlement and daily consumption of *chhatua* per beneficiary, per day, as per Guidelines, is as given in Table 2.16 follows:

Table 2.16 Details of monthly entitlement and daily consumption of *chhatua* by the beneficiaries

Sl. No.	Category	As per guidelines					As per Actuals	
		Entitlement per month (in gram)	Net quantity of <i>chhatua</i> per packet after 10 per cent processing loss (in gram)	To be consumed per day (in gram)	Calories per day (in K calory)	Protein per day (in gram)	Net quantity of <i>chhatua</i> per packet after allowing 10 per cent processing loss	
							Per packet month (in gram)	consumed per day per beneficiary (in gram)
1	2	3	4	5	6	7	8	9
1	Children 6 months to 3 years	2,450	2,200	98.00	386.00	12.80	2,200	88
2	Pregnant women and lactating mothers	4,900	4,410	196.00	772.98	25.72	4,410	176.40
3	Severely underweight Children (6 months to 3 years)	4,900	4,410	196.00	772,98	25.72	4,410	176.40
4	Severely underweight Children (3 years to 6 years)	1,800	1,620	72.00	283.00	9.45	1,620	64.80
5	Adolescent Girls (11 years to 14 years)	4,000	3,600	160.00	631.00	21.00	3,600	144

(Source: Revised guidelines for implementation of THR, 2018)

As seen from the table above, the quantity of *chhatua* required for consumption per day, as prescribed in the Guidelines, was derived from raw material used. However, the net quantity in the packet (Column 4) was prescribed to be 10 per cent less due to processing loss. As such, the quantity available for daily consumption per day was less by 10 per cent (Column 9). Since, the expected calorie intake per day was calculated in the Guidelines on the quantity of raw materials instead of on the processed *chhatua* after allowing 10 per cent processing loss, the actual calorie intake per day was less as the quantity of *chhatua* actually consumed per day was less as discussed below:

Scrutiny of food analysis reports of SFTL in respect of 452 samples of *chhatua* of 12 CDPOs of test-checked districts revealed that the calorie and protein content in the per day quantity of *chhatua* was less than the nutritional contents prescribed by the Government in the Guidelines as detailed in **Table 2.17** as follows:

Table 2.17: Details of calorie and protein prescribed vis-a-vis supplied to the beneficiaries

(Calorie in K cal and protein in gram)

Sl. No.	Category of beneficiary	Actual quantity of <i>chhatua</i> consumed per day in gram	Calorie per day as prescribed by Government	Actual calorie content in the <i>chhatua</i> consumed per day	Short fall in calorie input	Protein intake per day as prescribed by Government	Actual Protein intake per day	Shortfall in protein input
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6=(4-5)</i>	<i>7</i>	<i>8</i>	<i>9=(7-8)</i>
1	Children (6 month to 3 years)	88	386.00	321.23 to 348.08	37.13 to 64.77	12.80	10.16 to 12.30	0.50 to 2.64
2	Pregnant and Nursing women	176.40	772.98	643.91 to 697.73	75.25 to 129.07	25.72	20.36 to 24.66	1.06 to 5.36
3	Severely Underweight Children (6 months to 3 years)							
4	Severely Underweight Children (3 to 6 years)	64.80	283.95	236.54 to 256.31	27.64 to 47.41	9.45	7.48 to 9.06	0.39 to 1.97
5	Adolescent Girls (11-14 years)	144.00	631.00	525.64 to 569.58	61.42 to 105.36	21.00	16.62 to 20.13	0.87 to 4.38

(Source: Worked out by audit from the analysis reports submitted by the SFTL)

As can be seen from the above table, the calorie content of the same quantity varied in samples of different SHGs in different CDPOs, from which it can be inferred that the quality and quantity of ingredients used for preparation was not as per specifications.

It can also be seen from **Table 2.17** that the shortfall in calorie content ranged between 27.64 to 129.07 Kcal, while shortfall in protein intake ranged between 0.39 to 5.36 gram, which means the quality and quantity was not sufficient to provide intended daily input of energy and protein. Hence, the objective of SNP to provide nutritional support to beneficiaries had not been fully achieved.

In reply the Government stated that the calorie and protein contents of *Chhatua* provided is according to the revised Guidelines.

The reply is not acceptable as audit noticed that ten *per cent* less quantity of THR had been distributed and the SFTL reports indicated that the calorie and protein contents per serving was less than the prescribed standards.

