

CHAPTER IV

SCHOLARSHIP SCHEMES FOR SCHEDULED TRIBE STUDENTS - PRE-MATRIC

Department did not maintain the data pertaining to the eligible beneficiaries based on a survey or study to identify the potential beneficiaries. Four *per cent* to 20 *per cent* of ST students did not receive Pre-Matric scholarship for the period 2017-21. Adequate publicity was not given to the schemes. Scheduled Tribe beneficiaries did not receive scholarship on account of non-processing of scholarship applications at the Directorate. There was delay in processing and payment of different components of scholarship. Errors in bank account number, IFS code etc. of beneficiaries resulted in non-receipt of scholarship by students, as seen in implementation of SC scholarship schemes. Audit certificate was not obtained for Centrally sponsored scholarship schemes. Audit also observed non-receipt of certain components of the scholarship by the beneficiaries. Administrative expenses due from Central Government were not claimed. Reconciliation of expenditure figures was not carried out by the Department in respect of Centrally sponsored ST Pre-Matric scholarship schemes. The Department had not taken measures to conduct social audit and consequently failed to identify the issues faced by the stakeholders.

4.1. Eligibility for claiming scholarship

The conditions of eligibility for claiming scholarship under Centrally sponsored Pre-Matric schemes for ST students are given in **Table 4.1**.

Table 4.1: Conditions of eligibility for claiming Centrally sponsored Pre-Matric scholarship for ST students

Eligibility	All students who belong to Scheduled Tribes whose parents'/ guardians' income from all sources does not exceed ₹two lakh per annum up to 2019-20 and ₹2.5 lakh per annum from 2020-21.		
For study in	IX and X Classes in all Government Schools or in a school recognised by Government or Central/ State Board of Secondary Education		
Scholarship Components	Item	Day Scholars	Hostellers
	Scholarship (₹ Per Month) for 10 months	₹150 up to 11/ 2019 and ₹225 thereafter	₹350 up to 11/ 2019 and ₹525 thereafter
	Books and Adhoc Grant	₹750	₹1000

The conditions of eligibility for claiming scholarship under State Pre-Matric schemes for ST students are given in **Table 4.2**.

Table 4.2: Conditions of eligibility for claiming State Pre-Matric scholarship for ST students

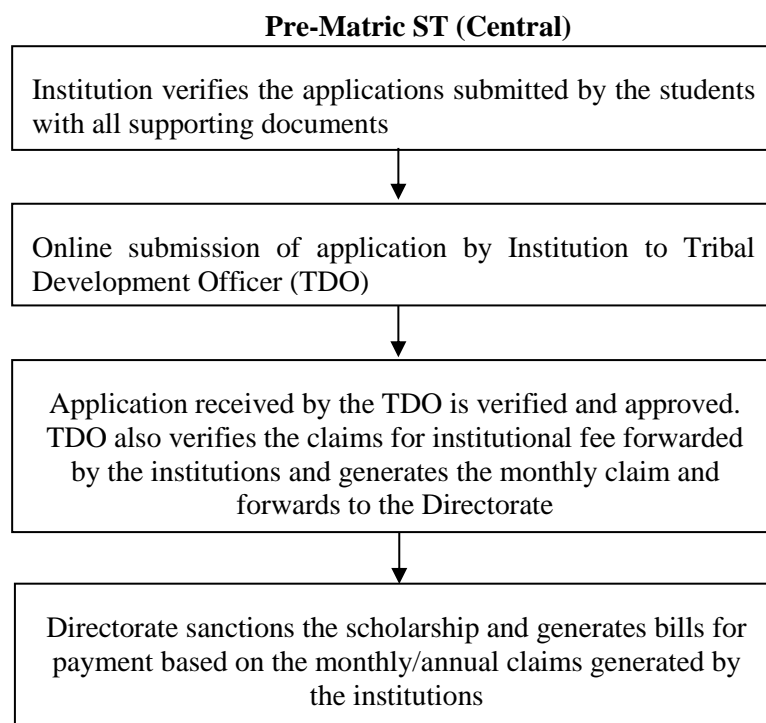
Eligibility	Students who belong to Scheduled Tribes without any income limit.	
For study in	All students studying from Class I to X in Government/ Aided School, GV Raja sports school, Kendriya Vidyalaya, Sainik School, recognised unaided school (Lumpsum Grant, tuition fees and Special fees), Technical Schools coming under Directorate of Technical Education, Technical Schools coming under Institute of Human Resource Development (IHRD), Government of Kerala. Non-Matric trades coming under ITIs recognised by SC/ ST Department, Non-Matric trades issuing Kerala Government Certificate in Engineering and for those students who are studying outside Kerala on account of temporary stay of their parents outside the State of Kerala.	
Scholarship Components	Item	Amount
	Lumpsum grant	Up to 2019-20 ₹320 (Std I to IV), ₹630 (Std V to VII) and ₹940 (Std VIII to X) From 2020-21 ₹750 (Std I to IV), ₹900 (Std V to VII), ₹1000 (Std VIII to X)
	Stipend (monthly)	Up to 2019-20 ₹130 (Std I to IV), ₹160 (Std V to VII) and ₹190 (Std VIII to X) From 2020-21, ₹200 for all categories

