



CHAPTER IV
Conclusion

This chapter contains the conclusion of the Performance Audit findings on two schemes under POSHAN i.e. Supplementary Nutrition Programme (SNP) component of Integrated Child Development Services and Mid-day Meal Scheme (PM-POSHAN) as discussed in Chapters II and III of this report.

Performance Audit on Implementation of POSHAN including ICDS and MDM Scheme was conducted from May 2023 to February 2024, with a focus on examination of issues relating to (i) identification and coverage of eligible beneficiaries (ii) effective, efficient and economical procurement; (iii) timely delivery of food and nutritional support; and (iv) adequate and effective internal control system.

Under ICDS, audit covered six District Social Welfare Offices (DSWOs), 12 Child Development Project Offices (CDPOs) and five Anganwadi Centres (AWCs) under each CDPO. Under MDM, six District Education Offices (DEOs), 12 Block Education Offices (BEOs) and five schools under each test checked BEOs. Audit also conducted Joint Physical Inspections and interactions with beneficiaries.

Integrated Child Development Services (ICDS)

The ICDS Scheme was launched by GoI on 02 October 1975 in recognition of the importance of early childhood care. 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 (08 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.

SNP is one of the components under the ICDS Scheme, which provides Morning Snacks and Hot Cooked Meals (HCM) to children in the age group of 3 to 6 years, besides making available Take Home Ration (THR) 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. 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 Ministry of Woman & Child Development (MoW&CD). The funds were to be released by the Centre, based on the pace of expenditure by the States.

The Woman & Child Development Department received ₹5,128.95 crore during the FYs 2018-23 and utilised 93.14 per cent of the available funds, leaving an unspent balance of ₹381.41 crore as of March 2023. Audit noticed that there were persistent delays in submission of UCs to MoW&CD due to which GoI curtailed Central Share of ₹132.89 crore during 2018-19. W&CD Department submitted AIPs with delays ranging from seven to 58 days during 2018-19 to 2021-22.

Six test checked districts utilised ₹1,337.07 crore against the receipt of ₹1,448.97 crore and 1,98,103 beneficiaries were deprived of the benefits under the SNP. There was short lifting of rice and wheat by 20,253.06 MT and 13,027.60 MT respectively by the transport agents due to unrealistic preparation of APIP Proposal.

Delay in procurement of Aadhaar enrolment kits, non-utilisation of Aadhaar kits *etc.*, led to delays in Aadhaar based authentication of beneficiaries.

Against the required 65,400 feeding days, HCM was provided for 62,100 days resulting in disruption of 3,300 days during 2018-19 to 2022-23. The Transport Agents (TA) delivered 86,409.86 quintals of wheat against required delivery of 86,780.86 quintal, leaving out undelivered wheat of 371 quintals due to lack of close monitoring and non-coordination between the District Collector and DSWO.

During JPI of 60 sampled AWCs Audit noted that against the required quantity of 50 kg rice per bag, there was shortage of rice ranging between 0.1 kg to 16.580 kg. Considering the average shortage of rice in the AWCs, there was short delivery of 62,686.12 quintals of rice to AWCs in these districts worth ₹20.85 crore.

Under DSWO, Balangir, TA was engaged despite allegation regarding short delivery, non-distribution of rice on time and non-submission of delivery challans *etc.*, in the past. The fact of short delivery of 155.85 Kg rice by the TA was also corroborated during JPI (between 17 October 2023 and 16 November 2023) of 10 AWCs.

In DSWO, Jharsuguda, seven SHGs were engaged for preparation and distribution of THR during 2018-23 without valid food safety licenses for periods ranging between 61 to 271 days. During test check, Audit noted cases of engagement of SHGs for preparation and distribution of THR in Ganjam and Balangir, without valid/renewed food licenses.

It was noticed that in DSWOs, Ganjam and Balangir, despite adverse analysis reports of *chhatua* in the year 2018, 2019 and 2022, renewal of contracts of 14 SHGs for processing and supply of *chhatua* for subsequent years were done.