2.3.15.5 Non-testing of samples of HCM and THR

The W&CD Department, GoO directed (August 2018) the Commissioner, Food Safety, Odisha to draw samples and test HCM/ THR given to beneficiaries under SNP. Samples were to be drawn every month from randomly selected AWCs for examination at SFTL and reports were to be submitted to the Department.

Scrutiny of records in six test-checked District Public Health Officers (DPHOs) revealed that the DPHOs had not drawn and tested any samples of HCM from any AWCs during 2018-19 and 2022-23. However, the DPHOs had collected 107 samples of THR from 64 SHGs, for testing during 2018-19 to 2022-23. Of this 17 samples (15.89 *per cent*) were found to be sub-standard/ unsafe, as detailed in **Table 2.18** below:

Table 2.18: Details of number of samples collected by DPHO for testing during 2018-23 and result thereon

Sl. No.	Name of district	Take Home Ration		
		No. of sample collected and tested	No. of SHGs from which the THR collected	No. of cases found adverse
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1	Balangir	7	6	2
2	Ganjam	48	34	1
3	Jharsuguda	39	12	12
4	Mayurbhanj	0	0	0
5	Puri	7	6	0
6	Rayagada	6	6	2
	Total	107	64	17

(Source: Compiled from the information furnished by DPHOs)

Since the W&CD Department had not specified the monthly number of samples to be collected or number of AWCs/SHGs to be covered every month, the number of samples collected of HCM was zero and 107 samples of THR were collected from 64 SHGs in the six selected districts during the audit period of 2018-2023. No action was also taken by the W&CD Department to ensure compliance to its directions in this regard.

This clearly indicated that the HCM and THR had been supplied to the beneficiaries without ensuring their quality.

In reply the Government stated (June 2025) that they have instructed the H&FW Department to draw samples of HCM and THR through the Food Safety Officer for examination at SFTL.

2.4 Infrastructure Development

2.4.1 Handing over of AWC buildings without electrification and sanitary fittings

To take up construction of buildings for AWCs, that did not have their own building, the MW&CD, GoI issued (March 2016) guidelines for construction of AWC building under MGNREGS, in convergence with the ICDS Scheme.

Under MGNREGS, expenditure of upto ₹five lakhs would be allowed for construction of AWC buildings. Beyond this, the expenditure would be borne from the ICDS scheme of the MW&CD, including finishing of the building consisting of flooring, painting, plumbing, electrification and woodwork *etc.* ICDS funds of ₹two lakh per unit would be released by the MW&CD to BDOs for construction of AWCs.

The Panchayat Raj Department, GoO, issued (April 2016) model estimates for the construction of AWC building with an estimated cost of ₹seven lakhs, out of which ₹73,362 was provided for electrical installation, sanitary and water supply.

Scrutiny of records of the six test-checked DSWOs revealed that 4,053 AWC buildings had been sanctioned for construction by Panchayati Raj and W&CD departments jointly during 2016-23. Funds to the tune of ₹181.65 crore for construction of 2,595 AWCs were released⁵⁶ by the two departments. Out of this, 1,461 buildings were completed and handed over by the BDOs to the concerned CDPOs as of March 2023. However, 1,093 out of the 1,461 buildings, had been handed over without electrical installation and sanitary fittings.

Thus, despite availability of ₹8.02 crore⁵⁷ with the concerned BDOs, electrical installation and sanitary fittings in the constructed buildings were not completed before handing over to CDPOs. Due to this, the AWC buildings were functioning without basic amenities like electricity, sanitary fittings.

In reply the Government stated (June 2025) that the buildings were handed over due to urgent need to continue children education and other critical service as those AWCs are vital for functioning of ICDS programme. However, corrective action has been taken not to hand over AWC buildings without completion of essential facilities.

2.4.2 Inadequate infrastructures in the AWCs

As per the instructions (March 2011) of MoW&CD, child friendly toilets and drinking water facility should be there in every AWC, as these were the basic minimum requirements for effective functioning of an AWC. Further, as per Para 11 of the Operational Guidelines for Food Safety and Hygiene for Supplementary Nutrition under ICDS, December 2013, issued by the MoW&CD, water used for cooking/ drinking should be regularly tested for conforming to water quality standards prescribed by the Ministry of Drinking Water and Sanitation.

