SUPREME AUDIT INSTITUTION OF INDIA

लोकहितार्थ सत्यनिष्ठा

Dedicated to Truth in Public Interest

Report of the Comptroller and Auditor General of India on 'Educational Scholarship Schemes for students belonging to SC/ST/SCC'

Government of Tamil Nadu
Adi Dravidar and Tribal Welfare Department

Report No. 3 of 2025

(Performance Audit - Civil)

Report of the
Comptroller and Auditor General of India

Performance Audit on
'Educational Scholarship Schemes for students belonging to SC/ST/SCC'

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PREFACE

This Report for the year ended March 2023 has been prepared for submission to the Governor of Tamil Nadu under Article 151 (2) of the Constitution of India, for being laid before the State Legislature.

The Report of the Comptroller and Auditor General of India contains the results of Performance Audit on 'Educational Scholarship Schemes for Students belonging to SC/ST/SCC' in Tamil Nadu.

The instances mentioned in the Report are those, which came to notice during test audit for the period 2017-23 as well as those which came to notice in earlier years but could not be reported in the previous Audit Reports.

The Audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

EXECUTIVE SUMMARY

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Why did we take up this Audit?

The Constitution of India enjoins upon the State to promote with special care the educational and economic interests of the weaker sections of the people, in particular, of the Scheduled Castes (SC) and the Scheduled Tribes (ST). Accordingly, in order to enhance the literacy rate and educational standards of SC/ST students, the Adi Dravidar and Tribal Welfare department in the State is running various residential schools and hostels and also implementing various scholarship schemes - both the Centrally Sponsored Schemes and the State funded schemes.

The Centrally Sponsored Schemes, recently revised by the Union Government, aimed at bringing a transformatory impact on the poorest SC/ST households, and on principles of timely delivery, comprehensive accountability, continuous monitoring and total transparency. Hence CAG took up this Performance Audit covering the implementation of CSS and the State sponsored scholarship schemes during the period 2017-23. The objectives of this Audit were to ascertain whether (1) the process of planning, with regard to identification of beneficiaries, was robust and comprehensive; (2) the financial management including release, timeliness of release and utilisation of funds was prudent and in conjunction with the stated objectives; (3) the implementation of the schemes was effective; and (4) a proper monitoring system exists in implementation of the Schemes.

Major Audit conclusions

Inadequate publicity of the Schemes had led to non-coverage of eligible SC/ST students. During 2019-22, an average of 46 *per cent* and 39 *per cent* of the schools in the eight sampled districts did not avail the Pre-Matric and Post Matric Scholarship Schemes respectively for SC/ST students.

The non-coverage of potentially eligible SC students for availing Pre-Matric and Post Matric schemes ranged from 21 to 52 *per cent* and 20 to 29 *per cent* respectively during the period 2019-23. Similarly, the non-coverage of potentially eligible ST students for availing Pre-Matric and Post Matric schemes ranged from 35 to 55 *per cent* and 30 to 42 *per cent* respectively during the same period.

During 2017-22, 2,901 students, who were sanctioned Pre-Matric and Post Matric SC/ST scholarships, dropped out/were excluded in the following year.

Physical scrutiny of 9,076 Pre-Matric and Post Matric scholarship applications in sampled institutions/schools revealed that the income/community certificates were not found attached with 2,569 sanctioned applications (28 *per cent*).

There was lack of transparency and arbitrariness/discretion in the admission process by the private institutions in admissions under Management Quota.

Further, failure of the Department to ensure whether the stipulated procedure has been followed for giving admission to students under the Management quota resulted in ineligible grant of scholarship to students thereby violating the Scheme guidelines.

During 2017-23, payment of scholarship was delayed in 36,510 instances wherein an amount of ₹7.28 crore was paid to SC/ST beneficiaries in the sampled institutions, the delay ranging from one month to more than one year.

Scholarship amount of ₹1.61 crore was not credited to 3,530 SC/ST/SCC beneficiaries bank account for reasons such as students bank account were blocked or frozen, account closed, no such account etc., and was returned during the period 2017-23.

Analysis of TNeGA data for 2022-23 revealed that 160 Post Matric Scholarship - SC beneficiaries received 40 *per cent* State share twice. Similarly, the course fee was credited twice in respect of 253 Post Matric Scholarship - ST beneficiaries.

There were multiple instances of beneficiaries of Centrally Sponsored Scholarship Schemes availing other scholarships as well like Post Matric Scholarship for Minorities, First Generation Graduate Tuition Fee Concession, Ph.D. incentive etc.

During 2021-23, 2,576 SCC students, who were not eligible to receive Central funds, were paid 60 *per cent* of scholarship from the Central share resulting in incorrect payment of ₹3.64 crore.

Non-availability of a robust IT framework, online grievance redressal mechanism and non-conduct of evaluation/social audit resulted in inadequate monitoring of the Schemes. Further, the stipulated district level inspections and annual inspections of private institutions were also not carried out.

What do we recommend?

We have made nine recommendations as given below:

The Government should intensify the publicity measures and pro-actively identify the eligible SC/ST students from the poorest eligible households so as to enroll them under the centrally sponsored schemes.

The Government should ensure that the admissions under the management quota are done in a transparent manner without any arbitrariness in the admission process by the institutions, before sanctioning of scholarships to the SC/ST students.

The Government should establish a robust IT based real time monitoring and grievance redressal system at the earliest so as to further streamline and strengthen the effective implementation of the scholarship Schemes.

The Government should carry out an exercise to identify the students who have dropped out at the secondary school level, ascertain the reasons for the same and take adequate steps to encourage them to rejoin so that they can pursue higher education.

The Government should scrupulously scrutinise the applications for scholarship to ensure that only the eligible SC/ST students are granted scholarship. Further, the eligibility certificates should also be retained for a reasonable period for audit purposes.

The Government should ensure that the Directorates release the scholarship amount in time so that disbursement to beneficiaries is done within the academic year itself. Further, the Government should ensure that the entire process of disbursement becomes Aadhaar based at the earliest.

The Government should plug the loopholes in the system so as to ensure that the processing of scholarship be validated at every stage for correct payment of scholarship. The excess amount paid should also be recovered from the students at the earliest.

The Government should take action on the erring reputed schools for claiming excess fees than that was fixed by Private School Fees Determination Committee, thereby violating the existing guidelines and resulting in avoidable expenditure by the Government.

The Government should revisit the Scheme guidelines in case of Ph.D. scholars so as to remove any ambiguity and to grant the incentive to the eligible scholars even if they are the beneficiaries under the Post Matric Scholarship Scheme for SC/ST/SCC students.

Management's response to Audit recommendations

Government while responding to the Audit observations, assured necessary corrective action wherever required. Audit acknowledges and appreciates the corrective action taken/proposed by the Government to address the issues pointed out in this Report.

CHAPTER I

INTRODUCTION

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INTRODUCTION

1.1 Background

The Constitution of India, in Article 46 of Part-IV[1], enjoins upon the State to promote with special care the educational and economic interests of the weaker sections of the people, in particular, of the Scheduled Castes (SC) and the Scheduled Tribes (ST). Article 38 (2) also enjoins upon the State to minimise inequities in income and status, facilities and opportunities, not only amongst individuals but also amongst groups of people residing in different areas or engaged in different vocations.

According to Census of India (2011), the SCs (including Adi Dravidar[2]) and STs constitute twenty *per cent* and one *per cent* respectively, of the total population of Tamil Nadu. The Adi Dravidar and Tribal Welfare Department (AD&TW Department) was set up[3] in 1988 with the objective of uplifting of the economic status and improving the standard of living of SC/ST people on par with the other sections of society. In order to enhance the literacy rate and educational standards of SC/ST students, the AD&TW Department is running various residential schools and hostels and also implementing various scholarship schemes - both the Centrally Sponsored Schemes (CSS) and the State funded schemes. In addition to the above schemes, the AD&TW Department is also providing educational scholarship, through a special Post Matric Education Scholarship Scheme to Adi Dravidar converted to Christianity (SCC) students, who cannot avail benefits under the Post Matric Education Scholarship Schemes of the Union Government.

1.1.1 Comparative population and literacy rates of SCs/STs

The comparative population and literacy rates of the SCs/STs in the country and in Tamil Nadu are given in **Exhibits 1.1** and **1.2**.

Abbreviations used in this Report are listed in the Glossary at Page 98.

1 ‘Directive Principles of State Policy’.

2 Adi Dravidar, i.e., ‘Original native or indigenous people of Dravida land’ is a term used in Tamil Nadu to denote Dalits. As per 2011 Census of India, they make up about half of Tamil Nadu's SC population.

3 By bifurcating the Social Welfare Department.

Exhibit 1.1: Comparative population of India and Tamil Nadu

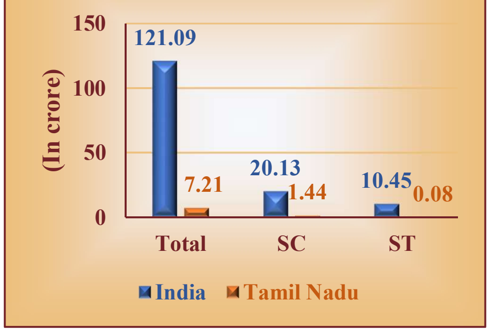
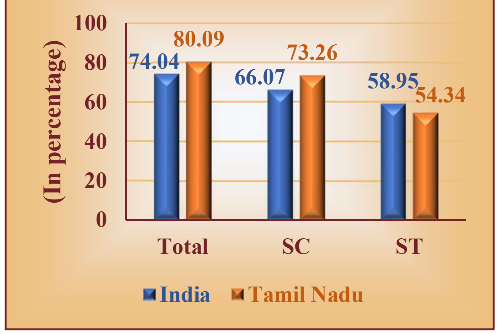


Exhibit 1.2: Comparative literacy rates in India and Tamil Nadu



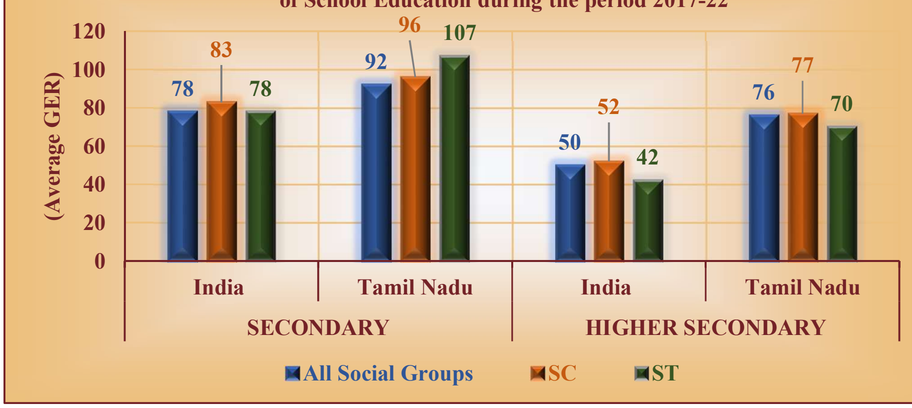
(Source: Census of India, 2011)

As seen from **Exhibit 1.2**, except for the literacy rate of ST, the literacy rates of the total population and SC population in Tamil Nadu is higher than that of the national rates.

1.1.2 Gross Enrolment Ratio of SC/ST students in secondary and higher secondary stages of School Education

The Gross Enrolment Ratio (GER) compares the enrolment in a specific level of education to the population of the age group that is most age-appropriate for that level. The GER of SC/ST students in Tamil Nadu in secondary stage (Classes IX and X) and Higher secondary stage (Classes XI and XII) of School Education during the period 2017-22, as per the Unified District Information System for Education Plus (UDISE +)[4], is given in **Appendix 1.1** and the average GER for the period is given in **Exhibit 1.3**.

Exhibit 1.3: Average GER in Secondary and Higher Secondary stages of School Education during the period 2017-22



(Source: Annual UDISE + Reports during the period 2017-22)

As seen from above, the GER of all social groups, SC and ST in the secondary and higher secondary stages of School Education in Tamil Nadu has been consistently higher than the national average during the period 2017-22.

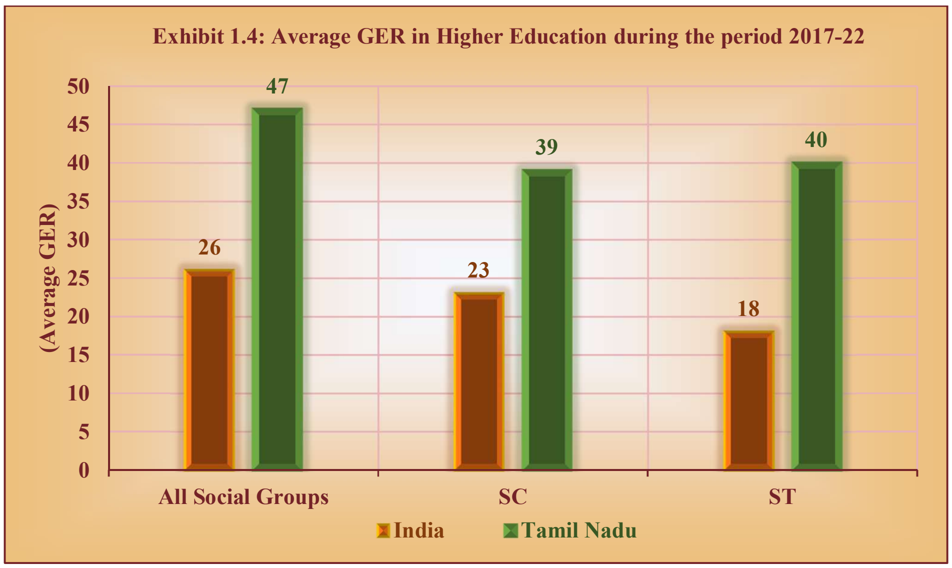
4 UDISE+ is a Management Information Systems initiated by Department of School Education and Literacy, Ministry of Education, GoI covering more than 14.89 lakhs of schools, 95 lakhs of teachers and 26.5 crores of children.

1.1.3 Gross Enrolment Ratio of SC/ST students in Higher Education

Higher Education is defined as the education[5], which is obtained after completing 12 years of schooling or equivalent and is of the duration of at least nine months (full time) or after completing 10 years of schooling and is of the duration of at least three years.

The objective of Post Matric Scholarship Schemes for SC/ST students, apart from providing/supplementing financial assistance to eligible students, is also to appreciably increase the GER of SC/ST students in higher education[6].

Every year, GoI[7] releases a report on 'All India Survey of Higher Education' (AISHE) that provides extensive data on various indicators of Higher Education in India. As per AISHE, the GER of SC/ST students in Higher Education for the period 2017-22 is given in **Appendix 1.2** and the average GER for the period is given in **Exhibit 1.4**.



(Source: AISHE 2021-22)

As seen from **Appendix 1.2** and **Exhibit 1.4,** the GER of Tamil Nadu in Higher Education, has been consistently much higher and is way ahead than the national average during the period 2017-22.

1.2 Centrally Sponsored Scholarship schemes for SC/ST students

The Union Ministry of Social Justice and Empowerment (MoSJE), implements, through the States/Union Territories, the CSSs of 'Pre-Matric Scholarship to the

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5 Whether of the nature of General, Vocational, Professional or Technical education.

6 As per PMS-SC Guidelines, 2021, the endeavor of the Government is to raise the GER of SCs in higher education from 23 *per cent* to the national average of 27 *per cent* in the next five years. Similarly, the GER in Higher Secondary education of SCs has also to increase in the next five years. Towards this end, special focus of the implementing agencies was required to achieve the goal.

7 Ministry of Human Resource Development, Department of Higher Education.

Scheduled Caste students' (Pre MS-SC) and 'Post Matric Scholarship to Scheduled Caste Students Scheme' (PMS-SC) with objectives to support, through financial assistance, parents of SC children for education of their wards.

Similarly, the Union Ministry of Tribal Affairs (MoTA) implements, through the States/Union Territories, the CSSs of 'Pre-Matric Scholarship for Scheduled Tribe Students Studying in Classes IX & X (Pre MS-ST) and 'Post Matric Scholarship' (PMS-ST) for students belonging to ST for studies in India.

1.3 Organisational structure of AD&TW Department

The AD&TW department is headed by the Secretary to Government. At the State level, the Directorate of Adi Dravidar Welfare (Dte of ADW) and the Directorate of Tribal Welfare[8] (Dte of TW) are headed by the Director of Adi Dravidar Welfare (DADW) and Director of Tribal Welfare (DTW) respectively.

At the district level, the District Adi Dravidar and Tribal Welfare Officers (DADTWO) and Project Officers (Tribal Welfare) work for the welfare of SCs/STs. The District Collectors co-ordinate and monitor all SC/ST welfare programmes with officers[9] of AD&TW department.

1.4 Audit approach and methodology

Audit objectives

The objectives of this PA was to ascertain whether:

- the process of planning, with regard to identification of beneficiaries, was robust and comprehensive;
- the financial management including release, timeliness of release and utilisation of funds was prudent and in conjunction with the stated objectives;
- the implementation of the schemes was effective; and
- a proper monitoring system exists in implementation of the Schemes.

[8] Bifurcated from the Dte of ADW with full financial and administrative control from 01-04-2018.

[9] DADTWOs, PO (TW) and District Managers of Tamil Nadu Adi Dravidar Housing and Development Corporation Limited.

Audit Criteria

The audit criteria for assessing the various Educational Scholarship Schemes were derived from:

- Scheme Guidelines for the CSSs of 'Pre-Matric and Post Matric Scholarships for SC[10]/ST[11] students for studies in India';
- Government of Tamil Nadu (GoTN) Scheme guidelines for various State sponsored Educational Scholarship Schemes; and
- Policy Notes, Performance Budgets of AD&TW department, Government orders and departmental instructions issued by GoTN from time to time.

Audit Scope and Sampling

This PA covered the implementation of the CSSs of Pre-Matric and Post Matric scholarships to SC/ST students during the period April 2017 to March 2023. The field audit was conducted between July 2022 to December 2023. Audit involved scrutiny of records and other documents at the Secretariat, Dte of ADW, Dte of TW, offices of DADTWOs in the eight sampled districts[12] and at 242 sampled educational institutions[13] in the sampled districts **(Appendix 1.3)**.

In addition to the above mentioned four CSSs, this PA has also covered five State sponsored Educational Scholarship Schemes/Incentives, which are dealt separately in **Chapter VI**.

Audit methodology

The audit methodology involved analysing and correlating various databases held by different departments so as to verify the process of implementing the various scholarship schemes covered in this PA. Accordingly, relevant databases for the period 2017-23, were obtained in soft copies from various Departments/Offices/Agencies[14]. Some of the key audit findings of data analysis of databases/data dumps were then corroborated with the physical documents held at two[15] out of the eight sampled districts and the sampled educational institutions therein so as to include illustrative cases for major Audit findings.

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[10] Issued by MoSJE. (a) For Pre MS-SC: In September 2017, September 2019 and March 2022 (for the period 2021-26). (b) For PMS-SC: In April 2018 and March 2021 (for the period 2020-26).

[11] Issued by MoTA. (a) For Pre MS-ST: In July 2010 and for the period 2021-26. (b) For PMS-ST: In July 2010 and April 2022.

[12] Chennai, Coimbatore, Erode, Kanniyakumari, Perambalur, Thoothukudi, Tiruchirappalli (Trichy) and Tirunelveli.

[13] (a) Pre MS-SC: 70; (b) PMS-SC: 67; (c) Pre MS-ST: 25; (d) PMS-ST: 42 and (e) PMS-SCC: 38.

[14] (a) Dte of ADW; (b) Dte of TW; (c) Directorate of Technical Education, Chennai; (d) Tamil Nadu e-Governance Agency; (e) The Controller of Examinations, Anna University, Chennai; (f) Directorate of School Education, Chennai; (g) Samagra Shiksha Abhiyan, Chennai and (h) O/o PAG (A&E), Tamil Nadu.

[15] Coimbatore and Tirunelveli. These two districts were selected as most of the key Audit findings emanating out of data analysis were highly prevalent in the sampled institutions of these districts.

An Entry Conference was held on 03 November 2022 with the Additional Chief Secretary to Government, AD&TW department to discuss the audit objectives, scope and methodology. An Exit Conference was held on 15 May 2024 with the Secretary to Government, AD&TW Department (Secretary) and officers of the Department to discuss the audit findings. The replies/views of the Government were considered and suitably incorporated in this report.

1.5 Acknowledgement

Audit acknowledges the co-operation extended by the AD&TW Department, the Directorates of AD Welfare and Tribal Welfare, the DADTWOs and all the sampled educational institutions in the eight sampled districts in smooth conduct of this PA.

1.6 Audit Findings

The audit findings are grouped under the following five chapters:

Section A: Pre-Matric and Post Matric Scholarship for SC students

- ❖ Chapter II : Pre-Matric Scholarship for SC students
- ❖ Chapter III : Post Matric Scholarship for SC students

Section B: Pre-Matric and Post Matric Scholarship for ST students

- ❖ Chapter IV : Pre-Matric Scholarship for ST students
- ❖ Chapter V : Post Matric Scholarship for ST students

Section C: State Sponsored Educational Scholarship Schemes

- ❖ Chapter VI : Implementation of State sponsored Schemes and Incentives

SECTION - A

PRE-MATRIC AND POST MATRIC SCHOLARSHIP FOR SCHEDULED CASTE STUDENTS

CHAPTER II

PRE-MATRIC SCHOLARSHIP FOR SCHEDULED CASTE STUDENTS

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PRE-MATRIC SCHOLARSHIP FOR SCHEDULED CASTE STUDENTS

In the eight sampled districts, an average of 46 *per cent* of the schools did not avail the Pre-matric scholarship scheme for SC/ST students studying in their schools during 2019-22. The non-coverage of potentially eligible students for availing Pre MS-SC ranged from 21 to 52 *per cent* during 2019-23. No special campaigns were launched to identify the poorest households for enrolment under the Scheme. Adequate steps were not taken by the Department or the Institutions to encourage the dropped-out students to re-join, defeating the very purpose of the scholarships. Delayed opening of the online portal subsequently led to delayed sanction and disbursal of scholarships. Scrutiny of scholarship applications in sampled institutions revealed that income/community certificates were not found attached in 30 *per cent* of applications. Scholarships amounting to ₹1.45 crore were sanctioned and disbursed to 6,861 beneficiaries whose annual parental income exceeded the threshold limit of ₹2.50 lakh per annum. Scholarship amount of ₹19.59 crore has not been credited to 81,586 beneficiaries' bank account due to various reasons. Non-availability of a robust IT framework, non-conduct of evaluation and physical inspections resulted in inadequate monitoring of the Scheme.

2.1 Introduction

The objective of 'Pre-Matric Scholarship to the Scheduled Caste students'[1] (Pre MS-SC) is to support, through financial assistance, parents of SC children for education of their wards studying in classes IX and X so that the incidence of drop-out, especially in the transition from the elementary to the secondary stage is minimised. This would also improve participation of SC children in classes IX and X, so that they perform better and have a better chance of progressing to the post matric stage of education. The Pre MS-SC will be provided for students studying in recognised Government and private schools and having valid UDISE code.

[1] The Pre MS-SC Scheme is being implemented since 01-07-2012. A similar scheme for children of parents/guardian who are engaged in unclean and hazardous occupations was also being implemented by GoI since 01-04-1977. With effect from 2021-22, both these Schemes has been merged into a single scheme namely, **'Pre-matric Scholarship Scheme for SC Students & Others'** with two components. **Component 1** is for SC students studying in classes IX and X (Component 1), and **Component 2** is for the children studying in Classes I to X, of parents/guardians engaged in unclean and hazardous occupation.
The scope of Audit for this PA is only **Component 1**, i.e., **'Pre MS-SC'** and Audit findings pertaining to this Component only have been included in this PA Report.

2.2 Salient features of the Scheme

The conditions of eligibility of students to avail Pre MS-SC and the salient features of the Scheme is given in **Table 2.1**.

Table 2.1: Conditions of eligibility and salient features of Pre MS-SC

Sl.No.	Features	Details
1	**Scope**	Available for studies in India only
2	**Awarded by**	The Government of the State to which the applicant belongs, i.e., where he is domiciled
3	**Conditions of eligibility of students**[2]	
	(a) Nationality	Only Indian nationals
	(b) Category	SC
	(c) Parent/Guardian Annual income	Not to exceed ₹2.50 lakh
4	**Components of the Scholarship (Consolidated academic allowance**[3]**)**	
	Day scholar	₹3,500
	Hosteller	₹7,000
	Divyang (Disabled) students	A 10 *per cent* extra allowance
5	Funding pattern	A sharing ratio of 60:40 between the Centre and States[4]
6	Payment mechanism	Paid directly into the account of the students or parents only through DBT

(Source: Pre MS-SC Guidelines)

2.3 Process flow

As per Pre MS-SC guidelines[5], an application for scholarship can be made online on the State scholarship portal by 30 November of the Academic Year (AY). Every application either online or in hard copy will compulsorily include one self-attested copy of certificates in respect of all examinations passed, a certificate of Caste[6] and Income declaration[7]. The student is also required to furnish proof of possession of Aadhaar or undergo Aadhaar authentication. Application complete in all respects, shall be submitted to the Head of the Institution/School, being attended or last attended by the candidates and shall be forwarded by the Head of Institution, after scrutiny and with his recommendation, to the prescribed sanctioning authority. However as per

[2] A Pre MS-SC scholarship holder will not hold any other educational scholarship. If awarded any other educational scholarship for studying in classes I to X, the students can avail of either of the two scholarships as per his/her choice and should inform the awarding authority to the Head of the Institution about the option made.

[3] With effect from 2022-23.

[4] With effect from 2019-20. Prior to 2019-20, the Scheme was implemented by the State Governments, which receive 100 *per cent* CA from GoI over and above their Committed Liability.

[5] Paragraph 12 of Pre MS guidelines, 2017 and 2019-20.

[6] Duly signed by an authorised Revenue Officer not below the rank of Tahsildar.

[7] Self-employed parents/guardian: Certificate issued by Revenue Officer not below the rank of Tahsildar. Employed parents/guardians: To obtain income certificate from their employer. Employed parents/guardians should obtain consolidated certificate from Revenue officer for any other additional source of income.

