Report of the
Comptroller and Auditor General of India

on

Performance Audit of Implementation of Direct Benefit Transfer in payment of Post Matric Scholarship to eligible students in the State

SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

Government of Odisha
Report No.2 of the year 2023

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Preface

This Report has been prepared for submission to the Governor of Odisha under Article 151 of the Constitution of India for being laid before the State Legislature.

The Report contains significant results of the Performance Audit of Implementation of Direct Benefit Transfer in payment of Post Matric Scholarship to eligible students in the State.

The instances mentioned in this Report are those, which came to notice in the course of test audit for the period 2017-18 to 2020-21.

The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

EXECUTIVE SUMMARY

About the Report

Direct Benefit Transfer (DBT) is an initiative of the Government of India (GoI) for transferring cash benefits directly to the beneficiaries of the schemes. The initiative aims at addressing various bottlenecks like multiple layers of authorisation, inaccurate targeting of beneficiaries, leakages/ pilferages and duplication of beneficiaries, *etc*., by carrying out required process re-engineering. Also, preparation of database of beneficiaries with Aadhaar number and opening of their bank accounts with Aadhaar linkage are other pre-requisites for direct transfer of cash benefits from Ministries/ Departments to beneficiaries.

Why did we take up this Report?

GoI had implemented DBT in 310 schemes of 54 Ministries, as of March 2021. At the same time, Government of Odisha had implemented 22 schemes pertaining to seven departments. The schemes included the Post Matric scholarship scheme for ST/SC/OBC/EBC students, implemented by Scheduled Tribes and Scheduled Castes Development, Minorities and Backward Classes Welfare (SSD) Department and the Medhabruti scheme, implemented by Higher Education Department, which were selected for the Performance Audit. Through this Performance Audit, an attempt was made to evaluate:

- the extent of achievement of the above mentioned objectives of DBT, in payment of Post Matric Scholarships (PMS) to eligible SC/ST/OBC students and to meritorious students under the Medhabruti scheme of the Government of Odisha;

- achievement of the scheme objectives, for which the scholarship payments were made; and

- coverage of the potential beneficiaries.

Major Audit Findings

The institutional framework for implementation of DBT was deficient, as the State Advisory Committee (SAC) did not have representation from the National Payments Corporation of India (NPCI). As such, the SAC remained deprived of valuable inputs from NPCI in rolling out DBT successfully. The State DBT Cell (SDC) had decided (April 2018) to make available NPCI's 'VLookup web service and Status of bank accounts' in the State DBT portal, to identify the latest seeded bank accounts and ascertain the status of bank accounts (inactive/ dormant). For this purpose, NPCI was requested to extend their cooperation, by providing the facility through web service, for integration with the State DBT portal. Despite nod of the NPCI to use their 'VLookup web service and Status of bank account' service in the State DBT portal to identify the latest seeded bank accounts and status of bank accounts (inactive/ dormant), the same were not used. Out of 3,12,823 accounts of PMS beneficiaries, 2,41,870 bank accounts (77 *per cent*) were not Aadhaar seeded. Thus, both the PMS and Medhabruti were beset with issues, related to failed

bank transactions, due to dormant/ inactive bank accounts and credits into incorrect bank accounts.

No efforts were made towards integration of scheme software payment data with the State DBT Portal, resulting in gaps between the number of beneficiaries and the amount disbursed, as per the report of the departments and the DBT portal.

The GoI guidelines for DBT in the States envisaged setting up of a State DBT Cell (SDC), under the guidance of a State level DBT Advisory Committee to act as a nodal point for all activities and issues related to DBT operations in the State. However, DBT nodal cells had not been formed in both SSD and Higher Education Departments. In the absence of such facilitating mechanisms at the departmental level, measures like modifications in the operational software in line with DBT requirements, Aadhaar seeding, timely processing of scholarships, *etc*., could not be taken up satisfactorily. As a result, the implementation of both PMS and Medhabruti were prone to issues related to delays in processing of applications, payments to dormant/ inactive/ wrong accounts, delays in payments, fraudulent drawals, *etc*.

During 2017-21, the SDC organised (July 2018) only one training programme on strengthening the DBT ecosystem in Odisha, at the State level. In the absence of adequate capacity building measures, issues relating to coverage of beneficiaries, deficient scrutiny of applications, delay in processing, *etc*., persisted, besides continued leakages in disbursement of benefits.

Neither the DBT Cell nor the SSD Department, had used the data generated in the Socio Economic and Caste Census, 2011, identification of the eligible beneficiaries. Besides, data available in Student Academic Management System (SAMS) was not used to trace the students, who did not apply for the PMS. Data submitted through applications by the students was the only source of collection of data of beneficiaries. Thus, efforts to trace and bring the left out eligible students under PMS, were missing, which is evident from the fact that the total number of students covered under PMS, decreased by 19 *per cent,* from 5.51 lakh in 2017-18 to 4.47 lakh in 2020-21.

The SSD Department had not issued well-defined procedure for identification of bonafide institutions in terms of actual existence of institutions, affiliation status, availability of required physical infrastructure and human resources, corresponding to the enrolment strength. In the absence of such procedure, User IDs and Passwords were issued to non-existing/ ineligible institutes and thereby, bogus students, from those institutes, were able to avail the PMS. Joint Physical Inspection (JPI) of 16 registered institutes of Mayurbhanj and Balasore districts, revealed that eight registered institutes were actually not in existence, and PMS amount of ₹ 15.57 crore, had been availed in the names of bogus students. Besides, 30 institutes, in six sampled districts, had been granted affiliation by ineligible agencies, for running Diploma courses. Thus, the students enrolled therein, were not eligible for PMS. However, 5,185 students of 15 such institutes, were paid PMS amounting to ₹ 15.79 crore, for the years 2016-17 to 2019-20.

The process of application and approval of PMS and Medhabruti scholarships, continued to have involvement of various intermediary levels, before final

disbursal of the scholarship amount. The Government neither attempted to reduce intermediary levels, by carrying out necessary process re-engineering to rationalise layers of intermediaries to eliminate the delays in the process and release of scholarships.

PRERANA and eMedhabruti management software, were neither interlinked with each other, nor were they linked with scholarship portals of other departments (*e.g.,* Banishree of the Social Security and Empowerment of Persons with Disabilities Department), due to which, applications of the same students, for different scholarships, at the same time, could not be detected. As a result, 11,880 students had been granted both PMS amounting to ₹ 6.91 crore, and Medhabruti, amounting to ₹ 6.80 crore, during 2017-21. Similarly, during 2018-21, although 56 nursing students of sampled districts (Jharsuguda, Kalahandi and Mayurbhanj), got scholarship under the National Health Mission, amounting to ₹ 32.97 lakh, they were also paid PMS of ₹ 35.18 lakh, for the same period. Besides, multiple applications from the same 973 students were registered in the PRERANA software, showing them as students of different courses from different institutes, and were paid PMS amounting to ₹ 2.43 crore for each of the courses, leading to double payment of PMS. In four sampled districts, 1,668 students, who pursued different courses later, but of the same stage (*e.g*., Intermediate of Arts after Intermediate of Science), had been granted PMS, amounting to ₹ 3.71 crore, during 2017-20.

Furthermore, in six sampled districts, 2,996 students of 22 test-checked institutes, had left their courses midway, during 2017-21. However, these students had been paid PMS, amounting to ₹ 7.36 crore, even after their discontinuance of the courses. One institute *viz*., SSIT, Mayurbhanj, applied for scholarship in the name of 280 students who had discontinued studies and a sum of ₹ 2.36 crore was credited to the accounts of such students. On the strength of mandate form, signed by the students, the PMS amount was transferred to the bank account of SSIT. Also, 69 alleged students, in three sampled districts were paid ₹ 14.17 lakh, but their names could not be traced in the admission registers.

As per Medhabruti guidelines, the Principal of the institution is responsible for verifying, validating and approving the data submitted by applicants, for onward transmission, for approval of scholarships within a stipulated time frame. Audit observed that, in 1,466 out of 97,810 cases, all the requisite information, *i.e.,* income certificate, resident certificate, mark sheet, bank details and Aadhaar numbers, had been uploaded, but the Principals had not verified and approved the data in time.

What do we recommend?

It is recommended that:

1. *The SAC should include officials from all Departments, implementing DBT as well as representatives of NPCI. Services of NPCI should be availed to check and identify Aadhaar seeded bank accounts to ensure that DBT operations are not exclusionary and are synchronised with the interests of all enablers and stakeholders.*

2. *The SDC should ensure that nodal DBT Cells are set up in all implementing Departments, for more focussed and coordinated execution of DBT schemes in the State and to ensure that lacunae pointed out by the SDC in scheme implementation, are resolved in a timely manner.*

3. *There should be regular monitoring, by way of regular meetings to take note of hindrances as well as absence of facilitating measures for smooth implementation of DBT. The officials at different levels, associated with implementation of DBT, should be trained adequately for effective execution of the DBT schemes, at the ground level.*

4. *SDC/ SAC should take action to synchronize the scheme software payment data with the State DBT Portal, accurately and on a real time basis.*

5. *The SSD Department may build appropriate mechanism to assess the number of potential beneficiaries and compare the same with the applications received for identifying the students, not applying for PMS. Efforts should be made to reach out the left-out students to assist them in availing PMS.*

6. *The Odisha State Scholarship Portal, developed for smooth management of scholarship schemes, should be used optimally by rationalising existing multiple administrative layers for faster process of applications and timely payment of scholarships.*

7. *The SSD Department may issue a detailed checklist, to the district level functionaries, outlining the process of verification to be followed before issue of user IDs and passwords to institutes, to filter out fraudulent and ineligible beneficiaries.*

8. *The SSD Department should ensure that scholarship amounts are credited directly and timely to the bank accounts of the eligible students, eliminating the intermediaries, by carrying out required process reengineering.*

9. *Higher Education Department should ensure timely publication of advertisements seeking applications for Medhabruti, and OCAC as well as the treasuries, should process the applications and generate tokens for payments, respectively, without delays.*

10. *The Higher Education Department may take concrete steps to ensure that applications are processed by Principals in a time bound manner to ensure that no eligible applicants are deprived of the benefits of the scheme. Also, the Principals concerned should be made accountable for delay as well as for non-processing of applications.*

11. *OSSP computer application as well other such applications developed by other departments for managing scholarships, should be interlinked with each other, to arrest the incidence of payment of multiple scholarships to the same students.*

12. *The scheme implementation Rules should be properly mapped and validation controls strengthened, in the OSSP system, to restrict*

sanctions to ineligible applicants and prevent excess payments to the beneficiaries.

13. **The SSD Department should ensure Aadhaar seeding of the bank accounts of the beneficiaries, being a primary requirement for DBT. Necessary assistance in this regard, may be extended to the students, so that no one is deprived of the scholarship, for want of Aadhaar seeding of the bank accounts.**

14. **The implementing Departments should make efforts in coordination with State DBT Cell, to ensure use of the Vlookup web service and status of bank account services of NPCI, in order to ensure payment of funds to the intended beneficiaries.**

15. **Flaws in the OSSP computer application system, in not detecting duplicate beneficiaries, incorrect capturing of vital data like dates of applications and Aadhaar numbers as well as absence of Master tables, should be remedied in order to make the system more efficient, in processing the scholarship applications.**

16. **Reasons for suspected fraud in the payment of PMS may be investigated, responsibility may be fixed on the defaulting officials and suitable action may be taken for recovery of PMS.**

17. **The SSD Department may frame detailed guidelines for inspection of institutes, prior to their registration on the scheme portal of OSSP and the quantum of inspections to be conducted by district level officials, as well as the records to be verified in private institutions, should be specified.**

18. **Institutes may be asked to forward the list of students who are continuing their courses in subsequent years, along with their applications, to the concerned DWOs, for verification of continuance, before issue of sanctions.**

Chapter 1

Introduction

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CHAPTER 1

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1.1 Introduction

Direct Benefit Transfer (DBT) is an initiative launched by the Government of India (GoI) on 1 January 2013 to re-engineer the cumbersome delivery process of welfare schemes in order to reduce delays in flow of benefits to intended beneficiaries through effective use of technology. It marked a paradigm-shift in the process of delivering benefits like wage payments, fuel subsidies, food grain subsidies, *etc*., by channelling these directly into the bank accounts of beneficiaries and by removing leakages.

The need for such an initiative arose to address various bottlenecks existing in benefit transfer processes of welfare schemes like, involvement of numerous agencies resulting in multiple layers of authorisation, delayed transfers, inaccurate targeting of beneficiaries, leakages/ pilferages and duplication of beneficiaries, *etc*.

1.1.1 Objectives of Direct Benefit Transfer

DBT vision is a governance regime which ensures a simple and user-friendly Government to People interface and directly delivers entitlements to eligible individuals and households in a fair, transparent, efficient and reliable manner, fulfilling the objectives of DBT, as shown in *Figure 1*.

Figure 1: Objectives of DBT

For any government to transfer benefits to its citizens effectively, it needs to ensure that it can firstly, identify beneficiaries correctly and secondly, make benefits accessible to them with minimum cost/ inconvenience. DBT as a delivery mechanism, has the potential to ensure fulfilment of both these crucial objectives. In order to ensure effective implementation of DBT, there are certain pre-requisites, which are as follows:

- Digitisation of database of beneficiary with Aadhaar number.

- Opening of bank accounts of beneficiaries.

- Seeding of Aadhaar numbers with digitised database and bank account

- Transfer of cash benefits from Ministries/ Departments directly to beneficiaries through State Treasury or through any implementing agency as appointed by Centre/ State Government.
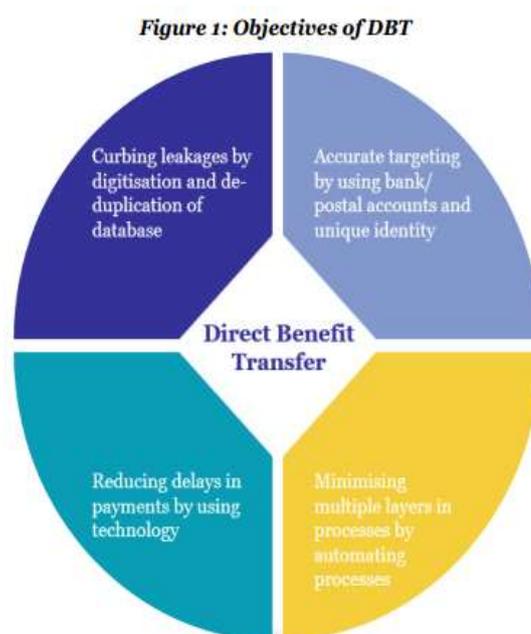
1.2 Process of Delivering Benefits under DBT

The Standard Operating Procedure for DBT payments, issued by the Government of India, outlined the following processes:

(i) Beneficiary identification and enrolment in DBT Scheme Management Software;

(ii) Beneficiary validation/ registration on PFMS (iFMS, in case of Odisha);

(iii) Generation of payment file instructions; and

(iv) Processing of payment file and payment to beneficiary.

1.2.1 Beneficiary Identification and Enrolment in DBT scheme Management Software

As a first step, beneficiaries need to be correctly identified and enrolled through the respective DBT management software, as per requirements of the scheme concerned. This step also involves Aadhaar authentication of beneficiaries, as well as capturing of their bank account details, at the time of enrolment.

1.2.2 Beneficiary validation/ registration on PFMS/ iFMS

The registration of beneficiaries in PFMS/ iFMS is to be done after successful validation of, at least one of the following: bank account/ postal account validation or validation on Aadhaar mapper of NPCI.

1.2.3 Generation of Payment file instructions

After eligibility conditions for the beneficiary under the scheme guidelines are successfully validated, payment instruction file is generated, using the DBT Scheme portal.

1.2.4. Processing of payment file and payment to beneficiary

Once the payment instruction is generated, the same is transferred to beneficiary's accounts through the State Treasury Account. The maximum total time for receiving payment response (success/ failure) is T+4 working days, where T is the day of the transaction when the payment file is received with authorisation to process payment by PFMS. The maximum permissible time for submission of response file after process of payment (success/ failure) to the originator of the payment file is 4 days.

1.3 Organisational structure

1.3.1 Organisation of DBT at GoI level

The DBT Mission was initiated by the erstwhile Planning Commission (January 2013) and was subsequently transferred to the Department of Expenditure (DoE), Ministry of Finance (July 2013). To give more impetus, DBT Mission and matters related thereto, were placed in the Cabinet Secretariat under Secretary (Co-ordination and PG) from September 2015.

An Electronic Payment Framework was laid down for DBT by GoI in February 2015 and this Framework is to be followed by all Ministries/ Departments and is applicable to all Central Sector (CS)/ Centrally Sponsored Schemes (CSS) and to all schemes, where components of cash are transferred to individual beneficiaries. In June 2017, GoI further issued guidelines on establishment of DBT framework at State level.

The DBT Bharat Portal was conceptualised and developed as a national aggregator for all DBT information in the country and was launched in August 2016, by GoI.

1.3.2 *State level Framework for DBT*:

Government of Odisha (GoO) established a State DBT Cell in October 2016, under the administrative control of the Finance Department, with Principal Secretary, Finance, as the State level DBT Coordinator. The DBT Coordinator is assisted by an Officer on Special Duty for administrative work and a Technical Support team, which had been deployed by World Bank, initially for a period of two years (2017-19)[1]. The DBT Cell functions under the overall guidance of the State DBT Advisory Board, which was constituted under the Chairmanship of Development Commissioner-cum-Additional Chief Secretary by GoO (September 2016).

The State level organisation of the DBT set-up, is illustrated in the Chart below:

Chart 1.1: State level organisation of the DBT set-up
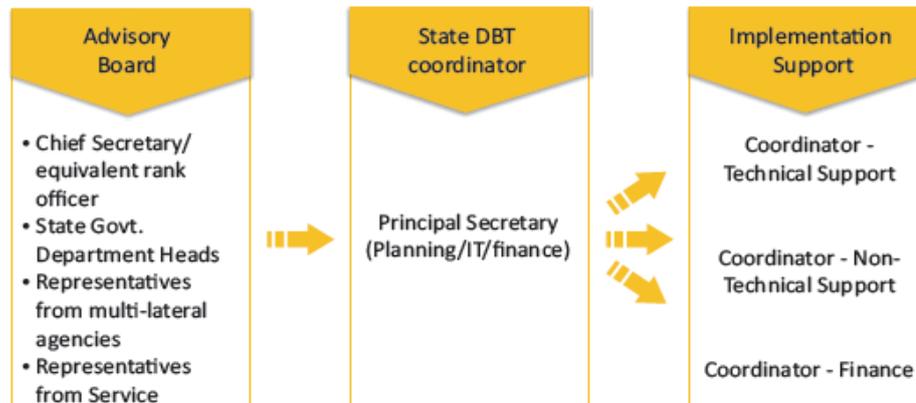
The State DBT Cell serves as a single point for coordinating all efforts related to on-boarding and implementation of schemes under the DBT mode. In pursuance of GoI guidelines, a State DBT portal was launched in June 2018, which acts as a dashboard for display of disaggregated data of DBT for the on-boarded schemes from the State level to Gram Panchayat (GP) level. Further, the DBT Portal of the State is also supposed to have linkages to the National DBT Portal, Public Financial Management System (PFMS[2]), Portals of the

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[1] The World Bank team continued up to March 2021

[2] The Public Financial Management System (PFMS) is a web-based online software application developed and implemented by the Controller General of Accounts, Department of Expenditure, Ministry of Finance, Government of India

State Implementing Agencies[3] and the Integrated Financial Management System (iFMS[4]) of the State Treasury.

1.3.3 *Status of implementation of DBT in Odisha*

Delivery of benefits through DBT mode, was started by GoI in 20 districts in January 2013 and as of March 2021, the Government had implemented 310 schemes in 54 Ministries, through the DBT mode, all over India. The State DBT Cell under Finance Department (GoO) assessed 29 schemes (21 Central and 8 State) for implementation through the DBT mode, of which the DBT Cell was able to onboard only 22 schemes, pertaining to seven[5] departments, in the State DBT Portal, as of March 2021, which includes the Post Matric scholarship scheme for ST/SC/OBC/EBC students and the Medhabruti scheme, selected for the Performance Audit.

For successful and fruitful implementation of direct-benefit-transfer, the DBT framework, as explained above, needs to be put in place effectively, beginning with the coordination of the DBT Mission with the Central Ministries, which, in turn, coordinate with the State and support the State DBT Cell. The State DBT Cell plays a pivotal role in supporting all the State departments, as well as the district/ block/ panchayat administration, to facilitate benefit delivery systems, in order to ensure that benefits reach the intended recipients efficiently and, in a fair, transparent and reliable manner.

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[3] PRERANA, eMedhabruti, Odisha State Scholarship Portal, Student Academic Management System

[4] Integrated Financial Management System (iFMS) is an IT system designed to make payment, reporting, budgeting, *etc*., as required for Government of Odisha

[5] Agriculture and Farmer's Empowerment, Food Supplies & Consumer Welfare, Higher Education, Housing & Urban Development, Panchayati Raj and Drinking Water, ST& SC Development, Minorities & Backward Classes Welfare and Women & Child Development Departments

Chapter 2

Overview of Schemes and Audit Methodology

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Overview of Schemes and Audit Methodology

2.1   Background for taking up the Audit

The Comptroller and Auditor General of India (C&AG) decided (September 2020) to take up an Audit on DBT, with focus on coverage, identification of beneficiaries, efficiency of the payment process and achievement of objectives. Post the execution of DBT in Odisha, as of March 2021, 22 schemes were incorporated under the DBT framework. The present Performance Audit aims to assess the implementation of DBT in the State through detailed examination of two such schemes that are being operated *via* the DBT mode, namely, the Post Matric Scholarship scheme for ST/SC/OBC/EBC students and the Medhabruti scheme. The main features of these two schemes, as well as objectives of the Performance Audit, along with audit scope, methodology, *etc.*, are outlined in the following paragraphs:

2.1.1   Post Matric Scholarship (PMS) scheme for ST/ SC/ OBC/ EBC students

The Post Matric Scholarship (PMS) scheme for Scheduled Tribes (ST)/ Scheduled Castes (SC)/ Other Backward Classes (OBC)/ Economically Backward Classes (EBC), was introduced[6] by Government of India, to provide scholarship to eligible ST/ SC/ OBC/ EBC students, to pursue +2, ITI, +3, post-graduation and professional and technical courses, like MBA, MBBS, MCA, Law and M.Tech., *etc*. The scholarship amount under this scheme covers the admission and tuition fees and also includes reimbursement of other non-refundable compulsory fees, charged by Educational Institutions. Students also receive maintenance allowance, as per the prescribed rates, to meet the day-to-day expenses related to education.

In Odisha, the scheme is being implemented by the Scheduled Tribes and Scheduled Castes Development, Minorities and Backward Classes Welfare (SSD) Department. The Department is headed by a Secretary, who also functions as the Head of the Department. The Principal Secretary is, in turn, assisted by three Directors *viz.*, Director (ST), Director (SC) and Director (OBC) at the State level.

At the field level, the Scheme is implemented by the District Welfare Officers (DWOs) in every district, Assistant District Welfare Officers (ADWO) in the Sub-divisions and Welfare Extension Officer (WEO) in every Block.

2.1.1.1 Funding pattern for the PMS Scheme:

While the PMS scheme is jointly sponsored by the Centre and the State, the funding pattern of the scheme varies, depending upon the category of beneficiaries being covered. PMS has various components *viz.*, Scheduled Tribe (ST), Scheduled Caste (SC), Other Backward Classes (OBC) and

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6   PMS (SC/ ST): 1944-45, PMS (OBC): 1998-99 and PMS (EBC): December 2016

Economically Backward Classes (EBC). Sharing of funds between the Centre and the State across these components, is as follows:

- The financing of the PMS (ST) scheme was borne by the Centre and the State in the ratio of 75:25, during 2017-21.

- In case of the PMS (SC) scheme, the State Government had a committed liability[7] of ₹ 238.28 crore during 2017-20. However, from 2020-21 onwards, the funding pattern changed to 60:40 ratio between the Centre and the State.

- Expenditure on the PMS (OBC) scheme was borne by the State, with a committed liability of ₹ 9.61 crore annually, during 2017-18, while from the year 2018-19 onwards, the Central Government provided 100 *per cent* assistance.

- The PMS (EBC) scheme was 100 *per cent* centrally assisted, during 2017-21.

During the period 2017-21, 20.26 lakh students in the State were benefited by the PMS scheme and expenditure of ₹ 2,358.54 crore was incurred by the Government. Category-wise number of beneficiaries and expenditure incurred, are given in the table below.

Table 2.1: Number of beneficiaries and expenditure incurred on PMS scheme, during 2017-21

(Amount ₹ in crore)

Category	2017-18		2018-19		2019-20		2020-21	
	No. of Students	Amount	No. of Students	Amount	No. of Students	Amount	No. of Students	Amount
SC	1,84,883	252.52	2,27,412	379.27	1,66,400	297.94	1,67,702	317.50
ST	1,86,061	206.11	2,10,866	273.30	1,68,449	227.53	1,67,241	231.19
OBC	1,79,794	33.65	1,38,030	35.70	1,14,935	44.02	1,07,925	55.72
EBC	97	0.01	923	0.26	1153	1.07	3,702	2.75
Total	**5,50,835**	**492.29**	**5,77,231**	**688.53**	**4,50,937**	**570.56**	**4,46,570**	**607.16**

(Source: Records furnished by SSD Department)

Out of the aforesaid number of beneficiaries and expenditure on PMS during 2017-21, the number of beneficiaries who were not paid directly and were, instead, paid through the bank accounts of the institutions (SSD schools under the SSD Department and Government Industrial Technical Institute/ Centre and few private institutes[8]), are shown in the **Table 2.2**:

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7   The expenditure incurred by a State on the Scheme during the terminal year of the five-year plan period

8   Hi-Tech Medical College and Hospital, Bhubaneswar and Kalinga Institute of Medical Sciences, Bhubaneswar

Table 2.2: Number of PMS scheme beneficiaries paid through institutions, during 2017-21

| Year | No. of beneficiaries and scholarship amounts transferred to the bank account of the institutes | | | | Scholarship payment to institution's bank account from 2017-18 to 2020-21 | |
| | Course Fee | | Maintenance Allowance | | | |
	No. of students (in Nos)	Amount paid (₹ in crore)	No. of students (in Nos.)	Amount paid (₹ in crore)	No. of students (in Nos.)	Amount paid (₹ in crore)
2017-18	3,354	0.83	5,044	4.94	8,398	5.76
2018-19	12,596	3.75	6,134	6.04	18,730	9.79
2019-20	8,180	2.38	4,942	4.78	13,122	7.16
2020-21	9,381	2.51	4,748	4.75	14,129	7.26
Total	**33,511**	**9.47**	**20,868**	**20.51**	**54,379**	**29.97**

(Source: Records and information furnished by SSD Department)

The Scheme was identified for implementation under the DBT mode by Government of Odisha in January 2018 and was on-boarded as a DBT scheme in May 2018.

2.1.2   *Medhabruti Scholarship Scheme*

The 'Medhabruti' scheme was introduced by the Higher Education Department, Government of Odisha (GoO), to provide scholarships to those meritorious students of the State, whose parental income does not exceed ₹ 6.00 lakh per annum, to meet a part of their educational expenses while pursuing higher studies. The scholarships are awarded for pursuing general courses, *i.e.*, +3 (Sr.), Post Graduation, Technical and Professional courses, in Colleges and Universities inside and outside Odisha. The Medhabruti scheme is implemented by the Higher Education Department (HED), with Additional Chief Secretary (ACS) as the Head of the Department. The ACS is assisted by a Deputy Secretary in charge of Scholarship Unit and technically assisted by the Odisha Computer Application Centre (OCAC).

2.1.2.1   *Funding of Medhabruti*

Medhabruti, being a State sponsored scheme, the funding for the scheme was exclusively from the resources of the State. During the period 2017-20[9], 90,484 students in the State were benefited by the Medhabruti Scheme and expenditure of ₹ 73.40 crore was incurred by the State Government on the scheme, details of which are given in the table below.

Table 2.3: Number of beneficiaries and expenditure incurred on Medhabruti scheme, during 2017-20

| Category | 2017-18 | | 2018-19 | | 2019-20 | |
	No of students (In Nos.)[10]	Expenditure (₹ in crore)	No of students (In Nos.)	Expenditure (₹ in crore)	No of students (In Nos.)	Expenditure (₹ in crore)
Jr. Merit	10,897	3.28	11,973	3.32	5,577	6.99
Sr. Merit	10,707	5.58	4,042	2.13	13,208	8.39
PG Merit	1,757	1.76	1,547	1.55	4,083	4.28
TP Merit	11,787	13.68	8,140	10.21	6,766	12.23

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[9]   In case of Medhabruti, the advertisement for 2020-21 was floated in April 2021 but payment was not made, as of December 2021

[10]   The numbers include both Fresh scholarship and Renewal of already sanctioned scholarship

Category	2017-18		2018-19		2019-20	
	No of students (In Nos.)[10]	Expenditure (₹ in crore)	No of students (In Nos.)	Expenditure (₹ in crore)	No of students (In Nos.)	Expenditure (₹ in crore)
Total	35,148	24.30	25,702	17.21	29,634	31.89

(Source: Records and information furnished by Higher Education Department)

The Scheme was identified for implementation under the DBT mode by GoO in February 2019 and was on-boarded as a DBT scheme in June 2019.

