

CHAPTER VI SCHOLARSHIP SCHEMES FOR MINORITY STUDENTS - PRE AND POST-MATRIC

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

6.1. Eligibility for claiming scholarship

The conditions of eligibility for claiming scholarship under Centrally sponsored Pre-Matric schemes for Minority students are given in **Table 6.1**.

Table 6.1: Conditions of eligibility for claiming Centrally sponsored Pre-Matric scholarship for Minority students

Eligibility	<p>Minority students belonging to Muslim, Sikh, Christian, Buddhist, Jain and Zoroastrian (Parsis) who secure marks not less than 50 <i>per cent</i> in the previous final examination. The number of scholarships for fresh applicants was fixed by the Ministry of Minority Affairs (MoMA) for each State, based on the population of minorities in the State.</p> <p>Students whose parents/ guardians' income from all sources does not exceed ₹ one lakh.</p> <p>Thirty <i>per cent</i> of the scholarship was earmarked for girl students of each minority community.</p>		
For study in	1 to X Classes in Government or private schools including such residential government institutes selected and notified in a transparent manner by the State Government		
Scholarship Components	Item	Rate	
	Admission + Tuition fee	For classes VI to X (both Hosteller and Day Scholar) Admission fee: ₹500 per annum subject to actuals Tuition fee: ₹350 per month subject to actuals	
	Maintenance Allowance (for 10 months in an academic year)	For classes I to V: ₹100 per month for Day Scholar For classes VI to X: ₹600 per month for Hosteller ₹100 per month for Day Scholar	

The conditions of eligibility for claiming scholarship under Centrally sponsored Post-Matric schemes for Minority students are given in **Table 6.2**.

Table 6.2: Conditions of eligibility for claiming Centrally sponsored Post-Matric scholarship for Minorities

Eligibility	Minority students belonging to Muslim, Sikh, Christian, Buddhist, Jain and Zoroastrian (Parsis) who secure marks not less than 50 <i>per cent</i> in the previous final examination. The number of scholarships for fresh applicants was fixed by MoMA for each State based on the population of minorities in the State. Students whose parents/ guardians' income from all sources does not exceed ₹two lakh. Thirty <i>per cent</i> of the scholarship was earmarked for girl students of each minority community.	
For study in	Government or private Higher Secondary Schools/ Colleges/ Universities, except courses which are of duration less than one year or certificate courses.	
Scholarship Components	Item	Rate
	Admission + Tuition Fee	For Classes XI and XII (both Hosteller and Day Scholar) Admission and Tuition Fee: ₹7000 per annum subject to actuals
		Admission and Course/Tuition Fee for technical and vocational courses of XI and XII level (one year or more duration) – ₹10,000 per annum subject to actuals (both Hosteller and Day Scholar)
		Admission and Tuition Fee for UG and PG level ₹3000 per annum subject to actuals (both Hosteller and Day Scholar)
Maintenance Allowance (for 10 months in an academic year)	For classes XI to XII including Technical and Vocational Course: ₹380 per month for Hosteller and ₹230 per month for Day Scholar	
	For courses other than Technical and Professional at UG and PG level: ₹570 per month for Hosteller and ₹300 per month for Day Scholar	
	For M.Phil and Ph.D: ₹1200 per month for Hosteller and ₹550 per month for Day Scholar	

The conditions of eligibility for claiming scholarship under State scholarship for Minority students are given in **Table 6.3**.

Table 6.3: Conditions of eligibility for claiming State Post-Matric scholarship for Minority students

Eligibility: Minority students belonging to Muslim, Sikh, Christian, Buddhist, Jain and Zoroastrian (Parsi); Annual family income should be less than ₹ eight lakh.

Name of Scholarship	Beneficiary group	Amount of scholarship
Prof. Joseph Mundassery scholarship for talented minority students	SSLC/ Plus Two/ VHSE/ THSLC Full A+ grade	₹10000
	Undergraduate – 80 <i>per cent</i> marks	₹15000
	Post Graduate – 75 <i>per cent</i> marks	
Scholarship for students studying abroad	For study in selected foreign universities for UG/ PG/ Ph.D courses; Age limit 45 years; Not below 60 <i>per cent</i> marks; preference for BPL category students	Maximum amount ₹10 lakh
CH Muhammed Koya scholarship	Under graduate – 3000 Nos.	₹5000 p.a
	Post graduate – 1000 Nos.	₹6000 p.a
	Professional courses – 1000 Nos.	₹7000 p.a
	Hostellers- 2000 Nos.	₹13000
Dr. APJ Abdul Kalam scholarship	Three-year Diploma courses in Government/ Aided/ Government approved self-financing Polytechnics and students of self-financing polytechnic colleges who got admission on merit basis	Maximum ₹6000
Mother Teresa scholarship	Nursing Diploma/ Paramedical courses in Government/ Aided colleges and merit quota in Self-financing colleges	Maximum ₹15000