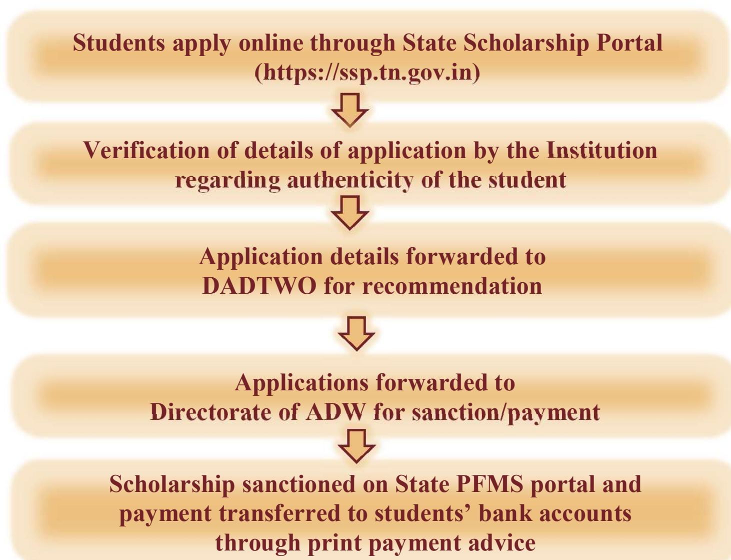
Paragraph 7 of Pre MS-SC guidelines, 2021-26, the institutions/schools shall ensure that all students apply on the IT portal for the scholarship on the same day as the date of admission into the institution[8].

As per Scheme guidelines[9], the State, on or before 28 February of the preceding year, will prepare a State level Annual Plan (AAP) for the Pre MS-SC scheme. The AAP is to give clearly the targets, eligibility, proposed coverage separately for poorest households, processes for identification, identification of courses having employment potential, systems for monitoring etc. The AAPs would be appraised at the Centre and the outlay for each State would be finalised before 30 March, of every year.

The Pre MS-SC Scheme, since its inception in 2012-13, was being implemented by the State Governments, which received 100 *per cent* Central Assistance (CA) from GoI, over and above their Committed Liability[10]. With effect from 2019-20, a different funding pattern, i.e., a 60:40 sharing ratios between the Centre and States, has been adopted. Further, as per Scheme guidelines[11], the Central share would be paid directly to the account of beneficiary/guardian with effect from 2022-23, after ensuring that the concerned State Government has released their share.

The implementation of Pre MS-SC in the State is given in **Exhibit 2.1**.

Exhibit 2.1: Process flow for implementation of Pre MS-SC



8 In case of renewal students, the student shall be auto-renewed based on the attendance and confirmation from the institution of the student having been promoted to the next class and having joined back the School/Institution.

9 Paragraph 12 of Pre MS-SC guidelines, 2021-26.

10 The level of annual Committed Liability of the State Government will be equivalent to the total of the demand on the State as well as the Central Government in the terminal year of the previous Plan period/Finance Commission (FC) cycle, which was borne by the State Governments by making provision in their own budget.

11 Paragraph 9.1 of the Pre MS-SC guidelines, 2021-26.

2.3.1 Fund availability and disbursement of scholarship

The find availability and disbursement of Pre MS-SC scholarships during the period 2017-23 is given in **Table 2.2**.

Table 2.2: Fund availability and disbursement: Pre MS-SC

(₹ in crore)

<table>
<tr><th colspan="2" rowspan="2">Year</th><th rowspan="2">Opening Balance</th><th rowspan="2">Fund demanded/ Annual demand</th><th rowspan="2">Commit-ted liability/Ave rage Demand</th><th colspan="2">Fund received</th><th rowspan="2">Total available fund</th><th rowspan="2">Total expend-iture</th><th rowspan="2">Closing balance</th></tr>
<tr><th>Central Share</th><th>State Share</th></tr>
<tr><th colspan="2">(1)</th><th>(2)</th><th>(3)</th><th>(4)</th><th>(5)</th><th>(6)</th><th>(7) = (2+5+6)</th><th>(8)</th><th>(9) = (7)-(8)</th></tr>
<tr><td colspan="2">2017-18</td><td>44.52</td><td>77.73</td><td>65.76</td><td>0</td><td>65.76</td><td>110.28</td><td>77.73</td><td>32.55</td></tr>
<tr><td colspan="2">2018-19</td><td>32.55</td><td>77.82</td><td>65.76</td><td>0</td><td>65.76</td><td>98.31</td><td>77.82</td><td>20.49</td></tr>
<tr><td colspan="2">2019-20</td><td>20.49</td><td>78.31</td><td>65.76</td><td>0</td><td>56.96</td><td>77.45</td><td>78.31</td><td>(-) 0.86</td></tr>
<tr><td colspan="2">2020-21</td><td>(-) 0.86</td><td>79.40</td><td>31.76</td><td>50.18</td><td>31.76</td><td>81.08</td><td>79.40</td><td>1.68</td></tr>
<tr><td colspan="2">2021-22</td><td>1.68</td><td>90.01</td><td>36.00</td><td>53.94</td><td>36.00</td><td>91.62</td><td>90.01</td><td>1.61</td></tr>
<tr><td rowspan="2">2022-23</td><td>Central</td><td>1.61</td><td rowspan="2">114.36</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>1.28</td></tr>
<tr><td>State</td><td>0.11</td><td>45.74</td><td>-</td><td>45.84</td><td>45.95</td><td>44.25</td><td>1.70</td></tr>
</table>

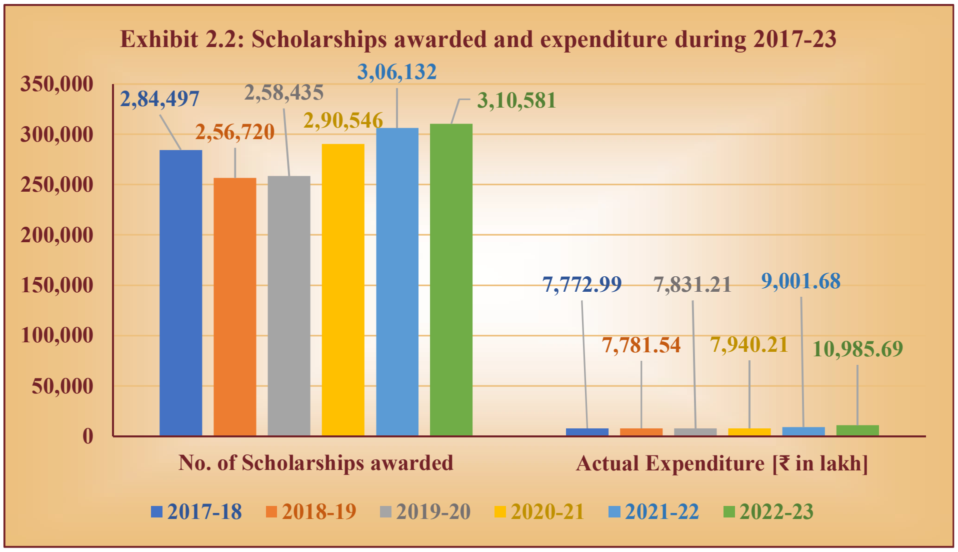
(Source: Details furnished by the Dte of ADW)

As seen from **Table 2.2**:

- During 2017-20, no central funds were received as the total scheme expenditure was met by the State's committed liability and the available balance at the start of the respective FYs during the period.
- From 2022-23, the State and Central shares are being paid separately at different points of time and the Central share is not released on the PFMS portal. Audit observed that the State, being the implementing agency, does not have the details of the actual central share paid to the beneficiaries and to ascertain whether all the beneficiaries has been paid the same.

2.3.2 Coverage of students and actual expenditure incurred

The details of the number of Pre MS-SC scholarships awarded and the actual expenditure incurred during 2017-23 is given in **Exhibit 2.2.**



(Source: AAPs for the years 2021-25)

2.4 Coverage of beneficiaries

As per Scheme guidelines[12], the State Government will announce starting from April, the details of the Scheme and invite applications by issuing an advertisement in the leading newspapers of the State and through their respective websites/scholarship portals and other modes of media. Although the State carries out various awareness campaigns about the Scheme and publishing advertisements through newspapers, Audit observed that all the potentially eligible SC students are not being covered under the Scheme, as can be seen from the following paragraphs.

2.4.1 Non-participation of schools in Pre-Matric Scholarship Schemes in the sampled districts

The total number of schools in the eight sampled districts, as per Educational Management Information System (EMIS), was compared to the number of schools actually availing both Pre MS-SC and Pre MS-ST scholarships as per scholarship data of AD&TW Department. Audit found that an average of 46 *per cent* of the schools did not avail the Pre-Matric Scholarship Schemes for SC/ST students studying in their schools during the period 2019-22, the details of which are given in **Appendix 2.1**.

Audit observes that the non-participation of the schools could be due to inadequate publicity and awareness about the Scheme leading to possible deprivation of eligible SC/ST students from availing the scholarship.

During the Exit Conference, the Secretary and the DADW requested for the relevant data from Audit so that the Department can look into the same. The action taken by the Department in this regard is awaited (August 2024).

12 Paragraphs 11 and 14 of Pre MS-SC guidelines, 2017 and 2021-26 respectively.

2.4.2 Non-coverage of potentially eligible SC students

In order to ascertain the approximate number of potential SC beneficiaries, Audit analysed the EMIS data[13] maintained by the School Education (SE) Department. The number of potentially eligible Class IX students for availing Pre MS-SC was compared with the actual number of fresh applicants during the period 2019-23[14] to ascertain the gap between the potential and actual beneficiaries **(Table 2.3)**.

Table 2.3: Non-coverage of potentially eligible SC students

Year	Potential beneficiaries as per EMIS data	Number of fresh applicants as per AAP submitted to GoI	Non-coverage of potentially eligible students	
			Number	Percentage
(1)	(2)	(3)	(4)	(5)
2019-20	2,30,234	1,10,316	1,19,918	*52*
2020-21	2,31,781	1,65,943	65,838	*28*
2021-22	2,35,337	1,68,386	66,951	*28*
2022-23	2,30,736	1,82,415	48,321	*21*

(Source: EMIS data furnished by SE Department and AAP for the year 2023-24)

As seen from **Table 2.3**, the non-coverage of potentially eligible students for availing Pre MS-SC ranged from 21 to 52 *per cent* during 2019-23. In the absence of adequate pro-active identification of eligible beneficiaries, the Schemes are at present only catering to students who are aware and are actually applying for the scholarships.

GoTN replied (July 2024) that the introduction of the State Scholarship Portal, with effect from 2023-24, aims to provide a robust one stop facility with Application Programming Interface (API) integration of all databases across all departments. The reply further added that by utilising the EMIS and UMIS[15], put in place from the year 2023-24, the Department would be able to get the universal potential beneficiary data and reach out to them.

2.4.3 Non-identification of students from poorest eligible households

As per Guidelines[16] the State Government will make special efforts to identify the poorest eligible households from various sources and enrol students under the Scheme in a mission mode. Such students shall include those from households with three or more deprivations as per 'Socio Economic and Caste Census, 2011' (SECC) and also where one or both the parents are illiterate. For this, the States are to undertake a campaign every year in March/April to identify such students and guide them to enrol and avail scholarships besides undertaking awareness drives through the Gram

[13] The EMIS data is available from 2019-20 only. Prior to that, the data was maintained in manual mode. Further, the EMIS data does not relate to scholarships but is being used in this Report for comparative purposes only.

[14] EMIS data is available from 2019-20 only. Earlier, the data was maintained in manual mode.

[15] University Management of Information System of Higher Education Department.

[16] Paragraphs 5.1 and 5.2 of Pre MS-SC Guidelines, 2021-26.

Panchayats' Notice Boards, school committees, and discussions in the parent-teacher association meetings and other public awareness measures.

Audit, however, observed that no special campaigns were launched to identify the poorest households for enrolment under the Scheme in mission mode.

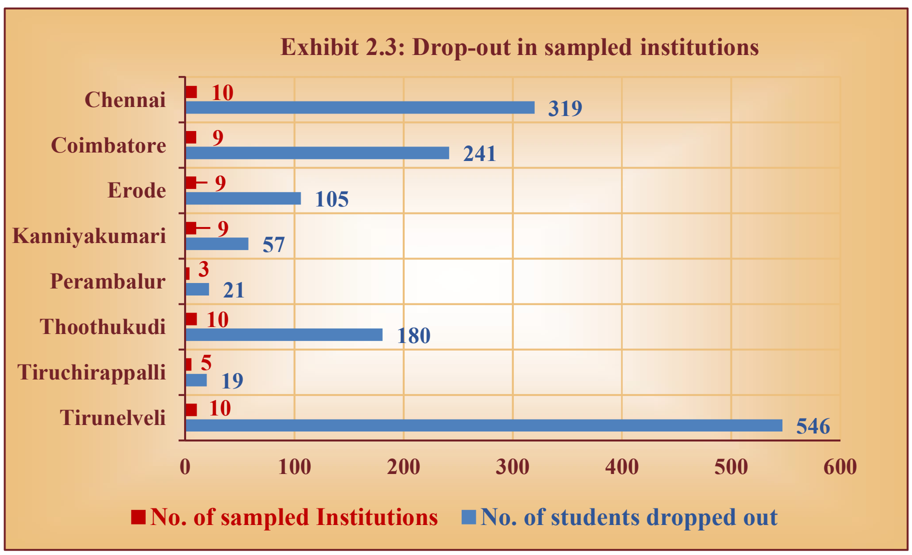
GoTN, while forwarding[17] the AAPs for the years 2021-22 to 2024-25 for Pre MS-SC to GoI, stated that the data regarding poorest households will be captured along with the scholarship data. It was further stated that the SECC survey taken by Rural Development department of the State would be used to identify the poorest of SC households in order to enrol them under the Scheme.

Audit, however, observed that although GoTN had committed to capture the data regarding poorest households in its AAPs since 2021-22, no adequate efforts were taken to identify and reach out to such poor households.

2.4.4 Drop out/exclusion of Pre MS-SC beneficiaries

As per Scheme Guidelines[18], the States are required to take up identification of the students for fresh enrolment by taking up systematic drive covering all the primary/secondary schools and encouraging the pupils who have dropped out to come back to education. However, adequate steps were not taken by the Department or the Institutions to encourage the dropped-out students to re-join, defeating the very purpose of the scholarships.

In 65 sampled institutions, 1,488 students dropped out/were excluded in the eight districts during 2017-22, as shown in **Exhibit 2.3.**



(Source: Data analysis of AD&TW Department's Pre MS-SC database)

Further analysis of the Pre MS-SC beneficiaries' database, wherein the students' scholarship ID was taken as a unique identifier for checking for his/her

17 AAP 2021-22 (November 2021); AAP 2022-23 (April 2022); AAP 2023-24 (April 2023) and AAP 2024-25 (July 2024).

18 Paragraph 5.4 of Pre MS-SC Guidelines, 2021-26.

renewal of scholarship during the subsequent year, revealed that 13,993 students dropped out/were excluded in the following year **(Appendix 2.2)**.

As per UDISE+, the dropout rates[19] in Upper Primary and Secondary stages of School Education, both for All India and Tamil Nadu, is given in **Table 2.4** and the gender-wise dropout rates are given in **Appendix 2.3**.

Table 2.4: Dropout rate in Upper Primary and Secondary stages of School Education

Academic Year	Upper Primary Stage (Classes VI to VIII)						Secondary Stage (Classes IX & X)					
	All India			Tamil Nadu			All India			Tamil Nadu		
	Gen	SC	ST	Gen	SC	ST	Gen	SC	ST	Gen	SC	ST
2017-18	2.87	6.59	5.02	1.70	8.85	10.83	14.94	21.77	22.14	7.16	19.99	21.28
2018-19	2.51	6.04	6.69	13.76	0	0	13.21	20.20	24.93	14.43	19.11	19.73
2019-20	0	3.75	6.06	0	1.55	17.61	10.95	18.65	24.18	1.40	13.66	32.34
2020-21	0	3.34	5.02	0	0.64	3.15	10.29	15.32	20.91	0	7.90	20.12
2021-22	1.51	3.56	6.03	0	0	0.52	10.94	12.55	16.62	3.92	5.08	9.44

(Source: GoI's Ministry of Education UDISE+ Dashboard[20])

As seen from **Table 2.4**, the dropout rate of SC/ST students is more in Secondary stage. It is also seen that, while almost all students in Classes VI to VIII progress to the Pre-Matric stage, the dropout rate of SC students in Classes IX and X during the period 2017-22 was on a declining trend from 20 to 5 *per cent* in the State. Though the above indicates better performance of the Department, the dropouts ought to be brought to zero as in the case of primary stage.

During the Exit Conference, the DADW stated that the Department will analyse the data furnished by Audit. The action taken by the Department in this regard is awaited (August 2024).

2.5 Application for scholarship and verification

As per Scheme guidelines[21], the institutions/schools shall ensure that all students admitted to their institution apply on the IT portal for the scholarship on the same day as the date of admission into the institution. The States shall undertake fool-proof verification of the eligibility, caste status, Aadhaar identification and bank account details on the online portal. The audit findings on the above are given in the succeeding sub-paragraphs.

2.5.1 Absence of timelines to process applications at various levels

During 2017-23, there was delay in opening of the online portal i.e., the opening was between the months of December and January of the subsequent year during that AY. This had subsequently led to delayed sanction of scholarships

19 Proportion of students from those enrolled in a given level at a given school year who are no longer enrolled at any grade in the following school year.
20 https://dashboard.udiseplus.gov.in/#/reportDashboard/sReport.
21 Paragraph 7 of Pre MS-SC Guidelines, 2021-26.

by the Dte of ADW and delayed disbursal of scholarships to students, as commented in **Paragraph 2.6.1**.

GoTN replied (July 2024) that adherence of different academic calendars for various courses and streams make it difficult for the Department to maintain definitive timelines for receiving and processing the applications. The Department ensures that all the eligible applications are processed and disbursed within the AY. The reply further stated that since, 2022-23, the AD&TW scholarship portal has moved to the unified State Scholarship Portal and since the scholarship has come under the sharing pattern (60:40) with disbursement through DBT, the timelines are broadly aligned to GoI's National Scholarship portal.

Audit, however, observes that as per Scheme guidelines, the process of students' applying on the IT portal and the verification of the student by the institution on the scholarship portal, shall be carried out on the same day as the date of admission into the institution.

2.5.2 Inadequate scrutiny of Scholarship applications

The scholarship applications are subjected to scrutiny at the institution level and the district level (DADTWO) before sanction by the Dte of ADW. However, physical scrutiny of scholarship applications and data analysis of scholarship data revealed the following:

- In respect of 2,937 applications in the sampled institutions/schools, income/community certificates were not found attached in 878 applications[22] (30 *per cent*).
- As per Pre MS-SC Guidelines[23], Aadhaar is the identity document for all scholarship schemes from 16 February 2017. Analysis of scholarship database for the year 2020-21 revealed that eight[24] beneficiaries had given invalid Aadhaar numbers.
- Comparison of the Department's scholarship beneficiary database with various other databases[25] revealed that the parental income of 6,861 SC students exceeded the threshold limit of ₹2.50 lakh per annum resulting in an inadmissible amount of ₹1.45 crore paid during 2017-23 **(Appendix 2.4)**.

22 Income and Community certificates were not found attached in 836 and 572 applications respectively. The total number of ineligible applications have been arrived at after adjusting overlapped applications.

23 Paragraph 9.5 and 9.6 of Pre MS-SC Guidelines, 2021-26.

24 Three beneficiaries Aadhaar commenced with ' (apostrophe), four beneficiaries' Aadhaar commenced with '1' and one Aadhaar number is shown as 999999999999.

25 EMIS database, Pension data obtained from PAG (A&E), Tamil Nadu and Income certificate data from TNeGA.

GoTN replied (July 2024) that:

- Institutions have been requested (June 2024) to provide the Aadhaar details of students having invalid Aadhaar numbers and present educational status in respect of students with supporting documents. Recovery action has been initiated, wherever necessary, based on the response received from the institutions.
- Scholarship has been sanctioned based on the income certificate provided by the Revenue department. However, recovery has been initiated (June 2024) wherever necessary.

2.5.3 Release of Pre MS scholarship for SC/ST without beneficiaries applying on the IT portal

With effect from 2022-23, GoI revamped[26] the implementation process of Pre MS-SC and PMS-SC with regard to the procedure of submission of applications and their processing. The key changes were mandatory collection of applicants' Aadhaar number for Aadhaar based payments, disbursement of Central share only on Aadhaar Based Payment System and only after the State releases its share and the processing of the central share strictly as per the timelines provided under the scheme guidelines.

Audit observed that while the online portal for PMS-SC was operational since January 2023, the portal for Pre MS-SC was not functional as of March 2023[27]. The delay in opening of online portal for Pre MS-SC applicants for the year 2022-23, resulted in consequent delay in scrutiny, sanction and award of 40 *per cent* state share of scholarship.

It was further observed that as the online application was not ready and the state share would have to be credited before March 2023, the DADW decided (March 2023) to utilise the EMIS database to identify eligible SC/ST students for Pre MS scholarship for the year 2022-23 and credited the 40 *per cent* state share in their accounts thereby completely circumventing the Pre MS-SC guidelines and GoI's instructions. Thus, scholarship amount of ₹56.21 crore was paid to 2,65,187 Pre MS-SC students (i) without the students applying online on the IT portal and (ii) without verification of necessary documents like income and community certificates by the Department. Similar procedure was also followed for sanction of Pre MS-ST scholarship for the year 2022-23, as commented in **Paragraph 4.6.3**.

GoTN replied (July 2024) that the data in respect of the students maintained by SE department in EMIS is used by AD&TW Department and it is subjected to verification of major eligibility conditions such as community and income by checking with certificate issuing Revenue department's database maintained by the Tamil Nadu e-Governance Agency (TNeGA).

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[26] Vide MoSJE, Department of Social Justice & Empowerment File No. K-17/1/2020-SCD-V-Part (2) dated 21 July 2022.

[27] As of August 2024, the portal for Pre MS-SC is yet to become operational.

Audit, however, observes that while the eligible annual parental income for grant of scholarship is below ₹2.50 lakh, one of the income slabs for parent's annual income in the EMIS data is ₹2 lakh to ₹3 lakh. Hence, it is not feasible to find out eligible beneficiaries as per their parental annual income criteria.

During the Exit Conference, the DADW stated that the Department is transitioning towards an automated repository-based verification process and the SE department has been requested to modify the slabs.

2.6 Payment of Scholarship

As per Scheme guidelines[28], scholarship is payable from 01 April or from the month of admission, whichever is later, to the month in which the examinations are completed, at the end of the AY. In case of renewal of scholarship, it will be paid from the month following the month up to which scholarship was paid in the previous year.

2.6.1 Delayed disbursement of scholarship

State Government must ensure timely and regular disbursal of scholarships to students. Audit analysis of Pre MS-SC scholarship paid for the period 2017-23 revealed that:

- In 67 sampled institutions, payment was delayed in 8,037 instances, wherein an amount of ₹2.29 crore was paid to beneficiaries, the delay ranging from one month to more than one year **(Appendix 2.5)**.
- At the State level, payment was delayed in 4,73,504 instances, wherein an amount of ₹135.25 crore was paid to beneficiaries **(Appendix 2.5)**.

GoTN replied (July 2024) that the reason for delay in disbursement during 2017-20 is attributed to inadequate release of CA leading to spill over of scholarship disbursement in the subsequent years. The reply further stated that the delay during 2021-23 was due to continuous modification of scholarship portal as per GoI's stipulations and sizable number of students not seeding their Aadhaar in their bank accounts.

Audit, however observes that as per Scheme guidelines[29], pending release of CA, the scholarships would be expected to be paid out of the State Budget, against which reimbursement can be claimed. In no case the disbursal of the scholarship to students should be held up due to any delay in the release of CA.

2.6.2 Undisbursed scholarship amount due to incorrect bank account details of beneficiaries

In the eight sampled districts, Audit observed that an amount of ₹35.39 lakh was not credited to bank accounts of 1,396 students in 63 institutions due to

[28] Paragraph 9 and 16.2 of Pre MS-SC Guidelines, 2017.
[29] Paragraph 16.2 of Pre MS-SC guidelines, 2017.

various reasons[30] (**Appendix 2.6)**. Out of this, an amount of ₹16.17 lakh for the period 2017-20, pertaining to 571 students in 44 sampled institutions, was remitted back to the Government.

GoTN replied (July 2024) that the return cases for Pre MS-SC, PMS-SC and PMS-SCC[31] schemes during 2014-20 were processed by conducting a special drive and the unprocessed amount was surrendered to Government account in March 2023. During the Exit Conference, the DADW stated that this issue will be resolved when the disbursement becomes completely Aadhaar based.

Thus, delay in disbursement of scholarships and non-disbursement due to incorrect bank account details of beneficiaries resulted in causing financial hardships to the needy SC students in order to complete their education.

2.7 Monitoring and Evaluation of Pre MS-SC

The Scheme Guidelines[32] stipulate that the State Government shall have robust monitoring systems, including field inspections, social audits, data analytics, etc., so that timely payments are made to eligible beneficiaries. Further, the Guidelines[33] stipulate that the schemes shall be run on an online platform with robust cyber security measures that would assure transparency, accountability, efficiency, and timely delivery of the assistance without any delays.

However, Audit observed that the following issues were yet to be addressed:

- Auto-verification of all the data[34] submitted by the student by linking databases through digilocker or any such mechanism, was not being done.
- A performance module to monitor the progress of student as well as performance of the institution has not yet been suitably designed and incorporated.
- A complete database of the beneficiaries under various other scholarship schemes to ensure de-duplication of the beneficiaries is yet to be maintained.
- No evaluation of the scheme was done to assess its outcome.
- A robust monitoring mechanism was not set up for monitoring the academic progress of the students enrolled to the scheme.

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30 Account blocked or frozen, Account closed or transferred, Account under litigation, Invalid account, Account inactive, Miscellaneous, No such account etc.

31 State Government's Special Post Matric Scholarship Scheme for Scheduled Caste students converted to Christianity.

32 Paragraph 17 of Pre MS-SC Guidelines, 2017; Paragraph 5.7 of Pre MS-SC Guidelines, 2021-26.

33 Paragraph 11.

34 Regarding domicile, eligibility, caste status, Aadhaar identification and bank account details.

- Physical verifications at various levels *viz*. Block/District/State levels covering at least 10 *per cent* of the institutions/students, chosen randomly through an algorithm, were not carried out.

GoTN replied (July 2024) that as the new scholarship portal has been launched, the above shortcomings will be taken care of in the coming FY. The reply further stated that through the portal dashboard, monitoring will be effectively undertaken.

During the Exit Conference, the DADW stated that physical verification of at least 10 *per cent* of the institutions/students by district level officers will be conducted.

Thus, the functioning of an efficient IT system with validation checks and conduct of social/evaluation audit and physical inspections would ensure that the objectives of the Scheme are met in the manner intended.