In DSWO, Balangir renewal of contracts of all SHGs for the years 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 of contracts, with delays ranging between 57 to 264 days during 2020-21 to 2022-23.

In DSWOs, Balangir, Ganjam and Jharsuguda there were irregularities in the engagement of SHGs like SD in the shape of cash, pledging SD in favour of other than DSWO, unpledged SD, engagement without SD, insufficient SD and non-renewed SD.

DSWO, Puri issued directions for delivery of excess wheat over required quantity leading to huge accumulation of unused stocks of wheat with the SHGs. In DSWOs, Puri and Mayurbhanj, it was noticed that there was shortage of wheat due to absence of periodical physical verification of stock of wheat with the SHGs.

Under DSWO, Ganjam, Puri and Mayurbhanj nine SHGs engaged by the six CDPOs for production and distribution of THRs to the AWCs during the period 2018-23 were paid ₹8.52 crore in respect of supervision and processing cost instead of ₹2.79 crore at the stipulated rate of ₹0.31 per beneficiary for 25 days per month.

During JPI of AWCs under CDPO, Jharsuguda, it was noticed that the parboiled rice (PBR) used for HCMs was damaged and discoloured, there were cases of PBR bags being affected by black bugs and in damaged condition. As reported by FCI, Sambalpur, the sample rice of Mundadhipa AWC was found not fit for human consumption, with high moisture content. Further, 80 *per cent* of rice grain in the sample of Banjari AWC was found encrusted with live infestation and high moisture content.

Implementation of SAG in the State was poor as expenditure of ₹10.74 crore (54.77 *per cent*) only was incurred during 2018-23 against availability of fund of ₹19.62 crore. In test checked districts of Balangir and Rayagada, against the requirement of fund of ₹154.12 crore, ₹2.38 crore were allotted and expenditure of ₹1.99 crore only was incurred during 2018-23.

Out of total 38,22,653 children eligible for weighment, weight and height of 36,45,520 children only had been taken, leaving 1,77,133 children unmeasured in the sampled districts. Of the 36,45,520 children measured, 1,56,676 children were found moderately malnourished, and 4,723 children were found severely malnourished.

State Food Testing Laboratory (SFTL) had tested 27,880 samples of *chhatua* of which, 444 samples were found to be sub-standard and 508 samples were found as unsafe. In the test checked CDPOs of six sampled districts, 14 samples were found sub-standard, and nine samples were found unsafe out of 480 samples tested. Further, SFTL had not tested samples against all the essential parameters/ characteristics such as proportion of ingredients, minerals, vitamins, microbiological parameters, total aflatoxin, heavy metal and pesticide residue in *chhatua*. During 2018-19 to 2022-23, there were delays ranging between 23 to 576 days in sending *chhatua* samples to SFTL by sampled CDPOs. Further, test reports had not been received by CDPOs even after delay ranging from 96 to 2,117 days. As such, *chhatua* were

distributed to beneficiaries without ensuring prescribed standards laid down under the FSS Act and regulations.

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 these, 17 samples (15.89 *per cent*) were found to be sub-standard/ unsafe.

Despite availability of ₹8.02 crore with the concerned BDOs, electrical installation and sanitary fittings in the constructed AWC buildings were not ensured, before handing over to the CDPOs and, the AWC buildings were functioning without basic amenities like electricity, sanitary fittings.

Basic amenities were not available at AWCs as, 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. Despite taking up construction of 6,265 AWC buildings under CSR, MGNREGS and DMFT, construction of 4,051 AWC buildings could not be completed during 2018-19 to 2022-23.

Out of 2,88,445 sets of growth monitoring devices procured and distributed during July 2021 across all the AWCs of the State, 20,974 devices worth ₹2.23 crore were non-functional as of date of audit.

There were vacancies in posts of 2,468 ICDS field functionaries like CDPOs, Supervisors and Anganwadi Workers which were essential for effective implementation and monitoring of ICDS scheme.