6.2. Procedure/ Process flow

The Centrally sponsored Pre and Post-Matric scholarship schemes for students belonging to Minority communities were implemented through the State Government and State Government was responsible for inviting applications from students, checking eligibility, verifying and transferring of scholarship to eligible minority students directly to their bank accounts. Audit scrutiny aimed to examine whether the schemes were implemented effectively to ensure timely disbursement of scholarship to eligible beneficiaries. The responsibility for implementation of the Centrally sponsored Pre-Matric scheme for Minorities at State level was vested with the Director of General Education (DGE) and that of Post-Matric scheme with the Director of Collegiate Education (DCE). In Pre-Matric scheme, DGE, the State Nodal Office and Nodal Officer in the Institution were responsible for the implementation of the scheme. Audit observations in respect of the implementation of the schemes are as follows:

6.3. Planning and financial management

Pre-Matric and Post-Matric Central scholarship schemes for Minority communities were fully funded by Central Government. Central Government disbursed the scholarship directly to the bank accounts of the eligible minority students. Hence, no release was made from Central to State except for Administrative fund¹⁰¹. In addition, GoK also provided State Post-Matric scholarship for Minorities, the details of which are discussed in subsequent paragraphs in this chapter.

6.3.1. Physical and Financial Progress in Minority scholarship schemes

Year-wise details of fresh scholarships and renewal of scholarships in the State from 2017-18 to 2021-22 in both Pre-Matric and Post-Matric scholarship schemes are shown in **Table 6.4**.

Table 6.4: Year-wise details of fresh applications and renewals in Central Pre/ Post-Matric scholarship schemes

Pre-Matric scholarships					
Year	Number of applications received (Fresh)	Number of students who actually received scholarship ¹⁰² (Fresh)	Renewal	Total expenditure (Fresh + renewal) (₹ in crore)	
2017-18	460646	273918	283360	66.87	
2018-19	466608	243935	329841	70.99	
2019-20	403915	256511	337020	74.80	
2020-21	503765	298050	301645	74.40	
2021-22	349701	266031	371819	78.84	

¹⁰¹ In the case of Post-Matric Central scheme only administrative expense was released to State as scholarship was disbursed directly to the bank accounts of the students.

¹⁰² More scholarships could be given under Pre/ Post-Matric schemes as the Guidelines stipulate that if the physical target of scholarship for a particular Minority community in a State was not achieved, excess fund would be distributed among the same Minority community in other States.

Post-Matric scholarships				
Year	Number of applications received (Fresh)	Number of students who actually received scholarship (Fresh)	Renewal	Total expenditure (Fresh + renewal) (₹ in crore)
2017-18	92853	40070	23014	30.38
2018-19	107981	41137	24738	30.36
2019-20	93455	42575	23060	32.68
2020-21	125362	44159	23425	31.80
2021-22	110125	45648	28649	37.57

(Source: Website of MoMA and information received from DGE and DCE)

The audit observations in respect of management of funds and implementation of the schemes have been discussed in the subsequent paragraphs.

6.3.2. Irregular management of Centrally sponsored Pre-Matric Minority scholarship fund

During the year 2014-15, the Ministry released ₹85.39 crore including administrative expenditure for that period to the State for Pre-Matric Minority scholarship scheme for disbursement among 8,45,465 beneficiaries. The DGE, stated that the scholarship for 3.52 lakh children amounting to ₹35.24 crore could not be disbursed in 2014-15 due to discrepancies in account details submitted by the applicants on shifting to Direct Beneficiary Transfer (DBT) mode. By June 2016, scholarship was disbursed to 2.65 lakh students and later in March 2022, 55,590 students were also given scholarship. As of March 2023, 31,908 beneficiaries were yet to be given the scholarship. Central Government directed (December 2020 and January 2022) DGE, to surrender the unspent balance amounts released up to 31 March 2019 for implementation of Pre-Matric scholarship scheme. However, DGE retained the unspent balance of the scheme sanctioned in 2014-15 and the interest thereon in the savings bank account with SBI. Audit noticed irregular management of the balance amount of Pre-Matric scheme as detailed in the succeeding paragraphs. Government stated (June 2023) that further 8,954 students were also sanctioned scholarship on 16 May 2023 and action was initiated to refund the balance amount to the Central Government.

6.3.2.1. Non-reconciliation of bank account with departmental account

There was a closing balance of ₹8.78 crore as on 31 March 2022 in the SB account of Director of General Education. The DGE maintained a cheque issue register for recording the withdrawals from the bank account. However, Audit noticed that neither the receipt of deposits, interest credited, refund received nor return of scholarship amount were recorded in the register. The closing balance was not seen worked out. As the Departmental account for bank transactions was not maintained, the reconciliation with bank account was not possible. In the absence of Departmental account and bank reconciliation statement, the correctness of the balance amount could not be ensured and chances of non-detection of missing credits/ fraudulent withdrawals could not be ruled out.