CHAPTER III

POST MATRIC SCHOLARSHIP TO SCHEDULED CASTE STUDENTS

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POST MATRIC SCHOLARSHIP TO SCHEDULED CASTE STUDENTS

In the eight sampled districts, an average of 39 *per cent* of the schools did not avail the PMS scheme for SC/ST students studying in their schools during 2019-22. The non-coverage of potentially eligible students was from 20 to 29 *per cent* during 2019-22. No special efforts or campaigns were launched to identify the poorest households for enrolment. GoTN is yet to commence issue of 'Freeship card' to the eligible students. Adequate steps were not taken by the Department or the Institutions to encourage the dropped-out students to re-join. Against existing guidelines, the Directorate of Adi Dravidar Welfare deposited ₹55.50 crore by splitting up into 35 Fixed Deposits. Income/community certificates were not found attached in 27 *per cent* of applications in sampled institutions. An amount of ₹41.95 crore was sanctioned and disbursed to 20,509 students, whose parental income exceeded the threshold limit. There was lack of transparency and arbitrariness/discretion in the admission process by the institutions in filling up the Management Quota seats. Scholarship amount of ₹38.04 crore was not disbursed to 5,801 students due to Controller of Examination's incorrect database and subsequent rejection by the Directorate of Technical Education. Comparison of scholarship paid to the beneficiaries for the years 2022-23 with that of 2021-22 revealed that 30,424 students received excess scholarship for an amount of ₹17.90 crore in the year 2022-23. A total of 160 students received 40 *per cent* state share of scholarship twice, the excess payment worked out to ₹13.50 lakh. There were instances of students receiving dual scholarships like both PMS-SC and PMS scholarship for Minorities; First Generation Graduate Tuition Fee Concession and PMS-SC scholarship. Non-availability of a robust IT framework, non-conduct of evaluation/social audit and physical inspections resulted in inadequate monitoring of the schemes.

3.1 Introduction

The 'Post Matric Scholarship to Schedule Caste Students Scheme' (PMS-SC), the flagship Scheme of MoSJE, is the single largest intervention by GoI for educational empowerment of SC students and is in operation since 1944. The objective of PMS-SC is to appreciably increase the GER of SC students in higher education with a focus on those from the poorest households, by providing financial assistance at post-matriculation or post-secondary stage to enable them to complete their education.

3.2 Salient features of the Scheme

The conditions of eligibility of students to avail PMS-SC and the salient features of the Scheme is given in **Table 3.1**.

Table 3.1: Conditions of eligibility and salient features of PMS-SC

<table>
<tr><th>Sl.No.</th><th>Features</th><th>Details</th></tr>
<tr><td>1</td><td>Scope</td><td>- Available for studies in India only.
- Awardees selected by the State Government to which the applicant actually belongs[1].</td></tr>
<tr><td>2</td><td>Awarded by</td><td>The Government of the State to which the applicant belongs, i.e., where he is domiciled.</td></tr>
<tr><td rowspan="5">3</td><td colspan="2">Conditions of eligibility of students</td></tr>
<tr><td>(a) Category of students</td><td>SC</td></tr>
<tr><td>(b) Annual income of Parent/Guardian</td><td>Not to exceed ₹2.50 lakh from all sources during the last FY[2].</td></tr>
<tr><td>(c) Dual scholarships</td><td>A scholarship holder under PMS-SC will not hold any other scholarship/stipend.</td></tr>
<tr><td>(d) Seats filled through arbitrary and non-transparent processes[3].</td><td>Not eligible for PMS-SC scholarship.</td></tr>
<tr><td rowspan="4">4</td><td colspan="2">Components of the Scholarship for the complete duration of the course.</td></tr>
<tr><td>(a) Compulsory non-refundable fees including Tuition fee.</td><td>As fixed by the State's Fee Fixation/Rationalisation Committee.</td></tr>
<tr><td colspan="2">(b) Yearly Academic allowance[4]:
<table>
<tr><th>Category of courses</th><th>Hostellers</th><th>Day Scholars</th></tr>
<tr><td>Group 1: UG/PG level Professional courses</td><td>₹13,500</td><td>₹7,000</td></tr>
<tr><td>Group 2: Other professional courses leading to Degree/Diploma/Certificate</td><td>₹9,500</td><td>₹6,500</td></tr>
<tr><td>Group 3: UG/PG courses not covered under Groups I & II</td><td>₹6,000</td><td>₹3,000</td></tr>
<tr><td>Group 4: All post-matriculation (Post Class X level) non-degree courses</td><td>₹4,000</td><td>₹2,500</td></tr>
</table></td></tr>
<tr><td>(c) Extra allowance for Divyang students</td><td>10 per cent extra allowances.</td></tr>
<tr><td>5</td><td>Funding pattern</td><td>60:40[5] sharing ratio between Centre and the States.</td></tr>
<tr><td>6</td><td>Payment mechanism of Scholarship to students</td><td>Through DBT[6].</td></tr>
</table>

(Source: PMS-SC Guidelines)

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[1] The State in which permanently settled or domiciled, as per the terms of domicile decided by the State.

[2] Income certificate is required to be taken once only *i.e.* at the time of admission only to courses which are continuing for more than one year. The income certificate shall be issued by the Authority as decided by the State Government.

[3] Including management quota, NRI quota, spot admissions etc., without following the merit criteria as decided by the State Government.

[4] Applicable from 2021-22.

[5] Applicable from 2020-21. Prior to 2020-21, 100 *per cent* CA was released to State Governments for expenditure incurred by them over and above their respective committed liability.

[6] From 2021-22. The central share is also released on DBT mode directly into the bank accounts of the students, after ensuring that the State Government has released its share.

3.3 Process flow

As per PMS-SC guidelines[7], an application for scholarship can be made online on scholarship portal by 30 November of the AY along with caste certificate and income certificate and one self-attested copy of certificates. Application complete in all respects shall be submitted to the Head of the Institution, being attended or last attended by the candidates. However, as per Paragraph 9 of PMS guidelines, 2020-26, the institutions shall ensure that all students apply on the IT portal for the scholarship on the same day as the date of admission into the institution[8].

The eligible SC students are sanctioned PMS-SC scholarships subject to the application of 'Means Test'[9] prescribed in the Scheme guidelines. Accordingly, the applicants have to attach/upload the requisite mark-sheets, caste and income certificates to prove their eligibility credentials.

The income certificate issued by the competent revenue authorities are verified at first level by the Institutions and at second level by the districts. The eligibility of the students is verified at two levels for PMS-SC beneficiaries in Government/Government aided institutions. For PMS-SC beneficiaries in self-financing institutions, it goes to a third level of scrutiny at administrative educational heads such as Directorate of Technical Education (DoTE), Directorate of Medical Education, Directorate of Collegiate Education, etc.

As per Scheme guidelines[10], the State, on or before 28 February of the preceding year, will prepare a State level Annual Plan for the PMS-SC scheme (AAP). The AAP is to give clearly the targets, eligibility, proposed coverage separately for poorest households, processes for identification, identification of courses having employment potential, systems for monitoring etc. The AAPs would be appraised at the Centre and the outlay for each State would be finalised before 15 April, of every year as per the annual increase indicated under the funding pattern.

The organisational structure for implementation of PMS-SC in the State is given in **Exhibit 3.1**.

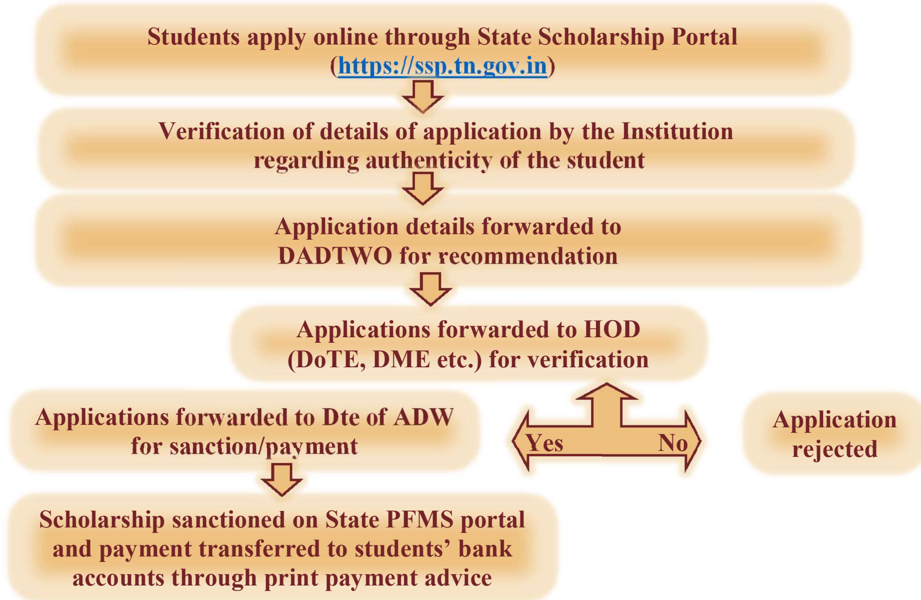
7 Paragraph 13 of PMS-SC guidelines, 2018.

8 In case of renewal students, the student shall be auto-renewed based on the attendance and confirmation from the institution of the student having been promoted to the next class and having joined back the same course as hosteller/day scholar, as the case may be.

9 A method for determining whether someone qualifies for financial assistance.

10 Paragraph 14 of PMS-SC guidelines, 2020-26.

Exhibit 3.1: Organisational structure for implementation of PMS-SC



3.4 Coverage of beneficiaries

As per Scheme guidelines[11], the State Government will announce in May-June, the details of the Scheme and invite applications by issuing an advertisement in the leading newspapers of the State and through their respective websites/scholarship portals and other mode of media. Although the State carries out various awareness campaigns about the Scheme and publishing advertisements through newspapers, Audit observed that all the potentially eligible SC students were not being covered under the Scheme, as commented in **Paragraphs 3.4.1** to **3.4.3**.

3.4.1 Non-participation of schools in Post Matric Schemes in sampled districts

The total number of schools in the eight sampled districts, as per EMIS data[12], was compared to the number of schools actually availing both PMS-SC and PMS-ST scholarships (Classes XI and XII only) as per Scholarship data of AD&TW Department.

Audit analysis revealed that an average of 39 *per cent* of the schools in the eight sampled districts did not avail the PMS-SC and PMS-ST scholarships for SC/ST students during the period 2019-22 **(Appendix 2.1)**.

Audit observes that the non-participation of the schools could be due to inadequate publicity and awareness about the Scheme leading to possible deprivation of eligible SC/ST students from availing the scholarship.

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11 Para XII of PMS-SC Guidelines, 2018.

12 EMIS data is available from 2019-20 only. Earlier, the data was maintained in manual mode.

During the Exit Conference, the Secretary and the DADW requested for the relevant data from Audit so that the Department can look into the same. The action taken by the Department in this regard is awaited (August 2024).

3.4.2 Non-coverage of potentially eligible SC students

In order to ascertain the approximate number of potential SC beneficiaries, the number of potentially eligible Class XI students for availing PMS-SC as per EMIS was compared with the actual number of fresh applicants during the period 2019-23[13] to ascertain the gap between the potential and actual beneficiaries **(Table 3.2)**.

Table 3.2: Non-coverage of potentially eligible students (Class XI)

Academic year	Potential beneficiaries as per EMIS data	Number of fresh applicants as per AD&TW database	Non-coverage of potentially eligible students	
			Numbers	Percentage
2019-20	1,80,209	1,27,124	53,085	*29*
2020-21	1,85,276	1,48,384	36,892	*20*
2021-22	2,03,416	1,55,110	48,306	*24*
2022-23	1,73,642	NA	-	-

(Source: EMIS data furnished by SE Department and data analysis of scholarship data furnished by AD&TW Department)

As seen from **Table 3.2**, the non-coverage of potentially eligible Class XI students for availing PMS-SC ranged from 20 to 29 *per cent* during 2019-22. In the absence of adequate pro-active identification of eligible beneficiaries, the Schemes are at present only catering to students who are aware and are actually applying for the scholarships.

GoTN replied (July 2024) that the introduction of the State Scholarship Portal with effect from 2023-24 aims to provide a robust one stop facility with API integration of all databases across all departments. The reply further added that by utilising the EMIS and UMIS put in place from the year 2023-24, the Department would be able to get the universal potential beneficiary data and reach out to them.

3.4.3 Non-identification of students from poorest eligible households

The PMS-SC Guidelines[14] stipulate that the State Government will make special efforts to identify the poorest households from various sources and enrol the eligible students under the scheme in a mission mode. Such students include those from SC households with three or more deprivations as per SECC-2011, where one or both the parents are illiterate and those who have passed Class X from a State Government/Municipality/Local Body school. Further, GoI, while setting 'State wise tentative targets under PMS-SC' for the AY 2021-22, had set an overall target of 7,71,162 beneficiary students out of which a target of 2,57,054 was set for identifying poorest students.

[13] EMIS data is available from 2019-20 only. Earlier, the data was maintained in manual mode.

[14] Paragraphs 6.2 and 6.3 of PMS-SC Guidelines, 2020-26.

Audit, however, observed that GoTN did not make special efforts or launch special campaigns to carry out identification of poor households. Further, against GoI's target of 7.71 lakh students for 2021-22, only 6.95 lakh students benefited from the Scheme resulting in a shortfall[15] of 10 *per cent*.

GoTN, while forwarding[16] the AAPs for the years 2021-22 to 2024-25 for PMS-SC to GoI, stated that the data regarding poorest households will be captured along with the scholarship data. It was further stated that the SECC survey taken by Rural Development department of the State would be used to identify the poorest of SC households in order to enrol them under the scheme.

Audit, however, observed that although GoTN had committed to capture the data regarding poorest households in its AAPs since 2021-22, no adequate efforts were taken or awareness programmes held. Further, the details of usage of Rural Development department's survey for identification of poorest SC households were not produced to Audit.

Thus, inadequate publicity, non-usage of the available data to ascertain the potential beneficiaries and shortcomings in the identification of students from the poorest households by the Government resulted in depriving a considerable number of eligible SC/ST beneficiaries for award of scholarships.

Recommendation 1:

The Government should intensify the publicity measures and pro-actively identify the eligible SC/ST students from the poorest eligible households so as to enroll them under the centrally sponsored schemes.

3.4.4 Issue of Freeship Card

As per PMS-SC guidelines, 2021, a 'Freeship card' is to be issued by the State Government to enable all eligible students to take admission in the institutions without pre-payment of tuition fees and hostel fees as per the Scheme Guidelines on the condition that as and when amount is released to the student's account, the institution would be intimated to collect the same from the student.

Audit observed that the GoTN is yet to commence issue of the 'Freeship card' to the eligible students.

During Exit Conference, the DADW stated that there were some issues to be addressed in issuance of Freeship card and added that the Department is planning to offer it initially to Pre MS-SC students who are transitioning to PMS-SC stage, which will be rolled out this year.

Audit, however, observes that non-issue of the Freeship card, even after three years of the issue of the guidelines, have deprived the eligible students to take admissions in the institutions without pre-payment of tuition fees and hostel fees.

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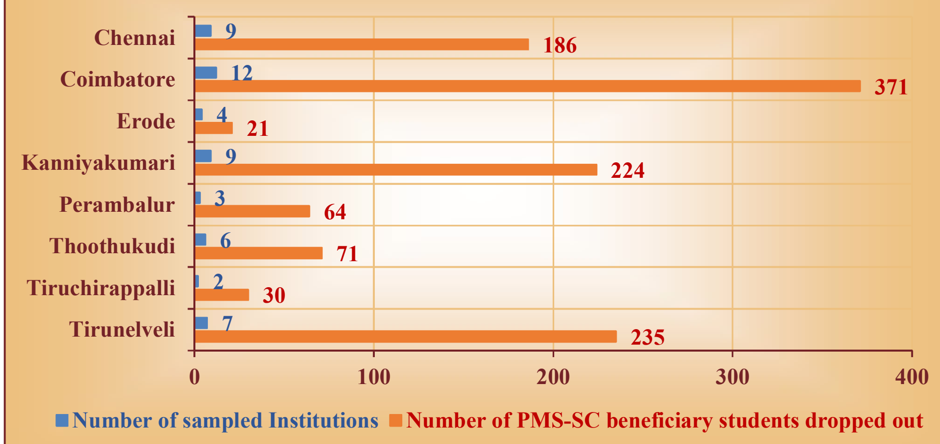
15 (7.71 - 6.95)/7.71 x 100.

16 AAP 2021-22 (November 2021); AAP 2022-23 (April 2022); AAP 2023-24 (April 2023) and AAP 2024-25 (July 2024).

3.4.5 Drop out/exclusion of PMS-SC beneficiaries

In 52 sampled institutions, 1,202 students dropped out/were excluded in the eight districts during 2017-22, as shown in **Exhibit 3.2.**

Exhibit 3.2: Details of beneficiary students dropped out in sampled institutions



(Source: Data analysis of the scholarship database provided by the Department)

Further analysis of the PMS-SC beneficiaries' database, wherein the students' scholarship ID was taken as a unique identifier for checking for his/her renewal of scholarship during the subsequent year, revealed that at the State level, 37,553 students dropped out/were excluded in the following year (**Appendix 2.2**).

As per PMS-SC Guidelines[17], the States are required to take up identification of the students for fresh enrolment by taking up systematic drive covering all the higher secondary schools and encouraging the pupils who have dropped out after Class XII to come back to higher education.

Audit, however, observed that adequate steps were not taken by the Department or the Institutions to encourage the dropped-out students to re-join, defeating the very purpose of PMS-SC scholarships.

During the Exit Conference, the DADW stated that the Department will analyse the data furnished by Audit. The action taken by the Department in this regard is awaited (June 2024).

3.5 Planning and Financial management

The PMS-SC Scheme, till 2019-20, was implemented by the State Governments, which receive 100 *per cent* CA from GoI for the total expenditure under the schemes, over and above their respective committed liability. The funding pattern has been revised during 2020- 21 from the concept of committed liability to a fixed pattern of 60:40 sharing ratio between the Centre and States.

The Central share in PMS-SC, from the AY 2021-22, is being released on DBT mode directly into the bank accounts of the students after ensuring that the concerned State Government has released their share. Except for funds required

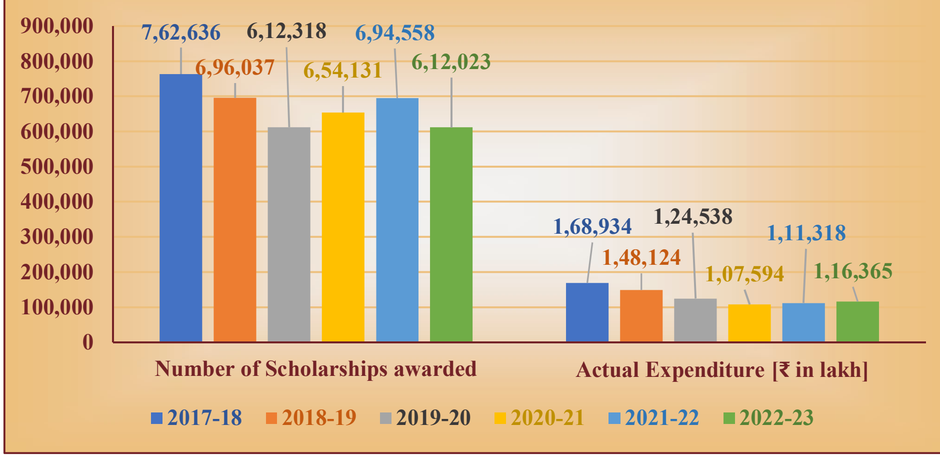
[17] Paragraph 6.5 of PMS Guidelines, 2020-26.

for administrative grant, no central funds would be transferred to the State Governments under the scheme.

3.5.1 Coverage of students and actual expenditure incurred

The details of the number of scholarships awarded and the actual expenditure incurred during 2017-23 is given in **Exhibit 3.3**.

Exhibit 3.3: Scholarships awarded and expenditure during 2017-23



(Source: AAPs for the years 2021-25)

3.5.2 Fund availability and disbursement of scholarship

The fund availability and disbursement of PMS-SC scholarship during the period 2017-23 is tabulated in **Table 3.3**.

Table 3.3: Receipt and expenditure of funds during 2017-23

(₹ in crore)

Year		Opening Balance	Fund demanded/ Annual demand	Commit -ted liability/ Average Demand	Fund received		Total available fund	Total expendi- ture	Closing balance
					Central Share	State Share			
(1)		(2)	(3)	(4)	(5)	(6)	(7) = (5)+(6)+(2)	(8)	(9) = (7)-(8)
2017-18		(-) 1,841.70	1,689.33	1,526.46	434.48	1,526.46	119.26	1,689.33	(-) 1,570.10
2018-19		(-) 1,570.10	1,431.24	1,526.46	1,407.38	1,431.24	1,268.55	1,431.24	(-) 162.69
2019-20		(-) 162.69	1,245.38	1,526.46	925.60	1,245.38	2,008.29	1,245.38	762.91
2020-21		762.91	1,089.15	435.60	120.23	435.60	1,318.74	1,089.15	229.70
2021-22	Central	229.70	608.66	-	-	-	-	-	-
	State	-	441.58	441.58	-	513.02	513.02	441.58	71.44
2022-23	Central	-	-	-	-	-	-	-	-
	State	71.44	461.42	461.42	-	461.63	533.07	472.01	61.06

(Source: Details furnished by the Dte of ADW)

- From 2021-22, the State and Central shares are being paid separately at different points of time and the Central share is not released on the PFMS portal. Audit observed that the State, being the implementing agency, does not have the details of the actual central share paid to the beneficiaries and to ascertain whether all the beneficiaries has been paid the same.

3.5.3 Diversion of funds

The Single Nodal Agency (SNA) shall ensure that the interest earned from the funds released are mandatorily remitted to the respective Consolidated Funds on pro-rata basis in terms of Rule 230 (8) of GFR, 2017. However, Audit observed that entire accrued interest was being credited to the State government account without apportioning it to the Central government as well.

As per GoI guidelines[18], SNAs will keep all the funds received in the SNA Account only and shall not divert the same to Fixed Deposits/ Flexi-Account/Multi-Option Deposit Account/Corporate Liquid Term Deposit (CLTD) Account etc[19]. Audit, however, observed that the Dte of ADW had withdrawn an amount of ₹55.50 crore from its SB Account on various dates between 15 March 2022 to 31 March 2022 and had deposited in the IDBI bank by splitting up into 35 Fixed Deposits[20] for 91 days at the fag end of the FY 2021-22, which was against the existing guidelines.

During the Exit Conference, the Secretary/DADW agreed that diversion of funds to FDs was a violation. GoTN replied (July 2024) that all the FD accounts have been closed and the accrued interest duly remitted to the Government. The reply further added that as the scholarship funds are being maintained in SNA account from 2021-22 onwards, there is no possibility of transfer of funds to FDs anymore.

3.6 Application for scholarship and verification

As per Scheme Guidelines[21], the institutions shall ensure that all students admitted to their institution apply on the IT portal for the scholarship on the same day as the date of admission into the institution. In case of renewal students, the student shall be auto-renewed based on the attendance and confirmation from the institution of the student having been promoted to the next class and having joined back the same course as hosteller/day scholar, as the case may be.

3.6.1 Absence of timelines to process applications at various levels

During 2017-23, there was delay in opening of the online portal i.e., the opening was between the months of December and January of the subsequent year during that AY. The delayed opening of the online portal subsequently led to delayed sanction of scholarships by the Dte of ADW and delayed disbursal of scholarships to students, as commented in **Paragraph 3.7.1**.

GoTN replied (July 2024) that adherence of different academic calendars for various courses and streams make it difficult for the Department to maintain definitive timelines for receiving and processing the applications. The Department ensures that all the eligible applications are processed and disbursed

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18 Ministry of Finance, Department of Expenditure (PFMS Division) Office Memorandum dated 23-03-2021.

19 The funds shall not be transferred to any other bank account, except for actual payments under the Scheme.

20 ₹1.5 crore × 34; ₹0.5 crore × 1.

21 Paragraph 9 of PMS-SC guidelines, 2020-26.

within the AY. The reply further stated that since, 2022-23, the AD&TW scholarship portal has moved to the unified State Scholarship Portal and since the scholarship has come under the sharing pattern (60:40) with disbursement through DBT, the timelines are broadly aligned to GoI's National Scholarship portal.

Audit, however, observes that as per Scheme guidelines, the process of students' applying on the IT portal and the verification of the student by the institution on the scholarship portal, shall be carried out on the same day as the date of admission into the institution.

3.6.2 Inadequate scrutiny of scholarship applications

The scholarship applications are subjected to scrutiny at the institution level, district level (DADTWO) and by the administrative heads of Departments[22] before sanction by the Dte of ADW. However, physical scrutiny of scholarship applications and data analysis of scholarship data revealed the following:

- In respect of 2,766 applications in the sampled institutions/schools, income/community certificates were not found attached in 758 applications[23] (27 *per cent*).
- As per PMS-SC Guidelines[24], Aadhaar is the identity document for all scholarship schemes from 16 February 2017. Analysis of scholarship database for the year 2020-21 revealed that 165 beneficiaries[25] had given invalid Aadhaar numbers.
- Comparison of the Department's scholarship beneficiary database with various other databases[26] revealed that the parental income of 20,509 SC students exceeded the threshold limit of ₹2.50 lakh per annum resulting in an inadmissible amount of ₹41.95 crore paid during 2017-23 **(Appendix 2.4)**.

GoTN replied (July 2024) that:

- The institutions have been requested (June 2024) to provide the Aadhaar details of students having invalid Aadhaar numbers and present educational status in respect of students with supporting documents. Recovery action has been initiated wherever necessary based on the response received from the institutions.

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22 Director of Collegiate Education, DoTE, Director of Medical Education etc.

23 Income and community certificates were not found attached in 708 and 638 applications respectively. The total number of ineligible applications have been arrived at after adjusting overlapped applications.

24 Paragraphs 11.15 and 11.6 of PMS-SC Guidelines, 2020-26.

25 One beneficiary's Aadhaar commenced with ' (apostrophe), One Student's Aadhaar commenced with '0', two beneficiaries' Aadhaar commenced with '1', 153 beneficiaries' Aadhaar shown as Error, one beneficiary had only four digits Aadhaar number, six beneficiaries had only 11 digits Aadhaar number and one Aadhaar shown as '999999999999'.

26 Income Tax return of beneficiaries' parents, Pension data obtained from PAG (A&E), Tamil Nadu, Income certificate data from TNeGA, EMIS database etc.

- Scholarship has been sanctioned based on the income certificate provided by the Revenue department. However, recovery has been initiated (June 2024) wherever necessary.

3.6.3 Ineligible sanction of scholarship to students admitted under Management quota in self-finance institutions

As per PMS-SC guidelines[27], all seats filled through arbitrary and non-transparent processes (including management quota, NRI quota, spot admissions etc.) without following the merit criteria as decided by the State Government are not eligible for PMS-SC scholarships and the fees claimed will not be reimbursed.

In Tamil Nadu, a Committee[28] grants permission to various[29] Consortiums/Associations to carry out the admission process for their member colleges under the management quota and to prepare the rank list. The admissions shall begin immediately after the Committee approves the rank list and is published.