2.2   Audit objectives

The Performance Audit on "Implementation of Direct Benefit Transfer in payment of Post Matric Scholarship to the eligible students in the State" was conducted to assess whether:

- Necessary process reengineering was done for implementation of DBT so as to identify and cover all the eligible beneficiaries under the scheme and also to minimise:
    - o   intermediary levels,
    - o   delay in payments to intended beneficiaries and
    - o   pilferage and duplication.
- Infrastructure, organisation and management of DBT was adequate and effective.

2.3   Audit criteria

The performance of the schemes was evaluated with reference to the following criteria:

- Circulars, instructions and notifications, issued by the DBT Mission, GoI and the State Government,
- Handbook on DBT and Guidelines for State DBT Cell, issued by the DBT Mission, GoI,
- Standard Operating Procedure for Direct Benefit Transfer, issued by GoI/ GoO,
- Detailed Project Report, System Requirement Specifications, instructions on maintenance of database, IT control documents, generation of various reports,
- Guidelines, Circulars/ orders of SSD Department on PMS scheme for ST, SC and OBC,
- Guidelines, Circulars/ orders on Medhabruti scheme of Higher Education Department,
- Instructions/ notifications of Government on PMS and Medhabruti,
- Brochure and user manual of "PRERANA",
- Odisha General Financial Rules (OGFR) and Odisha Treasury Code (OTC) and
- Miscellaneous Certificate Act.

2.4   Scope and methodology of Audit

The Performance Audit covers a four-year period from 2017-18 to 2020-21. Audit test-checked records of the Finance Department (DBT Cell), ST and SC Development, Minorities and Backward Classes Welfare Department, Higher Education Department, Odisha Computer Application Centre (OCAC), eight District Welfare Officers[11] (DWOs) and 98 educational institutions, including 30 institutions on judgemental basis. Besides, information of Odisha School Education Programme Authority (OSEPA) was also collected and utilised.

Audit also analysed all scholarship applications available in PRERANA software (14,22,413 nos.) and Odisha State Scholarship Portal (OSSP)[12] (5,26,434 nos.) for PMS scheme as well as e-Medhabruti database (5,31,774 nos.) for the Medhabruti scholarships. Besides, data from the Integrated Financial Management System (iFMS) and the Student Academic Management System (SAMS[13]) were also analysed. Joint physical inspection of institutes was carried out; photographs were captured, wherever required; and interviews of beneficiaries were also conducted.

The Audit objectives, criteria, scope and methodology of this Performance Audit were discussed in an Entry Conference with the Secretaries of the Finance Department, SSD Department and Higher Education Department, in February 2021.

The Exit Conference with the concerned Departments was held in September 2022, wherein the major Audit findings and other issues were discussed. The views of the Departments are suitably incorporated in the report.

2.5   Acknowledgement

Audit acknowledges the cooperation extended by the officials of the Finance Department, SSD Department, Higher Education Department, as well as by the officials at the associated offices of the aforesaid departments.

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[11]   Bolangir, Gajapati, Jharsuguda, Kalahandi, Malkangiri, Mayurbhanj, Nayagarh and Sundargarh

[12]   OSSP is an integrated e-Governance Portal for automation, streamlining and effective management of scholarship schemes being implemented in the State of Odisha

[13]   SAMS software is an online (web-based) platform to manage the admission process for +2 and +3 (College) levels

Chapter 3

Non-Adoption of DBT Framework in Implementation of PMS and Medhabruti Schemes

Chapter 3

Non-Adoption of DBT Framework in the Implementation of PMS and Medhabruti Schemes

This Chapter focuses on preparatory measures taken by the State Government for implementation of the PMS and Medhabruti schemes in DBT mode. The GoI guidelines for DBT envisaged setting up of a State DBT Cell (SDC) to act as a nodal point for all activities and issues related to DBT operations in the State. It was to coordinate and liaise with government departments and various stakeholders, for seamless transitioning of schemes to the DBT mode. The SDC should have support layers for Technical, Non-Technical, Financial and Administrative functions for carrying out support activities for the SDC. The records of the State DBT Cell as well as implementing departments were verified in Audit and the following observations were noticed:

- The institutional framework for implementation of DBT was deficient as the State Advisory Committee (SAC) did not have representation from the National Payment Corporation of India (NPCI). As such the SAC remained deprived of valuable inputs from NPCI in rolling out DBT, successfully.

- Despite nod of the NPCI to use their 'VLookup web service and status of bank account' service in the State DBT Portal (SDP) to identify the latest seeded bank accounts and status of bank accounts (inactive/ dormant), the same were not used. Since 2,41,870 out of 3,12,823 bank accounts of PMS beneficiaries were not Aadhaar seeded and both the PMS and Medhabruti were beset with issues related to failed bank transactions, due to dormant/ inactive bank accounts and credits into incorrect bank accounts, the services of NPCI would have provided better guidance for direct remittance of scheme benefits to the eligible beneficiaries.

- DBT Cells/ Committees had not been constituted in both SSD and HE Departments implementing the PMS and Medhabruti schemes, respectively. Further, no DBT Nodal Officer had been nominated by the two Departments, despite the directions of the State DBT Cell.

- The scheme software failed to synchronise with the State DBT portal, for real time updation of the correct payment data.

3.1 Implementation of DBT in the State

The GoI guidelines for DBT in the States envisaged the setting up of a State DBT Cell (SDC), under the guidance of a State level DBT Advisory Committee. The role of the SDC is to act as a nodal point for all activities and issues related to DBT operations in the State.

As DBT operates in an environment that involves multiple stakeholders, the SDC's primary function is to coordinate and liaise with government departments and various stakeholders, for seamless transitioning of schemes to the DBT mode. Further, GoI guidelines also required the setting up of a State Level Advisory Committee, to provide the DBT Cell's executive body with holistic, well-rounded advisory and consulting inputs.

As regards the operational part of SDC, the GoI guidelines[14] envisaged that the Cell incorporate an implementation support layer of the three main categories of Coordinators (Technical, Non-Technical, Financial and Administrative), who would be responsible for carrying out support activities for the SDC.

The DBT Cell in Odisha was set up in October 2016, under the administrative control of the Finance Department of the State. A Standard Operating Procedure (SOP) was prepared by the SDC, containing the roles and responsibilities of various stakeholders, including the SDC and was circulated (December 2018) among all departments that were implementing DBT in schemes. As per this SOP, the responsibilities of the SDC were as follows:

- Onboarding of schemes on the DBT portal.

- Establishing user database for all Departments to link Aadhaar numbers with the NPCI server.

- Collecting and analysing data for the State, Department and scheme.

- Collecting data from various departments and technical support team on factors, such as Aadhaar enrollment, number of beneficiaries, number of active bank accounts, number of Aadhaar seeding, *etc.*

- Monitoring progress of each Department against targets.

- Facilitating all kinds of IT support for implementing DBT in different schemes.

- Interacting and liasioning with all relevant stakeholders.

- Training and capacity building of State officials on DBT.

Audit analysed the institutional framework set up for the implementation of DBT and preparatory measures initiated by the SDC, in the State, especially in the Post Matric Scholarship scheme for SC/ ST/ OBC/ EBC, under the ST & SC Development, Minorities & Backward Classes Welfare Department (SSD Department) and the Medhabruti scheme, under the Higher Education Department. Observations thereon are dealt with in this Chapter.

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[14]   DBT is included in the State Protocol Document (June 2017)

3.2	**Institutional framework for implementation of DBT**

3.2.1 Non-utilisation of the services of NPCI to streamline the DBT payment process and formation of State Advisory Committee without stakeholders

Guidelines issued by GoI for implementation of DBT in the State envisaged that a State Advisory Board be constituted, comprising of representatives from various enablers and stakeholders, such as the government departments implementing DBT schemes, Unique Identification Authority of India (UIDAI), National Informatics Centre (NIC), National Payments Corporation of India (NPCI), *etc*.

Audit noted that GoO had constituted (September 2016) a State Advisory Committee[15] (SAC), comprising of representatives from seven Government departments, NIC, UIDAI, *etc*. However, the Board did not have any representation from NPCI.

SDC decided (April 2018) to make available NPCI's 'Aadhaar Mapper Lookup' in the State DBT portal, which would identify the latest seeded bank accounts and status of bank accounts (inactive/ dormant). For this purpose, NPCI was requested to extend their cooperation by providing the facility through web service, which would be integrated with the State DBT portal. NPCI agreed to the request of the SDC (February 2019) to use their services of 'VLookup web service and status of bank account'. However, no follow-up action was taken by the SDC thereafter. As a result, the same had not been made available in the State DBT portal, as of March 2021.

It was further noticed that the bank accounts of 2,41,870 out of 3,12,823[16] PMS beneficiaries were not Aadhaar seeded and both the PMS and Medhabruti were beset with issues related to failed bank transactions, due to dormant/ inactive bank accounts and credits into incorrect bank accounts. Utilisation of the services of NPCI would have gone a long way in providing better guidance related to payments in DBT schemes.

Thus, non-utilisation of services of NPCI had impacted the DBT process in failure of transactions, involving ₹ 7.90 crore, during 2020-21. Besides, during 2017-21, ₹ 27.85 crore was returned by the Treasury to the original Government Heads of Account, without being paid to the beneficiaries, due to inaction of the SSD Department and SDC, in availing the services of NPCI.

Further, the SAC did not include any representative(s) from NPCI and also from the HED, although the Medhabruti scheme had been implemented through DBT, since June 2019.

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[15] Principal Secretary/ Secretary: Finance Department, Panchayati Raj Department, E & IT Department, Food Supplies & Consumer Welfare Department, Women & Child Development Department, SS&EPD Department, Health & Family Welfare Department, SC & ST Development, Minorities and Backward Classes Welfare Department; SIO, NIC, Odisha; Director, Census; Chief General Manager, State Bank of India; Convenor SLBC; and Director, Institutional Finance.

[16] Information on Aadhaar seeding of bank accounts in regard to Medhabruti was not available with HED

Thus, the initiative towards achieving accuracy in targeting eligible beneficiaries, by identifying their Aadhaar seeded bank accounts, remained flawed, due to non-induction of NPCI in SAC and non-availing of their services.

The State DBT Cell stated (October 2022) that representatives from NPCI would be included in the SAC. It also stated that the NPCI had facilitated services for verifying latest Aadhaar seeded Bank Account through OCAC, which would be used by the departments, implementing the scheme.

> *Recommendation 3.1:*
> *The SAC should include officials from all Departments, implementing DBT as well as representatives of NPCI. Services of NPCI should be availed to check and identify Aadhaar seeded bank accounts to ensure that DBT operations are not exclusionary and are synchronised with the interests of all enablers and stakeholders.*

3.2.2 Non-constitution of departmental DBT Cells

Para 2.1 of the DBT State Protocol, issued by GoI in June 2017, stipulates that, in order to enable adoption and understanding of the DBT framework at the State Level, DBT Cells also need to be constituted at the departmental level. The State DBT Coordinator had also decided (October and December 2016) that the DBT implementing departments shall identify a nodal officer to implement each of its Central/ Centrally Sponsored/ State Sector schemes.

Audit found that DBT Cells/ Committees had not been constituted in either of the two departments implementing the PMS and Medhabruti schemes, *i.e.,* the SSD and HE Departments, respectively. Further, no DBT Nodal Officer had been nominated by the two Departments, despite the directions of the State DBT Cell.

Audit observed that the SDC had not followed up adherence to the directives by the GoI and the Board, regarding formation of DBT nodal cells in various Departments. In the absence of such facilitating mechanisms at the departmental level, measures like modifications in the operational software in line with DBT requirements, Aadhaar seeding, timely processing of scholarships *etc*., could not be taken up satisfactorily. As a result, the implementation of both PMS and Medhabruti were prone to issues related to delays in processing of applications, payment delays, fraudulent drawals, *etc*. This is also indicative of flawed initiatives, in making requisite institutional arrangements for smooth launching of DBT.

The State DBT Cell stated (October 2022) that, in the Standard Operating Procedures[17] (SOP), it was suggested to create DBT Cell for each scheme implementing department. However, the concerned implementing departments were having dedicated cells for overall monitoring of the scheme, like beneficiary account verification, preparing MIS and disbursement of

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[17] The Standard Operating Procedure (SOP) was prepared and circulated (December 2018) to each DBT implementing department, to follow the procedure, in order to fulfil the objectives of DBT

scholarships *etc*. The reply is not acceptable, as the implementation of the scheme requires a dedicated Nodal Officer and a separate cell to follow the outlined procedure for fulfillment of the objectives of the DBT scheme.

> *Recommendation 3.2:*
> *The SDC should ensure that nodal DBT Cells are set up in all implementing Departments, for more focussed and coordinated execution of DBT schemes in the State and to ensure that lacunae pointed out by the SDC in scheme implementation, are resolved in a timely manner.*

3.2.3 Inadequacy in taking follow up actions

Guidelines issued by GoI for implementation of DBT in the State envisaged that the State Advisory Committee (SAC) may meet once in a quarter or at regular intervals, as deemed fit.

Audit noted that SAC had been constituted in September 2016, but only two meetings had been held (27 September 2016 and 10 February 2017), as of March 2021. In the meetings, the Chairman, State Advisory Board (Development Commissioner-cum-Additional Chief Secretary, Odisha) had emphasised the formation of a time-bound strategy for seeding of Aadhaar numbers. However, as of March 2021, only 23 *per cent* of the bank accounts of the total beneficiaries had been Aadhaar seeded.

During the period 2017-21, eight review meetings of the DBT Cell, chaired by Principal Secretary, Finance, were held, wherein decisions were taken for identification of a nodal officer in the DBT implementing departments, integration of the scheme software with PFMS, *etc*. However, no technical support was provided by the SDC, to the SSD as well as HED and the departments also did not take a proactive role in fulfilling these tasks.

Audit observed that decisions taken by SAC, SDC as well as the Finance Department, on DBT, were not carried out. As a result, disbursement of scholarships under PMS and Medhabruti, to bank accounts, continued without verification of their correctness and Aadhaar seeding status. Resultantly, there was not only delay in processing of scholarship applications but also payments to non-existent beneficiaries, credits to wrong account numbers, *etc*.

While accepting the audit observations, the State DBT Cell stated (October 2022) that the recommendation for conducting State Advisory committee meetings regularly, would be followed henceforth.

3.3   Inadequate preparatory measures for implementation of DBT

3.3.1   Non-identification and coverage of beneficiaries under PMS

As per GoI guidelines, the primary vision of DBT is to facilitate a paradigm shift in the process of delivering entitlements to all those who are eligible through accurate identification and targeting of the intended beneficiaries. Further, the team deployed at SDC has a role in developing linkages with the

Socio-Economic Caste Census (SECC)[18] based social registry and take steps to identify the left-out population of targeted beneficiaries. The SDC, along with the concerned implementing Department, was also responsible for designing IEC activities for stakeholders, especially beneficiaries, to enhance awareness about DBT schemes.

In this regard, Audit noted that, although PMS had been identified as a DBT scheme, no action was taken either by the SDC or by the SSD Department, to analyse the SECC data for identification of targeted beneficiaries of the scholarship schemes. This was despite the fact there was a clear decline in the number of beneficiaries availing PMS scholarships from 2018-19 onwards, as can be seen in the table below:

Table 3.1: Number of beneficiaries of PMS during 2017-21

Category	No. of beneficiaries			
	2017-18	**2018-19**	**2019-20**	**2020-21**
SC	1,84,883	2,27,412	1,66,400	1,67,702
ST	1,86,061	2,10,866	1,68,449	1,67,241
OBC	1,79,794	1,38,030	1,14,935	1,07,925
EBC	97	923	1,153	3,702

(Source: Database of PRERANA and OSSP)

Neither the SDC, nor the SSD Department, had taken steps for identification of eligible beneficiaries or analysed the reasons for the decreasing trend of the beneficiaries in PMS. As a result, there was less coverage by 30 to 42 *per cent* beneficiaries under PMS, in comparison to the students who were admitted in 11th class during 2017-21, as discussed in ***Paragraph 4.4.1*** in the subsequent chapter.

Further, although, the SDC claimed to have prepared an Information, Education and Communication (IEC) document for circulation to all concerned Departments, the same was not available on records.

The State DBT Cell stated (October 2022) that identification of the eligible beneficiaries under PMS was the sole responsibility of the implementing Department. However, analysing various data (like SECC, *etc.*) for creating a Social Registry for various schemes to identify eligible beneficiaries, would be undertaken by the State Government.

3.3.2 Lack of training programmes on DBT

As per DBT guidelines of GoI, as well as the SOP prepared and circulated by SDC (December 2018), there would be an 'Implementation Support Layer' within the Cell, which would be responsible for extending supports[19] to SDC, including terms of training and capacity building of State and District level Officials on DBT. The district level officials, after receiving training, were to further train the micro level officers.

During 2017-21, the SDC organised (July 2018) only one training programme on strengthening the DBT ecosystem in Odisha, at the state level, which was

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[18] Ministry of Rural Development GoI, conducted the Socio Economic and Caste Census (SECC) 2011, in June 2011 through a comprehensive door to door enumeration across the country to generate information on a large number of social and economic indicators, relating to household in the country

[19] Technical, non-technical, financial and administrative aspects

attended by five Departments[20], including three officials of SSD Department, but no officials from the HED. No training programmes was organised by the State DBT Cell for executors of the DBT scheme at the district level, who play a crucial role in implementing DBT schemes at the ground level in the State.

In the absence of adequate capacity building measures, issues relating to coverage of beneficiaries, deficient scrutiny of applications, delay in processing, *etc*., persisted, besides continued leakages in disbursement of benefits, as discussed in the subsequent chapters.

The State DBT Cell stated (October 2022) that more numbers of training programmes would be conducted in future.

> *Recommendation 3.3:*
>
> ***There should be regular monitoring, by way of regular meetings to take note of hindrances as well as absence of facilitating measures for smooth implementation of DBT. The officials at different levels, associated with implementation of DBT, should be trained adequately for effective execution of the DBT schemes, at the ground level.***

3.4 Synchronisation of scheme data in State DBT portal

As per DBT guidelines, the State DBT Cell may access the State page on the DBT Bharat Portal, to upload scheme-wise aggregated data on a monthly basis or, if the State has developed its own portal, the same is to be integrated to DBT Bharat Portal.

It was observed that the data synchronised from PRERANA and eMedhabruti software with the State DBT portal was found to be incongruent with the data available in the State DBT portal, as discussed in the following paragraph.

3.4.1 Non-reflection of correct achievement of PMS and Medhabruti on the State DBT portal

As a part of DBT implementation, the State DBT Portal of Odisha was developed by a private vendor and the server was placed in the staging zone of State Data Centre, Odisha Computer Application Centre (OCAC), Bhubaneswar and 22 schemes were onboarded (scheme database was integrated with State DBT portal) on the State portal, as of March 2021.

The SSD PRERANA MIS software was integrated in May 2018 and e-Medhabruti in June 2019, with the State DBT portal, to ensure flow of the data, especially the number of beneficiaries and amount disbursed in a month. The same gets updated on the 10th of the succeeding month and it is being updated in the DBT Bharat Portal after five days. The integration of OSSP with the State DBT Portal was not done till August 2021.

On analysis of the information furnished by the SSD, HED and SDC, it was noticed that the number of beneficiaries and the amount disbursed, as per the

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20 SSD Department, Health & Family Welfare Department, Food Supplies & Consumer Welfare Department, Agriculture & Farmer's Empowerment Department and Panchayati Raj & Drinking Water Department

report of the departments and the DBT portal, were not matching and there were considerable gaps between the two reports. Details in this regard are mentioned in the tables shown below:

Table 3.2: Physical and financial details of PMS and Medhabruti, as per the State DBT Portal

Depart ment Name	Scheme Name	2017-18		2018-19		2019-20		2020-21	
	Name of the scheme	Active Beneficiary	Total Disbursal (₹ in lakh)	Active Beneficiary	Total Disbursal (₹ in lakh)	Active Beneficiary	Total Disbursal (₹ in lakh)	Active Beneficiaries	Total Disbursal (₹ in lakh)
SSD	EBC			920	26	0	0	0	0
	OBC			1,38,023	3,789	0	0	0	0
	SC	SDP not developed in 2017-18		2,19,741	36,482	96,144	16,875	0	0
	ST			2,01,403	26,128	1,25,867	17,533	0	0
HED	Medhabruti			NA	NA	6,186	476	0	0

(*Source: Information furnished by the State DBT Cell*)

Table 3.3: Physical and financial details of PMS and Medhabruti, as per information of the SSD and HE Department

Depart ment Name	Scheme Name	2017-18		2018-19		2019-20		2020-21	
	Name of the scheme	Active Beneficiary	Total Disbursal (₹ in lakh)	Active Beneficiary	Total Disbursal (₹ in lakh)	Active Beneficiary	Total Disbursal (₹ in lakh)	Active Beneficiary	Total Disbursal (₹ in lakh)
SSD	EBC	97	2.01	923	26.31	1,153	108.13	3,702	277.22
	OBC	1,79,794	34,001.19	2,10,866	3,789.07	1,14,935	4,525.74	1,07,925	5,685.32
	SC	1,84,883	25,251.60	2,27,412	37,926.53	1,66,400	29,794.09	1,67,702	31,749.92
	ST	1,86,061	20,611.20	2,10,866	27,329.68	1,68,449	22,753.01	1,67,241	23,118.73
HED	Medhabruti	35,148	2,429.15	25,702	1,720.70	29,634	3,188.49	0	0

(*Source: iFMS payment information furnished by SSD and HED*)

On analysis of the information from the aforesaid two tables, it was found that there was mismatch of figures between the payments shown in the iFMS and the data updated in State DBT portal. In this regard, documents were sought from SDC, to provide details of the integration, in order to know the tables of the PRERANA and eMedhabruti databases used to fetch data for updation in State DBT Portal. However, despite repeated requisition, the same could not be furnished to Audit.

It was observed that the difference in the aforesaid tables was due to non-approval of the applications for scholarship (which had already been approved and sanctioned by the DWO), by the SSD Department, due to duplication/other reasons. It was also noticed that PRERANA contains the approved list of beneficiaries but payment to all the beneficiaries had not been made within the year. As a result, there were discrepancies in the data.

Further, the OSSP integration with SDP had not been done, as of March 2021, as a result of which the data was not updated in SDP. Thus, unrealistic information on DBT was updated in the DBT Bharat portal.

Recommendation 3.4:
SDC/ SAC should take action to synchronise the scheme software payment data with the State DBT Portal, accurately and on a real time basis.

Chapter 4

Process Reengineering, Identification and Coverage of Beneficiaries

Chapter 4

Process Reengineering, Identification and Coverage of Beneficiaries

This Chapter deals with process reengineering carried out for accurate identification and coverage of beneficiaries under the schemes through DBT mode. Various aspects starting from identification to coverage of all potential beneficiaries and time taken for processing of the applications up to the payment level were analysed and the major audit observations emerged:

- The aim of DBT, to cover the intended beneficiaries, was not fully met, as it failed to undertake awareness measures through various media outfits.

- The SSD Department had not issued well-defined procedure for verification of institutes' physical infrastructure and human resources, prior to issue of User ID and password of scholarship portal. Bogus students, from non-existent institutes, were able to avail the benefits of PMS scholarships of ₹ 15.57 crore, due to negligence of the Department and its field officials.

- The suggestions of the SDC, such as integration with the NPCI mapper for bank account linkages, automation of workflow of the schemes *etc.*, to plug scheme loopholes were neither implemented by the Departments nor ensured by SDC, during follow-up.

- The main aim of DBT *i.e.,* to make the delivery process simpler and ensure timely disbursal of benefits, remained unachieved, as there were excessive delays in the processing and disbursement of scholarships, due to lack of process re-engineering.

- The average time taken from the date of application to the date of disbursal of scholarships, continued to be high. Inordinate delays were witnessed at different stages, right from floating of advertisements to sanction of payments, leading to overall delays of 252 days in payment of PMS, and 11 to 387 days in the payment of Medhabruti scholarships to students.

- Due to non-validation of 13,975 Medhabruti scholarship applications by the Principals of various institutes, involving an amount of ₹ 7.17 crore, the scholarships were not considered for sanction and payment, which ultimately defeated the objectives of DBT.

4.1   Scheme Introduction: Post Matric Scholarship and Medhabruti

The extant audit of DBT covers two main scholarship schemes, the Post Matric Scholarship Scheme (PMS) and Medhabruti. The main features of these schemes, including eligibility conditions, fee structure, courses being covered, *etc*., are detailed in the following paragraphs.

4.1.1   Post Matric Scholarship (PMS) scheme

The PMS scheme, for students of Scheduled Caste (SC), Scheduled Tribe (ST), Other Backward Classes (OBC) and Economically Backward Classes (EBC), is a centrally sponsored scheme of GoI, for educational empowerment of SC/ ST/ OBC/ EBC students, studying at the post-matriculation or post-secondary stage. The Post Matric Scholarship Scheme for SC and ST students is implemented by the Ministry of Social Justice and Empowerment (MoSJE) and Ministry of Tribal Affairs (MoTA), respectively. Subsequently, OBC and EBC category students were brought into the PMS fold, in 1998-99 and 2016, respectively.

The stakeholders involved in the PMS scheme are the aforementioned central ministries. The SSD Department at the State level, District Welfare Officers at the district level and institutions at micro level, are the prime stakeholders, besides other stakeholders at the State level, like the Directorate of Treasuries Inspection and State DBT Cell.

The objective of the scheme is to provide financial assistance to the aforesaid category of students, for pursuing their post matriculation/ secondary courses through recognised institutions. The software used to implement the PMS scheme was Post Matric Scholarship, Registration, Release and Network Automation (PRERANA). The software has been developed for effective management of processes related to application receipt, processing, sanction and disbursal. This software also aimed to facilitate faster and efficient disposal of scholarship applications and timely payment of scholarships to students, directly into their bank accounts. PRERANA is a web-based software developed by the National Informatics Centre, Madhya Pradesh, Bhopal, using Dot Net and C Sharp and backend in MS SQL. The data storage location is in NIC, Bhopal.

The broad features of the scheme are outlined in the table below:

Table 4.1: Features of Post-Matric Scholarship

Eligibility of student	- Students belonging to SC/ ST/ OBC/ EBC community and permanent residents of Odisha. - SC and ST: Students whose parents'/ guardians' income, from all sources, does not exceed ₹ 2.5 lakh per annum. - OBC: Students whose parents'/ guardians' income, from all sources, does not exceed ₹ 1 lakh per annum (up to August 2018), ₹ 1.5 lakh per annum (up to 2019-20) and ₹ 2.5 lakh per annum from 2020-21 onwards. - OBC students securing at least 50 *per cent* marks in their last examination. - EBC: Students pursuing studies in Government institutions only, whose parents'/ guardians' income, from all sources, does not exceed ₹ 1.00 lakh per

	annum (up to 2019-20) and ₹ 2.5 lakh per annum from 2020-21 onwards.
Eligibility of course and institute	All recognised post-matriculation or post-secondary courses[21] pursued in recognised institutions in India.
Scholarship components	Maintenance allowance, compulsory non-refundable fees, study tour charges, thesis typing, book allowance, book bank facility, additional allowance for students with disabilities.
Four Groups of courses that are eligible to be covered under PMS	**Group I** includes degree/ post-graduate degree level professional courses, such as engineering, medical, business, finance and computer sciences and higher level specialised courses, such as PhD, M.Phil., CA, ICWA, CS., PGDM and commercial pilot licensing.
	Group II includes graduate/ post graduate courses and other equivalent professional courses not included in Group-I, such as nursing, pharmacy and hotel management.
	Group III includes all other courses leading to a graduation degree not covered under Groups I & II.
	Group IV includes all post-matriculation level non-degree courses.

(*Source: PMS Guidelines*)

4.1.2 Medhabruti Scheme

Medhabruti is a hundred *per cent* State sponsored scheme that was introduced by the Higher Education Department of Government of Odisha. The scheme aims to provide scholarships to meritorious students of Odisha.

The prime stakeholders of the scheme are the Higher Education Department at the state level and institutions at the micro level. Besides, the Directorate of Treasury Inspection, Odisha Computer Application Centre and State DBT Cell, are the other stakeholders at the State level.

The e-Medhabruti software was developed by CSM Technology, using Dot Net 4.0 and SQL Server 2017 as the backend database, with the data storage being the IT Centre at the Secretariat, with the objective of processing applications for grant of scholarships under Medhabruti.

Detailed features of the Medhabruti scheme are outlined in the table below:

Table 4.2: Detailed features of the Medhabruti Scholarship

Eligibility of student	• The student must be a permanent resident of Odisha State. • The income of the parents of the students, from all sources, should not exceed ₹ 6 lakh per annum. • The student must have secured 60 *per cent* marks in the examination of different categories: • Jr Merit (+2 level) - Must have passed HSC with 60 *per cent* or more marks from an institution recognised by BSE Odisha/

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21 Except training courses like Aircraft Maintenance Engineer's Courses and Private Pilot license Courses; Courses at Training – Ship Dufferin (Now Rajendra); Courses of training at the Military College, Dehradun; Courses at Pre-examination Training Centres of all India and State levels

CBSE/ ICSE/ Equivalent boards and pursuing regular +2 courses of 10+2 pattern.

