

**PARKING OF FUNDS OUTSIDE THE
GOVERNMENT ACCOUNT**

**MINISTRY OF EDUCATION
DEPARTMENT OF SCHOOL EDUCATION AND
LITERACY**

**PUBLIC ACCOUNTS COMMITTEE
(2025-26)**

FORTY-FIFTH REPORT

EIGHTEENTH LOK SABHA



**LOK SABHA SECRETARIAT
NEW DELHI**

FORTY-FIFTH REPORT

PUBLIC ACCOUNTS COMMITTEE
(2025-26)

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**PARKING OF FUNDS OUTSIDE THE
GOVERNMENT ACCOUNT**



Presented to Lok Sabha on: 17.04.2026

Laid in Rajya Sabha on: 17.04.2026

**LOK SABHA SECRETARIAT
NEW DELHI**

April 2026 / Chaitra 1948 (Saka)

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COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE

(2025-26)

Shri K. C. Venugopal - Chairperson

MEMBERS

LOK SABHA

2. Shri Thalikkottai Rajuthevar Baalu
3. Dr. Nishikant Dubey
4. Shri Jagdambika Pal
5. Shri Jai Parkash
6. Shri Ravi Shankar Prasad
7. Shri C M Ramesh
8. Prof. Sougata Ray
9. Shri Magunta Sreenivasulu Reddy
10. Smt. Aparajita Sarangi
11. Dr. Amar Singh
12. Shri Tejasvi Surya
13. Shri Anurag Singh Thakur
14. Shri Balashowry Vallabhaneni
15. Shri Dharmendra Yadav

RAJYA SABHA

16. Shri Ashokrao Shankarrao Chavan
17. Shri Shaktisinh Gohil
18. Dr. K Laxman
19. Shri Praful Patel
20. Shri Sukhendu Sekhar Ray
21. Vacant *
22. Dr. Sudhanshu Trivedi

SECRETARIAT

1. Smt. Mamta Kemwal - Joint Secretary
2. Smt. Archana Pathania - Director
3. Smt. Malvika Mehta - Deputy Secretary

* Consequent upon retirement of Shri Tiruchi Siva, MP, Rajya Sabha, w.e.f. 2nd April, 2026.

COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE
(2024-25)

Shri K. C. Venugopal - Chairperson

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20. Shri Sukhendu Sekhar Ray
21. Shri Tiruchi Siva
22. Dr. Sudhanshu Trivedi

INTRODUCTION

I, the Chairperson, Public Accounts Committee (2025-26) having been authorised by the Committee, do present this Forty-fifth Report (Eighteenth Lok Sabha) on the subject **"Parking of funds outside the Government Account"** relating to the Ministry of Education, Department of School Education and Literacy.

2. The Report of Comptroller and Auditor General of India was laid in the Parliament on 8 August, 2024.

3. The Public Accounts Committee (2024-25) selected the subject for detailed examination. The Committee took oral evidence of the representatives of the Ministry of Education, Department of School Education and Literacy at their sitting held on 21.02.2025. The Public Accounts Committee (2025-26) considered and adopted this Report at their sitting held on 16.04.2026.

4. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in **bold** and form Part-II of the Report.

5. The Committee would like to express their thanks to the representatives of the Ministry of Education, Department of School Education and Literacy for tendering evidence before them and furnishing the requisite information to the Committee in connection with the examination of the subject.

6. The Committee also place on record their appreciation of the assistance rendered to them in the matter by the Committee Secretariat and the office of the Comptroller and Auditor General of India.

