

CHAPTER 2

PERFORMANCE AUDIT

Welfare of Scheduled Castes and Backward Classes, Technical Education, Higher Education, Skill Development and Industrial Training and Medical Education and Research Departments

2.1 Post-Matric Scholarship Schemes for Scheduled Castes and Other Backward Class Students

With a view to provide financial assistance to the Scheduled Castes (SC) and Other Backward Class (OBC) students for pursuing their post-matriculation/ secondary courses through recognised institutions, Post-Matric Scholarship Schemes were introduced in 1944 for SC students and in 1998-1999 for OBC students as centrally sponsored schemes. A performance audit of the schemes brought out lack of planning, deficiencies in financial management, inadequate scrutiny of applications of students, irregularities in disbursement of scholarship, suspected fraudulent payment, weak monitoring mechanism, etc. Further, no evaluation of the schemes was conducted by the Department to assess the outcome/ effectiveness of the schemes. While the total financial implication of this Performance Audit is ₹ 89.05 crore including suspected fraudulent payments, some of the significant audit findings are summarised below:

Highlights

Annual Action Plan and database of eligible students to ascertain coverage of SC/ OBC students under the schemes was not prepared.

(Paragraph 2.1.6.1)

Only 52.24 per cent applicants were paid scholarship during 2015-19. 37 per cent of approved cases were not paid Scholarship. Technical Education Department did not pay scholarship to 7,757 students though the amount was sanctioned and drawn from the treasury.

(Paragraph 2.1.6.3)

Funds drawn in anticipation of expenditure were kept in bank accounts and unspent funds were not deposited in Government account resulting in loss of interest of ₹ 6.43 crore to the State exchequer.

(Paragraph 2.1.7.2)

Suspected fraudulent scholarship payment of ₹ 18.98 crore was made by manipulating Aadhaar numbers of students.

(Paragraph 2.1.8.1)

Payment of scholarship of ₹ 9.65 crore was suspected to be fraudulent as their details could not be verified with supporting records.

(Paragraph 2.1.8.2)

Inadequate scrutiny of income/caste certificates, etc. of students resulted in irregular payment of ₹ 1.91 crore.

(Paragraph 2.1.8.6)

Suspected fraudulent scholarship payment of ₹ 4.74 crore was made to students studying outside the State.

(Paragraph 2.1.8.7)

Monitoring mechanism was weak. Evaluation of the schemes to assess its outcome/effectiveness was not conducted.

(Paragraphs 2.1.9.1 and 2.1.9.2)

2.1.1 Introduction

Post-Matric Scholarship (PMS) schemes are Centrally Sponsored and implemented by the State Government. The main objective of the schemes is to provide financial assistance to the Scheduled Castes (SC) and Other Backward Class (OBC) students for pursuing their post matriculation/secondary courses through recognised institutions. The schemes were introduced in 1944 for SC students and in 1998-99 for OBC students. However, the guidelines were revised by Government of India (GoI) from time to time.

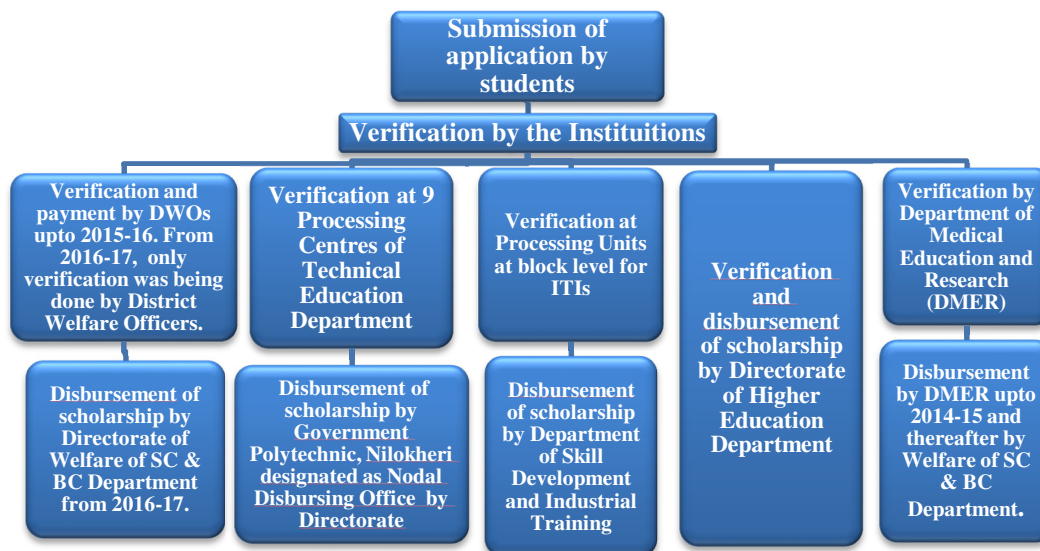
SC and OBC students whose parents/guardians' income from all sources does not exceed ₹ 2.50 lakh (w.e.f 2013-14) and ₹ 1.00 lakh per annum respectively were eligible for scholarship under the scheme. The income limit for OBC students was revised from ₹ 1.00 lakh to ₹ 1.50 lakh from September 2018. To be eligible for the schemes, the students should be resident of Haryana. The scholarship included (i) Maintenance Allowance (ii) Additional Allowances for students with disabilities (iii) All Compulsory Non Refundable Fees (iv) Study Tours (v) Thesis Typing/Printing Charges (vi) Book Allowance for Students pursuing Correspondence/Distance Education Courses and (vii) Book Banks. The quantum of scholarship under each item is given in **Appendix 2.1**. The award once made was payable from the stage at which it was given to the completion of course subject to good conduct and 75 per cent attendance in every academic year. As per guidelines, the amount of scholarship was to be paid to beneficiaries through their accounts in post office/banks.

2.1.2 Organisational set-up and procedure for disbursement of scholarship

The Schemes were implemented under the overall control and supervision of Welfare of Scheduled Castes and Backward Classes Department. The scholarship

is being disbursed by seven departments¹ in the State. The procedure followed by test-checked departments for disbursement of scholarships is depicted in **Chart 2.1**.

Chart 2.1: Chart showing procedure for disbursement of scholarship



2.1.3 Audit objectives

The objectives of the Audit were to ascertain whether:

- planning and implementation of the scheme was efficient and effective;
- financial management was prudent;
- disbursement of scholarship was efficient and transparency ensured in processing of applications; and
- internal controls and monitoring system was adequate at various levels.

2.1.4 Scope and methodology of Audit

Performance Audit for the period 2014-19 was conducted between February and August 2019. Out of seven departments involved in disbursement of scholarship,

¹ (i) Welfare of Scheduled Castes and Backward Classes Department, (For students studying outside the State of all categories for all courses, students of all categories for Medical courses studying in Haryana also and all OBC students for all courses excluding students under Higher Education Department), (ii) Technical Education Department (All SC students of technical courses studying in Haryana), (iii) Skill Development and Industrial Training Department (All SC students of ITI courses studying in Haryana), (iv) Medical Education and Research Department (All SC students of medical courses studying in Haryana upto year 2014-15), (v) Higher Education Department (SC and OBC students of General courses like BA, BCOM etc in Haryana), (vi) Secondary Education Department (11th and 12th class students) and (vii) Chaudhary Charan Singh, Haryana Agricultural University, Hisar (Agriculture courses in the same university).

five² major departments were selected for test-check based on combined amount of scholarships. Only negligible amount of ₹ nine lakh was disbursed by remaining two departments during this period. Using statistical sampling method, seven³ out of 22 districts were selected and within each selected district, three institutes of each selected department (one institute in case of Skill Development and Industrial Training Department) were selected. Accordingly, total of 61 institutes⁴ were selected. Further, a survey of 616 beneficiaries of 58 institutes was also carried out for assessing the availability of human and physical infrastructure in the institutes and disbursement of scholarship to students.