- Sr. Merit (+3 level) - Must have passed +2 of CHSE Odisha, Class XII or equivalent examination with 60 *per cent* or more marks from an institution recognised by CBSE/ ICSE and pursuing regular degree courses in any of the recognised colleges/ institutions/ Universities.

- Post-Graduation (P.G) Merit - Must have passed +3 degree or equivalent with 60 *per cent* or more marks from a recognised institute and pursuing regular courses in one of the disciplines (where a scholarship is offered) in any of the recognised colleges/ institutions/ Universities.

- Technical & Professional Merit (T&P) - Must have passed +2 of CHSE/ CBSE/ ICSE/ Equivalent exam or +3 Degree/ equivalent three-year course (only for MBA/ MCA/ MFC/ MSW) with 60 *per cent* or more marks and pursuing regular technical & professional courses in the colleges/ institutions recognised by respective regulatory authorities.
  Students shall apply for Medhabruti only in the year of joining (1ˢᵗ year of the course).

Scholarship components: Medhabruti comprises four components, based on level of courses, as detailed in the table:

Type of scholarship	No. of scholarships				Amount per beneficiary (₹)
	2017-18	2018-19	2019-20	2020-21	
Junior Merit	10000	10000	Nil	Nil	3000
Senior Merit	3000	3000	3000	6000	5000
PG Merit	1500	1500	1500	2500	10000
T & P Merit	10000	10000	10000	6000	10000

(*Source: Medhabruti Guidelines*)

4.2 Scheme workflow of PMS

To sanction and disburse PMS to eligible ST/ SC, OBC and EBC students, the SSD Department introduced an online e-scholarship portal *viz.*, Post-matric Scholarship Registration Release and Network Automation (PRERANA), from 2011-12, which was designed and developed by the National Informatics Centre (NIC), Bhopal. In order to manage all types of scholarships given to students by different departments of the State, through a single platform, the Odisha State Scholarship Portal (OSSP) came into being from 2020-21. The SSD Department switched over to this new portal of OSSP from 2020-21, for processing of PMS. The workflow mechanism of PRERANA and OSSP are shown in *Figure 4.1* below:

Figure 4.1: Process flow of PRERANA & OSSP[22]

	Registration by the student

Student submits hard copy application along with documents to institute

Re-submission by the Student

Verification by Institute
(Verifies online data with hard copy)

Permanent Rejection

Accepted

Temporary Rejection

Process Ends

Hard copy forwarded to DWO

For OBC/ SEBC, the Dept. Provides allotment with list to DWOs

Verification by District Welfare Officer
(Verifies online data with hard copy)

Accepted

Permanent Rejection

State Level
(Verifies online data)

Temporary rejection

Process Ends

PRERANA Department/ DWO prepares the bills manually and uploads these in iFMS and send these to Treasury

OSSP Department/ DWO approves the beneficiary list in OSSP and pushes the same to iFMS.

No. of beneficiaries approved and amount involved for disbursement updated in State DBT Portal in 10th of every month

The FA sanctions using digital signature in iFMS.
The DDO uploads the manually prepared bill and generates e-book of drawal and pushes the same to iFMS for disbursement process. The DDO also takes print of the bill, sanction order and eBook of drawal and submit to Treasury for payment to the beneficiaries.

Bills processed in iFMS at Treasury after receipt of hard copy of bill and processed online without manual intervention

Payment to beneficiary bank account

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[22]   SSD Department prepares bills for SC and ST beneficiaries and DWO prepares for OBC and EBC beneficiaries

4.3   Scheme workflow of Medhabruti

The 'Medhabruti' scheme was introduced by the Higher Education Department, Government of Odisha (GoO), to provide scholarships to those meritorious students of the State, whose parental income does not exceed ₹ 6 lakh per annum. For the management of this scholarship scheme, e-Medhabruti software was developed and designed by a private vendor (M/s CSM Technologies) and is being used by the Higher Education Department since 2016-17.

Besides this, the Odisha Government also has a separate online system called the Student Academic Management System (SAMS), which is used for admission to Higher secondary (*i.e.*, +2) and Undergraduate (UG) level courses. Therefore, details of students who have got admitted to +2 and UG level general courses, are readily available in SAMS. This database available in SAMS is used in the e-Medhabruti application system[23] for ascertaining the number of students eligible for the Medhabruti scholarship, as well as for scholarship management. The workflow mechanism of the e-Medhabruti software, including its interface with SAMS, is shown in the figure below:

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[23]   From 2020-21, Government used OSSP as a common scholarship portal

Figure 4.2: Process flow of e-Medhabruti

Students enrolled in SAMS college with >=60 *per cent* marks placed in Principals' login for validation by CSM Technologies

Fresh applications by Non-SAMS college students online

Hard copy along with documents sent to the institute

Principal verifies the applications online and validates the uploaded documents/ documents available in college (SAMS students) for processing

Online submission of validated data to OCAC

OCAC downloads and categorises the Principal's validated data into "Fresh and Renewal" and submits the data to the HED in excel format by CD/ email

HED approves the beneficiary list and prepares the bill manually and uploads the same in iFMS along with beneficiary list in excel format

HED presents the manual bill along with required annexures to the Treasury for payment

Treasury processes the online bill after receipt of manual bill and approves for payment to the beneficiary

Payment to the beneficiary's bank account

The OSSP is a web-based software, developed by CSM Technologies, using Angular 8.3, PHP 7.1 and PHP Laravel, with backend tool of MY SQL. The storage location of the OSSP data is the Odisha State Data Centre. The technical workflow of OSSP is shown below.

Figure 4.3 Process flow of OSSP
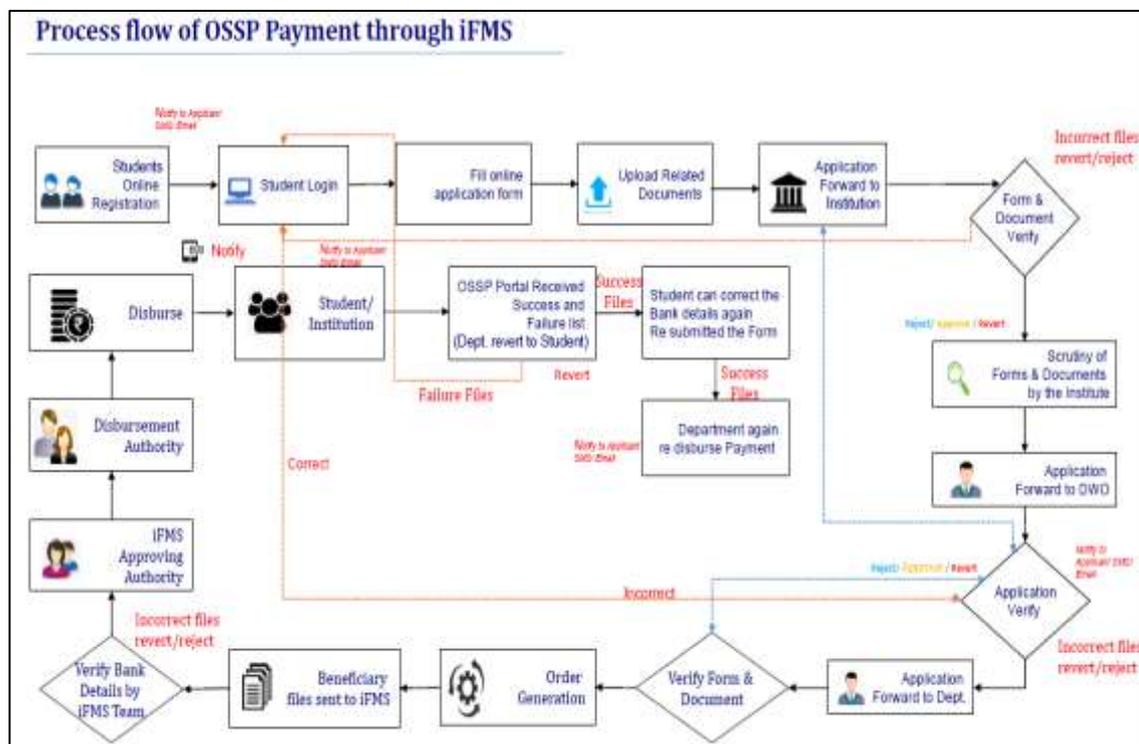
4.4 Identification and coverage of beneficiaries

Correct identification of beneficiaries is an important criterion for the effective implementation of any DBT scheme, including scholarship schemes like PMS and Medhabruti. Creating adequate awareness about Government sponsored scholarship schemes and addressing problems faced by students while applying for such scholarships, are vital for proper identification and full coverage of eligible beneficiaries. In case of the present scholarship schemes, the eligible beneficiaries included students belonging to the underprivileged sections of society, like SC, ST, OBCs and economically weaker income groups.

On examination of records, Audit found the following deficiencies on both the fronts.

4.4.1 Inadequate coverage under PMS

Accurate targeting and identification of eligible beneficiaries is one of the prerequisites of successful scheme execution under DBT. The State DBT Cell was entrusted with the responsibility of developing linkages with the Socio

Economic and Caste Census[24] (SECC) based social registry, for coverage of eligible population under such schemes and to ensure formation of Nodal Cells in DBT implementing departments.

Year-wise and category-wise numbers of students covered under PMS, during 2017-21, are as follows:

Table 4.3: Trend of coverage of beneficiaries under PMS during 2017-21

Year	2017-18	2018-19	2019-20	2020-21
SC	1,84,883	2,27,412	1,66,400	1,67,702
ST	1,86,061	2,10,866	1,68,449	1,67,241
OBC	1,79,794	1,38,030	1,14,935	1,07,925
EBC	97	923	1,153	3,702
Total	5,50,835	5,77,231	4,50,937	4,46,570

(Source: SSD Department)

It would be observed from the above table that the total number of students covered under PMS decreased by 19 *per cent,* from 5.51 lakh in 2017-18, to 4.47 lakh in 2020-21. Except in the EBC category, the coverage of beneficiaries from other categories registered a decline between 2017-18 and 2020-21.

Audit noted that neither the DBT Cell nor the SSD Department had taken steps to analyse the SECC data for identification of all eligible beneficiaries. Data submitted through applications was the only source of collection of data of beneficiaries. Even the data available in SAMS was not used to compare with number of students applied for PMS vis-à-vis number of eligible students.

Hence, in absence of any survey or a database of the eligible students available in the State, the Department was not in a position to ascertain the actual coverage of eligible ST and SC students under PMS.

As noted in ***Paragraph 4.3*** above, details of students who took admission in +2 courses in the State were available in the SAMS system. A comparative picture of the number of SC/ ST category students, who were admitted to +2 courses and the number of such category students who applied for PMS during 2017-21, is given in the table below:

Table 4.4: Admissions vis-à-vis applications for PMS, by SC/ ST students, during 2017-21

Year	Admission in +2		Applied for PMS		Taken admission but not applied for PMS		Percentage of admitted students applied	
	SC	ST	SC	ST	SC	ST	SC	ST
	1	*2*	*3*	*4*	*5 (1-3)*	*6 (2-4)*	*7 (3/1%)*	*8 (4/2%)*
2017-18	73,515	79,163	42,624	52,693	30,891	26,470	58	67
2018-19	63,990	71,756	40,751	47,212	23,239	24,544	64	66
2019-20	56,586	65,233	31,233	39,913	25,353	25,320	55	61
2020-21	60,736	69,634	30,774	41,010	29,962	28,624	51	59
Total	2,54,827	2,85,786	1,45,382	1,80,828	1,09,445	1,04,958	57	63

(Source: Data taken from SAMS, PRERANA and OSSP databases)

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[24] Ministry of Rural Development GoI, conducted the Socio Economic and Caste Census (SECC) 2011, in June 2011 through a comprehensive door to door enumeration across the country to generate information on a large number of social and economic indicators relating to household in the country

Audit noted that:

- In the SC category, out of 2.55 lakh students who took admission in +2 courses during 2017-21, only 1.45 lakh students (57 *per cent*) applied for PMS. The year-wise percentage (2017-21) of admitted SC students, who applied for PMS, ranged from 51 to 64 *per cent* only.

- In case of the ST category, the percentage of students who applied for PMS during the same period was relatively higher at 63 *per cent,* as 1.80 lakh out of 2.86 lakh students, who were admitted at +2 level, applied for PMS. The annual percentage of ST students in the years 2017-21, who applied for PMS, ranged from 59 to 67 *per cent* only.

- The number of students from SC category who applied for PMS registered a decreasing trend since 2018-19. While 58 *per cent* of admitted students of SC category applied for PMS in 2017-18, the same reduced to 51 in 2020-21. Similarly, the percentage of ST students applying for PMS reduced from 67 *per cent* in 2017-18 to 59 *per cent* in 2020-21.

Audit observed that there were no efforts by the SSD Department to identify eligible SC and ST students, from the data available in SECC or by survey or from SAMS database, to ensure that all eligible students are covered under PMS.

The SSD Department stated (March 2021) that the coverage had gone down due to mandatory use of Aadhaar for submission of scholarship applications from 2019-20 onwards. The reason attributed by the Department is not convincing, as the decline in number of students at +2 level, applying for PMS, began in 2018-19, *i.e.,* before the Aadhaar rule came into force. Moreover, even if we attribute Aadhaar becoming mandatory as a cause of declining coverage of PMS, it parallelly also highlights the lack of preparatory measures on the part of the Department, particularly, the steps necessary to be taken to encourage targeted beneficiaries to enrol for Aadhaar, for a successful implementation of DBT.

Recommendation: 4.1

The SSD Department may build appropriate mechanism to assess the number of potential beneficiaries and compare the same with the applications received for identifying the students, not applying for PMS. Efforts should be made to reach out the left-out students to assist them in availing PMS.

4.4.2 *Lack of adequate steps for coverage of entire eligible beneficiaries for Medhabruti*

The Higher Education Department (HED) awarded Medhabruti for different grades of students under four different categories, *viz*., Jr. Merit, Sr. Merit, PG Merit and T&P Merit. The number of new students (*i.e*., Fresh), to be given scholarships under each category, are fixed annually. A student, once covered under a scholarship, is entitled to the same in subsequent years *(i.e*., Renewal),

if he/ she continues in the course. Hence, no target is fixed for renewal of scholarships.

The year-wise number of students to be covered under each component of Medhabruti, as well as the actual coverage under both 'Fresh' and 'Renewal' categories, during 2017-20, are shown in the table below. Award of the Jr. Merit scholarship was stopped since 2019-20. In case of 2020-21, although HED had fixed the number of scholarships to be awarded[25], no applications were invited in April 2021 and no payments had been made till December 2021. Therefore, transactions relating to the year 2020-21, could not be analysed in Audit.

Table 4.5: Year-wise target vis-à-vis coverage under Medhabruti

Year	Particulars	Jr. Merit	Sr. Merit	PG Merit	T&P Merit
2017-18	*Target*	*10,000*	*3,000*	*1,500*	*10000*
	Fresh	*3,065*	*2,877*	*64*	*141*
	Renewal	7,832	7,830	1,693	11,646
2018-19	*Target*	*10,000*	*3,000*	*1,500*	*10,000*
	Fresh	*9,987*	*2,998*	*1,500*	*2,018*
	Renewal	1,986	1,044	47	6,122
2019-20	*Target*	*Stopped*	*3,000*	*1,500*	*10,000*
	Fresh	*0*	*3,000*	*1,500*	*1,783*
	Renewal	5,577	10,208	2,583	4,983
Total	**Target**	20,000	9,000	4,500	30,000
	Fresh	13,052	8,875	3,064	3,942
	Renewal	15,395	19,082	4,323	22,751
Percentage of achievement (Fresh:Target)		*65*	*99*	*68*	*13*

(Source: Information furnished by HED)

Audit noted that coverage under Sr. Merit scholarship was as per the target during 2016-19, whereas, in the remaining three scholarship categories, the percentage of coverage ranged from 13 (T&P Merit) to 68 (PG Merit) only. Reasons for such reduction had, however, not been analysed by the Department. Non-validation of applications by the Principals of their respective institutes and delays in verification and non-validations of applications, discouraging students from applying for the scholarships could be some of the reasons for such decline in coverage, as discussed in *Paragraph 4.6.1* and *Paragraph 4.6.2,* respectively.

In reply, the Higher Education Department stated (September 2022) that they had decided to incorporate new valid courses in all categories of merit, to enhance the coverage of disbursal of scholarship apart from forming a scholarship committee at the institution level, to make them more responsible for validating the applications.

4.5 Process re-engineering for minimising the intermediary level for timely transfer of benefit

DBT envisages a switchover to transfer of benefits *via* Aadhaar seeded bank accounts, which requires a significant amount of business process re-engineering. The scheme implementing departments, with the assistance of the DBT Cells, are responsible for this process reengineering, that aims to

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[25]   Sr. Merit: 6,000, PG Merit: 2,500 and T&P Merit: 6,000

minimise intermediary levels, for transfer of benefits and ensuring timely receipt.

4.5.1 Absence of process re-engineering

It was decided (2015-16), by the SSD Department, that the DWO would be the sanctioning authority for PMS for SC/ ST/ OBC/ EBC students in their respective districts, while disbursement of scholarships for SC and ST students would be made by the SSD Department and, in case of OBC and EBC, the disbursement would be done by the DWO.

Audit, however, noticed that the process of application and approval of PMS and Medhabruti scholarships in the PRERANA and e-Medhabruti software involved various intermediary levels before final disbursal of the scholarship amount, as is illustrated in *Figure 4.4*.

Figure 4.4: Pre and Post DBT workflow of two schemes

Post Matric Scholarship Scheme	Medhabruti Scheme
Beneficiary	Beneficiary
Institution	Institution
District Welfare Officer	CSM/ OCAC
SSD Department	Higher Education Department
Levels existing in 2016-17 also prevalent as of March 2021	
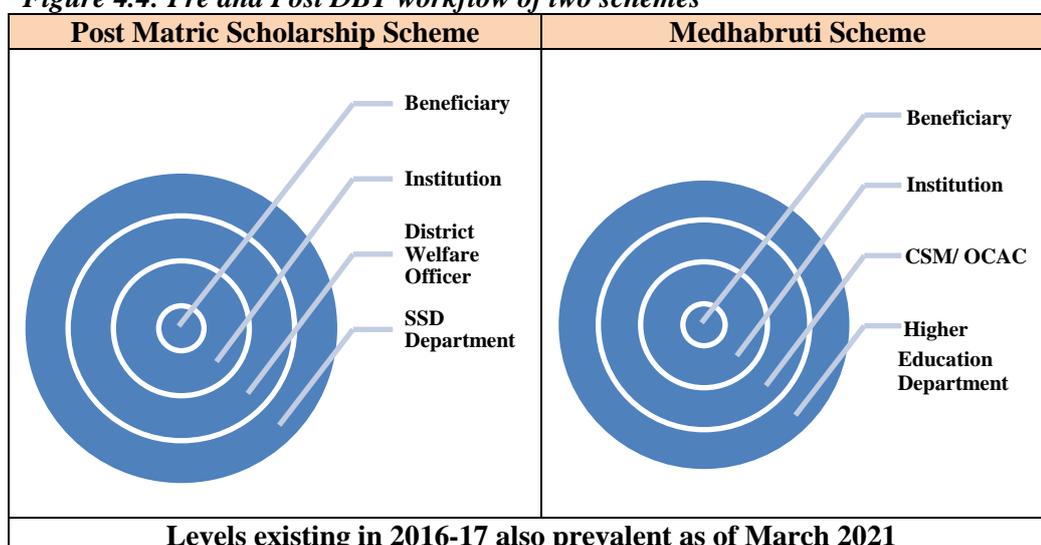
(Source: Records of SSD and HED and databases)

As illustrated in *Figure 4.4*, the process of PMS starts with the submission of applications by the students, through the PRERANA/ OSSP portal. Thereafter, it is the responsibility of the concerned Principals to verify the students' credentials and push the applications forward, to the concerned DWOs for verification and sanction. The DWO is the sanctioning authority for all scholarships but, due to lack of mapping of business rules and de-duplication, the Scholarship Management Unit at the State Level verifies the applications once again, for payment to SC and ST beneficiaries, from the Department, through iFMS. The SSD Department releases the allotment to the DWO, for payment of OBC and EBC beneficiaries.

Audit noticed that, in case of OBC and EBC students, the SSD Department continued to retain authority over sanctioning of PMS, as it still conducted verification of applications and forwarded only the final selected list, along with allotments, to the DWOs, for payment. As per the revised guidelines of 2015-16, this process of verification, as well as sanction, was to be carried out by the DWO, in case of SC and ST students. As such, there was no reduction in intermediary levels in sanctioning of PMS.

Thus, the intermediary levels involved in pre and post DBT phases remained the same. In pre DBT period (2015-16), the time taken from bill date to

voucher date ranged from 02 to120 days where as in the post DBT period (2016-21) the time taken rather increased in comparison to the pre DBT period which ranged from 01 to 272 days as detailed in the table below:

Table 4.6: Time between the bill date and the voucher date, during 2015-21

Year	DBT period	Time taken from bill date to voucher date (days)
2015-16	Pre DBT	02-120
2016-17	Post DBT	10-125
2017-18	Post DBT	01-267
2018-19	Post DBT	01-272
2019-20	Post DBT	01-250
2020-21	Post DBT	01-255

(Source: Analysis of iFMS data)

The process involved from submission of application to disbursement of scholarship to the beneficiaries in the Medhabruti scheme, has been discussed in *Paragraph 4.6*.

Audit observed that a study conducted by the State DBT Cell, had also pointed out lacunae in the overall implementation of the PRERANA and Medhabruti schemes and suggested remedial measures, such as on-boarding of all scholarship schemes onto PFMS, integration with NPCI mapper to enable bank account linkage, automation of workflow of the schemes, *etc*. However, the same were neither carried out by the Departments, nor was any follow-up done by the DBT Cell, on their Report. These lacunae are discussed in detail in *Paragraphs 5.1.1* to *Paragraphs 5.1.3* and *Paragraphs 5.2.1, 5.2.2* and *5.2.3.*

The SSD Department replied (September 2022) that the existing layers in the process flow are needed for scrutiny and proper management of scholarship programme and are, therefore, being continued. The reply is not tenable, as the software system is to be made robust, to avoid manual intervention in the scrutiny process, to avoid delay.

> *Recommendation 4.2:*
> *The Odisha State Scholarship Portal, developed for smooth management of scholarship schemes, should be used optimally by rationalising existing multiple administrative layers for faster process of applications and timely payment of scholarships.*

4.5.2 Defective procedure for issue of user IDs to Institutes

The PRERANA User Manual stipulates that DWO would register the institutes and issue User IDs and passwords to the institutes, after receipt of applications from the concerned institutes for processing PMS applications. These IDs and passwords were to be issued to the institutes only after necessary verifications of the details of registration, affiliation, recognition and courses being offered at the time of registration in PRERANA.

On verification of records, it was noticed that, during the period 2016-19, DWO, Mayurbhanj, registered 13 institutes and DWO, Balasore, registered 11 institutes, under PRERANA and issued User IDs and passwords to them, for

processing of PMS applications. However, in contravention of the guidelines, DWO of Mayurbhanj verified only two[26] out of the 13 institutes, before issue of User IDs and passwords. The issue was compounded by the fact that no complete Master Table of approved bodies, responsible for granting affiliation to the institutes, which could be used to cross-check the veracity of these institutes, was available in the relevant database.

Audit conducted (September and October 2021) a joint physical inspection (JPI) of 16 registered institutes[27] in two sample districts (Mayurbhanj: 11[28] and Balasore: 5[29]) during September and October 2021. Audit did not find eight institutes[30] in existence and the remaining eight institutes had deficient infrastructure. Despite non-existence of institutes as well as deficient infrastructure in some others, raising doubt on genuineness of enrolment of students and impart of education therein, 12 of these institutes (Mayurbhanj: 11 and Balasore: 1) had been paid PMS amounting to ₹ 15.57 crore fraudulently. Details of the same are laid out in ***Paragraph 6.1.1***.

Audit observed that SSD Department had not issued a well-defined procedure/ instructions/ checklist to be adopted by the DWOs for conducting verification of an institute *e.g.,* its physical existence, availability of infrastructure facilities, including hostel availability, other amenities *etc*., prior to issue of User IDs and passwords. As a result, bogus students, from non-existent institutes, were paid, due to the negligence of the Department and its field officials.

The SSD Department accepted the observations and stated (September 2022) that, in the new portal, OSSP, necessary provisions had been made to ensure that the institutions, which were duly recognised and authorised by the controlling department, were added to the portal.

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[26] Kalinga Fire & Safety Techniques (KFST) and Global Institute of Safety & Training (GIST)

[27] Selected on judgmental basis

[28] IVET Vocational Training Centre; Ashutosh Vocational Training Centre; SAI Vocational Training Centre, Puruna Baripada; ITET Vocational Training Centre; SAI Safety Training Institute; Mayurbhanj Safety Training Institute; Baripada Safety Training Institute; Odisha Safety Training Institute; Kalinga Institute of Safety & Training; Global Institute of Safety & Training; Purusottam Institute of Fire & Safety Techniques

[29] Indian Vocational Training Centre, Januganj; Odisha Institute of Fire & Safety, Dumuda; Odisha Institute of Health Science, Kuruda; Odisha Vocational Training Centre, Kuruda and Odisha Vocational Training Centre, Dumuda

[30] Mayurbhanj: Baripada Safety Training Institute; Kalinga Institute of Safety & Training and Purusottam Institute of Fire & Safety Techniques
Balasore: Odisha Institute of Fire Safety; Odisha Vocational Training Centre; Indian Vocational Training Centre; Odisha Institute of Health Science and Odisha Vocational Training Centre

> *Recommendation 4.3:*
>
> *The SSD Department may issue a detailed checklist, to the district level functionaries, outlining the process of verification to be followed before issue of user IDs and passwords to institutes, to filter out fraudulent and ineligible beneficiaries.*

4.5.3 Arbitrary rejection of applications for PMS

As per the PRERANA workflow and user manual, the institutes and the DWOs have the right to reject incorrect/ invalid applications of students, temporarily or permanently, citing reasons. However, no guidelines had been framed, fixing the criteria or basis for such temporary or permanent rejections.

Audit analysis of the PRERANA and OSSP databases revealed that out of 14,22,413 applications, received during the period 2017-21, 1,20,918 applications had been rejected (8.50 *per cent)* by DWOs/ institutes, of which, 1,11,793 applications for scholarships were temporarily rejected and 9,125 applications were permanently rejected.

It was noted that institutes/ DWOs had rejected the applications permanently, on the grounds of duplication, late submission, not being under the proper category, submission of false statement/ document/ certificate, ineligibility as per last year's percentage of marks, *etc.* Further, temporary rejection was carried out due to reasons such as incomplete applications, absence of hard copies of required documents, wrong bank account details, incorrect Aadhaar number, *etc*.

In this regard, Audit observed the following:

- *Irregular permanent rejection of applications*: The permanently rejected applications (9,125) in 28 districts included 1,117 applications (12 *per cent*) that had been rejected on the grounds which would ordinarily have warranted only temporary rejections, as per the practice followed by the DWOs and institutes concerned. The nature of these rejections are summarised below:

Table 4.7: Permanent rejection on the grounds of temporary rejection

Nature of rejection	No. of cases temporarily rejected	No. of cases permanently rejected
Course Completed / TC taken	1,132	14
Incomplete Application	37,867	702
Invalid Aadhaar Number	2,602	8
Hard Copy Not Submitted	13,903	129
Required Document Not Attached	12,451	91
Wrong Bank Account Particulars	13,939	173
Grand Total	**81,894**	**1,117**

(Source: Analysis of PRERANA database)

Thus, in the absence of clear guidelines from the Department, there was lack of uniformity on the part of DWOs and institutes, while dealing with applications from students. While some institutes and district authorities, only temporarily rejected scholarship applications on the basis of above-mentioned

criteria, others enforced permanent rejections, leading to denial of scholarship support to potential beneficiaries.

- *Irregular temporary rejection of applications:* Temporarily rejected applications included 991 applications (1 *per cent*) that were rejected on such grounds which, as per the practice followed by other institutes/ DWOs, deserved permanent rejection. Of this, 18 applications had been accepted subsequently and payment of ₹ 6 lakh had been made, as summarised in the table below:

Table 4.8: Applications rejected temporarily, having grounds for permanent rejection

Nature of Rejection	Number of applications	Number of cases where payment made	Amount (in ₹)
Annual Income Exceeding the Limit	47	6	42,651
Availing Scholarship Under Another Scheme	36	-	-
Change in Branch of Course Without Permission	2	-	-
Course Duration Exceeding the Normal Period	1	-	-
Duplicate Application	465	11	4,91,020
Late Submission of Application	27	-	-
Non-Eligible as Per Last Year Percentage	64	-	-
Not Under Proper Category	58	1	66,220
Repeating Course in Same Professional Line	1	-	-
Repeating Study in Same Stage of Education	3	-	-
Second / Subsequent Failure in Same Year	3	-	-
Submission of False Statement/Document/Certificate	234	-	-
Two Children Already Receiving Scholarship	2	-	-
Unsatisfactory Progress / Misconduct of Scholar	48	-	-
Total	**991**	**18**	**5,99,891**

(Source: Analysis of PRERANA database)

- *Rejection of applications without any reason:* The temporary and permanent rejection of applications also included 224 applications, in respect of which no specific grounds for rejection had been assigned.