NEW DELHI
16 April, 2026
26 Chaitra, 1948 (Saka)

K. C. Venugopal
Chairperson,
Public Accounts Committee

Report

Part- I

Introduction

1. The Public Accounts Committee decided to take up for detailed examination and report Para 2.2 of Comptroller and Auditor General (C&AG) Report No. 8 of 2024 on the subject “Parking of Funds outside the Government Account”. This para pertains to the Department of School Education and Literacy in Ministry of Education (MoE). The Committee took oral evidence of the Ministry on the above-mentioned subject on 21st February, 2025.
2. In the aforesaid para, Audit findings reveal that the Department of School Education and Literacy failed to observe the extant rules and adhere to mandatory use of PFMS for transferring the scholarship directly from PAO to beneficiaries, which led to parking of funds outside the Government Account and utilisation of savings in the subsequent years.
3. The Public Finance Management System (PFMS, initially called Central Plan Scheme Monitoring System) has been made mandatory to be used for payment, accounting and reporting under Direct Benefit Transfer (DBT) with effect from 01April 2015. The PFMS enables the Pay and Accounts Offices (PAOs) to transfer funds directly to the beneficiaries’ bank account on receipt of beneficiaries’ details by using PAO-DBT module. This allows ‘just in time’ transfer of funds to the beneficiaries by minimising the requirement of float funds.

Rules relevant for the para

4. Rule 57 (2) of the GFRs stipulates that a Grant or Appropriation can be utilised only to cover the charges (including liabilities, if any, of the past year) which are to be paid during the financial year of the Grant or Appropriation and adjusted in the account of the year. No charges against a Grant or Appropriation can be authorised after the expiry of the financial year.
5. Rule 62 (1) of GFRs prescribes that the Departments of the Central Government shall surrender to the Finance Ministry, by the dates prescribed by that Ministry before the close of the financial year, all the anticipated savings noticed in the Grants or Appropriations controlled by them.

6. Rule 241 of General Financial Rules, 2017 (GFRs) prescribes that in case of the schemes covered under DBT, where the fund flow is directly from the Central Government to the beneficiaries, the intimation from the bank/National Payments Corporation of India (Aadhaar Payment Bridge) regarding deposit of the funds in the beneficiaries' bank accounts, generated as per procedure prescribed by the Controller General of Accounts, may be treated as a Utilisation Certificate.
7. The Ministry submitted the following on the National Means-cum-Merit Scholarship Scheme (NMMSS) in their background note:-

“Scheme Provisions

The Central Sector Scheme ‘National Means-cum-Merit Scholarship Scheme’ was launched in May, 2008 with the objective to award scholarships to meritorious students of economically weaker sections @ Rs. 6000/- per annum per student to arrest their drop out at class VIII and encourage them to continue their education at secondary stage. The scheme envisages award of 1,00,000 scholarships every year to the students studying in a State Government, Government-aided and Local body schools under the scheme, whose parental income from all sources is not more than Rs. 1,50,000/- per annum and selected through NMMSS examination conducted by the State and UT Governments. It is a 100% Central Sector Scheme.

The scheme guidelines underwent revision in 2017-18 wherein the scholarship amount raised from Rs. 6000/- to Rs. 12000/- per student per annum and again in 2021-22 the parental income criteria was revised from Rs. 1.50 lakh to Rs.3.50 lakh.

Every year fresh candidates are registered at the time of Class-9 and thereafter get renewed for scholarships in Class X, XI upto Class XII. Prior to 2018-19, the proposal for fresh and renewal cases for each academic year was received from respective State and UT Governments, which was sanctioned by this Department and funds were released to SBI, New Delhi in the current account opened in the name of National Means-cum-Merit Scholarship Scheme with SBI, New Delhi for disbursement of scholarship amount directly into the accounts of students through Public Financial Management System (PFMS).

For transfer of payment to the beneficiary accounts on PFMS, the Secondary Scholarship Division of Ministry of Education is a registered Agency on the PFMS portal for disbursement of scholarships to the final list of students' verified at all concerned levels on National Scholarship Portal. The disbursement of the scholarships against the physical data other than NSP is done by the SBI, New Delhi through PFMS. (Scholarship Division, DoSEL is registered as Program Division (PD) on the PFMS platform and SBI, New Delhi registered as an agency is configured for transfer of scholarship amount to the students other than NSP).

