

Report II

RESEARCH STUDIES ON ECCE

*Integrated Child Development Scheme (ICDS): An analysis of
the national budgets with special reference to three states
(Delhi, Odisha and Telangana)*

Report Prepared for *Save the Children*

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Abstract

This report presents an analysis of ICDS national and state budgets (for Delhi, Odisha and Telangana) for four years from 2014-15 to 2017-18. It analyses these budgets in relation to changes in financial planning in India, following the introduction of the Fourteenth Finance Commission, as well as in relation to the specific populations and additional/differential provisions (e.g., with regards to salaries of workers, timings of anganwadis, schemes, etc.) made by individual states. The section also provides an account of sample ICDS centres visited across the three states and attempts to analyse the budgets in relation to the processes and practices noted there, as well as in relation to the discussions undertaken with ICDS functionaries.

The key points noted in this report are the decline in the number of ICDS beneficiaries availing ICDS services, and budgets in the recent years. It also notes that among the states, Odisha, with the highest shortage in number of operational anganwadis, also has the highest child population between 0-6 years, as well as the highest number of enrolments in anganwadis. Telangana, a newly formed state, has the highest working hours for anganwadis and the highest honorarium for workers among the three states. Among the states, Odisha is also the only state with a separate budget for PSE. Delhi has the highest per capita ICDS spending, which is perhaps driven by high rents. The visits to state anganwadis, though very limited in terms of number, suggested the highest level of satisfaction from the services in Telangana, indicating that expenditure on salaries, training and motivation of human resources coupled with attention to monitoring by and accountability to diverse stakeholders is perhaps more important in terms of ensuring quality service than investing in infrastructure alone. Although this is not an either/or choice, investment in human resources seem to be a necessary condition while investment in infrastructure is a sufficient condition.

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Report

This report presents an analysis of the national and individual state-specific ICDS budgets and follows the status report presented in Report 1. While the report focuses on the analysis of budget and expenditure for the ICDS scheme in India, especially in the three selected states. It also combines our fieldwork-based findings from the field on ICDS functioning in the three states.

The budget-related findings in this report are based on a primary analysis of budget documents for each state for the relevant years, undertaken by CBPS. As explained in further detail below, the analysis involved identifying budgets/expenditures on children between 0-6 years that cut across different programmes/functions even when analysing budgets and expenditures for the ICDS scheme alone. Therefore, it is also important to point out that since we have undertaken a thorough analysis of all budgets/expenditures allocated across different programmes, our estimates differ slightly from the data presented in another section of the status report (Report 1), which has been drawn from secondary sources and does not present further details about the manner in which the analysis was undertaken, thus not allowing one to see how the specific budget figures were arrived at.¹ However, none of this impacts the inferences as major trends remain similar.

1.1 Outline of the budgetary system

The government budget classification follows broadly a six tier classification system. The budgetary outlay on child welfare would figure as below in the budgetary classification.

Table 1 :Six tier classification of accounts

Sector		Social Services
Major Head	Function	2235 – Social Security and Welfare
Minor Head	Program	102 – Child Welfare
Sub Head	Scheme	05 – Integrated Child Development Services (ICDS)
Detailed Head	Sub Scheme	280 – Professional Services
Object Head	Expenditure	283 – Payment to Anganwadi Workers

As can be seen, outlay on the child welfare programme is provided under the function Social Security and Welfare. The other programmes under this function include Women's Welfare, Welfare

¹ Note: The estimates of budgets and expenditures in this section is provided in lakhs and crores, as opposed to the earlier section which was given in millions and billions in order to be able to allow for comparison with international figures and statistics

of the Disabled and so on. The ICDS is one of the schemes under the Child Welfare programme. The other schemes under Child Welfare are Integrated Child Protection, *Beti Bachao Beti Padhao* (Save the Daughter, Teach the Daughter) and a few other schemes.

There are two other dimensions of classification. One used to be the Plan and Non-Plan categorisation; this practice has ceased since the financial year 2017-18 budget. Starting From 2017-18 budget, expenditure under each grant (which is generally coterminous with a department/ministry) is divided into two categories viz. administrative expenditure and scheme expenditure. The latter is provided under five layers viz. centrally sponsored schemes, state schemes and district schemes, Special Component Plan and Tribal Sub Plan. Because of these layers, the same intervention appears several times. For instance, the ICDS scheme would appear under all the five layers.

Given that the budget classification in India does not follow a programmatic representation (although the term programme is used for Child Welfare), many other expenditures that cater to children's well-being are provided under different functions/programmes such as Elementary Education Programme: Midday Meal Scheme, Maternity and Child Health Programme: Immunisation and so on. Therefore, if one were to arrive at the expenditure on children in any particular state, one would have to search the entire budget and pick out schemes that relate to children in a substantial way.² GoI publishes Statement 12 – Allocations for Welfare of Children, in which it lists grant-wise budget outlays for children but that too remains a partial exercise, as it does not focus on a number of initiatives by various departments.

However, the focus of the study is Early Childhood Care and Education, which is largely catered to by anganwadis. Therefore, it is enough to look at the budgetary outlay on Child Welfare – ICDS. But in addition, 2236-Nutrition has also to be considered as the budget for meals provided to children at anganwadis comes from this head.

Within the broad classification described above, each state follows its own manner of naming schemes and has its own interventions. The schemes under Child Welfare are shown under two broad headings – ECCE-related and Other Child-related - in the three states (Table 2). The Other Child-related schemes are those where the benefit extends to children beyond the 0-6 age group. Pregnant and lactating mothers' nutrition has been treated as ECCE expenditure as it impacts the

² CBPS has undertaken a comprehensive analysis of public expenditure on children in Karnataka with UNICEF analysis going beyond major heads, minor heads and schemes, and going into object heads to see what it was really spent on. The report is available on (http://cbps.in/wp-content/uploads/Public-Expenditure-on-Children_KA.pdf & http://cbps.in/wp-content/uploads/Unicef-Karnataka-Policy-Brief_1-August-2017-High-res-pdf.pdf)

health and well-being of children in 0-6 age group. As adequate and good quality anganwadi infrastructure is important for the quality of ICDS delivered, the expenditure on construction and maintenance of anganwadis has also been treated as ECCE-related.

1.2 ICDS budgets and expenditures (GoI, 2014-15 to 2017-18)

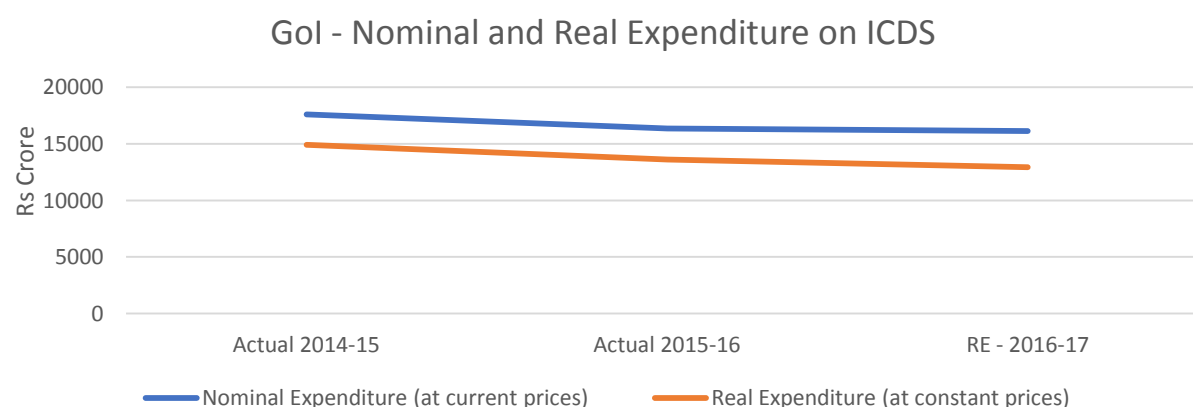
Table 2: ICDS Budgets and Expenditures between 2014-15 and 2017-18 (GOI)