During 2018-19 induction training was imparted to only 70 Supervisors out of 2,252 working at CDPO level. Thereafter during the period 2019-20 to 2022-23 induction training was not imparted to ICDS functionaries. Only 71 CDPOs, 294 Supervisors and 2,926 AWWs were imparted refresher trainings, and no refresher trainings were imparted to the AWHs during the period 2018-23.

In six sampled districts, DLMRC, BLMC and ALMSC at district, block and Anganwadi level respectively had not been formed. District Nutrition Committee had not been constituted in four test-checked districts. Squads for random checking of the THR were not formed in two sampled districts. There was shortfall in monthly visit of SHGs by DSWOs and CDPOs during 2018-19 to 2022-23. Poshan Panchayat had not been formed in four out of six sampled districts.

Joint Physical Inspections of 16 SHGs revealed that wheat was not properly stored in six SHGs, CCTV cameras had not been installed at strategic locations like place of storage of raw materials, frying and grinding unit, packaging unit of two SHGs, 12 SHGs had not been prepared route chart for THR distribution and accounts of five SHGs were not audited by Chartered Accountants as required under Guidelines.

Mid-day Meal Scheme

During the audit it was noticed that under the component of Cooking Cost, Central and State Governments shared expenditure in the ratio of 60:40. However, GoI released ₹1,800.48 crore including Opening Balance (OB) of ₹48.07 crore during 2018-23 against its share of ₹1,877.56 crore. Comparatively, against its share of ₹1,251.82 crore, the State released a higher share of ₹1,471.94 crore, including OB of ₹39.56 crore. Thus, while GoI did not contribute its committed share of expenditure under this component, GoO contributed more funds for the scheme.

None of the six-test checked DEOs had remitted the unspent balances of the scheme funds to the SNA of the State Nodal Agency (February 2024). As a result, the unspent amount of ₹92.14 crore was lying unremitted as of March 2023 in the MDM bank pass books of concerned DEOs. Audit noticed that out of total interest ₹9.18 crore earned in the SNA account of the SPMU, Bhubaneswar at PNB during the year 2022-23 an amount of ₹3.40 crore towards Central Share and ₹2.26 crore as State Share was deposited in the respective Consolidated Funds in May 2023, leaving an amount of ₹3.52 crore unremitted till the date of audit.

Against the 50 *per cent* earmarked expenditure under MME, school level expenditure ranged from 12.65 to 32.27 *per cent*, whereas expenditure at Block and District levels ranged from 6.61 to 69.40 *per cent* out of the available funds of ₹18.78 crore. In none of the test checked districts, the school level expenditure of earmarked 50 *per cent* of funds under MME could be achieved. Out of the available funds under MME, 35.64 *per cent* of funds remained unutilised.

Against the PAB approved targeted number of meal serve days of 239, 239 and 266 days during the years 2018-19, 2019-20 and 2022-23 respectively there was a shortfall in meal serve days by 19, 18 and five days during these years respectively.

In primary schools, sufficient buffer stock was not maintained during FY 2020-21 to 2022-23, with one year closing with a negative balance and for the upper primary schools, food grain availability was less than the required buffer stock for one month during FY 2018-23.

In BEO, Gop under DEO, Puri the transport agent lifted 10,616 quintals including OB of 406.50 quintals of rice from the OSCSC, during April 2018 to March 2023. However, as per the stock register of rice maintained by BEO, Gop the transport agent delivered only 10,217 quintals of rice at school points under the block, leaving undelivered balances at the end of each quarter. The undelivered rice to the schools at the end of every quarter ranged between 4.5 to 390 quintals during the years 2018-2023. The stock register of rice showed that at the end of the second quarter of 2023-24, the closing balance of 708.49 quintals of rice was lifted but non-delivered. Further, In DEO, Jharsuguda during the period from 2018-19 to 2020-21 against the lifting of 10,015.75 quintals of rice worth ₹30.05 lakh from OSCSC Ltd., the transport agent lifted only 7,791.53 quintals of rice leaving a balance of 2,224.22 quintals which was neither lifted nor was the cost thereof amounting to ₹6.67 lakh recovered / adjusted from OSCSC Ltd. till the date of Audit.