Test check of seven[30] institutions in two[31] sampled districts revealed that the colleges admit students under management quota by carrying out their own admission process and subsequently the list of admitted students was submitted to the Consortium for approval/ratification.

Further scrutiny of database of Dte of ADW and records[32] at the sampled institutions revealed that 8,119 students were admitted under management quota before the date of publication of Rank list during 2017-23, thereby violating the Committee's directions. However, the applications were processed for scholarship and a sum of ₹95.80 crore was paid to 8,119 students, as given in **Appendix 3.1**.

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27 Note under Paragraph VI iii (a) of PMS-SC guidelines, 2018 and Paragraph 5.9 of PMS-SC guidelines, 2020-26. However, if there is no arbitrariness/discretion in the admission process and the fee for the course is fixed by the Fee Fixation/Fee Rationalisation committee set up by the competent authority, the said seats may not be considered as the Management Quota Seats. This was also clarified by GoI to GoTN in December 2019.

28 Committee to regulate - monitor the admissions of students to professional courses by Self-financing professional Arts and Science Colleges and various professional courses in self-financing institutions.

29 (a) Consortium of self-financing professional, Arts & Science colleges in Tamil Nadu, Chennai; (b) Association of Management of Coimbatore Anna University affiliated colleges, Coimbatore; (c) Tirunelveli Anna University of Technology Self-financing Engineering colleges Management Association, Tirunelveli and (d) Association of Self-financing Arts, Science and Management Colleges of Tamil Nadu, Coimbatore.

30 (a) Coimbatore (i) Hindusthan College of Engineering and Technology, Coimbatore; (ii) Pollachi Institute of Engineering and Technology, Pollachi; (iii) PSG Institute of Technology and Applied Research, Coimbatore; (iv) RVS Polytechnic College, Coimbatore; (v) RVS Technical Campus - Coimbatore, Kannampalayam; (vi) Sri Ranganathar Institute of Engineering and Technology, Athipalayam, Coimbatore and (b) Tirunelveli - PSN College of Engineering and Technology, Palayamkottai.

31 Coimbatore and Tirunelveli.

32 List of students admitted Form-I.

As the above process lacks transparency and indicates arbitrariness/discretion in the admission process by the institutions, the said seats were considered as Management Quota Seats, as per PMS-SC guidelines, and were not eligible for scholarship.

To a specific audit enquiry to the Special Officer of the Committee and DoTE to furnish the Rank lists published by Consortiums/Associations, DoTE replied (September 2023) that action will be taken to produce Rank list after its receipt from the Selection Committee.

GoTN replied (July 2024) that the admission under management quota are regulated/monitored by the Committee and the consortium is publishing the merit list. Further, the list of students admitted by the institutions are approved by the competent authority, i.e., DoTE based on the merit list published. Therefore, this cannot be considered as ineligible sanctions of scholarships.

The reply is not tenable since instead of preparation of rank list by the Consortiums and approval by the Committee, the colleges submit the admission list under management quota to the Committee for subsequent approval thereby violating the PMS-SC guidelines for sanction of scholarship.

During the Exit Conference, the Commissioner of DoTE stated that the rank list will be obtained from the Consortiums and furnished to Audit. However, the list is yet to be furnished (August 2024).

Recommendation 2:

The Government should ensure that the admissions under the management quota are done in a transparent manner without any arbitrariness in the admission process by the institutions, before sanctioning of scholarships to the SC/ST students.

3.7 Disbursal of scholarship amount

3.7.1 Delayed disbursement of scholarship

The State Government is to ensure timely and regular disbursal of scholarships and the Union Ministry too was required to release CA timely to the States and arrear payment should be avoided in general course. In no case, should the disbursal of scholarship to students be held up due to any delay in the release of CA.

Audit analysis of PMS-SC scholarship paid for the period 2017-23 revealed that:

- In the sampled districts, payment was delayed in 26,767 instances wherein an amount of ₹1.06 crore was paid to beneficiaries in 67 sampled institutions, the delay ranging from one month to more than one year **(Appendix 2.5)**.

- At the State level, payment was delayed in 19,52,306 instances wherein an amount of ₹1,068.29 crore was paid, the delay ranging from one month to more than one year **(Appendix 2.5)**.

GoTN replied (July 2024) that the reason for delay in disbursement during 2017-20 is attributed to inadequate release of CA leading to spill over of scholarship disbursement in the subsequent years. The reply further stated that the delay during 2021-23 was due to continuous modification of scholarship portal as per GoI's stipulations and sizable number of students not seeding their Aadhaar in their bank accounts.

Audit, however, observes that as per Scheme guidelines, the State Government can release the scholarship to students after making due provision in its budget and claim reimbursement of the same from GoI.

3.7.2 Undisbursed scholarship amount due to incorrect bank account details of beneficiaries

In the eight sampled districts, Audit observed that an amount of ₹76.71 lakh was not credited to bank accounts of 1,193 students in 61 institutions for various reasons[33], as given in **Appendix 2.6**. Out of this, an amount of ₹18.54 lakh for the period 2017-20, pertaining to 319 students in 37 sampled institutions, was remitted back to the Government.

The detailed GoTN's reply (July 2024) pertaining to the above such cases for Pre MS-SC, PMS-SC and PMS-SCC schemes is given in **Paragraph 2.6.2**.

Thus, delays in disbursement of scholarships and non-disbursement resulted in causing financial hardships to the needy SC students in order to complete their education.

3.7.3 Non-payment of scholarship to eligible students due to incorrect data of the Controller of Examination, Anna University

The applications and connected documents[34] for Post Matric Scholarships from SC/ST/SCC students are uploaded in the AD&TW web portal by the Principals of the respective institutions for verification by the DADWOs. For engineering students, the DoTE verifies certain additional details[35] and approves the eligible students in the same web portal for sanction of PMS scholarship. One of these additional details verified by DoTE include verifying whether the candidate's name is there in the Anna University, Chennai Controller of Examination's (CoE) database[36].

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33 Account blocked or frozen, Account closed or transferred, Account under litigation, Invalid account, Account inactive, Miscellaneous, No such account etc.

34 Photocopies of community and income certificates.

35 Whether (a) the candidate has obtained admission approval from DoTE? (b) the candidate is admitted under Government or Management quota? (c) the name of the candidate is there in the Anna University, Chennai Controller of Examination's database? (d) First Generation Graduate scholarship was availed? and (e) the course has obtained NBA accreditation?

36 CoE has to submit the name of the students who had 75 *per cent* attendance during the year and eligible to appear for the examination to the DoTE based on which the DoTE used to forward the claim of the Scholarship to the ADW Department for further process before sanction.

Scrutiny of the Department's scholarship database revealed that DoTE had rejected the scholarship claims of 5,801 SC students during the period 2017-22 stating that the students' name was not found in CoE's data. However, sample check of such cases in the sampled institutions revealed that the name of the students, not found in the CoE record, were available in the Institution record showing that students had appeared in the examination. This had resulted in non-disbursement of scholarship worth ₹38.04 crore to 5,801 students due to CoE's incorrect database and subsequent rejection by DoTE.

In four[37] sampled districts, 59 SC students of 10 sampled institutions were not sanctioned scholarship amount of ₹40.61 lakh in time.

GoTN replied (July 2024) that the Department disburses scholarship to those students after due verification by the respective Head of the Department. Hence, for the students' scholarship applications originally not recommended by DoTE based on CoE's database, the institution resubmits the documents in support of scholarship claim in respect of students. After verification of the students' scholarship related documents, DoTE re-sanctions and recommends to the Department for disbursement manually.

The reply further added that from AY 2021-22, scholarship in respect of a beneficiary is disbursed directly and separately by State and Centre as per the sharing pattern of 40:60 respectively and the Education Directorates are verifying the scholarship applications scrupulously at the first instance itself without giving room for any re-sanction.

Audit, however, could not verify the time delay for disbursement (whether disbursed in the same or subsequent AY) after re-sanction of scholarship by DoTE.

3.8 Ineligible/excess payment of scholarship

3.8.1 Disbursement of scholarship before completion of verification of applications

In February 2023, GoI addressed GoTN stating that the verification process of applications for the AY 2022-23 is very slow and the State has not yet started the process of sharing its data with GoI. It was also requested that officials concerned be directed to hasten the process so that the entire scholarship for the FY 2022-23 can be released to the students within the FY.

Audit scrutiny of TNeGA's scholarship data for the AY 2022-23 revealed that scholarship was paid to 3,28,090 PMS-SC applicants in spite of their scholarship applications pending at various stages[38]. Audit observed that sanction/payment of scholarship amount before ensuring the correctness and eligibility of the applications was not in order.

[37] Coimbatore, Kanniyakumari, Perambalur and Tirunelveli.
[38] At the Institution, District, HoD and the Directorate level.

The DADW replied (March 2024) that although the newly developed scholarship portal[39] was opened on 30 January 2023 to receive applications from the students, the login for Institution, District and HoD level was still being developed by TNeGA. In order to adhere to GoI's instructions (February 2023) to hasten the process so that the entire scholarship for the FY 2022-23 can be released to the students within the FY, it was decided on 27 February 2023 that scholarship applications be verified by sending the student details directly to the HoDs concerned for disbursement of State share after which the State share was disbursed.

Audit, however, observed that this had resulted in by-passing the stipulated process given in the Scheme guidelines. This is also fraught with the possibility of ineligible students being sanctioned the scholarship due to incomplete verification process. Further, the lack of timelines for online verification of online applications at the Institution, District, HoD and the Directorate level also resulted in the delay in processing of the applications.

3.8.2 Payment of Post Matric Scholarship based on unreliable attendance data

As per PMS-SC guidelines, the award once made will be payable from the stage at which it is given to the completion of course, subject to good conduct and attendance of 75 *per cent* in every AY.

Scrutiny of TNeGA database for the year and correlation with PMS-SC scholarship database for the year 2022-23 revealed that attendance of 7,559 students[40] was ranging from 0 to 74 *per cent*. However, 40 *per cent* of State share has been credited to student's bank account.

During verification of correctness of the attendance details in the database in five[41] sampled colleges, Audit noticed that 57 students who were shown as having less than 75 *per cent* of attendance, were in fact having more than 75 *per cent* attendance in the college records. As Audit could not ascertain the veracity of the database, the payment of scholarship based on unreliable attendance data was not in order.

GoTN replied (July 2024) that random checking of attendance data revealed that the students had the requisite attendance percentage and have passed successfully. However, recovery action has been initiated (June 2024), wherever necessary, to remit the amount to Government account in cases of incorrect payment due to less attendance.

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39 After incorporating aspects relating to (i) Aadhaar authentication of the student and nodal officer of the institution; (ii) Verification of income and community certificate details through online without manual intervention and (iii) Disbursement of scholarship through PFMS.

40 Zero *per cent*: 7,534 students; Between 45 and 74 *per cent*: 25 students.

41 (a) Ethiraj College for Women, Chennai (35); (b) JKK Muniraja College of Technology, Erode (3); (c) Loyola College, Chennai (2); (d) PIE Tech, Pollachi (8) and (e) PSN College of Engineering & Technology, Tirunelveli (9).

3.8.3 Excess payment of PMS-SC scholarship due to lack of validation controls in TNeGA software

As per PMS-SC guidelines, 2021, the entire scholarship amount - both from the State and Central Government - will be paid directly into the account of the students only through DBT[42]. With effect from 2022-23, students themselves apply for scholarship in the scholarship portal through TNeGA with scanned copies of mandatory certificates.

On analysis of PMS-SC Scholarship paid to the beneficiaries for the year 2022-23 by comparing it with the year 2021-22, it was noticed that 30,424 students received excess scholarship for an amount of ₹17.90 crore in the year 2022-23 compared to 2021-22, as given in **Table 3.4**.

Table 3.4: Excess payment of scholarship

Excess amount range (in ₹)	Number of Students	2021-22 claim	2022-23 claim	Excess amount sanctioned
		(₹ in lakh)		
More than 7 lakh[43]	8	0.33	64.45	64.12
5 lakh - 7 lakh	1	0.62	5.32	4.70
4 lakh - 5 lakh	1	2.51	6.07	3.56
3 lakh - 4 lakh	10	3.34	27.27	23.93
1 lakh - 3 lakh	20	16.96	41.80	24.84
50,000 - 1 lakh	252	43.36	196.34	152.98
25,000 - 49,999	1,122	351.14	717.25	366.11
20,000 - 24,999	822	362.51	550.17	187.66
15,000 - 19,999	537	157.80	251.80	94.00
10,000 - 14,999	647	166.13	244.23	78.10
5,000 - 9,999	4,225	1,522.84	1,795.52	272.68
1,000 - 4,999	22,779	6,364.02	6,881.21	517.19
Total	**30,424**	**8,991.56**	**10,781.43**	**1,789.87**

(Source: Data provided by the Department)

On a test check of sampled institutions in Coimbatore district where students have been paid excess amount in 2022-23, the Principals of three[44] institutions replied (December 2023) that students had indeed received excess payments.

In addition to the above, Audit also observed that 160 students have received 40 *per cent* State share twice, the excess payment of scholarship worked out to ₹13.50 lakh.

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42 The Central share in the scheme would also be released on DBT mode directly into the bank accounts of the students, after ensuring that the concerned State Government has released their share.

43 These eight students are from one institution, *viz*., Thanthai Periyar Government Arts and Science College (Autonomous), Tiruchirappalli.

44 (a) Hindusthan College of Engineering and Technology, Coimbatore (four students); (b) RVS Technical Campus-Coimbatore, Kannampalayam (68 students) and (c) Sri Ranganathar Institute of Engineering and Technology, Athipalayam, Coimbatore (66 students).

Thus, inadequate validation in the scholarship portal led to excess payment of scholarship amounting to ₹18.03 crore[45].

GoTN replied (July 2024) that:

- The variations in the scholarship component may be due to variation in the fee component based on the year of study, maintenance allowance for Day scholar/Hosteller etc. The reply further stated that recovery has been initiated wherever necessary.
- The Department had instructed (August 2023) the concerned Head of the institutions to recover the excess paid scholarship amount from the 160 students and to remit the same into the Government Head of account and is under progress.

Audit, however, observes that lack of adequate validation controls in TNeGA software resulted in the excess payment.

3.8.4 Non-compliance of Government order leading to inadmissible recurring expenditure to the Government

As per GoTN's orders (January 2012), SC/ST/SCC students studying in free/paid seats in recognised self-financing educational institutions will be paid all compulsory and non-refundable fees[46] charged by such institutions with effect from the AY 2011-12 under the Centrally sponsored Post Matric schemes. While the amount payable was as per the fees as fixed by the Government constituted Committee, GoTN subsequently (August 2017) restricted the management quota fees to the extent of Government quota fees as fixed by the fixation committee.

Meanwhile, GoTN issued (October 2021) orders[47] that students admitted in self-finance institutions can enrol in the course as per their choice and the institutions should fill in the Government quota seats first (*65 per cent*), and then the Management quota seats (35 *per cent*) and claim the fee fixed by the Fee Fixation Committee (FFC) for management quota. In case the Government quota seats are still vacant after counselling, then the SC/ST/SCC students have to be admitted in the available seats under the Government quota and the remaining to be admitted under the Management quota. The claim of fees are also to be carried out accordingly - at the rates fixed for either Government or Management quota.

As DoTE carries out approval of admissions under Management quota and also the second level scrutiny for grant of PMS-SC, the scholarship should have been sanctioned after ascertaining the adherence of the stipulated conditions laid out in the GoTN's order of October 2021.

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45 ₹1,789.87 lakh (+) ₹13.50 lakh.

46 Fees collected for Enrolment/Registration, Tuition, Games, Union, Library magazine, Medical examination and such other fee compulsorily payable by the scholar to the Institution or University/Board.

47 G.O. (Ms) No. 72 AD&TW Department dated 15-10-2021.

Audit analysis of the PMS-SC scholarship data for the period 2021-23 revealed that 507 self-finance institutions had admitted 9,728 students under Management quota and had claimed course fee of ₹85,000 for the above students, which was paid. The Dte of ADW, without ascertaining whether the Government quota seats were fully filled, granted the course fees resulting in an incorrect grant of ₹82.59 crore **(Table 3.5)**. Out of 9,728 students, 103 students of seven sampled institutions in three[48] sampled districts were paid an amount of ₹95.33 lakh.

Table 3.5: Inadmissible recurring expenditure

Academic Year	Number of Institutions	Number of students	Inadmissible amount claimed (₹ in crore)
2021-22	249	4,101	36.07
2022-23	258	5,627	46.52
Total	**507**	**9,728**	**82.59**

(Source: Audit analysis of PMS-SC Scholarship data)

GoTN replied (July 2024) that the scholarship has been paid to the students studying under Management quota seats in Self Financing colleges based on the approval received from DoTE.

During the Exit Conference, the Secretary stated that there were challenges in ascertaining whether the management seats are filled only after filling the Government seats. However, the DADW stated that reply will be furnished after checking the database and recovery, if needed, will also be initiated. The details of action taken by the Department in this regard is still awaited (August 2024).

3.9 Students holding more than one Scholarship

As per PMS-SC guidelines, a scholarship holder under PMS-SC scheme will not hold any other scholarship/stipend. If awarded any other scholarship/stipend, the student can exercise his/her option for either of the two scholarships/stipends, whichever is more beneficial to him/her and should inform the awarding authority through the Head of the Institution about the option made. No scholarship will be paid to the students under this Scheme from the date he/she accepts another scholarship/stipend.

3.9.1 Availment of PMS-SC and Minorities Scholarship

During the scrutiny of data of scholarship awarded to SC students during the year 2019-20, it was noticed that 137 students had received both PMS-SC and PMS scholarship for Minorities[49]. Failure of the students to exercise option for either of the two scholarships and inform the awarding authority through the Head of the Institution and non-existence of a proper mechanism to rule out

[48] Coimbatore, Kanniyakumari and Tirunelveli.

[49] Implemented/funded by Union Ministry of Minority Affairs through the State Governments, wherein scholarships are awarded to meritorious students belonging to economically weaker sections of minority communities and whose parents/guardians annual income does not exceed ₹2 lakh.

students availing more than one scholarship led to incorrect grant of more than one scholarship to the tune of ₹23.20 lakh, as given in **Table 3.6**.

Table 3.6: Availment of PMS-SC and PMS-Minorities scholarship

Number of students	PMS-SC Scholarship (In ₹)			PMS - Minorities Scholarship (In ₹)
	Maintenance Allowance	Course Fee	Total	
137	5,87,510	17,32,200	23,19,710	8,92,662

(Source: Data analysis of PMS-SC scholarship and PMS-Minorities scholarship data collected by Centre for Data Management and Analytics, CAG Headquarters)

GoTN replied (July 2024) that the two scholarship schemes are implemented through two different systems at two different points of time. Moreover, there is no integration between National Scholarship Portal and TN scholarship portal as of now. Therefore, this overlapping beneficiary check is possible only after integration of the two systems. Based on audit objection, GoI would be addressed to share the beneficiaries' details so as to prevent disbursing multiple scholarship to the same beneficiary. The reply further added that recovery action has been initiated (June 2024) wherever necessary.

3.9.2 Availment of PMS-SC and First-Generation Graduate Tuition Fee Concession

Scrutiny of scholarship records and other connected files at DADTWOs revealed that 1,143 SC students of three[50] institutions had availed two concessions i.e., First Generation Graduate Tuition Fee Concession[51] (FGG concession) and PMS-SC Scholarship.

GoTN replied (June 2024) that the FGG concession scheme is being implemented and verified by Higher Education (HE) Department. Now, Tamil Nadu State Scholarship Portal has put in place to avoid multiple scholarships from various departments by implementing all the scholarship schemes in single portal. If they avail multiple scholarships, then necessary action will be taken to remit any one of the scholarships from the student.

During the Exit Conference, the DADW stated that with the launch of a common portal for all scholarships, these issues will be weeded out. Audit suggested that the inadmissible amount may be recovered wherever possible and steps may be taken for writing-off the remaining amount.

3.9.3 Availment of PMS-SC and Ph.D. incentive

During 2013-14, GoTN introduced the scheme of providing incentives to full time Ph.D. scholars who belong to SC/ST/SCC, which aims to provide opportunities to these students to undertake advanced studies and research in the fields of Science, Humanities, Social Science, Commerce and Law streams

50 (i) Coimbatore Institute of Engineering, Coimbatore; (ii) PSG College of Technology, Coimbatore and (iii) Thiagarajar College of Engineering, Madurai.

51 A State sponsored scheme, implemented by the HE Department since 2010-11, to 'First Generation Graduate' students admitted in Engineering Colleges in the State through Single Window Counselling.

in State Universities/Government/Government Aided Colleges in Tamil Nadu. The income limit was that the family income shall be less than ₹8 lakh[52] per annum. The incentive paid was ₹1 lakh[53] per annum.

Scrutiny of records at Dte of ADW relating to payment of incentives awarded to Ph.D. scholars for the period from 2017-23 revealed that 708 students received both Ph.D. Incentive and PMS-SC (**Appendix 3.2**).

GoTN replied (July 2024) that the duplication of claims was noticed and recovery orders issued and the entire list has been de-duplicated.

Scrutiny of the Scheme guidelines, however, revealed that the very nomenclature 'incentive' is something which is paid additionally to limited persons based on their achieving a desired degree of performance. However, one of the conditions stipulated in the guidelines is that the scholar should not receive any other scholarship.

Audit observes that it is incorrect to equate incentive with scholarship in this case as the eligibility conditions like annual income limit, aggregate qualifying marks, etc., are different for the award of Ph.D. incentive when compared with the PMS-SC scholarship. Further, while PMS for SC/ST students is given to all eligible SC/ST/SCC students, Ph.D. incentive is given only for a limited number of scholars that too after meeting certain conditions to a desired level to attain the incentive.

Thus, the GoTN's order equating the scholarship with that of incentive is incorrect and the eligible Ph.D. scholar should be entitled to avail both the scholarship as well as incentive if he had achieved or fulfilled the criteria prescribed. The Department have also not taken this issue which resulted in the beneficiaries deprived of vital incentive or scholarship needed to them for pursuing higher studies.

During the Exit Conference, it was assured that the Scheme will be reviewed.

3.10 Monitoring and Evaluation of PMS-SC

As per Scheme guidelines[54], the State Government shall have robust monitoring systems, including field inspections, social audits, data analytics etc. so that timely payments are made to eligible beneficiaries. Further, the Guidelines[55] stipulate that the schemes shall be run on an online platform with robust cyber security measures that would assure transparency, accountability, efficiency, and timely delivery of the assistance without any delays.

Audit observed the following:

[52] Up to 2020-21: ₹2.50 lakh.
[53] Up to 2020-21: ₹50,000 per annum.
[54] Paragraphs 6.9 and 18 of PMS-SC Guidelines, 2020-26.
[55] Paragraph 13.1 of the PMS-SC guidelines, 2020-26.

- Auto-verification of all the data[56] submitted by the student by linking databases through digilocker or any such mechanism, was not being done.
- A performance module to monitor the progress of student as well as performance of the institution has not yet been suitably designed and incorporated.
- A complete database of the beneficiaries under various other scholarship schemes to ensure de-duplication of the beneficiaries is yet to be maintained.
- Social audit was not conducted at regular intervals to evaluate the outcomes of the Scheme.
- Physical verifications at various levels *viz*. Block/District/State levels covering at least 10 *per cent* of the institutions/students, chosen randomly through an algorithm, were not carried out.

GoTN replied (July 2024) that as the new scholarship portal has been launched, the above shortcomings will be taken care of in the coming FY. The reply further stated that through the portal dashboard, monitoring will be effectively undertaken.

During the Exit Conference, the DADW stated that physical verification of at least 10 *per cent* of the institutions/students by district level officers will be conducted.

Thus, the functioning of an efficient IT system with validation checks and conduct of social/evaluation audit and physical inspections would ensure that the objectives of the Scheme are met in the manner intended.

Recommendation 3:

The Government should establish a robust IT based real time monitoring and grievance redressal system at the earliest so as to further streamline and strengthen the effective implementation of the scholarship Schemes.

[56] Regarding domicile, eligibility, caste status, Aadhaar identification and bank account details.

SECTION - B

PRE-MATRIC AND POST MATRIC SCHOLARSHIP FOR SCHEDULED TRIBE STUDENTS

CHAPTER IV

PRE-MATRIC SCHOLARSHIP
TO
SCHEDULED TRIBE STUDENTS

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PRE-MATRIC SCHOLARSHIP TO SCHEDULED TRIBE STUDENTS

Non-coverage of potentially eligible Class IX students ranged from 35 to 55 *per cent* during the period 2019-23. During 2017-22, 2,373 ST students had dropped out/were excluded in the following year. During 2018-23, there was cumulative deficit of Central Assistance at the end of the financial years, the dues ranging from ₹16.61 crore to ₹42.53 crore. In sampled institutions, the income/community certificates were not found attached in 339 applications. During 2017-23, inadmissible amount of ₹6.02 lakh was paid to 226 students, whose parental income exceeded the threshold limit of ₹2.50 lakh per annum. During 2022-23, 15,325 Pre MS-ST students were paid scholarship amount of ₹5.17 crore without them applying online on the IT portal and without verification of necessary documents like income and community certificates. In the sampled districts, scholarship amount of ₹12.40 lakh was not credited to bank accounts of 481 students in 22 institutions.

4.1 Introduction

According to 2011 Census, the population of 37 ST communities living in Tamil Nadu is 8,41,558 constituting 1.17 *per cent* of the total population of the State. The Dte of TW[1] functions with the objectives of raising the overall quality of life of the tribal people by providing suitable employment, improving the individual economic status, identifying the causes of low literacy and improving the level of education.

The 'Pre-Matric Scholarship for Scheduled Tribe Students studying in Classes IX and X' (Pre MS-ST) is a CSS implemented by MoTA[2] since July 2012 to grant scholarship to eligible ST students for pursuing education in Classes IX and X. The objective of Pre MS-ST is to support ST children so that the incidence of dropout, especially in transition from elementary to secondary stage is minimised, and ST students can have a better chance of progressing to the post-matric stage of education.

[1] Bifurcated from the Dte of ADW with full financial and administrative control from 01 April 2018.

[2] Set up in 1999, after the bifurcation of MoSJE.

4.2 Salient features of the Scheme

The conditions of eligibility of students to avail Pre MS-ST and the salient features of the Scheme is given in **Table 4.1**.

Table 4.1: Salient features of Pre MS-ST Scheme

Sl.No.	Features	Details
1	**Scope**	Available to ST students for studies[3] in India.
2	**Awarded by**	The Government of the State to which the applicant belongs, *i.e.*, where he is domiciled.
3	**Conditions of eligibility of students[4]**	
	(a) Category	ST
	(b) Family income of student	Not to exceed ₹2.50 lakh per annum.
	(c) Bank account	The student to have a valid account in a Scheduled Bank, linked with Aadhaar and mobile number.
	(d) Any other scholarship	The student should not be getting any other scholarship.
4	**Annual value of Scholarship[5]**	
	Scholarship for 10 months	Day scholars - ₹2,250; Hostellers - ₹5,250
	Books and *ad hoc* grant	Day scholars - ₹750; Hostellers - ₹1,000
	Additional Annual disability allowance[6]	Day scholars - ₹7,200; Hostellers - ₹9,600
5	Funding pattern	A sharing ratio of 75:25 between the Centre and States.