4.2. Procedure/ Process flow

According to Government order dated 20 October 2008 issued by SCST Development Department, the educational institutions should issue scholarship application form to the student at the time of admission itself. The educational institutions shall ensure that the students fill and submit the application within a specified time frame i.e., maximum of two days from issue of application. The e-grantz portal had the facility for online submission of application which was to be verified by the authorised personnel at the institution. Once the data entry was completed, the authorised personnel should generate fund requirement statement using the application software and forward to the Principal's inbox in the e-grantz portal. The Principal should verify the fund requirement and forward the finalised statement online to the Tribal Development Officer (TDO). The Principal should ensure that all these tasks are completed within 20 days from the beginning of classes in the educational institutions. These procedures were to be followed/ repeated in case of late admission also. No renewal application was required if the data regarding the students were already available in the e-grantz portal. In such cases, the educational institutions were to prepare the renewal statement of the continuing students and send it to the TDO for sanction. The TDO was to verify the applications submitted by the students and supporting documents received from the educational institutions and give approval in eligible cases online and forward to Scheduled Tribes Development Directorate for further processing. The Scheduled Tribes

Development Directorate verifies the application forms and forwards the sanction with the application number to the educational institutions through TDO. The process flow in e-grantz portal was as shown in **Figure 4.1**.

Figure 4.1: Process flow in e-grantz



4.3. Coverage of beneficiaries (Pre-Matric Central and State)

4.3.1. Non-identification of potential beneficiaries

4.3.1.1. Central and State Pre-Matric scholarships to students belonging to ST category

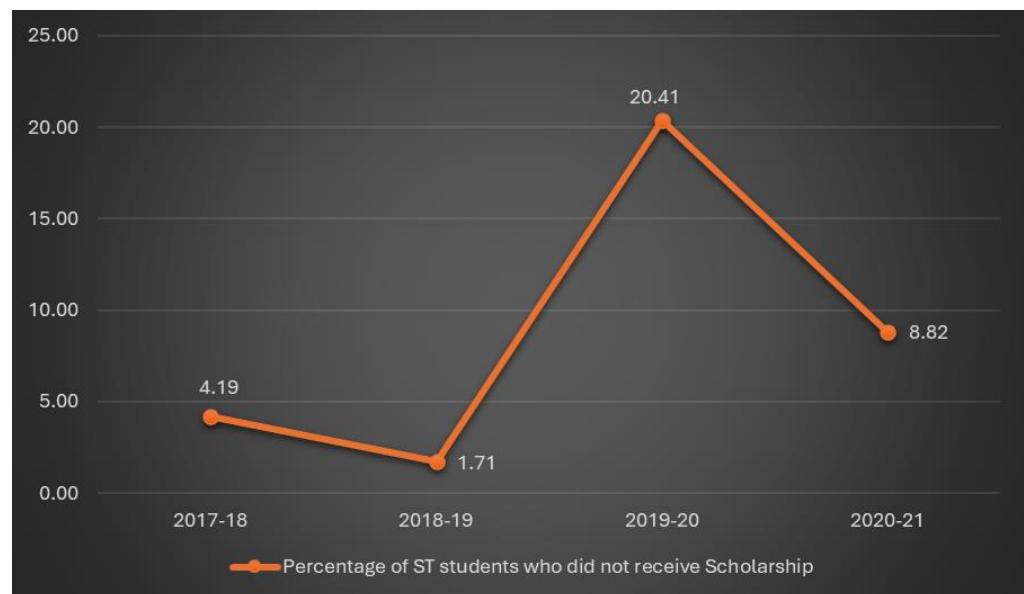
The Public Accounts Committee (PAC) (2016-19)⁷¹ in its 15th Report recommended that an effective survey was mandatory to ensure that all the schemes intended to benefit the ST population were successfully implemented. In response to the PAC recommendation, the Department in its action taken report, had stated that a survey of SC/ ST colonies was conducted during 2010-12 and steps were being taken to update the data. However, Audit observed that for the period 2017-18 to 2021-22, Directorate did not maintain the data pertaining to eligible beneficiaries based on a survey or study to identify the potential beneficiaries. Also, no action plan/ perspective plan was prepared by the ST Directorate for assessing the number of eligible beneficiaries in the State. Due to the absence of list of potential beneficiaries, effective coverage of all eligible beneficiaries under the schemes could not be ascertained and

⁷¹ Subsequent to discussion on Performance Audit on 'Educational Development of Scheduled Castes/ Scheduled Tribes' (Para 3.4) included in the Report of the Comptroller and Auditor General of India (Civil) for the year ended 31 March 2007, GoK.

ensured. Government replied (June 2023) that a detailed survey was conducted in 2018, covering all ST households but the Department had not made use of the data and since the data was old, they were in the process of updating it.

