

## CHAPTER III

### SCHOLARSHIP SCHEMES FOR SCHEDULED CASTE STUDENTS - POST-MATRIC

There was wide variation between estimated number of beneficiaries and actual number of beneficiaries which was indicative of inadequate planning. Survey or study to identify the potential beneficiaries as recommended earlier by Public Accounts Committee 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 application at institution/directorate level resulted in non-payment of scholarship to beneficiaries. There was delay up to five years in payment of scholarship, though e-grantz portal was envisaged 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 and special fee to the institutions by the students were also noticed. Reconciliation of expenditure figures was not carried out by the Department in respect of State funded SC Post-Matric scholarship. There existed no effective mechanism for periodic review of progress of the schemes at the State and Regional level.

#### 3.1. Eligibility for claiming scholarship

The conditions of eligibility for claiming scholarship under Centrally sponsored Post-Matric schemes for SC students for 2017-20 are given in **Table 3.1**.

**Table 3.1: Conditions of eligibility for claiming Centrally sponsored Post-Matric scholarship for SC students (2017-2020)**

<b>Eligibility</b>	Students who belong to Scheduled Castes pursuing intermediate/ graduate/ post graduate, doctoral courses etc, whose parents/ guardians' income from all sources does not exceed ₹2.5 lakh per annum.
<b>For study in</b>	Institutions of national importance, State/Central Universities, Autonomous colleges recognised by UGC and Universities/ Colleges recognised under Section 2(f) and 12(b) of UGC Act, Deemed Universities, Private Universities recognised by State/ Centre with 'A' Level or equivalent accreditation by NAAC/ NBA, Private professional institutions affiliated to recognised Central/ State Universities and covered by Fee Fixation Committee, recognised schools/ colleges for Class XI and XII, Diploma granting institutions, Vocational Training institutes affiliated to NCVT, Institutions affiliated/ approved by MCI/ AICTE etc.

Scholarship Components <sup>46</sup>	Item		Day Scholars	Hostellers
	Maintenance Allowance	Group I – Engineering/ Medical/ CA/ ICWA/ M.Phil/ PhD/ LLM etc.	₹550	₹1200
		Group II – Professional courses leading to Degree (BFS, other para-medical courses, etc.)	₹530	₹820
		Group III – Graduate and Post Graduate courses	₹300	₹570
		Group IV – All post matriculation, XI and XII, ITI, three year Diploma courses in Polytechnics	₹230	₹380
	Tuition Fee	All compulsory fees payable by the scholar to the University/ Board		
	Study Tour	Maximum of ₹1,600 per annum		
	Thesis Typing/ Printing charges	Maximum of ₹1,600		
Book Bank	Varies from ₹2,400 to ₹7,500 ;One set for two students			

The conditions of eligibility for claiming scholarship under Centrally sponsored Post-Matric schemes for SC students for 2020-22 are given in **Table 3.2**.

**Table 3.2: Conditions of eligibility for claiming Centrally sponsored Post-Matric scholarship for SC students (2020-21 onwards)**

Eligibility	Students who belong to Scheduled Castes pursuing intermediate/ graduate/ post graduate courses/ doctoral courses etc. whose parents/ guardians' income from all sources does not exceed ₹2.50 lakh per annum.			
For study in	Institutions of national importance, State/ Central University, Autonomous colleges recognised by UGC and Universities/ Colleges recognised under Section 2(f) of UGC Act, Deemed Universities, all Private Universities recognised by State/ Centre, Private professional institutions affiliated to recognised Central/ State Universities and covered by Fee Fixation Committee, recognised schools/ colleges for Class XI and XII, Diploma granting institutions, Vocational Training institutes affiliated to NCVT, Institutions affiliated/ approved by NMC/ AICTE etc.			
Scholarship Components <sup>47</sup>	Item		Day Scholars	Hostellers
	Academic Allowance	Group I – Degree and Post Graduate level professional courses.	₹7000	₹13500
		Group II – Other Professional courses leading to Degree, Diploma, Certificate	₹6500	₹9500
		Group III – Graduate and Post Graduate courses not covered under Group I and II	₹3000	₹6000
	Tuition Fee	All compulsory non-refundable fees including tuition fee	₹2500	₹4000

<sup>46</sup> Since it is a committed liability, State provides all fees (tuition fee, exam fee, special fee), Lumpsum Grant, Stipend, etc. in lieu of the components provided by Central Government.

<sup>47</sup> Shared between Central and State in the ratio 60:40 from 2020-21 onwards.

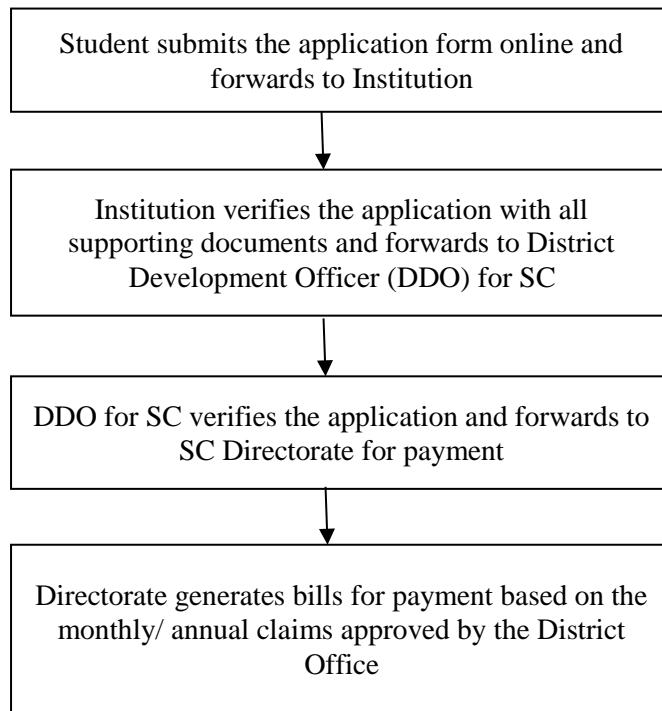
The conditions of eligibility for claiming scholarship under State Post-Matric schemes for SC students are given in **Table 3.3** below.

**Table 3.3: Conditions of eligibility for claiming State Post-Matric scholarship for SC students**

Eligibility	All students who belong to Scheduled Castes without any income limit.	
For study in	Plus 1 and 2, VHSE, KV, Sainik School, Technical Schools, GV Raja School, Polytechnic colleges, IHRD schools, Diploma/ Degree/ PG/ Professional courses approved by Universities, ITI/ ITC Matric trade, courses offered by Government regulated Co-operative institutions, Central/ State Government institutions, LBS, C-DIT, CDAC, ER&DC, unaided courses of University/ aided institutions (rates fixed by University/ Government), M Phil, M Tech, M Lit, Off-campus courses of State Universities/ IGNOU, Evening courses, Distance Education courses, etc.	
Scholarship Components	<p><b>Item</b></p> <p>State provides all components provided in Post-Matric scholarship for SC (Central Scheme) for students whose parents' annual income is more than ₹2.5 lakh.</p> <p>In addition, State Government provides Lumpsum Grant, Actual Boarding and Lodging Charges (ABLC), Private Accommodation Charges, Pocket Money (for Hostellers), Fellowship, Stipend (for Day Scholars) up to 2020) and Additional State Allowance (from 2021 onwards) for all SC students without any income limit.</p>	<p><b>Amount (in ₹)</b></p> <p><u>Lumpsum Grant (depending upon the course)</u> up to 2019-20 – ₹440 to ₹3130 from 2020-21 – ₹500 to ₹3800 <u>ABLC:</u> actuals/ ₹4500 whichever was less. <u>Private Accommodation:</u> ₹1500 per month (10 months) <u>Pocket Money:</u> ₹200 per month <u>Stipend:</u> up to 2019-20 – ₹500 to ₹750 <u>Additional State Allowance:</u> Given in lieu of Stipend from 2020-21</p>