An entry conference was held in January 2019 with Additional Chief Secretary to Government of Haryana, Welfare of SC and BC Department and other officers of the Department, Department of Skill Development and Industrial Training and Technical Education Department wherein audit objectives, audit criteria and scope of audit were discussed. The findings were discussed in the exit conference held in July 2020 with the Principal Secretary, Welfare of SC and BC Department and officers of all concerned departments. The replies received from the departments and deliberations of the exit conference have been suitably incorporated in the report.

2.1.5 Audit criteria

The audit criteria were derived from the following sources:

- Scheme guidelines for SC students issued by GoI in December 2010 and April 2018.
- Scheme guidelines for OBC students issued by GoI in July 2011 and September 2018.
- Instructions issued by GoI and State Government from time to time.

² (i) Welfare of Scheduled Castes and Backward Classes Department, (ii) Technical Education Department, (iii) Skill Development and Industrial Training Department, (iv) Medical Education and Research Department and (v) Higher Education Department.

³ (i) Rohtak (ii) Faridabad (iii) Yamunanagar (iv) Sonapat (v) Bhiwani (vi) Fatehabad (vii) Mahendergarh

⁴ (i) Welfare of Scheduled Castes and Backward Classes Department/Medical Education and Research Department (21), (ii) Technical Education Department (21), (iii) Skill Development and Industrial Training Department (7), and (iv) Higher Education Department (12).

Audit findings

2.1.6 Planning and implementation

2.1.6.1 Annual work plan and database of eligible beneficiaries not prepared

Preparation of Annual Action Plan is essential for ensuring systematic and realistic assessment of requirement of funds and coverage of eligible beneficiaries. Audit observed that:

- No Annual Action Plan or perspective plan was prepared during 2014-19 for assessing the number of eligible beneficiaries and the strategy for their timely coverage.
- None of the test checked districts prepared year-wise database which could be used to arrive at estimates for number of students for succeeding year(s).
- The Departments had not maintained any database of eligible students. The estimates regarding number of eligible students for scholarship were prepared on *ad hoc* basis without collecting any data from field offices or conducting any survey regarding eligible students under the schemes.
- In the absence of Annual Action Plan and database of eligible students, the Department was not able to ascertain coverage of students with the result that no follow up action could be taken to cover left out students, if any.

Audit noted wide variations in the number of beneficiaries estimated *vis-à-vis* actual number of beneficiaries in the State as depicted in **Charts 2.2 and 2.3**.

Chart 2.2 : Estimated and actual number of beneficiaries of SC Category

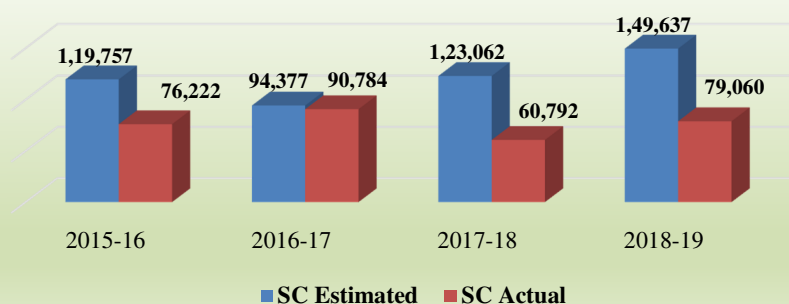
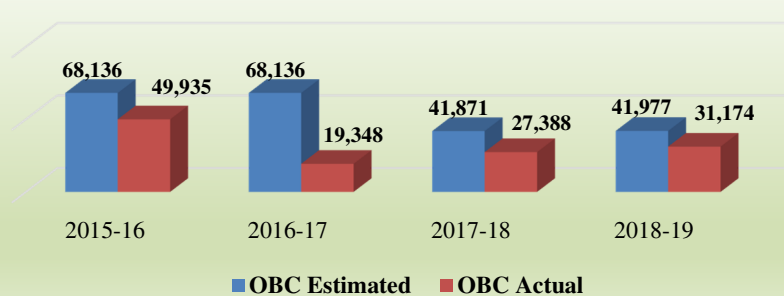


Chart 2.3 : Estimated and actual number of beneficiaries of OBC Category



(Source: Information provided by the Welfare of SC and BC Department)

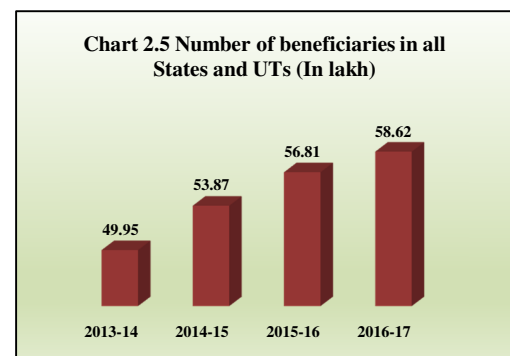
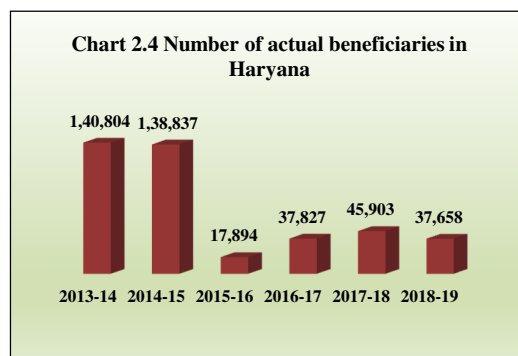
The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that Annual Action Plan is now being prepared on the basis of proposals received from concerned implementing departments. It was further added that estimates were prepared on the basis of admission of students. Variation in estimated and actual number of beneficiaries was attributed to income criteria/meagre amount of scholarship.

The reply is not acceptable in view of the systemic deficiencies noted in the process of arriving at the estimated number.

Recommendation: The Departments should prepare a database of all eligible students and make Annual Action Plan for coverage of all the eligible students in a time bound manner.

2.1.6.2 Decline in number of SC beneficiaries

The number of SC students who benefitted under this scheme during the years 2013-14 to 2018-19 in Haryana is given in **Chart 2.4** and that of all States and Union Territories (UTs) is given in **Chart 2.5**.



(Source: Information for Haryana provided by Welfare of SC and BC Department and for all States and UTs taken from GoI website).

The Charts show increasing trend of beneficiaries in all States while in Haryana there was a sharp decline in number of students during 2015-19 in comparison to that of 2013-14 and 2014-15. Audit observed that pendency of cases with the department as discussed in **paragraph 2.1.6.4** was one of the reasons for decline in number of beneficiaries after 2014-15.

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that decline in number of beneficiaries was due to processing of applications through online portal as applicants may not be aware about applying online on the portal or some technical issues related to application and adaptability, etc. The reply is not convincing as pendency of cases with the departments was observed. The department also failed to create awareness about applying online and resolving the problems of the applicants.

2.1.6.3 Non-payment of scholarship to SC students

Table 2.1 shows the position of number of applications received, scholarship disbursed and scholarship not disbursed during 2015-19.

Table 2.1: Position of number of applications received, scholarship disbursed and scholarship not disbursed during 2015-19

Year to which beneficiaries pertain	Total number of applications received	Total number of applications approved	Number of beneficiaries to whom scholarship disbursed	Number of beneficiaries to whom scholarship not disbursed	Percentage of beneficiaries to whom scholarship disbursed to actual application
(Number of students are in lakh)					
2015-16	1.10	0.85	0.18	0.92	16.36
2016-17	0.46	0.38*	0.38	0.08	82.61
2017-18	0.46	0.46*	0.46	0	100.00
2018-19	0.66	0.54	0.38	0.28	57.58
Total	2.68	2.23	1.40	1.28	52.24

* This includes the cases sanctioned offline after closing of portal.

(Source: Information taken from website portal of Welfare of SC and BC Department)

The departments concerned did not analyse the poor percentage of scholarship disbursed. Scrutiny in audit showed that scholarship was not disbursed to number of beneficiaries to whom sanction was accorded/ recommendations were made by the departments as discussed below:

- While 83 *per cent* of the applications were approved, scholarship was disbursed to only 52 *per cent* of the students despite availability of funds (para 2.1.7.1).
- Scholarship of ₹ 202.58 crore was withdrawn from treasury for 92,383 students after sanction by the Technical Education Department during 2014-18. Of this, scholarship of ₹ 17.98 crore remained unpaid to 7,757 students. The Nodal Disbursing Officer stated (June 2019) that the action would be taken after verification of the facts. Further developments are awaited (September 2020).