Government replied (June 2023) that action would be taken to reconcile the account.

6.3.2.2. *Diversion of scholarship fund for other purposes*

GoK accorded Administrative Sanction (August 2019) for the purchase of two new Toyota Innova Crysta cars for official use at the Office of the DGE for an amount of ₹40.28 lakh from the scholarship fund and the vehicles were purchased in September 2019. An amount of ₹10.58 lakh was incurred for fuel, maintenance, insurance and for accessories of these vehicles from September 2019 to March 2022. This was in addition to ₹40.14 lakh incurred on hire charges of three vehicles for the use of DGE's Office and Department of Education, GoK for the period from 2017-18 to 2021-22. Funds to the tune of ₹10.98 lakh were also diverted for conducting National Means-cum-Merit scholarship examination and purchase of AC, iPads, television and mobile phones. State Nodal Officer replied (January 2023) that the purchase of cars and other expenses was made from the scholarship fund invoking the provision of one *per cent* administrative and allied cost which could be utilised for administrative purposes.

Government replied (June 2023) that the amount required for distribution of scholarships was not utilised for administrative expenditure and that the amount was kept in the scholarship account. The cars were purchased after obtaining Government sanction and it was for the purpose of monitoring the scholarship schemes implemented in the State.

The reply of Government is contradictory to that furnished by the State Nodal Officer. The guideline of the Pre-Matric scheme stipulates that the provision for administrative expenses was specifically for expenditure of the States on office equipment including computers and accessories, furniture, printing of application forms, advertisement, engagement of qualified personnel, etc. Further, Audit observed that ₹84.54 lakh sanctioned by Central Government for administrative expenses in 2014-15 was already utilised¹⁰³ and no sanction/permission was obtained from Central Government for the utilisation of the fund and interest accrued in it for other purposes. Further, utilisation certificate with audited statement of expenditure was also not submitted to Central Government.

6.3.2.3. *Advances pending settlement*

Audit noticed that during the period 2017-18 to 2021-22, the DGE authorised sanction for drawing advance amounting to ₹347.04 lakh from the scholarship account for meeting other expenses¹⁰⁴. The DGE did not maintain Register of advances to record the details and watch the timely recoupment of advances. As per the details furnished (May 2023) by the Department, the advances made from the fund were recouped after one to 28 months, which resulted in temporary diversion and loss of interest. It was also noticed that an amount of ₹42.50 lakh given as advance for conducting National Means-cum-Merit scholarship examination in January 2021 was yet to be recouped (May 2023).

¹⁰³ for the payment to contract staff engaged in data entry, purchase of computers, providing internet facility for section dealing with scholarship and for advertisements.

¹⁰⁴ including State school athletic meet, aquatic and other zonal championships, State school games, mid-day meal scheme, conduct of workshops and training etc.

Advances were also made from the scholarship fund for meeting office expenses and an amount of ₹6.62 lakh was pending recovery from two officials who had retired. State Nodal Officer replied (May 2023) that the amount to be reimbursed to scholarship fund was recalculated as ₹4.06 lakh after adjusting the bills/ vouchers submitted to that office and action would be initiated to recover and adjust the amount from the Death cum Retirement Gratuity of the officials.

Government replied (June 2023) that amounts were sanctioned from the scholarship fund as loans for the conduct of important activities or projects of the Department and were remitted back to the scholarship fund when funds were available in the respective heads. It was also stated that subsequent to Audit observation on non-maintenance of Register of advances, the Department has started maintaining the register. It was stated that the amount utilised for conducting the examination was now received from the Central Education Ministry and would be credited to the account of Minority Pre-Matric scholarship. It was also stated that advance amount of ₹4.06 lakh was yet to be recovered.

6.3.2.4. Payment of special remuneration without Government Sanction

Centrally sponsored Pre-Matric scholarship for Minorities was dealt with by the Scholarship section of DGE's office under the monitoring of Additional Director (Academic). Audit noticed that DGE sanctioned and authorised the payment of ₹5.06 lakh from the scholarship account for providing special remuneration to the regular staff from clerks to DGE, in addition to their salary and other allowances on three occasions¹⁰⁵.

Government replied (June 2023), that such allowances were not given after 2019-20 and will not be granted in future. However, Audit observed that payment of special remuneration to the regular staff of DGE's office was made without obtaining approval or sanction from Central Government or GoK.