Thus, due to failure on the part of the SSD Department in laying down clear cut criteria for permanent or temporary rejection and incorporating such provisions in PRERANA, rejection/ acceptance of applications was not free from arbitrariness, leading to denial of scholarships to potential eligible beneficiaries.

Audit noted that the Principals of two sampled institutions[31] in the Nayagarh district had not scrutinised 181 applications, received during 2020-21, for PMS scholarships. These applications had also not been forwarded by the institutes to the concerned DWO for sanction. It was ascertained from the institutes that the reason for this non-processing of applications were issues related to User ID/ password assigned, due to which the institutes could not access the OSSP portal, which had been introduced from 2020-21 onwards, for scholarship processing. Although these issues were raised before the DWO, by the institutes, telephonically, no action had been taken to resolve the

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[31] Rajsunakhala Degree college, Nayagarh: 92 students and Rajsunakhala Higher Secondary School, Nayagarh: 89 students

same (as of July 2021). The SSD Department had also not taken any action on this issue, despite the fact that this pendency in processing was clearly visible in the dashboard of the software, leading to denial of benefits to potential beneficiaries in this district.

In reply, the SSD Department stated (September 2022) that it was left to the prudence and judgement of verifying and sanctioning authority, to decide whether the application needs to be permanently rejected. The reply is not acceptable, as the department had not laid down any clear and definite principles for permanent/ temporary rejection of applications, which is fundamental to judge eligibility of applicants for the purpose of accurate targeting of beneficiaries.

4.5.4 Irregularities in disbursement of Maintenance Allowance

DBT envisages business process reengineering, to reduce intermediary levels, for transfer of benefits directly to the beneficiaries' accounts, in a timely manner.

The SSD Department decided (August 2019) to transfer the Maintenance Allowance (MA) component of the PMS, to the bank account of the Higher Secondary Schools run by the SSD Department, for smooth management of mess at the school level. This decision of the SSD Department was only for the schools run by the Government Departments. Therefore, the MA component, in respect of students of private institutes, was to be transferred to the bank accounts of the students only. The Department transferred PMS, amounting to ₹ 31.44 crore, in regard to 54,642 beneficiaries, to the bank accounts of 165 institutes (including two private institutes), during 2017-21, as given in the table below.

Table 4.9: Transfer of MA component of PMS to the accounts of institutes during 2017-21

Year	No. of Institutions	No. of students	Amount paid (₹ in crore)
2017-18	64	8,398	5.88
2018-19	138	18,734	10.04
2019-20	134	13,381	8.26
2020-21	125	14,129	7.26
Total		**54,642**	**31.44**

(Source: Information furnished by SSD Department)

Audit noticed the following deficiencies in disbursement of MA:

- *Irregular release of MA to private institutes:* In respect of 276 ST/ SC students of the two privately managed institutes, an amount of ₹ 1.37 crore was transferred to the bank accounts of their respective institutes, during 2018-20, instead of the bank accounts of the students concerned, which was irregular. Thus, in respect of the two private institutes, direct transfer of scholarship had not happened, contrary to the objectives of DBT.

- *Delay in disbursement:* Out of 11 sampled Higher Secondary Schools (HSS), run by the SSD Department, in case of six HSSs (55 *per cent*), MA, amounting to ₹ 69.68 lakh for 699 students had been transferred to the bank accounts of schools concerned and thereafter, the school

authorities had transferred the amount to the bank accounts of the students, after intervals of 36 to 403 days, during 2019-21.

- *Non-disbursement:* The Principals of three HSS of the SSD Department retained the MA component of the scholarship, amounting to ₹ 13.70 lakh, in the school accounts, without disbursing it to 138 students, during 2018-21, even though the messes are being managed by the students themselves.

- *Disbursement through manual acquittance:* The Principal of the HSS of the SSD at Mathili, disbursed MA of ₹ 4,97,700, to 40 students, during the year 2018-20, in cash, through manual acquittance, although all the beneficiaries had existing bank accounts in their name. This violated the prime objective of DBT and had risks of manipulation of fund by the institute associated with such practice.

- *Excess payment:* As per the guidelines and SSD Department's order, the Maintenance Allowance (MA) shall be paid for a maximum of 10 months in a year. The beneficiaries of Higher Secondary Schools (HSS) are entitled for ₹ 1,000 per month.

  On verification of records, Audit noticed that the Principal, SSD HSS, Badampahar and SSD HSS, Bankati, of Mayurbhanj district, disbursed advance MA of ₹ 1,92,000 @ ₹ 800 per student per month, to 80 students, for three months and ₹ 84,000 @ ₹ 1000 per student per month, to 28 students, for three months, respectively, for the year 2019-20. It was, however, noticed that, 43 out of the 80 students and 16 out of 28 students, had already been paid MA for 2019-20 @ ₹ 10,000 per student per year. This resulted in excess payment of ₹ 1,51,200, towards advance.

Audit observed that despite introduction of DBT, components of PMS continued to be disbursed through the concerned institutes. In addition, the payments were neither timely nor accurate, besides non-payment to many students. As such, disciplines to be adhered to in DBT, like direct and timely transfer of amount as well as exact amount to be paid, had not been adhered to. This is indicative of the absence of required process reengineering to this effect. Thus, objectives of both DBT and PMS were defeated in terms of timely and accurate amount of payment to beneficiaries.

The SSD Department replied (September 2022) that, as per the decision of the Government, the course/ other fee components of PMS, for students of Government ITI and Diploma Institutions, as well as the maintenance allowance component, in regard to boarder students of SSD run schools, were disbursed to the accounts of institutions. The reply is not tenable, as the decision of Government violated the principles of DBT, as scholarship was not transferred directly to the bank accounts of beneficiaries.

Recommendation 4.4:

The SSD Department should ensure that scholarship amounts are credited directly and timely to the bank accounts of the eligible students, eliminating the intermediaries, by carrying out required process reengineering.

4.5.5 *Delay in processing PMS applications*

The SOP for DBT stipulates that the delivery of benefits to beneficiaries will be made in a timely and effective manner by reengineering the existing process. Audit noted the cumulative delay of 252 days[32], starting from advertisement to payment to the beneficiaries, during 2017-18 to 2020-21, as shown in the *Chart* below.

Chart 4.1:   *Delay (in days) at different stages of processing PMS applications*
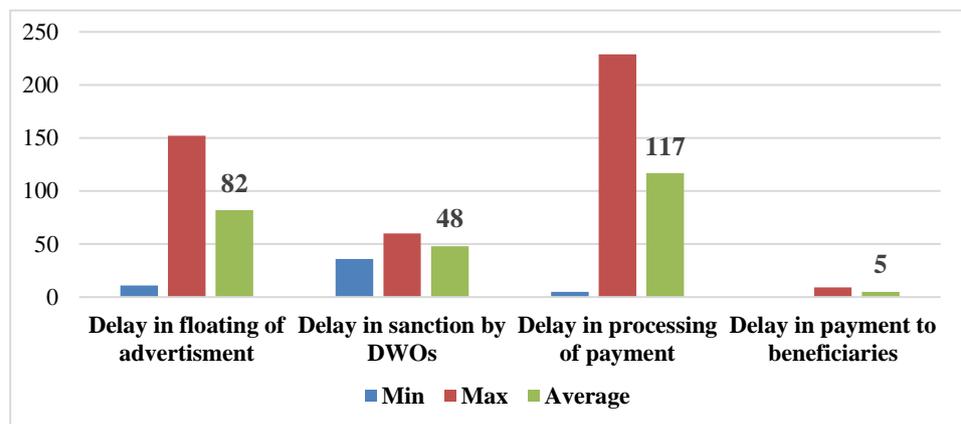
(Source: Records of SSD Department and iFMS database)

The delay at each stage has been discussed in the succeeding points.

- *Delay in floating of advertisement:* Although the PMS Guidelines stipulate floating of advertisement during the months of May and June, the same were advertised by the Department after the beginning of the academic session (July), *i.e.*, in the month of September (2017-18), July (2018-19), November (2019-20) and November (2020-21). This resulted in an average delay of 82 days between the start of the academic session and the date of publishing of advertisement, leading to a cascading effect on the entire process of payment of scholarship.

- *Delay in preparation of bill:* Audit examined 420 bills in the SSD Department and noticed that in respect of 35 bills (8 *per cent*), bills of a particular year were being prepared in subsequent years, after the entire year of academic session was over, as summarised in the table below:

Table 4.10: Preparation of PMS bills in subsequent years

Year of PMS	Category	No. of bills	Date of preparation of bills	Amount of the bills (₹ in crore)
2017-18	SC	8	April to June 2018	53.11
	ST	5	April to June 2018	24.80
2018-19	SC	15	June to November 2019	10.15
	ST	5	May to November 2019	7.65
2019-20	SC	2	July 2020	7.61
Total		**35**		**103.32**

(Source: Records of SSD Department)

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[32]   82+48+117+5

- *Delay in sanction by the DWOs:* The Department fixed cut-off dates for verification of PMS application at each level *i.e.*, at the institute level, for verification of applications, at the DWO level, for scrutiny of applications and sanction, *etc*. During 2018-21, the DWOs kept the applications pending till the cut-off dates and later processed the applications in bulk, with delays ranging between 36-60 days, from the cut-off date, stipulated by the Department. Apart from delay, bulk sanctioning of applications carries the risk of deficient scrutiny and payments to ineligible beneficiaries, as well as delay in sanction of bills. The table below exhibits summarised details of delays in verification of PMS applications during 2018-21.

Table 4.11: Delay in sanction of PMS by DWOs

Year	Category	Date of application	Schedule date of sanction by DWO	Actual date of sanction by the DWO	Delay in days of sanction by the DWO
2018-19	SC	31-12-2018	31-01-2019	01-04-2019	60
2018-19	ST	31-12-2018	31-01-2019	01-04-2019	60
2019-20	SC	30-11-2019	31-01-2020	15-03-2020	43
2019-20	ST	30-11-2019	31-01-2020	15-03-2020	43
2020-21	SC	15-02-2021	15-02-2021	23-03-2021	37
2020-21	ST	15-02-2021	15-02-2021	22-03-2021	36

(Source: Records of SSD Department)

Thus, timelines for verification of PMS applications were not being adhered to by the DWOs, leading to delay in payments to eligible beneficiaries.

- *Delay in processing of payment:* After the bills are uploaded in the iFMS by the DDO, the system generates token numbers automatically for each bill. Thereafter, the bills are processed online by different officials of Treasury and passed by the Treasury Officer, for payment to the accounts of beneficiaries, as detailed in *Figure 4.5.*

Figure 4.5: Workflow of payment in iFMS

DDO prepares the bill in iFMS. The manually prepared sanction order is attached to the bill. Beneficiary list gets uploaded on iFMS and is forwarded to concerned Treasury online. Also, a hard copy is sent for further processing. In OSSP, the process is outlined in **Figure 4.1**.

Successfully submitted bills are available on the concerned Treasury Officer (TO) interface of iFMS, for further processing. Treasury processes after receipt of manual bill.

Treasury Officer processes the bill.

On approval: Payment advice is generated and forwarded to the Central Electronic Processing Centre (CEPC), which, in turn, generates and forwards the advice file to the Reserve Bank of India (RBI).

SMS to the beneficiary is triggered upon advice being sent to RBI, by CEPC.

Payment is made directly to the beneficiary bank account.

Analysis of the iFMS database, for the period 2017-21, revealed that there was inordinate delay, at the level of the SSD Department, in uploading bills for payment of scholarship in the iFMS system, resulting in delay in token generation.

Audit test-checked 80 bills of PMS for OBC/ EBC students, in the eight sampled districts and found that, in respect of 49 bills (61 *per cent*), there were delays in the process of sanction and payment. The time taken from bill date to credit to the beneficiaries' bank accounts at the district level, is shown in the table below.

Table 4.12: Time taken at different stages for payment to OBC/ EBC students

Sl. No.	District	No. of bills checked	No. of bills processed with delay	Time taken from bill date to credit to students' account (days)	Median time taken from the bill date to the payment date
1	Bolangir	9	9	9-343	71
2	Gajapati	10	7	1-135	93
3	Jharsuguda	7	7	4-238	12
4	Kalahandi	11	8	2-28	23
5	Malkangiri	8	1	4-164	10
6	Mayurbhanj	13	8	3-254	7
7	Nayagarh	11	5	3-71	7
8	Sundargarh	11	4	4-34	21
	Total	**80**	**49**	**--**	**--**

(Source: Records of DWOs of sampled districts)

As such, inordinate delays at different stages in processing of bills, added to the overall delay in the payment of scholarship to students, which ultimately defeated the objective of DBT in regard to timely payment of benefits.

In case of failure of transactions, the amounts are deposited as receipts in Treasury Suspense Major Head 8658 and the beneficiary-wise failed details are made available at the DDO login of iFMS. The DDO rectifies the failed account details of the beneficiary and saves them in the iFMS system. Thereafter, the Treasury Officer, as DDO, prepares the refund bill in iFMS. On approval, payment advice is generated and forwarded to the Central Electronic Processing Centre (CEPC), which, in turn, generates and forwards the advice file to the Reserve Bank of India (RBI). SMS to the beneficiary is triggered upon the advice being sent to RBI by CEPC and payment being made directly to the beneficiary's bank account.

The SSD Department, while accepting the observations of Audit, stated (September 2022) that some delay had occurred due to the requirement of necessary modifications in the portal and compliance thereof. For this purpose, meeting was held with NIC for modification and updation of software and some modifications were still pending.

4.5.6 *Delay in payment of arrears of PMS*

Due to delay in different stages, such as floating of advertisement, scrutiny at intermediary levels, preparation of bills at the Department level, delay in payment at the treasury level, non-validation of failed transactions, *etc.*, there was delay in disbursement of PMS to students. Audit noted that arrears of PMS, amounting to ₹ 150.97 crore, were released to 70,037 students, after delays of 365 to 1,460 days, as shown in the table below.

Table 4.13: Arrear payments of scholarship under PMS

Year of disbursement	Period of PMS	Category-wise number of students and amount of PMS		
		Category	Number	Amount (₹ in crore)
2017-18	2012-13 to 2016-17	SC	3,737[33]	11.46
		ST	2,583[34]	6.43
2018-19	2014-15 to 2017-18	SC	24,313[35]	58.86
		ST	14,258[36]	28.19
2019-20	2015-16 to 2018-19	SC	1,774	4.51
		ST	1,253	3.28
2020-21	2016-17 to 2019-20	SC	11,681[37]	23.97
		ST	10,438[38]	14.27
Total			**70,037**	**150.97**

(***Source: Records of the SSD Department***)

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[33] SC Beneficiaries: 2012-13: 01; 2014-15: 56; 2014-15 & 2015-16: 02; 2015-16: 82; 2015-16 & 2016-17: 05 and 2016-17: 3,591

[34] ST Beneficiaries: 2012-13: 22; 2013-14: 36; 2015-16: 92; 2015-16: 48; 2015-16 and 2016-17: 01 and 2016-17: 2,379

[35] SC Beneficiaries: 2014-15: 03; 2014-15 & 2015-16: 01; 2015-16: 03; 2016-17: 631 and 2017-18: 23,675

[36] ST Beneficiaries: 2015-16: 01; 2016-17: 3,454 and 2017-18: 10,803

[37] SC Beneficiaries: 2016-17: 04; 2017-18: 29; 2018-19: 434 and 2019-20: 11,214

[38] ST Beneficiaries: 2016-17 & 2017-18: 01; 2017-18: 20; 2018-19: 163 and 2019-20: 10,254

The objective of PMS is to support needy students in meeting their educational expenses in a timely manner. Therefore, disbursement of PMS after such inordinate delays and, in fact, even after the expiry of the academic session, defeated the very purpose of the scheme. It also discouraged potential beneficiaries of the scheme from applying for these scholarships in future. Thus, introduction of DBT in payment of scholarships to ensure timely payment, had remained largely unachieved.

The SSD Department, accepting the Audit observation, stated (September 2022) that the applications had been sanctioned at the fag end of the last quarter of a particular year and could not be processed for payment within the timelines.

4.6 Inadequate process re-engineering for Medhabruti

Applications for grant of the Medhabruti scholarship are invited once in a year and the notice in this regard is published in the print media, on the e-Medhabruti portal and on the website of the Higher Education Department. Although no timeline was fixed in the Guidelines for publishing of advertisement, the cut-off date for validation of applications at the institute level and submission of validated list, by OCAC, to Government, was stipulated for each year. Further, as per the guidelines, only verified online applications are considered for sanction and physical applications are not accepted.

Audit observed that even after Medhabruti was adopted as a DBT scheme, the Department neither attempted to reduce intermediary levels, by carrying out necessary process re-engineering of the e-Medhabruti software, nor did it manage to eliminate the delays in release of scholarships to eligible students.

The Higher Education Department (HED) stated (September 2022) that the Government had introduced a new portal (OSSP) from April 2021, to reduce the intermediary level. The reply is not tenable, as there was also delay in scrutiny of applications and disbursement of scholarships to students' bank accounts.

4.6.1 Delay in processing of Medhabruti scholarship applications

During 2017-18 to 2019-20, 90,484 students were granted Medhabruti scholarship, amounting to ₹ 73.40 crore. Audit analysis revealed that 59,436 students (66 *per cent)* were disbursed scholarships with average delays (median value) ranging from 98 to 203 days, as shown in ***Chart 4.2***.

Chart 4.2: Delay in payment of Medhabruti
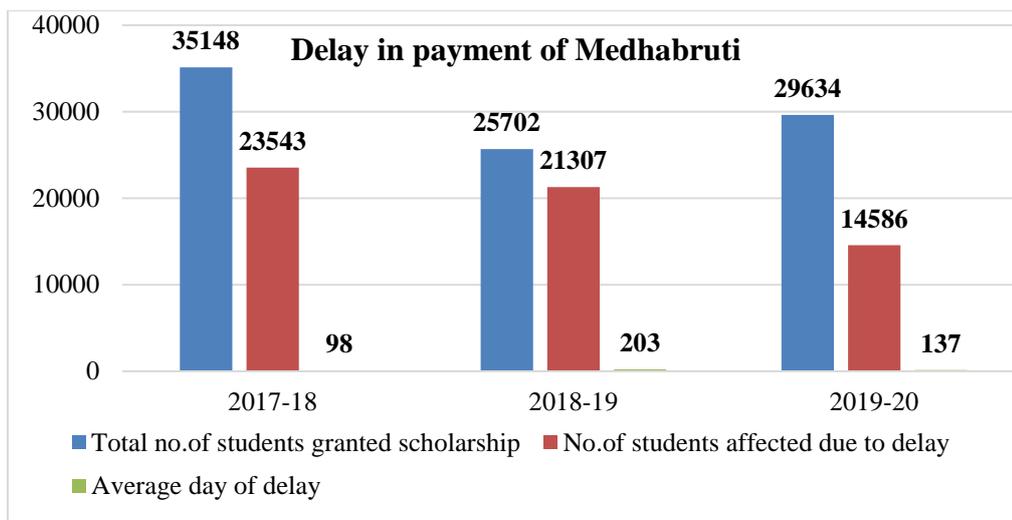
Audit noticed that the scheme workflow of Medhabruti involves different levels *(Figure 4.2)* for processing of scholarship applications of Medhabruti, before final disbursement. It was found that there were delays at different levels, as summarised in *Appendix 4.1.* In this regard, Audit noted the following:

- *Delay in publication of advertisement:* Advertisements for 2018-19, 2019-20 and 2020-21, were floated by the Department in December 2018, October 2019 and April 2021, respectively, whereas no advertisements were published for the academic year 2017-18. Thus, the time taken in publishing advertisements, from the start of the academic session (July), for soliciting applications, ranged between 122 and 274 days. These delays had a trickle-down effect on the entire chain of subsequent steps of processing and sanctioning of applications, leading to substantial time lag between a student applying for the Medhabruti scholarship and actually receiving it.

  Delays occurring at different levels of the Medhabruti scholarship scheme, are exhibited in the figure given below.

  Figure 4.6: Time taken at different stages in processing Medhabruti applications
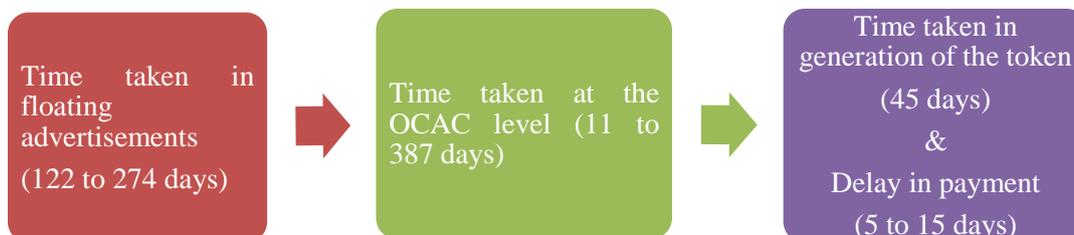
- *Delay by OCAC:* Stipulated dates were provided for the students to apply for the scholarship and also for the institutes to complete the validation process. After validation at the level of the institutes, the applications are forwarded to the Odisha Computer Application Centre

(OCAC)[39], whose role is to submit the list of applicants, under the 'Fresh' as well as 'Renewal' categories, after due verification, in terms of the guidelines. Although the guidelines for Medhabruti allowed seven days' time to OCAC, for submitting the data, however, OCAC took 11 to 387 days in forwarding the validated data to the HE Department. This ultimately delayed the process of sanction of scholarships. Audit noted that OCAC only downloaded the applicants' data, validated by Principals from the eMedhabruti portal and categorised them under the 'Fresh' and 'Renewal' categories. The data was arranged in Excel files and sent to the HE Department, through mail, CD, *etc*., for final selection. OCAC, despite being the IT Directorate of GoO, did not analyse the applications, to filter out ineligible applicants, including cases of multiple applications, applications submitted after the due date, *etc*. Audit analysis of the eMedhabruti database, revealed that the system had accepted multiple applications from the same applicant, granted scholarships for period beyond the course duration, *etc*., as discussed in ***Paragraphs 5.1.2*** and ***5.2.3.***

- ***Delay in payment of Medhabruti***: As per the mechanism followed in iFMS, soon after the DDO submits the bill in iFMS, a token number with date is generated automatically, which indicates that the payment file has been received in the system. Audit examined 53 scholarship bills of 59,436 students for the period 2017-18 to 2019-20 in the HE Department and noticed that, even after submission of the bills in iFMS, the treasuries took 3 to 45 days for generation of the token in case of all the 53 bills (the date on which iFMS accepts the bill). Thus, in all the test-checked cases, the treasuries concerned had committed delays in generating tokens.

The HED stated (September 2022) that delay in advertisement was due to delay in the admission process and, in 2020-21, due to outbreak of Covid. Further, introduction of OSSP also did not require involvement of OCAC.

> *Recommendation 4.5:*
>
> *Higher Education Department should ensure timely publication of advertisements seeking applications for Medhabruti, and OCAC as well as the treasuries, should process the applications and generate tokens for payments, respectively, without delays.*

4.6.2   *Non-validation of Medhabruti applications by the Principals*

Applications for Medhabruti scholarships, relating to first year of the course period, are termed as 'Fresh', while applications for the second and subsequent years of the course period, are termed as' Renewal'. The Principals

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39   OCAC is the Technical Directorate of IT Department of GoO, set up in March 1985, functioning as IT consultant to Government.

of the institutes validate the applications, *i.e.,* verify the documents of the students to assess their eligibility and then forward them to HED, for necessary sanction and payment.

The number of 'Fresh' applications, submitted in case of Medhabruti scholarships, under various categories, such as Jr. Merit, Sr. Merit and PG Merit, as against the targets set by the Department during 2017-20**,** were as follows:

Table 4.14: Category-wise targets, applications and sanctions of Medhabruti

Category	2017-18			2018-19			2019-20		
	Target	Applied	Sanctioned	Target	Applied	Sanctioned	Target	Applied	Sanctioned
Jr. Merit	10,000	51,626	3,065	10,000	1,30,355	9,987	*Stopped*		
Sr. Merit	3,000	10,292	2,877	3,000	44,731	2,998	3,000	42,714	3,000
PG Merit	1,500	2,553	64	1,500	3,756	1,500	1,500	3,150	1,500
T&P Merit	10,000	5,251	141	10,000	3,605	2,018	10,000	2,462	1,783
Total	**24,500**	**69,722**	**6,147**	**24,500**	**1,82,447**	**16,503**	**14,500**	**48,326**	**6,283**

(Source: Guidelines and data furnished by HED and OCAC)

While in case of Jr. Merit, Sr. Merit and PG Merit, the number of applications were 210 to 1086 *per cent* of the targets set by the HE Department during 2017-20, the same were only 38 *per cent* in case of T&P Merit.

Audit noticed that despite fixation of cut-off dates for validation of applications, in case of 'Fresh' applications of 85,814 students, who had secured the minimum prescribed marks, their applications had not been validated by the Principals concerned **(*Appendix 4.2*).** The HED had neither monitored the issue of non-validation, nor initiated any action against the defaulting Principals. Thus, the prime objective of delivery of benefits, through accurate identification and targeting of beneficiaries, as envisaged under DBT, was defeated, to a large extent. Similarly, in respect of 63,517 applications for 'Renewal' of scholarship, 13,975 applications had not been validated by the Principals of the concerned institutes. Year-wise number of applications under both 'Fresh' and 'Renewal' categories, that were not validated by the Principals, during 2017-18 to 2019-20, are shown in the table below:

Table 4.15: No. of applications, not validated for Medhabruti

Year	No. of applications		Total
	Fresh	Renewal	
2017-18	6,897	0	**6,897**
2018-19	47,147	6,190	**53,337**
2019-20	31,770	7,785	**39,555**
Total	**85,814**	**13,975**	**99,789**

(Source: Records and data of Higher Education Department)

In the absence of validation, their applications were not considered for sanction and payment of Medhabruti scholarships, although they were eligible for such benefit, amounting to ₹ 7.17 crore (***Appendix 4.3***)**.**

Audit observed that the HED, despite fixing cut off dates for timely disposal of applications, neither monitored the progress of validation of applications nor initiated any action against the defaulting Principals. Also, there was no dashboard in the e-Medhabruti software, for viewing the details of

applications received, validated and pending, at the institute level, for appropriate monitoring by the HED.

Thus, the Higher Education Department had failed to streamline the processes involved through system reengineering of the Medhabruti scholarship cycle, so as to reduce delays and intermediary levels, as envisaged under DBT objectives.

The HED accepted (September 2022) the Audit observation and stated that the department had decided to form a scholarship committee, at the level of institutions, to address the issue.

Recommendation 4.6:

The Higher Education Department may take concrete steps to ensure that applications are processed by Principals in a time bound manner to ensure that no eligible applicants are deprived of the benefits of the scheme. Also, the Principals concerned should be made accountable for delay as well as for non-processing of applications.

Chapter 5

Deficient control measures in IT Systems

Chapter 5

Deficient control measures in IT Systems

The Chapter contains the various deficiencies existing in the softwares (PRERANA, eMedhabruti and OSSP), which resulted in acceptance of multiple applications from the same students in the same year, excess payment beyond the prescribed limit, acceptance of applications of ineligible beneficiaries, *etc*. Audit analysed the data dump of the softwares, records of SSD and HED Departments, sampled DWOs and institutes and noticed that:

- PRERANA and eMedhabruti management software were neither interlinked with each other nor were they linked with scholarship portals of other departments, till 2019-20, due to which, the same students had availed scholarships on multiple schemes, at the same time.

- The system lacked proper validation controls to prevent duplicate applications, as a result of which, 973 beneficiaries were found to have been paid ₹ 2.43 crore, during 2017-20. Even after introduction of the Odisha State Scholarship Portal (OSSP), from 2020-21, the deficiencies in acceptance of multiple applications from the same students, persisted.

- There were instances of excess payment of maintenance allowance (MA) to students. Further, there was short sanction of PMS of ₹ 80.29 lakh, to 17,739 OBC students, during 2017-18, as MA was disbursed for eight, instead of ten months.

- Due to non-Aadhaar seeding of the bank accounts of beneficiaries, 1,03,369 beneficiaries, under SSD and HED, were deprived of the benefits of PMS and Medhabruti scheme.

- In the absence of an audit trail in eMedhabruti, the time taken by the intermediary levels to process the applications and incorrect validations made by different authorities, could not be traced. The software also lacked presence of master table of different boards, which resulted in acceptance of absurd marks in the system.

- Further, the Aadhaar details were neither encrypted as per the Aadhaar Act, nor were they captured correctly, as required under DBT.

- In 1,466 out of 97,810 cases, all the requisite information, *i.e.,* income certificates, resident certificates, mark sheets, bank details and Aadhaar numbers, had been uploaded, but the Principals had not verified and approved the data in time.