(Source: Pre MS-ST Guidelines 2021-26)

4.3 Process flow

As per Pre MS-ST guidelines, 2012[7], the application complete in all respects[8], shall be submitted to the Head of the Institution/School, being attended or last attended by the candidates and shall be forwarded by the Head of Institution, after scrutiny and with his recommendation, to the sanctioning authority. However, as per Paragraph 4 of Pre MS-ST guidelines, 2021-26, the States are required to develop an online platform for inviting online application and disbursement of scholarship through DBT mode into the bank account of student.

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3 The student should be studying in a Government School or in a school recognised by Government or a Central/State Board of Secondary Education.

4 Scholarship for studying in any class will be available for only one year. If a student has to repeat a class, he/she would not get scholarship for the same class twice. The student can renew scholarship for the next class when he/she is promoted.

5 With effect from 2021-22.

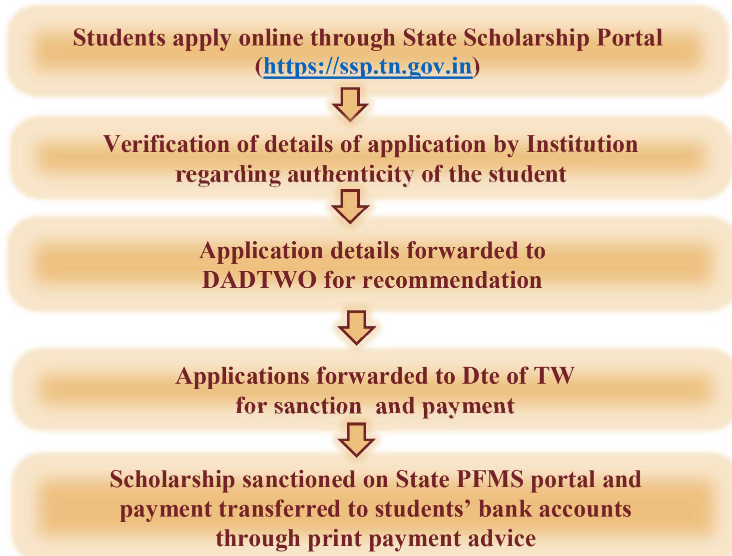
6 In addition to scholarship for 10 months and books and *ad hoc* grant.

7 Paragraph 12 of Pre MS-ST guidelines, 2012 and 2021-26.

8 Along with caste and income certificate.

The organisational structure for implementation of Pre MS-ST in the State is given in **Exhibit 4.1**.

Exhibit 4.1: Organisational structure for implementation of Pre MS-ST



4.4 Coverage of beneficiaries

As per Pre MS-ST guidelines[9], the State Governments must suitably publicise the Scheme and invite applications by issuing an advertisement in local language, in the leading newspapers of the State and through their respective websites and other media outfits. The awareness programmes may also be arranged in coordination with Civil Society Organisations/Non-Governmental Organisations/Panchayat Raj Institutions/any other stake holders.

4.4.1 Non-participation of schools in Pre MS-ST scheme in the sampled districts

As given in **Paragraph 2.4.1**, Audit analysis revealed that an average of 46 *per cent* of the schools in the eight sampled districts did not avail the Pre-Matric Scholarship Schemes for SC/ST students studying in their schools during the period 2019-22.

Audit observes that the non-participation of the schools could be due to inadequate publicity and awareness about the Scheme leading to possible deprivation of eligible SC/ST students from availing the scholarship.

During the Exit Conference, the Secretary requested for the details so that the Department can look into the same.

4.4.2 Non-coverage of potentially eligible ST students

The number of potentially eligible Class IX students[10] for availing Pre MS-ST in the EMIS database was compared with the actual number of beneficiaries of

9 Paragraphs 11.1 and 7 of Pre MS-ST Guidelines, 2012 and 2021 respectively.
10 Whose annual parental income was less than ₹2 lakh.

the Pre MS-ST during the period 2019-23[11] to ascertain the gap between the potential and actual beneficiaries **(Table 4.2)**.

Table 4.2: Non-coverage of potentially eligible Class IX students

Year	Potential beneficiaries as per EMIS data	Number of fresh applicants as per AD&TW data	Non-coverage of potentially eligible students	
			Number	Percentage
(1)	(2)	(3)	(4) = (2-3)	(5)
2019-20	13,361	6,265	7,096	*53*
2020-21	15,792	7,043	8,749	*55*
2021-22	15,168	9,870	5,298	*35*
2022-23	14,338	7,955	6,383	*45*

(Source: Data furnished by AD&TW and SE Departments)

As seen from **Table 4.2**, the non-coverage of potentially eligible Class IX students ranged from 35 to 55 *per cent* during the period 2019-23. In the absence of adequate pro-active identification of eligible beneficiaries, the schemes are at present catering only to students who are aware and are applying for the scholarships.

GoTN replied (June 2024) that scholarship is sanctioned only to those students who had applied for the scholarship as per Notification based on which the Department scrutinises their applications based on income ceiling and community. The reply further added that by utilising the EMIS of SE Department and UMIS of HE Department, put in place from the year 2023-24, the Department would be able to get the universal potential beneficiary data and reach out to them.

4.4.3 Drop out/exclusion of Pre MS-ST beneficiaries

In the sampled districts, a total of 147 ST students in 21 sampled institutions dropped out/were excluded during 2017-22 and a scholarship amount of ₹3.11 lakh was paid to them before they could complete their course. Further analysis of the Pre MS-ST beneficiaries' database furnished by the Department, wherein the students' scholarship ID was taken as a unique identifier for checking for his/her renewal of scholarship during the subsequent year, revealed that 1,966 ST students, who were sanctioned Pre MS-ST scholarship, dropped out/were excluded in the following year, as given in **Appendix 2.2**.

Audit observed that the higher dropout rate of students at the secondary school level is possibly due to low-income levels of their families, which leads them to join the workforce instead. The higher dropout rate at the secondary level and corresponding decrease in GER at the post-secondary level leads to a few ST students opting for higher education. Therefore, effective implementation of the Pre-Matric Scholarship schemes becomes important in order to encourage ST students to pursue higher education.

[11] EMIS data is available from 2019-20 only. Earlier, the data was maintained in manual mode.

Further, as seen from **Table 2.4**, the dropout rate of students is more in Secondary stage when compared to the Upper Primary stage, both at the all India level and in Tamil Nadu. It is also seen that, in Tamil Nadu, the dropout rate of ST students in both upper Primary and secondary stages are on a declining trend during 2019-22.

During the Exit Conference, the DADW stated that the Department will have a look at the data furnished by Audit and carry out an exercise.

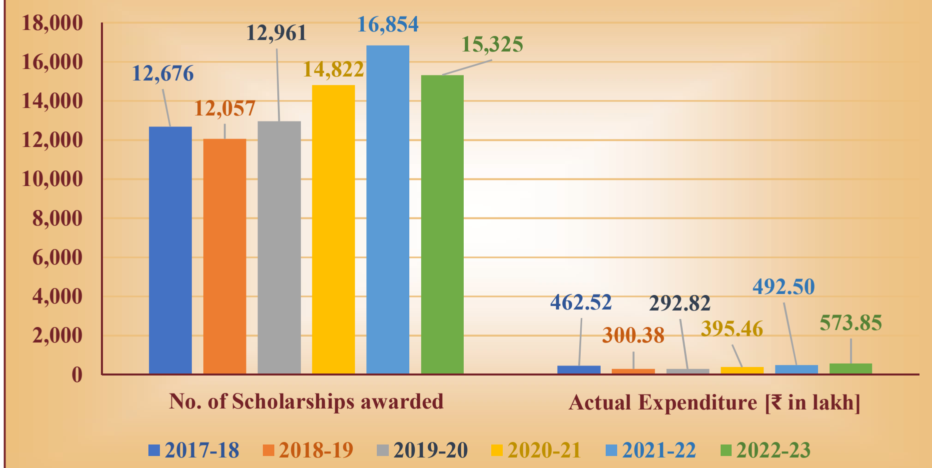
4.5 Planning and Financial management

The Pre MS-ST is implemented by the State Governments with 75 *per cent* contribution from GoI and 25 *per cent* from the State. Every year, the States are to send proposals for demand of funds for the year as per the prescribed proforma[12]. CA will be released to the States, in two or more instalments depending on availability of funds and compliance by the State as per General Financial Rules (GFR).

4.5.1 Coverage of students and actual expenditure incurred

The details of the number of scholarships awarded and the actual expenditure incurred during 2017-23 is given in **Exhibit 4.2**.

Exhibit 4.2: Scholarships awarded and expenditure during 2017-23



(Source: Annual Action Plan - 2023-24)

4.5.2 Fund availability and disbursement

The fund availability and disbursement of Pre MS-ST scholarship during the period 2017-23 is given in **Table 4.3**.

[12] Including Audit certificate and Utilisation certificate(s).

Table 4.3: Receipt and expenditure during 2017-23: Pre MS-ST Scholarship

(₹ in lakh)

Year	Year wise		Central/State share		CA released	Cumulative CA due
	Demand	Expendi-ture	State (25 *per cent*)	Central (75 *per cent*)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2017-18	295.48	462.52	115.63	346.89	0	(-) 214.80
2018-19	302.37	300.38	75.10	225.28	225.28	0
2019-20	399.08	383.81	95.95	287.86	287.86	0
2020-21	548.24	395.46	98.87	296.00	296.59	0
2021-22	627.13	492.50	123.13	369.38	352.76	16.61
2022-23	410.29	573.84	143.46	430.38	387.85	42.53

(Source: AAPs for the years 2021-24)

As seen from **Table 4.3**, during 2018-23, there was cumulative deficit of CA at the end of the FYs, the dues ranging from ₹16.61 lakh to ₹42.53 lakh.

GoTN replied (June 2024) that the CA for the period 2016-21 was not released on time, even though the annual demand was submitted on time. In order to disburse the scholarship on time to the students, the State Government's funding was utilised. The reply further stated that upon GoI's release of funds, the spent amount was adjusted and from 2022-23, the Department has not faced any issue in delay or non-release of CA.

4.6 Application for scholarship and verification

As per the Scheme guidelines, the applications complete in all respects, shall be submitted to the Head of the Institution/School, being attended or last attended by the candidates and shall be forwarded by the Head of Institution, after scrutiny and with his recommendation, to the sanctioning authority.

4.6.1 Absence of timelines to process applications at various levels

During 2017-23, there was delay in opening of the online portal *i.e.,* the opening was between the months of December and January of the subsequent year during that AY. The delayed opening of the online portal subsequently led to delayed sanction of scholarships by the Dte of TW and delayed disbursal of scholarships to students, as commented in **Paragraph 4.7.1**.

GoTN replied (June 2024) that adherence of different academic calendars for various courses and streams make it difficult for the Department to maintain definitive timelines for receiving and processing the applications. The Department ensures that all the eligible applications are processed and disbursed within the AY. The reply further stated that since 2022-23, the AD&TW scholarship portal has moved to the unified State Scholarship Portal and since the scholarship has come under the sharing pattern (60:40) with disbursement through DBT, the timelines are broadly aligned to GoI's National Scholarship portal.

4.6.2 Inadequate scrutiny of Scholarship applications

The scholarship applications are subjected to scrutiny at the institution level and district level (DADTWO) before sanction by the Dte of TW. However, physical scrutiny of scholarship applications and data analysis of scholarship data revealed the following:

- Scrutiny of 729 applications in the sampled schools revealed that income/community certificates were not found attached in 339 applications[13] (47 *per cent*).
- Comparison of the Department's scholarship beneficiary database with various other databases[14] revealed that the parental income of 226 ST students exceeded the threshold limit of ₹2.50 lakh per annum resulting in an inadmissible amount of ₹6.02 lakh paid during 2017-23 **(Appendix 2.4)**.

To a specific audit enquiry in this regard, the Headmasters of four[15] schools replied (December 2023) that the scholarship applications were processed after obtaining assurance/acknowledgement from their parents that they will produce the requisite documents. The Headmaster of GHS, Velliangadu further added that the parents of ST students stated that they were living in hills and were unable to get the caste certificates from the Tahsildar's office despite repeated visits, which also resulted in not getting their wages for their livelihood. He further added that as all the residents are from one caste and on their assurance that the certificates will be produced, their applications were processed.

GoTN replied (June 2024) that the Department has to rely on data/certificates provided by the competent authority/departments as mentioned in Scheme guidelines. From the year 2022-23, the online caste/income certificates are mandatory and the same has been automatically verified in the scholarship portal by fetching data from the Revenue department portal.

4.6.3 Release of Pre MS scholarship without beneficiaries applying on the IT portal

As the online application was not ready and the State share would have to be credited before March 2023, as elucidated in **Paragraph 2.5.3**, the DADW decided (March 2023) to utilise the EMIS database to identify eligible SC/ST students for Pre MS scholarship for the year 2022-23 and credited the 40 *per cent* state share in their accounts thereby completely circumventing the Pre MS-ST guidelines and GoI's instructions.

Audit scrutiny of scholarship data revealed that 15,325 Pre MS-ST students were paid scholarship amount of ₹5.17 crore for the AY 2022-23 without them

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13 Income and community certificates were not found attached in 335 and 237 applications respectively. The total number of ineligible applications have been arrived at after adjusting overlapped applications.

14 Income certificate data from TNeGA and EMIS database.

15 (i) GHS, Nayakanpalayam; (ii) GHS, Velliangadu; (iii) GTR HS, Muthathuvayal and (iv) GTR HSS, Anaikatty.

applying online on the IT portal and without verification of necessary documents like income and community certificates.

GoTN replied (June 2024) that the data in respect of the students maintained by SE department in EMIS is used by AD&TW Department and it is subjected to verification of major eligibility conditions such as community and income by checking with certificate issuing Revenue department's database maintained by TNeGA.

Audit, however, observes that while the eligible annual parental income for grant of scholarship is below ₹2.50 lakh, one of the income slabs for parent's annual income in the EMIS data is ₹2 lakh to ₹3 lakh. Hence, it is not feasible to find out eligible beneficiaries as per their parental annual income criteria.

During the Exit Conference, the DADW stated that the Department is transitioning towards an automated repository-based verification process. The DADW also stated that the SE department has been requested to modify the slabs.

4.7 Disbursal of scholarship amount

As per the Scheme guidelines, State Governments must ensure timely and regular disbursal of scholarships to students. Pending release of CA, the scholarships would be expected to be paid out of the State Budget, against which reimbursement can be claimed. In no case the disbursal of the scholarship to students should be held up due to any delay in the release of CA.

4.7.1 Delay in disbursement of scholarship

Scrutiny of data of Pre MS-ST Scholarship revealed that in 40,320 instances, there was delay in disbursal of scholarship amount of ₹10.36 crore during 2017-22, the delay ranging from one to 10 months **(Appendix 4.1)**.

In the sampled districts, there was a delay in disbursal of scholarship amount of ₹26.10 lakh in 1,073 instances in 24 sampled institutions **(Appendix 4.1)**.

GoTN replied (June 2024) that payment was delayed due to mapping of scheme, creation of head of account for central and state share. The reply further stated that as on date, there is no delay in disbursement.

4.7.2 Undisbursed scholarship amount due to incorrect bank account details of beneficiaries

In the eight sampled districts, Audit observed that an amount of ₹12.40 lakh was not credited to bank accounts of 481 students in 22 institutions due to various reasons[16], as given in **Appendix 2.6**. Out of this, an amount of ₹0.87 lakh for the period 2017-19, pertaining to 39 students in eight sampled institutions, was remitted back to the Government.

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16 Account blocked or frozen, Account closed or transferred, Account under litigation, Invalid account, Account inactive, Miscellaneous, No such account etc.

GoTN replied (June 2024) that since disbursement was carried out through IFHRMS during 2020-21, the balance amount for that year was automatically surrendered to the Government. From 2021-22, Account based payment and from 2022-23, Aadhaar based payment of scholarship followed wherein the number of failure cases reduced considerably.

4.8 Monitoring and Evaluation

Monitoring and evaluation is used to assess the performance of the Scheme and to ensure that the objectives for which the Scheme is initiated are achieved. The purpose of monitoring and evaluation is to improve current and future management of outputs, outcomes and impact.

4.8.1 Non-display of Institution-wise list of awardees on the website of NIC at district level

The State government is to ensure that an institution-wise list of awardees, with necessary particulars, for award of scholarships is displayed on the website of NIC at District level. Audit, however, observed that this is not being followed.

4.8.2 Grievance Redressal Officers

As per Scheme guidelines, the State government is to designate Grievance Redressal Officers (GROs) at the State and District levels to redress students' scholarship-related grievances.

Audit, however, observed that GROs have not been designated to address the students' grievances.

GoTN replied (June 2024) that a call centre has been established in the Dte of TW which functions as a grievance redressal mechanism for both students and institutions.

CHAPTER V

POST-MATRIC SCHOLARSHIP
TO
SCHEDULED TRIBE STUDENTS

CHAPTER V

POST-MATRIC SCHOLARSHIP TO SCHEDULED TRIBE STUDENTS

During 2019-23, non-coverage of potentially eligible Class XI students for PMS-ST ranged from 30 to 42 *per cent* and 2,013 beneficiaries had dropped out. During 2017-22, the cumulative deficit of Central Assistance ranged between ₹2.23 crore and ₹16.12 crore. In sampled institutions, income/community certificates were not found attached in 333 applications. Scholarships amounting to ₹64.24 lakh was paid to 401 ST students, whose parental income exceeded the threshold limit of ₹2.50 lakh per annum. In the eight sampled districts, an amount of ₹26.72 lakh was not credited to bank accounts of 308 students in 32 institutions during 2017-23 due to incorrect bank account details. There was non-disbursement of scholarship worth ₹1.12 crore to 162 students due to Controller of Examination's incorrect database. Course fee was credited twice and the payment was sanctioned to 99 institutions, being the course fee of 253 students, resulting in double payment of course fee of ₹1 crore. In two institutions, 35 ST students had availed two concessions i.e., First Generation Graduate Tuition Fee Concession and PMS-ST Scholarship. During 2017-21, eight students received both Ph.D. Incentive and PMS-ST, resulting in excess payment of ₹1.21 lakh.

5.1 Introduction

The 'Post Matric Scholarship for the students belonging to scheduled tribe for studies in India' (PMS-ST) is a CSS implemented by MoTA. The objective of the Scheme is to enable eligible ST students to undertake quality education from Post Matric to Post Graduate level by providing them financial assistance and to create an error free platform ensuring that the targeted beneficiaries receive scholarship on time. The scholarship is available for studies in India and is awarded by the Government of the State to which the applicant belongs as per the terms of domicile decided by the State.

5.2 Salient features of the Scheme

The conditions of eligibility of students to avail PMS-ST and the salient features of the Scheme is given in **Table 5.1**.

Table 5.1: Conditions of eligibility and salient features of PMS-ST

<table>
<tr><th>Sl. No.</th><th>Features</th><th>Details</th></tr>
<tr><td rowspan="5">1</td><td colspan="2">Conditions of eligibility</td></tr>
<tr><td>(a) Category of student</td><td>Should belong to ST so specified in relation to the State to which he/she belongs.</td></tr>
<tr><td>(b) Educational qualification of students</td><td>Should have passed the Matriculation or Higher Secondary or any higher examination of a recognised University or Board of Secondary Education.</td></tr>
<tr><td>(c) Income criteria</td><td>Family income not to exceed ₹2.50 lakh per annum from all sources.</td></tr>
<tr><td>(d) Receipt of any other scholarship</td><td>Student should not be getting any other scholarship[1].</td></tr>
<tr><td rowspan="4">2</td><td colspan="2">Value of scholarship (Comprises of two components)</td></tr>
<tr><td>(a) Fee component - payment of compulsory non-refundable fees.</td><td>Will be decided by the State Level Fee Fixation Committee of the State for the type of course pursued by the student amongst the four categories of courses.</td></tr>
<tr><td colspan="2">(b) Annual Stipend[2] (in ₹)
<table>
<tr><th colspan="2">Category/Group of Courses</th><th>Hostellers</th><th>Day Scholars</th></tr>
<tr><td>Group I:</td><td>Graduate (UG) and Post Graduate (PG) courses leading to Degree, PG Diploma, M.Phil, Ph.D. in professional courses in various streams.</td><td>₹12,000</td><td>₹5,500</td></tr>
<tr><td>Group II:</td><td>All non-professional recognised UG and PG courses not covered under Group I in Arts, Science and Commerce.</td><td>₹8,200</td><td>₹5,300</td></tr>
<tr><td>Group III:</td><td>Vocational stream, ITI Polytechnics, etc.</td><td>₹5,700</td><td>₹3,000</td></tr>
<tr><td>Group IV:</td><td>All post-matriculation level non-degree courses for which entrance qualification is Class X.</td><td>₹3,800</td><td>₹2,300</td></tr>
</table></td></tr>
<tr><td>(c) Additional Annual Disability Allowance to Divyangjan student - in addition to Stipend.</td><td>Hosteller: ₹9,600;
Day scholar: ₹7,200.</td></tr>
<tr><td>3</td><td>Funding pattern (sharing ratio between the Centre and the States)</td><td>75:25</td></tr>
<tr><td>4</td><td>Payment mechanism of Scholarship to students</td><td>Through DBT[3].</td></tr>
</table>

(Source: Compiled from PMS-ST Guidelines)

1 If awarded any other scholarship/stipend, the student can exercise his/her option for either of the two, whichever is more beneficial and should inform the awarding authority through the Head of the Institution about the option made.

2 However, the concerned State Government administration is free to provide the stipend over and above the prescribed rates of the Scheme.

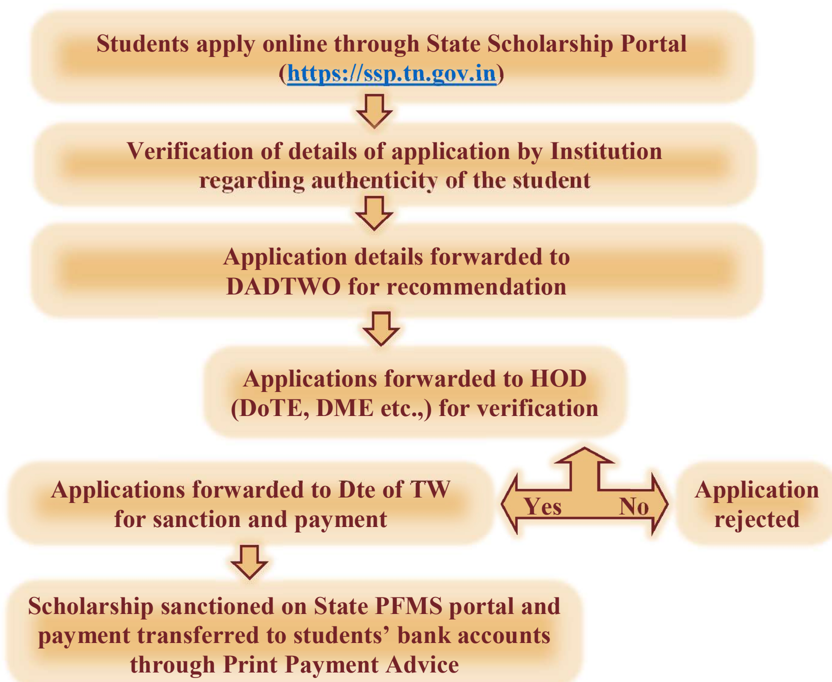
3 From 2021-22.

5.3 Process flow

As per PMS-ST guidelines[4], an application for scholarship complete in all respects[5] shall be submitted to the Head of the Institution, being attended or last attended by the candidates and shall be addressed to an officer specified for this purpose by the Government of State to which the student belongs, in accordance with the instructions issued by them from time to time. However, as per Paragraph 5 of PMS-ST guidelines, 2022, the States are required to develop an online platform for inviting online application and disbursement of scholarship through DBT mode into the bank account of student.

The organisational structure for implementation of PMS-ST in the State is given in **Exhibit 5.1**.

Exhibit 5.1: Organisational structure for implementation of PMS-ST



5.4 Coverage of beneficiaries

As per PMS-ST guidelines[6], the State Governments will suitably publicise the Scheme and invite applications by issuing an advertisement in local language in the leading newspapers of the State and through other media outfits. The awareness programme may also be arranged in coordination with Civil Society Organisations/NGOs/PRIs/any other stake holders. Further, in order to ensure

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4 Paragraph 12 of PMS-ST guidelines, 2012.

5 Along with one attested copy of certificates, diploma, degree, etc., in respect of all examinations passed, Caste certificate, Income declaration/certificate.

6 Paragraph 11 of PMS-ST Guidelines, 2012; Paragraphs 8 and 9 of PMS-ST Guidelines, 2022.

timely disbursement of scholarship, the guidelines stipulated that the States make all efforts to open the portal for inviting applications by 01 May.

5.4.1 Non-participation of schools in PMS-ST scheme in the sampled districts

As given in **Paragraph 3.4.1**, Audit analysis revealed that an average of 39 *per cent* of the schools in the eight sampled districts did not avail the PMS-SC and PMS-ST scholarships during the period 2019-22.

Audit observes that the non-participation of the schools could be due to inadequate publicity and awareness about the Scheme leading to possible deprivation of eligible SC/ST students from availing the scholarship.

5.4.2 Non-coverage of potentially eligible ST students

The number of potentially eligible Class XI students for availing PMS-ST in the EMIS database was compared with the actual number of fresh applicants of the PMS-ST Scheme during the period 2019-23[7] to ascertain the gap between the potential and actual beneficiaries **(Table 5.2)**.

Table 5.2: Non-coverage of potentially eligible ST students

Year	Potential beneficiaries as per EMIS data (Class XI)	Number of fresh applicants (Class XI) as per AD&TW data	Potential beneficiaries not covered (Percentage)
2019-20	8,214	5,345	2,869 *(35)*
2020-21	9,122	6,215	2,907 *(32)*
2021-22	10,709	7,480	3,229 *(30)*
2022-23	8,090	4,661	3,429 *(42)*

(Source: Data furnished by AD&TW and SE Departments)

As seen from **Table 5.2**, the non-coverage of potentially eligible Class XI students ranged from 30 to 42 *per cent* during the period 2019-23. In the absence of adequate pro-active identification of eligible beneficiaries, the CSS Schemes are at present catering only to ST students who are aware and applying for the scholarships.