### 3.2. Procedure/ Process flow

Applications were to be submitted online by the student in the beginning of the academic year. Following the online application, original copies were to be submitted to the District Scheduled Caste Development Officer through the head of the institution. Management of Post-Matric scholarship (Central and State schemes) for SC students was done through e-grantz. However, the State scholarship scheme for SC students studying abroad was managed manually. The e-grantz was a centralised system for disbursement of scholarship/benefits of schemes for all Pre/Post-Matric students of SC, ST and OBC community in the State. The process flow in e-grantz portal was as shown in **Figure 3.1**.

**Figure 3.1: Process flow in e-grantz****Post-Matric (State and Central)****3.3. Coverage of beneficiaries (Post-Matric Central)****3.3.1. Preparation of annual demand/ estimate**

SC Directorate furnishes the annual proposal in the prescribed proforma for Post-Matric Central scholarship schemes to GoK for onward transmission to Central Government. The forwarded proforma included details of actual expenditure and actual number of beneficiaries in the previous year and physical and financial target for the proposed year. Audit noticed that in Post-Matric schemes the physical target for a particular year was fixed by adding 10 *per cent* over and above the actuals of the previous year, as shown in **Table 3.4**.

**Table 3.4: Coverage of beneficiaries - Target and achievement under Post-Matric Central scheme for 2017-22**

Year	Physical target (estimated number)	Estimated amount (₹ in lakh)	Number of beneficiaries who were granted scholarship	Total expenditure (₹ in lakh)
2017-18*	-	-	130113	12110.47
2018-19	143123	13321.35	122092	12643.78
2019-20	134297	13908.16	119749	12157.07
2020-21	131712	13390.80	117329	11980.00
2021-22			Data not furnished	

\*Annual proposal for the year 2017-18 was not made available to Audit.  
(Source: Annual proposals)

Every year there was significant variation between estimated number of beneficiaries and actual number of beneficiaries which indicates that figures of

estimated demand projected by the Directorate were unrealistic and not based on reliable data.

Government reply (June 2023) was silent on the issue.

### 3.3.2. Non-identification of potential beneficiaries

Public Accounts Committee (PAC) (2016-19) in its 15<sup>th</sup> Report recommended that an effective survey was mandatory to ensure that all the schemes intended to benefit the SC population were successfully implemented. In the Action Taken Report submitted by the Department, it was stated that they had conducted a survey of SC/ ST colonies during 2010-12 and steps were being taken to update the data. However, for the period 2017-18 to 2021-22, no survey or study was conducted to identify the potential beneficiaries of Post-Matric scholarship schemes.

#### 3.3.2.1. *Coverage in Post-Matric (Central and State schemes) scholarship to SC students*

In order to verify whether all SC students (Post-Matric stage) in Government/Aided Higher Secondary schools (Kerala Syllabus) in the State were benefitted through the scheme, Audit obtained the data of SC students who studied in these schools during the academic years 2018-22 from Information and Communication Technology of Kerala (HSCAP software) through Higher Secondary Directorate and compared<sup>48</sup> it with the data available in e-grantz portal. Audit observed that during the academic years 2018-21, 19,379 students in 1352 Aided/ Government Higher Secondary Schools were not given scholarship. Audit verified 729 of these applications in 35 selected institutions. The institutions stated reasons such as students not producing sufficient documents (216), not applying/ not availing scholarship (303), lack of attendance (27), discontinued studies (42), applied and availed scholarship (after June 2022) (25), website issues (10), file closed/not traceable (62), long absence (seven), obtained TC (21), not a student of institution (six), other reasons (six) and students from other States (four).

The total number of beneficiaries in Higher Education Sector could not be ascertained as HSCAP software did not contain the details of students studying in Higher Secondary Schools in other Boards of Education like CBSE, ICSE etc. and the information on Higher Education Sector obtained from the survey conducted by Department of Higher Education, Ministry of Education, Central Government included the students who secured admission through Management quota, who were not eligible for Post-Matric scholarship.

Audit noticed that the SC Department did not prepare or maintain year-wise database of eligible SC students who cleared matriculation examination though the details were available with General Education Department. The Director replied (June 2023) that there were chances that students may not get SC

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<sup>48</sup> Email ID field of institution was common for both softwares.

certificate from the authorities concerned (Tahsildar) which was required for applying for the scholarship and hence the variation.

The reply is not tenable as it was the duty of SC Department (through its SC promoters) to ensure that all assistance was provided to SC students to obtain necessary documents to avail the scholarship. Further, despite availability of data of SC students in HSCAP (Kerala syllabus), SC Department failed to utilise it. During the survey conducted by Audit, 81 out of 200 beneficiaries informed Audit that they had experienced difficulty in obtaining relevant documents required for applying for SC Post-Matric scholarship.

### **3.3.3. Inadequate publicity of SC scholarship schemes**

Similar to Pre-Matric scholarship scheme, Post-Matric scholarship scheme Guidelines<sup>49</sup> also envisaged the State Government to publicise the scheme and invite applications by issuing an advertisement in the leading newspapers of the State and through their respective websites and other media and the expenditure for advertisement was to be incurred from the administrative expenses sanctioned. From the details furnished by the Directorate regarding administrative expenses incurred for Post-Matric scheme during 2017-22, it was noticed that no expenditure was incurred by the 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.

## **3.4. Planning and financial management**

### **3.4.1. Centrally sponsored Post-Matric SC scholarship scheme**

In the case of Post-Matric SC Scholarship Scheme (Central), as the annual income limit adopted by the Central Government for the eligibility of scholarship was ₹2.50 lakh, the State Government provided additional assistance to provide scholarship to the students, without any limit on annual income. However, separate accounts for Central scheme and Additional State assistance were not maintained by GoK.

GoK received 100 *per cent* Central assistance for meeting the total expenditure under the scheme, over and above State's committed liability. Central Government fixed ₹144.47 crore as committed liability for the State for the period 2017-18 to 2019-20. The funding pattern was revised (December 2020) with sharing pattern of 60:40 between Centre and States. The Central share for the period 2020-21 was 60 *per cent* of the average demand for the last three years (2017-18 to 2019-20). Starting from 2021-22, the Central share is being released directly to the bank accounts of the beneficiaries after ensuring that the State Government had released its share.

<sup>49</sup> Centrally Sponsored Post-Matric scholarship scheme for students belonging to SC category effective from 01 July 2010.

GoK submits Annual proposals for reimbursement of Central Government share in the prescribed proforma each year to Central Government, with the expenditure figures as per Central Government regulations for those students who fall under the income criteria of the Centrally Sponsored Scheme. Figures of utilisation of State grant and Central Government grant as derived from Central Government's fund releasing orders and the annual proposal forwarded by GoK are illustrated in **Table 3.5**.