6.3.3. Non-claiming of administrative expenses by the State

In Centrally sponsored Pre-Matric minority scholarship scheme, an amount not exceeding one *per cent* of total Central expenditure towards the scheme could be utilised on administrative expenditure and allied costs *viz.*, office equipment, advertisement, engagement of personnel, etc. Similarly, in the case of Post-Matric Minority scheme, an amount not exceeding two *per cent* of the total Central expenditure could be utilised to meet the administrative and allied costs *viz.*, expenditure of the States/ Union Territories and the Ministry for office equipment including computers and accessories, furniture, printing of application forms, advertisements, engagement of personnel, etc. Audit noticed that,

- Under Pre-Matric Minority scholarship scheme, fund for administrative expenses due for the State during the period 2017-22

¹⁰⁵ in June 2017, June 2018 and April 2019.

was ₹365.90 lakh. The fund sanctioned for disbursement of scholarship for the year 2014-15 was not completely utilised due to shifting to DBT mode. DGE could not claim the amount for administrative expenses for the period 2017-22 from Central Government due to non-submission of utilisation certificate in respect of the fund released in 2014-15 for disbursement of scholarship.

In the case of Post-Matric Minority scholarship scheme, the State Nodal Authority (SNA) did not receive fund for administrative expenses for the years 2017-18 and 2018-19 since the State had an unspent balance of ₹17.31 lakh relating to the year 2016-17. The unspent balance of ₹17.31 lakh was adjusted against grants payable in 2017-18 and 2018-19. MoMA sanctioned (June 2019) administrative expense of ₹4.62 lakh for the year 2019-20, the utilisation certificate of which was to be furnished to Central Government within three months from the close of the financial year 2019-20. Audit observed that this amount was released to SNA by GoK only in March 2021¹⁰⁶ after a delay of 21 months from the date of receipt of the fund. Due to the delay in transfer of the amount to its account by GoK, SNA could not utilise the administrative expenses sanctioned for the year 2019-20 and the amount was surrendered to MoMA (August 2021) as per Central Government direction. Regarding the delay in transferring administrative fund, DCE replied in the Exit Conference (May 2023) that in spite of request and repeated reminders sent to Government Treasury, fund was not received in time due to Covid and other financial restrictions. However, the fact remains that the delay in transferring the fund for administrative expenses by the State Government to the account of the SNA resulted in surrender of Central assistance.

6.4. Implementation of schemes

6.4.1. Non-processing of scholarship applications at institutions - Central Pre/ Post-Matric scholarships for Minorities

Centrally sponsored Pre/ Post-Matric scholarships for Minorities were managed through the National Scholarship Portal (NSP) of NIC. As a first step, the student was to register and submit the application in the NSP. Thereafter the application was to be verified at the institutional level, after which further processing of application was to be done at the State level and submitted to Centre for granting and transferring of scholarship to the student. Director of General Education was the authority at the State level for processing the Pre-Matric scholarship applications and Director of Collegiate Education (DCE) was the State level authority for processing the Post-Matric applications.

¹⁰⁶ Central Government directed (November 2020) SNA to submit the UC and to inform the status of ₹4.62 lakh sanctioned in June 2019. On receipt of direction from Central Government, SNA requested GoK to transfer the amount to its bank account.

Audit verified the NSP data to check whether the applications submitted by the students were processed by authorities concerned in time. Audit observations in this regard are as follows:

On verification of the data pertaining to Pre/Post-Matric scholarship applications (2017-20), it was seen that in the selected districts, a total¹⁰⁷ of 8,464 registered fresh Pre-Matric applications and 7,817 registered fresh Post-Matric applications¹⁰⁸ were pending with the institutions concerned for verification and further processing as shown in **Table 6.5**.

Table 6.5: Registered fresh applications pending with institutions for verification

Pre-Matric scholarship				
District	2017-18	2018-19	2019-20	Total
Ernakulam	508	904	794	2206
Kollam	489	530	760	1779
Kozhikode	911	1292	1427	3630
Wayanad	197	370	282	849
Total	2105	3096	3263	8464
Post-Matric scholarship				
District	2017-18	2018-19	2019-20	Total
Ernakulam	708	924	1086	2718
Kollam	450	603	607	1660
Kozhikode	624	849	1169	2642
Wayanad	242	260	295	797
Total	2024	2636	3157	7817

(Source: NSP data for the period 2017-18 to 2019-20)

Students were to register in the portal and submit application as per the timeline fixed every year by MoMA. It was observed that in all the selected districts, the number of applications pending with the institutions generally showed an increasing trend.

Audit test-checked pending Pre-Matric applications in selected institutions¹⁰⁹ and institutional authorities stated that in 128 cases, applications were not approved due to non-submission of applications and documents in hard copies, in 25 cases, students were not part of the institution, in four cases, students received another scholarship and in one case, student was ineligible. In 57 cases which were not processed by the institutions, no specific reply was furnished to Audit.

Audit test-checked pending Post-Matric applications in selected institutions¹¹⁰ and institutional authorities stated that 336 applications were not approved due to non-submission of applications and documents in hard copies, 55 applications were submitted late by the students, 70 applications were processed later, seven applications were defective and one each related to clerical error, availing of another scholarship and student not part of the institution.