	2014-15 AE	2015-16 AE	2016-17 RE	2017-18 BE
A-Anganwadi/ ICDS	16679.20	15566.11	14710.60	15445.19
B - Pre school education	0.00	0.00	0.00	0.00
C - Nutrition	473.88	289.60	809.00	4200.00
D – Anganwadi infrastructure	0.00	0.00	0.00	0.00
E - Others	446.10	496.85	597.50	648.00
Total expenditure (Nominal)	17599.18	16352.56	16117.10	20293.19
Real expenditure	14900.79	13602.40	12939.20	
GDP at current prices	12445128	13682035	15183709	
GDP at constant prices (2011-12 series)*	10536984	11381002	12189854	
Discount factor	1.18	1.20	1.25	

Note: Rs in crores

The transfer to states for the ICDS scheme is made as grant-in-aid under major head 3601. Therefore, the break-up of ICDS funds under different categories such as anganwadi workers' wages, nutrition, etc. is not available. However, what is evident from the outlay on ICDS is that the GoI has somewhat reduced the outlay (during 2015-17) before restoring it to the 2014-15 level. Thus, in real terms, the outlay has actually gone down over the last four years, both in nominal and real terms, the decline being slightly higher in real terms as compared to nominal terms.

Figure 1: Nominal and Real expenditure on ICDS



1.3 Description of the ICDS centres visited across the three states

Before discussing the state-wise budgets in detail, a description of the anganwadi centres visited in each state is given, to present a picture of the ground-level functioning of the ICDS scheme, against which then the budget allocations and expenditures can be examined and understood better. The selection of ICDS centres in each state was based on proximity to other types (private and NGO) of centres studied, along with constraints placed due to requirement of necessary permissions from state departments.

A. Delhi

The ICDS centre visited in Delhi was one supported by Save the Children (STC) and located in Tekhanda village in Okhla, predominantly an industrial area. The centre was located in a remote corner, not easily accessible to outsiders. That is what made it easier for the children to access. But the roads to reach the place were muddy and narrow with a number of vegetable markets and shops lined on both sides. The anganwadi workers' timings were from nine am to two pm while the centre runs from 9:30 am till 12 noon.

The centre was in fact a small room on the ground floor of a house which appeared to be of 10 X 10 square feet on sight. The room was rented out from a community member who lived in the same building. The room had three shelves, 4 little chairs, one stool and one chair. There was one story book corner with about 15-20 books. The centre had only one window and one door with a lock. In sum, the room was quite small and dark with hardly any ventilation. There was one toilet built outside the room which was used by both boys and girls. All the walls were painted with scenes from the zoo and park and also letters of the alphabet. The centre has an enrolment of 18 children and on the day we visited, there were about 15 kids in the class (eight girls and seven boys). There were no benches in the classroom and all the children were seated on mats. There is a sink with attached water storage. Drinking water was supplied in the locality once in two days and needed to be filled up regularly. The charts present in the classroom are all prepared by the AWW and her helper. All the related stationery such as chart papers, crayons, colours, mats, toys, table, chairs, registers, etc. are provided by the DWCD periodically, though the periodicity varies.

The AWWs said that, largely, more girls are enrolled at the AWC than the boys. According to them, girls are more 'sincere'. Within an AWC classroom, kids are grouped into two groups of ages three to four and four to five, sometimes including six year-olds as well. Usually for children who are partially physically disabled, the centre makes exceptions for the age-limit and enrolls them. Otherwise, they are referred to an NGO present in the community. The day starts with some regular personal conversations about how the child spent the previous day. Classroom activities are planned for

children from three to six years of age. These activities involve prayers in the morning, discussions related to hygiene and self-help, poetry, rhymes, storytelling, physical exercises such as body movements and balancing exercises and free play. On the day of the visit, the children were made to do counting exercises, recitation of poems, balancing exercises that ended with about 20 minutes of play time. The medium of instruction and interaction is Hindi. Non-Hindi speaking children tend to pick up the language quickly and are accompanied by their mothers for the initial few days. Learning materials included dolls, plastic vegetables, wooden blocks, footstep imprints for balancing exercises, chart papers, crayons, blackboard and chalk.

Each child is allocated 50 grams of snacks and 270 grams of food. For every 35 anganwadi centres, there is a common kitchen which provides the food. The parents and the teachers were unhappy with the quality of the food and mentioned that sometimes it was inedible as it tasted so bad. The earlier contractor provided better meals but the new one was not up to the mark. In their view, poor supervision was the reason. On special days such as 15th August (Independence Day), the AWWs provide toffees to the children from their own pockets.

Parents were only sending their children to the anganwadi centre since they could not afford private schooling and hoped they would eventually shift them to private schools. Some others preferred sending their older children to the MCD school which provided free books and uniforms and did not charge any fees and were sending their younger ones to the anganwadi primarily to discipline them, or because there was no other option. Both the parents and workers were appreciative of STC's involvement with the centre, as it had donated materials and helped in improving its functioning.

The association with STC had helped. The room where the centre was housed was found through support from STC. The STC representative even facilitated negotiations with the owner regarding the delay in payment of rent. The STC had procured and provided a lot of the materials, such as the books and some toys for the AWC. In fact, all the story books in the centre were donated by STC under one of their programmes. However, the AWW was very submissive toward the STC representative and became meek as soon as the STC representative stepped into the centre. The AWW also became more animated with the kids in the presence of the STC representative.

B. Odisha

The two ICDS centres visited in Mohana block were at Lambapanka (not supported by any external agency) and Badakhani (NGO-supported). Both the centres functioned as standalone centres.

The ICDS centre in Lambapanka in Mohana block appeared to be scarce on resources, with scanty play and teaching materials, poor storage facilities for rations, small number of beneficiaries, etc.

The conversation with the anganwadi helper (all the AWW had gone to block headquarters for training on the day of the visit)) suggested that the uptake was low among children as well as pregnant and lactating mothers. The atmosphere of the centre seemed to be somewhat lax in nature, though it is difficult to determine if it was because of the absence of the AWW or it was always like that. The parents expressed strong discontentment about the functioning of the centre with respect to several issues: poor performance of the anganwadi worker, children not learning sufficiently, poor quality of meals, biased selection of members for the monitoring committee, poor monitoring by government supervisors, etc. The reason cited by some parents for availing the ICDS facility was the lack of other affordable options within the vicinity and also since the children get basic nutrition through meals provided there.

This ICDS centre at Lambapanka comprised of an independent government building (300 sq.ft.) located on the main road which connects to the village, with a single toilet attached to the outer wall of the centre but without any water connection. Although the centre had a tubewell close to the entrance, the water availability was close to nil, compelling the anganwadi helper to carry water from the tube wells located inside the village. It did not have any boundary wall.

The ICDS centre at Badakhani was an independent rented house (450 sq.ft), with three rooms and a balcony. The centre was well located and was approachable by road, though did not appear to be very secure due to the absence of a boundary wall. The centre did not have a toilet or any provision for water. The helper has to source water from the tube well, located 50m away from the centre. Both centres lacked sufficient play materials, visual displays and wall charts, inconsistent growth monitoring of children, shortage of water and irregular provision of rations by the government.