5.   IT systems used for processing applications for scholarships

The SSD Department, Government of Odisha, managed the implementation of PMS scheme through a web-based software application[40] called PRERANA, from 2011-12 to 2019-20. The implementation of the Medhabruti scheme was carried out by the HE Department through the e-Medhabruti software application[41], from 2016-17 to 2019-20. While National Informatics Centre (NIC), Bhopal, had developed PRERANA, for PMS scholarships, a private IT firm had conceptualised e-Medhabruti.

In 2020-21, the State Government introduced a new software, namely the Odisha State Scholarship Portal[42] (OSSP), for management of all post matric scholarships across departments, to enable more efficient processing of applications. The SSD Department started processing scholarship applications through OSSP, from 2020-21 onwards, but HED had not started using the same for Medhabruti till 2021.

The State DBT Cell (SDC) conducted (February 2018 and June 2019) assessment studies of the scheme workflow of both PRERANA and e-Medhabruti and recommended necessary changes in the software. It also recommended changes in the implementation processes, such as, (i) data sanitisation, (ii) onboarding of scholarships to PFMS, (iii) integration with NPCI mapper, (iv) automation of schemes, to reduce processing time and erroneous data validation, (v) use of MIS, for efficient grievance handling, (vi) creation of helpdesk, *etc*. On analysis of PRERANA and e-Medhabruti software applications, Audit noticed (March 2021) that the Departments had not made the recommended changes in the software. Further, the SDC had also not followed-up with the two Departments about the implementation of its recommendations. Various deficiencies, in system design, input, processing and validation controls, noticed in aforementioned software applications, are discussed in the succeeding paragraphs.

5.1   Deficient application controls in the IT systems

The User Requirement Specifications (URS), System Requirement Specifications (SRS) and Detailed Project Report (DPR) of PRERANA, were not made available to Audit, on the ground that the software had been developed by NIC, Bhopal long back. The technical documents of e-Medhabruti and OSSP were also not furnished by OCAC. However, on analysis of the PRERANA, e-Medhabruti and OSSP databases, as well as payment data and physical records at the unit level, it was found that the systems were deficient in terms of application controls and were, therefore, unable to prevent not just input, but also processing, of junk/ duplicate data, relating to payments of scholarships.

Audit (i) test-checked records relating to sanction and payment of PMS of 98 institutes and (ii) conducted JPI of 16 institutes. It found instances of receipt and payment of PMS to non-existent students/ institutes, as well as instances

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[40]   http://www.mpsc.mp.nic.in/scholarships/
[41]   http://www.medhabruti.org/
[42]   https://scholarship.odisha.gov.in/website/home

of payment of multiple scholarships to same student against multiple applications submitted, as discussed in the following paragraphs.

5.1.1 *Acceptance of applications of same students for different scholarships*

As per PMS scheme guidelines in regard to SC/ ST/ OBC/ EBC students, a scholarship holder under PMS should not hold any other scholarship/ stipend. Similarly, as per the guidelines of Medhabruti, students already availing scholarship for pursuing higher studies, under any other scheme of the State or Central Government, shall not be eligible for the Medhabruti scholarship.

Audit found grant of different scholarships to the same students, during the same period, as stated below:

- On examination of 19,54,187 applications for PMS and Medhabruti for the period 2017-20, Audit found that 11,880 students (0.61 *per cent*) had been granted both PMS (₹ 6.91 crore) and Medhabruti (₹ 6.80 crore), contrary to the guidelines of both the scholarship schemes.

- During 2017-21, 18 students of 15 institutes, in four sample districts[43], were paid Banishree[44] scholarship, amounting to ₹ 0.54 lakh and, at the same time, they were also paid PMS of ₹ 0.85 lakh.

- Similarly, during 2018-21, although 56 nursing students of Jharsuguda, Kalahandi and Mayurbhanj districts, got scholarship under the National Health Mission, amounting to ₹ 32.97 lakh, they were also paid PMS of ₹ 35.18 lakh, during the same period.

Audit observed that PRERANA and eMedhabruti management software were neither interlinked with each other, nor were they linked with scholarship portals of other departments (*e.g.,* Banishree of the Social Security & Empowerment of Persons with Disabilities Department), due to which applications of the same students, for different scholarships, at the same time, could not be detected.

The SSD Department stated (September 2022) that the composite portal, OSSP, with a single gateway of applications, for scholarship schemes of different departments, was developed to obviate this problem. The reply is not acceptable as, even in the OSSP portal, multiple applications of the same beneficiaries could be accepted.

5.1.2 *Acceptance of multiple applications from same students*

Audit found that control measures in PRERANA, e-Medhabruti and OSSP, were not adequate to check multiple applications from the same students, leading to payment of the same scholarship, to the same student, more than once, during 2017-21.

- During 2017-20, 14,22,413 applications from SC/ ST/ OBC/ EBC students were received for PMS in PRERANA. Of these, 1,28,104 applications (9 *per cent*) were found to have been received from the same students, for studying different courses in different institutes. The

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[43]   Kalahandi, Malkanagiri, Nayagarh and Sundargarh
[44]   Government of Odisha provides Banishree scholarships to children with disabilities

students, in these cases, had filed applications between 2 and 306 times, during the given time period. Of this, PMS, amounting to ₹ 2.43 crore, was granted to 973 applicants. Detailed analysis showed that these 973 students were simultaneously enrolled, in the same academic year, in another course (s), in different institutes and even in different districts, such as Balasore, Khurda, Keonjhar, Jajpur, Sundargarh, Cuttack and Bhadrak, *etc*. Multiple applications, from students from different institutes, could be registered, due to lack of input controls in the PRERANA software, to prevent entry of duplicate applications from the same students, pertaining to same/ different institutions, as detailed in *Appendix 5.1.*

Case Study

A student of Amravati Polytechnic, Rairangpur, Mayurbhanj district, was found to have taken admission in Diploma in Electrical branch, in the 2017-18 session and applied for PMS. For the same year, the student was found to have applied for PMS as a 1st year student of Diploma in Industrial Safety in Odisha Safety Training Institute, Rairangpur, Mayurbhanj. The student was paid PMS from both the institutes, for 2017-18, amounting to ₹ 70,000 (₹ 34,500 from the Amravati Polytechnic and ₹ 35,500 from the Odisha Safety Training Institute).

- Although GoO, introduced OSSP as a common portal for all post-matric scholarships, across departments, from 2020-21, the lacunae in IT controls were not fully resolved. Audit noted that, during 2020-21, out of 5,26,434 applications for PMS, received through OSSP, 1,783 applications (0.34 *per cent*) were found to be from the same students applying from different institutes. The duplicate applications were rejected during manual scrutiny. Thus, the system was not adequately equipped with control tools to detect and reject duplicate applications.

- In case of e-Medhabruti, although 17,291 out of 5,31,774 applications, received during 2017-20, were duplicate applications, those could not be detected by the IT system. However, no payments were made in these cases, as these were detected during manual scrutiny. Despite this, the fact remained that multiple applications could be accepted through an IT System, due to the absence of key control measures in the system.

Thus, lack of validation controls in the software created scope for multiple registrations by the same applicants and also increased the workload of the verifying authorities, due to reliance on manual scrutiny.

The SSD Department stated (September 2022) that, prior to 2019-20, Aadhaar was not mandatory and the software was not designed to detect multiple applications from the same student. Students used to apply by: (i) altering the matriculation code (ii) altering the spelling of self and parents and (iii) giving different bank accounts, *etc*. In such cases, duplicates were difficult to detect, by means of the functionality in Microsoft Excel. The Department had tried to

detect duplications and also rejected many cases, but could not prevent all the cases.

The reply is not tenable, as GoI had directed completion of Aadhaar enrolment by 2017, which the Department could not fulfil. The deficiencies in the software and lack of efforts to adopt various parameters to check duplicates resulted in payment of multiple scholarships to the same students.

5.1.3   Grant of scholarship to same students for different courses of same stage

As per the PMS guidelines, candidates who, after passing one stage of education, are studying in the same stage of education, in a different subject, *e.g.*, Intermediate of Arts after Intermediate of Science, or Bachelor of Commerce after Bachelor of Arts, shall not be eligible for PMS.

Audit found that, in four sampled districts, 1,668 students, who had pursued different courses at the same stage later, had been granted PMS, amounting to ₹ 3.71 crore, during 2017-20, as found in PRERANA database (*Appendix 5.2*). Due to lack of validation controls in the PRERANA software, along with the fact that Aadhaar was not made mandatory up to 2019-20, the system was unable to detect and reject applications of students, who had applied for the same stage of education again. This led to inadmissible payment of ₹ 3.71 crore, besides defeating the objective of the DBT to prevent financial leakage.

In reply, the SSD Department (September 2022) stated that the validation control was not available in PRERANA. However, the same had been included in OSSP. The reply is not tenable, as no provision had been made to restrict applications under the same stage of education, in the OSSP software.

> *Recommendation 5.1:*
>
> *OSSP computer application as well other such applications developed by other departments for managing scholarships, should be interlinked with each other, to arrest the incidence of payment of multiple scholarships to the same students.*

5.2   Deficient control measures for scrutiny of eligibility for PMS

5.2.1   OBC applicants with less than 50 per cent in the last examination were accepted by the system

As per the applicable guidelines, OBC students were eligible for PMS scholarships only if the marks scored in the last examination were at least 50 *per cent*. Audit noted that PRERANA, as well as the OSSP software, had not been appropriately provisioned to filter out ineligible categories of students, like multiple applications from same students, OBC applicants with less than 50 *per cent* marks in the last examination, *etc*.

Audit noticed from the PRERANA database that, out of a total of 14,22,413 applications received during 2017-20, 4,16,478 applications had been received from OBC students.

Scrutiny of records revealed that, out of 4,16,478 OBC applicants, 27,544 students had secured less than 50 *per cent* marks. Due to absence of appropriate validation controls in the system to reject applications of ineligible applicants, the applications were scrutinised manually. In the manual scrutiny process, ineligibility, in case of 1,719 applications who had secured less marks, was not detected and they were paid PMS amounting to ₹ 49.22 lakh. This included 10 OBC applicants in five[45] out of eight sampled districts, who had not secured 50 *per cent* marks in their last examinations, but were awarded scholarship amounting to ₹ 25,420. This was indicative of the fact that the PRERANA portal was not adequately equipped with necessary validation control tools to filter out the ineligible applicants.

The above deficiencies continued in OSSP also, which replaced PRERANA from 2020-21. In OSSP, out of 1,39,453 applications received from OBC students for 2020-21, 1,750 applicants were found to have secured less than 50 *per cent* marks in their last examination, of which, 48 applicants were granted PMS, amounting to ₹ 3.35 lakh.

Thus, due to absence of mapping of the provisions of scheme business rules, both in PRERANA and OSSP systems, ineligible applications could not be eliminated, which led to payment of PMS, amounting to ₹ 52.57 lakh, to ineligible applicants, during 2017-21.

In reply, the SSD Department stated (September 2022) that the validation control was not available in PRERANA but the same has been included in OSSP. The reply is not tenable, as applications from OBC students, with marks below 50 *per cent* in the previous examination, were accepted in OSSP also.

5.2.2 *Payment of PMS to applicants having parental income above the prescribed norms*

PMS guidelines and instructions of the SSD Department provide that ST/ SC students, whose parental income from all sources, does not exceed ₹ 2.50 lakh per annum, during 2017-21, are eligible for PMS. Similarly, for OBC students, the parental annual income ceiling was fixed at ₹ 1 lakh, up to August 2018, ₹ 1.50 lakh up to 2019-20 and ₹ 2.50 lakh from 2020-21 onwards. In case of EBC students, the ceiling of per annum parental income was fixed at ₹ 1 lakh for 2017-20 and ₹ 2.50 lakh from 2020-21 onwards. Besides, the guidelines also stated that the parental annual income, as mentioned in the Income Certificate, issued by the competent authority of the Revenue and Disaster Management (RDM) Department only, shall be taken into consideration. The validity of Income Certificate so issued, shall be three years from the date of issue, as per the resolution (September 2018) of the RDM Department.

Audit noticed that, in contravention of the above eligibility criteria, students having parental income of more than the ceiling fixed, were found to have been granted PMS during 2017-21. Category-wise number of applications that

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[45] Bolangir, Jharsuguda, Kalahandi, Malkangiri and Nayagarh

were accepted in the system, in cases where the parental income was more than the ceiling fixed, the number of applications sanctioned and amounts paid, are detailed in **Table 5.1**:

Table 5.1: Abstract of ineligible PMS applications sanctioned and paid

Category of students	Number of applications accepted	Number of applications sanctioned	Amount of PMS paid (₹ in lakh)
PRERANA			
SC and ST	3,916	51	3.26
OBC/ SEBC	5,675	276	14.56
EBC	122	0	0
Sub-total	**9,713**	**327**	**17.82**
OSSP			
SC and ST	947	1	0.06
OBC/ SEBC	633	0	0.00
EBC	81	0	0.00
Sub-total	1,661	1	0.06
Grant Total	**11,374**	**328**	**17.88**

(Source: PRERANA and OSSP data dump and payment file of SSD Department)

Audit observed that the PRERANA portal did not have requisite inbuilt controls to reject the applications that did not fulfil the eligibility criteria with reference to parental income. The same deficiency continued in OSSP portal also, which was used from 2020-21. Income, as per the Income Certificate, was entered in the OSSP and PRERANA systems, but due to absence of control features, applicants not fulfilling the income criteria could not be filtered out. Thus, the validation control measures built in the portals did not help in identifying ineligible cases and, therefore, correct processing of applications depended upon manual intervention.

Out of the 11,374 ineligible applications, which were manually checked, 328 applications (2.88 *per cent*) were sanctioned PMS erroneously. The IT systems were not fully reliant in terms of built-in controls and remained dependent on manual vetting for judging the eligibility of applicants for PMS. In eight sample districts, audit examined records of DWOs relating to sanction of PMS and found the following irregularities in the income certificates submitted by the applicants, along with their applications:

- *Invalid income certificates*: RDM Department issued orders in September 2018 that the validity of income certificates shall be three years from the date of issue. In six sample districts[46], income certificates, in support of their parental incomes, furnished by 103 applicants, for the years from 2018-19 to 2020-21, were found to be more than three years old and, hence, were invalid, as per the said orders. Both systems, *i.e.*, PRERANA and OSSP, did not have any feature to capture date of issue of income certificates. Hence, scrutiny of validity of income certificates was not possible through the systems and was left to manual examination. However, due diligence had not been exercised during manual scrutiny, with the time-barred income certificates furnished being accepted and PMS, amounting to ₹ 10.90 lakh, being paid for the period 2018-21. Besides, tampering of names

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[46] Bolangir, Gajapati, Jharsuguda, Kalahandi, Malkangiri and Nayagarh

of two beneficiaries, in the income certificates, during 2018-20, in the Malkangiri district, were noticed. The beneficiaries had been paid PMS amounting to ₹ 5,770.

- *High parental income:* DWOs of Nayagarh and Jharsuguda had sanctioned PMS amounting to ₹ 1.36 lakh, in favour of 11 applicants, during 2017-20, whose parental income, as found from the income certificates attached to their applications, was above the prescribed income limit. The parental income, as per the income certificates, in the aforesaid cases, ranged between ₹ 2.42 to ₹ 4.96 lakh per annum, in case of OBC students and ₹ 2.98 to ₹ 5.78 lakh, in case of SC/ ST students.

Audit also noticed, from the records of the DWO, Malkangiri, that PMS, amounting to ₹ 1.59 lakh, had been sanctioned in favour of 27 SC/ ST applicants, during 2017-21, wherein the caste certificates, attached to their applications, had been issued in names of persons other than those of the applicants.

In the reply, the SSD Department stated (September 2022) that the validation control was not available in PRERANA but the same had been included in OSSP. The reply is not tenable, as applications, with the above discrepancies, were accepted by OSSP and also seen during checking of applications.

5.2.3 *Payment of PMS for the period beyond the course duration*

As per Para VIII of the PMS and Medhabruti guidelines, the award of scholarship, once made, will be payable from the stage at which it is given till the completion of the course.

On analysis of the PRERANA, OSSP and eMedhabruti databases, it was observed that:

- During 2017-21, 832 students were paid PMS for periods beyond the course duration. For instance, 84 students, enrolled for +2 course (which is a two-year course), were paid scholarships for three to five years. In 279 institutes, across 30 districts of the State, 832 applicants had been paid scholarship for durations more than their course durations, resulting in excess expenditure of ₹ 2.46 crore, as shown in the table below:

Table 5.2: Payment of PMS beyond course duration during 2017-21

Sl. No.	Year	No. of beneficiaries	Excess payment (₹ in lakh)
1	2017-18	524	174.89
2	2018-19	285	62.93
3	2019-20	22	8.01
4	2020-21	1	0.32
	Total	**832**	**246.15**

(*Source***:** *Analysis of PRERANA and iFMS databases*)

- Further analysis of the eMedhabruti database and cross-verification with the iFMS database showed that 638 students were paid scholarships during 2017-20, in the category of Junior Merit, Senior

Merit and PG Merit, beyond the prescribed course period, ranging from one to three years, resulting in excess payment of ₹ 0.28 crore.

Thus, the system was not designed to link the payment of scholarship with the duration of the course involved, so as to have an inbuilt check facility to limit the scholarship payments to the course duration. Failure to have such inbuilt systems, resulted in excess payment of ₹ 2.74 crore and, to that extent, the objective of DBT was not achieved.

In reply, the SSD Department (September 2022) stated that, due to non-availability of validation check in PRERANA, students were able to create multiple IDs for the same course year, in two academic years. However, in OSSP, all the courses were mapped with the prescribed course duration and suitable checks were applied. The reply is not tenable, as, in OSSP, the discrepancy is still continuing.

> *Recommendation 5.2:*
>
> *The scheme implementation Rules should be properly mapped and validation controls strengthened, in the OSSP system, to restrict sanctions to ineligible applicants and prevent excess payments to beneficiaries.*

5.2.4   Non-payment of PMS to eligible OBC beneficiaries

DBT envisages accurate identification and targeting of beneficiaries by making the system of delivery of benefits more efficient. The PMS guidelines for OBC, 2018, stipulate *inter alia* that: (i) all eligible OBC candidates will be given scholarship, subject to fulfillment of eligibility criteria prescribed for the purpose (ii) the State would be free to allocate funds from the State Plan, over and above the level of their committed liability[47] and the Central Assistance received, for funding additional scholarships under the scheme.

Audit noted that 1,82,153 OBC applicants of the State applied for PMS during 2018-19, of which 1,38,030 applicants were paid PMS and remaining 44,123 applications, although sanctioned scholarships by DWOs, had not been paid, as of March 2021. In four out of eight sampled districts, Audit found that no payment of PMS had been made, in favour of 5,854 sanctioned applications[48] for 2018-19, as of March 2021, despite the same having been sanctioned by DWOs, during November 2018 to February 2019.

SSD Department and DWOs of the sampled districts attributed the reason for non-payment of PMS to non-availability of funds. However, contrary to the assigned reasons, Audit found that the SSD Department had surrendered ₹ 25.89 crore from the budgetary allocation for PMS during 2018-19, instead of utilising the same towards payment of PMS to OBC applicants. Besides, denial of benefits to targeted beneficiaries, this issue also underlines poor budgetary management at the level of the SSD Department.

No reply was furnished by the SSD Department.

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[47]   Expenditure incurred by a State on a scheme during the terminal year of any plan period
[48]   Mayurbhanj: 4,918, Jharsuguda: 650, Malkangiri:79 and Sundargarh: 207

5.2.5   *Excess/ short payment of Maintenance Allowance*

PMS guidelines envisaged payment of Maintenance Allowance (MA) from 1 April or from the month of admission, whichever is later, up to the month in which examinations are completed, at the end of the academic year, subject to a maximum period of 10 months, in case of students residing in recognised hostels. MA for day scholars is less than that for hostellers. The rate of MA for hostellers and day scholars remained unchanged during 2017-21, as mentioned in the table below.

Table 5.3: Rates of MA for day scholars/ hostellers

Group	Day Scholar rate per month, for OBC/ SEBC and EBC	Hosteller rate per month, for OBC/ SEBC and EBC	Day Scholar rate per month, for SC and ST	Hosteller rate per month, for SC and ST
	(Figures are in ₹ per scholar per year)			
Group-I	350	750	550	1,200
Group-II	335	510	530	1,000
Group-III	210	400	300	1,000
Group-IV	160	260	230	1,000

(***Source: Guidelines of GoI on PMS for SC/ ST/ OBC/ EBC and instructions of SSD Department***)

In the OSSP database for the year 2020-21, the above irregularity also continued, as 80,965 students were paid MA for more than 10 months, resulting in excess payment of ₹ 37.56 crore.

Test-check of hostel records, payment details and student's admission registers, in selected institutes of the sampled districts, revealed cases of excess/ short payment of MA to the students, due to non-mapping of business rules of the PMS scheme in the PRERANA database, the details of which are discussed below:

- *Payment of MA for more than 10 months:* In four sampled districts, MA was paid to 5,270 students, for 11 to 12 months in a year, instead of the maximum 10 months, during 2017-20, resulting in excess payment of ₹ 24.63 lakh, as shown in the table below:

Table 5.4: Excess payment of Maintenance Allowance to hostellers

District	No. of students	Amount due (₹)	Amount drawn (₹)	Excess Amount paid (₹)
Gajapati	424	12,15,000	14,45,390	2,30,390
Jharsuguda	248	5,37,100	6,44,520	1,07,420
Nayagarh	2,813	56,37,350	67,64,820	11,27,470
Sundargarh	1,785	49,92,950	59,91,060	9,98,110
Total	**5,270**	**1,23,82,400**	**1,48,45,790**	**24,63,390**

(Source: Payment data provided by DWOs)

- *Payment of MA beyond the admission date:* In two[49] institutes in the Jharsuguda district, 258 students were paid MA for 10 months in a year, during 2017-20, on the basis of the dates mentioned in the hostel admission register. Audit, however, found that their dates of admission

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[49]   Jet ANM Training Centre and the ITC, Debadihi

in the courses were later than the hostel admission dates. Since admission in hostel cannot be allowed before taking admission in the course, the dates entered in the hostel admission registers were not correct. Moreover, as per the guidelines, the dates of admission in the course were considered for payment of MA and, hence, the dates of admissions in hostels should not have been factored in for payment of scholarships. As a result, excess payment of ₹ 7.13 lakh was made towards MA.

- *Payment of MA to students of institutes having no hostel facility:* As per the PMS guidelines, students of institutes having no hostel facility shall be paid MA at the rate applicable for a day scholar, as shown in *Table 5.3* above. In five sampled districts, 235 students, of 10 institutions, were paid MA amounting to ₹ 16.19 lakh, as hostellers, during 2017-21, although no hostel facility was available in the said institutions. Details are shown in the table below:

Table 5.5: Payment of MA to students, as hostellers, in institutes with no hostel facility

District	No. of students	No. of institutions	Amount due	Amount paid	Excess amount paid
			(Figures are in ₹)		
Gajapati	31	1	71,300	3,07,000	2,35,700
Jharsuguda	2	1	4,600	20,000	15,400
Malkangiri	12	1	36,000	1,20,000	84,000
Mayurbhanj	52	3	1,19,600	3,97,000	2,77,400
Sundargarh	138	4	8,90,000	18,96,600	10,06,600
Total	**235**	**10**	**11,21,500**	**27,40,600**	**16,19,100**

(Source: Institutions registers/ records)

- *Payment of MA to day scholars at higher rate:* In seven sampled districts, the names of 299 students of 21 institutes were not found in the hostel registers of the concerned institutes, during 2017-21, indicating that they were day scholars. However, they were paid MA at rates applicable for hostellers, resulting in excess payment of ₹ 19.66 lakh, as shown in the table below:

Table 5.6: Payment of MA to day scholars as hostellers

District	No. of students	No. of institutions	Amount due	Amount drawn	Excess amount paid
			(Figures are in ₹)		
Bolangir	37	5	86,500	3,70,000	2,83,500
Gajapati	16	3	52,150	1,55,000	1,02,850
Jharsuguda	25	2	1,26,500	2,50,000	1,23,500
Malkangiri	125	3	3,11,300	12,50,000	9,38,700
Mayurbhanj	32	3	29,900	1,23,500	93,600
Nayagarh	2	1	4,600	20,000	15,400
Sundargarh	62	4	8,99,600	13,08,400	4,08,800
Total	**299**	**21**	**15,10,550**	**34,76,900**	**19,66,350**

(Source: Payment files by DWOs, Records of the institutions)

In reply, the SSD Department stated (September 2022) that the MA for fresh students was calculated from the date of admission in hostel, till the end of

academic year, in the Portal and, in case of renewal of students, MA was payable from the month following the month up to which scholarship was paid in the previous year, which goes up to 12 months. The reply is not tenable, as guidelines provided for payment of scholarship for only 10 months in an academic year.

5.2.6 *Payment of MA at higher rate, due to absence of control measures in PRERANA and OSSP*

Para IV of PMS guidelines provide that MA would be paid at the rate of 1/3rd of hosteller's rate, if the scholars are entitled to free boarding and/ or lodging.

Audit noted that the SSD Department provided free boarding and lodging in the Higher Secondary Schools (HSS) run by it. Hence, the students of these schools were entitled to MA at the rate of 1/3rd of the rate applicable for hostellers.

In the absence of data on MA, in the PMS data dump relating to PRERANA, the rate at which MA was paid to students of HSS run by the SSD Department, during 2017-20, could not be ascertained. However, in three sampled districts, Audit found that all 632 students of six HSS had been paid MA at full rate.

The data dump of OSSP, for the year 2020-21, included details on payment of MA. On scrutiny of the same, Audit found that all the 5,233 students, of 47 HSS in the State, had been paid MA at full rate, as shown in the table below:

Table 5.7: Excess payment of MA to hostellers

Name of the Institute	No. of Students	Amount excess paid (₹)
On test-check of physical records in sampled districts for 2017-20		
Government (SSD) HSS, Gopalpur, Kalahandi	67	4,46,689
Government (SSD) HSS, MV-79, Malkangiri	146	9,73,333
Government (SSD) HSS, Mathili, Malkangiri		
Government (SSD) HSS, Badampahar, Mayurbhanj	419	24,22,787
Government (SSD) HSS, Bankati, Mayurbhanj		
Government (SSD) HSS, Badhunia, Mayurbhanj		
Sub-total	*632*	*38,42,809*
On analysis of the OSSP database for 2020-21		
Government (SSD) HSS (47 numbers)	5,233	3,32,30,129
Grand Total	**5,865**	**3,70,72,938**

(*Source: Payment data provided by DWOs and Institution's Records*)

Thus, excess amount of ₹ 3.71 crore, towards MA, had been paid to 5,865 students, during 2017-21. Students of HSS, run by the SSD Department, were provided with free boarding/ lodging and this had a bearing on the rate of MA entitled, but the same had not been taken care of in both the PRERANA and OSSP softwares. As a result, excess payments were made, which ultimately defeated the objective of DBT to arrest leakage of Government funds.

In reply, the SSD Department stated (September 2022) that the MA component of PMS, for boarder students of SSD run by HSS, was credited in the school bank account, for smooth mess management at school level at full rate. The reply is not convincing as funds for free fooding and lodging were provided separately by the SSD Department, hence, full payment of MA for that matter was not a necessity.

5.2.7 *Short sanction of MA to eligible OBC beneficiaries of ₹ 80.29 lakh*

As per the PMS guidelines, MA is payable from 1 April or from the month of admission, whichever is later, up to the month of the examination, for a period of 10 months in a year.

Audit noticed, in six sampled districts[50], that MA was disbursed to 17,739 OBC students[51], during 2017-18, for eight months, instead of ten months. The reasons cited by DWOs for the short sanction of ₹ 80.29 lakh was non-availability of funds and short sanction by the SSD Department. Contrary to the reply, Audit found that the Department had surrendered ₹ 5.01 crore during the same year, instead of utilising the same, highlighting poor budgetary management by the Department.

No reply was furnished by the SSD Department.

5.3   Aadhaar seeding of bank accounts of beneficiaries

5.3.1 *Disbursement of PMS to non-seeded bank accounts*

The notification (February 2017) of Ministry of Social Justice and Empowerment, (MoSJE), GoI, stipulated Aadhaar as an identity document under Section 7 of Aadhaar Act, 2016, for all scholarship schemes, with effect from 16 February 2017.

Audit found that, although the SSD Department had made Aadhaar a prerequisite for applying for PMS in June 2019, no order was issued in regard to making linking of Aadhaar, to the bank accounts of the beneficiaries, mandatory. The non-Aadhaar seeded bank accounts had the risk of acceptance of beneficiary names, with account numbers and IFSC codes belonging to others, during the payment process. In the absence of such measures, payment of scholarship to bank accounts, not seeded with Aadhaar, continued. During 2020-21, out of 3,12,823 beneficiaries who were disbursed PMS, the bank accounts of only 70,953 (23 *per cent*) beneficiaries were Aadhaar seeded. In the sampled districts, non-seeding of bank accounts with Aadhaar ranged from 78 to 80 *per cent*.

