



EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Education improves an individual's quality of life. Government of India (Central Government) operates scholarship schemes for students belonging to economically weaker sections among Scheduled Castes (SCs), Scheduled Tribes (STs) and Minority Communities with the objective of increasing enrolment, arresting dropout rate during education and helping students in completing their education. Article 46 of Part IV ("Directive Principles of State Policy") of the Constitution enjoins upon the States to promote with special care the educational and economic interests of the weaker sections of the people, in particular, of Scheduled Castes and Scheduled Tribes. The SCs, STs and Minorities constitute 55.52 *per cent* of the population of the State. In addition to Central Government schemes, State Government also operates scholarship schemes for these weaker sections.

All India Performance Audit on 'Pre and Post-Matric Scholarship Schemes for Students belonging to Scheduled Castes, Scheduled Tribes and Minority Communities' in respect of Central schemes was conducted in 2022 for inclusion in the Central Report of the Comptroller and Auditor General of India. Based on the importance of the topic, it was decided to conduct a Performance Audit on Pre and Post-Matric scholarship schemes for SC, ST and Minority students in respect of Central and State schemes and include in the Reports of the respective States.

Pre-Matric scholarship schemes for Scheduled Caste students

Planning is essential for assessing the number of potential beneficiaries of the schemes and to ensure timely disbursement of the benefits to them. However, Audit noticed that the SC Development Department did not conduct a survey or study to identify and prepare the list of potential beneficiaries of SC Pre-Matric schemes. Ten to 12 *per cent* of SC students did not receive Pre-Matric scholarship for the period 2017-21. During the academic year 2019-20, 379 schools registered in Sampoorna were not registered in e-grantz and thereby 3,499 SC students in these schools were excluded from the scheme. Further, in 5,437 Aided/ Government/ recognised unaided schools which were registered in e-grantz, 23,138 SC students were excluded from the schemes as they were not registered in e-grantz. In two schools, number of SC students in e-grantz was 104 more than that in Sampoorna (52 students more in each school). Instances of non-processing of scholarship applications at SCDO/ Directorate level resulting in non-payment of scholarship to beneficiaries, delay in disbursement of various components of Pre-Matric State scholarship to students and students availing same scholarship on multiple occasions were noticed. Though Guidelines envisage giving sufficient publicity for scholarship schemes, Audit noticed that the same was not ensured. An amount of ₹3.60 crore remitted by 5,828 SC students of Kendriya Vidyalayas towards enhanced rate of Vidyalaya Vikas Nidhi was not reimbursed to them. Deficiencies were also noticed in the implementation of Sri Ayyankali Memorial Talent Search and

Development Scheme. On the monitoring side, it was observed that there existed no effective mechanism for periodic review of progress of the schemes at State/ Regional level.

Post- Matric scholarship schemes for Scheduled Caste students

As regards Post-Matric SC scholarship scheme, there was wide variation between estimated and actual number of beneficiaries which was indicative of inadequate planning. Survey or study to identify the potential beneficiaries was not carried out. State lost ₹96.65 lakh for the period 2017-22 due to non-claiming of administrative expenses from Central Government. Divyang (differently abled) SC students were not given the admissible 10 *per cent* additional amount of scholarship. Non-processing of scholarship applications at institution/ Directorate level resulted in non-payment of scholarship to 1246 students. There was delay of upto five years in payment of scholarship, though e-grantz portal had been conceived with the intention of reducing delay in disbursement of scholarships. Students did not receive scholarship on account of errors in account number, IFS code, closure of bank account etc. Audit noticed anomalies in the implementation of scholarship for overseas studies as well as in implementation of book bank scheme. Eligible students studying in institutions of national importance did not receive scholarship due to delayed action by the Department. Instances of multiple payment of scholarship to students were noticed. Instances of short payment of private accommodation charges to students and non-payment of tuition fee, exam fee, special fee to the institutions by the students were also noticed. There existed no effective mechanism for periodic review of progress of the schemes at the State and Regional level. Audit certificate was not obtained for Centrally sponsored Post-Matric scholarship scheme for SC students. Reconciliation of expenditure figures was not carried out by the Department in respect of State funded SC Post-Matric scholarship scheme.

Pre- Matric scholarship schemes for Scheduled Tribe students

In Pre-Matric ST scholarship schemes, the Department did not maintain the data pertaining to the eligible beneficiaries based on a survey or study to identify the potential beneficiaries. Four 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. Similar to implementation of SC scholarship schemes, errors in bank account number, IFS code etc. of beneficiaries resulted in non-receipt of scholarship by students. Audit certificate was not obtained for Centrally sponsored Pre-Matric scholarship scheme. 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 scheme. The Department had not taken measures to conduct social audit and consequently failed to identify the issues faced by the stakeholders.