In order to examine whether all the ST students in Pre-Matric stage in the State benefitted through the scheme, Audit obtained the data of ST students who studied in Pre-Matric classes during the academic years 2017-21 from the Director of General Education (DGE) and compared it with the data on disbursement of lumpsum grant⁷² received from the Directorate of Scheduled Tribes Development. Audit observed that during the period, four *per cent* to 20 *per cent* of ST students did not receive Pre-Matric scholarship as shown in **Chart 4.1**.

Chart 4.1: Percentage of ST students who did not receive the Pre-Matric Scholarship (lumpsum grant)



4.3.2. Preparation of annual demand/ estimate

The physical target and achievement for the period 2017-18 to 2021-22 in respect of ST Pre-Matric scholarship scheme was as shown in **Table 4.3**.

⁷² Lumpsum grant was given to all ST students studying in Classes I to X irrespective of family income.

Table 4.3: Physical target and achievement for the period 2017-22

Year	Physical target (estimated number)	Estimated amount (₹ in lakh)	Achievement (number of students benefitted)	Percentage of achievement	Actual expenditure (₹ in lakh)
2017-18	14869	391.85	14265	95.94	348.10
2018-19	14577	382.93	12121	83.15	308.67
2019-20	12676	340.29	7858	61.99	231.80
2020-21	11220	374.98	9880	88.06	305.81
2021-22	10538	374.93	7071	67.10	229.31
Total	63880	1864.98	51195	80.14	1423.69

(Source: Annual proposal submitted to Central Government by the Department)

Department planned to cover 63880 students during 2017-22. However, the actual number of students covered was 51195 (80.14 per cent). The percentage of students benefitted in 2019-20 was only 61.99 per cent.

During the Exit Conference (May 2023), Special Secretary, SCSTDD acknowledged that the estimation was not realistic and stated that the target was initially fixed on higher side to claim more fund and to avoid shortfall of fund.

Government replied (June 2023) that a detailed survey covering all the ST households was conducted during 2018, but the Department had not made use of the data and now the Department was in the process of updating it. On completion of the process, complete details of the beneficiaries will be available to the Department and the deficiencies pointed out by Audit will be rectified.

4.3.3. Inadequate publicity of ST scholarship schemes

The Scheme Guidelines stipulated that the State Government should announce the scheme by giving advertisements in local language in leading newspapers and local dailies and by using other suitable publicity media. From the details furnished by the Directorate regarding administrative expenses incurred during 2017-22 for Pre-Matric scheme, it was noticed that no expenditure was incurred by the ST Directorate towards advertising in newspapers or through other media.

During the Exit Conference (May 2023), Special Secretary, SCSTDD assured that separate SNA would be operated for claiming administrative expenses and for its utilisation.

4.4. Planning and financial management

4.4.1. Centrally sponsored Pre-Matric ST scholarship schemes

According to the Guidelines of Centrally sponsored Pre-Matric scholarship scheme for ST students, Central Government was to provide 100 per cent financial assistance for expenditure under the scheme, over and above the Committed liability of the State. From the year 2014-15, the funds for the scheme were shared in the ratio of 75:25 between Central and State Government for Pre-Matric ST scholarship scheme. Each year the expenditure was first met

by the State and then the State availed the Central share (75 per cent) of the expenditure on reimbursement basis. Central Government released its share as arrear grant which was credited to the Finance Department, GoK as shown in **Table 4.4.**

In Pre-Matric scheme the flow of funds from State level to the beneficiary level was covered in two tiers during 2017-18 and 2018-19. In the first tier, funds were released from the Directorate to the district offices and in the second tier, from the district offices to the respective bank accounts of the heads of the educational institutions. From 2019-20 onwards, the scholarship amount was transferred from the Directorate directly to the beneficiary account using e-grantz portal. The funds were being allocated and settled through BAMS⁷³ and BiMS⁷⁴ monitored by the Finance Department, GoK.