**Table 3.5: Utilisation of State grant and Central grant during the period 2017-22  
(₹ in crore)**

Year	Actual expenditure (State + Central assistance) and additional State assistance	Committed liability of the State	Total expenditure as per Centrally sponsored scheme	Reimbursement received from Central Government
2017-18	216.92	144.47	121.10	Nil
2018-19	205.73	144.47	126.44	Nil
2019-20	208.60	144.47	121.57	9.80
2020-21	334.64	Nil	119.80	86.85
2021-22	394.52	Nil	161.29	*

\* During 2021-22, Central Government grant was disbursed directly to the bank account of the beneficiary students through PFMS

(Source: Annual demand and fund releasing orders of Central Government)

As the total expenditure reported to Central Government was below the committed liability of the State during 2017-18 to 2019-20, there was no central release due for the period 2017-18 to 2019-20. However, Central Government released ₹9.80 crore as central assistance for the year 2019-20. Central Government also released ₹86.85 crore in 2020-21, considering 60 *per cent* of the average demand for the previous three years as ₹144.76 crore, as against ₹123.03 crore as reported in the annual proposals. Thus, State had received ₹13.03 crore (difference between 60 *per cent* of ₹144.76 crore and 60 *per cent* of ₹123.03 crore) more in the year 2020-21. It was seen that the excess amount was not refunded to the Central Government.

#### 3.4.2. State Post-Matric SC scholarship scheme

In addition to the Central Post-Matric scholarship schemes, State Government implemented State Post-Matric scholarship schemes fully funded by the State. Scholarships for SC students who were studying for Post-Matric courses in Parallel Colleges, Kerala State Rutronix courses and vocational engineering/non-engineering courses were covered under the scheme. On getting allocation from GoK, Directorate disburses the fund among the 14 district offices for onward transmission to beneficiary account. Budget allocation and expenditure incurred for the scheme during the Audit period are given in **Table 3.6**.

**Table 3.6: Utilisation of fund for State Post-Matric SC scholarship scheme  
(₹ in crore)**

<b>Post-Matric scholarship Scheme (2225-01-277-98-12 (NP))</b>			
<b>Year</b>	<b>Budget allocation (re-appropriation in bracket)</b>	<b>Expenditure as reported by the Directorate</b>	<b>Expenditure as per VLC</b>
2017-18	18.00 (-0.83)	4.77	4.68
2018-19	18.00 (-3.98)	14.02	13.96
2019-20	18.00 (-3.08)	14.92	14.84
2020-21	18.00	15.27	15.22
2021-22	18.00	14.18	14.13

(Source: Statement of expenditure furnished by the Department and VLC data from AG (A&E))

It was noticed that for Post-Matric schemes ₹18 crore was allotted on an *adhoc* basis each year in the budget without proposal, based on estimated number of beneficiaries. The planning exercise of the Department was deficient as they did not assess the demand for funds under the scheme. The Department failed to fully utilise the fund received from GoK during 2017-22. Only 26 *per cent* of the allocation was utilised in 2017-18. Audit observed that GoK transferred funds to district offices as and when required and utilisation certificates indicating the amount utilised with number of beneficiaries were not submitted by any of the district offices. Also, the coverage of beneficiaries under each component of the scheme was not verifiable at the Directorate, which indicated absence of monitoring of the scheme by the Department. Joint Director (Education) replied (April 2023) that the progress report was submitted by the district offices in time. However, the reply is not acceptable as the expenditure was not consolidated head of account-wise at the Directorate. Further, the progress of scholarship disbursement for Kerala State Rutronix courses and for vocational engineering/ non-engineering courses was not reported to the Directorate by district offices and in the case of scholarship disbursement for parallel college students, the compilation was carried out from the year 2019-20 onwards.

No remarks were offered by the Government to this audit observation.

### **3.4.3. Non-claiming of administrative expenses by the State**

The Guidelines of Centrally sponsored SC Post-Matric scholarship scheme stipulated that one *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 GoK did not submit any proposal for claiming one *per cent* admissible for Centrally sponsored Post-Matric scholarship scheme during the Audit period. On account of this, during the period 2017-22, the State lost ₹96.65 lakh in the case of Post-Matric SC scholarship schemes which could have been utilised for monitoring and evaluation including social audit of the schemes.

During the Exit Conference (May 2023), Special Secretary, SCSTDD stated that the Department had recently (March 2023) opened a dedicated SNA for operating administrative expenses and once the new SNA became operational, the administrative expenses would be claimed and utilised.

### 3.4.4. Non-reconciliation of expenditure figures (Post-Matric SC State Scheme)

According to paragraph 74 (1) of Kerala Budget Manual, every Drawing Officer should reconcile the monthly Departmental figures of expenditure with the figures booked in the Treasury and Office of the AG (A&E) to detect misclassifications, misappropriations, fraudulent drawal etc. Audit observed that as regards Post-Matric schemes, the SC Directorate had not reconciled the Departmental expenditure with the expenditure figures booked by the Office of the AG (A&E), Kerala during the period 2017-22. There were discrepancies between the expenditure figures reported by the Directorate and those booked by the Office of the AG (A&E) in all the years during 2017-22, ranging from ₹ five lakh to ₹ eight lakh.

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

## 3.5. Implementation of Post-Matric SC scholarship schemes

### 3.5.1. Non-Processing of Post-Matric scholarship applications of SC students at institutions – Central and State schemes

The management of Post-Matric scholarship scheme for SC students was done through the e-grantz portal. On verification of the applications of SC students in the selected districts, it was noticed that processing of 461 applications<sup>50</sup> (2018-19 to 2020-21) at Post-Matric level was pending (June 2022) with educational institutions without any action, as detailed in **Table 3.7**.

**Table 3.7: Post-Matric scholarship applications pending at institutions in the selected districts**

District	2018-19*	2019-20	2020-21**	Total
Ernakulam	41	60	62	163
Kollam	54	41	46	141
Kozhikode	25	43	34	102
Wayanad	17	16	22	55
<b>Total</b>	<b>137</b>	<b>160</b>	<b>164</b>	<b>461</b>

(Source: e-grantz portal data furnished by C-DIT)

\* Data for 2017-18 was not available for verification, as e-grantz 3.0 was rolled out in the Academic Year 2018-19. Earlier versions of e-grantz were not available to cross-check the authenticity.

\*\* Central Government issued (March 2021) fresh Guidelines for the implementation of the scheme in 2020-25, which required software updation and integration with NSP/ PFMS. Hence, there was natural delay in implementing the scheme in the new module in 2021-22. Hence, data for 2021-22 was not considered for analysis.

On verifying the above issue at the selected institutions<sup>51</sup>, the institutions stated that 19 applications were not approved for reasons such as students discontinued studies, shortage of attendance, TC issued, not eligible for the allowances, 17 cases due to non-submission of documents by the students, four cases due to

<sup>50</sup> Total number of students who applied for the period 2018-21, in the selected districts was 1,32,686.

<sup>51</sup> 47 cases were seen in 22 selected institutions in four selected districts.

clerical error, three cases due to non-submission of application by the student on time, two cases due to delay in commencement of course and one case each, of student not in the institution and no specific reason stated.