Thus, the two centres were not very different in terms of physical resources and access to services but the community engagement was visibly different in the centre supported by the NGO. The CCWD³ was supporting the Badakhani ICDS centre in a minimal way, by orienting a teacher from the CCWD's non-residential education centre for children above six years of age to support ICDS activities as one of her many responsibilities. The focus was on community mobilisation and the presence of a non-governmental organisation appeared to have an impact in terms of creating better awareness and involvement of community. The scheme seemed to have better uptake in the village.

³CCWD: Centre for Child and Women Development, a Bhubaneswar-based non-governmental organisation, working on child trafficking and education for children above six years of age.

Parents were aware of their inability to gauge the child's progress due to their low awareness levels, and hence expressed their interest in adult literacy and provision of study materials for home so that the children are able to practise. They also expressed the need for consistent delivery of rations.

During a focus group discussion, anganwadi workers expressed their dissatisfaction with the low honorarium, which is even lower for mini-anganwadi centres, work burden and documentation, lack of basic infrastructure, in-pocket expenses accruing from phone bills, transportation costs and other sources which are not reimbursed. It seemed that some anganwadi workers opted for this work due to lack of other working opportunities for women within their villages and a preference for Scheduled Tribes for certain jobs. These bottlenecks were also reflected to a certain extent while interviewing the ICDS supervisor, who spoke about lack of funds being a hindrance to better operating of the scheme.

Even though Nua Arunima was initiated by the government of Odisha in 2012 for introduction of instruction in multiple tribal languages and guidebooks were distributed to all tribal centres, almost all anganwadi workers we interacted with seemed to continue teaching the children in the state language of Odiya.

c. Telangana

Two ICDS centres were visited in Ibrahimpet block of Nizamabad district, one at Maganpally and one at Pocharam. While the centre at Maganpally was located within a primary school, with safe access, a compound wall and adequate play area (about 500 sqft shared between the school and anganwadi), the second centre was a standalone institution, and had no compound wall. The surroundings of the second centre were unkempt with lots of weeds and marshy area. The first centre had a single slide and separate toilets for the anganwadi. The room size was about 15ftX5ft, and it was colourfully decorated with various charts and posters. There was an additional room used as a kitchen and for storage about 5ftX3ft. The centre was well-ventilated with two windows, one fan and one light. The number of beneficiaries in the first centre were as follows: children between six months and three years – 60, preschool age (three to six years) - 20 (equal number of boys and girls), pregnant women – 14, lactating women – 15.

With regards to the second anganwadi, there was a 12 X 15ft class room along with a small kitchen (8X8ft) with RCC roofing. The anganwadi had a functioning toilet at the back side with asbestos sheet roofing. At the entrance of the school itself, they get water from a public tap. The teacher maintained a small garden at the backyard of the school where they have grown vegetables and fruits. The anganwadi had electricity with a light and a fan in the school. The utilities were provided and maintained by the gram panchayat. The ventilation at the centre was good. The classroom was

covered with charts on all the sides with the alphabet, parts of the body, numbers. The children do not have space to play outside. At the two corners, they had displayed play items and models. The total strength of the anganwadi was 16 out of which 12 were girls and four were boys.

Provisions for cooking/nutrition and naptime were adequately available in both the centres. There was a gas cylinder, stove and vessels for cooking and serving food. Four large carpets had apparently been given, of which two carpets were in good shape and could be used by the children.

The classrooms were not organised in any particular way. All the children were sitting on the floor in a circle. In one corner, there were lot of teaching-learning material stacked, many of which were hand-made. There were hand-made models of weighing scales and puzzles. One such puzzle was in the form of a paper and cardboard rubik's cube to match clothing according to the sex of the child depicted. There were also hand-made shapes. Other material available were puzzle boards, drum, clock, flash cards with names of the children on them, puppets, a target box (basically a box where children could aim and throw a ball), carom board, a small basket-ball hoop, games for buttoning, stitching, sticking velcro pieces, slates, abacus, charts and workbooks. The workbooks were provided by the state government which had many school readiness concepts such as big-small, weight colours, etc., to be taught through illustrations. The medium of instruction was Telugu, with some Hindi in between. In addition, the centre also had a chart on nutrition put up and the food menu. There was also a scale drawn on the wall to measure height. Though there was no timetable that we could see displayed, the anganwadi worker shared a detailed timetable that was available in the form of a booklet in Telugu. The timetable was divided both day-wise (with time) and month-wise.

The centres had one anganwadi worker and one helper each. With respect to her work, the anganwadi worker said that she received children in the morning and started with a prayer, organised the children first for inside followed by outside play, then story-telling, rhymes and also prepared/organised them for some cultural performances. She also said that before children went home she also did the alphabet in English and Telugu and some Mathematics. She said that the children are not made to write on slates or any other medium but are taught mainly using charts and boards. Just before children leave for home, from 3:30 pm -4:00 pm, she repeats what has been done from the morning. Finally, at the end of the day, she goes to drop the children off at their homes, though she does not go to pick them up. At 9:30 am -9:40 am, children are given eggs, between 12:15 pm -1:00 pm, they are given lunch and around 3:00 pm they are given a snack. Between 1:00 pm -1:30 pm, children have nap time.

With regards to children's assessment, the anganwadi worker fills what is called an 'Improvement Development Book'. The book is to be filled thrice a year, in July, December and April. The

parameters assessed are physical, social, cognitive development and learning styles. In addition, the assessment sheet also contains space for monthly recording of attendance, weight and height, appearance, and opinion of the anganwadi worker. There are a total of 50 indicators in the assessment sheet. The worker also organises parent-teacher meetings twice a month to report about the nutrition, health, education and developmental status of the child and to inform them whether this is age appropriate or not. ECCE day is also conducted once a month and parents are shown what activities are done with the child in the anganwadi and at what stage the child is. Anganwadi workers reported that parents demanded that English be taught and also in terms of nutrition that children be given small rice instead of big rice.

Every Friday, the anganwadi worker reported undertaking house visits from 2:30 pm -4:00 pm. The house visits are planned on a priority basis with the anganwadi worker trying to visit homes of anaemic/malnourished beneficiaries more often and trying to visit homes of children aged between five to seven months at least twice a month.

The health facilities in this anganwadi also seemed to be functioning. The anganwadi worker reported that she organised for immunisation on every second Saturday of the month. She said that the beneficiaries do not go to the health centre for this but come to the anganwadi.

With respect to training received, the worker reported completing a one and a half month Job Course Orientation (JCO) training at the time of joining in 2001, in which they discussed the ICDS goals, objectives, services, the role of the anganwadi worker, the role of the helper and responsibilities. The pedagogical approach used was a combination of lectures, field visits and role play. The training was conducted by the Training Department of the DWCD. The worker also reported having attended refresher trainings in 2010, 2011, 2012, and 2015. In addition, she had attended a pre-school training. There was a Master Training course conducted in Vijaywada for 15 days. She has also attended training on the Arogya-Lakshmi scheme for 7-15 days.

With regards to the monitoring of their work, the worker reported that parents, supervisor, sarpanch and village secretaries all take responsibility. There are sudden visits by all these stakeholders. The supervisor visits once in a month and the CDPO visits once in three months. According to her, the supervisor monitors by checking what the children have learnt and seeing if they can answer questions put by her and by checking if the worker is following the syllabus; checking the stock, checking the registers and seeing if there are any long absences among beneficiaries. If these processes are not in place, she motivates the worker to complete these tasks on time.