Table 4.4: Fund availability and disbursement of Central Pre-Matric ST scholarship during 2017-22

(₹ in lakh)

Year	Demand	State budget allocation	State release				Central reimbursement			
			State release	Total expenditure	Amount surrendered	Closing Balance	OB (unspent balance available)	Central reimbursement and adjustment in further release	Central share pending ⁷⁵ (as on 31 March)	
2017-18	391.85	500.00	500.00	348.10	151.90	Nil	24.14	236.93*	Nil	
2018-19	382.93	500.00	500.00	308.67	191.33	Nil	Nil	71.80	159.70	
2019-20	340.29	375.00	375.00	231.81	143.20	Nil	Nil	287.31 (159.70 + 127.61)	46.25	
2020-21	374.98	375.00	375.00	305.81	69.19	Nil	Nil	116.56 (46.25 + 70.31)	159.05	
2021-22	374.93	375.00	375.00	229.31	145.69	Nil	Nil	347.07 (159.05 + 188.02)	-16.04	

* Including the unspent balance of ₹24.14 lakh
(Source: Central fund releasing orders and budget documents)

The Department did not fully utilise the budget allotment during the period of audit. There were savings ranging from ₹69.19 lakh to ₹191.33 lakh during the period 2017-22 in Pre-Matric scheme, which amounted to 33 per cent of total budget allocation for the period.

Government reply (June 2023) was silent on this aspect.

4.4.2. State funded Pre-Matric ST scholarship schemes

In addition to the Centrally sponsored Pre-Matric scholarship schemes, the State Government implemented State Pre-Matric schemes fully funded by the State. The Pre-Matric scheme covered ST students studying in Classes I to X and included components such as lumpsum grant and stipend. During 2017-18 to 2021-22, these State schemes were implemented through the 17 Project Officers, Integrated Tribal Development Project / Tribal Development Offices

⁷³ Budget Allocation and Monitoring System is an online computerised system developed by the State to distribute the budget and to authorise expenditure to the Department(s).

⁷⁴ Bill Information and Management System is an e-bill portal developed by the State for settlement of claims by the Drawing and Disbursing Officers.

⁷⁵ As the Central funds were released in instalments, these amounts were pending release at that point of time and were subsequently released based on the expenditure statement reported by the State.

(POs/ TDO) under the Directorate. It was noticed that on getting allocation from the State Government, the Directorate distributed the fund among the 17 POs/ TDOs for onward transmission to beneficiary account. The budget allocation and expenditure during the period of Audit were as shown in **Table 4.5.**

Table 4.5: Budget allocation and expenditure for the period 2017-22 under Pre-Matric ST State scheme

(₹ in lakh)

Year	Budget allocation (re-appropriation)	Amount surrendered	Net amount available	Expenditure
2017-18	1650.00	2.59	1647.41	1622.73
2018-19	1650.00	52.39	1597.61	1571.98
2019-20	1650.00	148.20	1501.80	1487.96
2020-21	1650.00	8.42	1641.58	1635.87
2021-22	1650.00 (+350.57)	Nil	2000.57	1995.40

(Source: VLC data from AG (A&E))

It was noticed that ₹1,650 lakh was allotted for Pre-Matric scheme on an *ad hoc* basis each year in the budget without a proposal, based on estimated number of beneficiaries. As a result, in the Pre-Matric schemes there was surrender of funds ranging from ₹2.59 lakh to ₹148.20 lakh during 2017-18 to 2020-21 and re-appropriation of ₹350.57 lakh in 2021-22. Audit observed that utilisation certificates for each component of the scheme with the details of beneficiaries were not submitted by the TDOs.

Government reply (June 2023) was silent on this aspect.

4.4.3. Non-reconciliation of expenditure figures (ST Central/ State schemes)

In the case of Pre-Matric scholarship for ST (Central scheme), there was a difference of ₹25.39 lakh in the expenditure figure booked by the Office of the AG (A&E) for the year 2018-19 with that of Department, which was not reconciled by the Department. In the case of Pre-Matric ST (State scheme), there were differences ranging from ₹5.70 lakh to ₹28.55 lakh during the period, which were also not reconciled.

During the Exit Conference (May 2023), Special Secretary, SCSTDD assured that a special drive would be initiated to clear all the pending issues.

4.4.4. Non-claiming of administrative expenses by the State

The Guidelines of Centrally sponsored Pre-Matric ST scholarship scheme stipulated that upto 1.5 *per cent* of the total Central expenditure could be utilised on administrative expenditure, monitoring, evaluation, etc. It was to be released to States over and above the scholarship amount on the basis of proposals received from them in this regard. Audit observed that during the period 2017-18 to 2021-22, GoK did not submit any proposals to claim ₹15.89 lakh.

During the Exit Conference (May 2023), Special Secretary, SCSTDD assured that a separate SNA would be operated for claiming administrative expenses and for its utilisation.

Audit observed that lack of proactive approach of the Department led to loss of ₹15.89 lakh to the Government.