¹⁰⁷ Total Pre-Matric Minority (Central) applications in four selected districts was 3,66,647.

¹⁰⁸ Total Post-Matric Minority (Central) applications in four selected districts was 85,900.

¹⁰⁹ 215 cases were seen in 29 selected institutions in four selected districts.

¹¹⁰ 471 cases were seen in 32 selected institutions in four selected districts.

Further, the beneficiary survey revealed that 278 out of 313 Minority students have not received the scholarship at the beginning of the academic year. Delayed disbursement of scholarship would result in non-receipt of admission fee, maintenance allowance etc. at the beginning of the academic year, thus depriving the students from availing the benefits of the scheme.

Government stated (May, June 2023) that the applications submitted by students were available for verification at State level only on completion of verification at institutional level and that the institution could return the application without keeping it pending at their level, if the student had not fulfilled the eligibility criteria or had not submitted the required supporting documents. It was further stated that despite instructions/ notifications given by the MoMA/ State Level Nodal Office to ensure that no application remained unverified at the institutional level after the stipulated date, many such instances were noticed. It was also informed that from 2022-23, communication was initiated from NSP by sending an automated alert message to the registered mobile numbers of students and Nodal Officers of the institutions, informing the pendency of applications at student/ institutional level.

The reply of Government substantiates the audit point that lapses in processing of applications persist at institutional level. Audit observed that non-processing of application at institutional level resulted in non-receipt of scholarship by students.

6.4.2. Non-processing of scholarship applications at institutions - State Post-Matric scholarships for Minorities

The State scholarships such as Prof. Joseph Mundassery scholarship award, Mother Teresa scholarship (MTS), A. P. J. Abdul Kalam scholarship (APJAK), C. H Muhammed Koya scholarship (CHMS) and scholarship to Minority students for higher studies abroad were managed by the Directorate of Minority Welfare, GoK through the dcescholarship portal developed by NIC.

The application for scholarship was first approved by the institution and thereafter by the Directorate of Minority Welfare. The number of scholarships was fixed and the beneficiaries were selected on the basis of certain criteria (annual family income, marks etc.) enunciated in the Guidelines for scholarship. However, on scrutiny of data in the dcescholarship portal it was seen that the verification of scholarship applications was not done at the institutions for further processing and granting of scholarship. It was seen that 4151 scholarship applications¹¹¹ submitted by the students during 2017-18 to 2021-22 were pending without verification as shown in **Table 6.6**.

¹¹¹ Total of Post-Matric Minority (State) applications was 17,221.

Table 6.6: Scholarship applications pending due to non-verification at institutions (Minority State scheme)

District	Scholarship	2017	2018	2019	2020	2021	Total
Ernakulam	APJAK	0	53	80	96	122	351
	CHMS	126	205	111	330	233	1005
	MTS	0	6	8	24	8	46
Kollam	APJAK	0	18	8	27	20	73
	CHMS	39	97	47	160	95	438
	MTS	0	12	8	1	7	28
Kozhikode	APJAK	0	48	13	56	37	154
	CHMS	237	391	215	518	288	1649
	MTS	0	19	17	11	4	51
Wayanad	APJAK	0	47	42	21	23	133
	CHMS	21	45	53	83	19	221
	MTS	0	0	1	0	1	2

(Source: dcescholarship data provided by NIC)

Audit test-checked the pending Post-Matric applications in selected institutions¹¹² and the institutional authorities stated that 389 applications were not approved due to non-submission of applications and documents in hard copies, 56 students applied for scholarship in NSP and hence not verified¹¹³, 34 applicants received another scholarship, nine cases were not pertaining to the institution and one application was not seen in the portal.

Government replied (June 2023) that based on the audit findings, explanation was sought from delinquent officers and final reply would be submitted to Audit after verifying the Action Taken Report. Government has not furnished reply to Audit till date (February 2024).

Non-verification of application at institutional level pointed to the laxity of the institutions in processing the applications.

6.4.3. Students applying as fresh candidates more than once during the course period - Centrally sponsored Pre and Post-Matric schemes

The procedure stipulated in the Guidelines of both the schemes for selection of students applying for fresh and renewal of scholarship were as given below:

- Fresh applications- As the number of scholarships for minorities available in a year was fixed and limited, it was necessary to lay down preference for selection. *Inter-se* selection weightage was to be given to poverty rather than marks (the applicant was required to submit an income certificate). In the case of same income, age was used as the criteria for selection of students.
- Renewal applications- There was no merit list generation for renewal. Renewal applicant was entitled to scholarship on obtaining 50 per cent

¹¹² 489 cases were seen in 16 selected institutions in the four selected districts.

¹¹³ As the student was eligible for only one minority scholarship in an academic year, the institution should have accepted/ rejected the application instead of keeping it pending in the dcescholarship portal.

marks in the previous year's examination at the same institution and in same course, and the application was verified by all authorities (as designated by MoMA) and approved by State Government.