Government replied (June 2023) that it was the combined responsibility of the student and the institution to register and forward the application in time to enable the Department for timely release of scholarships. However, many students did not submit their online applications in time and in some cases, delay was due to the negligence on the part of the institutions in forwarding the applications submitted by the students. Further, some claims could not be forwarded due to the technical issues in the portal which were not resolved by C-DIT. It was informed that necessary instructions were issued for disposing all the applications in a timely manner.

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

### **3.5.2. Non-Processing of Post-Matric SC scholarship applications at the Directorate - Central and State Schemes**

On verification of e-grantz data, it was seen that 785 Post-Matric scholarship applications relating to the period 2018-21 in the selected districts were pending (June 2022) at the Directorate without any payment, after approval by the institution and district office as detailed in **Table 3.8.**

**Table 3.8: Scholarship applications pending at the Directorate**

District	2018-19	2019-20	2020-21	Total
Ernakulam	124	92	110	326
Kollam	62	83	167	312
Kozhikode	19	46	72	137
Wayanad	1	5	4	10
<b>Total</b>	<b>206</b>	<b>226</b>	<b>353</b>	<b>785</b>

(Source: e-grantz portal data furnished by C-DIT)

Government stated (June 2023), that all pending applications upto 2020-21 were closed now by giving ample time to the institutions. It was further stated that all applications received at the Directorate for payment were processed, but the status of some of the claims were being still shown as “not processed” due to technical error and C-DIT has been addressed to rectify the error. Post Government reply, Audit re-examined the issue and noticed that claims were still being shown as “not processed” and the beneficiaries were not provided scholarship.

### **3.5.3. Delay in disbursement of various components of Post-Matric SC scholarship - Central and State schemes**

An important task of SCDD was the timely disbursement of educational assistance by way of payment of fees, boarding charges to institutions, lumpsum grant and monthly payments to students. One of the objectives of implementing e-grantz software was to avoid delay in disbursement of scholarship. However, on verification of e-grantz data in the selected districts, it was observed that there was delay ranging from one to five years (from the due date of disbursement) in the disbursement of various components of scholarship to the students. The number of cases in which there was delay in disbursement of various components of scholarship (June 2022) was as follows - one to two years in 79070 cases, two to three years in 9006 cases, three to four years in 729 cases and four to five years in one case. The details are given in **Appendix 3.1**.

During beneficiary survey, 195 out of 316 SC students stated that they had not received Pre and Post-Matric scholarship at the beginning of the academic year.

Further, components like Pocket Money, Private Accommodation charges (for post-matric scholarship), etc. are intended for daily expenses and boarding charges for students staying in private hostels. Delay in disbursement of these components of the scholarship necessitates the students to identify alternate sources to pay hostel fees, which is against the objectives of the scheme.

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 people, in particular, of SCs and STs. In Kerala, SCs, STs and Minorities constituted a prominent 55.52 *per cent* of the total population. The scholarship schemes are operated by Central Government/State Government with the objective of realising enrolment, arresting dropout rates during education and facilitating financial aid to students in completing their education. Defective implementation of the scheme is depriving the SC students of the benefits aimed at promoting their educational and economic interests as laid down in the Constitution.

Government replied (June 2023) that payment was effected at the Directorate after the claims entered by the students or forwarded by the institutions were approved and forwarded by the district offices. The claims pertaining to previous years were also honoured from the current year's budget provision, giving priority to current year's claims. Further, the delay might have been due to temporary banning of fund allotment by way of ceiling imposed by the budget wing and treasury restrictions.

Thus, Audit observed that the purpose of providing scholarship in time was defeated and one of the main objectives of implementing e-grantz software was also not achieved.

### **3.5.4. Non-receipt of scholarship on account of invalid bank account**

The detailed procedure to be followed when payment gets rejected by e-kuber portal of RBI is given in paragraph 2.5.3 of this Report. On verifying the

e-grantz data relating to SC Post-Matric (Central and State) scholarship schemes in the selected districts, Audit noticed that 7438 transactions<sup>52</sup> involving an amount of ₹43.14 lakh were rejected due to invalid bank account/ IFS code and returned to Government account during the period 2018-21 due to inaction on the part of Drawing and Disbursing Officer at the Directorate.

While verifying the above issue in the selected institutions, the institutions informed that there was no provision in the software to confirm whether the amount was actually credited to the student's account. In cases where the portal displayed "Payment Initiated," actual credit of scholarship could not be ascertained by the institutions as the portal did not display the credit information.

Government replied (June 2023) that it was practically not possible for the Department to watch every payment as the number of transactions was in lakhs. It was also informed that there is an auto generated SMS from e-grantz portal, initialised to alert the students for verification of their profile in case of rejection of the scholarship amount by the bank.

The reply was silent on the scope of payment of scholarship to the students whose claims were already rejected.

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

### **3.5.5. Discrepancies noticed in the implementation of scholarship for overseas studies - State scheme**

GoK provides high priority to extend financial assistance to the students belonging to SC categories for pursuing their higher studies abroad. Accordingly, GoK formulated a detailed Guidelines (October 2017) for hassle free and transparent scheme implementation.

The scholarship for overseas studies was a merit-cum-means scholarship for higher studies outside India. It was envisaged as a means to help talented and meritorious students to pursue higher studies abroad, which would allow them access to a broader area of knowledge and widen the scope of their activities.

In order to be eligible for availing the benefits of the scheme, the student was to be a resident of Kerala, who had scored 55 *per cent* marks in the qualifying graduate examination and was below 35 years of age on the date of application.

Based on the annual family income of the student and his/ her parents, three slabs were fixed as shown in **Table 3.9**.

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<sup>52</sup> Total transactions for the period 2018-21 was 12,28,595

**Table 3.9: Three slabs based on annual family income**

<b>Annual family income from all sources</b>	<b>Expenses covered under the scheme</b>
upto ₹12 lakh	Full scholarship to meet all the expenses certified by the authorities concerned including accommodation and living expenses and air travel expenses in economy class
Between ₹12 lakh and ₹20 lakh	Actual expenses incurred for tuition fee certified by the authorities concerned, visa charges, air fare admissible, medical insurance premium plus 50 per cent of accommodation and living expenses
Above ₹20 lakh	Eligible only for actual tuition fee certified by the authorities concerned

(Source: GO dated 04 October 2017 issued by SCSTDD)

The courses covered under the scheme were Postgraduate degree, Postgraduate diploma considered equivalent to a Postgraduate degree, MPhil and equivalents, Ph.D and Post-Doctoral programmes from any of the following streams as shown in **Table 3.10**.

**Table 3.10: Category of courses covered under the scheme**

<b>Category</b>	<b>Areas/ Subjects</b>
Category A	Pure Science, Management and Business Administration, Engineering, Medicine, Agricultural Science, Applied Science, Computer Science and Information Technology, Language of the host country
Category B (courses which are not available in India)	Social Science and Humanities, Commerce, Arts, Fine Arts, Music and allied subjects, Law

(Source: GO dated 04 October 2017 issued by SCSTDD)

GoK revised the Guidelines (March 2019)<sup>53</sup> and the total grant to a student was limited to ₹25 lakh, which could be paid in lump on requisition from student.

The application of the student with the requisite documents was to be verified by the Director, SCDD and if found in order, an intimation was to be given to the student regarding the provisional sanction of the scholarship.

During the period 2017-22, GoK expended ₹24.20 crore and provided scholarship to 157 SC students in the State.