GoTN replied (June 2024) that scholarship is sanctioned only to those students who had applied for the scholarship as per Notification based on which the Department scrutinises their applications based on income ceiling, community. The reply further added that by utilising the EMIS of SE Department and UMIS of HE Department put in place from the year 2023-24, the Department would be able to get the universal potential beneficiary data and reach out to them.

5.4.3 Drop out of PMS-ST beneficiaries

The objective of PMS-ST is to provide financial assistance to the ST students studying at post matriculation or post-secondary stage to enable them to complete their education.

[7] EMIS data is available from 2019-20 only. Earlier, the data was maintained in manual mode.

In the sampled districts, a total of 64 beneficiaries dropped out from 20 institutions during 2017-23 and a scholarship amount of ₹31.59 lakh was paid to them before they could complete their course. At the State level, 2,013 beneficiaries had dropped out during 2017-23, as given in **Appendix 2.2**.

During the Exit Conference, the DADW stated that the Department will have a look at the data furnished by Audit and carry out an exercise.

Thus, non-ascertaining the number of SC/ST students who had dropped out and reasons for their drop-out by the Government resulted in defeating the very purpose of the scholarships awarded to them.

Recommendation 4:

The Government should carry out an exercise to identify the students who have dropped out at the secondary school level, ascertain the reasons for the same and take adequate steps to encourage them to re-join so that they can pursue higher education.

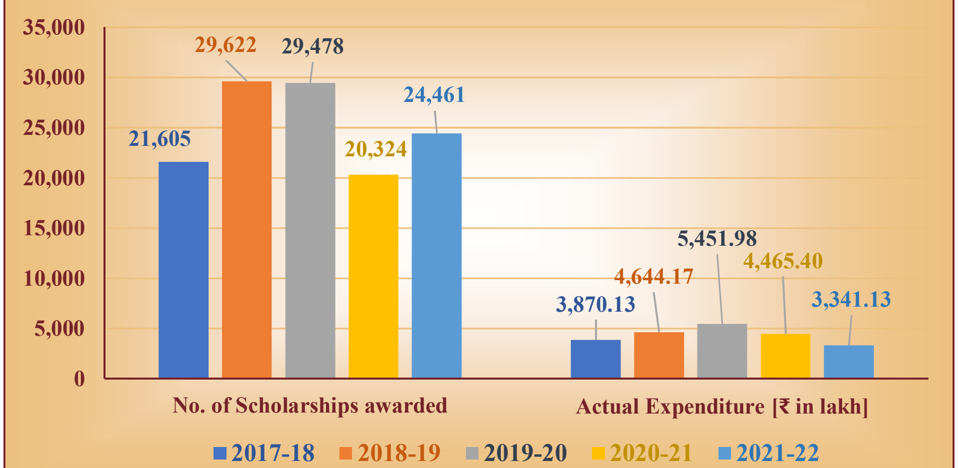
5.5 Planning and Financial management

The PMS-ST is a CSS implemented by the State Governments with 75 *per cent* contribution from GoI and 25 *per cent* from the State. The CA will be released to the States, in two or more instalments depending on availability of the funds and compliance by the State as per GFR.

5.5.1 Coverage of students and actual expenditure incurred

The details of the number of scholarships awarded and the actual expenditure incurred during 2017-22 is given in **Exhibit 5.2**.

Exhibit 5.2: Scholarships awarded and expenditure during 2017-22



(Source: Annual Action Plan for the years 2021-25)

5.5.2 Receipt and expenditure during 2017-23

The fund availability and disbursement of PMS-ST scholarships during the period 2017-23 is tabulated in **Table 5.3**.

Table 5.3: Receipt and expenditure during 2017-23

(₹ in crore)

Year	Total Expendi-ture	Central/State share		CA released	Cumulative CA due
		State (25 *per cent*)	Central (75 *per cent*)		
(1)	(2)	(3)	(4)	(5)	(6)
2017-18	38.70	9.68	29.03	24.40	16.12
2018-19	46.44	11.61	34.83	39.34	11.62
2019-20	54.52	13.63	40.89	50.25	2.26
2020-21	44.65	11.16	33.49	33.29	2.46
2021-22	33.41	8.35	25.06	22.83	2.23
2022-23	35.08	8.77	26.31	28.54	0.00

(Source: Compiled from AAPs for the period 2021-25)

As seen from **Table 5.3,** during 2017-22, the cumulative deficit of CA ranged between ₹2.23 crore and ₹16.12 crore.

GoTN replied (June 2024) that the CA for the period 2016-21 was not released on time, even though the annual demand was submitted on time. In order to disburse the scholarship on time to the students, the State Government's funding was utilised. Upon the release from GoI, the spent amount was adjusted. From the year 2022-23, the Department has not faced any issue in delay or non-release of CA.

5.6 Application for scholarship and verification

As per the scheme guidelines, the students are to upload the required documents[8] with the application form in the online portal. The State may specify the procedure for issuing ST certificate, Family Income certificate and Disability certificate and the competent authority to issue such certificate.

5.6.1 Absence of timelines to process applications at various levels

During 2017-23, there was delay in opening of the online portal i.e., the opening was between the months of December and January of the subsequent year during that AY. The delayed opening of the online portal subsequently led to delayed sanction of scholarships by the Dte of TW and delayed disbursal of scholarships to students, as commented in **Paragraph 5.7.1**.

GoTN replied (June 2024) that adherence of different AYs for various courses and streams make it difficult for the department to maintain definitive timelines

[8] (a) Aadhaar Number, (b) Domicile certificate, (c) Scanned copy of certificates, diploma, degree etc. in respect of all examinations passed, (d) Last qualified marks (percentage/Equivalent percentage in case of CGPA/OGPA etc.), (e) ST certificate issued by competent authority of State, (f) Family Income Certificate, (g) Disability certificate and (h) Scanned copy of the passport size photograph.

for receiving and processing the applications. The Department ensures that all the eligible applications are processed and disbursed within the AY. The reply further stated that since 2022-23, the AD&TW Scholarship portal has moved to the unified State Scholarship Portal and since the scholarship has come under the sharing pattern with disbursement through DBT, the timelines are broadly aligned to GoI's National Scholarship portal.

5.6.2 Inadequate scrutiny and processing of applications

The scholarship applications are subjected to scrutiny at the institution level, district level (DADTWO) and by the administrative heads of departments[9] before sanction by the Dte of TW. However, physical scrutiny of scholarship applications and data analysis of scholarship data revealed the following:

- Scrutiny of 1,103 applications in the sampled institutions/schools revealed that income/community certificates were not found attached in 333 applications[10] (30 *per cent*).
- Comparison of the Department's scholarship beneficiary database with various other databases[11] revealed that the parental income of 401 ST students exceeded the threshold limit of ₹2.50 lakh per annum resulting in an inadmissible amount of ₹62.18 lakh paid during 2017-23 **(Appendix 2.4)**. In three[12] sampled districts, seven students of three sampled institutions whose parental income was more than ₹2.50 lakh, were paid ₹3.30 lakh during the period 2017-23.

GoTN replied (June 2024) that the Department has to rely on data/certificates provided by the competent authority/departments as mentioned in Scheme guidelines. The reply further added that from the year 2022-23, the online income certificates are mandatory and the same has been automatically verified in the scholarship portal by fetching data from the Revenue department portal.

Recommendation 5:

The Government should scrupulously scrutinise the applications for scholarship to ensure that only the eligible SC/ST students are granted scholarship. Further, the eligibility certificates should also be retained for a reasonable period for audit purposes.

9 Director of Collegiate Education, DoTE, Director of Medical Education etc.

10 Income and Community certificates were not found attached in 317 and 295 applications respectively. The total number of ineligible applications have been arrived at after adjusting overlapped applications.

11 Income Tax return of beneficiaries' parents, Pension data obtained from PAG (A&E), Tamil Nadu, Income certificate data from TNeGA, EMIS database etc.

12 Chennai, Erode and Tirunelveli.

5.7 Disbursement of Scholarship amount

As per Scheme guidelines, maintenance allowance is payable from 01 April or from the month of admission, whichever is later, to the month in which the examinations are completed, at the end of the AY. In case of renewal of scholarship awarded in the previous years, maintenance allowance will be paid from the month following the month up to which scholarship was paid in the previous year, if the course of study is continuous.

5.7.1 Delayed disbursement of scholarship

In the sampled districts, there was a delay in disbursal of scholarship amount of ₹3.67 crore in 633 instances in 36 sampled institutions **(Appendix 4.1)**. At the State level, audit analysis of PMS-ST scholarship database revealed that during 2017-22, there was a delay in payment of scholarship amount of ₹118.67 crore in 56,854 instances **(Appendix 4.1)**.

GoTN replied (June 2024) that the delay was due to the time taken for mapping of the scheme and creation of head of account for central and state share. The reply further added that as on date, there is no delay in disbursement.

5.7.2 Undisbursed scholarship amount due to incorrect bank account details of beneficiaries

In the eight sampled districts, Audit observed that an amount of ₹26.72 lakh was not credited to bank accounts of 308 students in 32 institutions during 2017-23, as given in **Appendix 2.6**. Out of this, an amount of ₹26,202 for the period 2017-19, pertaining to five students in one sampled institutions, was remitted back to the Government.

GoTN replied (June 2024) that there were total of 789 return cases and an undisbursed amount of ₹32.03 lakh for the period 2020-23[13]. The reply further added that since disbursement was carried out through IFHRMS during 2020-21, the balance amount for that year was automatically surrendered to the Government.

5.7.3 Non-payment of scholarship to eligible students due to incorrect data of the Controller of Examination, Anna University

The process of sanction of applications for Post Matric Scholarships from SC/ST/SCC students is elucidated in **Paragraph 3.7.3**.

Scrutiny of the PMS-ST scholarship database revealed that DoTE had rejected the scholarship claims of 162 ST students during the period 2017-22 stating that the students' name was not found in CoE's data. However, sample verification of such cases in the sampled institutions revealed that the name of the students not found in the CoE record were available in the Institution record showing students had appeared in the examination. This had resulted in

[13] 2020-21: 738 cases/₹28.12 lakh; 2021-22: 18 cases/₹1.90 lakh and 2022-23: 33 cases/₹2.01 lakh.

non-disbursement of scholarship worth ₹1.12 crore to 162 students due to CoE's incorrect database and subsequent rejection by DoTE.

In three sampled districts, an amount of ₹3.10 lakh was not disbursed to four students in three sampled institutions in time.

GoTN replied (June 2024) that the Department disburses the scholarship to those students after due verification by the respective HoDs. Hence for the students' scholarship applications originally rejected by DoTE based on CoE's database as pointed out in the audit, the institution resubmits the documents in support of scholarship claim in respect of students and after verification of the students' scholarship related documents DoTE re-sanctioned and recommended to the department for disbursement manually.

Audit, however, could not verify the time delay for disbursement (whether disbursed in the same or subsequent AY) after re-sanction of scholarship by DoTE.

Recommendation 6:

The Government should ensure that the Directorates release the scholarship amount in time so that disbursement to beneficiaries is done within the academic year itself. Further, the Government should ensure that the entire process of disbursement becomes Aadhaar based at the earliest.

5.8 Ineligible/excess payment of Scholarship

5.8.1 Double payment of Post Matric Scholarship to ST Students

The scholarship data of the AD&TW department was maintained by the National Information Centre (NIC) up to 2021-22 and from the year 2022-23 by TNeGA. On perusal of data maintained by TNeGA for the period 2022-23, Audit observed that the course fee was credited twice and the payment was sanctioned to 99 institutions, being the course fee of 253 students, on 01 August 2023. This has resulted in double payment of course fee to the tune of ₹99,99,750.

GoTN replied (June 2024) that technical error caused duplication of payment and Print Payment Advice was generated and payment done on 01 August 2023. The mistake was identified on 04 August 2023 and mail was sent to State PFMS to sort out the issue. The reply further added that 95 Educational institutions remitted the amount to the scheme SNA account and balance four institutions will remit shortly.

5.9 Students holding more than one Scholarship

As per Scheme guidelines[14], a scholarship holder will not hold any other scholarship/stipend. If awarded any other scholarship/stipend, the student can exercise his/her option for either of the two scholarships/stipends, whichever is more beneficial to him/her and should inform the awarding authority through the Head of the Institution about the option made.

5.9.1 Availment of PMS-ST and First Graduate Fee concession

Scrutiny of scholarship records and other connected files at DADTWOs revealed that 35 ST students of two[15] institutions had availed two concessions i.e., FGG Concession[16] (FGG concession) of ₹7.11 lakh and PMS-ST Scholarship of ₹5.47 lakh.

GoTN replied (June 2024) that FGG concession scheme is being implemented and verified by the HE Department. Now, the Tamil Nadu State Scholarship Portal has been put in place to process all the scholarship schemes, implemented by various departments, in a single portal and to avoid availing of multiple scholarships by the students. If they avail multiple scholarships, then necessary action will be taken to remit any one of the scholarships from the student.

5.9.2 Availment of PMS-ST and Ph.D. incentive

The scheme objectives of providing incentives to full time Ph.D. scholars who belong to SC/ST/SCC is already commented in **Paragraph 3.9.3**.

Scrutiny of records at Dte of ADW relating to payment of incentives awarded to Ph.D. scholars for the period from 2017-21 revealed that eight students received both Ph.D. Incentive and PMS-ST (**Appendix 3.2)**.

GoTN replied (June 2024) that duplication of claims was noticed and recovery order was issued and the entire list has been de-duplicated. During the Exit Conference, it was assured that the Scheme will be reviewed.

Recommendation 7:

The Government should plug the loopholes in the system so as to ensure that the processing of scholarship be validated at every stage for correct payment of scholarship. The excess amount paid should also be recovered from the students at the earliest.

[14] Para III (xii) of PMS-ST guidelines, 2010.

[15] (i) PSG College of Technology, Coimbatore and (ii) Thiagarajar College of Engineering, Madurai.

[16] A State sponsored scheme, implemented by the HE Department since 2010-11, to 'First Generation Graduate' students admitted in Engineering Colleges in the State through Single Window Counselling.

SECTION - C

STATE SPONSORED EDUCATIONAL SCHOLARSHIP SCHEMES

CHAPTER VI

IMPLEMENTATION OF STATE SPONSORED SCHEMES AND INCENTIVES

CHAPTER VI

IMPLEMENTATION OF STATE SPONSORED SCHEMES AND INCENTIVES

State Government's Special Post Matric Scholarship Scheme: In sampled institutions, income/community certificates were not found attached in 261 applications (17 *per cent*). An inadmissible amount of ₹1.67 crore was paid to 731 Adi Dravidar converted to Christianity (SCC) students, whose parental income exceeded the threshold limit of ₹2.50 lakh per annum. In the sampled districts, scholarship amount of ₹14.32 lakh was not credited to bank accounts of 355 students in 32 sampled institutions due to incorrect bank account details. Incorrect furnishing of data by CoE resulted in non-payment of scholarship amount of ₹3.80 crore to 609 students during 2017-22. During 2021-23, 2,576 SCC students, who are not eligible to receive Central funds, were paid 60 *per cent* of scholarship from the Central share resulting in incorrect payment of scholarship of ₹3.64 crore. During 2019-20, 62 students had received both Minorities scholarship as well as Special Post Matric Scholarship.

In three sampled Government Aided Colleges/Institutions, 232 student hostellers studying in self-financing courses were sanctioned Higher Education Special Scholarship, resulting in an irregular payment of ₹18.56 lakh.

In sampled districts, 67 reputed schools claimed excess fees amounting to ₹1.97 crore for 513 students during the period 2017-23.

Eleven Ph.D. scholars received both Ph.D. Incentive and PMS-SCC, resulting in excess payment of ₹2.06 lakh.

During 2018-23, 22 *per cent* of girl students belonging to SC/ST, studying Class III to Class VIII in Government and Government aided schools, had not availed the special incentive.

6.1 Introduction

In order to enhance the literacy rate and educational standard of SC/ST/SCC students, the AD&TW department implements various scholarship schemes besides Centrally Sponsored Schemes.

Audit findings of certain select State sponsored educational schemes and incentives are given below. The physical and financial progress of these Schemes during the period 2017-23, is given in **Table 6.1** and the year-wise details are given in **Appendix 6.1**.

Table 6.1: Physical and financial progress of State sponsored scholarship schemes during the period 2017-23

Sl. No.	Name of the Scheme	Number of beneficiaries	Expenditure (₹ in crore)
1	State Government's Special PMS Scheme	1,70,883	507.11
2	Higher Education Special Scholarship Scheme	97,061	74.10
3	Admission of students in reputed schools in Classes VI and XI	12,091	60.20
4	Incentive to Full time Ph.D. Scholars	7,598	52.91
5	Special Incentive Scheme for Girl Students	27,18,574	257.55

(Source: Performance Budgets of AD&TW Department 2022-23, 2023-24 and 2024-25)

6.2 State Government's Special Post Matric Scholarship Scheme

In order to benefit SC/ST/SCC students who are ineligible to receive the Centrally Sponsored Post Matric Schemes, GoTN launched[1] the 'Special Post Matric Scholarship Scheme' (PMS-SCC) for those studying in Government aided and Self-financing institutions (including Minority institutions). GoTN also issued detailed guidelines[2] in September 2012 for their implementation. The salient features of SPMS scheme is given in **Table 6.2**.

Table 6.2: Salient features of Special PMS

Beneficiaries	• SC/ST/SCC students who fail to meet the norms for receiving the Central PMS scholarship.
Annual income of the student's parent/guardian	• Not to exceed ₹2.50 lakh[3]. • For State Government employees, annual income is calculated excluding the Dearness Allowance.
Amount of scholarship	• All compulsory and non-refundable fees[4] charged by recognised institutions against free and paid seats of recognised courses can be fully reimbursed as per the fee structure approved by the Competent Authority.
Dual scholarships	• Beneficiary shall not avail any other scholarship/stipend[5].

[1] G.O. (Ms). Nos. 6 & 63 AD&TW Department dated 09 January 2012 and 25 June 2012 respectively.

[2] G.O. (Ms). No. 92 AD&TW Department dated 11 September 2012.

[3] Up to 2018-19: Not to exceed ₹2 lakh.

[4] Enrolment/registration, Tuition, Games, Union, Library, Magazine, Medical examination and such other fee compulsory payable by the scholar to the Institution or University/Board.

[5] If a student is awarded any other scholarship/stipend, the student can exercise his/her option for either of the two scholarship/stipends, whichever is more beneficial to him/her and inform the awarding authority through the Head of the Institution about the option made.

6.2.1 Inadequate scrutiny of scholarship applications

The scholarship applications are subjected to scrutiny at the institution level, district level (DADTWO) and by the administrative heads of Departments[6] before sanction by the Dte of ADW. However, physical scrutiny of scholarship applications and data analysis of scholarship data revealed the following:

- Scrutiny of 1,541 sanctioned applications in the sampled institutions/schools revealed that income/community certificates were not found attached in 261 applications[7] (17 *per cent*).
- Comparison of the Department's PMS-SCC scholarship beneficiary database with various other databases[8] revealed that the parental income of 731 SCC students exceeded the threshold limit of ₹2.50 lakh per annum resulting in an inadmissible amount of ₹1.67 crore paid during 2017-22 **(Appendix 2.4)**.

GoTN replied (July 2024) that the data provided by Audit will be checked whether scholarship has been paid to ineligible students and necessary action will be taken to remit the amount to Government.

6.2.2 Undisbursed scholarship amount due to incorrect bank account details of beneficiaries

In the sampled districts, scholarship amount of ₹14.32 lakh was not credited to bank accounts of 355 students in 32 sampled institutions due to various reasons[9]. Out of this, an amount of ₹0.89 lakh for the period 2017-20, pertaining to 36 students in 11 sampled institutions, was remitted back to the Government.

As of June 2024, 9,920 return cases amounting to ₹4.01 crore is still pending for reprocessing. The detailed GoTN's reply (July 2024) pertaining to the return cases for Pre MS-SC, PMS-SC and PMS-SCC schemes is given in **Paragraph 2.6.2**.

During the Exit Conference, the DADW stated that this issue will be resolved when the disbursement becomes completely Aadhaar based.

6.2.3 Non-payment of scholarship to eligible students due to incorrect data of the Controller of Examination, Anna University

The process of sanction of applications for Post Matric Scholarships from SC/ST/SCC students is elucidated in **Paragraph 3.7.3**. Scrutiny of the

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6 Director of Collegiate Education, Director of Technical Education, Director of Medical Education, etc.

7 Income and Community certificates were not found attached in 244 and 228 applications respectively. The total number of 261 ineligible applications have been arrived at after adjusting overlapped applications.

8 Pension data obtained from PAG (A&E), Tamil Nadu and Income certificate data from TNeGA.

9 Account blocked or frozen, Account closed or transferred, Account under litigation, Invalid account, Account inactive, Miscellaneous, No such account, etc.

Department's PMS-SCC scholarship database revealed that DoTE had rejected the scholarship claims of 609 SCC students during the period 2017-22 stating that the students' name was not found in CoE's data. However, sample check of such cases in the sampled institutions revealed that the name of the students not found in the CoE record were available in the Institution record showing students had appeared in the examination. This had resulted in non-disbursement of scholarship worth ₹3.80 crore to 609 students due to CoE's incorrect database and subsequent rejection by DoTE. Out of this, in the sampled districts, an amount of ₹34.96 lakh was not paid to 53 students in 20 sampled institutions.

GoTN replied (July 2024) that the Department has disbursed the scholarship amount to students re-sanctioned by DoTE for the period 2017-20. The reply further added that it had requested (November 2021) DoTE to verify the rejected students and to re-sanction the scholarship for eligible students for the period 2018-21.

Audit, however, could not verify the time delay for disbursement (whether disbursed in the same or subsequent AY) after re-sanction of scholarship by DoTE.

6.2.4 Payment of Central share of PMS-SC to PMS-SCC students

As PMS-SCC is a State scheme, the entire scholarship amount is to be met out of State funds. However, scrutiny of PMS-SCC data of the Department for the period 2021-23 revealed that 2,576 SCC students, who are not eligible to receive Central funds, were paid 60 *per cent* of scholarship from the Central share of PMS-SC scheme, resulting in an incorrect payment of ₹3.64 crore[10]. Out of this, 106 SCC students in 25 sampled institutions received an excess amount of ₹25.74 lakh of Central share.

Audit observed that GoTN, instead of paying the entire scholarship amount to SCC students, had paid only 40 *per cent* of the amount and forwarded the beneficiary list to GoI on the lines of PMS-SC/ST beneficiaries for payment of the remaining 60 *per cent* share.

GoTN replied (June 2024) that if any incorrect payment has been made, necessary action will be taken to remit the amount to the GoI account.

Audit, however, observes that responsibility has to be fixed on the officials responsible for the lapse and violation of the PMS-SCC guidelines. Further, the impact of the above on the disbursement of scholarship amount to PMS-SC/ST beneficiaries during 2021-23, if any, may also be studied.

[10] Incorrect Central share paid: 2021-22: ₹10.23 lakh to 43 students; 2022-23: ₹354.16 lakh to 2,533 students.

6.2.5 Non-compliance of Government Order leading to inadmissible recurring expenditure to Government

GoTN's orders for the process of payment of all compulsory and non-refundable fees charged by recognised self-financing educational institutions in respect of SC/ST/SCC students has been elucidated in **Paragraph 3.8.4**.

Scrutiny of PMS-SCC data of the Department for the period 2021-23 revealed that 195 self-financing institutions had admitted 485 students under Management quota and had claimed course fee of above ₹55,000 for each student, which was paid, resulting in incorrect grant of course fee of ₹1.65 crore. Out of 485 beneficiaries, 57 students of 12 sampled institutions were paid an amount of ₹52.70 lakh.

During the Exit Conference, the Secretary stated that there were challenges in ascertaining whether the management seats are filled only after filling the Government seats. However, the DADW stated that reply will be furnished after checking the database and recovery, if needed, will also be initiated. The details of action taken by the Department in this regard is still awaited (June 2024).

6.2.6 Availing dual Scholarships (PMS-SCC and Minorities Scholarship)

Scrutiny of PMS-SCC data revealed that 62 SCC students had received both PMS-SCC and PMS-Minorities scholarship during 2019-20 resulting in incorrect sanction and payment of ₹4.74 lakhs from GoI's PMS-Minorities scheme.

GoTN replied (June 2024) that the two scholarship schemes are implemented through two different systems at two different points of time. Moreover, there is no integration between National Scholarship Portal and TN scholarship portal as of now. Therefore, this overlapping beneficiary check is possible only after integration of the two systems. The reply further added that based on Audit objection, GoI would be addressed to share the beneficiaries' details so as to prevent disbursing multiple scholarship for the same beneficiary. Recovery action will be initiated after ascertaining the facts.

6.3 State Government's Higher Education Special Scholarship Scheme

The Higher Education Special Scholarship (HESS) is being implemented by GoTN for the benefit of SC/ST/SCC students pursuing higher studies in Government and Government aided educational institutions and staying in paid hostels other than Government hostels. The salient features of HESS scheme is given in **Table 6.3**.

Table 6.3: Salient features of HESS Scheme

Beneficiaries	• SC/ST/SCC students
Student's parent/guardian's annual income	• Not to exceed ₹2.50 lakh
Scholarship per annum	• UG courses in Arts and Science and Polytechnic courses - ₹7,500 • Professional courses and PG courses in Arts and Science - ₹8,000

As both the Centrally Sponsored Post Matric Scholarship Scheme and HESS offered similar benefits, resulting in duplication and increased expenditure, GoTN decided (March 2017) to review the need for continuation of HESS. Based on the review, while issuing orders (March 2018) for continuation of HESS for the AY 2017-18, GoTN restricted the grant of new HESS only to students of Government and Government aided institutions, staying in hostels of the institution or in hostels approved by the institution. The Audit observations in this regard is given below.

6.3.1 Incorrect sanction of HESS Scholarship to students studying in Self Finance Course/Self Supporting course

Scrutiny of records of sampled Government Aided Colleges/Institutions revealed that the 232 student hostellers studying in self-financing courses in three institutions had applied for and were sanctioned the HESS scholarship. This had resulted in an irregular payment of ₹18.56 lakh during the period 2017-22, the details of which are given in **Table 6.4**.

Table 6.4: Irregular payment of HESS

Sl. No.	Academic year	Number of students in the Institutions[11]			Total number of students	HESS paid[12] (in ₹)
		CIT, CBE	PSG CT, CBE	TCE, MDU		
1	2017-18	18	32	3	53	4,24,000
2	2018-19	20	45	19	84	6,72,000
3	2019-20	20	57	17	94	7,52,000
4	2021-22	-	1	-	1	8,000
Total		**58**	**135**	**39**	**232**	**18,56,000**

(Source: Details furnished by the respective colleges)

During the Exit Conference, the Secretary stated that the G.O., while specifying that only hostellers staying in Government and Government aided colleges are eligible, did not specify whether the students studying under self-finance stream in aided colleges were eligible for HESS. Hence, the Department took a liberal

[11] (i) CIT, CBE: Coimbatore Institute of Technology, Coimbatore; (ii) PSG CT, CBE: PSG College of Technology, Coimbatore and (iii) TCE, MDU: Thiagarajar College of Engineering, Madurai.