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that the applications were rejected due to incomplete applications/documents or on the basis of eligibility.

Reply is not accepted as the numbers of rejected/ incomplete applications were only 31,407 as per portal data. Non-payment of scholarship deprived the students of benefits under the scheme.

2.1.6.4 Timelines for scholarship disbursement not prescribed

The Government of Haryana (GoH) did not prescribe timelines for payment of scholarship to a student under the scheme. In the absence of the above, audit noted that there were delays in payment of scholarships to the students in different test checked departments during the period 2014-19 as given in **Table 2.2**.

Table 2.2: Statement showing the delay in payment of scholarship

Name of the department	Total number of students	Number of students with delayed receipt of scholarship (per cent)	Average and range of delay in months (from the end of financial year of admission)
Technical Education Department [#]	11,167	7,182 (64.31)	7.52 (1-33)
Welfare of SC and BC Department ^{##}	41,035	35,000 (85.29)	6.88 (1-72)
Higher Education Department	64,625	56,975 (88.16)	8.02 (1-11)

Data pertains to 21 selected institutes

Data pertains to selected districts

(Source: Information compiled from departmental records)

It was seen that majority of the students could not receive the scholarship in time, while there was no benchmark to assess the performance in disbursement of the implementing departments.

Delay in disbursement of scholarship adversely affects the objectives of the scheme intended to ensure uninterrupted studies of students belonging to vulnerable sections of society, and exposes the students to undue hardships.

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that State Government has now issued instructions to all implementing departments to make payment within one year from the date of closing of portal.

2.1.6.5 Dropout of students

Data regarding discontinuance of studies of students of selected 61 institutes for the period 2011-19 is given in **Table 2.3**.

Table 2.3: Details of students who discontinued their studies in 61 selected institutes

Name of Department	Category	Total admission	Number of students who completed study	Number of students continuing study	Number of students who left study (Percentage)
Welfare of SC/BC	SC	4,358	2,628	1,409	321 (7)
	OBC	767	575	144	48 (6)
Higher Education	SC	2,307	910	1,134	263 (11)
	OBC	1,566	577	744	245 (16)
Skill Development and Industrial Training	SC	2,051	1,477	107	467 (23)
	OBC	105	55	0	50 (48)
Technical Education	SC	4,716	1,240	1,359	2,117 (45)
	OBC	1,549	1,113	367	69 (4)
Total		17,419	8,575	5,264	3,580 (21)

(Source: Information compiled from the records of the selected institutes)

As is evident from the above, out of 17,419 SC/ OBC students, 8,575 completed the studies, study of 5,264 students was in progress and 3,580 students had left the studies incomplete, although scholarship was paid to them. Reasons for discontinuance of studies were not on record of the institutes. The department had not analysed the reasons for the dropout of students.

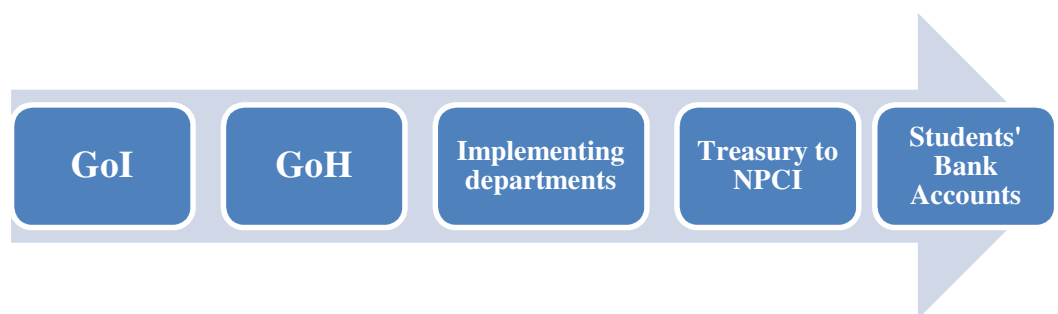
Further, as per paragraph X (iv) of the scheme for SC, a scholar was liable to refund the scholarship amount at the discretion of the State Government, if the scholar discontinues the studies. The State Government had, however, not framed any rules in this regard as a deterrent to students.

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that action would be taken after examination of the data.

2.1.7 Financial management

The process of fund flow for scholarship is given in **Chart 2.6**.

Chart 2.6: Flow of scholarship funds



Upto the year 2014-15, the departments were releasing funds to students through cheques. From 2015-16, the scholarship is being directly released into the *Aadhaar* seeded bank account of beneficiary students.

2.1.7.1 Budget allocation and expenditure

The scheme is funded by the Union and the State Governments. The expenditure incurred by a State on the scheme during the terminal year of any Plan period is termed as committed liability of that State and is required to be borne by the State Government for each year during the next plan period from its own budgetary provisions. Any further requirement of funds over committed liability is borne by the Union Government. Budget provision and expenditure incurred during 2014-19 is given in **Table 2.4**.

Table 2.4: Statement showing budget allotment and actual expenditure

(₹ in crore)

Year	Budget allotted			Actual expenditure ⁵		Total expenditure (per cent)
	SC	OBC	Total	SC	OBC	
2014-15	129.76	12.36	142.12	109.18	4.11	113.29(80)
2015-16	388.12	35.56	423.68	176.31	11.78	188.09(44)
2016-17	313.87	37.36	351.23	239.00	5.12	244.12(70)
2017-18	325.14	37.36	362.50	110.23	8.52	118.75(33)
2018-19	313.87	37.36	351.23	158.75	6.84	165.59(47)
Total	1,470.76	160.00	1,630.76⁶	793.47	36.37	829.84 (51)

(Source: Information extracted from Detailed Appropriation Accounts)

Year-wise expenditure incurred by implementing departments is given in *Appendix 2.2*.

It was observed that:

- Allocation to the extent of 49 *per cent* was not utilised by the GoH, at the same time there were constant shortfalls in the number of beneficiaries against the number estimated during this period. In the absence of realistic data of students of SC and OBC categories, budget estimations were made on *ad hoc* basis leading to persistent savings. The department should have prepared the budget with reference to estimated number of beneficiaries and their entitlements as per scheme guidelines to arrive at correct estimates.
- The committed liability of the State Government for next five years (2017-18 to 2021-22) was to be fixed on the basis of expenditure pertaining to the beneficiaries of 2016-17 i.e terminal year of 12th five year plan period that was ₹ 82.57 crore for SC students per year. Audit observed that the Department did not send the information relating to expenditure of 2016-17. In the absence of information in prescribed format, the committed liability at ₹ 317.61 crore per year was fixed by GoI on the basis of highest expenditure incurred in any year during 12th five year plan period. Actual expenditure on the students pertaining to the year 2017-18 was ₹ 102.25 crore which was within committed liability fixed by the GoI. Had the committed liability been fixed at ₹ 82.57 crore on the basis of actual number of beneficiaries pertaining to 2016-17, the State Government would have been able to claim funds of ₹ 19.68 crore from GoI.

⁵ This includes the expenditure incurred on students pertaining to previous years but paid during the respective years.

⁶ Funds of ₹ 261.11 crore for SC (2014-15: ₹ 27 crore, 2015-16: ₹ 68.67 crore, 2016-17 ₹ 107.35 crore, 2018-19: ₹ 58.09 crore) and ₹ 27.29 crore for OBC (2015-16: ₹ 14.94 crore, 2018-19: ₹ 12.35 crore) were received from GoI.

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that State Government had requested (October 2015) GoI to reconsider the fixation of committed liability and matter was under their consideration.

Recommendation: The State Government should take up the issue with GoI to abolish the system of committed liability and provide assistance to State Government on sharing basis like other Centrally Sponsored Schemes.

