bulls produced in farm did not qualify for supply of semen to semen bank. There was avoidable burden of Rs 20.42 lakh on state exchequer due to appointment of 10 bull attendants during 2002-07, although no bulls were kept in veterinary hospitals/dispensaries due to switching over to frozen semen technology in place of natural breeding process.

Recommendation

- Department should take steps to ensure successful implementation of AI programme.

The matter was referred to Government (June 2007); reply has not been received (July 2007).

SOCIAL SECURITY AND WOMEN AND CHILD DEVELOPMENT DEPARTMENT

3.4 Nutrition Programmes under Integrated Child Development Services (ICDS) Scheme and other schemes

3.4.1 Introduction

Government of India (GOI) launched (1975-76) ICDS with the objectives to (i) improve nutrition and health status of children, (ii) reduce the incidence of mortality, morbidity, mal-nutrition, (iii) enhance the capability of mothers to look after the health and nutritional needs of children, (iv) lay the foundation for proper psychological, physical and social development of the child and (v) achieve effective co-ordination for implementation of policy among various departments to promote child development. To achieve the objective of improving nutrition and health status three schemes - Supplementary Nutrition Programme (SNP); Kishori Shakti Yojana (KSY) and Nutrition Programme for Adolescent Girls (NPAG) are being implemented.

The Secretary of the Department of Social Security and Women and Child Development is overall incharge of the nutrition programme under ICDS and is responsible for its co-ordination and implementation through Director, Social Security and Women and Child Development(SSWCD) assisted by Programme Officers (POs), Child Development Project Officers (CDPOs) and Anganwadi Workers (AWs) in the field. From 2004-05 the Chief Executive Officer (CEO), Zila Parishad (ZP) is responsible for procurement of food articles to be provided under the Programme.

The records of Director, five POs (out of 17), five CEOs (out of 17), 56 CDPOs (out of 142) and 5641 AWs (out of 14730) for the years 2002-07 were test checked between October 2006 and March 2007 to ascertain effectiveness of programme.

3.4.2 Financial Management

The position of allocation of funds under these schemes for the years 2002-07, its release by Government and utilisation of funds (scheme-wise) is as under:

(Rupees in crore)

Year	Funds allocated by Government	Funds released by Government	Funds utilized by the Department	Short utilization	Percentage short utilization
i) Nutrition Programme for Adolescent Girls(GOI Scheme)					
2002-03	1.94	1.14	0.57	0.57	50
2003-04	4.47	0	0	0	NA*
2004-05	2.28	0	0	0	NA*
2005-06	2.28	1.30	0.65	0.65	50
2006-07	1.80	1.36	1.36	0	0
Total	**12.77**	**3.80**	**2.58**	**1.22**	**32**
ii) Supplementary Nutrition Programme (State Scheme)					
2002-03	6.18	6.18	0.39	5.79	94
2003-04	4.50	0	0	0	NA*
2004-05	17.00	17.00	13.51	3.49	21
2005-06	47.06	23.53	23.53	0	0
2006-07	55.66	55.66	46.06	9.60	17
	130.40	**102.37**	**83.49**	**18.88**	**18**
iii) Kishori Shakti Yojana (State Scheme)					
2004-05	0.50	0.50	0.50	0	0
2005-06	1.06	1.06	0.83	0.23	22
2006-07	2.50	2.50	1.92	0.58	23
Total	**4.06**	**4.06**	**3.25**	**0.81**	**20**

*** No expenditure as funds were not released.** **Source : Director, SSWCD**

Department attributed savings to late release of funds by the State Government and non-passing of bills by the Treasury Officers (TOs).

3.4.2.1 Drawal of funds in advance of requirements

Financial Rules provide that no money should be drawn from the treasury without sanction of competent authority and unless it is required for immediate disbursement. Further, Punjab Treasury Rules prohibited deposit of money drawn from treasury in the commercial banks.

Drawal of funds in excess of the requirement resulted in loss of interest of Rs7.93 lakh

Test check of records of POs Hoshiarpur and Jalandhar disclosed that Rs 1.33 crore was drawn from Hoshiarpur Treasury (NPAG) and Rs 1.44 crore from Jalandhar Treasury (SNP) between September 2004 and November 2006. This money was deposited in current accounts in banks. Out of this, only Rs 1.36 crore were utilized, Rs 0.92 crore were deposited (August 2005 and December 2006) in the Government accounts and balance amount of Rs 0.49 crore (PO Hoshiarpur) was lying in current account (May 2007) resulting in loss of interest of Rs 6.85 lakh.

Further, Punjab State Planning Board allotted (May 2005) Rs 1.77 crore (SNP) to District Kapurthala and sanctioned 50 *per cent (29 March 2006)* of the amount. It was, however, noticed that instead of releasing 50 *per cent*, funds, Deputy Commissioner, Kapurthala released the entire amount to PO, Kapurthala who withdrew this amount between July 2005 and March 2006 and transferred to ZP, Kapurthala. The amount of Rs 88.70 lakh drawn unauthorizedly and deposited in treasury in May 2006 resulted in loss of interest of Rs 1.08 lakh[46]

The irregular retention of funds outside Government accounts has not only adversely affected ways and means position of Government but also resulted in loss of interest Rs 7.93 lakh (calculated at borrowing rate of the Government).