Parents interviewed reported that their children regularly received food and also attended pre-school at the anganwadi. While parents are not involved in any activities/decision-making in the anganwadi, the AWW discusses issues that are of importance to them such as the importance of education undertakes monthly meetings to discuss the Arogya Lakshmi scheme's benefits, discusses good child care practices and importance of good habits and good food. Parents were happy with the provisions in the AWC. They reported that the food provided by the AWC is good and that children were happy there.

However, the lack of availability of clean water seemed to be a primary concern of many parents. There was no drinking water in the centre and it was brought from outside from one of the parents' houses which was around 100 meters away. They also noted that the anganwadi required more play equipment for the kids and that the lack of electricity is an issue in the summer, as children find it very uncomfortable due to the heat.

1.4 A Comparative analysis of ICDS⁴ norms and coverage across the three states

An analysis of the ICDS scheme across the three states shows that there are regional differences in the ways in which ICDS is implemented. An important point pertaining to the ICDS budget is that though it has been a centrally sponsored scheme (CSS), different states have added their own components and additional budgets leading to difference in the model: working hours, remuneration and benefits are different for different states. For instance, both Delhi and Odisha function for the same number of hours but the honoraria are different; the same is true for Telangana and also, Karnataka. Karnataka pays significantly less than Telangana but it has social security benefits (medical and health insurance, job for dependents in case of death, etc.) that do not exist elsewhere. These also impact the motivation levels, retention and engagement of the workers.

Table 3: Comparative analysis of anganwadi functioning hours, salaries and benefits

States	Anganwadi functioning hours	Workers working hours	Workers monthly honorarium	Helpers monthly honorarium	Any other security benefits for workers
Telangana	9:00am -	9:00am -	10500	6000	No

⁴ ICDS and ECCE are treated as interchangeable as only expenditure that relates to children in age group of 0-6 has been considered ICDS expenditure.

	4:00pm	4:00pm			
Delhi	9:30 am - 12:00 noon	9:00am- 2:00pm	5000	2500	No
Odisha	9:00am- 2:00 pm	9:00am- 2:00pm	4000	2000	No
Karnataka	9:30am-4:00 pm	9:30am-4:00 pm	8000	4500	Yes.

Note: Since this information existed for Karnataka, the same has been added though the study focuses only on the remaining three.

Source: Department for Women and Child Development websites for respective states.

Table 4 : Number of anganwadis sanctioned and operational in Delhi, Odisha and Telangana

	Delhi	Odisha	Telangana
Anganwadicentres sanctioned	11150	74154	35700
Anganwadicentresoperational	10897	71204	35353
Percentage of AWC operational	98	96	99
No. of anganwadi workers sanctioned	11150	74154	35700
No. of anganwadi workers in position	10806	68865	33518
Percentage of AWW in position	97	93	94
No. of anganwadi children (0-6 years)	425000	4392393	1696840

Source: *Statistics on Children in India: A Hand Book* by NIPCCD, 2012

Table 4 shows that Delhi is better placed than the other two states in terms of the percentage of operational anganwadis against the number sanctioned and also in terms of the percentage of AWW in place. Telangana comes next and Odisha the last. Odisha also has a much higher number to make operational and therefore faces a bigger challenge. The implementation of the scheme varies in the three states and a summary table presenting these differences in implementation of the scheme across the three states is presented in Annexure 1.

1.5 Comparison of ECCE expenditure and budget outlay across the three states

This section provides the analysis of ICDS5 expenditure in the three states of Delhi, Odisha and Telangana. Firstly, it may be noted that GoI transfers bulk of the ICDS budget as grant-in-aid to the states under head '3601- GIA to State Governments'. Secondly, the three states vary in area, population and past investments. Therefore, comparing them at face value would be misleading. Therefore, an attempt has been made to assess the budget outlays and expenditure in terms of trends and significance (as proportion of social sector expenditure and total expenditure). Thirdly, outcome (effectiveness) of expenditures is an altogether a different dimension, meaning, a high expenditure may not necessarily translate into the enhanced well-being of children.

The figures analysed are actual expenditure (AE) for 2014-15 and 2015-16, revised estimates (RE) for 2016-17 and budget estimates (BE) for 2017-18⁶. This period 2014-18 is marked by two significant changes in public finance in India. Firstly, the Fourteenth Finance Commission award (2015-2020) enhanced untied fiscal transfers from centre to the states from 32 percent to 42 percent. While putting more untied funds in the hands of state governments, this has drastically reduced the centre's funding of centrally sponsored schemes (CSS). GoI had restructured the CSS, retaining some flagship schemes such as MGNREGS, SSA, NHM, ICDS and cut down funding on several others giving the states' an option to continue to fund them. The second major change in budgeting was the removal of the classification of budget outlays into Plan and Non-Plan baskets.

1.5.1 State-wise total ICDS expenditure

A. Delhi

The Delhi government does not have a separate outlay for pre-school education. Also, it has no outlay for capital expenditure for construction and maintenance of anganwadis. The other remarkable feature of Delhi government's child welfare budget is that a substantial amount is provided for girl child protection scheme i.e. Ladli Yojana.

Table 5: ICDS Budgets and Expenditures between 2014-15 and 2017-18, Delhi

	2014-15 AE	2015-16 AE	2016-17 RE	2017-18 BE
A-Anganwadi/ ICDS	14711.58	15666.17	17638.89	19250.85
B - Pre schooleducation	0.00	0.00	0.00	0.00
C - Nutrition	14761.72	14135.69	17626.00	17731.00
D - Anganwadiinfrastructure	0.00	0.00	0.00	0.00
E - Others	9948.68	10407.38	11279.03	11684.15

⁵ ICDS and ECCE are treated as interchangeable as only expenditure that relates to children in age group of 0-6 has been considered ICDS expenditure.

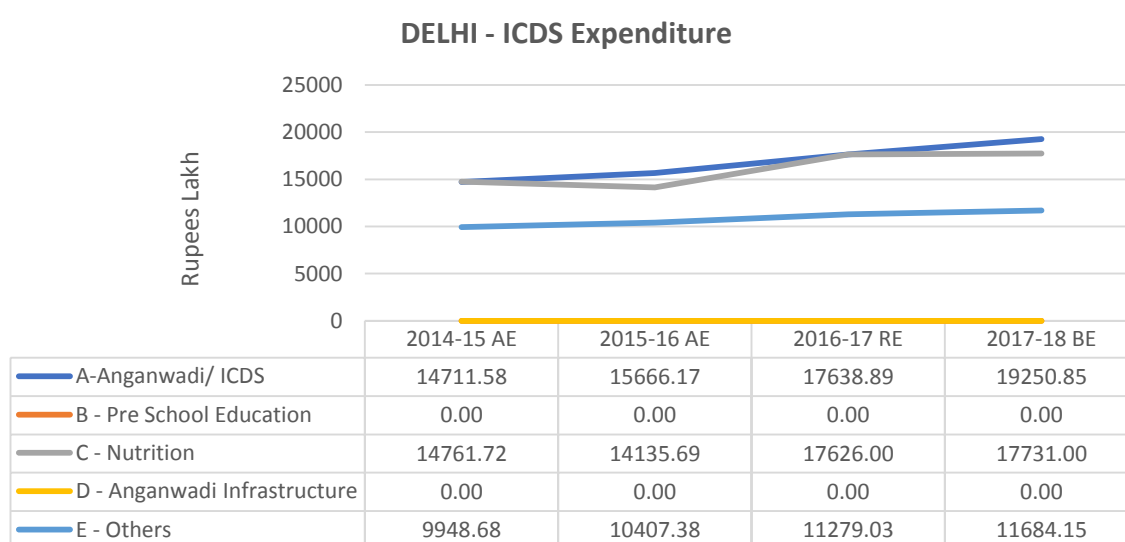
⁶ A longer period for analysis was not possible as Telangana which was formed in June 2014 has separate accounts only from 2014-15.