2.1.7.2 Irregularities in financial administration

Rule 2.10 (b) (5) of Punjab Financial Rules, as applicable in Haryana, stipulates that no money should be withdrawn from the treasury unless it is required for immediate disbursement. Rule 2.15 of these rules stipulates that if it is found at any time that the balance in hand is larger than requirement to meet the anticipated expenditure, the surplus should be returned into the nearest treasury. The Finance Department issued (May 2014) instructions to make payment of scholarships directly into bank account of beneficiaries. To ensure that all payments are made directly to the ultimate beneficiaries, instructions were issued by the Finance Department that all intermediate bank accounts should be closed.

Following procedure is adopted by the implementing departments to release the scholarship to the beneficiary's accounts:

- I. Departments of Welfare of SC and BC and Skill Development and Industrial Training release scholarship direct from treasury to student's accounts through National Payment Corporation of India (NPCI).
- II. The departments of Technical Education and Higher Education have opened intermediate accounts for disbursement of scholarship, contrary to the instructions of the Finance department.

Following observations are made based on scrutiny of records relating to payment of scholarship:

(i) Technical Education and Higher Education departments had withdrawn (during 2014-19) funds of ₹ 360.03 crore⁷ from Government account and deposited in bank accounts and made further payment of scholarship to students from the bank accounts. This included ₹ 25 crore drawn by Technical Education Department, at the fag end of financial year (March 2017) to avoid lapse of budget grant, however, the amount was disbursed to students in 2017-18. Drawal of funds in anticipation of requirement and parking these funds in bank accounts was in violation of Government instructions and resulted in loss of interest of ₹ 5.99 crore⁸ to the State exchequer.

⁷ (i) Higher Education Department ₹ 151.03 crore (ii) Technical Education Department ₹ 209 crore.

⁸ (i) Higher Education Department ₹ 2.32 crore (ii) Technical Education Department ₹ 3.67 crore.

It was further observed that the amounts were drawn on regular contingent bills without vouchers, whereas these amounts should have been drawn on Abstract Contingent (AC) bills. As a result, incurring of expenditure or refund of unspent amounts against these drawals was not being ensured by the Drawing and Disbursing Officers (DDO). Further, the Accountant General (A&E) also could not monitor the utilisation of these funds through the mechanism of AC bills.

(ii) In Welfare of SC and BC Department and Skill Development and Industrial Training Department, an amount of ₹ 10.93 crore remained undisbursed during 2015-19⁹ and the amount was returned by NPCI in the shape of 120 bankers' cheques. The Departments did not deposit the amount into treasury. This resulted in irregular parking of funds outside the Government account and consequential loss of interest of ₹ 25.27 lakh. The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that undisbursed funds with their Department had been deposited in the treasury during November 2019 to January 2020.

(iii) In Nodal Disbursing Office of Technical Education Department, 421 cheques of ₹ 144.13 lakh were prepared (between February 2011 and November 2013) for making payment of scholarship to students. Audit observed that out of 421 cheques, 279 cheques for ₹ 30.21 lakh had neither been delivered to the beneficiaries nor the amount had been deposited in Government account. These cheques remained with the department for a period ranging between 65 and 98 months (*Appendix 2.3*) from the date of their preparation and ₹ 30.21 lakh remained outside the Government Account resulting in loss of interest of ₹ 18.61 lakh. Nodal Disbursing Office stated (June 2019) that the matter would be investigated. Further developments were awaited (September 2020).

(iv) In Higher Education Department, 1,442 transactions involving ₹ 65.17 lakh of students studying in Rohitash Degree College, Ateli and Rohitash Institute of Management, Ateli had failed due to improper *Aadhaar* mapping. The Department did not try to remit the undisbursed funds again after rectification of *Aadhaar* numbers. The said amount after three failed attempts was required to be deposited in the receipt head of the Department as per Finance Department orders (September 2017). However, in violation of scheme guidelines, the amount was paid to the colleges. Disbursement of scholarship to students could not be verified. Possibility of misappropriation of funds in these cases cannot be ruled out. The Higher Education Department stated (May 2020) that notices had been issued (March 2020) to the Colleges and responsibility for the lapse would be fixed.

During Exit Conference all the officers of the concerned departments agreed that the payment should be made directly to the beneficiaries' account and stated that the present mechanism would be stopped.

⁹ 2015-16: ₹ 1.17 lakh, 2016-17: ₹ 6.16 lakh, 2017-18: ₹ 74.43 lakh and 2018-19: ₹ 1,011.36 lakh.

2.1.7.3 *Non-reconciliation of bank balances with response files*

Soft data of response files¹⁰ provided by the Nodal Disbursing Office of Technical Education Department for 2014-18 revealed that an amount of ₹ 17.98 crore remained undisbursed (July 2018) to 7,757 students. Audit observed that the bank balance in scheme account was only ₹ 10.71 crore (July 2018). Thus, there was a difference of ₹ 7.27 crore. The Department had not reconciled the amount of bank statement with response files to ascertain the reasons for less closing balance. In the absence of reconciliation, possibility of misappropriation of funds cannot be ruled out. During exit conference, it was assured that the reconciliation would be done within 15 days and results would be intimated to Audit. However, further developments were awaited (September 2020).

2.1.8 Irregularities in disbursement of scholarship

Guidelines issued (December 2010) by GoI and instruction issued (July 2015) by Welfare of SC and BC Department stipulate that before sanctioning the amount under the scheme to the students, all the sanctioning authorities would ensure that application forms submitted by the students have been filled properly and other documents like income and caste certificate (issued by the Tehsildar/ Sub Divisional Officer), details of fee (verified by the concerned institution), mobile number of the students, affiliation of concerned Institution/college/university, etc. were submitted. Audit noticed a number of cases of inadequate scrutiny of applications as discussed in the following paragraphs:

2.1.8.1 *Suspected fraudulent payments*

(i) As per data of response files of Welfare of SC and BC Department, scholarship of ₹ 41.16 crore was disbursed to 7,022 SC students of Sonapat, Fatehabad, Rohtak, Yamunanagar, Jhajjar, Palwal and Panipat districts during 2014-19. Audit observed that:

- Name and *Aadhaar* numbers of beneficiaries mentioned in the sanction files maintained in the Department did not match with the details of names and *Aadhaar* numbers as mentioned in the bank response files in respect of 1,690 cases involving ₹ 13.80 crore (*Appendix 2.4*).
- In respect of 756 cases, incorrect¹¹ *Aadhaar* numbers were mentioned against the name of beneficiaries in sanction files. When the name of recipients of scholarship indicated in response files were compared with sanction files, it was observed that name of beneficiaries indicated in sanction files did not match with

¹⁰ File submitted by the banks indicating successful/ un-successful payment of scholarship.

¹¹ *Aadhaar* numbers of applicants were not matching as payment was made to persons holding different *Aadhaar* numbers.

the persons to whom the payments were made by the banks. Thus, suspected fraudulent payment of scholarship of ₹ 5.11 crore was made (**Appendix 2.4**).

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that the matter was under investigation of State Vigilance Bureau.

(ii) Scholarship for 407 students was claimed by IIET, Samani (Kurukshetra) in 2014-15 and sanctions were issued (March 2016) by Technical Education Department. Scrutiny of 313 response files in respect of these sanctions revealed that two *Aadhaar* numbers were used against four students for making payment of first instalment for 2014-15 and 15 *Aadhaar* numbers were used against 30 students for making payment of second instalment for 2014-15. Thus, 17 *Aadhaar* numbers were used twice for claiming payment of 34 different scholars. This led to double payment of ₹ 5.02 lakh to 17 students. The Nodal Disbursing Office stated (May 2020) that scholarship in-charge had not checked the *Aadhaar* numbers.

Similarly, payment of ₹ 1.63 lakh was made to three beneficiaries of two institutions (DAV College of Engineering, Kanina and BLS Jakhoda) by Nodal Disbursing Office, Nilokheri for the period from 2014-15 to 2016-17 by changing *Aadhaar* numbers.

Thus, suspected fraudulent payment of ₹ 18.98 crore was made by manipulating *Aadhaar* numbers. No system was evolved by the Department to reconcile or to check that payment was made by the banks to the persons for whom the amount of scholarship was sanctioned. Further, the Department had not prescribed any system for checking and authentication of *Aadhaar* numbers of the applicants.

