

4. RESULTS

4.1 Central allocation of funds and food grains

Allocation and utilisation of allocated funds

Information on release of funds under NPAG between 2002-03 and 2006-07 and their

| States | 2002-03 | | 2003-04 | | 2005-06 | | 2006-07 |
|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Amount released | Amount utilised | Amount released | Amount utilised | Amount released | Amount utilised | Amount released |
| Chattisgarh | 129.55 | 98.38 | 104 | 31.17 | 164.43 | | 168.37 |
| Gujarat | 309.17 | 295.84 | 247 | 532.62 | 305 | | 312.32 |
| Kerala | 266.21 | Nil | 213 | 84.51 | 247.87 | | 260.37 |
| Mizoram | 6.93 | 12.5 | 6 | 15 | 16.86 | 17 | 7.04 |
| Orissa | 281.32 | Nil | 205 | 265.43 | 289.53 | 220.9 | 294.55 |
| Rajasthan | 184.95 | Nil | 148 | 75 | 236.49 | 88.33 | 241.7 |
| Tamil Nadu | 213.25 | 99.59 | 171 | 374.17 | 422.9 | 96.82 | 218.18 |
| Uttar Pradesh | 248.44 | 23.33 | 199 | 37.85 | 311.31 | | 318.47 |
| Uttaranchal | 82.67 | Nil | 66 | | 106.95 | | 109.84 |
| Delhi | 116.47 | 7.5 | 177 | 3.39 | 148.62 | | 80.01 |

Source: MWCD

utilisation between 2002-03 to 2005-06 obtained from the Ministry of Women and Child Development is given in Table 4.1. In the first year Planning Commission allocated the funds as Additional Central Assistance; Finance Ministry released the amount to the state finance departments in Oct 2002. State DWCDs were informed of the release and were requested to contact their finance department, get the funds and initiate the programme. However there were delays in the state DWCD getting the funds. Some states like Chattisgarh, Gujarat suffering from drought during this period and so took up the project rapidly in an attempt to improve the dietary intake of the vulnerable segments of the population. Mizoram had initiated the programme right in the first year and implemented it in all districts in the state. Other states took some time get the funds released and therefore utilisation was low during the year 2002-03. Some of the non-special category states were concerned that programme was to be implemented by the funds provided under the Additional Central Assistance and so they had to return 70% of the amount later. Haryana did not take up the NPAG because unlike the ICDS, funds were given as Additional Central Assistance that had to be repaid later.

In 2003-04 funds were provided under Special Additional Central Assistance as a 100% grant and thereby enabling all the states to initiate the programme. In view of the fact that previous years funds were unspent, most of the states sought and obtained revalidation of the ACA. Further release of funds could be taken done only after the utilisation certificates of funds already released are provided by the states. As a result there were delays in the release of funds earmarked for the programme in 2003-04 and funds were finally released in March 2004, after making the necessary adjustments for the utilisation. Though the procedure of fund release was cumbersome, the state

Departments had become familiar with the procedures to be followed. The programme was fully operational in the ICDS system in 2003-04 and funds were optimally utilised in 2003-04.

No funds were released for the programme during the year 2004-05; as a result the programme came to a complete halt during this year. Some states utilised the unutilised funds left over from 2003-04 in the initial months but later the programme was discontinued due to lack of funds. In 2005-06 the programme was revived. In order to avoid the earlier problems and consequent delays in fund flow, the funds were released by the Ministry of Women and Child Development in July- Aug 2005 directly to the State Departments of Women and Child Development; the revised programme provided food grains only adolescent girls. Mizoram, Orissa, Rajasthan and Tamil Nadu have reported utilisation of funds and operationalisation of the revised programme. In other states there were delays in restarting the programme and consequent poor utilisation of funds. For 2006-07, the funds were released by the Ministry of Women and Child Development in June - July 2006 and all the states have initiated the programme.

Allocation of food grains

The Planning Commission computed the amount of food grains required, based on the estimates of the undernourished persons in the districts; Department of Food and Civil Supplies made the allocation of rice/wheat (on the basis of preferred food grain consumption in the districts selected) to be supplied to the states at BPL rates. The allocations made for the different states from 2002-03 to 2006-07 are shown in Table 4.2. The states DWCD were to make the payment to the State Department of Civil supplies and lift the food grains to the districts. Funds were also provided for the transport of food grains to the district and to the fair price shops.

| States | 2002-03 | 2003-04 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Chattisgarh | 1766.7 | 7100 | 2800 | 900 |
| Gujarat | 3233.3 | 12900 | 200 | |
| Kerala | 2400 | 9600 | 4050 | nil |
| Mizoram | 66.7 | 300 | 100 | 90 |
| Orissa | 3033.3 | 12100 | 5000 | 1950 |
| Rajasthan | 2566.7 | 10200 | 4050 | 1270 |
| Tamil Nadu | 2133.3 | 8500 | 3550 | 840 |
| Uttar Pradesh | 3400.1 | 13700 | 5300 | 7100 |
| Uttaranchal | 1100 | 4400 | 1800 | 390 |
| Delhi | 700 | 2800 | 1150 | 20 |
| Request to release 10400 MTs of maize in 2006-07 has been sent to M/CAF&PD | | | | |

There were some initial teething problems in establishment of this system in all states. However all the states were able to establish this system in 2003-04 and lift the grains and supply it right down to the villages. Most states decided to run the programme mainly in the rural anganwadis, as the urban anganwadis were not well established. So supply of the food grains to the urban areas was limited.

There had been delays in allocation of food grains both at the central and the state level. Allocated food grains were not lifted within the time frame defined and were not utilised. This led to problems in allocation of grains next time when the state requested for food grains. Thus as with the fund allocation, there was a vicious cycle wherein