Discrepancies in the names and bank accounts of PMS beneficiaries were noticed in PRERANA. On analysis of the PRERANA database, it was noticed that, during the period 2017-20, in 9,288 instances, while the bank account numbers and IFSC codes were the same, the beneficiary names were different. It was also found that some of these beneficiaries were from the same institutes.

With regard to eight sampled districts, 1,155 such cases, involving payment of ₹ 3.83 crore, were detected. On detailed test-check of records, it was found that, while these bank accounts were in the name of certain beneficiaries, funds had been transferred to other beneficiaries. The same issue was noted in OSSP as well, in three out of 5,26,434 cases, where the bank account numbers of different beneficiaries were the same and payment of ₹ 1.17 lakh was made to these three beneficiaries. The case studies are discussed below:

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[50]   Balasore, Bolangir, Gajpati, Jharsuguda, Kalahandi and Sundargarh
[51]   Renewal students, *i.e*., for second and subsequent year of course period

> **Case studies**
>
> 1. *PMS to one student of the Annapurna ITC Institute, for 2017-18 and 2018-19, was credited to the bank account number, as given by the student in the application form. PMS for another student, for 2019-20, was also credited to the same bank account. On verification, the bank confirmed that the account belonged to yet another person.*
>
> 2. *Another student of the Annapurna ITC Institute got PMS for 2017-18, in bank account No. ********992, with IFSC Code SBIN*****47. In the subsequent year (2018-19), the same student got payment in bank account No. ********564, with IFSC Code UTBI*****02. In 2019-20, a different student got PMS for the year 2019-20, in the same bank account (No. ********564, with the same IFSC Code). On verification, it was found that the bank account No. ********564 belonged to another person. This is indicative of the non-receipt of PMS by these students.*

Audit observed that the above irregularities had occurred mainly due to non-Aadhaar seeding of bank accounts of beneficiaries, as required under DBT. As a result, the benefits were transferred to incorrect accounts, instead of the targeted beneficiaries, thereby rendering the objective of the DBT scheme, unfulfilled.

The SSD Department accepted the audit observations and stated (September 2022) that, due to low coverage of Aadhaar seeding with the bank accounts, Aadhaar based payment had not been made mandatory in disbursement of scholarships. Further, the payment gateway of treasury portal was also not configured for making Aadhaar based payments during 2017-20.

> *Recommendation 5.3:*
>
> *The SSD Department should ensure Aadhaar seeding of the bank accounts of the beneficiaries, being a primary requirement for DBT. Necessary assistance in this regard, may be extended to the students, so that no one is deprived of the scholarship, for want of Aadhaar seeding of the bank accounts.*

5.4   Management of failed transactions

DBT envisages a switching over, from the present electronic transfer of amount to bank accounts of the beneficiary, to transfer of benefits directly to the Aadhaar seeded bank account of the beneficiaries, in order to facilitate credit of payments to the legitimate beneficiaries, in the right accounts and in the right time. Further, it provides integration of the scheme management software with the PFMS/ State Treasury, with provision of a reversal loop for updation of the payment/ failure status. The Standard Operating Procedure (SOP) for DBT payments also provides broad timelines for receiving payments/ benefits, which is T+4 working days, where 'T' denotes the day of the transaction.

In case of both the PMS and Medhabruti scholarship schemes, the bills were prepared manually and uploaded in the iFMS platform, for further processing of payments, till 2019-20. However, from 2020-21 onwards, the bills were prepared in iFMS, after the approved beneficiary data was pushed from OSSP to iFMS, for processing for payment and the status was updated in OSSP. In case of a dormant account and mismatch of bank account numbers with the IFSC number, transfer of amount does not take place, and these transactions are termed as 'failed transactions'. In case of failed transactions, the steps to be taken by the DDO and Treasury, as intimated by Director of Treasury and Inspection (DTI), Odisha, are shown in the workflow below:

Figure 5.1: Workflow of revalidation of failed transactions
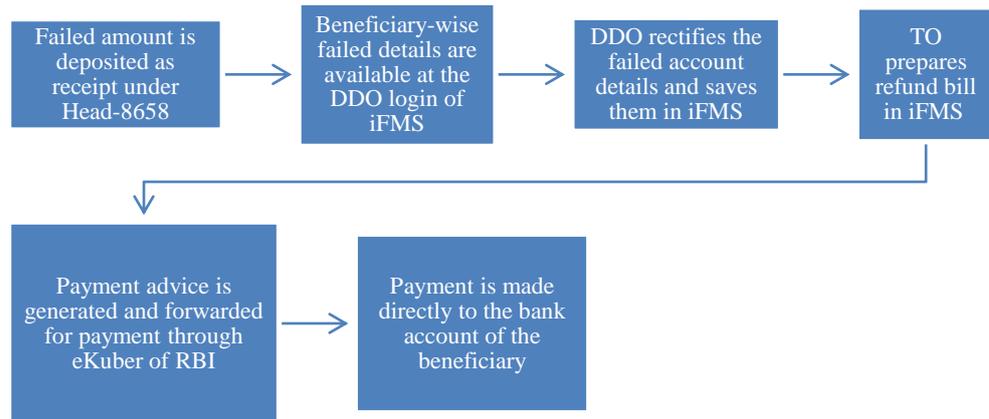
(*Source: Information furnished by DTI*)

The failed transaction amounts are retained under the Suspense Head '8658' of the Government account for 90 days from the date of drawal, or till the end of the financial year, whichever is earlier. However, in case of drawals in the month of March, the failed transaction amounts are retained in the Suspense Head up to 30 April of the same year. On verification of records at the SSD and HE Departments, the following deficiencies were noticed:

5.4.1   Failed transactions in respect of PMS applicants

Disbursement of PMS to ST and SC beneficiaries were being made centrally by the SSD Department from the year 2015-16 onwards. The SSD Department, however, did not provide data on the year-wise position of failed transactions, as well as on settlements of the failed transactions, to Audit.

Data on failed transactions, in disbursement of PMS, was obtained from the Director of Treasury and Inspection (DTI), Odisha. Audit found that 1,30,985 transactions, involving ₹ 49.95 crore, had failed during 2017-21. This included 92,215 failed transactions (70 *per cent*), pertaining to the years 2017-18 and 2018-19, when Aadhaar linking was not made mandatory. Out of total failed transactions: (i) only 28,173 transactions, involving ₹ 17.58 crore, had been settled (ii) 12,342 transactions, of ₹ 4.52 crore, remained unsettled and (iii) an amount of ₹ 27.86 crore, pertaining to 90,470 transactions, had been refunded to Government (deduct recovery), as of 1 April 2021. As per Finance Department's order, the failed/ unsettled transactions are parked under the Suspense Head 8658, for a designated period, post which the treasury is required to refund the unsettled payments to the Government account.

The details of such failed transactions are given in the table below.

Table 5.8: Details of failed transactions during 2017-21

(Amounts ₹ in crore)

Year	Failed transactions		Settlement of failed transactions as of 1 April 2021		Unsettled failed transactions		Refunded to Government account	
	Beneficiaries	Amount	Beneficiaries	Amount	Beneficiaries	Amount	Beneficiaries	Amount
2017-18	39,850	4.93	2,407	1.60	0	0.00	37,443	3.33
2018-19	52,365	23.17	15,596	7.67	0	0.00	36,769	15.50
2019-20	24,121	13.95	10,024	6.28	48	0.01	14,049	7.66
2020-21	14,649	7.90	146	2.03	12,294	4.51	2,209	1.37
Total	1,30,985	49.95	28,173	17.58	12,342	4.52	90,470	27.86

(Source: Data of DTI, Odisha)

Audit observed that out of 1,30,985 failed transactions, only 28,173 failed transactions (22 *per cent*) could be settled during 2017-21. As such, 1,02,812 beneficiaries remained deprived of PMS, amounting to ₹ 32.37 crore, for one to four years, which indicated failure of the concerned DDOs, to rectify the applicant details, for enabling disbursal of payments.

In reply, the SSD Department stated (September 2022) that: (i) the failed transactions were tracked from iFMS and (ii) the details of failed transactions were compiled and communicated back to the district authorities, for communicating the same to students, through institutions and receiving corrected account details, for settlement of failed transactions.

The reply is not tenable, as the students were deprived of the scholarship and the failed amounts were reverted back to the Government account, leading to non-achievement of aim of the DBT scheme.

5.4.2   *Failed transactions in regard to Medhabruti applicants*

On analysis of the records and database of eMedhabruti, 6,124 transactions, involving ₹ 3.81 crore, failed during 2017-21. This included 4,103 failed transactions (67 *per cent*) relating to the years 2017-18 and 2018-19, when Aadhaar linking was not made mandatory. Of the total failed transactions, 5,567 failed transactions, pertaining to the period 2017-20, involving ₹ 3.47 crore, were settled and the remaining 557 transactions, for the period 2020-21, involving ₹ 0.34 rore, remained unsettled, as of March 2021.

The main reason attributed for the huge failure of transactions was non-adoption of prerequisite measures for DBT, by the Departments, such as: (i) non-validation of bank account of students at the time of submission of applications (ii) non-usage of VLookup web service and (iii) non-usage of status of bank account service of NPCI. The Departments and the State DBT Cell did not take any steps to ensure use of the VLookup web service, or the status of bank account service of NPCI. They also did not make efforts towards integration with PFMS, for real time validation of the bank account, in order to deal with the significant issue of dormant/ inoperative accounts and non-existent accounts.

As such, 1,03,369[52] (75 *per cent*) beneficiaries were deprived of the benefits of PMS and the Medhabruti scheme, for ₹ 32.70 crore[53], due to non-settlement of failed transactions. Despite these failed transactions, the SSD Department had irregularly booked the amount as expenditure.

The HED Department accepted the observation and stated (September 2022) that, after introduction of OSSP, the number of failed transactions had been reduced to a great extent. However, it is a fact that the failed transactions still persisted, even after introduction of OSSP.

> *Recommendation 5.4:*
>
> *The implementing Departments should make efforts in coordination with State DBT Cell, to ensure use of the Vlookup web service and status of bank account services of NPCI, in order to ensure payment of funds to the intended beneficiaries.*

5.5 Other IT deficiencies

The following other IT deficiencies were noticed during scrutiny of the PRERANA, OSSP and eMedhabruti databases:

5.5.1 Non-detection of duplicate beneficiaries and non-reporting of savings

Implementation of DBT envisages weeding out of duplicate beneficiaries during benefit transfer. Department of MoSJE, GoI, instructed (December 2017) the SSD Department to provide information on savings[54] arising due to elimination of fake/ ghost beneficiaries through the de-duplication process. Subsequently, the State DBT Cell communicated (March 2018 and February 2020) these instructions to all the Departments implementing DBT schemes, to report savings based on weeding out of duplicates, ghost beneficiaries, *etc.*, every month. Audit noted that:

- The SSD Department had detected 4,896 duplicate applicants of SC and ST category[55] during 2017-20 and rejected their applications. However, no such exercise was undertaken to detect duplicate applicants belonging to the OBC and EBC categories. Analysis of the iFMS database, in audit, revealed that 973 duplicate applicants, belonging to the SC and ST categories, had not been detected by the SSD and they had been paid ₹ 2.43 crore, during 2017-21. On the other hand, HED had not undertaken any such exercise to detect duplicate applicants for Medhabruti.

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[52] SSD: Unsettled transactions:12,342 and returned to Government: 90,470
    HED: Unsettled transactions: 557
[53] PMS: 1,02,817 failed transactions, involving ₹ 32.37 crore
    Medhabruti: 557 failed transactions, involving ₹ 0.34 crore
[54] Formula for calculation of savings: S = D x B x F (S = Saving, D = No. of beneficiaries removed and B = Benefit per beneficiary and F= Frequency of payment)
[55] SC: 2,154 during 2017-18 and ST: 2,742 during 2017-20

- The duplicate applicants included 2,154 applications, relating to SC category of students, involving a scholarship amount of ₹ 5.20 crore. SSD Department, however, reported the figure as 1,510 to MoSJE, involving a scholarship amount of ₹ 3.97 crore. Thus, the SSD Department under-reported the savings amount by ₹ 1.23 crore to MoSJE. Further, the SSD Department also did not report detection of duplicate 2,742 applicants of the ST category, to the State DBT Cell, as required under their circulars dated March 2018 and February 2020.

Audit observed that, while PRERANA lacked features to detect duplicate applicants, the manual scrutiny by the SSD Department was neither foolproof, nor adequate.

The SSD Department agreed to the audit observation and stated that the online portal was not suitably designed with internal checks to disallow duplicate entries, due to which students were able to create more than one application in the PRERANA Portal.

5.5.2 *PRERANA - Incorrect capturing of dates prior to academic year*

Audit noted that, in PRERANA, the applicants' scholarship application details were stored in a table. The system stored the application submission date and time under the field 'insert_time'. Audit found that, in 4,270 out of 14,22,413 applications, registered in PRERANA for the period 2017-20, the insert date and time were substantially before the academic year, as can be seen in the table shown below:

Table 5.9: Date & time discrepancy of PRERANA database

Application ID	Student Name	Institute Name	Academic Year	Date and time of data entry in the system
1012695	*************	Lachhaman Balajew (Degree) College, Angalo	2018 - 19	08-11-2015 07:40
1336411	*************	SCB Medical College	2018 - 19	13-10-2015 18:14
134374	*************	Eastern Academy of Science Technology	2018 - 19	03-09-2014 22:17
357914	*************	Panchayat (Degree) College, Bargarh	2018 - 19	23-09-2015 18:39
467448	*************	District Institute of Education Training	2018 - 19	05-02-2015 15:29
486171	*************	I.T.I., Bargarh	2018 - 19	13-10-2015 14:04
525216	*************	Ravenshaw University, Cuttack	2018 - 19	06-10-2015 15:13
585450	*************	Seemanta Engineering College	2018 - 19	24-08-2014 21:22
910072	*************	Bhairab (Degree) College, Dabugan	2018 - 19	27-08-2014 12:14
952143	*************	Bhubaneswar Institute of Industrial Technology	2018 - 19	31-08-2014 17:21

(Note: Name of the students kept confidential)
(Source: PRERANA database)

It would be observed from the above that, though the date/ year of data insertions were recorded as per the system in 2014 and 2015, the corresponding academic years were 2018-19, which was obviously not correct. This indicated that the actual date of data insertions was not recorded

correctly in the database. In the absence of actual time of data insertion, delay in processing of the applications could not be ascertained, for monitoring purposes.

The SSD Department stated (September 2022) that: (i) the matter was reported to NIC for seeking clarification on the matter and (ii) the application ID was created in the portal earlier, while the actual application was submitted later on.

The reply is not acceptable, as there was a gap of almost four to five years and it is not feasible that the students would create Application IDs four to five years prior to their admission.

5.5.3 eMedhabruti - Design deficiencies

System design aims at providing the correct output by mapping the existing rules and regulations electronically, so as to provide assurance that all transactions are valid, complete, accurate and fulfil the objectives of the scheme guidelines.

As per best practice, audit trails (date of creation of record, updation, date of verification by different authorities, *etc*.) should be captured in the tables for enforcing accountability and detective control against any manipulation of records in the database. The HED and the OCAC did not furnish the technical documentation of eMedhabruti to Audit. On analysis of the eMedhabruti database, Audit found the following:

- In critical tables[56] of the database, for the years 2017-20, the date of submission of applications, by the institutes, to the intermediaries and subsequent submission to Government, as well as date of final approval of Government, had not been captured.

- In 73 cases, the account numbers of the beneficiaries had been entered incorrectly. Of these, bank account numbers in 53 cases were validated, while, in the remaining 20 cases, the applications had been rejected and/ or not verified, but payments had been made. Of the 20 rejected cases, where payments had been made, in two cases, the applications had not been verified and the same were rejected by institutes, but payment of ₹ 20,000 had been made, as seen from the iFMS database.

In the absence of an audit trail, the time taken by the intermediary levels to process the applications, as well as incorrect validations made by different authorities, could not be traced. Thus, transparency in processing the applications and making payments thereagainst, were found lacking.

The HED Department stated (September 2022) that the observations of Audit would be communicated to the service provider, to address the deficiencies.

5.5.3.1 Master tables not provisioned in the system

As per best practice, a Master Table was to be created as a single source for common business data, with unique IDs for referencing across multiple tables

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[56] T_CAFAS_ApplicantDetails_Temp_2017, T_CAFAS_ApplicantDetails_Temp_2018, T_CAFAS_SCHOLARSHIP_RENEWAL_2018

and/ or processes. eMedhabruti had several master tables[57], which were used during submission of applications and identification of details of transactions, on the basis of the unique IDs. Audit noticed existence of incorrect total marks in the database, due to lack of validation controls in the system, which would have restricted the marks obtained to total marks, as discussed below:

- *Incorrect total marks*: In 179 out of 97,810 applications[58], the total marks for the course, as well as marks secured by the applicants, were entered incorrectly. It was further noted that the Principals had validated 179 of such applications with incorrect marks. Details of such discrepancies are shown in the table below.

Table 5.10: Incorrect total marks in eMedhabruti

Scholarship Type	Applicant's Name	College Name	Full marks	Marks secured as per the application
Technical and Profession Merit	************	Gandhi Institute for Technological Advancement, Bhubaneswar	2,713	3,900
Junior Merit	************	Govt. Junior College, Angul	8.8	8.8
PG Merit	************	Udayanath (Autonomous) College of Science & Technology, Adaspur	7	7
Technical/ Profession Merit	************	Regional College of Management (MBA)	64.7	57.2
Junior Merit	************	Hatadihi Anchalika (Govt. Vocational Junior) Mahavidyalaya, Hatadihi - 18031801 – Hatadihi	439	10
Technical/ Profession Merit	************	Gandhi Institute for Technological Advancement (GITA) (Engineering)	3,503	70
PG Merit	************	Utkal University, Bhubaneswar	1,223	657

(Note- Applicant's names kept confidential)
(Source: Data dump of eMedhabruti)

Audit observed that full marks can be only a round figure, ending with zero and 10, in case of Cumulative Grade Point Average (CGPA), as verified from the test-checked applications but cannot be an odd figure, as mentioned above. In one case, the actual marks secured were more than the full marks. Thus, the full marks entered in the system appeared to be incorrect.

- In eMedhabruti, the total marks secured by the applicants were recorded incorrectly, as they were found to be greater than the maximum marks, in 45 out of 97,810 applications. However, the concerned Principals had approved the applications in 18 cases. The discrepancies are shown in the table below.

Table 5.11: Cases in eMedhabruti, where the total marks shown as secured were greater than the maximum marks

Applicant's Name	College Name	Full marks	Marks secured as per the application
*********	Center for Advanced Post Graduate Studies (CAPGS), Rourkela	10.00	72.00
*********	Gandhi Institute for Technological Advancement (GITA) (MCA)	2,713.00	3,900.00

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[57] M_College, M_District, M_Block, M_Scholarship_Board, M_Scholarship_Course, *etc*.

[58] T_Cafas_Applicantdetails_Temp_2016, T_Cafas_Applicantdetails_Temp_2017, T_Cafas_Applicantdetails_2018 and T_Cafas_Applicantdetails_Temp

Applicant's Name	College Name	Full marks	Marks secured as per the application
*********	Dhaneswar Rath Institute of Engineering and Management Studies, Cuttack (Engineering)	10.00	35.00
*********	Government College of Engineering, Keonjhar	10.00	451.00
*********	Silicon Institute of Technology, Bhubaneswar (Engineering)	10.00	766.00
*********	Indic Institute of Design and Research, Bhubaneswar (Engineering)	10.00	66.00
*********	Gandhi Institute for Technology, Bhubaneswar (Engineering)	70.00	2,113.00
*********	Silicon Institute of Technology, Bhubaneswar (Engineering)	10.00	907.00

(Note- Applicant's names kept confidential)
(Source: Datadump of eMedhabruti)

Thus, the software had been designed without creation of a master table reference for different Boards of Education, with details of maximum marks that would have restricted such incorrect data entries and allowed for rejection/ non-validation by the authorities concerned. Such discrepancies also indicate that the Principals concerned had recommended the applications without verifying the correctness of the marks entered in the applications.

The HED Department stated (September 2022) that the observations of Audit would be communicated to the service provider, to address the deficiencies.

5.5.3.2 Non-capturing of correct Aadhaar numbers

The Unique Identification Authority of India (UIDAI), under the Aadhaar Act and Regulations, 2016, has mandated centralised storage of all Aadhaar numbers in a different repository, known as the 'Aadhaar Data Vault'. In order to reduce the footprint of Aadhaar numbers in the ecosystem, each Aadhaar number is to be referred by an additional key known as the Reference Key. These keys are to replace the Aadhaar numbers in the organisation's ecosystem and mapping of reference keys and Aadhaar numbers is to be maintained in the Aadhaar Data Vault. HED was required to create an Aadhaar data Vault and replace the Aadhaar numbers, in all existing databases, with the respective reference keys.

On analysis of the eMedhabruti database, it was noticed that:

- In 84,631 out of 97,810 applications, Aadhaar number was stored in the table without encryption or masked form, due to which virtual identification was not captured in the database.

- Further, in 9,801 cases, invalid Aadhaar numbers, that were less than 12 digits or 'Null', were captured in the database, indicating that input controls were missing while designing the Aadhaar data field. This resulted in incorrect entry of Aadhaar numbers and sharing of Aadhaar data without masked form, violating the Act.

Thus, Aadhaar details were neither encrypted, as per the Aadhaar Act, nor captured correctly, as required under DBT.

The HED Department stated (September 2022) that the observations of Audit would be communicated to the service provider, to address the deficiencies.

5.5.3.3 *Non-availability of dashboard in system*

As per the Medhabruti guidelines, the Principal of the institution is responsible for verifying, validating and approving the data submitted by applicants, for onward transmission, for approval of scholarships. On analysis, it was observed that, in 1,466 out of 97,810 cases, all the requisite information, *i.e.,* income certificate, resident certificate, mark sheet, bank details and Aadhaar numbers, had been uploaded but the Principal had not verified/ updated and approved the data in time.

The system did not have a provision for students to check their status of applications. It also did not have the facility of a dashboard, for the Department to monitor the number of applications received, validated and approved at various levels, to ensure timely processing by the institution and OCAC, on a real-time basis. In the absence of a real-time dashboard, the applicant students also could not be informed about the status of their applications for PMS.

The HED Department replied (September 2022) that dashboard is available in the newly introduced OSSP portal.

> *Recommendation 5.5:*
>
> *Flaws in the OSSP computer application system, in not detecting duplicate beneficiaries, incorrect capturing of vital data like dates of applications and Aadhaar numbers as well as absence of Master tables, should be remedied in order to make the system more efficient, in processing the scholarship applications.*

Chapter 6

Suspected Fraud and Corruption

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Suspected Fraud and Corruption

This Chapter deals with loopholes in the implementation of PMS scheme, leading to suspected fraudulent drawal of scholarship by ghost institutes and diversion of scholarship by institutes from bank accounts of the students to bank accounts of the institutes. Inadequate monitoring led to payment of scholarship to beneficiaries, who failed to complete the course. Audit verified records of the sampled DWOs, institutes, selected banks and conducted joint physical inspection of the institutes and found cases of suspected fraudulent drawl of scholarships. The observations have been highlighted in this Chapter.

- Due to absence of detailed checklist for inspection of private educational institutions, 5,185 beneficiaries of 15 ineligible institutions, were granted PMS, amounting to ₹ 15.79 crore, during 2016-20.

- During 2017-21, 2,996 students of 22 sampled institutes in six sampled districts, were paid PMS amounting to ₹ 7.36 crore, even after their discontinuance of the courses.

- One institute had applied for scholarships on behalf of discontinued students and was successful in getting the scholarship funds credited to the bank accounts of the students amounting to ₹ 2.36 crore and subsequently, transferring the same to the institute's bank account, through suspected fraudulent means.

6.1   Suspected Fraud and Corruption

As per provisions contained in the Handbook of DBT, issued by the Planning Commission, Government of India, DBT aims to ensure accurate targeting of beneficiaries as well as reducing fraud and corruption. Audit examined the implementation of both the PMS and the Medhabruti scholarship schemes under DBT, in order to ascertain whether the Departments had been able to successfully plug in the leakage of Government funds and prevent cases of fraud. Audit findings in this regard are detailed in the following paragraphs.

6.1.1   Suspected siphoning of Government funds of ₹ 15.79 crore, due to absence of a detailed procedure for inspection of the institution by DWOs, before issue of User IDs for the scholarship portal

As per PMS software manual, DWOs are required to provide user IDs and passwords to all colleges/ institutes, to allow them to register in the PRERANA portal and to access/ update details of their affiliation, courses offered, number of seats approved for each course, *etc*. Using these IDs & passwords, colleges/ institutes forward the applications of eligible students to the concerned DWO Offices, for onward transmission to the Department. The institutes, from where students may avail such scholarships, for post-matric courses, include the Industrial Training Institutes (ITIs) and Diploma institutions. In order to enroll students in Diploma or ITI courses run by them, across the State of Odisha, must have valid affiliation from the State Council for Technical Education and the Vocational Training, Skill Development and Technical Education (SDTE) Department.

Audit noted that there was no provision for inspection of private educational institutions, for the purpose of sanction of PMS. In the revised PMS guidelines (May 2018) of MoSJE, inspection of private educational institutions, by officials to be nominated by the District Collectors, was made mandatory. In pursuance of this, the SSD Department issued (August 2018) guidelines for constitution of district committees, for the purpose of such inspections.

On analysis of the PRERANA database, Audit noticed that 30 institutes, in six districts, registered in the PRERANA portal during 2017-20, had obtained affiliation from the Bharat Sevak Samaj (BSS), Tamil Nadu and the National Council of Vocational Research and Training (NCVRT), New Delhi. In 26 of these 30 institutes, 8,557 students had applied for PMS, during 2017-20. Out of these, 5,185 beneficiaries, of 15 institutes, had been granted PMS, amounting to ₹ 15.79 crore, during the period 2016-20 (*Appendix 6.1)*. It was noted that the SDTE Department had intimated (November 2019) the SSD Department that, neither the BSS, nor the NCVRT, were eligible agencies, for granting affiliation to institutes, for running Diploma courses. SSD Department, accordingly, instructed (December 2019) the DWOs not to allow registration of educational institutions affiliated by these bodies. The fact remains that, due to the non-incorporation of detailed criteria in the PRERANA system, as well as lack of monitoring on the part of the Department, 5,185 students had already been granted scholarships, irregularly.

Joint physical inspection of 16 institutes, affiliated by NCVRT and BSS, were carried out in September and October 2021, by the Welfare Extension Officers

(WEOs) and Assistant District Welfare Officers (ADWOs), of the DWOs, in the presence of Audit officials. The results of these verifications are summarised in the table below.

Table 6.1: Results of JPI conducted

Particulars	Mayurbhanj	Balasore	Total
(a) No. of colleges for which JPIs were conducted	11	5	**16**
(b) No. of colleges which existed without the required basic infrastructure, such as classrooms/laboratory/workshop/ hostel/faculty and non-teaching staff, *etc*.	8	0	**8**
(c) No. of institutes not found in existence	3	5	**8**
(d) No. of applications from (c), sanctioned during 2016-20	426	82	**508**
(f) Amount of PMS disbursed in respect of (d) (₹ in crore)	1.23	0.23	**1.46**

(*Source: JPI of institutes, records of DWO and PRERANA/ iFMS database*)

- *Non-existence of eight institutes***:** Of the 16 institutes verified during the joint verification, it was noted that eight were not in existence and the existence of these institutes could not be ascertained even from the local people. Details of any inspection carried out by the concerned DWO of Mayurbhanj and inspection reports therein, were also not available, except in two cases, as discussed in *Paragraph 4.5.2*.

- *Status of other eight institutes*: The other eight institutes, in Mayurbhanj district, had stopped functioning from 2020, after rejection of their applications by the DWO, on instructions of the SSD Department. However, by then, 29 students, from seven of these institutes, had received PMS, amounting to ₹ 7.13 lakh, during 2017-18 and 2018-19. It was noted that these 29 students had also been paid PMS, amounting to ₹ 4.71 lakh, from other institutes, as mentioned in *Paragraph 5.1.2.*

- *Institutes running without infrastructure:* One institute[59] in Mayurbhanj district did not have its own physical infrastructure (classroom, workshop, staffroom, *etc*.) and was using the infrastructure of another neighbouring institute. In case of the other seven institutes[60] of the district, the infrastructure was found to be inadequate, in comparison to the number of students admitted. For example, in one institute, only classroom was available for 792 students and the institute had no workshop for students. Besides, it was also seen that

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[59] Global Institute of Safety and Training, Gadadeulia, Mayurbhanj
[60] Ashutosh Vocational Training Centre, Raghunathpur, Baripada; Mayurbhanj Safety Training Institute and IVET Vocational Training Centre at Baisinga; ITET Vocational Training Centre and Odisha Safety Training Institute at Asanabani, Rairangpur; SAI Safety Training Institute and SAI Vocational Training Centre, Puruna Baripada

288 beneficiaries, belonging to the ITET Vocational Training Centre, were granted PMS at a rate applicable for hostellers, despite the fact that the institute had no hostel available. Details of teaching staff, as well as hostel records, were not produced to Audit, to ascertain if the institutes were functioning.