Scrutiny of records in the six test-checked DSWOs and JPI of the AWCs along with representatives of the concerned CDPOs showed inadequacy in availabilities of toilets, separate kitchen, drinking water, electricity *etc.*, as discussed below:

⁵⁶ ₹2.00 lakh of W&CD share released by the DSWOs to the BDOs and ₹5.00 lakh of Panchayati Raj share was to be made out of MGNREGS funds

⁵⁷ 1,093 AWC buildings X ₹73,362 per building = ₹8,01,84,666

- Out of 18,717 AWCs functioning in the test checked districts, only 12,833 AWCs had kitchens, 7,911 AWCs had toilets, 13,982 AWCs had drinking water facilities and only 3,799 AWCs had electricity facilities. Further, only 13,256 AWCs were functioning in own buildings while 1,707 AWCs were functioning in rented buildings, 1,688 AWCs in school buildings and 2,066 AWCs were functioning in community buildings.
- It was noticed in Barmal AWC under DSWO, Jharsuguda during JPI that muddy polluted water had been used for cooking of HCM, leading to health issues. This was also corroborated in an interview with the mother of a child in the AWC. Further, despite the fact that hand pump/ tube wells were the most prominent source of drinking water in the AWCs, water testing was not conducted in any of the test-checked AWCs.



Interview of a mother of a beneficiary in Barmal AWC under DSWO, Jharsuguda



Photo 4: Non-functioning Tubewell at Oldkoilaga AWC



Photo 5: Polluted water in overhead tank used in Barmal AWC for drinking and cooking

Thus, the inadequate and poor infrastructural facilities in AWCs, adversely affected the quality of services available to beneficiaries and maintenance of hygiene under the scheme.

In reply the Government stated (June 2025) that action is being taken to ensure provision of basic amenities across all AWC buildings.

2.4.3 Non-completion of construction of AWC buildings

As per para 3.16 of Mission Saksham Anganwadi and Poshan 2.0 Guidelines, 2022, States/ UTs shall continue to tap funds for construction of AWC buildings from various schemes such as Member of Parliament Local Area

Development Scheme (MPLADS), Member of Legislative Assembly Local Area Development Scheme (MLALADS), Backward Regions Grant Fund (BRGF), Rural Infrastructure Development Fund (RIDF), Finance Commission Grants to Panchayati Raj Institutions, National Rural Employment Guarantee Act (NREGA), Multi-Sectoral Development Programme (MSDP) of Ministry of Minority Affairs, Corporate Social Responsibility (CSR) funds *etc.* States at their own discretion could involve individuals, companies, business houses and institutions of repute in construction of AWCs, purely on a pro bono basis, without any obligation. Further, as per para 7.1 of ICDS Mission, to facilitate better delivery of services, construction of AWCs as a distinct activity under the ICDS scheme was extremely essential.

2.4.3.1 Non-completion of construction works of AWCs under CSR, MGNREGS and DMF

The W&CD Department had roped in (September 2017) M/s Vedanta Ltd. for construction of 400 AWC buildings in 12 districts⁵⁸ as part of the Company's Corporate Social Responsibility (CSR) programme, with completion target by March 2019. Out of the 400 AWC buildings, 150 AWCs were to be constructed in the Ganjam, Jharsuguda, Puri and Rayagada districts.

In this regard, it was noticed that 23 AWCs were still under construction in Jharsuguda district and the construction work of AWCs had not been taken up in the remaining three districts (as of February 2024). The reason for non-construction was attributable to non-identification of land and provision of less space than required, by the Department.

Photo 6: Non-completion of AWC building under MGNREGS in Phalsadhipa



Similarly, scrutiny of records in six test-checked DSWOs, showed that during 2016-17 to 2022-23, funds of ₹419.23 crore for 5,989 AWC buildings were released to the concerned BDOs for construction of these buildings under MGNREGS. Out of this, 2,148 (36 per cent) buildings were completed, leaving 3,841 buildings as incomplete in February 2024. These buildings remained incomplete despite availability of funds.

Thus, non-completion of 3,841 AWC buildings resulted in non-achievement of targeted objectives to provide a suitable environment in which the AWCs could function, and beneficiaries could avail of required services.