Post-Matric scholarship schemes for Scheduled Tribe students

Recommendations of Public Accounts Committee with regard to conduct of a survey or study to identify the potential beneficiaries were not complied with in the case of Post-Matric ST scholarship schemes. Non-processing of scholarship applications at institutions and Directorate was noticed. There was delay of one year to four years in disbursement of various components of the scholarship to students. Non-implementation of book bank scheme resulted in non-receipt of benefits by eligible students. Failure of input control in e-grantz software resulted in payment of accommodation charges for institutional hostel and private hostel to the same student. Instances of multiple payment of components of scholarship and granting of State funded scholarship to students pursuing unaided courses in unaided colleges were noticed by Audit. Reconciliation of expenditure figures was not carried out by the Department in respect of Centrally sponsored ST Post-Matric scholarships.

Pre and Post-Matric scholarship schemes for Minority students

The Director of General Education did not furnish utilisation certificate of Minority Pre-Matric scholarship fund received for the year 2014-15. In the case of Minority Pre-Matric scheme, unspent scholarship fund was diverted for other purposes such as purchase of cars, iPads etc. Administrative expenses were not claimed during the period of Audit. Instances of non-processing of applications at institutions were noticed. There was no mechanism in the portal to identify the students registered as fresh applicants in the previous years, based on their registration ID and to deny further registration as fresh applicants in the subsequent years. Instances of more than two members in a family availing minority scholarship and students availing more than one scholarship were noticed. In violation of CH Muhammed Koya scheme Guidelines, payment of scholarship to male students instead of female students was also noticed.

Recommendations

The following recommendations pertain to Sections A and B

- *Government must ensure that the Department and Institutions work conjointly for efficient implementation of the schemes.*
- *Physical and financial targets for scholarship should be set after assessing the number of potential beneficiaries/ students actually enrolled or based on trends of previous years. Department should make use of statistics on students maintained by Education Department for preparing the list.*

(Recommendation 1)

- *Government needs to fix responsibility on the heads of Institutions/SCDOs for non-processing of applications at various levels, leading to non-receipt of scholarship by students. Educational institutions/SCDOs may exercise due diligence in accepting the*

applications, verifying documents submitted by the students in support of the claims, uploading student data and details of scholarship into the application software and sanctioning claims within the allotted time, subject to fulfilment of eligibility criteria.

(Recommendation 2)

- *Department should proactively utilise the services of SC/ST promoters for ensuring that all necessary assistance is provided to students in obtaining supporting documents for applying for scholarship, opening of bank account, etc.*

(Recommendation 3)

- *Officials handling different scholarship portals should be given adequate training to enable them to check the authenticity of certificates and eliminate duplicate applications.*

(Recommendation 4)

- *The deficiencies in the e-grantz portal should be addressed at the earliest so that all the eligible students receive the scholarship.*

(Recommendation 5)

- *Department should conduct awareness and orientation programmes at least annually at the beginning of the academic year for all stakeholders so that no students are left out due to lack of awareness about the scholarship scheme.*

(Recommendation 6)

- *Students may be encouraged to maintain Aadhaar linked bank accounts to ensure transparency in transfer of scholarship amount via DBT to their accounts.*

(Recommendation 7)

- *Government should take action to claim the eligible administrative expenses from Central Government and utilise the same for permitted activities.*

(Recommendation 8)

- *Government should evolve a monitoring mechanism to ensure that no scholarship applications remain unprocessed at various levels i.e., institution and directorate level.*

(Recommendation 9)

Recommendations specific for Section A: Pre and Post-Matric scholarship schemes for SC students

- *Government should ensure that the Guidelines regarding scholarship for students pursuing overseas studies are strictly adhered to and assistance is provided only to those students who*

secure admission in universities which satisfy the criteria set by the Government.

(Recommendation 10)

- *Government should ensure that no Divyang students are deprived of the extra 10 per cent allowance they are entitled to.*

(Recommendation 11)

Recommendations specific for Section B: Pre and Post-Matric scholarship schemes for ST students

- *The Directorate should forward to Government a detailed proposal for implementation of the book bank scheme for Post-Matric ST students.*

(Recommendation 12)

Recommendations for Section C: Pre and Post-Matric scholarship schemes for Minority students

- *Government should ensure that the time frame prescribed for processing of scholarship applications for minority community students is strictly adhered to and no students are deprived of the scholarship due to non-processing of applications.*

(Recommendation 13)

- *Government should consider integration of different scholarship payment portals for cross-checking data available in different portals to prevent beneficiaries from drawing multiple scholarships.*

(Recommendation 14)

- *State Government should bring to the notice of the Central Government the changes to be made in the National Scholarship Portal to capture the identification details of parents of beneficiaries to ensure that more than two students from the same family do not draw the scholarship.*

(Recommendation 15)

- *Government should forward the utilisation certificate of Minority scholarship fund to Central Government without delay and ensure that funds diverted for other purposes are returned to Central Government.*

(Recommendation 16)