TOTAL	39421.98	40209.24	46543.92	48666.00
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Note: Rs in lakh

While expenditure/budget on anganwadis has risen consistently at about an average rate of nine percent per annum, the growth in respect of nutrition has been erratic, with reduced outlays in two out of three years.

Figure 2: ICDS Expenditure for Delhi



B. Odisha

It is the only state which has provided outlay separately for PSE and has a new scheme under the name 'Malati Devi Prak Vidyalaya ParidhanYojana'. Although the sum provided is modest at Rs 34 crore for the entire state, recognition of PSE as an independent component of ICDS is an encouraging sign. The government of Odisha is also investing a fair amount of money in the developing of anganwadi infrastructure. However, given the higher number of ICDS beneficiaries, as we will see later, the percapita are lowest here among the three states.

Table 6: ICDS Budgets and Expenditures between 2014-15 and 2017-18 for Odisha

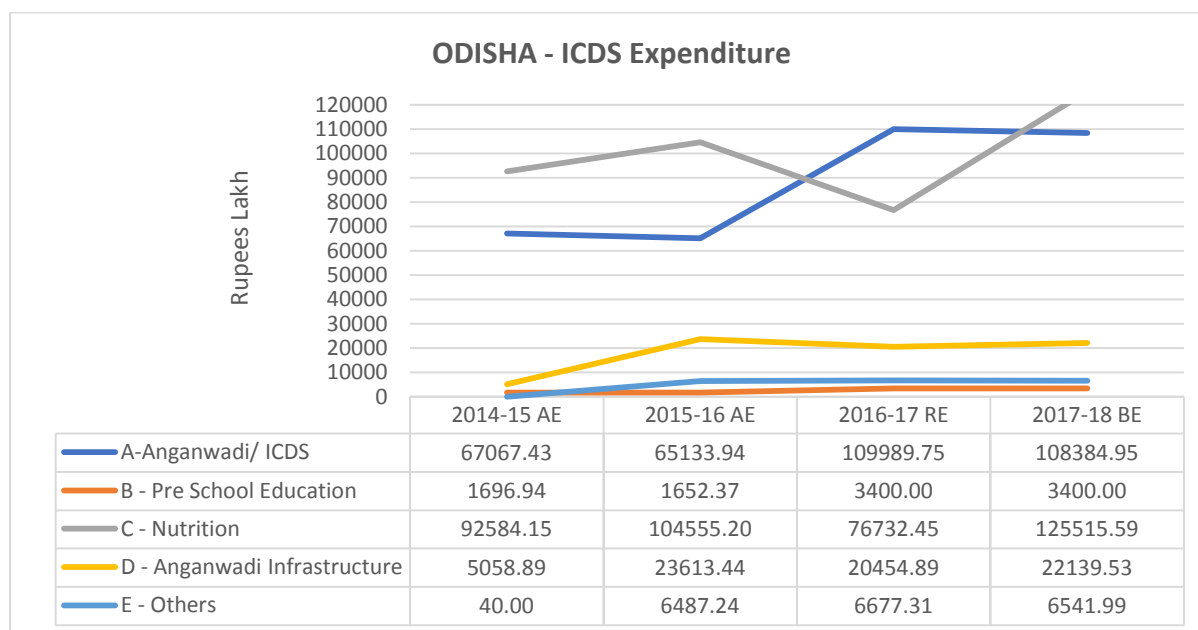
	2014-15 AE	2015-16 AE	2016-17 RE	2017-18 BE
A-Anganwadi/ ICDS	67067.43	65133.94	109989.75	108384.95
B - Pre School Education	1696.94	1652.37	3400.00	3400.00
C - Nutrition	92584.15	104555.20	76732.45	125515.59
D - Anganwadi Infrastructure	5058.89	23613.44	20454.89	22139.53
E - Others	40.00	6487.24	6677.31	6541.99

TOTAL	166447.41	201442.19	217254.40	265982.06
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Note: Rs in lakhs

Nevertheless, the trends in expenditure do not show consistent provisioning. There are sudden bursts as in the case of anganwadi infrastructure and other expenditure (from 2014-15 to 2015-16) and in anganwadi/ICDS in the year 2016-17 as compared to previous year, for which construction of anganwadi centres with Panchayat Raj Department may be a factor;⁷ there are drops in outlays as in the case of nutrition from 2015-16 to 2016-17. About 3000 anganwadis though sanctioned are yet to be established (71204 against 74154 AWCs). Only 40 per cent of the AWC have their own buildings, about 26 per cent run in school buildings and 9 per cent operate in rented buildings⁸. The rest are run in community buildings and other places. There is a need to upgrade the AWC infrastructure at the earliest. Despite sanctioning of AWCs on demand by GoI (June 2014), the state failed to operationalise about 1281 AWCs due to slow progress in location of AWCs, recruitment of CDPOs and AWWs as of June 2016⁹.

Figure 3: ICDS Expenditure for Odisha (GoI)



⁷ There are multiple sources of funds that may be available for Anganwadi constructions. Here we have only taken state level expenditure documents into consideration as there can be district / block-wise variations in availability of funds depending on the source of funds. Examining multi-dept sources is a time consuming exercise and requires a different approach, which could not be undertaken within the time and mandate available to us.

⁸CAG report 2016

⁹CAG report 2016

C. Telangana

Telangana is a new state which has been formed after the bifurcation of Andhra Pradesh in June 2014. After the initial year, it has substantially increased its overall budget outlay which is reflected in increased outlay on social sector as also on child welfare.

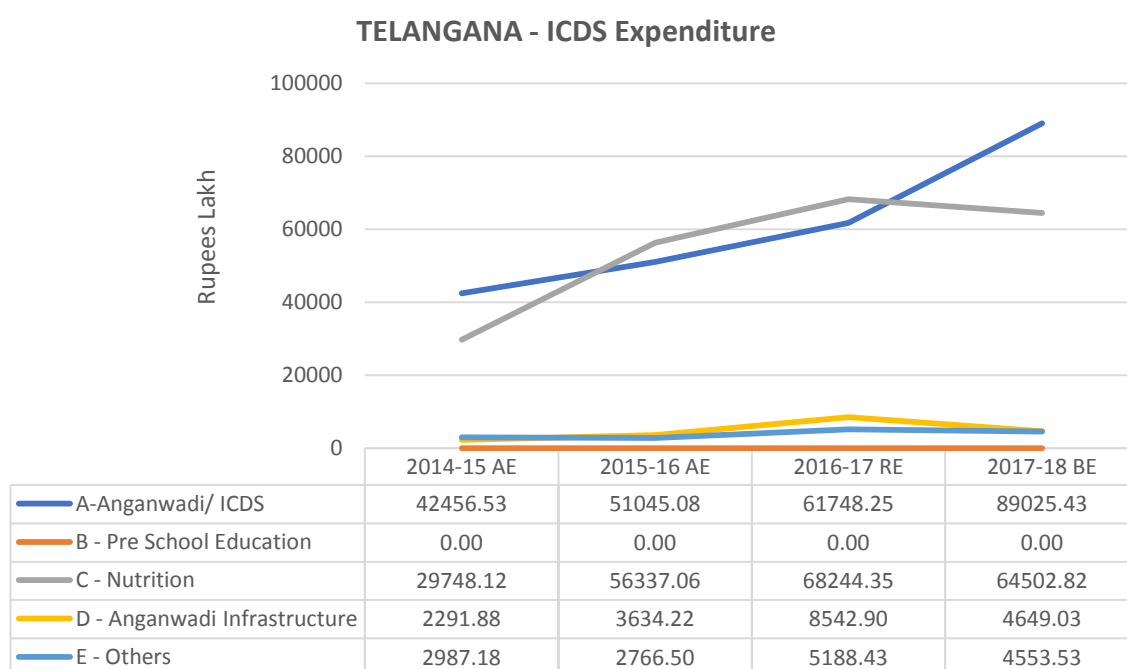
Table 7: ICDS Budgets and Expenditures between 2014-15 and 2017-18 for Telangana (Gol)