Audit examined the records of the scheme pertaining to the years 2017-18 to 2021-22 and audit scrutiny revealed the following:

- As per the scheme Guidelines, the scholarship was to be limited to the courses in Universities or other institutions of higher learning which were listed among the first 500 ranks as per Times Higher Education World University rankings<sup>54</sup>. Audit observed that three students studying in Universities<sup>55</sup> not fulfilling the above criteria were granted scholarships amounting to ₹53.40 lakh.

<sup>53</sup> Prior to March 2019, the scholarship was granted without any limit subject to the conditions specified in the Guidelines.

<sup>54</sup> The latest available rank list in the year of submission of application was to be considered.

<sup>55</sup> University of Greenwich (rank between 600 to 800 during 2021), University of Northampton, United Kingdom (was not included in the rank list).

- Even though the Guidelines specified that courses falling under Category ‘B’ should not be available in India, Audit observed that the Director, SCDD sanctioned scholarship worth ₹79.11 lakh to five students who had selected courses<sup>56</sup> that were available in India.
- The Scheme Guidelines envisaged that the second instalment or subsequent instalments were to be sanctioned only on receipt of progress report of the student’s performance. However, test-check of details of 50 students who were granted second instalment revealed that only three students had submitted the academic progress report.
- In the absence of monitoring of the academic progress of the students financed by Government, the Department could not ensure that the students had successfully completed the studies for which they were provided scholarship.
- Though provision was made in e-grantz 3.0 software for implementing the scheme through digital mode, the Department had not initiated action in this regard. In the absence of a database, monitoring and evaluation of the financial and physical aspects of the scheme was difficult.

Government agreed to the Audit findings and stated (June 2023) that Department was planning a comprehensive revamping of the scheme, wherein it was proposed to select Overseas Development and Employment Promotion Consultants (ODEPC)<sup>57</sup> as a consultant. Further, it was also stated that through the revamping of the scheme, the Department hoped to eliminate all the deficiencies pointed out by Audit.

### 3.5.6. Deficiencies in implementing Book Bank scheme for Post-Matric SC students - Central scheme

The book bank scheme, a 100 *per cent* Centrally assisted scheme, aimed to set up book banks in all recognised Medical, Engineering, Agriculture, Law and Veterinary degree colleges and institutions imparting Chartered Accountancy, MBA and similar Management courses and Polytechnics where SC students received Post-Matric scholarship under the Centrally Sponsored Scheme (CSS). As per the scheme Guidelines issued by MoSJE, Central Government in 2010 and in 2018, prescribed textbooks for the entire course were to be provided to SC students. The books were to be supplied to SC students in instalments depending on the course, semester structure etc. Central assistance for purchase of books for different courses is given in **Table 3.11**.

<sup>56</sup> MSc Psychology, MA Social policy, Master of Laboratory Medicine, MA creative writing poetry, M.Sc Marketing.

<sup>57</sup> ODEPC is a Government of Kerala enterprise.

**Table 3.11: Course-wise details of cost of books and sharing criteria**

Course	Cost of books and sharing criteria
Degree courses in Medical and Engineering	₹7500 per one set for two students
Degree courses in Veterinary	₹5000 per one set for two students
Degree courses in Agriculture	₹4500 per one set for two students
Polytechnic	₹2400 per one set for two students
For all PG courses in above subjects, Law, MBA, Chartered Accountancy, Bio science	₹5000 per one set for one student

(Source: Guideline for the implementation of book bank scheme)

Directorate of Scheduled Caste Development, GoK was the Nodal office for implementing the scheme for eligible SC beneficiaries in the State. Audit observed the following deficiencies in implementation of the scheme.

#### 3.5.6.1. Coverage of beneficiaries

Coverage of beneficiaries under the scheme during the Audit period was as given in **Table 3.12**.

**Table 3.12: Details of funds available and coverage of beneficiaries**

Year	Amount allotted for purchase of books (₹)	Eligible beneficiaries as per e-grantz data	Number of beneficiaries covered (percentage)	Shortage in coverage
2017-18	6340800	-	1919	-
2018-19	6780200	2766	2206 (79.75)	560
2019-20	7210700	2784	1495 (53.70)	1289
2020-21	4000000	2737	1343 (49.07)	1394
2021-22	4000000	2835	1824 (64.34)	1011

(Source: e-grantz data and beneficiary details furnished by the Department)

On allotment of fund from GoK, Directorate disburses the funds among the district offices and district offices disburse the funds to the institutions, considering the number of newly admitted SC students (first year) for the prescribed course. The scheme did not cover all the eligible SC students in the State. Comparison of number of eligible SC students in e-grantz with that of the SC students covered under book bank scheme for the period from 2018-19 to 2021-22 revealed that the coverage of beneficiaries was in the range of 49.07 per cent to 79.75 per cent.

In all the four selected districts, it was found that many institutions<sup>58</sup> were not covered under the scheme despite availability of funds (**Appendix 3.2**). The Director, SCDD replied (March 2023) that books and almirahs were purchased at institutional level. So, funds were allotted to institutions after district level verification of list of eligible students furnished by them. Audit observed that since the number of beneficiaries of scholarship was available in the e-grantz portal and the number of students covered under the book bank scheme was low,

<sup>58</sup> In Kozhikode district, out of 10 institutions, six, nine and seven number of institutions were not covered in 2019-20, 2020-21 and 2021-22 respectively. In Wayanad district, out of six institutions, two, two and one institutions were not covered in 2018-19, 2019-20 and 2021-22 respectively. In Ernakulam district, out of 16 institutions, five, five, 12 and 13 institutions were not covered in 2018-19, 2019-20, 2020-21 and 2021-22 respectively. In Kollam district, out of eight institutions, two, four and four institutions were not covered in 2019-20, 2020-21 and 2021-22 respectively.

the Department should have followed up with the institutions and ensured that maximum number of students received the benefit of the scheme.

#### ***3.5.6.2. Delay in allotment of fund and purchase of books***

For the successful implementation of the scheme and achievement of its objectives, the books were to be made available to the eligible students at the beginning of the academic year. However, there was delay ranging from three months to 13 months at every stage, from allotment to district offices from the Directorate to the release of the same to the eligible institutions. Assistance under the scheme was disbursed to institutions during the end of the academic year (February to March). From the scrutiny of invoices kept at district offices, it was noticed that the purchase of books was completed only during the next academic year and in two cases, time taken for purchasing the books ranged from two to three years, defeating the very purpose of the scheme. Director replied (March 2023) that the delay was on the part of the institutions, which were required to submit the list of students. The reply that institutions were responsible for delay is not tenable as Audit noticed that there was also delay on the part of the Directorate in releasing funds to district offices.

#### ***3.5.6.3. Non-formation of expert group***

The State Government was to constitute expert groups consisting of members from selected colleges/ educational institutions of different regions to decide the adequate number of text books in a set required for each course. Audit observed that the Directorate did not constitute such an expert group in the State for the period 2017-22. Under the scheme, prescribed text books were to be provided to SC students covering their entire course period. In the selected districts, Audit found that Heads of the institutions did not purchase the books in sets as per the requirement of the eligible student for the entire course. The books purchased were kept in the library for reference only and were not issued to the eligible students during their course period. Director, SCDD, replied (December 2022) that books purchased under the scheme were kept in the custody of the institution and distributed for reference only. Audit observed that the fund releasing orders of the Director stipulated for purchase of reference books which was a deviation from the scheme Guidelines.