The scheme was partially boarded on NSP during 2015-16 on trial basis but due to technical difficulties could not become fully operational and it became fully operational from 2018-19 onwards. As per NSP, eligible selected students of class IX apply on National scholarship Portal, which is verified at two levels i.e. School level (Institutional Nodal Officer) and District level (District Nodal Officer) and the finally verified applications received through NSP are considered for sanction of scholarship amount. After red-flag check done by NSP, the payment file is generated by the NSP team on PFMS platform, which is forwarded to this Department for final disbursement of scholarship amount in the accounts of the beneficiaries. After Program Division's (PD) approval on PFMS platform, scholarship amount is directly credited to the bank accounts of the students. For renewal candidates, who could not get registered or verified on time due to technical glitches on the NSP portal, list of the beneficiaries are received from the State/UT Governments, against which the sanction is made and funds are released to the bank which disburse scholarship amount through PFMS-DBT as per the details of the students shared with the bank by the Department.

As per the MoU signed with SBI, New Delhi in 2009, SBI shall remit the scholarship amounts without recovery of any service charges from the Ministry and no interest is being paid by the bank the reason being it is a current account. The Bank has incurred cost relating to implementation of Scheme, maintenance of MIS, sizeable manpower for disbursement of funds from 2009 onwards & same is continuing till date for cases outside of NSP.

Budget Provisions under the Scheme:

NMMSS scheme launched in 2008 with a target of 1 lakh fresh scholarship for class-IX for 01 year which adds on class-IX & X during 2009-10, Class-IX, X & XI during 2010-11 and class-IX, X, XI & XII during 2011-12. This completes one cycle and from thereon schemes continue with liability of 04 classes every year. With increasing number of students every year budget liability of scheme also goes on increasing..”

8. The Scheme was brought under the DBT in 2014 and was on-boarded on National Scholarships Portal (NSP) in 2015-16.

9. The Committee desired to know how many students are being given scholarship under NMMSS on yearly basis. In response the Ministry submitted the following: -

“As per the cycle of the scheme, the targeted number of beneficiaries is four lakhs (approx.) which includes one lakh fresh beneficiaries for class-IX and subsequent renewal for class-X, XI & XII. But the actual number of beneficiaries is approximately 2.50 lakhs every year.”

10. In this regard, during the oral evidence of the Ministry, the representatives stated the following:-

“.., one lakh scholarships are targeted per year... It is based on 2001 census population. When we move to the next EFC, we will be looking at the quotas also.”

11. The State/UT wise allotted quota under the scheme is given below:-

Table Indicating the number of scholarships to States/UTs on the basis of 2/3rd (66.67%) weightage on the enrolment in classes VII and VIII and 1/3rd (33.33%) weightage on child population of the relative age under National Means-cum- Merit Scholarship Scheme		
S.No.	States/UTs	Scholarships on the basis of 66.67% weightage to Enrolment & 33.33% weightage to Child Population
1	Andhra Pradesh	4087
2	Arunachal Pradesh	122
3	Assam	2411
4	Bihar	5433
5	Chhattisgarh	2246
6	Goa	144
7	Gujarat	5097
8	Haryana	2337
9	Himachal Pradesh	832
10	Jammu & Kashmir	1068

11	Laddakh	23
12	Jharkhand	1959
13	Karnataka	5534
14	Kerala	3473
15	Madhya Pradesh	6446
16	Maharashtra	11682
17	Manipur	255
18	Meghalaya	231
19	Mizoram	103
20	Nagaland	180
21	Orissa	3314
22	Punjab	2210
23	Rajasthan	5471
24	Sikkim	58
25	Tamil Nadu	6695
26	Telangana	2921
27	Tripura	351
28	Uttar Pradesh	15143
29	Uttrakhand	1048
30	West Bengal	7250
31	A&N Islands	42
32	Chandigarh	85
33	D&N Haveli	22
	Daman & Diu	16
34	Delhi	1576
35	Lakshadweep	10
36	Pondicherry	125
Total		100000

Audit findings

12. Audit observed the following:

-The sanction order of the funds released under the Scheme stated that “the funds released to the State Bank of India will remain with the bank for crediting scholarship amount into the accounts of scholarship holders. Thus, the amount released to the bank is treated as utilised”. This arrangement of treating the funds as utilised, without verifying the actual deposit of scholarship in the beneficiaries’ bank accounts, (undisbursed amount due to rejected entries) was in violation of Rule 241 of GFRs.