	2014-15 AE	2015-16 AE	2016-17 RE	2017-18 BE
A-Anganwadi/ ICDS	42456.53	51045.08	61748.25	86227.87
B - Pre schooleducation	0.00	0.00	0.00	0.00
C - Nutrition	29748.12	56337.06	68244.35	64502.82
D - Anganwadiinfrastructure	2291.88	3634.22	8542.90	4649.03
E - Others	2987.18	2766.50	5188.43	4553.53
TOTAL	77483.71	113782.86	143723.93	159933.25

Note: Rs in lakh

The government of Telangana has increased outlay on ICDS substantially over the four year period. The growth in outlay on anganwadis in 2017-18 has remarkably increased by 48 percent as compared to the previous year. In nutrition too, there has been substantial increase in the 2015-16 over the previous year, but it slackened in later years.

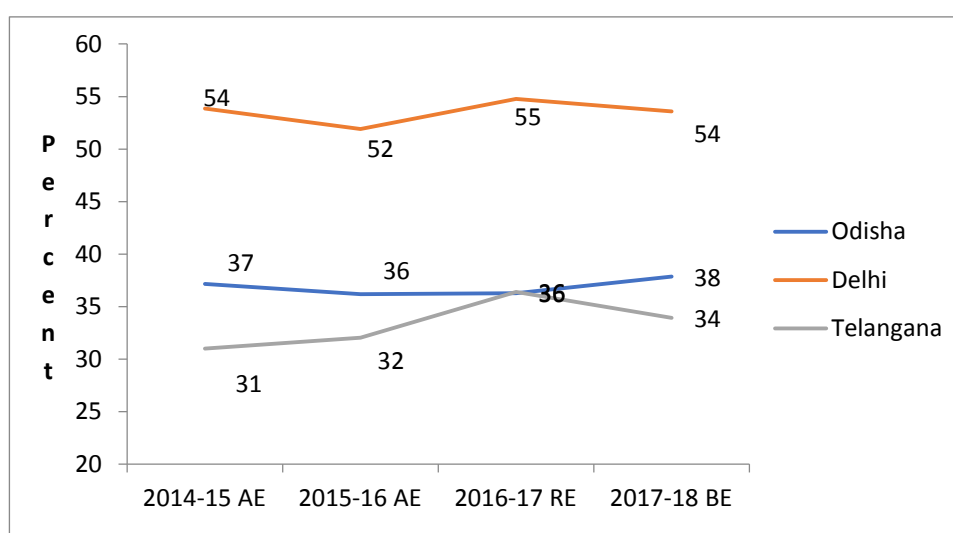
Figure 4: ICDS Expenditure for Telangana (Gol)



1.5.2 Expenditure on Social Sector

One of the concerns arising from higher devolution to the states at the expense of CSS was whether the states would protect the social sector expenditure resisting the temptation to splurge the additional resources on more 'lucrative' infrastructure schemes in irrigation and highways.

Figure 5: Social Sector Expenditure as a proportion of total expenditure



Social sector expenditure (SSE) as a proportion of total expenditure (TE) of the state serves as a good indicator in understanding the focus on SSE. It is clear that as compared to 2014-15, the SSE as a proportion of total expenditure over the period of 2014-2018 indicates no real increase in Odisha and Delhi where the share remained almost static at 54 and 37/38 per cent respectively. It showed an increase in Telangana from 31 to 38 per cent in the same period though one has to see how much of the budget allocations really translate into expenditure. This is an important point to note as two major reports¹⁰ had concluded that the share of social sector has increase in all states between

¹⁰Please refer to

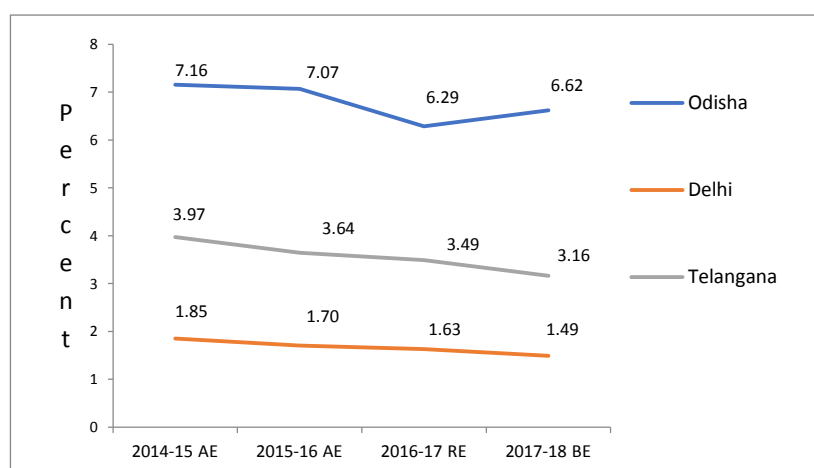
<http://accountabilityindia.in/sites/all/paisafiles/Newfiles/Summary%20State%20of%20social%20sector%20Spending%2015-16.pdf>
http://niti.gov.in/writereaddata/files/document_publication/Social%20Sector%20Expenditure%20of%20States_%20Paper.pdf

2014-15 and 2015-16 by comparing the actual expenditure with revised estimates. This conclusion does not hold true for these three states when we take actual expenditure instead of revised estimates for 2015-16 into account. Another important noteworthy point is that Odisha spends more than half of its total expenditure on social services as the total size of the expenditure itself is low as compared to population, which also gets reflected in the low per-capita ICDS expenditure that we discuss later.

1.5.3 Expenditure on ICDS as proportion of total social Sector and total expenditure

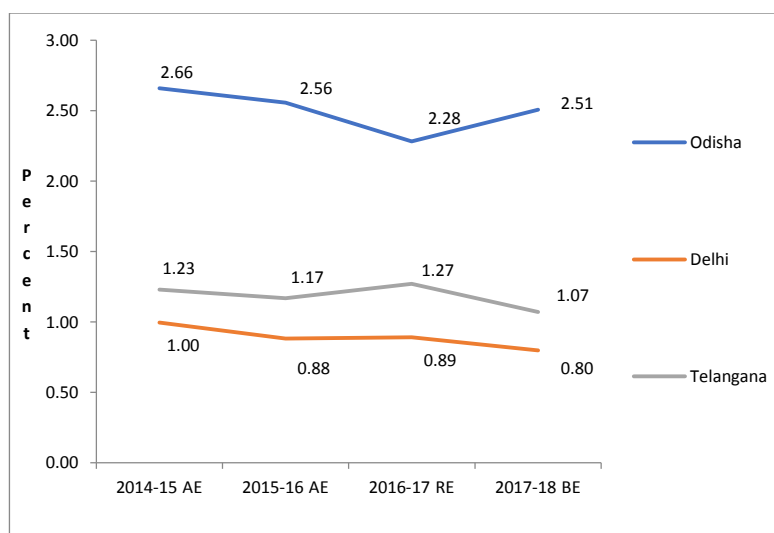
One way of examining whether or not ICDS is a priority is to assess the expenditure on ICDS as a proportion of total expenditure on social sector and as a proportion of total expenditure. ICDS has emerged as a priority in Odisha when compared to other two states (Figure 6 & 7).