⁵⁸ Bargarh (25), Dhenkanal (25), Ganjam (25), Gajapati (25), Jharsuguda (50), Kalahandi (50), Khordha (25), Rayagada (50), Koraput (50), Nuapada (25), Puri (25) and Sundargarh (25)

Additionally, In DSWO, Jharsuguda 126 AWC buildings were proposed to be constructed during 2016-23 under DMF Trust funds. The year-wise target and completion of the AWCs is detailed in the **Table 2.19** below.

Table 2.19: Year-wise targets and achievements of AWCs under DMF in Jharsuguda District

Name of the District	Year	No. of AWCs targeted for completion	No. of AWCs completed as of February 2024	No. of AWCs not completed
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
Jharsuguda	2016-17	14	12	2
	2017-18	0	0	0
	2018-19	43	26	17
	2019-20	64	4	60
	2020-21	0	0	0
	2021-22	0	0	0
	2022-23	5	1	4
Total		126	43	83

(Source: Information furnished by DSWO, Jharsuguda)

As can be seen from the above table, out of the targeted 126 buildings only 43 (34 per cent) AWC buildings were completed, leaving 83 building as incomplete (February 2024). Thus, the aim of construction of AWC buildings to facilitate the beneficiaries, could not be fully achieved.

The overall position of targets and completion of the AWCs under CSR, MGNREGS and DMF in six test checked districts is detailed in **Table 2.20** below.

Table 2.20: Consolidated position of target and achievement of AWCs under CSR, MGNREGS and DMF in test checked districts

Sl. No.	Name of District	CSR			MGNREGS			DMFT			Total	
		T	A	S	T	A	S	T	A	S	T	S
1	Balangir	--	--	--	732	364	368	--	--	--	732	368
2	Ganjam	25	--	25	2,290	676	1,614	--	--	--	2,315	1,639
3	Jharsuguda	50	23	27	174	151	23	126	43	83	350	133
4	Mayurbhanj	--	--	--	491	440	51	--	--	--	491	51
5	Puri	25	--	25	876	297	579	--	--	--	901	604
6	Rayagada	50	--	50	1,426	220	1,206	--	--	--	1,476	1,256
	Total	150	23	127	5,989	2,148	3,841	126	43	83	6,265	4,051
Percentage of shortfall				84.67			64.13			65.87		64.66

T=Targets, A=Achievement, S=Shortfall

(Source: Information furnished by DSWOs)

As is evident from the **Table 2.20** the shortfall percentage (84.67 per cent) was highest in respect of the AWCs targeted to be completed under CSR in six test-checked districts. However, the major short fall in completion of AWCs (3,841 AWCs) was under MGNREGS. In a wider perspective, the overall shortfall in the six districts was 64.66 per cent.

In reply the Government stated (June 2025) that due to non-availability of suitable land, construction of AWCs was not taken up under CSR. Further, with regard to AWCs under MGNREGS and DMF, BDOs will be instructed to ensure early completion of pending AWCs.

2.4.4 Non-functioning of smart phones

The “Poshan Tracker” is a mobile-based application rolled out by MW&CD on 1 March 2021 through National e-Governance Division (NeGD), as an important governance tool. The Poshan Tracker is being leveraged for dynamic identification of stunting, wasting and under-weight prevalence among children and last-mile tracking of nutrition service delivery. It was aimed at enabling real-time monitoring and tracking of all AWCs, AWWs and Poshan to ensure last mile tracking and delivery of services.

Scrutiny of records in the W&CD Department as well as six selected DSWOs revealed that 78,389 LG smart phones were supplied (June/ July 2021) by one firm⁵⁹ to the 30 DSWOs for distribution to the AWWs, supervisors and block helpdesk personnel for enrolment of beneficiaries and other transactions through Poshan tracker. However, out of this, 6,583 smart phones became non-functional within 10 to 30 days of their supply as detailed in *Appendix -X*. Moreover, LG Electronics had announced (05 April 2021) closure of its mobile business unit, but despite this the Department purchased and distributed LG smart phones during June/ July 2021 *i.e.*, after the announcement of closure. As such, the services and repair of the damaged/ defunct smart phones could not be done, and the objective of effectively using the Poshan tracker application for real time evaluation of the Scheme, could not be fully achieved. Thus, purchase and delivery of defunct/obsolete smart phones to the AWWs resulted in loss of ₹5.62 crore⁶⁰.