Recommendation: The Department may examine all the cases to detect fraudulent payments. Further, the Department may evolve proper systems for authentication of *Aadhaar* numbers of applicants and checking of payment made to students by banks with reference to sanctions.

2.1.8.2 Payment of scholarship to students not registered with Universities

The Higher Education Department paid scholarship of ₹ 10.54 crore to two colleges (Rohitash Degree College, Ateli and Rohitash Institute of Management, Ateli) during 2014-18 for 3,598 SC/OBC students shown to have studied in these institutes. These institutes were affiliated with Maharshi Dayanand University, Rohtak during 2014-17 and Indira Gandhi University, Meerpur during 2017-18. All admission to various Graduate and Post-Graduate courses are done through University only and their examination are also conducted by the same affiliating University. Audit obtained registration data of all students admitted to these colleges from these Universities and matched the details of all students shown to have studied in these Institutions with the University registration data and observed that:

- These institutes had claimed and received payment of scholarship of ₹ 7.36 crore for 2,490 students who were not registered with the respective Universities. Further, 12 students of General category had claimed scholarship of OBC category amounting to ₹ 0.07 crore and 182 students of General and OBC category had claimed scholarship of SC category resulting in excess claim of ₹ 0.52 crore. However, 102 students who were of SC category had claimed scholarship of OBC category. Audit observed that the Department had not evolved any system to verify the genuineness of students from the University records.
- Details of 532 students for whom payment of ₹ 1.70 crore was made to the colleges matched with the university data, but their courses did not match with that of University record.

Thus, the payment of ₹ 9.65 crore of scholarship in respect of 3,216 students was suspected to be fraudulent. The Director, Higher Education stated (May 2020) that a special investigation team had been constituted by the Department in October 2019 for examination of all claims of concerned institutes.

Recommendation: The Departments may put in place a mechanism for verification of details of all students shown to have studied in institutions with the Universities/Boards registration data.

2.1.8.3 Disbursement of scholarship to students not registered with DMER

Counselling for admission in General Nursing and Midwifery (GNM) and Auxiliary Nursing Midwifery (ANM) courses in the State was being conducted by Department of Medical Education and Research (DMER). The Department used to issue a Unique Registration Number for every registered student who had taken admission for such courses.

Welfare of SC and BC Department disbursed scholarship of ₹ 31.68 lakh to 75 SC students of two colleges¹² in Hisar and Sonapat districts. Audit noticed that 28 out of 75 students, to whom scholarship of ₹ 11.56 lakh was disbursed during 2016-18, were not registered with DMER. Audit observed that no system was evolved for verification of registration numbers of students. The Department disbursed the scholarship to students without verification of their registration with DMER. The Director, DMER accepted (February 2019) that the students were not registered with their Department.

2.1.8.4 Payment of scholarship in excess of prescribed limit

(i) DMER fixed (July 2013) fee for General Nursing and Midwifery (GNM) and Auxiliary Nursing Midwifery (ANM) courses at ₹ 63,000 for first year and ₹ 46,000 for second and third years. The Welfare of SC and BC Department and

¹² (i) Chaudhary Bhagmal Nursing College, Hisar: 11 and (ii) Gajraj Nursing Institute, Sonapat: 17.

District Welfare Officer (DWO), Sonapat paid scholarship of ₹ 48.47 lakh¹³ in excess to 458¹⁴ out of 2,333 SC students of different institutes of Fatehabad and Sonapat districts in first, second and third years for ANM and GNM courses during 2015-18. Audit observed that no system was evolved to restrict the fee as fixed by the DMER. The DWO, Sonapat stated (August 2019) that recovery of excess scholarship would be made from the students through institutions.

(ii) Haryana State Admission and Fee Fixation Committee fixed tuition fee for ITM Murthal for B. Tech/B.E. courses at ₹ 40,000 and development fund at ₹ 10,000 per student. The Nodal Disbursing Office, Nilokheri, however, paid tuition fees and development fees at the rate of ₹ 44,000 and ₹ 11,000 during 2016-18. This resulted in excess payment of ₹ 1.57 lakh (one instalment to 33 SC students i.e ₹ 82,500 and second instalment to 30 SC students i.e ₹ 75,000). The Nodal Disbursing Office admitted (May 2020) that payment was made as per fee structure submitted by the institute.

2.1.8.5 Double payment of scholarship

(i) Scholarship of ₹ 5.70 lakh was disbursed as first instalment of session 2014-15 to 20 SC students of R.N. College twice i.e in February 2016 and March 2016. Similarly, first instalment of ₹ 0.15 lakh to one student for session 2014-15 of another college was sanctioned twice as well as paid twice i.e in July 2015 and February 2016. In other cases, payment of first instalment of ₹ 0.51 lakh was paid (July 2017) to two students twice against the same sanction. Thus, scholarship of ₹ 6.36 lakh was paid twice to 23 students. The Nodal Disbursing Office admitted (May 2020) that double payment was made by the then in-charge scholarship.

(ii) In Welfare of SC and BC Department, DMER and DWOs, Sonapat and Rohtak, a sum of ₹ 14.89 lakh¹⁵ was disbursed twice to 26 SC students during 2014-19.

The Director, DMER stated (February 2019) that double payment of scholarship would be recovered from beneficiaries. However, further developments were awaited (May 2020). The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that the matter regarding double payment of scholarship relating to their department was under investigation of State Vigilance Bureau.

2.1.8.6 Lack of scrutiny regarding income, caste, education qualification, etc

Scrutiny of 5,585 out of 11,167 scholarship applications of Technical Education Department of six processing centres of selected districts for the period 2014-19

¹³ WSCBC, for Fatehabad ₹ 46.72 lakh and DWO Sonapat ₹ 1.75 lakh.

¹⁴ WSCBC, for Fatehabad 334 and DWO Sonapat 124.

¹⁵ WSCBC: ₹ 2.03 lakh (5 students), DWO Sonapat: ₹ 1.01 lakh (2 students), DWO Rohtak: ₹ 0.51 lakh (1 student) and DMER: ₹ 11.34 lakh (18 students).

revealed that verification of documents was deficient in 478 applications as discussed in succeeding paragraphs.

- 55 SC applicants¹⁶ of eight institutes claimed scholarship on the basis of bogus income/resident/caste certificates in five Processing Centres. The certificates attached with the applications were verified by audit from the *edisha.gov.in* website of the Haryana Government and it was noticed that these certificates were checked neither by the institutes nor by the Processing Centres concerned. Audit observed that name of applicants along with other particulars of certificates were altered/edited manually/electronically. Even photos and certificates numbers of the original certificate holder were retained while preparing bogus certificates. Thus, the payment of ₹ 24.91 lakh in these cases was suspected to be fraudulent.
- In 35 cases¹⁷, affidavits of income were not signed by the deponent but these affidavits were certified by the Revenue Authorities. Neither the Institutes nor the Processing Centres checked the affidavits properly and scholarship of ₹ 7.42 lakh was disbursed.
- 142 applicants¹⁸ in 16 institutes claimed scholarship on the basis of self-declaration income affidavits or photo copy of self-declaration income affidavits, which were attested by the Notaries whereas certificates issued by the Tehsildar/ Sub Divisional Magistrate were required to be submitted. Scholarship of ₹ 59.56 lakh was disbursed in violation of instructions of Welfare of SC and BC Department to these applicants.
- Annual parental income of the 27 SC applicants¹⁹ in respect of 13 institutes were found more than ₹ 2.50 lakh per annum as per income proof attached with the applications. These applicants were not eligible for grant of benefit under the scheme. However, scholarship of ₹ 14.09 lakh was disbursed without verification of documents to these ineligible students.
- In eight cases of Processing Centre, Narnaul, it was also noticed that fathers of the applicants were Government employees and income certificate issued by DDO was required to be submitted but the required certificates were not found attached. Thus, payment of ₹ 6.07 lakh to these beneficiaries was irregular.
- A total of 211 applications²⁰ in five Processing Centres were found to be incomplete as income/resident/caste certificates/certificates of essential educational qualification were not attached. The Department had paid scholarship of

¹⁶ Faridabad: 9 (₹ 2.19 lakh), Sirsa: 1 (₹ 0.27 lakh), Sonapat: 1 (₹ 0.70 lakh), Narnaul: 5 (₹ 1.94 lakh) and Jhajjar: 39 (₹ 19.81 lakh)

¹⁷ Faridabad: 28 (₹ 3.86 lakh), Jhajjar: 7 (₹ 3.56 lakh)

¹⁸ Jhajjar: 37 (₹ 18.80 lakh), Sirsa: 6 (₹ 1.32 lakh), Sonapat: 2 (₹ 0.87 lakh) and Narnaul: 77 (₹ 30.22 lakh) and Ambala: 20 (₹ 8.35 lakh).