Institute building of the ITET Vocational Training Centre	***Only one classroom, with capacity of 60 students, available, against admission of 792 students***
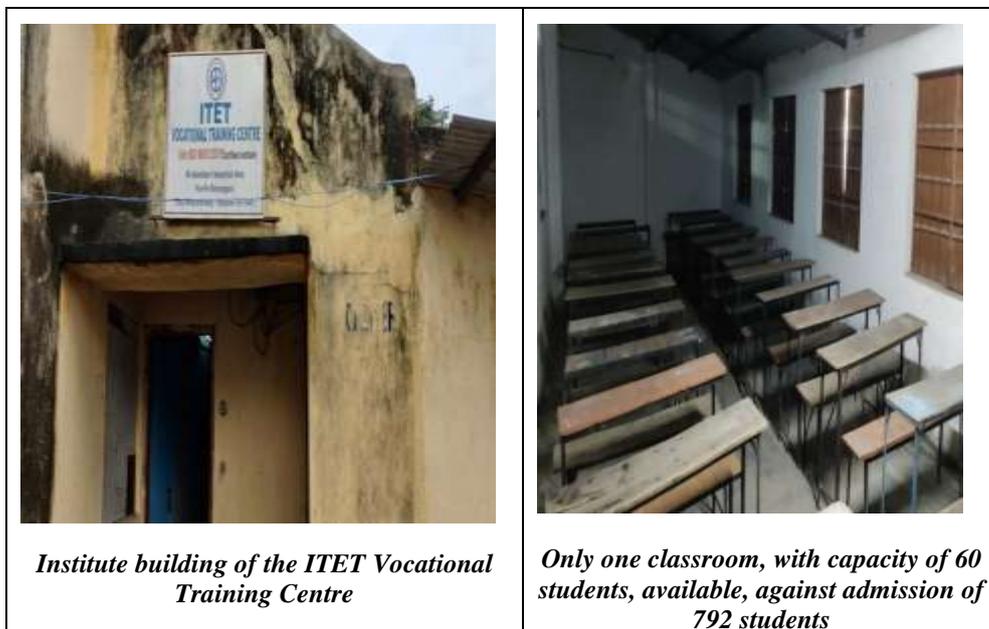
SSD Department admitted, only in November 2019, after it had been pointed out by DWO, Mayurbhanj and clarification had been sought by SDTE, that: (i) BSS and NCVRT were not empowered affiliating agencies and (ii) hence, the affiliated institutes were not eligible for registration for PMS in PRERANA. This indicated that due diligence had not been exercised during the verification process, before registering these institutes in PRERANA, for grant of PMS. The PRERANA software was also not equipped properly, to identify and filter out these ineligible institutes. As a result, PMS, amounting to ₹ 15.79 crore, was appropriated by non-existing/ ineligible institutes.

The SSD Department stated (September 2022) that: (i) registration of institutions located in districts was the responsibility of the DWOs concerned, (ii) in the new portal (OSSP), it had been ensured that duly recognised and authorised institutions were added, after syncing information from databases like UDISE, SAMS and AISHE.

Recommendation 6.1:

Reasons for suspected fraud in the payment of PMS may be investigated, responsibility may be fixed on the defaulting officials and suitable action may be taken for recovery of PMS.

Recommendation 6.2:

The SSD Department may frame detailed guidelines for inspection of institutes, prior to their registration on the scheme portal of OSSP and the quantum of inspections to be conducted by district level officials, as well as the records to be verified in private institutions, should be specified.

6.1.2 Availing of PMS by students who had discontinued education

6.1.2.1 Payment of PMS to students

As per PMS guidelines in regard to SC/ ST/ OBC/ EBC students, issued by GoI, if it is reported by the institute, at any time, that a scholar has failed to make satisfactory progress during an educational course, or there has been irregularity in attendance without due permission, *etc*., the authority sanctioning the scholarships may either cancel the scholarship, or stop or withhold further payments, for such periods, as it may think fit. Further, the PMS Guidelines for SC/ ST/ OBC students, stipulate that a student has to refund the scholarship amount, if, during the course of the year, he/ she discontinues the course for which PMS was awarded.

On analysis of the PRERANA and OSSP database, as well as the payment files submitted by the SSD Department, DWOs of the eight test-checked districts and 69 sampled institutions, Audit found that 2,996 students, of 22 sampled institutes, in six sample districts, had left their courses midway, during 2017-21. However, those students had been paid PMS, amounting to ₹ 7.36 crore, even after their discontinuance of the courses. The district-wise institutes, number of such students granted PMS and amounts thereof, are tabulated below.

Table 6.2: Disbursement of PMS to discontinued students

Sl. No.	District	No. of Institutions	No. of students	Amount (₹ in lakh)
1.	Gajapati	5	113	7.65
2.	Jharsuguda	2	30	13.74
3.	Kalahandi	1	22	1.89
4.	Malkangiri	2	121	5.44
5.	Mayurbhanj	8	2,619	698.00
6.	Sundargarh	4	91	9.43
Total		**22**	**2,996**	**736.15**

(Source: Information received from the SSD Department and DWOs)

Audit observed that the authorities of the institutes concerned had either not verified or ignored ineligibility of the students for PMS, before recommending their renewal applications, for subsequent years of the applicable courses, to the DWOs, for sanction. Further, the PRERANA and OSSP portals also did not have a provision to mark the applicants as active/ discontinued, for judging the eligibility of students for PMS. One of the illustrative cases, is as discussed in ***Paragraph 6.1.2.2***.

The SSD Department accepted the audit observation and stated (September 2022) that cases of deliberate manipulation, as pointed in audit, are communicated to DWOs, for verification and necessary action.

6.1.2.2 Grant of PMS to discontinued students of SSIT

In one of the test-checked institutes, *viz.* Sakuntala Sudharsan Institute of Technology (SSIT) in Mayurbhanj district, 2,176 SC/ ST students were paid PMS, amounting to ₹ 6.41 crore, during 2016-20, as detailed in the table below.

Table 6.3: Disbursement of PMS to SC/ ST students of SSIT during 2016-20

Year	No of applicants who submitted applications	No of applicants who got PMS	Amount (₹ in lakh)
2016-17	295	293	101.09
2017-18	640	622	177.59
2018-19	691	685	192.41
2019-20	606	576	169.76
Total	**2,232**	**2,176**	**640.85**

(Source: PRERANA database)

Audit found that the institute was running three-year diploma courses, wherein 1,369 students[61] had taken admissions during 2016-20[62]. Audit analysed the semester results of the 2016-19 and 2017-20 batches and found that 138 and 142 students, respectively, had not cleared their final examinations and had discontinued their studies. However, they were found to have applied for PMS and SSIT and had also forwarded their renewal applications to the DWO,

Figure 6.1: Mandate form submitted to bank

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[61] SC: 218, ST: 1,027 and General: 124
[62] 2016-17: 315; 2017-18: 370, 2018-19: 314 and 2019-20: 370

Mayurbhanj, certifying their eligibility for PMS, for the period 2016-20, for two batches (2016-19 and 2017-20).

Subsequently, they were paid PMS, amounting to ₹ 2.36 crore. On verification of the bank statements of 63 such students, to ensure that PMS had indeed been disbursed to them, it was found that a sum of ₹ 2.36 crore, received by them, towards PMS, for the period 2016-20, had been transferred to the bank account of SSIT, on the strength of the mandate (A format prepared by the institute for the students to transfer the entire scholarship amount, from the student's bank account, to the institute bank account as placed alongside) signed by the students concerned and submitted to the banks. Thus, complicity of the management of SSIT, in availing PMS, through suspected fraudulent means, for their appropriation, cannot be ruled out as evident from the following.

- *Mismatch of signatures:* Signatures of 41 students, for PMS pertaining to the year 2016-17, did not match with the signatures in their applications for the years 2017-18 and 2018-19. During the beneficiary interview of 14 recipients of PMS, by the team of Audit officials, the recipients concerned stated that they had not submitted any application for PMS, during the course period of 2016-20.

- *Role of SSIT in opening of bank accounts of beneficiaries:* The bank accounts of 1,077 beneficiaries were found to have been opened in one bank, *i.e.* Bank of Baroda, Church Compound Branch, Balasore, which is 130 kms away from SSIT and the bank account numbers were allotted serially. In all these cases, the introducers for opening bank account were the office bearers of SSIT and the mobile phone numbers given in the accounts were those of SSIT. In the beneficiary interview of 14 beneficiaries, 12 of them expressed ignorance about opening of these bank accounts and signing mandate forms, authorising the bank to transfer the PMS scholarships to SSIT.

Thus, loopholes in the IT systems, in regard to filtering out ineligible/ fake beneficiaries, facilitated availing of PMS in the names of fake/ ineligible students. Further, failure on the part of the DWOs and institutes, in undertaking detailed verification of accounts and linking them to Aadhaar, *etc.*, as contemplated under DBT, coupled with complicity of the institutes concerned, led to leakage of PMS funds, by suspected fraudulent means.

No reply was furnished by the SSD Department.

Recommendation 6.3:
Institutes may be asked to forward the list of students who are continuing their courses in subsequent years, along with their applications, to the concerned DWOs, for verification of continuance, before issue of sanctions.

6.1.3 Acceptance of applications and payment of PMS to ghost beneficiaries

Audit analysis of the PRERANA database revealed that applications, purportedly submitted by 69 applicants belonging to 14 institutes, in three districts, for PMS, for the academic years 2016-17 to 2020-21, had been forwarded by the Principals, to the DWOs, after necessary scrutiny, for approval/ sanction. Upon approval of the applications by the DWOs, PMS, amounting to ₹ 14.17 lakh, was released, as detailed in the table below.

Table 6.4: Payment of scholarships to ghost students

Sl. No.	Name of the district	Academic Year	No. of Institutions	No. of students	Amount (₹)
1	Kalahandi	2016-17	9	44	7,68,711
		2018-19		6	56,015
2	Jharsuguda	2016-17	4	10	1,61,747
		2017-18		3	1,35,000
		2019-20		3	1,35,000
		2020-21		2	88,400
3	Sundargarh	2018-19	1	1	72,000
	Total		**14**	**69**	**14,16,873**

(Source: Information received from the Institutions)

Audit verified the particulars of these 69 applicants, from the admission registers of the concerned 14 institutes and did not find their names in the said registers. On enquiry, the Principals of the institutes confirmed (November and December 2021) that no such students had been enrolled in their institutions. On further analysis, Audit noted the following deficiencies:

- Out of 69 beneficiaries, 52 beneficiaries of 11 institutes were paid ₹ 10.07 lakh, as PMS, during the period 2018-21, but they were not registered on the PRERANA portal. No explanation was available with the Department/ DWO on this serious lacuna (*i.e.*, payment to non-registered students).

- In case of the remaining 17 beneficiaries pertaining to six institutes, it was seen that, although they were all registered on the PRERANA portal, details of only six students were forwarded to the DWO and payment of ₹ 2.31 lakh was made. The institutes did not forward the applications of the remaining 11 students, to the DWOs, but payment of ₹ 1.79 lakh was made to those students. Thus, there was a significant lack of checks and balances, at the levels of the DWOs, as well as the Department, leading to irregular payments, as noted above.

- Audit observed that: (i) the authorities of the institutes had utilised the documents of the students for siphoning the scholarship amounts and (ii) the DWOs and the Department had not exercised due diligence, while disbursing the PMS amount of ₹ 14.17 lakh, since this was done without ensuring student registration on PRERANA portal and in the concerned institutes. The matter, therefore, merits further investigation, with a view to fixing responsibility and recovering ₹14.17 lakh, appropriated through illegal means.

The SSD Department stated (September 2022) that the matter pointed out in Audit has been referred to concerned DWOs, for detailed investigation and necessary action.

Bhubaneswar
The 23 MAY 2023
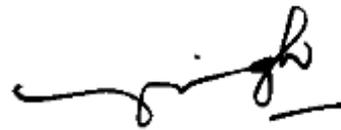
(RAJ KUMAR)

Pr. Accountant General (Audit-I)
Odisha

Countersigned

New Delhi
The 01 JUN 2023
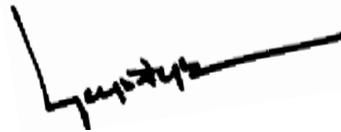
(GIRISH CHANDRA MURMU)

Comptroller and Auditor General of India

Appendices

Appendix 4.1

(Refer Paragraph 4.6.1)

Delay at different stages, in sanction of scholarships under e-Medhabruti

A. Renewal cases

(Amount in ₹)

Year	Category of Scholarship	Category	Last date for validation by Principals	Date of submission of data by OCAC to Department	Delay between validation date and date of data submitted by OCAC	Sanction Order No.	Sanction Order date	Delay between OCAC date and Sanction order date	Bill No.	Bill Date	Delay in sanction order date and bill date	Token No.	Token Date	Delay in bill date and token date	No. of student as per bill	Bill amount
2017-18	T & P[63]	Renewal 2016-17	20-08-2017	17-03-2018	209	25,418	06-09-2018	173	25	06-09-2018	0	11,564	07-09-2018	1	2,713	2,71,30,000
2018-19	T&P	Renewal 2017-18	20-01-2019	17-01-2019	-	5,938	08-03-2019	50	45	08-03-2019	0	27,082	15-03-2019	7	91	9,20,000
2018-19	T&P	Renewal 2016-17	20-01-2019	17-01-2019	-	5,933	08-03-2019	50	44	08-03-2019	0	27,081	15-03-2019	7	197	26,30,000
2018-19	T&P	Renewal 15-16,	20-01-2019	17-01-2019	-	5,928	08-03-2019	50	43	08-03-2019	0	27,079	15-03-2019	7	544	75,80,000
2018-19	T&P	Renewal 14-15,	20-01-2019	17-01-2019	-	5,923	08-03-2019	50	42	08-02-2019	-28	27,077	15-03-2019	7	146	24,80,000
2018-19	T&P	Renewal 14-15,	20-01-2019	17-03-2018	-	3,197	08-02-2019	328	37	08-02-2019	0	24,030	18-02-2019	10	341	43,70,000
2018-19	T&P	Renewal 15-16,	20-01-2019	17-03-2018	-	3,202	08-02-2019	328	38	08-02-2019	0	24,031	18-02-2019	10	2,226	2,60,00,000
2018-19	T&P	Renewal 2016-17	20-01-2019	17-03-2018	-	3,207	08-02-2019	328	39	08-02-2019	0	24,032	18-02-2019	10	2,908	3,86,20,000
2018-19	T&P	Renewal 2017-18	20-01-2019	17-03-2018	-	3,142	08-02-2019	328	40	08-02-2019	0	24,033	18-02-2019	10	1,009	1,00,90,000
2018-19	T&P	Renewal 14-15,	20-01-2019	01-03-2019	40	7,298	25-03-2019	24	64	25-03-2019	0	28,756	26-03-2019	1	3	80,000
2018-19	T&P	Renewal 15-16,	20-01-2019	01-03-2019	40	7,293	25-03-2019	24	65	25-03-2019	0	28,757	26-03-2019	1	49	8,30,000

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[63]   Technical & Professional

Year	Category of Scholarship	Category	Last date for validation by Principals	Date of submission of data by OCAC to Department	Delay between validation date and date of data submitted by OCAC	Sanction Order No.	Sanction Order date	Delay between OCAC date and Sanction order date	Bill No.	Bill Date	Delay in sanction order date and bill date	Token No.	Token Date	Delay in bill date and token date	No. of student as per bill	Bill amount
2018-19	T&P	Renewal 2016-17	20-01-2019	01-03-2019	40	7,308	25-03-2019	24	66	25-03-2019	0	28,758	26-03-2019	1	56	6,30,000
2018-19	T&P	Renewal 2017-18	20-01-2019	01-03-2019	40	7,303	25-03-2019	24	67	25-03-2019	0	28,759	26-03-2019	1	21	2,10,000
2018-19	T&P	Renewal 14-15,	20-01-2019	10-04-2019	80	11,493	01-06-2019	52	10	10-06-2019	9	5,038	12-06-2019	11	7	1,34,000
2018-19	T&P	Renewal 15-16,	20-01-2019	10-04-2019	80	11,498	01-06-2019	52	13	10-06-2019	9	5,039	12-06-2019	11	58	8,80,000
2018-19	T&P	Renewal 2016-17	20-01-2019	10-04-2019	80	11,503	01-06-2019	52	14	10-06-2019	9	5,040	12-06-2019	11	36	5,00,000
2018-19	T&P	Renewal 2017-18	20-01-2019	10-04-2019	80	11,508	01-06-2019	52	15	10-06-2019	9	5,041	12-06-2019	11	17	1,70,000
2018-19	T&P	Renewal 15-16,	20-01-2019	26-07-2019	187	18,930	16-09-2019	52	22	16-09-2019	0	11,845	18-09-2019	2	2	50,000
2019-20	T&P	Renewal 15-16,	31-12-2020	13-12-2019	-	768	04-01-2020	22	27	06-01-2020	2	20,240	09-01-2020	5	5	50,000
2019-20	T&P	Renewal 2016-17	31-12-2020	13-12-2019	-	773	04-01-2020	22	28	06-01-2020	2	20,241	09-01-2020	5	347	35,10,000
2019-20	T&P	Renewal 2017-18	31-12-2020	13-12-2019	-	783	04-01-2020	22	29	06-01-2020	2	20,243	09-01-2020	5	56	5,80,000
2019-20	T&P	Renewal 2018-19	31-12-2020	13-12-2019	-	778	04-01-2020	22	30	06-01-2020	2	20,244	09-01-2020	5	177	17,70,000
2019-20	T&P	Renewal 15-16,	31-12-2020	13-01-2020	-	10,008	26-02-2020	44	32	04-03-2020	7	25,359	07-03-2020	10	301	32,90,000
2019-20	T&P	Renewal 2016-17	31-12-2020	13-01-2020	-	10,003	26-02-2020	44	33	04-03-2020	7	25,360	07-03-2020	10	1,662	1,68,40,000
2019-20	T&P	Renewal 2017-18	31-12-2020	13-01-2020	-	9,998	26-02-2020	44	34	04-03-2020	7	25,355	07-03-2020	10	746	75,70,000
2019-20	T&P	Renewal 2018-19	31-12-2020	13-01-2020	-	9,993	26-02-2020	44	35	04-03-2020	7	25,357	07-03-2020	10	1,398	1,39,90,000
2019-20	T&P	Renewal 15-16,	31-12-2020	13-01-2020	-	9,988	26-02-2020	44	36	04-03-2020	7	25,350	07-03-2020	10	56	6,60,000
2019-20	T&P	Renewal 2016-17	31-12-2020	13-01-2020	-	9,983	26-02-2020	44	37	04-03-2020	7	25,352	07-03-2020	10	72	7,80,000
2019-20	T&P	Renewal 2017-18	31-12-2020	13-01-2020	-	9,978	26-02-2020	44	38	04-03-2020	7	25,353	07-03-2020	10	54	5,40,000
2019-20	T&P	Renewal 2018-19	31-12-2020	13-01-2020	-	9,973	26-02-2020	44	39	04-03-2020	7	25,354	07-03-2020	10	85	8,50,000

Year	Category of Scholarship	Category	Last date for validation by Principals	Date of submission of data by OCAC to Department	Delay between validation date and date of data submitted by OCAC	Sanction Order No.	Sanction Order date	Delay between OCAC date and Sanction order date	Bill No.	Bill Date	Delay in sanction order date and bill date	Token No.	Token Date	Delay in bill date and token date	No. of student as per bill	Bill amount
2019-20	T&P	Renewal 15-16,	31-12-2020	03-03-2020	-	17,979	08-06-2020	97	1	09-06-2020	1	3,904	10-06-2020	2	35	4,60,000
2019-20	T&P	Renewal 2016-17	31-12-2020	03-03-2020	-	17,989	08-06-2020	97	2	09-06-2020	1	3,905	10-06-2020	2	115	12,30,000
2019-20	T&P	Renewal 2017-18	31-12-2020	03-03-2020	-	17,974	08-06-2020	97	3	09-06-2020	1	3,906	10-06-2020	2	40	4,60,000
2019-20	T&P	Renewal 2018-19	31-12-2020	03-03-2020	-	17,984	08-06-2020	97	4	09-06-2020	1	3,907	10-06-2020	2	104	10,40,000
2019-20	T&P	Renewal 15-16,	31-12-2020	21-03-2020	-	9,799	25-02-2021	341	17	25-02-2021	0	2,121	01-03-2021	4	5	50,000
2019-20	T&P	Renewal 2016-17	31-12-2020	21-03-2020	-	9,804	25-02-2021	341	18	25-02-2021	0	2,124	01-03-2021	4	49	5,70,000
2019-20	T&P	Renewal 2017-18	31-12-2020	21-03-2020	-	9,809	25-02-2021	341	19	26-02-2021	1	2,818	08-03-2021	11	21	4,70,000
2019-20	T&P	Renewal 2018-19	31-12-2020	21-03-2020	-	9,814	25-02-2021	341	20	26-02-2021	1	2,819	08-03-2021	11	52	16,50,000
2018-19	Jr. Merit (B)[64]	Renewal 17-18	20-01-2019	19-12-2018	-	745	10-01-2019	22	32	11-01-2019	1	21,737	22-01-2019	12	2,492	74,76,000
2018-19	Jr. Merit (G)[65]	Renewal 17-18	20-01-2019	19-12-2018	-	750	10-01-2019	22	33	11-01-2019	1	21,736	22-01-2019	12	2,342	70,26,000
2018-19	PG Merit(B)	Renewal 17-18	20-01-2019	19-12-2018	-	760	10-01-2019	22	31	03-01-2019	-7	21,734	22-01-2019	12	372	37,20,000
2018-19	PG Merit(G)	Renewal 17-18	20-01-2019	19-12-2018	-	755	10-01-2019	22	30	11-01-2019	1	21,734	22-01-2019	12	477	47,70,000
2018-19	Sr. Merit (B)	Renewal 17-18	20-01-2019	17-03-2018	-	7,192	23-03-2019	371	50	23-03-2019	0	28,740	26-03-2019	3	1,288	64,70,000
2018-19	Sr. Merit (G)	Renewal 17-18	20-01-2019	17-03-2018	-	7,197	23-03-2019	371	51	23-03-2019	0	28,741	26-03-2019	3	1,272	63,60,000
2018-19	Sr. Merit (B)	Renewal 16-17	20-01-2019	17-03-2018	-	7,187	23-03-2019	371	48	08-03-2019	-15	28,738	26-03-2019	3	546	33,50,000
2018-19	Sr Merit (G)	Renewal 16-17	20-01-2019	17-03-2018	-	7,182	23-03-2019	371	49	23-03-2019	0	28,739	26-03-2019	3	576	34,55,000
2018-19	Jr. Merit (B)	Renewal 17-18	20-01-2019	17-01-2019	-	7,202	23-03-2019	65	52	23-03-2019	0	28,743	26-03-2019	3	823	25,20,000

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[64]   (B): Boys
[65]   (G): Girls

Year	Category of Scholarship	Category	Last date for validation by Principals	Date of submission of data by OCAC to Department	Delay between validation date and date of data submitted by OCAC	Sanction Order No.	Sanction Order date	Delay between OCAC date and Sanction order date	Bill No.	Bill Date	Delay in sanction order date and bill date	Token No.	Token Date	Delay in bill date and token date	No. of student as per bill	Bill amount
2018-19	Jr. Merit (G)	Renewal 17-18	20-01-2019	17-01-2019	-	7,147	23-03-2019	65	53	23-03-2019	0	28,744	26-03-2019	3	1,065	31,95,000
2018-19	Sr. Merit (B)	Renewal 16-17	20-01-2019	17-01-2019	-	7,152	23-03-2019	65	54	23-03-2019	0	28,746	26-03-2019	3	231	14,35,000
2018-19	Sr. Merit (G)	Renewal 16-17	20-01-2019	17-01-2019	-	7,157	23-03-2019	65	55	23-03-2019	0	28,747	26-03-2019	3	254	16,00,000
2018-19	Sr. Merit (B)	Renewal 17-18	20-01-2019	17-01-2019	-	7,162	23-03-2019	65	56	23-03-2019	0	28,748	26-03-2019	3	424	21,40,000
2018-19	Sr. Merit (G)	Renewal 17-18	20-01-2019	17-01-2019	-	7,167	23-03-2019	65	57	23-03-2019	0	28,749	26-03-2019	3	466	23,45,000
2018-19	PG Merit (B)	Renewal 17-18	20-01-2019	17-01-2019	-	7,172	23-03-2019	65	58	23-03-2019	0	28,750	26-03-2019	3	60	6,00,000
2018-19	PG Merit (G)	Renewal 17-18	20-01-2019	17-01-2019	-	7,177	23-03-2019	65	59	23-03-2019	0	28,751	26-03-2019	3	110	11,00,000
2018-19	Jr Merit (B&G)[66]	Renewal 17-18	20-01-2019	01-03-2019	40	7,328	25-03-2019	24	60	25-03-2019	0	28,752	26-03-2019	1	872	26,55,000
2018-19	Sr. Merit (B&G)	Renewal 16-17	20-01-2019	01-03-2019	40	7,323	25-03-2019	24	61	25-03-2019	0	28,753	26-03-2019	1	174	12,25,000
2018-19	Sr. Merit (B&G)	Renewal 17-18	20-01-2019	01-03-2019	40	7,318	25-03-2019	24	62	25-03-2019	0	28,754	26-03-2019	1	389	19,55,000
2018-19	PG Merit (B&G)	Renewal 17-18	20-01-2019	01-03-2019	40	7,313	25-03-2019	24	63	25-03-2019	0	28,755	26-03-2019	1	81	8,10,000
2018-19	Jr. Merit (G)	Renewal 17-18	20-01-2019	10-04-2019	80	11,157	30-05-2019	50	1	31-05-2019	1	4,612	01-06-2019	2	918	27,72,000
2018-19	Jr. Merit (B)	Renewal 17-18	20-01-2019	10-04-2019	80	11,162	30-05-2019	50	2	31-05-2019	1	4,614	01-06-2019	2	1,068	32,46,000
2018-19	Sr. Merit (B)	Renewal 16-17	20-01-2019	10-04-2019	80	11,167	30-05-2019	50	5	31-05-2019	1	4,619	01-06-2019	2	175	1,43,50,000
2018-19	Sr. Merit (G)	Renewal 16-17	20-01-2019	10-04-2019	80	11,175	30-05-2019	50	6	31-05-2019	1	4,620	01-06-2019	2	175	13,55,000
2018-19	Sr. Merit (B)	Renewal 17-18	20-01-2019	10-04-2019	80	11,180	30-05-2019	50	8	31-05-2019	1	4,621	01-06-2019	2	368	18,55,000
2018-19	Sr. Merit (G)	Renewal 17-18	20-01-2019	10-04-2019	80	11,185	30-05-2019	50	9	31-05-2019	1	4,622	01-06-2019	2	326	16,40,000

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[66]   B & G: Boys and Girls

Year	Category of Scholarship	Category	Last date for validation by Principals	Date of submission of data by OCAC to Department	Delay between validation date and date of data submitted by OCAC	Sanction Order No.	Sanction Order date	Delay between OCAC date and Sanction order date	Bill No.	Bill Date	Delay in sanction order date and bill date	Token No.	Token Date	Delay in bill date and token date	No. of student as per bill	Bill amount
2018-19	PG Merit (B)	Renewal 17-18	20-01-2019	10-04-2019	80	11,190	30-05-2019	50	4	31-05-2019	1	4,618	01-06-2019	2	18	1,80,000
2018-19	PG Merit (G)	Renewal 17-18	20-01-2019	10-04-2019	80	11,195	30-05-2019	50	3	31-05-2019	1	4,616	01-06-2019	2	29	2,90,000
2018-19	Jr. Merit (B&G)	Renewal 18-19	20-01-2019	11-02-2020	387	20,264	22-06-2020	132	7	22-06-2020	0	5,419	02-07-2020	10	3,608	1,08,24,000
2018-19	Sr. Merit (B&G)	Renewal 17-18	20-01-2019	11-02-2020	387	35,869	09-11-2020	272	12	11-11-2020	2	3,886	18-11-2020	9	3,051	1,63,90,000
2018-19	PG Merit (B& G)	Renewal 18-19	20-01-2019	11-02-2020	387	19,037	12-06-2020	122	6	22-06-2020	10	5,421	02-07-2020	20	1,196	1,19,60,000
2019-20	Sr. Merit (B&G)	Renewal 20-21, 21-22	31-12-2020	26-02-2020		3,375	22-01-2021	331	14	23-02-2021	32	2,815	08-03-2021	45	2,923	2,92,30,000