4.5. Implementation of Pre-Matric ST scholarship schemes

4.5.1. Non-Processing of Pre-Matric ST scholarship applications at Directorate - Central scheme

On verification of the e-grantz data pertaining to Pre-Matric schemes in the selected districts for the period 2019-22, Audit noticed that in Pre-Matric (Central) scholarship for ST students studying in Classes IX and X⁷⁶, 1247 applications⁷⁷ were pending (June 2022) at the Directorate without payment after approval by the institutions and district offices.

Further, during the beneficiary survey, nine out of 145 students who had applied for the scholarship stated that they did not receive the ST Pre-Matric scholarship.

Government replied (June 2023) that the delay made by the institutions in forwarding the applications to the district offices resulted in late receipt of the same at the Directorate, from district offices.

The reply is not acceptable as once a student submits the application through e-grantz portal, the Directorate had the provision to monitor the pendency at the institutional level through e-grantz. Further, Government should have monitored the pendency in processing of applications at each level and evolved a mechanism to ensure that all the eligible ST students were benefitted through the scheme.

4.5.2. Delay in disbursement of various components of Centrally sponsored Pre-Matric scheme

An important task of the ST Development Department was the timely disbursement of educational assistance to students. One of the objectives of implementing the e-grantz software was to avoid delay in disbursement of scholarship. However, on verification of e-grantz data relating to Centrally sponsored Pre-Matric scheme for the period 2019-22 in the selected districts, it was noticed that there were 8806 cases⁷⁸ with one to two years' delay. The delay in disbursement of various components of the Centrally sponsored Pre-Matric scholarship is shown in **Appendix 4.1**.

⁷⁶ Pre-Matric scholarship for ST students studying in Classes IX and X was processed through e-grantz from academic year 2019-20 onwards.

⁷⁷ Total applications for the period 2018-22 in the selected districts was 10,638.

⁷⁸ Total transactions for the period 2018-22 in the selected districts was 1,00,274.

During the beneficiary survey, 146 out of 230 ST students stated that they had not received Pre and Post-Matric scholarships at the beginning of the academic year. This deprived the students of the benefits of the scheme.

Government stated (June 2023) that the delay occurred due to factors like submission of incomplete applications, invalid bank account details provided, lack of funds, etc. and that delay on the part of the Department would be avoided in future.

The reply of the Government, citing lack of funds as one of the reasons is not acceptable since there were savings under the scheme during 2017-18 to 2021-22. Thus, Audit observed that the purpose of providing scholarship was defeated and one of the objectives of implementing e-grantz software was not achieved.

4.5.3. Non-receipt of scholarship on account of invalid bank account

The detailed procedure to be followed when payment was rejected by e-kuber portal of RBI is given in paragraph 2.5.3 of this Report. On verifying the e-grantz data⁷⁹ relating to the selected districts it was revealed that as regards Pre-Matric (Central) scholarship scheme, 201 transactions involving ₹44,450 were rejected during the period 2019-22 due to invalid bank account, IFS code etc. and returned to Government account due to inaction on the part of Drawing and Disbursing Officer at the Directorate.

Government replied (June 2023) that the rejection occurred due to the entry of invalid bank account details, despite earnest efforts taken by the institutions to help children in providing accurate details in the portal. It was further stated that due to ignorance of the parents, alert messages regarding the rejection of scholarship payment sent to registered mobile numbers remained unnoticed and that rejected/ returned payments were cleared as soon as accurate details were received.

Audit observes that since institutions functioned as the linking factor between the students and the Department, there has to be a provision in the e-grantz for the institutions to know the status of the applications approved by them.

4.5.4. Exclusion from the scholarship

4.5.4.1. Centrally sponsored Pre-Matric scholarship for students studying in Classes IX and X

With the objective of implementing scholarship disbursement through e-grantz from the year 2018-19, modifications were made in the 'e-grantz 3.0' portal and the credentials for logging in, entering details of students, applying for scholarship, etc. were provided to all recognised institutions. However, since the bank account details of all ST students could not be updated in e-grantz, this was implemented in the State only from 2019-20. As per the Guidelines on e-grantz 3.0 issued by the Director, SCDD for information of the institutions,

⁷⁹ Pre-Matric ST scholarship for 2019-22

the details of the students were to be uploaded in the portal by the educational institutions. Audit noticed that out of 3,077 eligible students in the 23 selected institutions in the test-checked districts, details of only 2,107 students were uploaded by the institutions. However, as per e-grantz, scholarship was disbursed only to 1,683 students as given in **Table 4.6**.

