CHAPTER V

POST-MATRIC SCHOLARSHIP
TO
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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.

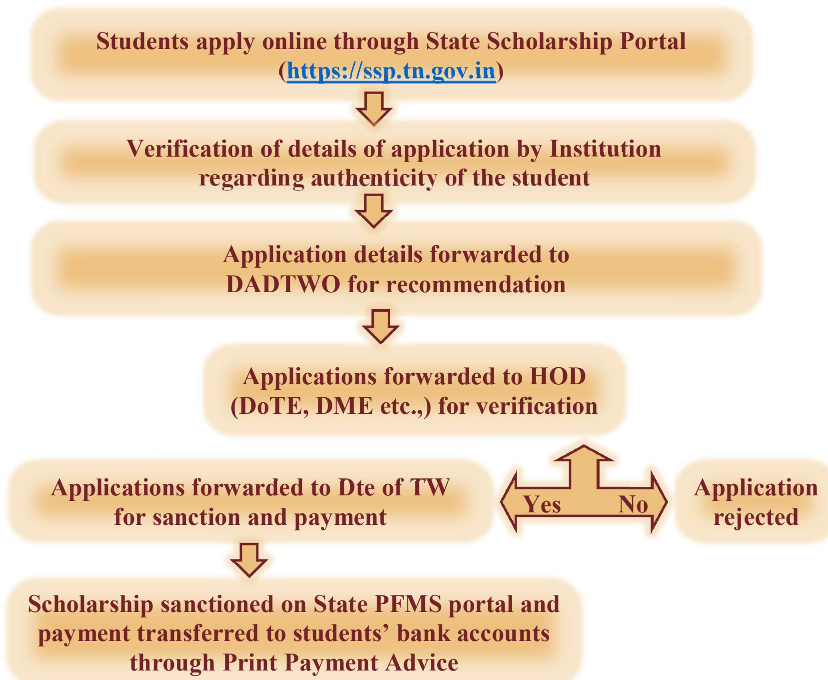
3 From 2021-22.

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

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.

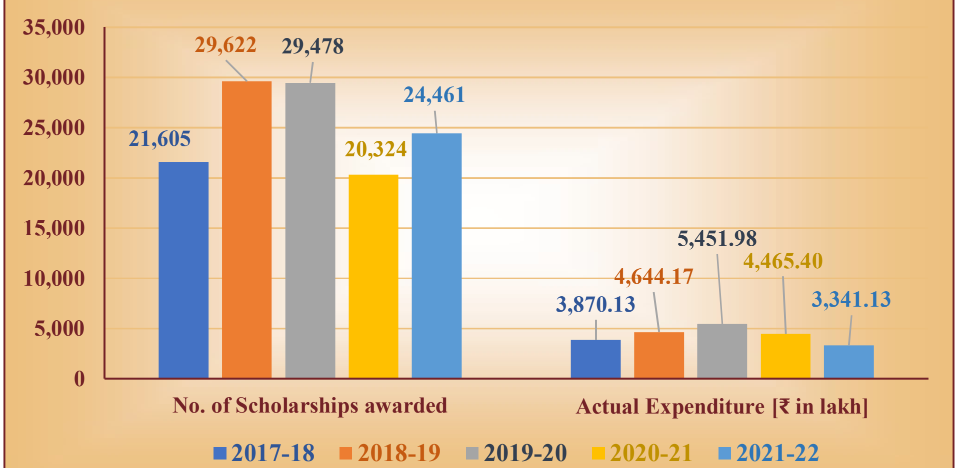
5.5 Planning and Financial management

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.

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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.