¹⁹ Jhajjar: 4 (₹ 2.03 lakh), Sirsa: 2 (₹ 0.53 lakh), Faridabad: 1 (₹ 0.14 lakh), Sonapat: 11 (₹ 6.89 lakh) and Narnaul: 9 (₹ 4.50 lakh).

²⁰ (i) Jhajjar: 108 (₹ 52.53 lakh), (ii) Narnaul: 24 (₹ 7.19 lakh), (iii) Sirsa: 75 (₹ 18.05 lakh), (iv) Faridabad: 2 (₹ 0.27 lakh) and (v) Sonapat: 2 (₹ 0.87 lakh).

₹ 78.91 lakh to these students. The Principals of Processing Centres, Jhajjar, Narnaul, Sirsa and Sonapat stated (March-August 2019) that efforts would be made to recover the amount from students. However, recovery had not been made (September 2020).

2.1.8.7 Suspected fraudulent payment to students studying outside the State

As per instruction issued (July 2015) by Welfare of SC and BC Department, the payment of scholarship was to be disbursed by DWOs to students studying outside the State only after verification of affiliation of the institutes. In case of any doubt regarding institutes or where more than 20 student of the Out-of-State were involved, the DWOs were required to enquire personally and verify the facts.

Directorate and DWOs, Rohtak and Fatehabad disbursed an amount of ₹ 2.76 crore to 349 SC students pursuing various courses²¹ during 2014-19 from private Universities outside the State (***Appendix 2.5***). On being verified by Audit from these universities/institutes, it was found that these students were not enrolled in the Universities. Neither the DWOs nor the Welfare of SC and BC Department verified the facts of genuineness of claims from the Universities resulting in suspected fraudulent payment of ₹ 2.76 crore. The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that the matter was under investigation of State Vigilance Bureau.

Similarly, in DWO, Fatehabad and Rohtak an amount of ₹ 1.98 crore was disbursed to 212 students during 2014-15 pursuing various courses from study centres stated to be affiliated with Karnataka State Open University, Mysore. Audit obtained the list of study centres affiliated with the University but names of these study centres were not appearing in the list. Thus, the payment of scholarship was made without verification of facts of genuineness of study centres from the University and the payment of ₹ 1.98 crore (***Appendix 2.5***) made to these students was suspected to be fraudulent. DWO Fatehabad stated (June 2020) that matter would be investigated. Further developments were awaited (September 2020).

Recommendation: The Department may examine all the cases to detect such fraudulent payments. Further, action may be taken against District Welfare Officers for not verifying the facts of genuineness of claims from the Universities.

2.1.8.8 Scholarship paid for same stage of education

Guidelines issued (December 2010) by GoI provide that candidates who after passing one stage of education take admission in same stage of education in

²¹ Multi-Purpose Health Worker, Veterinary and Livestock Development Assistant, Diploma in fire safety, Diploma in Agriculture Science, Diploma in Civil Engineering, MA (Political Science), MA (History), BBA, BA.LLB, LL.M, MBA, etc.

different subjects, were not eligible for scholarship i.e. a student after passing BA, studying in B.Com was not eligible for scholarship.

Scrutiny of response files of scholarship of Skill Development and Industrial Training Department for the period 2015-19 showed that 658 (one *per cent*) out of 78,795 SC students took admission in different courses in different Private and Government ITIs repeatedly two or more times and the Department had paid scholarship of ₹ 64.74 lakh for subsequent courses of same stage to these students. Similarly, 142 out of 37,006 students took admission in different courses in same Private ITIs repeatedly two or more times after completion of one course and scholarship of ₹ 21.12 lakh was paid to these students. This resulted in excess payment of scholarship of ₹ 85.86 lakh.

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that the case had been referred (December 2019) to GoI for providing relaxation in the matter.

2.1.8.9 *Doubtful payment of scholarship*

Om Prakash Joginder Singh (OPJS) University, Churu requested (October 2013) Welfare of SC and BC Department for re-imbursement of scholarship to 71 SC students pursuing various courses in their institute but their claim was rejected by DWO, Sirsa, as it was submitted late. The WSCBC Department directed (March 2014) DWO, Sirsa to personally verify these claims so that delay could be condoned. The DWO, Sirsa in its report submitted (May 2014) that out of 71 applications of Multi-Purpose Health Worker (MPHW) course, 55 were not found in order and hence, payment was not made. Audit, however, observed that claims of ₹ 4.48 crore of the same Institute were entertained by other DWOs and WSCBC Department (October 2019) as per details given in **Table 2.5**.

Table 2.5: Statement showing doubtful payment of scholarship

District	Disbursing Authority	No of Students	Amount (₹ in crore)
Rohtak	DWO Rohtak	280	2.06
Jhajjar	WSCBC	15	0.08
Yamunanagar	WSCBC	41	0.25
Fatehabad	DWO Fatehabad	117	0.97
Rohtak	WSCBC	172	1.12
Total		625	4.48

(Source: Information compiled from departmental records)

- Audit observed that bank accounts of students were opened only in a few banks irrespective of their residential addresses. In Rohtak district, out of 172 students, same mobile number 'X' was used in case of 54 students (31 *per cent*) and another mobile number 'Y' was used by 31 students (18 *per cent*). Opening of bank accounts by students in only few banks irrespective of their residential addresses and using of same mobile numbers by so many students could be indicative of malafide drawal and disbursement of scholarship.

- Scholarship of ₹ 0.83 lakh was disbursed (March 2014) by DWO Rohtak to a scholar who was shown to have been pursuing MPHWS course from OPJS University but at the same time he was pursuing Diploma in Computer Science course in Swami Vivekanand University and scholarship of ₹ 0.44 lakh was disbursed (January 2016). Similarly, another scholar shown as enrolled in the course of MPHWS from OPJS University in the academic year 2014-15 was also shown in the same academic year in different course of M.A (Psychology) to whom scholarship of ₹ 0.46 lakh was disbursed in September 2014 and July 2015.
- A student shown as enrolled in Polytechnic in Civil Engineering course in academic year 2014-15 to whom scholarship of amount ₹ 50,460 was disbursed by DWO, Rohtak in July 2015 was also shown as enrolled in Polytechnic in the course of Electrical Engineering in the academic year 2016-17 and scholarship of ₹ 40,500 was disbursed to him by Welfare of SC and BC Department in March 2018.

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that these issues were under investigation of State Vigilance Bureau.

2.1.8.10 Payment made to students who were not residents of Haryana

Guidelines issued (December 2010) by GoI stipulate that scholarship should be awarded by the State Government to which the applicant actually belongs.

Processing Centre, Jhajjar disbursed scholarship of ₹ 1.52 lakh during 2014-19 to three SC applicants of BLS Institute of Management Studies, Jakhoda (Jhajjar) who were not residents of Haryana. The Principal of Processing Centre Jhajjar stated (March 2019) that efforts would be made to recover the scholarship amount from students. However, recovery had not been made (September 2020).

2.1.8.11 Excess payment of Scholarship

Duration of Post Graduate Diploma in Management Studies (PGDM) course was two years and thus, students were to claim maximum four half yearly instalments of scholarship. It was observed that 10 out of 186 SC students of PGDM courses in BLS Institute of Management Studies, Jakhoda claimed scholarship for two years and six months (2014-15, 2015-16 and 2016-17) at ₹ 50,800 for each year per student instead of two years resulting in excess payment of scholarship of ₹ 2.54 lakh (10 x ₹ 25,400). The Nodal Disbursing Office stated (June 2019) that matter would be got investigated. Further developments were awaited (September 2020).

