SECTION - A

PRE-MATRIC AND POST MATRIC SCHOLARSHIP FOR SCHEDULED CASTE STUDENTS

CHAPTER II

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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.

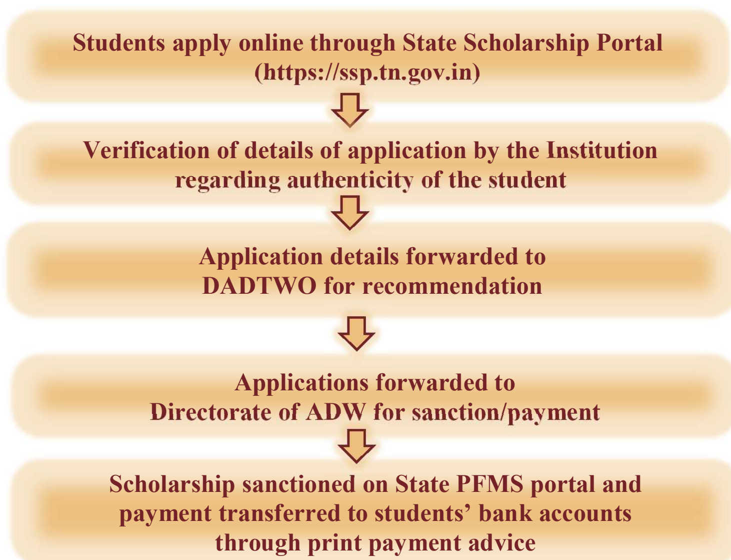
Paragraph 7 of Pre MS-SC guidelines, 2021-26, the institutions/schools shall ensure that all students apply on the IT portal for the scholarship on the same day as the date of admission into the institution[8].

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>

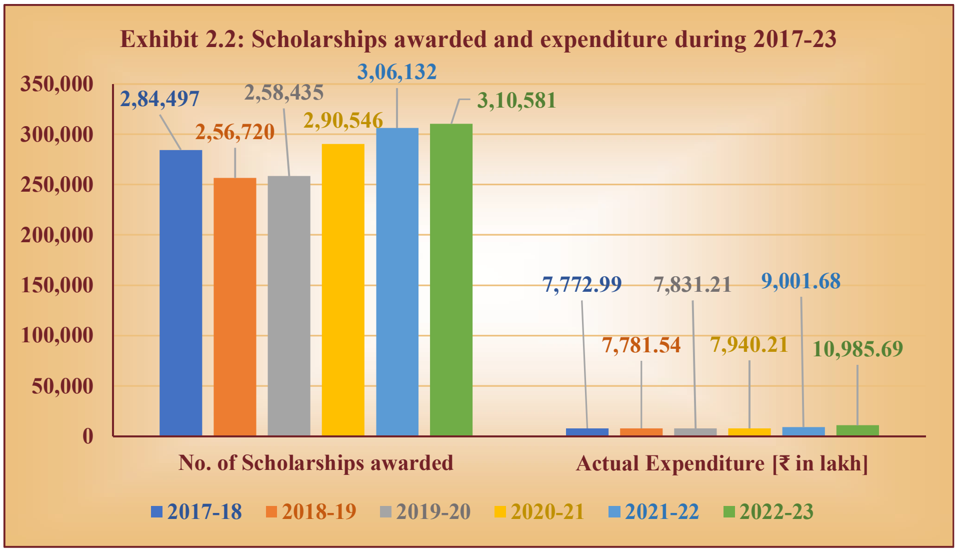
(Source: Details furnished by the Dte of ADW)

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.

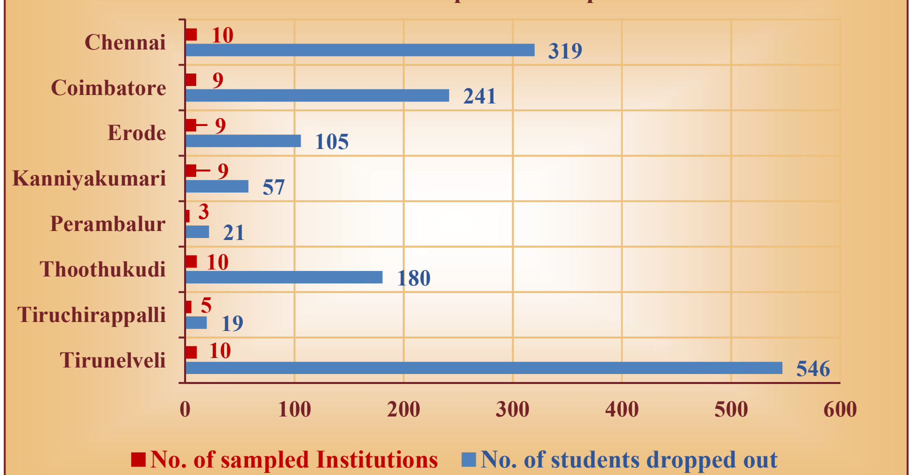
Audit, however, observed that although GoTN had committed to capture the data regarding poorest households in its AAPs since 2021-22, no adequate efforts were taken to identify and reach out to such poor households.

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.**

Exhibit 2.3: Drop-out in sampled institutions



(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)**.

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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.