The above instances clearly bring out the laxity on the part of authorities in adhering to Central Government guidelines in implementation of book bank scheme, which resulted in denial of prescribed study material for use by students.

Government stated (June 2023), that the funds were released to the institutions for purchasing books after verifying their claims at the District level. The delay in implementation as pointed out by Audit would be examined and remedial measures taken by imposing timeline for fund utilisation. District offices would be alerted to strictly monitor the progress of implementation of book bank scheme.

### **3.5.7. Dual/ ineligible payment of scholarship**

#### **3.5.7.1. *Multiple Payment of components of Post-Matric scholarship-Central and State schemes***

The different components of Post-Matric scholarships (Central and State) given to SC students are detailed in **Tables 3.1, 3.2 and 3.3**.

As a recurring process, the Principals of the educational institutions should ensure that the current month's attendance statement of the student, actual boarding and lodging charges (ABLC) of the current month and any other additional fee like examination fee, tuition fee etc. which were payable for the succeeding months were entered in e-grantz without fail within the fifth working day of the succeeding month for claims in respect of stipend, academic allowances, pocket money etc. which required sufficient attendance for each month (*75 per cent* every month). The DDO shall verify the claims from the educational institutions (monthly fund statement) and sanction the same subject to eligibility. The Directorate approves and the Superintendent/ Uploader at the Directorate generates the bill using the SBI Internet Banking Module/ e-treasury for crediting of funds to the student's account.

On verifying the Bill Status module of e-grantz portal, audit noticed that in Post-Matric scholarship for SC students, 460 transactions involving an amount of ₹3.69 lakh were made in excess by multiple payment during the period 2018-19. Multiple payment varied from two to 31 transactions per student. Details are given in **Appendix 3.3**.

Government replied (June 2023) that from 2018-19, payments were being made through treasury integration system and the software was designed with a provision to curtail duplication of payments by using Aadhaar authentication and checking of course period to prevent generation of claims for same period of course. It was informed that necessary instructions would be given to recover the excess amount paid.

Though Government claimed that the software had the provision to curtail duplication of payments, instances of multiple payments brought out in this paragraph point to the ineffectiveness of process control in e-grantz software, which needs to be rectified.

#### **3.5.7.2. *Irregular payment of both ABLC and Private Accommodation charges to same students-Post-Matric State scheme***

SC students studying in Government/ Aided/ Private institutions and staying in private hostels due to non-availability of accommodation in the institutional hostels were eligible for Private Accommodation charges and students occupying hostels of the educational institutions they were studying in, were eligible for ABLC. Thus, a hosteller was eligible for either ABLC (maximum of ₹4500 per month) or private accommodation charges (₹1500 per month).

On verification of e-grantz data in the selected districts for the period 2018-19 to 2021-22, it was seen that in 120 transactions, claims for both ABLC and Private Accommodation charges were generated for the same student during the

year 2018-19. Since the data did not contain details as to whether the student was eligible for ABLC or Private Accommodation charges, Audit calculated the excess amount by assuming that the students were eligible for ABLC. Audit noticed that the failure of the input control in e-grantz software resulted in generation of ABLC and Private Accommodation charges to the same student and excess payment of at least ₹1.75 lakh as shown in **Table 3.13**.

**Table 3.13: Details of transactions wherein both ABLC and Private Accommodation charges were paid**

District	Number of transactions	Excess amount paid (₹)
Ernakulam	10	15000
Kollam	5	7500
Kozhikode	45	67200
Wayanad	60	85440
<b>Total</b>	<b>120</b>	<b>175140</b>

(Source: e-grantz data)

On verifying the above issue at the selected institutions<sup>59</sup>, it was admitted by an institution that in 13 transactions, both ABLC and Private Accommodation charges were granted (in the same month) to the same student and that the institution came to know about the issue only when Audit pointed out the same.

Government replied (June 2023) that student may have changed accommodation status from Private Accommodation to institutional hostel or *vice-versa* during the period. Based on the change in the status, necessary changes were made in the portal to enable payment in the revised status, but the data relating to payment made based on the earlier status remained unchanged in the portal. It was also stated that directions had been issued to students to decide on their status of accommodation, course details etc. before applying for scholarship and that changes would be permitted only during renewal. Further, instructions would be given to C-DIT for verification of payments based on which directions would be given to students to refund the excess amount.

Audit observed that payment of both ABLC and Private Accommodation charges to the same student was possible due to the deficiencies in process control in e-grantz and could be rectified only if necessary modifications were made in e-grantz.

### **3.5.7.3. Irregular payment of both ABLC and Stipend to the same student-Post-Matric State scheme**

As per Handbook of Scheduled Caste Development Department (December 1991), monthly stipend (for meeting travel expenses) was given to Post-Matric students who were day scholars. Pocket money (to meet the cost of soaps, hair cutting and washing charges) were given to boarders (hostellers) in the Government/ Institutional hostel. Both stipend and pocket money were fixed by

<sup>59</sup> 13 cases were seen in one selected institution in one selected district (Wayanad).

the Government from time to time. In addition, hostellers were paid actual boarding and lodging charges (ABLC).

Thus, from the above, it can be seen that students who were entitled to get stipend were not entitled to pocket money or ABLC and *vice-versa*.

However, on verification of data in e-grantz pertaining to the selected districts for the period 2018-19 to 2021-22, in respect of Post-Matric scholarship scheme for SC students, it was seen that claims were generated by the institutions for ABLC and stipend in 293 transactions. Since details to ascertain whether the beneficiaries were entitled to ABLC or stipend were not available in the portal, ABLC being the higher amount, Audit quantified the excess amount paid based on the stipend provided in these 293 transactions. It was seen that the failure of process control in e-grantz resulted in excess payment of at least ₹2.08 lakh in the selected districts during the period 2018-19 to 2021-22 as shown in **Table 3.14**.

**Table 3.14: Details of Payment of ABLC and Stipend to students**

<b>District</b>	<b>2018-19</b>		<b>2019-20</b>		<b>2020-21</b>		<b>Total</b>	
	<b>No. of transactions</b>	<b>Amount (₹)</b>						
Ernakulam	104	73445	11	8250	3	1890	118	83585
Kollam	22	15300	17	10879	0	0	39	26179
Kozhikode	98	70719	22	16500	2	1800	122	89019
Wayanad	14	9540	0	0	0	0	14	9540
<b>Total</b>	<b>238</b>	<b>169004</b>	<b>50</b>	<b>35629</b>	<b>5</b>	<b>3690</b>	<b>293</b>	<b>208323</b>

(Source: e-grantz data)

On verifying the above issue in the selected institutions<sup>60</sup>, it was acknowledged by the institutions that both ABLC and stipend were granted to 74 students and that the institutions came to know about the issue only when Audit pointed out the same.

Government replied (June 2023) that status of the students may have changed from day scholar to hosteller or *vice-versa* during the period. It was also stated that directions had been issued to students to decide on their status of accommodation, course details etc. before applying for scholarship and changes would be permitted only during renewal. Further, instructions would be given to C-DIT for verification of payments, based on which directions would be given to students to refund the excess amount.