Table 4.6: Details of students who did not receive scholarship due to non-uploading of details by the institutions / non-processing in e-grantz portal

PO/ TDO (No. of schools)	No. of eligible students			No. of students whose details were uploaded in e-grantz (as reported by the institutions)			No. of students to whom scholarship sanctioned (e-grantz data as on June 2022)			No. of students who did not receive scholarship		
	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22
Muvattupuzha (4)	5	10	4	4	6	4	5	3	0	0	7	4
Kozhikode (5)	66	61	70	62	39	63	61	25	8	5	36	62
Sulthan Bathery (6)	496	542	564	411	404	277	411	368	0	85	174	564
Mananthavady (4)	331	402	379	170	281	244	170	266	245	161	136	134
Kalpetta (3)	50	48	41	47	48	39	43	47	23	7	1	18
Punalur (1)	3	3	2	3	3	2	3	3	2	0	0	0
Total	951	1066	1060	697	781	629	693	712	278	258	354	782
Grand Total	3077			2107			1683			1394		

(Source: Compilation of data obtained from the institutions through ITDPO/ TDO)

The institutions attributed non-submission of Aadhaar and bank details by the students, technical issues etc. as the reasons for non-uploading of details.

Audit further noticed that in one school in Wayanad District, GHSS Thariode, all the 114 students did not receive scholarship in 2020-21. The Headmaster replied (December 2022) that details of 76 students were uploaded in the portal but not shown as 'forwarded' in the portal and that of 38 students could not be uploaded as the students did not submit Aadhaar, bank account details, etc. despite repeated instructions. The Headmaster informed (June 2022) the Project Officer that the details of 76 students forwarded by the institution in e-grantz were not shown as 'forwarded' and requested the Project Officer to initiate action to grant scholarship to them. Though the Headmaster had taken up the matter with the Project Officer, the action taken by the Project Officer was not intimated to the Headmaster.

The onus of ensuring that the students submit necessary documents for registration in the portal and rectifying the technical issues faced by the institution rested with the Departmental authorities. Failure on the part of the Department and laxity on the part of the educational institutions in ensuring that applications of all eligible students were uploaded and successfully processed resulted in non-receipt of scholarship by 1394 students in four selected districts.

Government reply (June 2023) was silent on this aspect.

4.5.4.2. Non-payment of scholarship to ST students studying in Class IX - Central Pre-Matric scheme

Guidelines regarding the roles and responsibilities of ST promoters⁸⁰ was issued by GoK in January 2010. As per the Guidelines, it was the duty of the promoters to ensure that the ST students receive Pre-Matric scholarship in time.

Scheduled Tribes Development Department started disbursing the Centrally sponsored Pre-Matric scholarship for ST students studying in Classes IX and X through e-grantz portal from the academic year 2019-20.

The registration of ST students was done by the institutions through the “Student Registration” menu in the e-grantz portal. As a basic step, name and Aadhaar number was to be entered for student registration for subsequent approval and payment of scholarship. The district office of the STDD should verify the fee structure/ amount in the disbursement list with the Government approved fee structure using the comparison/ check facility available in the e-grantz portal before issuing the sanction order.

On verifying the e-grantz data, Audit noticed that in the selected districts during the academic years 2019-20 and 2020-21, 413 ST students of Class IX did not receive the scholarship even though they received the scholarship in Class X.

On verifying the above issue at the selected institutions⁸¹, institutions stated that 171 applications were not forwarded due to non-production of sufficient data by the students, 162 applications, due to non-submission of documents by students in time, three cases due to technical error, four cases due to lack of awareness about the scheme/ delay in communication from ST Department, and two cases were shown as approved in the portal.

Thus, Audit observed that the ST promoters and authorities in the institutions did not fulfil the responsibility to ensure that all ST students were getting the scholarship every year without fail.

Government replied (June 2023) that validation check for the mentioned issue was not available and on switching to online mode, which was proposed to be implemented shortly, these issues could be monitored and prevented in future. However, the reply fails to explain how students who did not receive the scholarship in the previous years would be compensated for.

4.5.4.3. Students who received Books and Adhoc Grant not paid stipend under Centrally sponsored Pre-Matric scheme

The Centrally sponsored Pre-Matric scholarship for students belonging to ST category, studying in Classes IX and X included scholarship (stipend) of ₹150 per month for 10 months and Books and Adhoc grant of ₹750 per annum for day scholars and stipend of ₹350 per month for 10 months and Books and Adhoc grant of ₹1000 per annum for hostellers. The rate of scholarship (stipend) was

⁸⁰ Tribal promoters are selected and appointed to function as facilitators in tribal areas for channelising and extending the benefits of tribal development schemes to the STs. They will also act as a link between the scheduled tribe beneficiaries and the local bodies / line departments.

⁸¹ 342 cases were seen in nine selected institutions in one selected district (Wayanad).

increased to ₹225 per month for hostellers and ₹525 per month for day scholars from 01 December 2019.