- MoE did not adhere to the provisions of Rule 57 (2) and Rule 62 (1) of ibid and allowed parking of undisbursed funds, outside the Government Account,

in the SBI bank account with an intent to disburse them in subsequent years. This led to accumulation of substantial balance at the end of each year ranging between ₹ 12.96 crore and ₹ 429.65 crore during the period 2016-17 to 2022-23 i.e. up to 28 December 2022.

- As per the Scheme Guidelines, no claim for scholarship arrears was to be entertained after the expiry of 12 months of the academic session for which one has applied for the claim. While the SBI refunded ₹ 34.97 crore on account of undisbursed scholarships during 2014-15 to 2017-18, no such refund was made during 2018-19 to 2021-22. On being pointed out by Audit, the Department reviewed the position and secured the refund of undisbursed scholarship aggregating ₹ 100.06 crore in December 2022.

- While the NMMSS was on-boarded on National Scholarship Portal (NSP) in 2015-16, the facilities provided by the portal could not be fully utilised during first three years due to technical glitches. The Scheme became fully operational on the NSP from 2018-19 onwards.

- The disbursement of scholarships through NSP-PFMS system is managed in seven steps. While the steps relating to validating the correctness of bank account number of students, Aadhaar number, matching of name of the students with Aadhaar and bank account numbers etc. are being used under the NMMSS, PFMS was not leveraged for steps relating to disbursement of scholarship in DBT mode using PAO-DBT module. MoE continued to use the SBI bank account for carrying out transactions which allowed the bank to hold significant float funds with it.

- As per the MoU entered between the MoE and SBI, a current bank account with auto-sweep facility was to be opened for NMMSS. The undisbursed funds were to be deposited in Corporate Liquid Term Deposit (CLTD) linked with the current account for defined period between 12 to 36 months. Further, the sanction order for release of funds to the SBI also stated that the amount released to SBI and not immediately utilised can be kept in short term fixed deposits. While the terms of MoU were never amended, the SBI after intimating the MoE, stopped the auto sweep services under this account after the winding up of the corpus fund on the pretext that the bank was managing the scholarship scheme and operating cost of its implementation is compensated by the available float funds in the account. Thus, the bank account, in which the NMMSS funds were parked, did not yield any interest.

13. Thus, according to Audit, non-adherence to the provisions of GFRs for control of expenditure against budget and failure to utilise the facility of just-in-time release of payment directly from the Ministry to the beneficiaries through PFMS led to parking of funds outside the Government Account. Consequently, the objective of changing the funding pattern of the NMMSS (2010-11) by winding up the corpus and funding it through the annual budget could not be met.
14. Audit brought the matter to the notice of MoE in March 2022. MoE stated in December 2022 that the SBI is managing the scholarship by allocating a team which is exclusively looking after the implementation of the scheme. A special infrastructure too has been created for maintenance of the management information system (MIS). The operating cost of the Scheme is compensated by the available float fund in the account. Further, there were delays in receiving refunds of undisbursed funds during 2020-21 and 2021-22 due to the COVID-19 pandemic and merger of several nationalised banks which resulted in change in account numbers of beneficiaries and consequent failure of transactions.
15. According to Audit, the reply is not tenable as the arrangement for compensating the SBI through maintaining float funds without amending the MoU indicated lack of due diligence. It is pertinent to note that the average float balance increased to ₹ 35 crore in 2011 and ranged between ₹ 101 crore and ₹ 257 crore during the period 2018-19 to 2022-23. Subsequently, the Department reviewed the position and secured the refund of undisbursed scholarship aggregating ₹ 100.06 crore in December 2022.
16. The Ministry submitted the following in their action taken notes: -
- “From 2022-23 onwards, settlement of undisbursed amount lying with SBI, New Delhi is done on yearly basis. The line “The funds released to SBI are treated as utilised” will be removed in future sanction orders under NMMS scheme. The undisbursed balance of Rs. 100.00 crores during 2022-23 and Rs 56.52 crore during 2023-24 respectively have been recovered from SBI, New Delhi against the rejected entries. An undisbursed amount of Rs. 4.00 crore is left with bank for disbursement of scholarship against corrected details of students received for rejected entries upto the year 2023-24. The undisbursed amount for the year 2024-25 will be recovered within the year 2024-25 itself. There is no loss/wasteful expenditure/irrecoverable amount as such in the

scheme. Hence, there is no writing off. A revised MoU with SBI, New Delhi incorporating the audit observations is underway and will be executed shortly.”