Photo 7: Model of LG smart phone



In reply the Government stated (June 2025) that smart phones were procured before closure of LG’s business and all the defunct smartphones were repaired subsequently in a phased manner and there is no loss in procurement of smart phones. The reply of the Government is not based on facts, as LG declared closure of its mobile business in April 2021 while the purchase was made in June and July 2021. No records relating to the repair were made available for Audit.

2.4.5 Non-operation of growth monitoring devices (GMD)

As per para 1.5 of the revised Guidelines for implementation of morning snacks and hot cooked meal, 2018, each child in the age group of zero-six years must be weighed at least once every month and the weight should be plotted in the World Health Organisation New Growth Standards register as well as in the Mother and Child Protection card issued by the Ministry of W&CD.

⁵⁹ NF Infratech Service Private Limited, New Delhi

⁶⁰ 6,583 X ₹8,533 (price of an LG smart phone) = ₹5,61,72,739

Scrutiny of records showed that 2,88,445 sets of growth monitoring devices such as 73,150 infantometers⁶¹, 73,150 stadiometers⁶² and 1,42,145 weighing scales (for adults: 73,130 and for children: 69,015) were procured and distributed (July 2021) across all the AWCs of the State. Out of these, 20,974 devices⁶³ worth ₹2.23 crore⁶⁴ were non-functional as detailed in **Appendix-XI**. Thus, non-functionality of GMDs in the AWCs resulted in non-monitoring of the growth measurement of child and mother which was essential under POSHAN Abhiyaan.



Photo 8: Defunct digital weighing scale machine

In reply the Government stated (June 2025) that the GMD vendors had been directed to conduct repair and maintenance of the non-functional GMD devices in a co-ordinated campaign mode.

2.5 Human resources management

The roles and responsibility of DSOWs, CDPOs, Supervisors, AWWs and AWHs are defined in the ICDS Manual for District Level Functionaries, 2017 and Poshan Sakham 2.0, 2022. Scrutiny of records revealed that there was shortfall in field functionaries for the implementation of the ICDS Scheme in the State, as detailed in **Table 2.21** as follows:

Table 2.21: Sanctioned strength vis-a-vis Men-in-position as on 31 March 2023

Sl. No.	Name of the post	Sanctioned strength	Person in position	Vacancy	Percentage of vacancy
1	CDPO	338	312	26	7.7
2	Supervisor	2,808	2,518	290	10.3
3	Anganwadi Worker (AWW)	74,154	72,917	1,237	1.7
4	Anganwadi Helper (AWH)	63,738	62,823	915	1.4
Total		1,41,038	1,38,570	2,468	1.75

(Source: APIP proposals submitted by the W&CD Department to MoW&CD, GoI)

Thus, there were vacancies in posts like CDPOs, Supervisors and Anganwadi Workers who were essential for effective implementation and monitoring of ICDS Scheme at the block and Anganwadi levels.

In reply the Government stated (June 2025) that directions have been issued to all DSOWs to publish notification/advertisement for engagement of

⁶¹ An infantometer is used to measure the length of an infant.

⁶² A stadiometer is a piece of medical equipment used for measuring human height.

⁶³ 1) Infantometers (627), 2) Stadiometers (2,048), 3) Weighing scales for adults (9,489) and 4) Weighing scales for children (8,810)

⁶⁴ 1) Infantometers (627 x ₹722 = ₹4,52,694), 2) Stadiometers (2,048 x ₹1,050 = ₹21,50,400), 3) Weighing scales for adults (9,489 x ₹1,380 = ₹1,30,94,820) and 4) Weighing scales for children (8,810 x ₹750 = ₹66,07,500)

AWW/AWH against the vacancies and the vacant post of CDPOs will be filled up shortly. The recruitment for supervisors is under process.

However, Audit observed that due to vacancies in the posts of 2,468 ICDS field functionaries, smooth implementation of the ICDS projects, and its supervision/monitoring and service delivery at Anganwadi Centres could not be ensured.

2.5.1 Shortfall in imparting training to ICDS functionaries

As per para 6 of the Comprehensive Training Guidelines for Anganwadi Workers, Training Centres and Middle Level Training Centres, 2017, all ICDS functionaries viz. AWHs, AWWs, Supervisors and CDPOs were to be imparted mandatory regular training i.e., job/ orientation training and short duration induction training (on their initial appointment). Further, during their service period, refresher trainings were to be imparted every two years to equip them with knowledge, skills and capabilities to implement the ICDS Scheme.