On analysis of e-grantz data of the selected districts, Audit noticed that 30 students in two selected districts⁸² were not paid stipend even though they were paid Books and Adhoc grant.

On verifying the above issue at the selected institutions⁸³, the institutions stated that stipend was not received by 15 beneficiaries, even though they had received Books and Adhoc grant.

Thus, Audit observed that the ST promoters and authorities in the institutions did not fulfil the responsibility to ensure that all ST students were getting all the components of scholarship every year without fail.

Government replied (June 2023) that report would be collected from the district offices concerned and final reply furnished to Audit at the earliest.

4.5.4.4. Centrally sponsored scholarship for students studying in Classes IX and X - scholarship not given despite availability of funds - TDO Kozhikode

The Director sanctioned (February 2019) ₹11.65 lakh to the TDO, Kozhikode for implementing the scheme in the year 2018-19. Since the Treasury was accepting bills only in respect of beneficiaries with bank account, the TDO sanctioned scholarship to 167 students who possessed bank accounts (out of 199 applications received from 30 institutions) by expending ₹4.32 lakh⁸⁴ and surrendered ₹7.33 lakh. Out of the above 167, four students were included in two sanction orders and hence only 163 out of 199 applicants were sanctioned scholarship. Audit noticed that out of the 36 students who were not sanctioned scholarship, 28 students⁸⁵ had furnished bank details and there were only eight students whose bank details were not available. Thus, 36 eligible students did not receive scholarship in 2018-19, despite availability of funds.

Government replied (June 2023) that report would be collected from the Tribal Development Officer, Kozhikode and final reply furnished to Audit at the earliest.

4.6. State Pre-Matric scholarship scheme

State Pre-Matric scholarship to ST students of Classes I to X, studying in Government/ Aided schools included lumpsum grant and monthly stipend. Students studying in recognised unaided schools were eligible for lumpsum grant and reimbursement of tuition fee/ special fee as approved by Government. The scheme was implemented through the PO/ TDO. The Director allotted the funds required for the scheme to the PO/ TDO who disbursed the scholarship to

⁸² Wayanad (2020-21): 26, (2021-22): two and Ernakulam (2021-22): two

⁸³ Fifteen cases were seen in three selected institutions in one selected district (Wayanad)

⁸⁴ ₹4.32 lakh from the allotment for 2018-19

⁸⁵ GHSS Azhiyoor -two, GHSS Puduppadi – 19, GHS Perambra – five and St. John's HS Nellipoyil – two

the eligible students through the heads of institutions in two instalments – first instalment comprising lumpsum grant and stipend for the period June to October and second instalment comprising stipend for the period November to March. The second instalment was being released only to those students whose receipts in token of disbursement of the first instalment were furnished by the heads of institutions. Audit noticed the following deficiencies in the implementation of the scheme:

4.6.1. Low coverage of beneficiaries

The POs/ TDOs of selected districts disbursed scholarships based on the students' list provided by the heads of institutions. To ensure cent *per cent* coverage of beneficiaries, the implementing officer should have the data of all eligible students in the institutions under his jurisdictional area. In order to verify whether all the eligible students were covered under the scheme, audit obtained the number of ST students studying in Classes I to X in Government/ Aided/ recognised unaided schools from the Deputy Directors of Education (DDE) of four selected districts. On comparison of this data with the number of students to whom scholarship was sanctioned by the POs/ TDOs, it was noticed that all the students as per the DDE data were not sanctioned scholarship. The percentage of students who were sanctioned first instalment of scholarship in Ernakulam, Wayanad and Kollam were 91, 98 and 85 respectively. However, the percentage of coverage under second instalment was only 61, 89 and 71. In respect of Kozhikode district, data for the years 2017-18 and 2019-20 were not available. The percentage of coverage of students under first and second instalments during the remaining years were 98 and 59 (2018-19), 80 and 44 (2020-21), 79 and 72 (2021-22) respectively, as shown in **Table 4.7** below.

Table 4.7: Comparison of DDE data on ST students with actual beneficiaries

Year	Ernakulam			Kozhikode*			Wayanad**			Kollam		
	DDE figure	No. of students to whom scholarship sanctioned and percentage of coverage wrt DDE figure		DDE figure	No. of students to whom scholarship sanctioned and percentage of coverage wrt DDE figure		DDE figure	No. of students to whom scholarship sanctioned and percentage of coverage wrt DDE figure		DDE figure	No. of students to whom scholarship sanctioned and percentage of coverage wrt DDE figure	
		I	II		I	II		I	II		I	II
2017-18	1930	1837	1474	1918	NA	NA	26852	25463	24688	1058	862	660
2018-19	1813	1881	1522	1777	1749	1054	27012	26828	23307	1019	870	660
2019-20	1733	1705	946	1716	NA	NA	26364	28570	22632	957	834	649
2020-21	2230	1456	513	1641	1307	718	26019	24431	23431	961	773	755
2021-22	1546	1501	1216	1580	1255	1178	26039	24601	23884	879	775	740
Total	9252	8380 (91)	5671 (61)	8632	4311	2950	132286	129893 (98)	117942 (89)	4874	4114 (85)	3464 (71)