Thus, candidates who applied as fresh applicants during a course period in an institution were to renew the scholarship in the subsequent years. The number of fresh scholarships given in a year was limited and fixed. However, for renewal, the number of scholarships was not fixed and all candidates who received scholarship as fresh candidates in the previous year were eligible for getting scholarship in the subsequent years, subject to the condition stated in the previous paragraph. Thus, repeated applications by a student as a fresh applicant instead of renewal applicant during the course period, results in denial of opportunity to other eligible fresh applicants in availing the scholarship.

In the selected districts, Audit noticed 4,640 (2017-20) and 201 (2018-20) instances in Pre-Matric and Post-Matric schemes respectively, wherein students studying in the same institution and same course applied as fresh candidates more than once during the course period and were sanctioned scholarship as given in **Table 6.7** below.

Table 6.7: Details of Students who applied as fresh candidates more than once during the course period and obtained scholarship

Pre-Matric Schemes						
District	2017-18		2018-19		2019-20	
	No. of cases	Amount(₹)	No. of cases	Amount(₹)	No. of cases	Amount(₹)
Ernakulam	0	0	153	204559	1066	1788661
Kollam	0	0	202	273200	1066	1518751
Kozhikode	0	0	190	199800	1246	1310847
Wayanad	1	1000	61	70155	655	754833
Total	1	1000	606	747714	4033	5373092
Post-Matric schemes						
District	2018-19		2019-20			
	No. of cases	Amount(₹)	No. of cases	Amount(₹)		
Ernakulam	11	30380	50	325325		
Kollam	10	35660	34	142255		
Kozhikode	30	149880	37	173490		
Wayanad	5	11500	24	115285		
Total	56	227420	145	756355		

(Source: NSP data)

Government replied (June 2023) that in the case of Centrally sponsored Pre-Matric scholarship, if a student applies fresh in the first year and does not apply for renewal in the second year, then he/she has to apply as fresh applicant in the third year.

Audit further analysed the above data and found that 2,846 students did not renew the scholarship in the second year and applied as fresh applicants in the third year. Further, 1,794 students applied as fresh applicants in the first year as well as in the second year.

In respect of Pre-Matric scholarship, Audit test-checked the above issue in selected institutions¹¹⁴ and the institutions accepted that 198 students had applied more than once as fresh applicants and received scholarship. In respect of Post-Matric scholarship in the selected institutions¹¹⁵, it was accepted by the institutions that 28 students had applied more than once as fresh applicants and received scholarship.

Regarding Post-Matric scholarship, Government replied (May 2023) that, while issuing notification inviting applications for Post-Matric scholarship, instructions were given to candidates to submit applications as renewal applications with their existing application ID, if they had availed the scholarship for the previous year and had obtained 50 *per cent* marks in the previous academic year's examination. It was further stated that the Department was entrusted with the scrutiny of applications verified at the institutional level and did not have any provision in the portal to check whether a candidate who had once applied afresh and availed scholarship was applying again as a fresh candidate. It was also stated that instructions were given to institutions to effectively monitor the process to prevent such instances.

Thus, Audit observed that in the case of Centrally sponsored Pre and Post-Matric minority schemes, the failure of educational institutions to guide the students to renew instead of applying afresh, may have resulted in non-receipt of opportunity to genuine fresh applicants, as the number of scholarships was limited for fresh applications whereas there was no such limit for renewal. Further, Audit noticed that there was no mechanism in the portal to identify the students (who were registered as fresh applicants in the previous years) based on their Registration ID and to deny further registration as fresh applicants in subsequent years.

6.4.4. Centrally sponsored Pre/ Post-Matric scholarships availed by more than two members in a family

According to the Scheme Guidelines of Centrally sponsored Pre/ Post-Matric scholarship for students belonging to the minority community, scholarship was not to be granted to more than two students in a family. In the absence of details like Aadhaar number of parents etc. in the portal to identify whether more than two children in a family were claiming scholarship, Audit extracted data pertaining to students with similar names of parents and IFS code of Bank account from NSP data, and checked for similar addresses/ phone numbers. The analysis revealed the following.

- In Pre-Matric scheme, in the selected districts, Audit detected 543¹¹⁶ cases where more than two children from the same family were drawing scholarship.

¹¹⁴ 198 cases were seen in 20 selected institutions in four selected districts.

¹¹⁵ 28 cases were seen in 14 selected institutions in three selected districts (Ernakulam, Wayanad, Kollam).

¹¹⁶ Ernakulam- 144, Kollam-123, Kozhikode- 179 and Wayanad -97

- In Post-Matric scheme, Audit identified 23 families from which more than two children availed scholarship, out of which seven were from the selected districts.