[12] Paid @ ₹8,000 per student per annum.

view considering the broader objective of the Scheme and sanctioned HESS for those students as well.

A similar Audit Paragraph[13] was included in the CAG's Report for the year ended March 2020 with a recommendation that the ineligible payments to students of self-financing colleges may be recovered and the policy on eligibility of students of self-supported courses in Government aided colleges needs to be clarified to avoid confusion. However, no action has been taken.

6.4 Admission of students in reputed schools in Classes VI and XI

In 2007, GoTN introduced a Scheme to admit bright students of Government/Government aided schools in Class XI in reputed private schools. In 2008, GoTN introduced a similar scheme wherein 385 bright students from 385 blocks, at the ratio of one student from each block, amongst SC/ST/SCC students who have passed Class V from Government schools are selected and admitted into Class VI in reputed private residential schools with due recommendation of the concerned District Collector. Under this scheme, the Government bears the expenditure till the students complete Class XII.

The salient features of both these schemes are given in **Table 6.5**.

Table 6.5: Salient features of Scheme to admit students to reputed schools

Details	Schemes of admission of SC/ST/SCC in reputed private schools	
Admission in Class	**XI**	**VI**
Number of beneficiaries every year	10 best performing students in Class X studying in Government and Government Aided schools in each district.	385 students from 385 Blocks who have passed Class V.
Mode of selection	Based on Class X results[14].	A special examination conducted by the Project Officer (SSA) in each Block.
Income limit	₹2.50 lakh per annum	₹2.50 lakh per annum
Amount of scholarship	Maximum eligible limit - ₹28,000	Tuition fee as fixed by Fee Fixation Committee along with Hostel Fee of ₹15,000 and Maintenance allowance of ₹5,000.

6.4.1 Excess payment of incentives to reputed schools

In the revised Scheme guidelines notified (October 2015) by GoTN, the financial assistance was allowed as per the fees fixed by the 'Private Schools Fee Determination Committee' (PSFDC) constituted by GoTN. In addition,

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13 **Paragraph 3.4.1** of the CAG's Compliance Audit Report (Government of Tamil Nadu - Report No. 3 of 2021).

14 On publishing of Class X results, the DADTWOs obtain the list of 10 best performers from the website or the Chief Educational Officer and admit them into reputed private schools in the same or nearby districts.

hostel fees of ₹15,000 and maintenance fee of ₹5,000 per annum were also payable. The authorities of private schools, where these students are admitted, were to lodge their claim through respective DADTWOs. Every year, the DADTWOs were to compile the list of students admitted and fees payable to the private schools and forward the same to the Directorate for obtaining GoTN's sanction to settle the claims made by the schools.

On scrutiny of the records relating to implementation of the Scheme in the sampled eight districts, 68 reputed schools had claimed excess fees amounting to ₹1.97 crore for 509 students during the period 2017-23 **(Table 6.6)**. Though the Government specifically directed the Department during 2018-19 to strictly adhere to the guidelines and limit the fees to the schools to the extent provided in the guidelines, the Department continues to allow the full claim of the fees furnished by the respective schools without restricting it.

Table 6.6: Excess fees claimed by the reputed schools during 2017-23

Sl. No.	Districts	Number of		Excess fee claimed (₹ in lakh)			Total (₹ in lakh)
		Institu-tions	Students	Tuition Fees	Hostel fees	Maintenance Allowance	
1	Chennai	1	20	1.76	0	0	**1.76**
2	Coimbatore	10	67	12.47	52.57	26.17	**91.22**
3	Erode	4	42	2.42	4.56	0	**6.98**
4	Kanniyakumari	11	84	17.25	0	5.35	**22.61**
5	Perambalur	5	21	2.37	0.10	3.55	**6.02**
6	Thoothukudi	15	98	17.18	3.80	0.32	**21.30**
7	Tiruchirappalli	6	23	0.63	4.15	1.90	**6.68**
8	Tirunelveli	16	154	13.07	19.25	8.00	**40.32**
Total		**68**	**509**	**67.15**	**84.43**	**45.29**	**196.89**

(Source: Details furnished by the institutions in sampled districts)

A similar Audit Paragraph[15] was included in the CAG's Report for the year ended March 2020 with a recommendation that DADW should ensure adherence to GoTN's orders on restricting claim of private schools' fee reimbursement to the ceiling fixed by the PSFDC.

GoTN replied (July 2024) that the excess expenditure was incurred in the interest of the students.

As per the Scheme guidelines, the Government has to release the claim only after obtaining a declaration from the head of the institution that they had claimed only the amount fixed by PSFDC. However, Audit observes that, sanction and payment of fees beyond the limit fixed by PSFDC and subsequently ratifying the same leads to violation of Scheme guidelines besides benefitting the institutions also.

15 **Paragraph 3.4.2** of the CAG's Compliance Audit Report (Government of Tamil Nadu - Report No. 3 of 2021).

Recommendation 8:

The Government should take action on the erring reputed schools for charging and claiming excess fees than that was fixed by PSFDC thereby violating the existing guidelines and resulting in avoidable expenditure by the Government.

6.5 Incentive to Full time Ph.D. Scholars

During 2013-14, GoTN introduced the scheme of providing incentives to full time Ph.D. scholars who belong to SC/ST/SCC, which aims to provide opportunities to these students to undertake advanced studies and research in the fields of Science, Humanities, Social Science, Commerce and Law streams in State Universities/Government/Government aided colleges in Tamil Nadu. The income limit was that the family income shall be less than ₹8 lakh[16] per annum. The incentive paid was ₹1 lakh[17] per annum.

6.5.1 Availing dual benefits by the Ph.D. scholars belonging to SC/ST/SCC - Ph.D. Incentive and Post Matric Scholarship

The scheme objectives of providing incentives to full time Ph.D. scholars who belong to SC/ST/SCC is already commented in **Paragraph 3.9.3**.

Scrutiny of records at the Dte of ADW relating to payment of incentives awarded to Ph.D. scholars revealed that 11 students received both Ph.D. Incentive and PMS-SCC **(Appendix 3.2)**.

GoTN replied (July 2024) that the duplication of claims was noticed and recovery orders issued and the entire list has been de-duplicated. During the Exit Conference, it was assured that the Scheme will be reviewed.

Recommendation 9:

The Government should revisit the Scheme guidelines for grant of Ph.D. scholars so as to remove any ambiguity and to grant the incentive to the eligible scholars even if they are the beneficiaries under PMS scholarship for SC/ST/SCC students.

6.6 Special Incentive Scheme for Girl Students

To encourage girls to continue their studies without dropping out and to ensure 100 *per cent* enrolment of SC/ST girl children in Government/Government aided schools, GoTN has been implementing the special incentive scheme for girl children. The Scheme is in operation from 1994-95 for SC/ST girl students studying in Class III to Class VI and was extended till Class VIII in September 2013. The salient features of the Scheme is given in **Table 6.7**.

16 Up to 2020-21: ₹2.50 lakh.
17 Up to 2020-21: ₹50,000 per annum.

Table 6.7: Salient features of Special Incentive Scheme for SC/ST girl students

Beneficiaries	• SC/ST girl students studying in Government/Government aided schools
Parents' income limit	• No income limit
Amount of incentive	• Class 3 to 5 : ₹500 per annum • Class 6 : ₹1,000 per annum • Class 7 and 8 : ₹1,500 per annum

6.6.1 Non-availment of scheme benefits by SC/ST girl Students

Perusal of data collected from the State Project Director, Samagra Shiksha Abhiyan (SPD, SSA) and the data from Dte of ADW revealed that 22 *per cent* of girl students belonging to SC/ST, studying Class III to Class VIII in Government and Government aided schools, had not availed the special incentives during the period 2018-23 **(Table 6.8)**.

Table 6.8: Percentage of SC/ST girl students who were not paid Special incentive during 2018-23

Category	Number of SC/ST girls			
	As per SPD, SSA data	Incentive paid	Incentive Not Paid	
			Number of girls	Percentage
SC	27,05,812	21,70,581	5,35,231	*20*
ST	3,31,341	2,12,783	1,18,558	*36*
Total	**30,37,153**	**23,83,364**	**6,53,789**	***22***

(Source: Details furnished by SPD, Chennai and Commissionerate of ADW)

Although the Scheme does not have any annual income limit for eligibility, the application form had the 'Annual family income' column which was to be filled by the students and certified by the revenue authorities. Audit observes that this had mislead the students/parents and institutions and dissuaded them from applying for the Scheme, which was also corroborated during test check of schools.

In Coimbatore district, test check of seven[18] schools revealed that out of 1,385 SC/ST girl students, 1,129 students (82 *per cent*) had applied for the incentive during the period 2017-23. The Principals of these schools stated (December 2023) that the remaining 256 students (18 *per cent*) were not able to apply for the incentive due to non-submission of their community certificates and bank details.

Non-conducting of awareness campaign, sensitisation programmes about the Incentive Scheme at community level led to low turnout and non-achievement of the objective of the Scheme.

[18] (a) Corporation HSS, Rathinapuri; (b) GGHS, Valparai; (c) GHS, Kinathukaddavu; (d) GHSS, Naickanpalayam; (e) GHSS, Sundakkamuthur; (f) GTR HSS, Anaikatty and (g) GTR HS, Mavuthampathi.

GoTN replied (July 2024) that the huge variation between the special incentive beneficiaries and EMIS data for the corresponding period may be attributed to the difficulty in submission of community certificate and valid saving account details by the beneficiaries/parents. The reply further added that, from 2023-24 onwards, the Scheme is implemented through TN Scholarship portal wherein details of eligible beneficiaries are fetched from EMIS and disbursement carried out using Aadhaar/Account based payment system. The gap between the actual and eligible beneficiaries as per EMIS data would be minimised considerably from 2024-25.

(D. JAISANKAR)

Principal Accountant General (Audit-I),
Tamil Nadu

Chennai
The 13 May 2025

Countersigned

(K. SANJAY MURTHY)

Comptroller and Auditor General of India

New Delhi
The 26 May 2025

APPENDICES

Appendix 1.1

(Reference: Paragraph 1.1.2; Page 2)

Gross Enrolment Ratio in Secondary and Higher Secondary stages of School Education during the period 2017-22

Category	Level of School Education	Academic Year					Average
		2017-18	2018-19	2019-20	2020-21	2021-22	
ALL INDIA							
All Social Groups	**Secondary (IX-X)**						
	Girls	76.23	76.93	77.83	79.46	76.23	77.34
	Boys	76.67	76.87	77.97	80.05	76.67	77.65
	Overall	**76.46**	**76.90**	**77.90**	**79.77**	**76.46**	**77.50**
	Higher Secondary (XI-XII)						
	Girls	48.32	50.84	52.4	54.65	48.32	50.91
	Boys	47.95	49.49	50.52	52.99	47.95	49.78
	Overall	**48.13**	**50.14**	**51.42**	**53.78**	**48.13**	**50.32**
SC	**Secondary (IX-X)**						
	Girls	83.09	83.75	83.87	85.51	83.09	83.86
	Boys	81.81	81.91	82.36	84.24	81.81	82.43
	Overall	**82.42**	**82.79**	**83.08**	**84.85**	**82.42**	**83.11**
	Higher Secondary (XI-XII)						
	Girls	50.35	53.21	55.14	58.31	50.35	53.47
	Boys	48.04	49.67	50.87	54.03	48.04	50.13
	Overall	**49.13**	**51.34**	**52.89**	**56.06**	**49.13**	**51.71**
ST	**Secondary (IX-X)**						
	Girls	75.89	78.70	80.12	82.25	75.89	78.57
	Boys	75.77	77.70	79.06	80.79	75.77	77.82
	Overall	**75.83**	**78.18**	**79.58**	**81.50**	**75.83**	**78.18**
	Higher Secondary (XI-XII)						
	Girls	39.37	42.70	43.9	46.52	39.37	42.37
	Boys	39.51	41.80	41.92	43.83	39.51	41.31
	Overall	**39.44**	**42.24**	**42.89**	**45.15**	**39.44**	**41.83**

Category	Level of School Education	Academic Year					Average
		2017-18	2018-19	2019-20	2020-21	2021-22	
TAMIL NADU							
All Social Groups	**Secondary (IX-X)**						
	Girls	90.38	90.97	91.06	92.54	95.47	92.08
	Boys	88.54	89.97	90.05	92.63	95.72	91.38
	Overall	**89.43**	**90.46**	**90.54**	**92.59**	**95.59**	**91.72**
	Higher Secondary (XI-XII)						
	Girls	81.76	80.12	80.59	82.58	85.85	82.18
	Boys	67.53	64.97	66.25	70.78	77.28	69.36
	Overall	**74.41**	**72.31**	**73.21**	**76.51**	**81.45**	**75.58**
SC	**Secondary (IX-X)**						
	Girls	95.33	95.91	94.72	97.05	100.02	96.61
	Boys	93.39	94.73	93.33	97.89	101.09	96.09
	Overall	**94.34**	**95.31**	**94.02**	**97.48**	**100.56**	**96.34**
	Higher Secondary (XI-XII)						
	Girls	84.75	82.69	82.35	84.59	89.18	84.71
	Boys	67.13	64.11	65.03	69.97	78.57	68.96
	Overall	**75.78**	**73.24**	**73.55**	**77.17**	**83.80**	**76.71**
ST	**Secondary (IX-X)**						
	Girls	88.71	114.65	107.89	112.92	119.53	108.74
	Boys	83.40	110.51	103.12	109.88	116.93	104.77
	Overall	**85.9**	**112.46**	**105.37**	**111.31**	**118.16**	**106.64**
	Higher Secondary (XI-XII)						
	Girls	66.17	70.80	72.27	78.75	90.08	75.61
	Boys	58.01	60.10	59.92	66.57	80.42	65.00
	Overall	**61.85**	**65.14**	**65.74**	**72.31**	**84.98**	**70.00**

Appendix 1.2

(Reference: Paragraph 1.1.3; Page 3)

Gross Enrolment Ratio in Higher Education (18 - 23 years) Based on 2011 population during the period 2017-22

	2017-18	2018-19	2019-20	2020-21	2021-22	Average
ALL INDIA						
All Categories						
Male	24.50	24.40	24.80	26.70	28.30	25.74
Female	24.60	25.50	26.40	27.90	28.50	26.58
Total	**24.60**	**24.90**	**25.60**	**27.30**	**28.40**	**26.16**
Scheduled Caste						
Male	21.00	21.40	21.50	22.40	25.80	22.42
Female	21.00	22.80	23.20	23.90	26.00	23.38
Total	**21.00**	**22.00**	**22.30**	**23.10**	**25.90**	**22.86**
Scheduled Tribe						
Male	16.00	16.70	17.00	18.80	21.40	17.98
Female	14.50	16.10	17.00	19.10	20.90	17.52
Total	**15.30**	**16.40**	**17.00**	**18.90**	**21.20**	**17.76**
TAMIL NADU						
All Categories						
Male	46.20	46.60	48.10	45.40	46.80	46.62
Female	47.70	47.50	49.90	48.60	47.30	48.20
Total	**46.90**	**47.00**	**49.00**	**46.90**	**47.00**	**47.36**
Scheduled Caste						
Male	39.30	38.80	37.30	34.70	38.40	37.70
Female	42.00	41.00	40.70	38.90	40.40	40.60
Total	**40.70**	**39.90**	**39.00**	**36.80**	**39.40**	**39.16**
Scheduled Tribe						
Male	43.00	40.50	42.00	42.90	50.20	43.72
Female	35.20	32.00	38.10	38.20	37.60	36.22
Total	**39.10**	**36.30**	**40.00**	**40.60**	**43.90**	**39.88**

Appendix 1.3

(Reference: Paragraph 1.4; Page 5)

List of sampled institutions

(i) Pre-Matric Scholarship scheme for SC students

Sl. No.	Sampled District	Name of the sampled Institutions
1	Chennai	Govt. Girls Higher Secondary School, Ashok Nagar, Chennai
2		Chennai Girls Higher Secondary School, Pullah Avenue Shenoy Nagar, Chennai
3		Jaigopal Garodia Government Girls Higher Secondary School, Choolaimedu
4		C Kalyanam Girls Higher Secondary School, Chintadripet, Chennai
5		Government Higher Secondary School, Velachery, Chennai
6		Chennai Girls Higher Secondary School, Saidapet, Chennai
7		Chennai High School, Chintadripet, Chennai
8		Guntur Subbiah Pillai T.Nagar Girls Higher Secondary School,
9		Chennai High School, Arathoon Road New Market Farm, Chennai
10		Chennai Higher Secondary School, Palavoyal Salai Ayanavaram, Chennai
11	Coimbatore	Sacred Heart Girls Higher Secondary School, Valparai
12		Government Higher Secondary School, Kinathukkdavu, Pollachi Tk
13		Government Higher Secondary School, Kavundampalayam
14		Government Higher Secondary School, Vagarayampalayam, Coimbatore.
15		St.Josephs Girls Higher Secondary School, Somanur, Coimbatore.
16		Government Tribal Residential High School, Mavuthampathi, Coimbatore
17		Government High School, Arasampalayam, Pollachi
18		Corporation. Higher Secondary School, Rathinapuri, Coimbatore.
19		Government Higher Secondary School, Senjerimalaiyadipalayam, Coimbatore.
20		Government Higher Secondary School, Sarkar Samakulam, Coimbatore.
21	Erode	Government Vinobha Higher Secondary School, Thalavaipettai
22		Komarappa Sengunthar Higher Secondary School, Chennimalai
23		SSVG High School, Kodumudi
24		Government Higher Secondary School, Polavakkalipalayam
25		Government High School, Chikkarasampalayam
26		Government Model Higher Secondary School, Anthiyur
27		Government Higher Secondary School, Minnappalayam
28		Government High School, Kuttipalayam Bhavani Tk, Erode
29		Government Higher Secondary School, Thindal
30		Government Girls Higher Secondary School, -Kavindapadi

Sl. No.	Sampled District	Name of the sampled Institutions
31	Kanniyakumari	St. Josephs Convent Higher Secondary School, Nagercoil
32		ADW Higher Secondary School, Kalingarajapuram
33		Government Higher Secondary School, Rajakkamangalam
34		Amala Convent Higher Secondary School, Thuckalay
35		Government Higher Secondary School, Ezhudesapattu
36		St. Francis Higher Secondary School, Manguli
37		St. Marys Higher Secondary School, Kaliyal
38		LMS Boys Higher Secondary School, Marthandam
39		Government Higher Secondary School, Agasthesswaram
40	Perambalur	Government Higher Secondary School, Srivachur
41		Government Higher Secondary School, Keelapuzhiyur
42		Government Higher Secondary School, Vengalam
43		Government Higher Secondary School, Kurumbalur
44	Tiruchirappalli	Government Higher Secondary School, Thandalaiputhur
45		Government Higher Secondary School, Thuvarankuruchi
46		Government ADW Higher Secondary School, Thiruvasi
47		Government Higher Secondary School, Amoor
48		Government High School, S Kannanur
49		Government High School, V.poosaripatty
50		Government High School, Thinnanur
51	Tirunelveli	Municipal Girls Higher Secondary School, Kallanai Tirunelveli Town
52		Government Girls Higher Secondary School, Sankarankoil
53		Sarah Tucker Higher Secondary School, Palayamkottai
54		N.V.C. Govt. Higher Secondary School, Radhapuram
55		Chatram Bharathi Higher Secondary School, Kadayam
56		Government Higher Secondary School, Vadakkuselianallur
57		S.N.R. Higher Secondary School, Sankarankovil
58		Government Higher Secondary School, Vasudevanallur
59		Balavinayagar High School, Sivagiri
60		Government Higher Secondary School, Parappadi
61	Thoothukudi	Government Girls Higher Secondary School, Kovilpatti
62		Government Higher Secondary School, Kurukkuchalai
63		Kamaraj Higher Secondary School, Nalumavadi
64		Government Higher Secondary School, Ilayarasanendal
65		Government Higher Secondary School, Savalaperi
66		Zubaida Higher Secondary School, Kayalpatnam
67		Government Girls Higher Secondary School, Kayalpattinam
68		Government Higher Secondary School, Kalugumalai
69		Government Higher Secondary School, Padukkapathu
70		Government Higher Secondary School, Pasuvanthanai

(ii) Post Matric Scholarship scheme for SC students

Sl. No.	Sampled District	Name of the sampled Institution
1	Chennai	Dr. Ambedkar Government Arts College, Vyasarpadi
2		Ethiraj College For Women, Chennai
3		Dwaraka Doss Goverdhan Doss Vaishnav College, Chennai
4		Tamil Nadu Physical Education And Sports University, Chennai
5		Panimalar Polytechnic College, Chennai
6		K Arumuga Nadar Girls Higher Secondary School, M.C Road, Chennai
7		St.Gabriels Higher Secondary School, Broadway, Chennai
8		Meston College of Education, Chennai
9		Kerala Vidhayalayam Higher Secondary School, PH Road, Chennai
10		C.S.I St. Ebbas Girls Higher Secondary School, Chennai
11	Coimbatore	Sri Ranganathar Institute of Polytechnic College, Athipalayam Thudiyalur Road, Coimbatore
12		Easa College of Engineering And Technology Navakkarai, Coimbatore
13		Pollachi Institute of Engineering And Technology, Coimbatore
14		R.V.S. Polytechnic College, Kannampalayam, Coimbatore
15		Christ The King Engineering College, Karamadai, Coimbatore
16		Hindusthan Institute of Technology, Othakkalmandapam, Coimbatore
17		PSG Institute of Technology And Applied Research, Neelambur, Coimbatore
18		KMG College of Education, Pollachi, Coimbatore
19		Coimbatore Institute of Technology, Civil Aerodrome Post, Coimbatore
20		Government Girls Higher Secondary School, Valparai
21		Government Higher Secondary School, Oomapalayam, Coimbatore
22		Government Higher Secondary School, Sundakkamuthur, Coimbatore.
23	Erode	Avanashi Goundar Mariammal College of Education, Kollampalayam
24		Sri Vasavi College of Education, Erode
25		Bharathidasan School, of Business, Pallapalayam, Erode
26		Shree Venkateshwara College of Nursing, Othakuthirai, Gobi
27		Bharathidasan College of Arts And Science, Pallapalayam, Erode
28		Government Higher Secondary School, Pasur
29		Government Higher Secondary School, Pasuvapatti
30		Little Flower Mat.Hr.Sec.School, Sathyamangalam
31		Government Higher Secondary School, Vellottamparappu
32		Government Higher Secondary School, Chithode Girls

Sl. No.	Sampled District	Name of the sampled Institution
33	Kanniyakumari	Annai Velankanni College of Engineering, Potalkulam, Azhagappapuram
34		Udhaya Polytechnic, Vellamodi
35		Udhaya Institute of Technology, Udhaya Nagar, Vellamodi
36		Surya Polytechnic, Ammandivilai
37		Bethlagam Institute of Engineering, Karungal
38		Kannyakumari Government Medical College, Asaripallam
39		Stella Marys College of Engineering, Aruthenganvilai, Kalluketti
40		Global College of Nursing, Nattalam
41		Sree Ayyappa College, Chunkankadai
42		Bapuji College of Education, Manavalakurichi
43	Perambalur	Dhanalakshmi Srinivasan Institute of Research And Technology, Perambalur
44		Government Higher Secondary School, Keelapuzhiyur
45		Government Higher Secondary School, Srivachur
46	Tiruchirappalli	Jeevan College of Education, Manapparai
47		Nehru College of Nursing, Tiruchirappalli
48		Anbil Dharmalingam Agricultural And Research Institute, Muthukulam
49	Tirunelveli	M.S University, Abishekapatti
50		Sri K.Ramachandra Naidu Teacher Training Institute, Tirunelveli
51		Pet B.Ed. College ,Valliyoor
52		Rajas Dental College, Tirunelveli
53		PSN College of Engineering And Technology, Melathediyoor, Palayamkottai
54		F.X. Engineering College, Vannarpet
55		P.S.N. Engineering College, Melathediyoor, Palayamkottai
56		SCAD College of Engineering And Technology, Cheramabadevi
57		Devendrar College of Physiotherapy, Ariyakulam
58	Thoothukudi	Jeya Polytechnic College, Servaikaranmadam
59		St.John College of Education
60		Government Polytechnic College, Thoothukudi
61		Rosammal Memorial Minority College of Education For Women, Poopalarayer Puram
62		Sivanthi College of Education, Thoothukudi
63		TDTA Abishekanathar Higher Secondary School, Kulaiyankarisal
64		Crescent Matric Hr Sec School, Thoothukudi
65		Shyamalaa Higher Secondary School, Iluppaiyurani, Kovilpatti
66		Rajalakshmi College of Arts And Science, Vakaikulam
67		Thiru Arul Higher Secondary School, Kulaseharanpatinam

(iii) Pre-Matric Scholarship scheme for ST students

Sl. No.	Sampled District	Name of the sampled Institution
1	Chennai	Jaigopal Garodia Government Girls Higher Secondary School, Virugambakkam
2		Chennai High School, Arumbakkam
3		Government Higher Secondary School, MKB Nagar Vysarpadi Chennai
4	Coimbatore	Government Higher Secondary School, Velliyankadu Coimbatore.
5		Government Tribal Residential High School, Anaikatty Coimbatore
6		Government High School, Tholampalayam
7		Government. Higher Secondary School, Naickenpalayam, Coimbatore.
8		Government Tribal Residential High School, Muttathuvayal, Coimbatore
9	Erode	Government Higher Secondary School, Kalkadambur
10		Government Tribal Residential Higher Secondary School, -Asanur
11		Government Tribal Residential High School, Geddesal Thalvadi Tk
12	Kanniyakumari	ADW Government Higher Secondary School, Pechiparai
13		Holy Family High School, Arukani
14	Perambalur	Government Higher Secondary School, Arumbayur
15		Government Higher Secondary School, Poolambadi
16		Government Higher Secondary School, Ammapalaiam
17	Tiruchirappalli	GTR ADW High School, Sempulichampatti
18		Government Higher Secondary School, Sengattupatty
19		GTR ADW High School, Cinnaliuppur Manalodai
20	Tirunelveli	RNHU Higher Secondary School, Rayagiri
21		Government High School, Papanasa Melanai
22		Government High School, Melasengottai
23	Thoothukudi	Government Girls Higher Secondary School, Kovilpatti
24		S M A GHSS, Siru Thontanallur
25		Kamaraj HSS, Nalumavadi