17. When asked why was the process of refund only initiated in 2022-23 after being prompted by Audit again, when similar refund was initiated in the years 2016-17 and 2017-18 and why was not an automated check system put in place on the basis of past experience, the Ministry submitted the following written reply:-

“NMMSS is completely boarded on National Scholarship Portal (NSP) from 2018-19, which operates from July to February every year for the registration and renewal of applications. The finally verified applications, complete in all respects, are considered for sanction and disbursement of scholarships. Therefore, actual expenditure is made during last month of every financial year. During 2019-20, the payment module under NMMSS was revised on PFMS for the orientation of PFMS and NSP, due to which payment could not be transferred to the bank accounts of the beneficiaries during the same financial year. The new payment module became operational during 2020-21. During COVID pandemic and subsequent school closure due to lockdown for a period of 2 years, the disbursement process was affected during 2020-21 and 2021-22. Therefore, the sanctioned amount got accumulated with the SBI and disbursement process was completed only in 2021-22 and 2022-23. From 2022-23 onwards regular refund was initiated.”

18. When asked if the amount of Rs.56 crore been refunded by SBI, the Ministry stated that the amount had been refunded and the same had been deposited to Government Account during 2023-24.

19. As regards the major reasons for accumulation of funds with SBI, New Delhi, the Ministry submitted the following in their background note: -

- The budget provided for the scheme from 2011-12 onwards was insufficient against the projected demand under the scheme, which led to accumulation of pendency of State proposals for disbursement of scholarship...The pendency was reportedly 4,28,900 scholarships (approx) of previous academic years (as per the minutes of EFC meeting held on 20.10.2017) with an estimated expenditure of Rs. 257.34 crore @ Rs.

6000/- per student per year. The proposal to clear the pending payments of previous years was recommended by the EFC vide para #6(iii) of the Minutes of the aforesaid meeting of EFC. During 2017-18, Rs.267.00 crores under the scheme was utilized to clear the pending dues of previous year. Details of budget *vis-a-vis* 'Expenditure' incurred from 2011-12 to 2023-24 are as follows:

Budget Allocation and Expenditure incurred from 2011-12 to 2025-26

Rs. in crore

S.No.	Financial Year	BE	RE	Total Expenditure
1	2011-12	60.00	70.00	62.75
2	2012-13	70.00	70.00	62.00
3	2013-14	70.00	95.00	88.72
4	2014-15	70.00	70.00	65.20
5	2015-16	70.00	131.50	127.13
6	2016-17	35.00	39.65	38.91
7	2017-18	282.00	267.00	265.18
8	2018-19	299.74	362.98	319.17
9	2019-20	368.20	335.20	331.26
10	2020-21	373.00	350.00	321.11
11	2021-22	350.00	284.20	251.98
12	2022-23	350.00	307.45	306.49
13	2023-24	364.00	358.00	313.10
14	2024-25	352.60	--	352.49
15	2025-26 (As on 25-02-2026)	374.00	--	167.71*

*Proposals amounting to Rs. 188.00 crore are under process.

- Therefore, these large number of proposals of previous years were sanctioned in one go during 2017-18, which led to burden of payment on SBI, New Delhi and slowed down the payment process since these proposals of previous years were in off-line mode and one payment file for each class of individual State was to be processed on PFMS platform. Sometimes the details of the students provided in the proposals were insufficient due to which whole proposal was to be reverted to the State Government and recalled to make the payment successful. Such issues

invariably led to the delay in payment process and accumulation of funds with the bank.