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[46] **Interest for 57 days from 31 March to 26 May 2006.**

On being pointed out (May 2007), the Director admitted (May 2007) the lapse.

3.4.2.2 Non-reconciliation with Treasuries

Financial rules provide that the Drawing and Disbursement Officers (DDOs) should reconcile every month all the withdrawals and deposits with the figures appearing in the books of the Treasury and record a certificate to this effect in the cash book.

Non-reconciliation of withdrawals and deposits with treasuries accounts

The records of 23 DDOs (out of 66 DDOs) test checked disclosed that reconciliation of withdrawals (Rs 44.07 crore) and deposits (Rs 2.39 crore) during the period 2002-07 was not done (June 2007) with treasuries. Delay in reconciliation weakens the financial administration and can lead to malpractices.

3.4.2.3 Incorrect depiction of expenditure in account

Excess booking of expenditure Rs 6.90 crore

From January 2004, State Government transferred the implementation of nutrition programme to Panchayati Raj institutions. Under the new pattern, ZPs were to purchase food items, pre-school kits and medicines for anganwadi centres and transfer to CDPOs for further distribution through Gram Panchyats.

Test check of records of six[47] ZPs disclosed that POs had drawn Rs 21.27 crore from treasury and shown as expenditure during 2004-07. Scrutiny of records of respective ZPs disclosed that out of Rs 21.27 crore received by ZPs from respective POs, only Rs 14.37 crore were utilized during the period leaving a balance of Rs 6.90 crore unutilized as of March 2007. Thus, the entire amount recorded in the accounts as spent on the scheme was not actually used for it.

Thus, there was excess depiction of expenditure of Rs 6.90 crore in the accounts.

3.4.2.4 Non-submission of utilization certificates

UCs for Rs 39.28 crore were not submitted

As per requirement of Schemes, the utilisation certificates (UCs) were required to be submitted to the Central and State Governments. However, it was noticed that though an expenditure of Rs 39.28 crore was incurred under various schemes between 2002 and 2006 yet the UCs were not submitted to the respective funding governments. In the absence of UCs it is difficult to know whether the money has been spent for the purpose it was given.

No reasons for non-submission of UCs were given by the Department.

[47] **Amritsar-1.01 crore, Gurdaspur -0.56 crore, Jalandhar-3.29 crore, Ludhiana-0.62 crore, Mansa-0.98 crore and Sangrur-0.44 crore.**

3.4.2.5 Excess payment to FCI

Excess payment of Rs 13.79 lakh remained un-recovered from FCI

As per allocation, FCI was to supply food grains (564 quintals wheat and 661 quintals rice) worth Rs 6.32 lakh under wheat based nutrition programme at below poverty line (BPL) rates for Kapurthala district. It was, however, noticed that against this, ZP, Kapurthala made (March 2006) payment of Rs 18.77 lakh for supply of 1801 quintals wheat and 2000 quintals rice (on the basis of demand) resulting thereby into excess payment of Rs 12.45 lakh.

Similarly, PO, Hoshiarpur made payment of Rs 36.15 lakh to FCI for supply of 8375 quintals of wheat and lifted only 8065.40 quintals wheat valuing Rs 34.81 lakh resulting in excess payment of Rs 1.34 lakh to FCI.

Thus, payment of Rs 13.79 lakh was made in excess to FCI, refund of which was awaited (May 2007).

3.4.3 Programme Management

3.4.3.1 Denial of benefits of the scheme to eligible beneficiaries

Food grains of Rs 23.59 crore remained unlifted denying nutrition to intended beneficiaries

Under the wheat based nutrition programme, against the requirement of food grains, GOI allotted food grains worth Rs 23.59 crore (Wheat 28160 MT and Rice 21060 MT) in the year 2002-03. Against this, no quantity was lifted by the Department from Food Corporation of India (FCI) reportedly due to non-passing of the bills by the treasury. The failure of Department to lift the allocated wheat and rice resulted in denial of facility of supplementary nutrition to 604709 beneficiaries under the scheme.

On being pointed out (March 2007), the Department admitted the facts.

3.4.3.2 Failure to use Central Assistance for NPAG

Failure to utilize GOI funds of Rs 1.22 crore for NPAG led to denial of benefits to all eligible

GOI selected two[48] districts of the State under NPAG scheme to provide food grains through public distribution system (PDS) to under nourished adolescent girls. The implementation of the scheme was approved on pilot basis.

The audit of the records disclosed that central assistance of Rs 1.22 crore provided by GOI for the years 2002-03 and 2005-06 (Hoshiarpur: Rs 0.57 crore for 13818 beneficiaries and Jalandhar: Rs 0.65 crore for 24147 beneficiaries) was not utilized by the Department resulting in denial of benefits of the scheme to all 37965 eligible beneficiaries.

On being pointed out in audit, the POs stated (May 2007) that funds remained unutilized due to non-passing of bills by the treasury.