Scrutiny of records and information furnished by the Department showed that induction training was imparted to only 70 Supervisors out of 2,252 working at CDPO level during 2018-19. The induction training was not imparted to ICDS functionaries during the period 2019-20 to 2022-23. Further, during 2018-23, ICDS functionaries should have been imparted refresher training at least twice but it was observed that only 71 CDPOs, 294 Supervisors and 2,926 AWWs were imparted these refresher trainings during the period 2018-23. No refresher trainings had been imparted to the AWHs in the State as detailed in *Appendix-XII*.

In reply, the Government stated that shortfall in training of field functionaries was due to inadequate number of training institutes and trainers and Covid restrictions during 2020-22. The reply is not acceptable as despite imparting training through online mode, all the targeted field functionaries were not covered.

2.6 Monitoring and Supervision

As per the Guidelines on 'Constitution of Monitoring and Review Committee at different levels, to review progress in the implementation of ICDS scheme', 2011, issued by MW&CD, GoI, there should be a District Level Monitoring and Review Committee (DLMRC) under the Chairpersonship of the District Magistrate/ Collector with 16 other members⁶⁵ to review progress in implementation of the ICDS scheme. The committee should meet at least once

⁶⁵ Chief Executive Officer; as Vice Chairperson, District Development Officer, Zilla Parishad, Chief Medical Officer, H&FW, District Planning Officer, District Social Welfare Officer, District Agricultural/ Horticultural Officer, District Officer, Rural development, Executive Officer, Rural Development. Executive Officer, PHED, District Education Officer, Member of Parliament in the District, Members of legislative Assembly, Principal, Middle Level Training Centre, Principal, AWTC (any two), Field unit of Food and Nutrition Board, Child Development project Officers (any three) as members and District Programme Officer (ICDS) as Member Secretary.

every quarter, or as and when required, and submit its report to the Secretary, W&CD Department clearly outlining the actions taken at the district level and support required from the State Government. Similarly, a Block level Monitoring Committee (BLMC) on ICDS was to be formed under the Chairmanship of Sub-Divisional Magistrate and Block Development Officer as Vice-Chairperson and CDPO as convener. The committee was to meet once a quarter and to submit its report to the district committee with a copy to State Directorate of ICDS. Besides these, the Anganwadi Level Monitoring and Support Committee (ALMSC) was to conduct monthly meetings to discuss various issues pertaining to the AWCs and record minutes of meetings.

In this connection, Audit observed the following irregularities:

2.6.1 Non-formation of DLMRC/ BLMC/ ALMSC

Scrutiny of records in the six test-checked DSWOs revealed that DLMRC had not been constituted in any of the sampled districts. However, district level ICDS review meetings under the chairmanship of the District Collectors (of the test-checked districts), were held although in an irregular manner as detailed in **Table 2.22**.

Table 2.22: Year-wise district level ICDS review meetings conducted in test checked districts during 2018-19 to 2022-23.

Year	Name of the Districts					
	Ganjam	Balangir	Rayagada	Jharsuguda	Puri	Mayurbhanj
2018-19	0	0	3	0	4	0
2019-20	0	0	1	0	7	0
2020-21	0	0	1	0	4	0
2021-22	1	2	3	0	7	0
2022-23	5	2	2	0	5	0
Total	6	4	10	0	27	0

(Source: Compiled from the information and records furnished by sample checked DSWOs)

Further, BLMC and ALMSC at block/ project level and Anganwadi level respectively, had not been formed in any of the 12 test-checked ICDS projects and 60 test-checked Anganwadi Centres. Thus, the district/ block/ Anganwadi level monitoring of the scheme could not be carried out properly to ensure effective implementation of the scheme.

In reply the Government stated (June 2025) that the DLMRC and BLMC have been subsumed in the State Convergence Committee, District Convergence Plan Committee and Block Convergence Plan Committee under POSHAN Abhiyan during June 2025.

The reply is not tenable, as DLMRC and BLMC were not formed during 2018-23.

2.6.2 Non-formation of the Squad for random checks

As per Section 11(v) of revised guidelines of THR, 2018, the District Collectors should designate a squad of five-six persons who would make random checks during the preparation of THR and ensure that proper quantity and quality of materials as specified, had been used in the preparation of the THR. The squad members were required to give their report to the District Collector every month who would review this in the monthly Monitoring Committee meetings.