- From 2015-16 to 2017-18, scheme was running through NSP as well as off-line mode outside of NSP (for which payment is made by SBI through PFMS) and 2018-19 onwards, it became fully operational on NSP. But previous years renewal proposals which were in off-line mode during 2017-18 continued in off-line mode up to 2020-21 project year. Again during 2023-24, an Aadhaar mis-match issue arose for renewal cases on NSP, due to which those pending cases were required to be continued in off-line outside the NSP (through PFMS by SBI) for respective classes from class-X to XII for 2023-24; class-XI & XII for 2024-25 and class-XII for 2025-26.
- During 2018-19, a configuration issue had arisen due to online payment module of NSP Payments leading to a sudden halt of all payments while the sanction process was going on. The payment module under NMMSS was revised on PFMS for the configuration of PFMS and NSP, due to which off-line payment could not be transferred to bank accounts of the beneficiaries. The new payment module became operational at the end of 2019-20.
- Further due to COVID-19 pandemic, work was paralyzed during 2020-21 and 2021-22. Therefore, the sanctioned amount got accumulated with the bank and disbursement process was completed in the end of 2021-22. The Department pleads for exemption due to the special circumstances of that particular period viz; lockdown and school closure, WFH, the oversight on the part of the Department.
- Undisbursed funds lying with the Bank is utilized for further payment against the corrected bank details of students received from the State Government/School/Student. If the undisbursed fund is surrendered, the whole sanction process has to be repeated for even an individual student which will be time-consuming leading to unreasonable delay in payment of scholarship considering that the scheme is catering to the EWS meritorious students. The very purpose of the scheme will be defeated if eligible students are devoid of timely scholarship due to lapse in procedural practice.

It is a fact that the undisbursed amount pending with bank is being recovered on yearly basis from 2016-17 onwards. But due to above mentioned reasons the process of recovery of unspent amount halted. The unutilized amount of ₹26.97 crore during 2016-17 and ₹2.00 crore during 2017-18 has been recovered from SBI. From 2018-19 onwards, action could not be completed on settlement of unutilized amount for the reasons being explained above. From 2022-23 onwards, settlement of unutilized amount is done on yearly basis. During 2022-23 and 2023-24, the undisbursed balance of ₹100.00 crores and ₹ 56.52 crores respectively have been recovered from SBI, New Delhi against the rejected entries. A buffer amount of Rs. 4.00 crore is retained with SBI to make payments under RTIs, PGs and Court Cases. The process for retrieval of undisbursed amount for 2024-25 has already been initiated.

Further, PAO-DBT module of payment could not be adopted for the scheme due to continuation of scheme in on-line as well as off-line mode. It is submitted that the PAO-DBT module of payment can be adopted under the scheme only when fixed SOPs are enforced by NSP.

To sum up:

- From 2022-23 onwards, settlement of undisbursed amount lying with SBI, New Delhi is done on yearly basis.
- A revised MoU with SBI, New Delhi incorporating the audit observations is underway.
- The line "*The funds released to SBI are treated as utilized*" will be removed in future sanction orders under NMMS scheme.

It has been concluded that there are practical difficulties in the implementation of scheme like on-line/off-line mode, payment module for scholarship disbursement. The scheme is meant for poor and meritorious students and this Department ensures that no deserving student is deprived of the scholarship amount only due to complexity of the framework and procedural practices of scholarship disbursement since otherwise the sole objective of the scheme will be defeated. However, Department will ensure that the audit observations are fully attended to and all necessary steps will be taken to avoid unnecessary parking of

funds with any outside agency. In the next EFC, Department will study the financial architecture of the scheme and ensure that it is reframed in the interest of the beneficiary students.

Annexure-I								
Projected demand and actual scholarships and budget under NMMSS for the year 2008-09 to 2016-17								
S.No.	Year	Projected demand of Scholarships	Projected Demand on budget (Amount in crore)	Allocated budget (Amount in crore)	No. of Actual Beneficiaries Sanctioned	Actual expenditure on scholarships (Amount in crore)	Pending liabilities on scholarships	Shortage of funds (Amount in crore)
1	2008-09	100000	30.00	30.00	55544	16.67	69	0.02
2	2009-10	84712	50.83	50.83	78929	47.35	5783	3.46
3	2010-11	98550	59.13	60.50	81377	48.82	5445	3.26
4	2011-12	148116	88.87	70.00	103033	61.81	45083	27.06
5	2012-13	151383	90.83	70.00	102816	61.69	48567	29.14
6	2013-14	184596	110.76	95.00	145376	87.22	39220	23.54
7	2014-15	207980	124.79	70.00	106770	64.05	101210	60.74
8	2015-16	229135	137.48	131.50	210012	126.00	19123	11.48
9	2016-17	228826	137.30	39.65	64426	38.66	164400	98.64
Total		1433298	829.99	617.48	948283	552.27	428900	257.34