3.4.3.3 Shortfall in the coverage of beneficiaries

Shortfall in coverage of beneficiaries was 32 *per cent* to 85 *per cent*

In the 56 projects test checked, there was heavy shortfall in the coverage of beneficiaries under SNP during the period 2002-07. In case of expectant

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[48] **Hoshiarpur and Jalandhar.**

women, it was 33 *per cent* to 85 *per cent*, nursing mothers 32 *per cent* to 82 *per cent* and children 40 *per cent* to 83 *per cent* as per details given below:

Year	Total number of eligible beneficiaries			Number of beneficiaries provided with SNP			Shortfall in providing SNP			Percentage of shortfall		
	Children	Expec-tant women	Nur-sing mothers	Children	Expec-tant women	Nur-sing mothers	Children	Expec-tant women	Nur-sing mothers	Children	Expec-tant women	Nur-sing mothers
02-03	406941	62172	51019	68364	9257	10107	338577	52915	40912	83	85	80
03-04	397284	63672	50958	68218	10910	9044	329066	52762	41914	83	83	82
04-05	402823	62186	50011	134107	27787	28803	268716	34399	21208	67	55	42
05-06	402177	62789	48915	169079	31481	25310	233098	31308	23605	58	50	48
06-07	435411	62812	49838	261172	41808	33622	174239	21004	16176	40	33	32

Supplementary nutrition was to be provided to beneficiaries for minimum 300 days in a year. None of the identified beneficiaries got the supplementary nutrition for envisaged 300 days. (The number of days on which the supplementary nutrition was not provided ranged from 15 to 300 days.)

3.4.3.4 Loss to state exchequer

Punjab Vigilance Bureau seized (May 2005) on the basis of a complaint, purchase files/records of ZP Amritsar relating to purchase of Biscuits, Murmura (Rice puff), Wheat puff and Panjiri etc. from M/s Purb Mercantile, Amritsar in connection with enquiry against ZP. As per instructions from Vigilance Bureau, ZP instructed (May 2005) PO and all CDPOs of Amritsar district to stop distribution of above material to the beneficiaries. The outcome of the vigilance inquiry was still awaited (July 2007). As a result, food items worth Rs 39.47 lakh lying with 13 CDPOs had become unfit for human consumption resulting in loss to the state exchequer.

Material valued Rs 39.47 lakh became unfit for human consumption due to non-finalisation of vigilance inquiry

On being pointed out, the CDPOs stated (May 2007) that the material was received in good condition but because distribution of material to the beneficiaries was stopped by the district authorities, it became unfit for human consumption in due course.

3.4.3.5 Non-creation of nutrition and health awareness

Nutrition and health education was to be given to all women in the age group of 15-45 years with priority to expectant women and nursing mothers through publicity by holding film shows, demonstration of cooking and feeding, home visits by AWs as well as through programmes of Ministry of Health & Family Welfare.

Scrutiny of records in 56 blocks of five districts test checked revealed that no activities were preformed by the Department resulting in non-creation of nutrition and health awareness among the masses upto the desired level.

3.4.4 Monitoring and Evaluation

3.4.4.1 Shortfall in field visits

For effective implementation of the scheme and for its physical monitoring, each CDPO was required to undertake field visits/inspections of the

Anganwadis for at least 18 days a month with 10 night halts outside the headquarters. Scrutiny of progress reports of CDPOs sent to POs/higher authorities, in the test checked districts disclosed that there was nine to 60 *per cent* shortfall in visits of CDPOs during 2002-07. CDPOs did not make even a single night halt. No corrective measures were taken by POs/Director.

On being pointed out (May 2007), the Department attributed the shortfall in field visits and night halts to shortage of CDPOs and supervisors and attending to extra work like old age pensions.

3.4.4.2 Non-formation of co-ordination committees

For co-ordination and smooth running of the scheme, co-ordination committees at the village, block, project, district and state level were required to be set up to monitor ICDS including nutrition programme. The meeting of the co-ordination committees was required to be held monthly at block level and district level and quarterly at state level. It was, however, seen that co-ordination committees at the block/project, district and state levels were not set up.

3.4.5 Conclusion

The Department failed in the areas of planning, co-ordination and monitoring of the nutrition programme. The funds were drawn in advance of requirements and kept outside Government accounts resulting in loss of interest Rs 7.93 lakh. The reconciliation of expenditure was not done. Expenditure was overstated by Rs 6.90 crore and utilisation certificates for Rs 39.28 crore were not furnished. Material costing Rs 39.47 lakh seized by Vigilance became unfit for human consumption due to its non-utilization within prescribed shelf life. Wheat and rice were not lifted from godowns denying benefit to 604709 beneficiaries. The overall shortfall in coverage of beneficiaries was between 32 and 85 *per cent*. Monitoring of the scheme was weak.

Recommendations

- Demand for funds should be realistic as to avoid savings; Funds provided by the GOI need to be released in toto as well as in time by State Government;
- Reconciliation of expenditure and receipts should be made with TOs as well as AG (A&E) urgently;
- Wheat and rice etc. should be lifted in time to make the programme a success and
- Implementation of the schemes should be properly monitored.