Scrutiny of records of six selected DSWOs revealed that squads for random checking of the THR were not formed in two sampled districts⁶⁶ due to which random checks could not be conducted to ensure proper quantity and quality of ingredients.

In reply the Government stated (June 2025) that instruction had been issued to all districts to form squads and all the six test checked districts have formed squads accordingly.

2.6.3 Non-constitution of the District Nutrition Committee (DNC)

Ministry of W&CD direction (January 2021) to Chief Secretaries of all States, stipulated that the District Nutrition Committee (DNC) should be formed under the Chairpersonship of the District Magistrate/ District Collector. The Committee should mandatorily include certified nutrition experts.

It was, however, observed that the DNC had not been constituted in four test-checked districts⁶⁷. Thus, the nutritional status and quality standard of HCM and THR could not be ensured.

In reply the Government stated (June 2025) that instruction had been issued to all districts to form the District Nutrition Committee.

2.6.4 Shortfall in visits by DSWOs/ CDPOs

Para 16(i) of the Revised Guidelines for the implementation of THR, 2018 stipulated that the DSWOs must visit five to six SHGs in the district and CDPOs should make at least three to four visits to the SHGs every month. Further, as per para 16(viii) of the Guidelines, the DSWO of the district should monitor the general upkeep of the THR unit to ensure (i) cleanliness of the unit and surroundings (free from rodents, pests, insects *etc.*), (ii) assess the infrastructure of the SHG, (iii) check proper storage of raw materials and finished products, (iv) ensure the quality of ingredients used for preparation of *chhatua*, dry ration, laddoo, (v) ensure that hygiene practices were adopted by the members of the SHG, *etc.*

⁶⁶ Jharsuguda and Rayagada

⁶⁷ Balangir, Ganjam, Jharsuguda and Mayurbhanj

Audit noticed that in five out of the six test-checked districts, against the required 1,500 visits⁶⁸, the DSWOs had conducted only 722 visits⁶⁹ (48.13 per cent) during 2018-23. However, the DSWO, Mayurbhanj conducted 466 visits (155.33 per cent) during the period against the desired 300 visits. Similarly, in the 12 test-checked CDPOs, against the required 2,160 visits⁷⁰, the CDPOs conducted only 693 visits⁷¹ (32.08 per cent) during the year.

Thus, cleanliness, assessment of infrastructure, storage facilities of the SHGs and quality of the THR, could not be monitored properly due to shortfall in visits by the DSWOs/ CDPOs.

In reply the Government stated (June 2025) that instructions have been issued to all districts to monitor this rigorously. In addition, State, District and Block level teams will visit during THR mixing and distribution days.

2.6.5 Non-formation of Poshan Panchayats

As per para 3.11.1 of Mission Saksham Anganwadi and Poshan 2.0 Scheme Guidelines issued (August 2022) by the Ministry of W&CD, a Poshan Panchayat was to be constituted to create awareness and accountability with regard to nutrition services. Poshan Panchayat was to meet at least once a month to discuss the specific reasons for malnutrition. It was, however, noticed that the Poshan Panchayat had not been formed in four⁷² out of the six test-checked districts during the period 2022-23.

In reply the Government stated (June 2025) that the Guidelines for formation of Poshan Panchayat were provisioned in Mission Saksham Anganwadi and POSHAN 2.0 and detailed instructions in this regard would be issued separately by Ministry which have not been issued till date. However, in December 2024 GoI launched the Suposhit Gram Panchayat initiative and activities are being undertaken accordingly.

2.6.6 Non-conduct of Social Audit under SNP

As per section 28 of the National Food Security Act (NFSA) Act, 2013, every local authority, or any other authority or body, as may be authorised by the State Government, shall conduct or cause to be conducted, periodic social audits on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes, and cause to publicise its findings and take necessary action, in such manner, as may be prescribed by the State Government.