20. According to Audit, the arrangement of treating the funds utilised, without verifying the actual deposit of scholarship in the beneficiaries' bank accounts, (undisbursed amount due to rejected entries) was in violation of Rule 241 of GFRs. The Committee desired to know the reason for treating funds given to SBI as utilized in contravention of the extant rule. The Ministry submitted the following written reply:-

“As per clause 5 of the MoU “The scholarship amount of rejected transactions shall be held in the account of the Ministry of HRD till the correct details are made available by the concerned State Government Nodal Officer to New Delhi Main Branch of SBI”, therefore, it had been treated as utilized.”

21. On being queried whether proper records of all the beneficiaries were being maintained by the Ministry, the Ministry stated as under: -

“Yes, records of beneficiaries for each project year and financial year have been maintained. “

22. The Committee asked if any outcome evaluation by independent third party had been done as proposed by Expenditure Finance Committee for continuation of the Scheme after 2017. In response, the Committee submitted the following:-

“On recommendation of EFC, an evaluation study of the scheme was carried out by Institute of Economic Growth in 2020 (copy of final report enclosed) and another third party evaluation study has been awarded to Centre for Market Research and Social Development during 2024 which is in its final stage.”

23. The Committee note that the Report on Evaluation Study of “National Means cum Merit Scholarship Scheme (NMMSS)” was prepared and brought about by the Centre for Market Research and Social Development in 2025. Recommendations in the report included simplification of application procedure on NSP; continuation of NMM scholarship irrespective of type of school; increasing the current income limit to be eligible; increasing the amount of scholarship under NMMSS; increasing annual Scholarship Quota Under NMMSS; creating awareness at grassroot level; Training/ capacity building programmes for the DNOs and INOs: support for engagement of technical skilled persons at state and district level and convergence with scheme of own Ministry/Department or of other Ministry/Department.

24. When asked if there was an Internal Audit Wing in the Department and the said department was not able to identify till the year 2022, parking of undisbursed scholarship amount with SBI that ultimately Audit pointed out, the Ministry gave the following written reply:-

“Internal audit of the Department is carried out through Principal Chief Controller of Accounts. No internal audit of the scheme has been carried out by office of Pr. CCA.”

25. According to Audit, while the steps relating to validating the correctness of bank account number of students, Aadhaar number, matching of name of the students with Aadhaar and bank account numbers etc. are being used under the NMMSS, PFMS was not leveraged for steps relating to disbursement of scholarship in DBT mode using PAO-DBT module. MoE continued to use the SBI bank account for carrying out transactions which allowed the bank to hold significant float funds with it.

The Committee asked why the Ministry continued to use SBI for carrying out transactions related to the scheme even after introduction of PFMS. The Ministry submitted as under:-

“The scheme has been covered in DBT mode since 2014 and since then all payments are made by SBI using PFMS only. The scheme has been running in both NSP and Non-NSP mode, therefore, for disbursement of scholarship Agency Mode has been adopted on PFMS instead of PAO-DBT Mode to avoid unnecessary delay in release of scholarship amount for rejected entries (failed transaction) due to long procedure of sanction/fund release process.”

26. On being asked if the Ministry sought details from SBI on the amount of interest that the bank earned on account of the significant float funds with it, the Ministry submitted the following reply:-

“As per the terms and conditions of the MoU, funds released to the bank under the scheme are kept in current account, which generates no interest, therefore, details of interest were not sought from SBI, New Delhi.”