Figure 6: ICDS expenditure as proportion of social sector expenditure



However, the ICDS expenditure as proportion of SSE has seen a declining trend across all the three states during the period 2014-2017. This may be more pronounced if it is adjusted to inflation. The proportion of ICDS in SSE is higher in Odisha as compared to Telangana and Delhi but this may be due to higher population being served in the state. The decline of ICDS share in the SSE of Telangana despite the increased share of SSE in total expenditure indicates that ICDS has received relatively less attention despite increased allocations to the social sector.

Figure 7: ICDS expenditure as proportion of total expenditure



The expenditure on ICDS as a proportion of total expenditure also follows the similar trend as that of the share in SSE. The proportion of ICDS expenditure to total expenditure indicates a decrease in its relative share across all the three states, if one does not take note of the budgetary allocations made for 2017-18 in Odisha. Considering the significance of ECCE and the poor condition of the ICDS centres in most states, this is not a welcome sign.

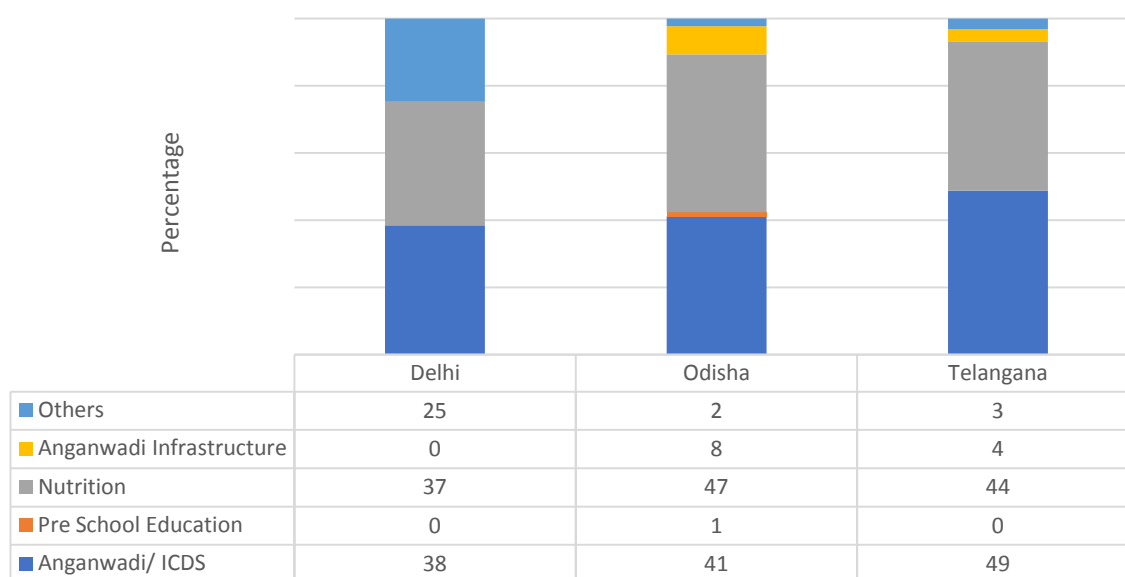
1.5.4 Child welfare: Heads of expenditure

The budget for all schemes of child welfare is provided under the minor head '102 – Child Welfare'. They broadly relate to a) ICDS (expenditure on anganwadi workers i.e. their wages / honoraria and construction and maintenance of AWCs); b) nutrition (of children under the SNP and nutrition for pregnant and lactating mothers); and c) other child protection schemes such as 'BetiBachaoBetiPadhao', LadliYojana, etc. which relate to children and not necessarily those in 0-6 years age group. Accordingly, the budgets for all the three states have been grouped under five heads and analysed to see the respective shares in different states.

It is seen (Figure 8 below) that ICDS and nutrition take major share of expenditure in all the three states. Two exceptions to note are: a) only Odisha has a separate allotment and scheme for PSE; and b) Delhi spends considerable amount on the child protection society, Bal Sadan, other child welfare schemes (all grouped under 'Others' in Figure 8) and has no budget for construction/repair of AWCs.

Figure 8: Proportion of ICDS expenditure on different elements across the three states

Proportion of Yearly Average ICDS Expenditure on Different Elements



1.5.5 Per annum Per child ICDS expenditure across three states

Another way to compare would be to examine the average outlay on ICDS during 2014-17 per child expenditure. Delhi is spending a higher per child amount per annum as compared to Odisha and Telangana. The higher rent paid for running anganwadi centres may have added to the higher expenditure in the state of Delhi¹¹ whereas the higher salaries in Telangana have contributed in making the per child ICDS expenses in the state higher than Odisha. Per child expenditure in Odisha would have been lower than this if the expenses were not as high on infrastructure. Despite spending more than half of its total expenditure on the social sector, Odisha has the lowest per-child ICDS expenditure, which, as pointed out earlier, is reflective of relatively smaller size of its economy. This also means that different features are driving the per child ICDS costs in different states with varying implications for the quality of service delivery.

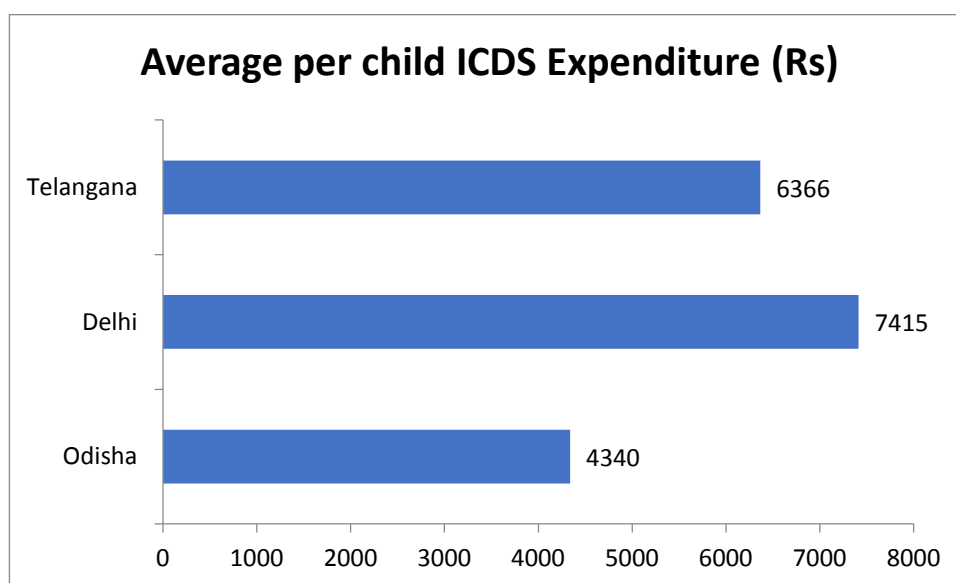
Table 8: Average per annum, per capita ICDS expenditure across the three states

	Average ICDS expenditure 2014-17 (Rs lakh) per annum	0-6 Children served	Average per capita ICDS expenditure (Rs)
Odisha	190646.48	4392393	4340

¹¹ The rent for anganwadi centres in metropolitan centres is revised from Rs. 750 to Rs. 5000

Delhi	31513.35	425000	7415
Telangana	108016.13	1696840	6366

Figure 9: Average per annum, per capita ICDS Expenditure across three states



1.6 Conclusion

In conclusion, what emerges from the analysis of budgets of the three states and that of the Gol is that there is no consistency in provisioning. While it is understandable that in case of infrastructure there could be different levels of outlays in different years depending upon the requirement of new infrastructure, the same cannot be said to hold true for anganwadi and nutrition expenditure, which are recurrent in nature. The erratic nature of spending on these heads is difficult to explain. The visits to state anganwadis, though very limited in terms of number, suggested the highest level of

satisfaction from the services in Telangana, indicating that expenditure on full recruitment, high salaries, training and motivation of human resources coupled with attention to monitoring by, and accountability to, diverse stakeholders is perhaps more important in terms of ensuring the quality of services than investing in infrastructure alone.