2.1.8.12 Payment to overage students

Maximum age for entering into Haryana Government service is 47 years. As per instructions issued by Welfare of SC and BC Department in July 2015, sanctioning authority was required to check that applicant on completion of the course had

minimum three years left (43 years for one year course) for applying to Government services.

Analysis of portal data for the year 2015-19 revealed that in 78 SC cases, age of the applicants was more than 43 years at the time of registration. They were not eligible for scholarship as per these instructions. In test checked districts, three cases²² among these 78 cases came under scrutiny. Scholarship of ₹ 1.30 lakh was disbursed to these students. The Department should verify all the remaining cases to ascertain as to whether payment of scholarship to ineligible students was made or not.

2.1.9. Monitoring and evaluation

2.1.9.1 Monitoring

(i) Returns to assess the progress of students not prescribed

Paragraph X (i) of guidelines of the scheme provides financial assistance to SC/OBC students studying at post-matriculation level to enable them to complete their education. The guidelines further provide that the scholarship is based on the satisfactory progress and conduct of the scholar. If it is reported by head of an institution at any time that a scholar has, by reasons of his/her own act of default, failed to make satisfactory progress or has been guilty of misconduct such as resorting to or participating in strikes, irregularity in attendance without the permission of the authorities concerned, etc; the authority sanctioning the scholarship may either cancel the scholarship or stop or withhold further payment for such period as it may think fit.

No such returns had, however, been prescribed by the State Government for the institutes. Thus, monitoring mechanism prescribed to assess the progress and conduct of scholars was not followed and as such action against defaulting beneficiaries could not be taken and scholarships were being disbursed in routine.

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that instructions had been issued to scheme implementing departments to comply with scheme guidelines.

(ii) Annual inspection of educational institutions

The Ministry of Social Justice and Empowerment, GoI had asked (June 2016) the State Governments to ensure annual inspection of educational institutions by a State Government Officer not below the level of a Group 'A' officer and intimate the number of institutes cancelled after verification.

²² Two cases of BLS Institute of Management Studies, Jhajjar, one case of Akash Institute of Technology, Kanina (Mahendergarh)

It was noticed in Audit that inspection of institutes was not carried out during 2014-19 as no data of field inspections was maintained at Directorate or district level. Audit conducted survey and contacted 616 students of 58 institutes, the result of which are enumerated below:

- 40 students of eight institutes stated that satisfactory infrastructure was not available in their institutes.
- 165 students of 20 institutes stated that book bank facility was not available in their institutes.
- 51 students of nine institutes stated that only one teacher was available in their institutes and all the subjects were being taught by him.

Had the system of annual inspection been in place, these issues could have been addressed.

The Director, Welfare of SC and BC Department stated (May 2019) that annual inspection of all institutions was not carried out by the Department. However, inspection of institutes was being carried out by the orders of Directorate from time to time. Thus, the mechanism to have a control over institutes regarding quality of education though prescribed in the guidelines was not put in place.

(iii) Grievances Redressal Mechanism at State and District level

The Guidelines of the scheme (December 2010) provide that State will designate Grievance Redressal Officers at the State and District levels to ensure expeditious redressal of grievances of SC/OBC students. Grievances redressal mechanism for the scheme neither existed at District level nor at State level.

A field survey of 616 students of 58 institutes in audit brought out that:

- 82 students of 10 institutions stated that institutes had taken blank cheques from them.
- 31 students of six institutions had informed that their accounts were being operated by the concerned institutions.
- 87 students of 15 institutions informed that their Automated Teller Machine cards (8 students), Cheque Books (19 students) and Pass Books (60 students) were in the custody of the concerned institutions and were being operated by them.
- 200 students informed that they had paid an additional amount ranging between ₹ 500 and ₹ 1,03,500 in addition to scholarship.
- 109 students stated that institutions took entire amount of scholarship including maintenance allowance as fee.
- 202 students stated that they had not received maintenance allowance.

Had grievances redressal mechanism been in place, these irregular practices could have been addressed at appropriate level.

The Deputy Director, Welfare of SC and BC Department admitted (May 2019) that there was no grievances redressal mechanism in the Department.

2.1.9.2 Evaluation of the scheme

The Committee on restructuring of Centrally Sponsored Schemes (CSS) by Planning Commission emphasised (September 2011) the need for independent evaluation of all CSS on regular basis as it had observed that no comprehensive evaluation of the schemes was being carried out to assess the outcome or impact of these schemes. Audit observed that evaluation of the scheme had not been carried out by the Department during the period of Performance Audit. No specific outcome indicators were fixed by GoI or the State Government for measuring the impact of the scheme. As a result, effectiveness/outcome of the scheme could not be assessed. The Government should fix measureable outcome indicators such as completion of studies by students, getting employment/engaged in self-employment for earning livelihood, etc. and conduct the evaluation to assess the outcome of the scheme.

The Principal Secretary, Welfare of SC and BC Department, stated (May 2020) that the matter regarding evaluation of the scheme was under consideration with the Department.

2.1.10 Conclusions

The Scheme of Post Matriculation Scholarship for SC and OBC students was implemented without adequate planning, monitoring and evaluation systems in place. Consequently, it did not achieve the objectives of providing due financial support to deserving students in a timely and correct manner, depriving them of the Scheme benefits. The Scheme guidelines and Government instructions issued from time to time were not followed in entirety and systemic controls were inefficient in preventing frauds and irregular disbursement of scholarships. 37 *per cent* of students found eligible for scholarship did not receive the funds while Scheme reported a 49 *per cent* savings during the period under the Performance Audit. This is indicative of inefficiency and imprudent financial management of the Scheme. Government of Haryana did not take timely steps to evaluate the performance of scheme and could not provide a platform to the students for redressal of grievances. Overall, there is an immediate requirement of eliminating the deficiencies as discussed in the report with the perspective of its impact on the State as a whole with remedial measures, as highlighted in the recommendation to this report.

2.1.11 Recommendations

2.1.11.1 The Government may consider the following:

- (a) preparation of database of all eligible students to make Annual Action Plan for their coverage in a time bound manner;**
- (b) taking up the matter with GoI to abolish the system of committed liability and pursue the GoI to provide assistance on sharing basis like other Centrally Sponsored Schemes;**
- (c) evolving proper systems for authentication of *Aadhaar* numbers of applicants and checking of payment made to students by banks with reference to sanctions;**
- (d) putting in place a mechanism for verification of details of all students shown to have studied in institutions with the Universities/ Boards registration data;**
- (e) taking action against District Welfare Officers for not verifying the facts of genuineness of claims from the out of State Universities;**
- (f) putting in place an end to end online system right from uploading the applications to credit of scholarship directly in the beneficiaries accounts instead of routing the funds through intermediate bank accounts; and**
- (g) evolving monitoring mechanism in the form of submission of returns by institutes, make a time frame for inspections of educational institutions, and putting in place a grievance redressal mechanism.**

2.1.11.2 In light of the instances of irregular and suspected fraudulent payments of scholarship brought out by audit through its test check, the Government may carry out a detailed examination of all similar cases to obviate the risk of irregular payments and malpractices. Responsibility may be fixed and appropriate action may be taken against the responsible officers for fraudulent payments.

The Principal Secretary, Welfare of SC and BC Department, stated (May 2020) that the recommendations would be considered.