Audit observed that payment of both ABLC and stipend to the same student occurred due to the deficiencies in process control in e-grantz and could be rectified only if necessary modifications were made in e-grantz.

<sup>60</sup> 74 cases were seen in 11 selected institutions in three selected districts (Ernakulam, Kozhikode and Wayanad).

### 3.5.8. Exclusions from the scholarship schemes

#### 3.5.8.1. Non-payment of extra allowance to Divyang students - Central Post-Matric scheme

As per Guidelines<sup>61</sup> of Post-Matric scholarship scheme for SC students (Central scheme) applicable from 2020-21 onwards, students studying in Classes XI and XII were eligible for academic allowance of ₹4000 (hostellers) and ₹2500 (day scholars). Ten *per cent* extra allowances were to be provided to Divyang students.

Audit collected the number of Divyang students in the State studying in Higher secondary classes (Kerala syllabus) from HSCAP software. On comparing the e-grantz data with details obtained from HSCAP, it was seen that the 10 *per cent* extra allowance payable to Divyang students was not provided. On further verification, it was observed that 1,222 Divyang students studying in Higher secondary classes were not given this allowance for the period 2020-21 and 2021-22, resulting in short payment of ₹3.06 lakh<sup>62</sup>.

Government stated (June 2023) that the revised Guidelines issued by the Central Government was implemented in the State at the end of 2021-22 and that the data of Divyang students were being collected.

However, Audit observed that the delay in implementation of the scheme resulted in non-receipt of the extra 10 *per cent* allowance by the existing students.

#### 3.5.8.2. Non-payment of scholarship to SC students studying in class XI - Post-Matric, Central and State schemes

In respect of Post-Matric scholarship for SC, 312 students belonging to SC category did not initiate XI Standard scholarship even though they received XII Standard scholarship. Details are given in **Table 3.15**.

**Table 3.15: Details of students who have not initiated XI Standard scholarship even though they received XII Standard scholarship**

District	2018-19	2019-20	2020-21	Total cases
Ernakulam	69	10	17	96
Kollam	43	11	28	82
Kozhikode	29	18	50	97
Wayanad	7	10	20	37
<b>Total</b>	<b>148</b>	<b>49</b>	<b>115</b>	<b>312</b>

(Source: e-grantz data)

On verifying the above issue at the selected institutions<sup>63</sup>, it was stated by the institutions that nine students did not submit the application and in one case, student discontinued the course<sup>64</sup>. Audit observes that the Departmental and

<sup>61</sup> Post-Matric Scheme Guidelines 2020-21 to 2025-26.

<sup>62</sup> Considering that all Divyang students are Day scholars for whom ₹2,500 was the academic allowance, and its, 10 *per cent* worked out to ₹250.

<sup>63</sup> 10 cases were seen in eight selected institutions in two selected districts (Kozhikode and Kollam).

<sup>64</sup> The reply stated by the institution that the student discontinued the course in Class XI was not acceptable, as the student has received XII Standard Scholarship.

institutional authorities did not fulfil their responsibility to ensure that all SC students were applying for and receiving the scholarship every year without fail.

Government replied (June 2023) that it was the combined responsibility of the students and institutions to register and forward the applications to enable the Department for timely release of scholarship. However, some students would not submit applications in time and institutions show negligence in forwarding the applications submitted by the students. It was further stated that necessary instructions were being issued in this regard.

### ***3.5.8.3. Part payment of Central and State Post-Matric scholarship to SC students due to non-processing of different components of scholarship***

The process of payment of different components of the Post-Matric scholarship to the student is as shown below:

- Institution (authorised personnel and Principal) shall initiate different claims (components) such as stipend, LSG, ABLC, pocket money, fees etc. and forward to the DDO.
- The DDO shall verify the claims from the educational institutions (monthly fund statement) and sanction the same subject to eligibility.
- Processing at the Directorate for approval, following which the claim becomes ready for payment.
- The Superintendent/ Uploader at the Directorate shall upload to the SBI Internet Banking Module/ treasury by generation of bill for the crediting of funds to the student.

On verifying the disbursement of different components of the Schemes in e-grantz, it was seen that the claims of various components of the Post-Matric scholarship were not processed and amount not transferred to the students on account of non-marking of attendance, claim not processed at institution/ DDO/ Directorate etc. Such non-processing resulted in non-receipt of ₹3.29 crore, being the benefit in the form of various components to eligible beneficiaries in the selected districts during the period 2018-19 to 2020-21 as detailed in **Appendix 3.4**.

On verifying the above issue at the selected institutions<sup>65</sup>, the institutions informed that 1,383 transactions were pending due to technical error (even though attendance was marked in the system, the system was not updating), 953 transactions were pending due to reasons like clerical mistake (non-marking of attendance etc.), 916 transactions were pending due to other reasons such as course discontinued, shortage of attendance, TC issued, student not eligible for the allowances etc. 880 transactions were pending / not processed at Directorate and in 824 transactions, payment was made after June 2022 i.e., after the receipt of dump data by Audit.

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<sup>65</sup> 4956 cases were seen in 71 selected institutions in four selected districts.

Government replied (June 2023) that necessary steps would be taken to disburse all the pending components to students.

#### **3.5.8.4. Non-receipt of Post-Matric scholarships by the students of premier institutions like IIM/ IIT - Central scheme**

As per the scheme Guidelines (2020), the Post-Matric scholarship for SC students was open to Indian Nationals belonging to SC community and whose annual family income was less than ₹2.50 lakh. The Guidelines specified that scholarship was to be given for all recognised post matriculation courses pursued in recognised institutions/ universities/ colleges falling under certain categories which included, *inter alia*, institutions of national importance, private professional institutions affiliated to a recognised Central/ State University and covered by a fee fixation committee as mandated by Supreme Court, institutions affiliated/ approved by bodies like National Medical Commission/ AICTE etc. or any regulatory body established by State/ UT/ Centre.

The SC/ST scholarship Guidelines issued (2009) by GoK also stated that students who secure admission through CAT, MAT, JEE, JMEST, XAT, ATMA etc. and get admitted to self-governing institutions were also eligible to claim scholarship as per the rates fixed by GoK/ University.

As per the Department of Higher Education, Ministry of Education, Central Government, there were 161 institutions of national importance which included six institutions<sup>66</sup> from Kerala. As per the procedure for granting scholarship to students enrolled in institutions of national importance, the institutions were to submit applications with relevant documents to the Additional District Development Officer for SC (ADDO) of the district concerned for registering the institution. After registration, course of study was to be added to the portal at Directorate level on receiving request from the institution/ district office. The course added in the portal will be available in the database and students of the institution can apply for scholarship to such courses. Audit noticed that despite repeated requests<sup>67</sup> from IIT, Palakkad, the ADDO had not initiated steps (December 2022) to register the institution in the portal. In the case of IIM, Kozhikode, though the institution was registered in the portal the students were not able to apply for scholarship through the portal as the course fee structure of the institution was not approved (December 2022) by the SCDD district office. Due to above-mentioned reasons, the eligible students studying in these institutions of national importance did not receive the benefit of scholarship.

It was pertinent to note that for pursuing Post Graduate studies in private medical colleges, GoK was providing more than ₹six lakh per SC/ ST student as tuition fees to the institutions, while students studying in institutions of national importance did not receive this benefit.