Further, differences in components such as staff salary, which ranges from INR 4000 in Odisha to INR 10,500 per month in Telangana are bound to impact the functioning of the anganwadi centres and the quality of teaching as it is bound to affect the motivational levels of the workers. Aside from funds allocation, various initiatives by state governments such as services for pregnant and lactating women also impact the overall quality and possibly the child development outcomes in these states. These differences, as well as other differences such as the introduction of community management of malnutrition in Odisha, differences in timings for PSE across the states and the lack of adequate finances (as in the case of Odisha), need to be comparatively analysed through more focused studies in order to fully understand the impact of these differences on enrolment and child outcomes.

ANNEXURE 1

SL NO	ICDS	Odisha	Telangana	Delhi
1	Supplementary Nutrition Programme	Per head ration is 6 INR for normal children 7 months-6 years, Per head ration is 9 INR for severely malnourished children 7 months-6 years.		
	Point of implementation	SHGs (E-payment for THR to be done into the joint payments of ICDS and SHG)	WCD	SHGs (Stri Shakti) and 8 NPOs were selected by WCD (from 2006) and later 23 NPOs for preparation and distribution of SNP (from 2014). The NPOs are regularly monitored and given directions

				for ensuring safety and hygienic parameters in the kitchens being run by their SHGs in terms of infrastructure, raw material, safe drinking water being used for preparation of supplementary food, and also during the transportation of the food at the doorstep of the AWCs.
2	Early child education	NuaArunima	Conducting Pre School Education to children between 3-6 years as per preschool time table using Pre-School Kit	National ECCE Policy
3	Nutrition and health (0-6 years)	Operation Plan (2009-2013) for 15 “High Burden” districts of Odisha to reduce malnutrition over 4 years among children.	Food model for THR for 7 months-3 years children; Food Model for spot feeding of 3-6 years children; Food Model for Additional Supplementation for SUW/SAM/MAM Children of 3– 6 years	Weaning food for children upto 1 year, morning snacks and hot cooked meals. The Mother Non Profit Organizations/SHG concerned supply the required quantity of cooked food/weaning food

				based on the indent of the concerned Anganwadi worker. Each SHG has its own separate kitchen to prepare hot cooked meals/morning snacks for the target beneficiaries in their project
		PustikarDiwas on 15 th of every month in the PHC/CMC, for treatment of severely undernourished children (0-6 years) referred by AWW/ANM.	NHD-I & NHD-II	Immunization, Health checkups, Referral services
		Infant and Young Child Feeding (Surakhya) to reduce child mortality below 2 years of age.		
		Community Based Management of acute malnutrition in areas where at least 10% of children under 5 years of age are moderately malnourished and chances of aggravating, with the involvement of the community.		
4	Pregnant and	THR	Aarogya Lakshmi (One	THR

	Lactating Mothers		Full Meal)	
5	Village level institutions	Jaanch Committee/ Mothers' Committee	Mothers' Committee	Mothers' Committee
6	Remuneration of AWC staff	AWW- 4000 per month AWH- 2000 per month Mini AWW- 200 per month	Rs 4,200 to Rs 7,000 for teachers and Rs 2,200 to Rs 4,500 for helpers in February 2015. Hiked from 7000 to 10,500 in 2017. ¹²	AWW (2700 from GOI and 2300 from Delhi)- 5000 INR per month AWH (1350 from GOI and 1150 from Delhi)- 2500 INR per month
7	Timings of Pre-school	9 am to 12 pm	9.00 a.m. to 4.00 p.m	9:30 am to 2:00 pm
8	Modifications	Community management of malnutrition to be extended to all 30 districts, after successful piloting in 2 districts of Kandhamal and Bolangir (June 2017) Children suffering from acute malnutrition: 4300.	Aarogya Lakshmi in 2013	In 2014, it was decided to convert 30 AWCs into AW-cum-creche for taking care of children of working women. Additional Worker has to be provided in these AW cum crèche. Out of 30, 23 AW cum crèche have been started.
		NuaArunima: preschool learning and training kit developed by WCD	Hike in salaries of AWWs in 2015 & 2017.	Enhancement of rental norms for better infrastructure

¹² <http://www.thehindu.com/news/cities/Hyderabad/honorarium-of-anganwadi-teachers-and-helpers-hiked/article17378456.ece1>

		containing a handbook for the AWW, 2 age appropriate books for children, 12 theme based training CDs (one for each month), audio CD with 37 audio songs; in 10 tribal languages in 25000 AWCs in tribal areas. (2013)		of AWCs. (2014)
		State specific Conditional CT maternity benefit scheme- Mamata for pregnant and lactating mothers (for the first two live births) since 2011. 1500 INR after 6 months of pregnancy and 1500 INR after 3 months of the child.	Redefinition of roles and responsibilities of AWC staff in 2015 ¹³	(2014)Aadhar Enrolment for all children (0-5 years)
			Grants in aid given to State government to construct AWC buildings under MNREGA in convergence with ICDS (2015-16) ¹⁴	Constituting District Level Monitoring and Review Committee in 2012 to review overall progress in implementation ¹⁵
				Decentralisation of ICDS scheme from

¹³ <http://www.teachersbadi.in/2015/05/tsgo14-telangana-anganwadi-workers-anganwadi-helpers-roles-responsibilities-honorarium-payment.html>

¹⁴ <http://icds-wcd.nic.in/icds/icdsimg/Funds%20released%20for%20Construction%20of%20AWC.pdf>

¹⁵ <http://www.wcddel.in/pdf/MoitoringCommitteesICDS.pdf>

				ICDS Headquarters to District WCD offices.
				Geo mapping of AWCs
				Rapid Reporting System started with online monthly & annual progress reports wef March 2015 for all functional AWCs.
9	Fund Allocation	The amount of funds released under ICDS scheme for Odisha was Rs. 65643.69 lakhs for the year 2015-16 (4.25% of All India). The state government is likely to	Fund is allocated following the 60:40 ratio between centre and State. ¹⁶ For 2016-17, the amount released to Telangana was 475.55 INR lakhs for	Funds allocated as per 60:40 ratio between centre and state according to latest directives by NitiAayog for 2017-18 (despite it being

¹⁶ [http://icds-wcd.nic.in/icds/icdsimg/ICDS%20\(Gen\)%201st%20installment%202016-17.pdf](http://icds-wcd.nic.in/icds/icdsimg/ICDS%20(Gen)%201st%20installment%202016-17.pdf)

		<p>lose around Rs 800 crore as Central share under Integrated Child Development Services (ICDS) programme, aimed at early childhood development, as the Union government has slashed the budgetary allocation by more than 54 per cent for the ensuing financial year.</p> <p>Please refer to the diagram below.</p>	continuation of ICDS.	borne 100% by the centre for all other Union Territories except Pudduchery) ¹⁷
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¹⁷ As reported by the Department for Women and Child Development during personal interview on 10th August, 2017