It was noticed during test check of DSWOs that social audit had not been conducted in two sampled districts⁷³ under SNP, during the period 2018-19 to

⁶⁸ 300 visits (Five visits X 60 months) per DSWO X six DSWOs

⁶⁹ Balangir (229), Ganjam (123), Jharsuguda (120), Puri (56) and Rayagada (194)

⁷⁰ 180 visits (three visits X 60 months) per CDPOs X 12 CDPOs

⁷¹ CDPO, Balangir:42, Baripada:32, Belpada:32, Bhanjanagar:143, Chhatrapur:39, Gop:8, Jharsuguda:94, Kolabira:161, Muniguda:10, Puri Sadar:38, Rayagada:20, Suliapada:74

⁷² Balangir, Ganjam, Jharsuguda and Mayurbhanj

⁷³ Jharsuguda and Rayagada

2022-23. However, social audit had been conducted by the Odisha Society for Social Audit Accountability and Transparency in four DSWOs during this period. Further, in three DSWOs⁷⁴ where the social audits were conducted, follow up actions were not taken up by the DSWOs in compliance with the observations of the Audit.

In reply the Government stated (June 2025) that Social Audit in all 30 districts has been covered on a sample basis during 2023-24.

2.7 Joint Physical Inspection of SHGs

To ascertain functioning of SHGs entrusted with preparation and distribution of THR, Audit conducted JPI (July 2023 to January 2024) of 16 SHGs of the test-checked districts. The deficiencies noticed during the JPI are discussed below:

- In six⁷⁵ SHGs wheat was not stored properly and was found to be eaten by rodents, making it unfit for human consumption.



Photo 9: Wheat stock kept at Dharitri Mission Shakti SHG, under Jharsuguda (Rural) CDPO found to be contaminated with rodent droppings.



Photo 10: Wheat storage location at Maa Parbati SHG, Kolabira was not clean and hygienic and the place was affected by the rodents.

- In two SHGs⁷⁶, CCTV cameras had not been installed at strategic locations like place of storage of raw materials, frying and grinding unit, packaging unit and in two⁷⁷ SHGs CCTV cameras had not been installed at all. Further, in five SHGs⁷⁸, though CCTV cameras were installed, the concerned CDPOs never checked the footage, especially that related to preparation of THR.

⁷⁴ Balangir, Ganjam and Puri

⁷⁵ Maa Ujjeleswari SHG, Chhatrapur, Radhakrishna SHG and Maa Mangala SHG, Bhanjanagar, Kamala SHG, Balangir, Dharitri Mission Shakti SHG, Jharsuguda and Maa Parbati SHG, Kolabira

⁷⁶ Maa Mangala SHG, Bhanjanagar, Satya Sai SHG, Belpada,

⁷⁷ Maa Parbati SHG, Kolabira and Maa Chakrasila SHG, Suliapada

⁷⁸ Radhakrishna SHG and Maa Mangala SHG, Bhanjanagar, Kamala SHG, Balangir, Satya Sai SHG, Belpada, and Samartha SHG, Muniguda

- In 12 SHGs, route chart of THR distribution had not been prepared.
- Accounts of five SHGs⁷⁹ had not been audited by Chartered Accountants as required under Para 2(f) of the Guidelines for decentralised implementation of THR (Part B-Financial Guidelines) 2018.

In reply the Government stated (June 2025) that all the concerned districts have been intimated to instruct and monitor the SHGs for installation, maintenance, record and verification of CCTV footage, preparation of THR distribution route chart and audit of accounts.

2.8 Recommendations

The Government may:

- 1. Prepare the AIPs on a realistic basis to cover all beneficiaries and ensure 100 per cent utilization of funds allotted for each year for the Integrated Child Development Services scheme. Further, take effective steps for timely submission of UCs to GoI.*
- 2. Evolve a mechanism to realistically assess the requirement of foodgrains and ensure that:*
 - *allocated rice and wheat is lifted and efficiently delivered to the AWCs and SHGs after proper weighment in the presence of the Jannch Committee/ Mothers Committee and to recover the actual cost of foodgrains short delivered by the TA.*
 - *periodical physical verification by the DSWOs/CDPOs of stock of rice and wheat of AWCs and SHGs is conducted.*
- 3. Take effective steps to provide separate kitchen, toilet, safe drinking water facilities and electrification in all AWCs before handing over for use.*
- 4. Ensure timely completion of all the incomplete AWCs taken up under CSR, MGNREGS and DMF funds.*
- 5. Take immediate steps for constitution of District Level Monitoring and Review Committee, Block Level Monitoring Committee and Anganwadi Level Monitoring and Support Committee at block/project level and Anganwadi level respectively to effectively monitor the implementation of POSHAN.*

⁷⁹ Radhakrishna SHG and Maa Mangala SHG at Bhanjanagar, Kamala SHG at Balangir, Maa Tulasi SHG and Satyasai SHG at Belpada