* figures for the years 2017-18 and 2019-20 were not available in Tribal Development Office Kozhikode

** there were two TDOs and one ITDPO in Wayanad district

(Source: Data compiled from Departmental orders)

It was also noticed that only 89 *per cent* of the students who were sanctioned first instalment of scholarship were sanctioned second instalment in the districts

of Ernakulam, Wayanad and Kollam. The coverage in respect of Kozhikode district was only 82 *per cent*. Since the second instalment could be disbursed only on submission of the receipt for the first instalment, there was no assurance that the first instalment itself was disbursed to the remaining 11 *per cent* in the three districts and 18 *per cent* in Kozhikode district.

Government reply (June 2023) was silent on this aspect.

4.7. Monitoring and evaluation

Monitoring and evaluation is an integral part of any scheme as it helps the Administrative Department to identify the problems in implementation, so that the Department can take necessary corrective steps to rectify the same. With regard to Pre-Matric ST schemes, the State Government⁸⁶ had not issued any Guidelines/ circulars/ directions till date to the implementing agencies⁸⁷ to ensure that the data for processing in the e-grantz were genuine, complete, not previously processed, properly authorised and were entered accurately without duplication. Similarly, as the Central scholarship schemes were being implemented by the State Government, Scheme Guidelines envisaged the State Government to ensure effective monitoring and evaluation of the schemes. Audit examined whether effective control mechanisms and robust IT systems existed for monitoring and evaluation. The observations are summarised as follows:

There existed no effective mechanism for periodic review of progress of the schemes at the State and Regional level, as a result of which instances of delayed payments and non-payments could not be identified and prevented at various levels⁸⁸. Full coverage of beneficiaries could also not be ensured.

The Central Guidelines suggest that social audit⁸⁹ was to be conducted by the social audit units⁹⁰ of the State Governments, by meeting the cost from the administrative cost of the scheme. The Department had not taken measures to conduct social audit till date, and consequently the Department failed to identify the issues faced by the stakeholders, the majority of which being marginalised/ under privileged groups.

Audit scrutiny revealed instances of double payment, rejection of payment, non-processing of scholarship applications at institutional levels, etc. The above instances pointed to the lack of a robust IT enabled monitoring system.

⁸⁶ SCSTD Department, GoK

⁸⁷ SCSTD Department, C-DIT, respective State level Directorates, district level offices, educational institutions, etc

⁸⁸ Detailed in paragraphs 4.5.1, 4.5.2 and 4.5.4.2 of this Report

⁸⁹ Social Audit is a way of measuring, understanding, reporting, improving an organisation's social and ethical performance. It helps to narrow gaps between vision/ goal and reality, between efficiency and effectiveness.

⁹⁰ under MGNREGA

The Central Guidelines suggests that the State Government shall set up a robust monitoring mechanism for monitoring the academic progress of the students enrolled in the scheme, which was not implemented till date.

The Central Guidelines further insisted that to ensure proper accountability, physical verifications at various levels, viz., block/ district/ state shall be done by the State Government covering at least 10 *per cent* of the institutions/ students, chosen randomly through an algorithm. All private institutions offering courses at the level of graduation or above shall, however, be mandatorily inspected annually. However, Audit noticed that no target was set by the Departments and no inspections were conducted.

Government accepted (June 2023) the findings relating to monitoring and evaluation and stated that the lapses pointed out by Audit will be rectified when the new Government order (January 2023) regarding SC/ ST scholarship was enforced. Government further stated that taking a cue from the audit observations, C-DIT will be directed to make necessary control measures in the software and that the Department was also contemplating inclusion of a chat box in e-grantz portal to address the issues faced by students.

4.7.1. Non-obtaining of Audit certificate - ST scholarships - Central Pre-Matric scheme

The Guidelines prescribed that the claim of the State Government has to be accompanied with a Utilisation Certificate (UC) along with audited statements for the previous year's Central assistance. Audit observed that for Centrally sponsored Pre-Matric scholarship scheme, statement of expenditure was not got audited and no Audit certificate obtained from the Office of the Principal Accountant General (Audit I) during the period 2017-18 to 2021-22.

Director, STDD replied (May 2023) that UC was being sent to the Central Government every year and that the report from the Government auditor would be obtained from this year onwards.