Appendix 2.1

(Reference: Paragraph 2.1.1; Page 8)

Statement showing the quantum of scholarship under various components of the schemes

Component	Amount			
	For SC category students		For OBC category students	
➤ Study tour charges	Upto ₹ 1,600 per annum		Upto ₹ 900 per annum	
➤ Thesis typing/printing charges (for research scholars)	Upto ₹ 1,600 per annum		Upto ₹ 1,000 per annum	
➤ Book allowance (for students pursuing correspondence courses)	₹ 1,200 per annum		Not mentioned in the guidelines	
➤ Book bank facility for specified courses	₹ 2,400 to ₹ 7,500 per course		Not mentioned in the guidelines	
➤ Additional allowance for students with disabilities	₹ 160 to ₹ 240 per month		Group Reader Allowance for Group A, B: ₹ 175; Group C: ₹ 130 and Group D: ₹ 90 per month	
➤ Maintenance allowance	Hosteller	Day scholar	Hosteller	Day scholar
	(₹ per month)		(₹ per month)	
Group-I includes degree/post graduate degree level professional courses such as engineering, all medical, business, finance and computer sciences and higher courses such as PhD, M.Phil, CA, ICWA, C.S, PGDM and Commercial Pilot Licensing.	1,200	550	750	350
Group-II includes graduate/post graduate courses and other equivalent professional courses not included in Group-I such as Nursing, Pharmacy and Hotel Management.	820	530	510	335
Group-III includes all other courses leading to a graduate degree not covered under Group I & II.	570	300	400	210
Group-IV includes all post-matriculation level non-degree courses.	380	230	260	160

(Source: Scheme Guidelines of 2010)

Appendix 2.2

(Reference: Paragraph 2.1.7.1; Page: 16)

Department-wise expenditure on scholarship to SC and OBC students during 2014-15 to 2018-19

(₹ in crore)

Name of the Department	For Scheduled Castes						For Other Backward Classes						Grand Total
	2014-15	2015-16	2016-17	2017-18	2018-19	Total	2014-15	2015-16	2016-17	2017-18	2018-19	Total	
(i) Welfare of SC and BC	61.19	43.72	65.26	54.05	111.47	335.69	3.21	0.58	1.12	1.52	6.84	13.27	348.96
(ii) Higher Education	11.96	27.34	24.00	29.97	25.00	118.27	0.90	11.20	4.00	7.00	0.00	23.10	141.37
(iii) Technical Education	24.99	78.12	115.55	10.14	10.00	238.80	0.00	0.00	0.00	0.00	0.00	0.00	238.80
(iv) Skill Development and Industrial Training	3.00	6.47	6.98	16.07	12.28	44.80	0.00	0.00	0.00	0.00	0.00	0.00	44.80
(v) Secondary Education	0.04	0.04	0.01	0.00	0.00	0.09	0.00	0.00	0.00	0.00	0.00	0.00	0.09
(vi) Medical Education and Research	8.00	20.62	27.20	0.00	0.00	55.82	0.00	0.00	0.00	0.00	0.00	0.00	55.82
(vii) Chaudhary Charan Singh, Haryana Agricultural University, Hisar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total	109.18	176.31	239.00	110.23	158.75	793.47	4.11	11.78	5.12	8.52	6.84	36.37	829.84

(Source: Information provided by Welfare of SC and BC Department)

Appendix 2.3

(Reference: Paragraph 2.1.7.2 (iii); Page 18)

Statement showing details of cheques not delivered to students and consequent loss of interest

Sr. No.	Year	Cheques issued	Number of cheques	Amount (₹ in lakh)	Delay in months (upto March 2019)	Loss of interest (₹ in lakh)
1.	2010-11	February 2011	5	0.92	98	0.59
2.	2011-12	April 2011 to February 2012	14	3.51	86 to 96	2.13
3.	2012-13	April 2012 to February 2013	192	17.73	74 to 84	8.71
4.	2013-14	April 2013 to November 2013	68	8.05	65 to 72	7.18
	Total		279	30.21		18.61

(Source: Information compiled from the records of Technical Education Department)

Appendix 2.4

(Reference: Paragraph 2.1.8.1 (i); Page 19)

Statement showing the detail of students where *Aadhaar* number did not match and *Aadhaar* number same but name did not match with the bank response file

(₹ in lakh)

Sr. No	Name of district	Bill No. and date	Total amount of bill		Aadhaar number not matched		Aadhaar number same but name not matched	
			Students	Amount	Students	Amount	Students	Amount
1.	Sonepat	03 of August 2016	311	169.06	311	169.06	0	0
2.	Sonepat	07 of August 2016	62	29.14	11	5.17	0	0
3.	Sonepat	114 of January 2017	72	33.84	0	0	01	0.41
4.	Sonepat	163 of February 2017	20	7.79	03	1.24	0	0
5.	Sonepat	176 of March 2017	173	72.32	01	0.17	01	0.35
6.	Sonepat	197 of March 2017	84	39.48	77	36.19	0	0
7.	Sonepat	46 of November 2017	07	8.61	0	0	01	1.23
8.	Sonepat	92 of March 2018	232	107.72	0	0	184	84.78
9.	Sonepat	112 of March 2018	512	210.45	01	0.47	12	5.35
10.	Sonepat	155 of March 2018	144	104.10	120	86.50	0	0
11.	Sonepat	159 of March 2018	119	128.80	107	115.40	0	0
12.	Sonepat	162 of March 2018	51	21.72	0	0	10	4.70
13.	Sonepat	37 of June 2018	194	132.79	133	92.93	0	0
14.	Sonepat	18 of August 2017	27	11.15	07	2.89	0	0
15.	Sonepat	76 of August 2018	464	245.83	211	139.33	0	0
16.	Sonepat	106 of October 2018	695	430.19	0	0	407	271.22
17.	Sonepat	148 of November 2018	271	124.55	94	78.64	0	0
18.	Sonepat	Treasury number 45 of March 2019	59	28.59	01	0.47	15	9.50
19.	Sonepat	Treasury number 115 of March 2019	70	29.97	04	2.49	12	7.48
20.	Sonepat	224 of March 2019	352	353.10	303	308.79	0	0
21.	Fatehabad	85 of September 2018	736	394.29	31	33.46	0	0
22.	Fatehabad	163 of December 2018	123	139.53	0	0	107	122.61
23.	Rohtak	19 of August 2017	98	123.79	67	86.70	0	0
24.	Rohtak	01 of April 2018	76	103.26	72	97.24	0	0
25.	Rohtak	67 of January 2018	134	116.82	0	0	01	0.87
26.	Rohtak	153 of March 2018	50	56.58	47	53.08	0	0
27.	Rohtak	154 of March 2018	21	29.58	21	29.58	0	0
28.	Panipat	147 of November 2018	94	61.15	68	40.49	0	0
29.	Yamunanagar	101 of March 2018	373	138.57	0	0	01	0.29
30.	Jhajjar	72 of January 2018	99	47.84	0	0	01	0.51
31.	Jhajjar	127 of October 2018	119	59.75	0	0	01	0.48
32.	Palwal	110 of October 2018	1,180	555.18	0	0	02	0.73
		Total	7,022	4,115.54	1,690	1,380.29	756	510.51

(Source: Compiled by Audit from the departmental records)

Appendix 2.5

(Reference: Paragraph 2.1.8.7; Page 24)

Statement showing details of students who were not found enrolled in the Universities, but were paid scholarship

Sr. No.	Disbursing authority	Name of the University	Session	Number of students	Amount (₹ in lakh)
1.	Directorate of WSCBC	Desh Bhagat University, Punjab	2016-17	40	44.78
2.	DWO, Rohtak	Kalinga University, Chattisgarh	2014-15	58	34.83
3.	DWO, Rohtak	Swami Vivekanand University, Sagar, Madhya Pradesh	2014-15	93	51.56
4.	DWO, Rohtak	Shri Venkateshwara University, UP	2014-15	81	73.51
5.	DWO, Rohtak	Monad University UP	2014-15	61	55.66
6.	DWO, Fatehabad	Shri Venkateshwara University, UP	2014-15	16	15.72
Total				349	276.06

Sr. No.	Disbursing authority	Name of the College	Number of students	Amount (₹ in lakh)
1.	DWO, Rohtak	ACE Community College Bikaner Rajasthan	53	57.16
2.	DWO, Rohtak	SDM Institute of Delhi	95	101.42
3.	DWO, Fatehabad	Universal College of Paramedical Science	64	39.04
Total			212	197.62

(Source: Compiled by Audit from the departmental records)