With regard to the Pre-Matric scheme, Government replied (June 2023) that it was difficult to identify whether more than two students in a family were availing the scholarship when the students were studying in different institutions. From 2021-22, provision was made in NSP for revalidating the applications in which similar family details were included. It was also added that strict directions will be given to Heads of institutions/ Institutional nodal officers to adhere to the scholarship Guidelines.

Regarding audit observation on Post-Matric scheme, Government replied (May 2023) that though the State level nodal officer was the authority to forward the final list of eligible students to MoMA through NSP, the present software in NSP did not have any provision to cross-check or identify students with similar names of parents from among more than one lakh applications received every year. The issue could be resolved by appropriately modifying the software by making the entry of Aadhaar details of both the parents mandatory when a student makes fresh registration to the scheme.

Audit observed that State Government should take up the matter of modifying the software with Central Government, so that the ineligible applicants could be removed.

6.4.5. Students availing more than one scholarship under Centrally sponsored Post-Matric scheme

As per the Centrally sponsored Post-Matric scheme Guidelines¹¹⁷ issued by MoMA, a scholarship holder under this scheme shall not hold any other scholarship/ stipend. If awarded any other scholarship, the student was to exercise his/ her option for either of the scholarship and inform the competent authority.

Audit analysed the e-grantz data (including details of SC, ST, OBC and General category students for the period 2018-22) and the data on minority students maintained by NSP (for the period 2017-20). Audit linked the data in e-grantz and NSP using the Bank Account Number and IFS Code as the common linking factor. On verification, it was found that in respect of the 1589 instances shown in **Table 6.8**, holder of Post-Matric scholarship for minority was availing another scholarship also, during the period 2018-20.

¹¹⁷ Guidelines for the period 2017-18 to 2019-20 and for the period 2021-22 to 2025-26

Table 6.8: Beneficiaries of Minority Post-Matric scholarship (Central) availing other scholarships

District	Academic Year	Post-Matric scholarship for General category students (e-grantz)		Post-Matric scholarship for OBC students (e-grantz)		Post-Matric scholarship for OBC(HSS) students (e-grantz)		Post-Matric scholarship for Other Eligible Community (OEC) students (e-grantz)		Post-Matric scholarship for SC students (e-grantz)		Post-Matric scholarship for ST students (e-grantz)	
		No. of Cases	Amount (₹)	No. of Cases	Amount (₹)	No. of Cases	Amount (₹)	No. of Cases	Amount (₹)	No. of Cases	Amount (₹)	No. of Cases	Amount (₹)
		Ernakulam	2018-19	33	68866	54	116228	129	163578	17	117011	1	6482
	2019-20	29	58899	59	113198	118	158602	18	119465	0	0	0	0
Kollam	2018-19	8	9793	25	46671	216	259234	4	13496	1	6590	0	0
	2019-20	9	18930	13	23076	174	249134	2	16960	0	0	0	0
Kozhikode	2018-19	15	37527	57	114070	150	184226	0	0	0	0	0	0
	2019-20	13	23975	76	163700	135	136924	1	3364	0	0	0	0
Wayanad	2018-19	7	17648	11	20217	109	132624	3	18635	0	0	0	0
	2019-20	6	15076	2	4600	89	125156	4	30743	0	0	0	0
Total		120	250714	297	601760	1120	1409478	49	319674	2	13072	1	6989

(Source: e-grantz data and NSP data)

In addition, Audit also noticed that 43 students who availed Central scholarship for Minorities had also availed State specific scholarship such as CH Muhammed Koya scholarship, APJ Abdul Kalam scholarship etc. Data in respect of the selected districts were as given in **Table 6.9**.

Table 6.9: Beneficiaries of Minority Post-Matric scholarship (Central) who availed other Minority scholarships of the State

District	2017-18	2018-19	2019-20
Ernakulam	8	1	2
Kollam	0	2	0
Kozhikode	5	9	10
Wayanad	4	2	0
Total	17	14	12

(Source: NSP data and dcescholarship data provided by NIC)

In respect of Post-Matric scholarship, Audit test-checked the above issue in selected institutions¹¹⁸ and in respect of 225 cases, it was admitted that multiple scholarships were availed by the students. However, there was no mechanism in the portal to monitor the payment of multiple scholarships. In respect of 37 cases, it was informed that due to uncertainty in approval of scholarship, students applied for more than one scholarship.

Government replied (May 2023) that all the verified cases were included in the merit list of beneficiaries of Post-Matric scholarship and that the status of their application was shown as 'Application sent to PFMS for payment' and 'Scholarship amount processed from NSP to PFMS'. It was further stated that

¹¹⁸ 262 cases were seen in 29 selected institutions in four selected districts.

since the Central and State scholarships were managed through different platforms, there was no means to cross-check whether a student was in receipt of more than one scholarship, and that instructions have been given to nodal officers in the institutions to detect whether any student was availing benefits of more than one scholarship.