(iv) Post Matric Scholarship scheme for ST students

Sl. No.	Sampled District	Name of the sampled Institution
1	Chennai	Anna University College of Engineering Guindy Campus, Chennai
2		Government Arts College Nandanam, Chennai
3		Queen Marys College Kamarajar Salai, Chennai
4		Bharathi Womens College, Prakasam Salai, Chennai
5		Pachaiyappis College, Periyar Road, Chennai
6		Aringar Anna Government Higher Secondary School, Urur Adyar Besant Nagar, Chennai
7		Lady Willington Institute of Advance Education, Chennai
8	Coimbatore	Sri Ranganathar Institute of Engineering and Technology
9		Rathinam Technical Campus, Pollachi
10		Sri Ranganathar Institute of Polytechnic college
11		Easa College of Engineering and Technology Navakkarai Coimbatore
12		United Institute of Technology Coimbatore
13		St.Joseph Polytechnic College Coimbatore
14		Sri Subash Arts and Science College Pollachi
15		Government Higher Secondary School, Chinniyampalayam Coimbatore.
16		Suguna Polytechnic College
17		Hindusthan College of Education
18	Erode	JKK Muniraja College of Technology
19		Shree Venkateswara Hi-Tech Engineeting College
20		Nandha College of Technology Erode
21		Nandha Polytechnic College
22		Nandha Engineering College
23	Kanniyakumari	C.S.I Institute of Technology Thovalai
24		Annai Velankani Engineering Potalkulam
25		Moderator Gnanadhasan Polytechnic Nagercoil
26		St.Xaviers Catholic College of Nursing
27		Udhaya Polytechnic Vellamodi
28	Tiruchirappalli	Indira College of Nursing Konalai
29		Mahathma College of Education B.Ed
30		M.A.M.College of Engineering Siruganur
31		Anbil Dharmalingam Agricultural and Research Institute
32		Jeevan College of Education
33		K Ramakrishnan College of Technology Samayapuram

Sl. No.	Sampled District	Name of the sampled Institution
34	Peramballur	Swamy Vivekanandha Polytechnic College- Arumbavur
35		Swami ViVekanada College of Education
36	Tirunelveli	PSN College of Engineering and Technology
37		Sri Ramana Institute of Polytechnic College
38		PSN College of Education
39		Pastor Lenssen Polytechnic
40	Thoothukudi	Unnamalai Institute of Technology Kovilpatti
41		Dr.Sivanthi Adithanar Engg. College Tiruchendur
42		National Engg. College Kovilpatti

(v) State Government's Special Post Matric Scholarship scheme for SCC students

Sl. No.	Sampled District	Name of the sampled Institution
1	Chennai	Loyola- ICAM
2		Siga Polytechnic College
3		Loyola College Nungambakkam
4		C.S.I. Kalyani College of Nursing Chennai
5	Coimbatore	Kalaignar Karunanidhi Institute of Technology Coimbatore
6		RVS College of Engineering and Technology
7		Christ The King Engineering College
8		Hindustan College of Engineering and Technology Coimbatore
9		RVS Technical Campus - Coimbatore
10		Govt.Law College Coimbatore
11		Sree Sakthi Engineering College
12	Erode	Grace College of Education
13		Erode Sengunthar Engineering College
14		Nandha Engineering College
15	Kanniyakumari	The Salvation Army Catherine Booth College of Nursing Kanniyakumari
16		Loyola Institute of Technology and Science
17		Udaya School of Engineering, Vellamody
18		Rohini College of Engineering and Technology, Kanniyakumari
19		Ponjesly College of Engineering
20		Mar Ephraem College of Engneering and Technology
21	Perambalur	DHanalakshmi Srinivasan Engineering College, Perambalur
22		Dhanalakshmi Srinivasan Institute of Research and Technology, Perambalur
23	Tiruchirappalli	M.I.E.T. Engineering College
24		Dhanalakshmi Srinivasan Institute of Technology, Trichy
25		VJP Polytechnic College Sriuganaur- Tiruchirappalli District
26		M.A.M.College of Engineering and Technology, Tiruchy
27		M.I.E.T Polytechnic college
28		Sri Adhisankarar Polytechnic College
29		Vikas Arts And Science College
30	Tirunelveli	F.X. Engineering College
31		SCAD College of Engineering and Technology, Cheranmadevi
32		P.S.N. College of Engineering and Technology
33		CAPE Institute of Technology
34		P.S.N. Engineering College
35		St.Johns Teacher Training Institute for Women Veeravanallur, Tirunelveli
36	Thoothukudi	Dr.G.U.Pope College of Engg Sawyerpuram
37		St.Mother Theresa Engineering college Thoothukudi
38		Jeyaraj Annapackiam CSI. Engg. College Nazereth

Appendix 2.1

(Reference: Paragraphs 2.4.1 and 3.4.1 Pages 11 and 24)

Non-participation of schools in Pre-Matric and Post Matric scholarship schemes for SC/ST students

(a) Pre MS-SC and Pre MS-ST Schemes

Sl. No.	Sampled district	Number of Schools as per EMIS data			Pre MS-SC and Pre MS-ST Schemes					
					Number of Schools participating as per AD & TW database			Percentage of schools not participating		
		2019-20	2020-21	2021-22	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22
1	Chennai	647	650	648	207	242	249	*68*	*63*	*62*
2	Coimbatore	626	633	643	301	314	322	*52*	*50*	*50*
3	Erode	392	394	398	254	285	295	*35*	*28*	*26*
4	Kanniyakumari	466	473	477	171	190	194	*63*	*60*	*59*
5	Perambalur	146	148	149	116	120	128	*21*	*19*	*14*
6	Thoothukudi	320	322	327	170	191	195	*47*	*41*	*40*
7	Tiruchirappalli	497	503	514	346	363	378	*30*	*28*	*26*
8	Tirunelveli	532	544	556	290	337	334	*45*	*38*	*40*
Total		**3,626**	**3,667**	**3,712**	**1,855**	**2,042**	**2,095**	***49***	***44***	***44***
Average		**3,668**			**1,997**			***46***		

(Source: EMIS and AD & TW Database)

(b) PMS-SC and PMS-ST Schemes (Classes XI and XII)

Sl No.	Sampled district	Number of Schools as per EMIS data			PMS-SC and PMS-ST Schemes					
					Number of Schools participating as per AD & TW database			Percentage of schools not participating		
		2019-20	2020-21	2021-22	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22
1	Chennai	470	477	473	194	245	220	*59*	*49*	*53*
2	Coimbatore	406	420	437	217	176	236	*47*	*58*	*46*
3	Erode	237	242	247	174	161	196	*27*	*33*	*21*
4	Kanniyakumari	265	275	277	121	142	136	*54*	*48*	*51*
5	Perambalur	78	79	80	78	64	79	*0*	*19*	*1*
6	Thoothukudi	204	210	215	136	164	156	*33*	*22*	*27*
7	Tiruchirappalli	273	286	290	228	214	252	*16*	*25*	*13*
8	Tirunelveli	339	348	353	199	253	245	*41*	*27*	*31*
Total		**2,272**	**2,337**	**2,372**	**1,347**	**1,419**	**1,520**	***41***	***39***	***36***
Average		**2,327**			**1,429**			***39***		

(Source: EMIS and AD & TW Database)

Appendix 2.2

(Reference: Paragraphs 2.4.4; 3.4.5; 4.4.3 and 5.4.3; Pages 13, 27, 46 and 57)

Year wise dropouts

(a) Pre MS-SC and PMS-SC beneficiaries

Academic Year	Pre MS-SC		PMS-SC	
	Number of beneficiaries	Dropped out/Excluded	Number of beneficiaries	Dropped out/Excluded
2017-18	2,84,497	NA	7,62,636	NA
2018-19	2,56,720	3,557	6,96,037	17,726
2019-20	2,58,435	5,793	6,12,318	6,608
2020-21	2,90,546	3,593	6,54,131	3,269
2021-22	3,06,132	1,050	6,94,558	9,950
2022-23	3,10,581	NA	6,12,023	NA
Total		**13,993**	**-**	**37,553**

(Source: Data analysis of AD & TW Department's Pre MS-SC and PMS-SC Scholarship databases; Annual Action Plan for the years 2021-25)

(b) Pre MS-ST and PMS-ST beneficiaries

Academic year	Pre MS-ST		PMS-ST	
	Number of beneficiaries	Dropped out/Excluded	Number of beneficiaries	Dropped out/Excluded
2017-18	13,864	NA	26,875	-
2018-19	12,057	508	25,612	587
2019-20	13,119	404	22,131	640
2020-21	14,570	1,029	21,383	110
2021-22	14,051	25	26,103	676
2022-23	18,168	NA	23,533	NA
Total		**1,966**	**-**	**2,013**

(Source: Data analysis of AD & TW Department's Pre MS-ST and PMS-ST Scholarship databases)

Appendix 2.3

(Reference: Paragraph 2.4.4; Page 14)

Dropout by Gender, Level of School Education and Social Category

Level of School Education		Upper primary						Secondary					
Social Category	Gender	Academic Year					Average	Academic Year					Average
		2017-18	2018-19	2019-20	2020-21	2021-22		2017-18	2018-19	2019-20	2020-21	2021-22	
ALL INDIA													
General	Girls	3.00	2.78	0.07	0	1.55	1.48	14.81	13.03	10.26	10.45	10.77	11.86
	Boys	2.74	2.27	0	0	1.49	1.30	15.07	13.37	11.59	10.14	11.09	12.25
	Overall	**2.87**	**2.51**	**0**	**0**	**1.51**	**1.38**	**14.94**	**13.21**	**10.95**	**10.29**	**10.94**	**12.07**
SC	Girls	7.14	6.48	4.14	3.61	3.80	5.03	21.47	18.97	17.39	14.63	12.03	16.90
	Boys	6.07	5.62	3.40	3.09	3.33	4.30	22.05	21.32	19.81	15.96	13.03	18.43
	Overall	**6.59**	**6.04**	**3.75**	**3.34**	**3.56**	**4.66**	**21.77**	**20.20**	**18.65**	**15.32**	**12.55**	**17.70**
ST	Girls	6.14	6.46	5.81	4.69	5.70	5.76	21.36	23.38	22.65	19.65	15.33	20.47
	Boys	4.49	6.89	6.30	5.36	6.35	5.88	22.90	26.40	25.64	22.14	17.87	22.99
	Overall	**5.02**	**6.69**	**6.06**	**5.02**	**6.03**	**5.76**	**22.14**	**24.93**	**24.18**	**20.91**	**16.62**	**21.76**
TAMIL NADU													
General	Girls	1.39	15.32	0	0	0	3.34	4.27	12.38	0	0	2.24	3.78
	Boys	1.98	12.29	0	0	0	2.85	9.89	16.39	4.17	0	5.52	7.19
	Overall	**1.70**	**13.76**	**0**	**0**	**0**	**3.09**	**7.16**	**14.43**	**1.40**	**0**	**3.92**	**5.38**
SC	Girls	9.27	0	1.47	0.63	0	2.27	16.81	12.66	8.86	5.20	2.82	9.27
	Boys	8.44	0	1.62	0.64	0	2.14	23.21	25.46	18.35	10.55	7.27	16.97
	Overall	**8.85**	**0**	**1.55**	**0.64**	**0**	**2.21**	**19.99**	**19.11**	**13.66**	**7.90**	**5.08**	**13.151**
ST	Girls	11.51	0	17.48	3.33	0.63	6.59	19.20	17.41	29.01	18.28	8.70	18.52
	Boys	10.21	0	17.73	2.98	0.42	6.27	23.23	21.91	35.41	21.83	10.13	22.50
	Overall	**10.83**	**0**	**17.61**	**3.15**	**0.52**	**6.42**	**21.28**	**19.73**	**32.34**	**20.12**	**9.44**	**20.58**

Appendix 2.4

(Reference: Paragraphs 2.5.2; 3.6.2; 4.6.2; 5.6.2 and 6.2.1; Pages 15, 30, 49, 59 and 65)

(a) Inadmissible scholarship paid to SC students

Source of database analysed	Number of ineligible beneficiaries			Inadmissible Scholarship paid (₹ in lakh)		
	Pre MS-SC	PMS-SC	Total	Pre MS-SC	PMS-SC	Total
AD&TW Department	-	1,558	**1,558**	-	70.03	**70.03**
EMIS	715	910	**1,625**	13.96	20.22	**34.18**
Income Tax return	-	5	**5**	-	6.14	**6.14**
Pension data[1]	5	134	**139**	0.11	66.95	**67.06**
TNeGA	6,141	17,902	**24,043**	131.19	4,031.64	**4,162.83**
Total	**6,861**	**20,509**	**27,370**	**145.26**	**4,194.98**	**4,340.24**

(Source: Audit analysis of various databases obtained from the respective departments)

(b) Inadmissible scholarship paid to ST students

Source of database analysed	Number of ineligible beneficiaries			Inadmissible Scholarship paid (₹ in lakh)		
	Pre MS-ST	PMS-ST	Total	Pre MS-ST	PMS-ST	Total
EMIS	46	44	**80**	1.56	1.19	**2.75**
TNeGA	180	357	**537**	4.46	60.99	**65.45**
Total	**226**	**401**	**617**	**6.02**	**62.18**	**68.20**

(Source: Audit analysis of various databases obtained from the respective departments)

(c) Inadmissible scholarship paid to SCC students

Source of database analysed	Number of ineligible beneficiaries	Inadmissible Scholarship paid (₹ in lakh)
AD&TW Department	268	21.60
Pension data	14	4.25
TNeGA	449	140.69
Total	**731**	**166.54**

(Source: Audit analysis of various databases obtained from the respective departments)

[1] Obtained from the O/o PAG (A&E), Tamil Nadu.

Appendix 2.5

(Reference: Paragraphs 2.6.1 and 3.7.1; Pages 17 and 33)

(a) Delayed payment of scholarships during 2017-23: Pre MS-SC and PMS-SC Scholarships

Delay in months (Range)	2017-18		2018-19		2019-20		2021-22		2022-23	Total	
	Pre MS-SC	PMS-SC	Pre MS-SC	PMS-SC	Pre MS-SC	PMS-SC	Pre MS-SC	PMS-SC	PMS-SC	Pre MS-SC	PMS-SC
0 -1	2,08,009	4,89,394	1,01,004	1,05,701	27,387	81,913	5,443	91,368	28,557	**3,41,843**	**7,96,933**
1-2	28,870	87,867	-	6,897	14,568	2,56,510	-	1,59,053	8,910	**43,438**	**5,19,237**
2-3	15,878	22,473	-	-	-	-	-	9,285	1,252	**15,878**	**33,010**
3-4	11,037	15,891	-	1,06,068	16,287	-	-	6,929	11	**27,324**	**1,28,899**
4-5	7,536	35,727	-	-	7,610	91,807	-	262	-	**15,146**	**1,27,796**
5-6	3,995	50,128	-	72,108	24,088	1,490	-	-	-	**28,083**	**1,23,726**
6-7	-	48,049	-	70,289	-	-	-	-	-	**-**	**1,18,338**
7-8	-	-	-	90,531	32	1,342	-	-	-	**32**	**91,873**
8-9	-	-	-	-	1,760	2,070	-	-	-	**1,760**	**2,070**
11-12	-	-	-	10,382	-	-	-	-	-	**-**	**10,382**
More than one year	-	-	-	42	-	-	-	-	-	**-**	**42**
Total number of instances	**2,75,325**	**7,49,529**	**1,01,004**	**4,62,018**	**91,732**	**4,35,132**	**5,443**	**2,66,897**	**38,730**	**4,73,504**	**19,52,306**
Amount of scholarship (₹ in crore)	**75.24**	**385.69**	**30.70**	**254.16**	**27.75**	**258.29**	**1.56**	**164.81**	**5.34**	**135.25**	**1,068.29**

(Source: Data analysis of AD&TW Department's Scholarship database)

(b) Delayed payment of scholarships in sampled districts - SC beneficiaries

Sl. No.	Sampled District	Number of sampled				Total amount of Scholarship delayed (₹ in lakh)	
		Institutions		Students			
		Pre MS-SC	PMS-SC	Pre MS-SC	PMS-SC	Pre MS-SC	PMS-SC
1	Chennai	10	10	1,887	6,973	53.16	5.87
2	Coimbatore	10	12	808	5,458	22.36	25.42
3	Erode	10	10	697	1,031	20.25	2.25
4	Kanniyakumari	9	10	274	2,377	7.66	11.35
5	Perambalur	4	3	532	921	14.89	4.26
6	Thoothukudi	10	10	1,003	1,616	27.99	3.41
7	Tiruchirappalli	7	3	560	975	15.82	4.28
8	Tirunelveli	7	9	2,276	7,416	66.45	49.54
	Total	**67**	**67**	**8,037**	**26,767**	**228.58**	**106.38**

(Source: Data analysis of AD & TW Department's Scholarship database)

Appendix 2.6

(Reference: Paragraphs 2.6.2; 3.7.2; 4.7.2 and 5.7.2;

Pages 18, 33, 51 and 60)

Undisbursed scholarship due to issues in students' bank accounts in sampled districts

(a) Pre MS-SC and PMS-SC

(₹ in lakh)

Sl. No.	Sampled District	Pre MS-SC			PMS-SC		
		Number of		Amount	Number of		Amount
		Sampled institutions	Students		Sampled institutions	Students	
1	Chennai	10	668	16.56	10	345	18.37
2	Coimbatore	10	235	5.99	11	266	12.81
3	Erode	10	69	1.66	8	33	1.59
4	Kanniyakumari	7	51	1.33	9	136	8.45
5	Perambalur	4	25	0.61	3	165	13.13
6	Thoothukudi	7	96	2.41	7	35	1.41
7	Tiruchirappalli	7	61	1.59	3	31	2.38
8	Tirunelveli	8	191	5.24	10	182	18.57
Total		**63**	**1,396**	**35.39**	**61**	**1,193**	**76.71**

(Source: Data analysis of AD & TW Department's Scholarship database)

(b) Pre MS-ST and PMS-ST

(₹ in lakh)

Sl. No.	Sampled District	Pre MS-ST			PMS-ST		
		Number of		Amount	Number of		Amount
		Sampled institutions	Students		Sampled institutions	Students	
1	Chennai	2	14	0.36	7	187	14.69
2	Coimbatore	6	107	2.40	10	61	5.48
3	Erode	3	113	2.91	4	27	2.21
4	Kanniyakumari	2	26	0.75	5	22	2.27
5	Perambalur	3	34	0.98	-	-	-
6	Thoothukudi	1	1	0.02	3	8	1.80
7	Tiruchirappalli	3	166	4.50	2	2	0.15
8	Tirunelveli	2	20	0.48	1	1	0.12
Total		**22**	**481**	**12.40**	**32**	**308**	**26.72**

(Source: Data analysis of AD & TW Department's Scholarship database)

Appendix 3.1

(Reference: Paragraph 3.6.3; Page 32)

Details of students admitted under management quota before publishing of Rank List and scholarship disbursed

Batch	Date of Rank list published by Consortium	Year	Number of students who joined before publication of rank list	Scholarship amount disbursed (₹ in crore)
2018-19 to 2021-22	16-07-2018	2018-19	2,281*	13.54
		2019-20	1,908	11.47
		2020-21	1,601	9.45
		2021-22	1,530	9.21
2019-20 to 2022-23	15-07-2019	2019-20	1,078*	6.37
		2020-21	1,009	5.91
		2021-22	852	5.12
2020-21 to 2023-24	16-09-2020	2020-21	1,667*	9.33
		2021-22	1,475	8.64
2021-22 to 2024-25	28-09-2021	2021-22	3,093*	16.76
Total (Number of fresh admissions)			**8,119**	
Total instances of getting scholarship			**16,494**	**95.80**

* No. of fresh admissions.

(Source: Data analysis of AD & TW Department's scholarship database)

Appendix 3.2

(Reference: Paragraphs 3.9.3; 5.9.2 and 6.5.1; Pages 40, 62 and 71)

Availment of Post Matric Scholarship and Ph.D. Incentive by SC/ST/SCC beneficiary students

(₹ in lakh)

Year	Number of Students	PMS Scholarship	Ph.D. Scholarship
(a) PMS-SC beneficiaries			
2017-18	199	24.80	99.50
2018-19	142	20.11	71.00
2019-20	93	13.89	46.50
2020-21	60	8.62	30.00
2021-22	183	45.12	183.00
2022-23	31	4.65	31.00
Total	**708**	**117.19**	**461.00**
(b) PMS-ST beneficiaries			
2017-18	4	0.49	2.00
2018-19	2	0.56	1.00
2019-20	1	0.10	0.50
2020-21	1	0.07	0.50
Total	**8**	**1.22**	**4.00**
(c) PMS-SCC beneficiaries			
2018-19	2	0.06	1.00
2021-22	9	2.00	9.00
Total	**11**	**2.06**	**10.00**

(Source: Data analysis of PMS-SC/ST/SCC scholarship data and Ph.D. scholarship data)

Appendix 4.1

(Reference: Paragraphs 4.7.1 and 5.7.1; Pages 50 and 60)

(a) Delayed payment of scholarships during 2017-23: Pre MS-ST and PMS-ST Scholarships

Delay in Months	2017-18		2018-19		2019-20		2021-22	Total	
	Pre MS-ST	PMS-ST	Pre MS-ST	PMS-ST	Pre MS-ST	PMS-ST	Pre MS-ST	Pre MS-ST	PMS-ST
0 -1	8,536	14,251	-	-	-	-	-	8,536	14,251
1-2	1,492	2,496	2,173	2,871	-	9,656	736	4,401	15,023
2-3	1,530	1,371	-	2,136	-	-	3,691	5,221	3,507
3-4	494	291	-	259	-	-	11,070	11,564	550
4-5	98	701	-	485	228	-	170	496	1,186
5-6	331	1,713	-	2,723	8,104	6,199	-	8,435	10,635
6-7	-	1,405	-	4,188	14	-	-	14	5,593
7-8	-	-	-	-	1,493	9	-	1,493	9
8-9	-	-	-	-	3	4,428	-	3	4,428
9-10	-	-	-	525	157	34	-	157	559
10-11	-	-	-	-	-	-	-	-	-
11-12	-	-	-	-	-	-	-	-	-
More than one year	-	-	-	1,113	-	-	-	-	1,113
Total (Number of instances)	12,481	22,228	2,173	14,300	9,999	20,326	15,667	40,320	56,854
Scholarship amount (₹ in crore)	2.91	42.63	0.49	35.61	2.38	40.43	4.58	10.36	118.67
Total Scholarship amount (₹ in crore)								129.03	

(b) Delayed payment of scholarships in sampled districts - ST beneficiaries

Sl. No.	Sampled District	Number of sampled				Total amount of Scholarship delayed (₹ in lakh)	
		Institutions		Students			
		Pre MS-ST	PMS-ST	Pre MS-ST	PMS-ST	Pre MS-ST	PMS-ST
1	Chennai	3	1	19	1	**0.47**	**0.03**
2	Coimbatore	5	10	346	267	**8.31**	**161.87**
3	Erode	3	5	152	86	**3.86**	**55.26**
4	Kanniyakumari	2	5	110	133	**2.62**	**86.78**
5	Perambalur	3	2	108	59	**2.61**	**22.47**
6	Thoothukudi	2	3	13	10	**0.29**	**6.11**
7	Tiruchirappalli	3	6	299	47	**7.32**	**21.54**
8	Tirunelveli	3	4	26	30	**0.62**	**13.25**
Total		**24**	**36**	**1,073**	**633**	**26.10**	**367.31**

(Source: Data analysis of AD & TW Department's Scholarship database)

Appendix 6.1

(Reference: Paragraph 6.1; Page 63)

Physical and Financial progress of State Sponsored Scholarship Schemes

(₹ in crore)

Sl. No.	Name of the Scholarship Scheme	2017-18		2018-19		2019-20		2020-21		2021-22		2022-23		Total	
		Number of beneficiaries (Physical)	Expenditure (Financial)	Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial
1	State Government's Special PMS	32,854	75.22	29,566	82.74	28,629	128.78	27,875	68.11	28,336	76.06	23,623	76.20	**1,70,883**	**507.11**
2	Higher Education Special Scholarship Scheme	27,752	21.30	22,800	18.19	15,642	12.24	7,633	5.94	8,181	6.43	15,053	10.00	**97,061**	**74.10**
3	Admission of students in Reputed Schools in Classes VI to XII														
	(a) Classes VI to X	2,066	11.52	2,001	12.18	2,006	12.78	1,931	10.16	1,836	8.70	0	0	**9,840**	**55.34**
	(b) Classes XI & XII	567	1.30	522	1.18	498	1.15	444	0.79	220	0.44	0	0	**2,251**	**4.86**
4	Incentive to Full time Ph.D. Scholars	1,139	5.70	1,200	6.00	1,156	5.80	1,124	5.62	1,425	14.25	1,554	15.54	**7,598**	**52.91**
5	Special Incentive Scheme for Girl Students	5,20,563	48.63	4,93,142	46.80	4,54,872	43.14	3,99,679	38.40	3,98,275	37.14	4,52,043	43.44	**27,18,574**	**257.55**

(Source: Performance Budgets of AD & TW Department for the FYs 2022-23, 2023-24 and 2024-25)

Glossary of Abbreviations

Abbreviations	Full Form
AAP	Annual Action Plan
AD&TW department	Adi Dravidar and Tribal Welfare Department
AIPA	All India PA
CA	Central Assistance
CAG	Comptroller and Auditor General of India
CLTD	Corporate Liquid Term Deposit
CoE	Controller of Examinations
CoTE	Commissioner of Technical Education
CSO	Civil Society Organisation
CSS	Centrally Sponsored Schemes
DADTWOs	District Adi Dravidar and Tribal Welfare officers
DADW	Director of Adi Dravidar Welfare
DoTE	Directorate of Technical Education
Dte of ADW	Directorate of Adi Dravidar Welfare
Dte of TW	Directorate of Tribal Welfare
DTW	Director of Tribal Welfare
EMIS	Educational Management Information System
FC	Finance Commission
FFC	Fee Fixation Committee
FGG concession	First Generation Graduate Tuition Fee Concession
GER	Gross Enrolment Ratio
GoTN	Government of Tamil Nadu
HESS	Higher Education Special Scholarship
MoSJE	Ministry of Social Justice and Empowerment
MoTA	Ministry of Tribal Affairs
NIC	National Information Centre
PA	Performance Audit
PMS-SC	Post Matric Scholarship to Scheduled Caste Students
PMS-ST	Post Matric Scholarship to Scheduled Tribe Students
Pre MS-SC	Pre-Matric Scholarship to Scheduled Caste Students
Pre MS-ST	Pre-Matric Scholarship to Scheduled Tribe Students

Abbreviations	Full Form
SC	Scheduled Caste
SCC	Adi Dravidar converted to Christianity
SE	School Education
SNA	Single Nodal Agency
SPMS Scheme	Special Post Matric Scholarship Scheme
ST	Scheduled Tribe
TNeGA	Tamil Nadu e-Governance Agency
UMIS	University Management Information System

http://www.cag.gov.in/ag1/tamil-nadu/en