SECTION - B

PRE-MATRIC AND POST MATRIC SCHOLARSHIP FOR SCHEDULED TRIBE STUDENTS

CHAPTER IV

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

4.1 Introduction

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

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

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

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

4.2 Salient features of the Scheme

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

Table 4.1: Salient features of Pre MS-ST Scheme

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

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

4.3 Process flow

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

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

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

5 With effect from 2021-22.

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

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

8 Along with caste and income certificate.

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

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

Students apply online through State Scholarship Portal (https://ssp.tn.gov.in)

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Verification of details of application by Institution regarding authenticity of the student

⇩

Application details forwarded to DADTWO for recommendation

⇩

Applications forwarded to Dte of TW for sanction and payment

⇩

Scholarship sanctioned on State PFMS portal and payment transferred to students' bank accounts through print payment advice

4.4 Coverage of beneficiaries

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

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

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

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

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

4.4.2 Non-coverage of potentially eligible ST students

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

9 Paragraphs 11.1 and 7 of Pre MS-ST Guidelines, 2012 and 2021 respectively.

10 Whose annual parental income was less than ₹2 lakh.

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

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

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

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

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

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

4.4.3 Drop out/exclusion of Pre MS-ST beneficiaries

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

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

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

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

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

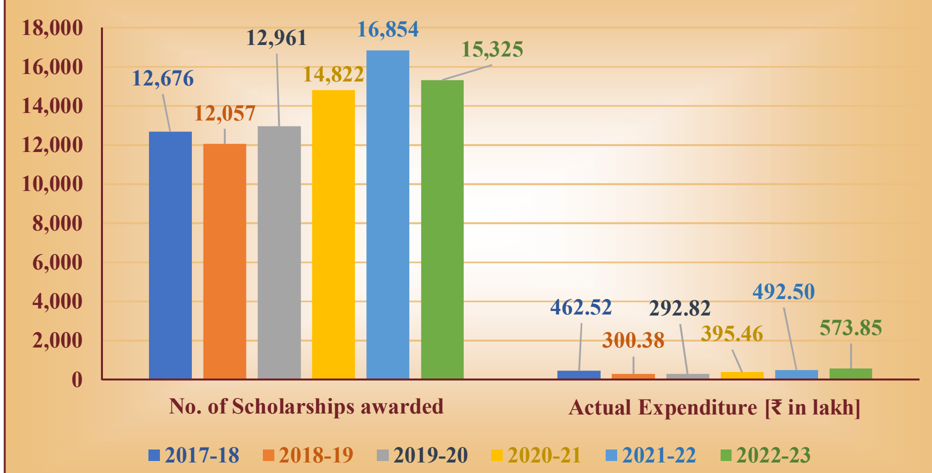
4.5 Planning and Financial management

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

4.5.1 Coverage of students and actual expenditure incurred

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

Exhibit 4.2: Scholarships awarded and expenditure during 2017-23



(Source: Annual Action Plan - 2023-24)

4.5.2 Fund availability and disbursement

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

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

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

(₹ in lakh)

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

(Source: AAPs for the years 2021-24)

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

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

4.6 Application for scholarship and verification

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

4.6.1 Absence of timelines to process applications at various levels

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

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

4.6.2 Inadequate scrutiny of Scholarship applications

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

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

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

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

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

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

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

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

14 Income certificate data from TNeGA and EMIS database.

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

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

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

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

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

4.7 Disbursal of scholarship amount

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

4.7.1 Delay in disbursement of scholarship

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

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

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

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

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

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

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

4.8 Monitoring and Evaluation

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

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

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

4.8.2 Grievance Redressal Officers

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

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

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