Thus, Audit observed that as disbursement of different scholarships was done through different platforms (e-grantz, NSP, NIC (ebt) etc.), and the platforms were not integrated, the students were able to apply for different scholarships and receive them without the knowledge of the Departments concerned. Integration of various portals could reduce the possibility of students drawing multiple scholarships.

6.4.6. State Post-Matric scholarships rejected due to invalid account number

Bill Information and Management System (BiMS) was an e-Bill portal for settlement of claims by Drawing and Disbursing Officers (DDOs). The DDOs were able to prepare online contingent bills for e-submission to treasury through BiMS. During the period 2021-22, the disbursement of scholarships was carried out by the Director of Minority Welfare, a DDO, through BiMS portal from District Treasury, Thiruvananthapuram and the scholarship amount was credited to the beneficiary's bank account by Real Time Gross Settlement (RTGS) system.

Audit observed that the scholarships pertaining to 297 students in the State were rejected by the bank due to submission of invalid bank account details by the beneficiaries, dormant bank accounts, incorrect IFS code etc.

Directorate of Minority Welfare could not take remedial measures till date (March 2023) since the treasury had updated the BiMS software by allowing only one month for editing the e-submissions and the stipulated one month had already elapsed when the Directorate came to know about the rejection. Further, from April 2022, the disbursement of scholarship was delinked from the District Treasury, Thiruvananthapuram, and the Director of Minority Welfare as a DDO was denied permission to login to BiMS portal. The treasury authorities had expressed their inability to proceed further in this matter due to the control measures implemented in the BiMS software. Thus, failure to verify bank details of beneficiaries resulted in non-receipt of scholarship by 297 students.

Government replied (June 2023) that NIC would be requested to re-programme the treasury software allowing a time of six months to the eligible students who were denied scholarship to enable them to make necessary corrections in bank account details. However, the reply was silent on the course of action proposed by the Department to compensate the students for the scholarships denied to them in the previous years.

6.4.7. Granting of CH Muhammed Koya scholarship to boys instead of girls- State Post-Matric scheme

CH Muhammed Koya scholarship is granted by the Minority Welfare Department of GoK to girl students¹¹⁹ for pursuing Graduate, Post-Graduate and Professional courses in Government/ Aided institutions and who had secured admission under Government quota in unaided colleges. The annual family income is not to exceed ₹eight lakh. The scholarship is sanctioned by the Project Officer after verification of the applications.

On verifying the data from the dcescholarship portal, it was seen that in four cases, payment was made during the period 2017-22 to male students in violation of the Guidelines. It was also seen that the dcescholarship portal was accepting the applications of male students, which indicated lack of input control in the system.

Audit observed that the approving authority was not taking care to eliminate the applications of male students while sanctioning scholarship. In addition, the dcescholarship portal also failed to reject students who marked the gender column as “Male”.

Government replied (June 2023) that the presence of radio button for both male and female candidates due to lack of input control in the portal, led to the issue and that the matter was taken up with NIC. Further, it was stated that lack of scrutiny at the institutional level also contributed to this erroneous payment and steps would be taken to collect back the amount disbursed to male candidates.

6.5. Monitoring and evaluation

The Central scheme Guidelines recommend a provision not exceeding two *per cent* of the total budget to be made to meet administrative and allied costs including provision for monitoring and evaluation of the scheme, through reputed external institutions/ agencies engaged by the State Government. Audit observed that such a monitoring mechanism was not implemented in the State.

Further, the Guidelines recommend that the State/ Union territory shall maintain year-wise details of students receiving scholarships indicating school/ institution, location of school/ institution, Government or private, class, gender, new or renewal, permanent address and parents’ addresses. Such a database of students receiving minority scholarship was found lacking in the Department.

Though the DGE and the DCE had a dedicated internal audit team whose responsibilities included conducting inspection among Regional offices and educational institutions, the Director of Minority Welfare Department who distributes State Post-Matric minority scholarships did not conduct audit/ inspection among the educational institutions.

¹¹⁹ Among Muslims, Christians, Parsis etc.

Recommendations (Pre and Post-Matric scholarship schemes for Minority students)

Recommendation 13: Government should ensure that the time frame prescribed for processing of scholarship applications for minority community students is strictly adhered to and no students are deprived of the scholarship due to non-processing of applications.

Recommendation 14: Government should consider integration of different scholarship payment portals for cross-checking data available in different portals to prevent beneficiaries from drawing multiple scholarships.

Recommendation 15: State Government should bring to the notice of Central Government the changes to be made in the National Scholarship Portal to capture the identification details of parents of beneficiaries to ensure that more than two students from the same family do not draw the scholarship.

Recommendation 16: Government should forward the utilisation certificate of Minority scholarship fund to Central Government without delay and ensure that funds diverted for other purposes are returned to Central Government.



(S. SUNIL RAJ)

Principal Accountant General
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Thiruvananthapuram,
The 17 May 2024

Countersigned



(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

New Delhi,
The 27 May 2024