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<sup>66</sup> Indian Institute of Information Technology, Kottayam, Indian Institute of Management, Kozhikode, Sree Chitra Tirunal Institute for Medical Sciences and Technology, Thiruvananthapuram, Indian Institute of Science Education and Research, Thiruvananthapuram, National Institute of Technology, Kozhikode and Indian Institute of Technology, Palakkad.

<sup>67</sup> 22 November 2021 and series of follow up requests thereafter through emails and phone calls.

Government replied (June 2023) that institutions of national importance were coming under the purview of the orders regarding Post-Matric scholarship. But some district officers were sceptical in disbursing huge amount of fees fixed by such autonomous institutions and clarifications were sought from Government. It was informed that revised Government order was issued (January 2023), in which institutions of national importance were included within the purview of scholarship, enabling students in these institutions to apply for the scholarship.

However, Registrar, IIT Palakkad informed Audit (May 2023) that though guidance was sought from the authorities concerned for getting the institution registered in the portal, no response was received from e-grantz till date (May 2023).

Delay on account of indecision by the Department despite clear Guidelines resulted in eligible students being deprived of scholarship.

### **3.5.8.5. Short payment of private accommodation charges to students-Post-Matric SC scholarship scheme**

Central Government provides academic allowance as part of the SC Post-Matric scholarship. The rate at which academic allowance was paid for different courses for hostellers and day scholars are as given in **Table 3.16**.

**Table 3.16: Rate of Academic allowance from 2020-21 onwards**

<b>Category of courses</b>	<b>Rate of Academic allowance (yearly in ₹)</b>	
	<b>Hostellers</b>	<b>Day Scholars</b>
Group 1: Degree and Post Graduate level professional courses	13500	7000
Group 2: Other Professional Courses leading to Degree, Diploma, Certificate	9500	6500
Group 3: Graduate and Post Graduate courses not covered under Group I and Group II	6000	3000
Group 4: All post-matriculation (Post Class X level) non-degree courses	4000	2500

(Source: *Guidelines of Central Post-Matric scheme*)

In addition to this, GoK provides ₹15,000<sup>68</sup> per annum (November 2009) to students who occupy private hostels. Thus, a student occupying private accommodation and pursuing post graduate professional course was entitled to ₹28,500 (₹13,500+₹15,000). However, Audit noticed that instead of providing academic allowance (varied from ₹4,000 to ₹13,500 per year depending on course) and private accommodation allowance (₹15,000 per year) separately to SC students, the Directorate merged both the allowances and provided ₹15,000 to students irrespective of the course they were pursuing. This resulted in each beneficiary not receiving amount ranging from ₹4,000 to ₹13,500 depending on the course they were pursuing. Audit noticed that in 352 transactions in the selected districts, there was a short payment of ₹28.94 lakh towards private accommodation during the period 2021-22.

<sup>68</sup> ₹ 1500 per month for 10 months.

Government stated (June 2023) that revised order was issued in January 2023 for effecting the provisions of the Central Guidelines from the academic year 2022-23 onwards.

However, the reply was silent on the payment of arrears related to private accommodation charges for the academic year 2021-22.

#### ***3.5.8.6. Non-payment of Tuition fee, Exam fee and Special fee to the Institutions by the students- Post-Matric Central scheme***

Detailed Guidelines on Post-Matric scholarship to SC students for studies in India applicable for academic years 2021-22 to 2025-26 was issued by MoSJE, Central Government in March 2021. As per the detailed Guidelines, a freeship card (that entitles a student eligible for the scholarship, to take admission in an institution, without pre-payment of tuition fee and hostel fee) was to be issued by the State Government to the eligible student on the condition that as and when amount was released to the student's account (*60 per cent* by Central and *40 per cent* by the State) including tuition fees, the institution would be intimated to collect the same from the student. As per the new Guidelines, all fees payable to the institutions were to be paid to the students and the students in turn were to remit it to the institution. The freeship card was implemented (January 2023) by GoK only from the academic year 2022-23. Audit observed that due to non-implementation of freeship card in the academic year 2021-22, exam fee and special fee received by 445 students of four institutions<sup>69</sup> amounting to ₹27.98 lakh through e-grantz were not remitted to the institutions.

Government stated (June 2023) that from 2022-23, a declaration to the effect that the components payable to the institutions would be remitted within seven days of receipt of the same, would be obtained from the students and that necessary information in this regard was issued to the institutions through the district offices and media. It was also stated that provision is given in e-grantz to know the status of disbursal of fees to the student's account.

Thus, due to non-implementation of freeship card in the academic year 2021-22, the institutions were not in a position to collect the fees due to them from the students.

### **3.6. Monitoring and evaluation**

The deficiencies in monitoring in Post-Matric SC scholarship schemes were similar to those in Pre-Matric SC scholarship schemes as detailed in paragraph 2.7 of this Report.

#### ***3.6.1. Non-obtaining of Audit certificate - SC Central Post-Matric schemes***

As per the fund releasing orders of Central Government for the Centrally sponsored Post-Matric scholarship schemes to SC students, the State

<sup>69</sup> ₹19.84 lakh by 251 students of NIT, Calicut, ₹5.91 lakh by 156 students of TKM Arts and Science College, Kollam, ₹1.74 lakh by 27 students of LBS, Sasthamcotta, Kollam and ₹0.49 lakh by 11 students of GHSS, Perinad, Kollam.

Government should get its accounts of the grant-in-aid audited by the Government Auditor<sup>70</sup> and shall furnish the Utilisation Certificate (UC) in the prescribed format (GFR 12C). However, the statement of expenditure was not got audited for the Centrally sponsored Post-Matric SC scholarship scheme and no audit certificate was obtained for the period 2018-19 to 2021-22. Further, there was a disallowance of ₹2.24 crore due to non-furnishing of vouchers for the year 2017-18. The Joint Director (Education) stated (April 2023) that scholarship was provided to all the eligible SC students irrespective of their family income. The total expenditure figure furnished by the Department included both Central and State assistance.

During the Exit Conference, Special Secretary, SCSTDD agreed to the audit findings regarding non-obtaining of Audit certificate and assured that a special drive would be initiated to settle the issue.

### **Recommendations (Pre and Post-Matric scholarship schemes for SC students)**

***Recommendation 1: 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 2: 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 3: 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 4: Officials handling different scholarship portals should be given adequate training to enable them to check the authenticity of certificates and eliminate duplicate applications.***

***Recommendation 5: The deficiencies in the e-grantz portal should be addressed at the earliest so that all the eligible students receive the scholarship.***

***Recommendation 6: Department should conduct awareness and orientation programmes at least annually at the beginning of the academic year for all***

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<sup>70</sup> Office of the Principal Accountant General (Audit I), Kerala.

*stakeholders so that no students are left out due to lack of awareness about the scholarship scheme.*

***Recommendation 7: Students may be encouraged to maintain Aadhaar linked bank accounts to ensure transparency in transfer of scholarship amount via DBT to their accounts.***

***Recommendation 8: Government should take action to claim the eligible administrative expenses from Central Government and utilise the same for permitted activities.***

***Recommendation 9: Government should evolve a monitoring mechanism to ensure that no scholarship applications remain unprocessed at various levels i.e., institution and directorate level.***

***Recommendation 10: 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 11: Government should ensure that no Divyang students are deprived of the extra 10 per cent allowance they are entitled to.***