During the first phase of Covid (16 March 2020 to 13 June 2020 for 90 days) the FPS/ PDS dealers of four districts Mayurbhanj, Rayagada, Ganjam and Puri lifted 90,602.99 quintals of rice as per quantity indented by the respective DEOs but only 6,288.85 quintals was disbursed to the students, leaving a balance rice of 4,314.14 quintals lying undisbursed with different FPS/ PDS dealers of the districts.

Food Security Allowance in the shape of dry rice was not distributed in 68 schools for periods ranging between 11 to 448 days (out of total 538 days). Further, in 49 schools cooking cost was not disbursed for 11 to 538 days. Consequently, 2,047.68 quintals of dry rice and cooking cost of ₹1.34 crore was not distributed to eligible students during the period March 2020 to March 2022.

The students of primary 59,125 and upper primary 2,08,312 were deprived of 3,479.62 quintals of rice and ₹1.87 crore as cooking cost towards FSA, during the High School Certificate (HSC) examinations.

FSA in the shape of Dry ration of 34.27 quintals of rice and cooking cost of ₹1.56 lakh was not served to 1,854 numbers of eligible students due to strike by teachers of Block Grant School during the period from 06 September 2018 to 23 September 2018 in five DEOs *i.e.*, Balangir, Ganjam, Jharsuguda, Mayurbhanj and Rayagada.

MDMs were not served on different National/ State observance days during FY 2018-20 and 2022-23, except in FY 2020-22 in 416 schools of six BEOs comprising 1,51,654 MDMs for students (Primary-87,969 and Upper Primary-63,685).

Inflated MDM consumption of 287.09 quintals of rice valued at ₹9.12 lakh and cooking cost of ₹14.33 lakh against 82,270 MDMs for primary students and 1,36,546 MDMs for upper primary students were shown in the Daily Consumption Register, in excess of the actual number of students, as per the Attendance Register of 42 schools under Balangir, Ganjam, Jharsuguda, Mayurbhanj and Rayagada districts.

FSA of ₹1,19,562 for 179 students was transferred to the personal account of the HM instead of the accounts of students/ parents by the HM of Paikabasa PUPS under DEO, Mayurbhanj.

Two agencies under the DEO, Ganjam, namely Manna Trust and Mahila Sanchayika Sangh had been rendering services for providing hot cooked meals to the schools without a valid contract for more than four years *i.e.*, from September 2019 to January 2024 and for more than two years from March 2021 to January 2024 respectively. Training to Cook-Cum-Helpers was not conducted by the Department during audit period 2018-23.

Against 229.77 lakh students enrolled during the years 2018-19 to 2022-23, only 99.76 lakh (43.42 *per cent*) students were covered under health checkups conducted. As against the distribution of weekly supplement of IFA and six-monthly dose of de-worming tablets to the enrolled students, the achievement was 84.59 *per cent* and 46.82 *per cent* respectively.

During the JPI of 60 test checked Schools it was noted that LPG connections were available only in seven schools, kitchen sheds were available only in 32 schools, Multi Tap Multi Cap were available only in 35 Schools, Weighing Machines were available in 16 schools, Nutrition Garden in six schools and Drainage system were available only in 41 schools. Likewise, deficiencies were also noticed with regard to awareness and hygiene.

During the JPI, it was noticed that two schools Denguni PS and Ambadhuni PS under the BEO, Muniguda had no school infrastructure, but the HM concerned had shown expenditure towards MDM (₹3.05 lakh, towards cooking cost and 55.94 quintals of rice) during the period 2018-19 to 2022-23.

Neither MDM nor FSA was supplied to 467 primary students in 21 satellite schools under BEO, Bhanjanagar during the period April 2022 to January 2023. As such, 98.54 quintal of rice and ₹5.52 lakh cooking cost was not given to students who were deprived of the benefits of MDMs.

With respect to monitoring and supervision, only seven out of 19 SMCs were constituted and only five out of 380 required number of meetings were held during 2018-19 to 2022-23 in six test checked districts.

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