B. Fresh cases

Year	Group	Category	Last date for validation by Principal	Date of submission of data by OCAC to Department	Delay in validation date and OCAC date (in days)	Sanction Order No.	Sanction Order date	Delay between Sanction date and OCAC date (in days)	Bill No.	Bill Date	Token No.	Token Date	Delay between sanction date and token date (in days)	No. of student as per bill	Bill amount	Delay between token date and OCAC date (in days)
2017-18	Jr. Merit	Fresh (Boys)	20-08-2017	22-11-2017	94	33,400	07-12-2017	15	26	06-12-2017	7,558	16-12-2017	9	4,714	1,41,42,000	24
2017-18	Jr. Merit	Fresh (Girls)	20-08-2017	22-11-2017	94	33,403	07-12-2017	15	27	12-12-2017	7,559	16-12-2017	9	4,739	1,42,17,000	24
2017-18	Sr. Merit	Fresh (Boys)	20-08-2017	22-11-2017	94	33,910	12-12-2017	20	28	13-12-2017	7,560	16-12-2017	4	1,477	73,85,000	24
2017-18	Sr. Merit	Fresh (Girls)	20-08-2017	22-11-2017	94	33,913	12-12-2017	20	29	13-12-2017	7,562	16-12-2017	4	1,465	73,25,000	24
2017-18	Jr. Merit	Fresh	20-01-2018	16-02-2018	27	21,731	30-07-2018	164	17	30-07-2018	9,009	02-08-2018	3	1,350	40,50,000	167

Year	Group	Category	Last date for validation by Principal	Date of submission of data by OCAC to Department	Delay in validation date and OCAC date (in days)	Sanction Order No.	Sanction Order date	Delay between Sanction date and OCAC date (in days)	Bill No.	Bill Date	Token No.	Token Date	Delay between sanction date and token date (in days)	No. of student as per bill	Bill amount	Delay between token date and OCAC date (in days)
2017-18	Jr. Merit	Fresh	20-01-2018	16-02-2018	27	21,716	30-07-2018	164	18	30-07-2018	9,010	02-08-2018	3	1,280	38,40,000	167
2017-18	Sr. Merit	Fresh	20-01-2018	16-02-2018	27	21,726	30-07-2018	164	20	30-07-2018	9,012	02-08-2018	3	1,440	72,00,000	167
2017-18	Sr. Merit	Fresh	20-01-2018	16-02-2018	27	21,721	30-07-2018	164	19	30-07-2018	9,011	02-08-2018	3	1,407	70,35,000	167
2017-18	Jr. Merit	Fresh	20-08-2017	22-11-2017	94	93	02-01-2019	406	28	03-01-2019	1,732	22-01-2019	20	422	12,66,000	426
2017-18	Sr. Merit	Fresh	20-08-2017	22-11-2017	94	88	02-01-2019	406	29	03-01-2019	1,729	22-01-2019	20	30	1,50,000	426
2017-18	PG Merit	Fresh (Boys)	20-08-2017	12-12-2017	114	5,834	26-02-2018	76	48	03-03-2018	26,153	20-03-2018	22	466	46,60,000	98
2017-18	PG Merit	Fresh (Girls)	20-08-2017	12-12-2017	114	5,837	26-02-2018	76	49	03-03-2018	26,154	20-03-2018	22	734	73,40,000	98
2017-18	PG Merit	Fresh (Boys)	20-08-2017	12-12-2017	114	18,529	27-06-2018	197	8	29-06-2018	7,162	07-07-2018	10	19	1,90,000	207
2017-18	PG Merit	Fresh (Girls)	20-08-2017	12-12-2017	114	18,534	27-06-2018	197	9	29-06-2018	7,163	07-07-2018	10	45	4,50,000	207
2017-18	T&P	Fresh	20-08-2017	12-12-2017	114	5,840	26-02-2018	76	54	07-03-2018	26,159	20-03-2018	22	1,101	1,10,10,000	98
2017-18	T&P	Fresh	20-08-2017	12-12-2017	114	21,736	30-07-2018	230	21	31-07-2018	9,013	02-08-2018	3	141	14,10,000	233
2018-19	T&P	Fresh	20-01-2019	12-02-2019	23	14,581	02-08-2019	171	16	02-08-2019	9,023	06-08-2019	4	2,008	2,00,80,000	175
2018-19	T&P	Fresh	20-01-2019	12-02-2019	23	19,559	23-09-2019	223	24	23-09-2019	12,542	04-10-2019	11	10	1,00,000	234
2018-19	Jr Merit	Fresh (Boys)	31-12-2018	19-01-2019	19	26,091	21-11-2019	306	26	21-11-2019	17,742	04-12-2019	13	4,991	1,49,73,000	319
2018-19	Jr Merit	Fresh (Girls)	31-12-2018	19-01-2019	19	26,098	21-11-2019	306	25	21-11-2019	17,741	04-12-2019	13	4,996	1,49,88,000	319
2018-19	Sr. Merit	Fresh (Boys)	31-12-2018	19-01-2019	19	16,361	14-08-2019	207	17	14-08-2019	10,003	22-08-2019	8	1,498	74,90,000	215
2018-19	Sr. Merit	Fresh (Girls)	31-12-2018	19-01-2019	19	16,366	14-08-2019	207	18	14-08-2019	9,901	21-08-2019	7	1,500	75,00,000	214
2018-19	PG Merit	Fresh (Boys)	20-01-2019	12-02-2019	23	16,371	14-08-2019	183	19	14-08-2019	9,900	21-08-2019	7	750	75,00,000	190
2018-19	PG Merit	Fresh (Girls)	20-01-2019	12-02-2019	23	16,376	14-08-2019	183	20	14-08-2019	9,899	21-08-2019	7	750	75,00,000	190

Year	Group	Category	Last date for validation by Principal	Date of submission of data by OCAC to Department	Delay in validation date and OCAC date (in days)	Sanction Order No.	Sanction Order date	Delay between Sanction date and OCAC date (in days)	Bill No.	Bill Date	Token No.	Token Date	Delay between sanction date and token date (in days)	No. of student as per bill	Bill amount	Delay between token date and OCAC date (in days)
2019-20	Sr. Merit	Fresh (B&G)	15-02-2020	26-02-2020	11	28,742	08-09-2020	195	9	23-09-2020	9,755	29-09-2020	7	2,924	1,46,20,000	202
2019-20	Sr. Merit	Fresh (B&G)	15-02-2020	26-02-2020	11	3,530	22-01-2021	331	13	22-01-2021	8,827	27-01-2021	5	76	11,40,000	336
2019-20	T&P	Fresh (B&G)	15-02-2020	26-02-2020	11	25,372	04-08-2020	160	8	06-08-2020	7,734	14-08-2020	10	1,783	1,78,30,000	170
2019-20	PG Merit	Fresh (B&G)	15-02-2020	26-02-2020	11	30,007	23-09-2020	210	15	28-01-2021	9,416	01-02-2021	131	1,304	1,30,40,000	341
2019-20	PG Merit	Fresh	15-02-2020	26-02-2020	11	10,967	03-03-2021	371	23	09-03-2021	4,746	22-03-2021	19	196	39,20,000	390

(Source: Records of Higher Education Department)

Appendix 4.2

(Refer Paragraph 4.6.2)

Non-validation of applications by Heads of Institutions

Sl. No.	Year	Type of Scholarship	Category	Target	Students applied	Validated by Institution	Not-Validated	Cut off mark of selection (*per cent*)	Students above the cut off mark whose records are not validated
1	2017-18	Jr. Merit (Boys)	Fresh	5,000	24,262	15,537	8,725	74.67	2,564
2	2017-18	Jr. Merit (Girls)	Fresh	5,000	27,364	17,683	9,681	76.00	2,517
3	2017-18	Sr. Merit (Boys)	Fresh	1,500	4,689	4,669	20	63.50	20
4	2017-18	Sr. Merit (Girls)	Fresh	1,500	5,603	5,591	12	66.33	12
5	2017-18	PG Merit (Boys)	Fresh	750	1,064	718	346	60.05	293
6	2017-18	PG Merit (Girls)	Fresh	750	1,489	1,081	408	60.00	352
7	2017-18	Technical & Professional Merit	Fresh	10,000	5,251	3,751	1,500	60.00	1,139
8	2018-19	Jr. Merit (Boys)	Fresh	5,000	63,956	8,227	55,723	70.83	20,481
9	2018-19	Jr. Merit (Girls)	Fresh	5,000	66,399	10,170	56,218	72.67	16,832
10	2018-19	Sr. Merit (Boys)	Fresh	1,500	19,307	3,532	15,740	69.50	5,080
11	2018-19	Sr. Merit (Girls)	Fresh	1,500	25,424	5,447	19,918	71.67	4,068
12	2018-19	PG Merit (Boys)	Fresh	750	1,543	1,180	240	65.72	158
13	2018-19	PG Merit (Girls)	Fresh	750	2,213	1,735	262	70.00	121
14	2018-19	Technical & Professional Merit	Fresh	10,000	3,605	2,796	408	60.00	407
15	2019-20	Sr. Merit	Fresh	3,000	42,714	11,643	31,071	60.00	31,071
16	2019-20	PG Merit	Fresh	1,500	3,150	2,720	430	60.08	427
17	2019-20	Technical & Professional Merit	Fresh	10,000	2,462	2,187	275	60.00	272
		Total							**85,814**

(Source: Information received from the Higher Education Department and OCAC)

Appendix 4.3

(Refer Paragraph 4.6.2)

Statement showing non-validation of renewal applications by the Heads of Institutions

(Amount in ₹)

Year	Category	No. of cases	Approved	Rejected	Non-validated	Scholarship amount per year	Total Amount
2018-19	Jr. Merit	12,673	9,587	453	2,633	3,000	78,99,000
2018-19	Sr. Merit	8,888	6,700	510	1,678	5,000	83,90,000
2018-19	PG Merit	1,264	1,152	15	97	10,000	9,70,000
2018-19	Technical & Professional. Merit[67]	13,289	7,997	3,510	1,782	10,000	1,78,20,000
2019-20	Jr. Merit	10,000	5,582	577	3,841	3,000	1,15,23,000
2019-20	Sr. Merit	8,905	5,430	615	2,860	5,000	1,43,00,000
2019-20	PG Merit	1,500	1,279	56	165	10,000	16,50,000
2019-20	Tech. & Prof. Merit	6,998	5,500	579	919	10,000	91,90,000
	Total	**63,517**	**43,227**	**6,315**	**13,975**		**7,17,42,000**

(Source: Information received from OCAC)

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[67] The 'Technical & Professional' category of scholarships under Medhabruti are meant for courses like Engineering, Medical, Management, *etc*.

Appendix 5.1
(***Refer Paragraph 5.1.2***)
Payment of Post Matric Scholarship to same students studying in different institutions

Sl. No.	District	No. of Institutions	Amount paid (in ₹)
1.	Angul	26	4,90,452
2.	Balasore	97	31,35,737
3.	Bargarh	9	44,802
4.	Bhadrak	24	3,12,337
5.	Bolangir	27	2,42,458
6.	Boudh	14	56,101
7.	Cuttack	47	12,33,841
8.	Deogarh	1	7,052
9.	Dhenkanal	33	6,49,900
10.	Gajapati	9	55,797
11.	Ganjam	30	8,70,292
12.	Jagatsinghpur	11	96,335
13.	Jajpur	39	6,13,904
14.	Jharsuguda	1	7,300
15.	Kalahandi	28	1,75,043
16.	Kandhamal	30	3,36,408
17.	Kendrapada	24	1,52,400
18.	Keonjhar	23	2,00,721
19.	Khurda	256	1,14,06,641
20.	Koraput	18	2,29,850
21.	Malkangiri	2	27,074
22.	Mayurbhanj	85	12,53,258
23.	Nabarangpur	9	1,53,222
24.	Nayagarh	11	3,74,300
25.	Nuapada	13	2,10,161
26.	Puri	39	8,00,293
27.	Rayagada	20	5,81,953
28.	Sambalpur	12	90,129
29.	Subarnapur	12	2,13,161
30.	Sundargarh	23	3,08,262
Total		**973**	**2,43,29,184**

(Source: Analysis of PRERANA database)

Appendix 5.2

(*Refer Paragraph 5.1.3*)
Payment of Post Matric Scholarship to beneficiaries under same stage of course

Sl. No.	Name of Institute	District	No. of students	Amount (in ₹)
1.	Bhatlaida (Junior) College, Bhatlaida	Jharsuguda	1	8,000
2.	Debadihi ITC	Jharsuguda	19	5,72,800
3.	Binayak Residential College, Bhawanipatna	Kalahandi	1	4,964
4.	Panchayat Samiti (Junior) College, Narla	Kalahandi	1	5,955
5.	Sanchergaon Anchalika Bastarani (Jr.) Mahavidyalaya	Kalahandi	1	4,200
6.	Swami Chidananda (Junior) Mahavidyalaya, Karchala	Kalahandi	1	3,800
7.	Govt. I.T.I.	Malkanagiri	13	1,45,800
8.	Malkangiri (Junior) College, Malkangiri	Malkanagiri	1	3,140
9.	Regional Higher Secondary	Malkanagiri	1	11,500
10.	Regional Jr College Podia	Malkanagiri	1	23,279
11.	Amravati Polytechnic	Mayurbhanj	35	15,62,620
12.	Angara Para (Junior) College, Raruan	Mayurbhanj	3	11,464
13.	Anla (Junior) Mahavidyalaya, Anla	Mayurbhanj	3	14,459
14.	Annapurna ITC	Mayurbhanj	6	92,000
15.	Ashutosh Vocational Training Centre	Mayurbhanj	16	4,17,120
16.	Baba Jateswar (Junior) Mahavidyalaya	Mayurbhanj	1	2,995
17.	Baba Kakharua Baidyanath (Junior) College	Mayurbhanj	1	2,995
18.	Badampahar (Junior) College, Badampahar	Mayurbhanj	5	19,989
19.	Baisainga ITC	Mayurbhanj	19	2,65,570
20.	Banabhumi (Junior) Mahavidyalaya, Rangamatia	Mayurbhanj	1	3,053
21.	Banabhumi Higher Secondary School, Rangamatia	Mayurbhanj	3	9,735
22.	Barasahi Panchayat Samiti (Junior) College	Mayurbhanj	2	5,990
23.	Baripada (Junior) College, Baripada	Mayurbhanj	1	2,823
24.	Baripada ITC	Mayurbhanj	3	65,070
25.	Baripada Safety Training Institute	Mayurbhanj	21	5,76,760
26.	Betnoti ITC	Mayurbhanj	6	1,13,420
27.	Betnoti (Junior) College, Betnoti	Mayurbhanj	4	13,423
28.	Bhanjabhumi (Junior) Mahavidyalaya, Dukura	Mayurbhanj	6	29,183
29.	Bhanjabhumi ITC	Mayurbhanj	4	90,440
30.	BijuPatnaik (Junior) College, Ghagarbeda	Mayurbhanj	1	2,995
31.	BijuPatnaik (Junior) College, Singda	Mayurbhanj	1	2,823
32.	Binod Bihari Anchalik (Junior) Mahavidyalaya	Mayurbhanj	3	14,631
33.	Binodini (Junior) Mahila Mahavidyalaya, Banakati	Mayurbhanj	1	5,818
34.	Capital University	Mayurbhanj	9	2,98,040
35.	Chaitanya Prasad College, Bhanjakia	Mayurbhanj	5	17,419
36.	Chaitanya Prasad Junior Womens College	Mayurbhanj	5	25,326
37.	Chaitnya Prasad (Junior) College, Kendua	Mayurbhanj	3	9,045
38.	Chitrada (Junior) College, Chitrada	Mayurbhanj	1	2,995
39.	Chitrada ITC	Mayurbhanj	2	20,750
40.	Deo (Junior) College, Tato	Mayurbhanj	2	11,636
41.	Dhanghera (Junior) College, Dhanghera	Mayurbhanj	1	2,995
42.	Dhirajlal (Junior) College, Bahalda	Mayurbhanj	8	43,548
43.	Divine Institute of Engineering and Technology	Mayurbhanj	31	13,63,270
44.	Gadia Anchalika (Junior) Mahavidyalaya, Gadia	Mayurbhanj	3	11,636
45.	Garumahisani ITC, Garumahisani	Mayurbhanj	5	55,380

Sl. No.	Name of Institute	District	No. of students	Amount (in ₹)
46.	Global Institute Of Safety Training, Gadadeulia	Mayurbhanj	4	1,18,410
47.	Gorumahisani Iron (Junior) College, Gorumahisani	Mayurbhanj	7	22,872
48.	Goura Mohan Sathua (Junior) College, Kosta	Mayurbhanj	1	5,818
49.	Gouri Shankar (Junior) Mahavidyalaya, Khadiasole	Mayurbhanj	1	10,523
50.	Government Sanskrit Higher Secondary School	Mayurbhanj	1	3,029
51.	Government Vocational Higher Secondary School, Rangamatia	Mayurbhanj	1	3,283
52.	Govt Polytechnic, Mayurbhanj	Mayurbhanj	15	1,27,820
53.	Govt. (Ssd) Higher Secondary School, Bankati	Mayurbhanj	1	985
54.	Govt. (Ssd) Higher Secondary School, Badhunia	Mayurbhanj	1	600
55.	Govt. Sanskrit College, Baripada	Mayurbhanj	1	2,569
56.	Govt. TTI, Takatpur, Mayurbhanj	Mayurbhanj	12	98,600
57.	Govt. Vocational (Junior) College	Mayurbhanj	1	2,863
58.	Govt. Vocational Junior College, Rairangpur	Mayurbhanj	1	5,686
59.	Guruprasad ITC	Mayurbhanj	6	70,280
60.	Haraprava (Junior) Mahavidyalaya, Kalabadia	Mayurbhanj	1	2,765
61.	Indira Gandhi (Junior) Mahila Mahavidyalaya	Mayurbhanj	4	28,211
62.	Institute Of Industrial Education Training ITC	Mayurbhanj	29	5,38,540
63.	ITC, Bisoi	Mayurbhanj	16	2,50,300
64.	ITET Vocational Training Centre	Mayurbhanj	52	14,49,470
65.	IVET Vocational Training Centre	Mayurbhanj	69	20,47,770
66.	J.B. College Hatbadra	Mayurbhanj	5	14,708
67.	Jagannath ITC	Mayurbhanj	7	1,20,680
68.	Jashipur Higher Secondary School, Jashipur	Mayurbhanj	1	2,823
69.	JhansiraniWomens (Junior) College, Padasitha	Mayurbhanj	1	2,995
70.	Jyoti ITC, Bangiriposi	Mayurbhanj	14	1,54,980
71.	Kailash Chandra Dilip Kumar (Junior) College	Mayurbhanj	1	2,995
72.	Kalinga (Junior) College, Manada	Mayurbhanj	5	19,894
73.	Kalinga Institute Of Safety Training, Khetrapatna	Mayurbhanj	12	3,48,300
74.	Kaptipada (Junior) College, Kaptipada	Mayurbhanj	2	5,818
75.	Karanjia (Junior) College, Karanjia	Mayurbhanj	3	8,718
76.	Karanjia ITC	Mayurbhanj	13	2,12,140
77.	Kasinath Institute Of Technological Education	Mayurbhanj	4	2,07,360
78.	Khunta (Junior) Mahavidyalaya Khunta	Mayurbhanj	4	14,883
79.	Krushna Chandrapur (Junior) College	Mayurbhanj	1	5,818
80.	Lalmohan Sanskrit Mahavidyalaya	Mayurbhanj	1	20,092
81.	Laxmi Kanta (Junior) College, Bangriposi	Mayurbhanj	3	28,958
82.	Luipa (Junior) Mahavidyalaya, Radho	Mayurbhanj	1	2,995
83.	M.P.C Junior College, Baripada	Mayurbhanj	11	39,029
84.	Maa Basuli (Junior) Mahavidyalaya, Thakurmunda	Mayurbhanj	5	52,861
85.	Maa Duarsuni (Junior) College, Kuabuda	Mayurbhanj	2	5,990
86.	Maa Kitchakeswari (Junior) College, Khiching	Mayurbhanj	1	2,823
87.	Madalisahu ITC	Mayurbhanj	14	2,15,730
88.	Madalisahu Plus 2 Vocational Science College	Mayurbhanj	4	14,030
89.	Maharaja Purna Chandra Higher Secondary School, Baripada	Mayurbhanj	1	3,361
90.	Mahatma Gandhi (Junior) Mahavidyalaya, Baisingha	Mayurbhanj	3	8,755
91.	Mahatma Gandhi Higher Secondary School, Baisingha	Mayurbhanj	1	2,823
92.	Mahila (Junior) Mahavidyalaya, Rairangpur	Mayurbhanj	3	23,520
93.	Mahima Institute Of Industrial Tech. ITC	Mayurbhanj	1	6,840

Sl. No.	Name of Institute	District	No. of students	Amount (in ₹)
94.	Mata Baishno Devi ITC	Mayurbhanj	3	26,680
95.	Millan Devi ITC	Mayurbhanj	5	75,000
96.	North Odisha School Of Engineering	Mayurbhanj	66	33,22,620
97.	North Orissa ITC	Mayurbhanj	4	59,840
98.	Odisha Safety Training Institute	Mayurbhanj	76	21,18,120
99.	Om Sai Institute Of Paramedical Science	Mayurbhanj	1	49,000
100.	Om Sai ITC	Mayurbhanj	13	2,00,760
101.	Panchapalli (Junior) Mahavidyalaya, Sainkula	Mayurbhanj	1	5,818
102.	Panchayat Samiti (Junior) College, Dharampura	Mayurbhanj	1	2,995
103.	Panda ITC	Mayurbhanj	6	78,000
104.	Pandit Raghunath Murmu (Junior) Mahavidyalaya	Mayurbhanj	2	8,583
105.	Parmeshwar ITC	Mayurbhanj	4	73,380
106.	Purna Chandra Government ITI, Baripada	Mayurbhanj	43	2,21,090
107.	Plus 2 Junior Science College, Badampahar (SSD)	Mayurbhanj	1	1,605
108.	Purna Chandra Government ITI, Baripada	Mayurbhanj	2	9,600
109.	Purusottam Institute Of Fire And Safety Techniques	Mayurbhanj	2	65,600
110.	Radha Govinda Anchalik (Junior) Mahavidyalaya	Mayurbhanj	1	2,823
111.	Radha Krishna ITC	Mayurbhanj	4	33,980
112.	Rairangpur (Junior)College, Rairangpur	Mayurbhanj	13	75,056
113.	Rairangpur Higher Secondary School, Rairangpur	Mayurbhanj	1	2,823
114.	Rairangpur Industrial Training-cum-Production Centre	Mayurbhanj	125	14,86,410
115.	Rajanikanta (Junior) Higher Secondary School	Mayurbhanj	5	14,214
116.	Rakhal Chandra ITC	Mayurbhanj	3	42,910
117.	Regional ITC	Mayurbhanj	10	1,24,300
118.	Ridayanath (Junior) College, Barbil	Mayurbhanj	2	8,813
119.	Ridayanath Higher Secondary School, Barbil	Mayurbhanj	1	2,823
120.	Rinkul Raj Sanskrit Higher Secondary School	Mayurbhanj	1	2,339
121.	Rinkulraj ITI	Mayurbhanj	1	13,000
122.	Ritayani ITC	Mayurbhanj	4	84,000
123.	Rohi Das Soren (Junior) Mahavidyalaya, Kundabai	Mayurbhanj	3	11,578
124.	Saheed Birsa Munda (Junior) College, Jamda	Mayurbhanj	15	64,137
125.	Saheed Memorial (Junior) College, Manada	Mayurbhanj	1	9,925
126.	Sai Sadhana ITC	Mayurbhanj	14	1,38,670
127.	Sai Safety Training Institute	Mayurbhanj	28	8,09,180
128.	Sai Vocational Training Centre, Purunabaripada	Mayurbhanj	8	2,24,960
129.	Sakuntala Sudarshan Institute Of Technology	Mayurbhanj	102	36,17,110
130.	Saratpal (Junior) Mahavidyalaya, Pallabihar	Mayurbhanj	1	5,588
131.	Seemanta (Junior) Mahavidyalaya, Jharpokharia	Mayurbhanj	4	14,768
132.	Seemanta Engineering College	Mayurbhanj	23	6,83,780
133.	Seemanta I.T.C.	Mayurbhanj	5	47,880
134.	Shaikh Institute Of Medical Technology, Baripada	Mayurbhanj	2	91,000
135.	Shree Jagannath (Junior) Mahavidyalaya, Balijoda	Mayurbhanj	3	11,808
136.	Shreekshetra ITC	Mayurbhanj	3	47,210
137.	Shri Jagannath Adarsha Sanskrit Mahavidyalaya	Mayurbhanj	2	5,462
138.	Siridi Sai ITC	Mayurbhanj	7	1,32,000
139.	Sri Rama Chandra Bhanj (Junior) College	Mayurbhanj	2	6,050

Sl. No.	Name of Institute	District	No. of students	Amount (in ₹)
140.	SSB Regional Institute of Science and Technology	Mayurbhanj	115	51,27,460
141.	Sukruli (Junior) College, Sukruli	Mayurbhanj	2	5,990
142.	Technical Training Institute ITC	Mayurbhanj	1	13,910
143.	Technoworld Plus 2 Science Res. College, Rairangpur	Mayurbhanj	1	3,055
144.	TTI Takatpur, Baripada	Mayurbhanj	162	5,83,590
145.	Udala (Junior) Colleg,e Udala	Mayurbhanj	2	22,870
146.	Udayanath ITI	Mayurbhanj	9	75,870
147.	Upendra Nath (Junior) College, Nalagaja	Mayurbhanj	1	2,765
148.	Vet Vocational Training Centre, Udala	Mayurbhanj	2	54,820
149.	Vikas ITI	Mayurbhanj	10	2,31,140
150.	Mayurbhanj \Safety Training Institute	Mayurbhanj	61	18,11,180
151.	Mayurbhanj School of Engineering, Baripada	Mayurbhanj	69	26,79,660
	Grand Total		**1,668**	**3,70,56,765**

*(Source: Records of DWO and PRERANA database)*

Appendix 6.1

(*Refer Paragraph 6.1.1*)

Payment of Post Matric Scholarship to students of ineligible institutions

Sl. No.	Name of Institute	No. of Student	Amount (in ₹)
1	Ashutosh Vocational Training Centre	120	31,28,400
2	Baripada Safety Training Institute	311	87,49,205
3	Global Institute of Safety Training, Gadadeulia	92	27,44,220
4	Institute of Allied Health Science	19	9,31,000
5	ITET Vocational Training Centre	1,018	3,05,61,295
6	IVET Vocational Training Centre	611	1,86,05,093
7	Jewels International Chetna College of Special Education	4	49,028
8	Kalinga Institute of Safety Training, Khetrapatna	87	25,97,940
9	Mayurbhanj Safety Training Institute	862	2,63,79,687
10	Odisha Institute of Fire And Safety	82	22,66,480
11	Odisha Safety Training Institute	945	2,96,93,684
12	Purushottam Institute of Fire And Safety Techniques	28	9,13,010
13	Sai Safety Training Institute	836	2,66,92,669
14	Sai Vocational Training Centre, Puruna, Baripada	120	33,18,980
15	Vet Vocational Training Centre, Udala	50	12,55,140
	Total	**5,185**	**15,78,85,831**

(Source: PRERANA data analysis)

GLOSSARY

Glossary of abbreviations

ACS	Additional Chief Secretary
ADWO	Assistant District Welfare Officer
BSS	Bharat Sevak Samaj
C&AG	Comptroller & Auditor General of India
CEPC	Central Electronic Processing Centre
CGPA	Cumulative Grade Point Average
CHSE	Council of Higher Secondary Education
CS	Central Sector
CSS	Centrally Sponsored Scheme
DBT	Direct Benefit Transfer
DDO	Drawing and Disbursing Officer
DoE	Department of Expenditure
DPR	Detailed Project Report
DTET	Directorate of Technical Education & Training
DTI	Director of Treasury and Inspection
DWO	District Welfare Officer
EBC	Economically Backward Classes
GA	General Administration
GoI	Government of India
GoO	Government of Odisha
GP	Gram Panchayat
HED	Higher Education Department
HRMIS	Human Resource Management Information System
HSS	Higher Secondary School
ICSE	Indian Certificate of Secondary Education
IEC	Information , Education and Communication
IFMS	Integrated Financial Management System
ITI	Industrial Training Institutes
JPI	Joint Physical Inspection
MA	Maintenance Allowance
MoSJE	Ministry of Social Justice and Empowerment
MoTA	Ministry of Tribal Affairs
NCVRT	National Council of Vocational Research & Training
NIC	National Informatics Centre
NPCI	National Payment Corporation of India
OBC	Other Backward Classes
OCAC	Odisha Computer Application Centre
OGFR	Orissa General Financial Rules
OSEPA	Odisha School Education Programme Authority
OSSP	Odisha State Scholarship Portal
OTC	Orissa Treasury Code
PFMS	Public Financial Management System
PMS	Post Matric Scholarship
PRERANA	Post-matric Scholarship Registration Release and Network Automation
RBI	Reserve Bank of India

RDM	Revenue and Disaster Management
SAC	State Advisory Committee
SAMS	Student Academic Management System
SC	Scheduled Caste
SCTEVT	State Council of Technical Educational & Vocational Training
SDC	State DBT Cell
SDTE	Skill Development and Technical Education
SEBC	Socially and Educationally Backward Classes
SECC	Socio-Economic Caste Census
SLBC	State Level Bankers' Committee
SOP	Standard Operating Procedure
SRS	System Requirement Specifications
SSD	ST&SC Development, Minorities and Backward Classes Welfare
ST	Schedule Tribe
TP Merit	Technical and Professional Merit
UG	Under Graduate
UIDAI	Unique Identification Authority of India
URS	User Requirement Specifications
WEO	Welfare Extension Officer