27. When asked what was the specific provision in the MoU related to treatment of the interest accruing from the float funds and if there was a limit to the interest amount that SBI would keep after deducting its service charges, the Ministry stated as under:-

“All the provisions in MoU were as per corpus fund of Rs. 3000 Cr. proposed to be deposited in SBI, New Delhi to run the scheme from interest accrued on the float funds but corpus fund was wound up at Rs. 1000 Cr. and separate provision of fund was made available from 2010-11 onwards. There has been no provision of limit to the interest amount that SBI would keep after deducting its service charges.

However, it has been perceived from SBI, New Delhi's letter dated December, 2011 that the average deposit level was very less after budgetary allocation and the interest accrued on it, was also very less. It has also been mentioned by the Bank that cost of the implementation was barely compensated with the interest on float funds.

28. On being asked if there any provision for monthly reconciliation of SBI Accounts with Ministry of Education Accounts in MoU, the Ministry stated the following:-

“As per clause 9 of the MoU, SBI will provide statement of account and statement of disbursement of scholarship along with details of rejected transactions if any, to Ministry once in a month on or before the 10th day of succeeding month.”

29. It was also asked whether monthly reconciliation was undertaken and if not the reasons thereof.

“During 2011-12 to 2016-17, the payment was made on quarterly basis and therefore monthly reconciliation was carried out. But when the pendency accumulated to approximately 4.2 lakhs scholarship, reconciliation could not be carried out. All allocated funds were utilized in first quarter itself and there were no funds available for disbursement in the succeeding quarter of the financial year. Later, after introduction of NSP, funds were transferred in last quarter of the particular financial year only; therefore, no monthly reconciliation could be carried out. During whole of the year, rejected entry data has been worked out on receipt from the Bank.”

30. When asked what action did the Ministry take when SBI stopped the auto sweep services under the account, the Ministry submitted the following written reply:-

“As per the request received from SBI, vide a letter dated 31.12.2011, current account facility of Ministry is still continuing.”

31. On being asked if the Ministry analysed the loss incurred to it on account of not receiving interest on the huge amount of funds parked with SBI, the Ministry submitted the following reply:-

“The funds released to SBI, New Delhi are utilized only for release of scholarship amount to the bank accounts of beneficiary students but due to various reasons such as configuration of SBI, New Delhi with PFMS, clearing pending proposals of last 05 years in one go, COVID-Pandemic, NSP related technical issues, implementation of scheme through NSP / Non-NSP mode etc., funds could not be disbursed to full

extent leading to accumulation of funds at the end of every financial year.

Further, it is pertinent to mention here that as per NSP schedule, funds were released in March month of the respective Financial Year while validation process completed in first week of April in next financial year, hence there has been a small time gap between sanction and actual disbursal process. This implied that a large amount is seen lying pending with bank at the end of each financial year but actually they were funds pending for disbursal at a later date i.e. 1st week of April of the consecutive financial year.”

32. As desired by the Committee, a chronological account of the progress of the scheme including introduction of PFMS, DBT and NSP as submitted by the Ministry is placed below:-

“For 2008-09 and 2009-10, scholarship amount was transferred through Banker’s cheque. Later, from 2010-11 onwards PFMS platform has been used for by SBI, New Delhi for NEFT and RTGS transfer of payments to the bank accounts of the beneficiaries. During 2013-14, DBT was launched on pilot scale in 43 pilot districts of 16 States/UTs, later on expanded across the country on 12.12.2014. Total 34 schemes across the eight Ministries/Departments have been selected for DBT implementation in 2013 and 2014, which includes the name of NMMSS also.

On the initiative of the Prime Minister’s Office (PMO) on “Streamlining and Fast Tracking release of scholarships across Ministries / Departments of the GOI”, the Department of Electronics and Information Technology (DeitY) was assigned the task for development of a single scholarship portal for delivery of scholarships with efficiency, transparency and reliability through this centralized online scholarship portal for seven Ministries / Departments namely Ministry of Social Justice & Empowerment, Ministry of Tribal Affairs, Ministry of Minority Affairs, Department of Disability Affairs, Department of Higher Education, Department of School Education & Literacy and Ministry of Labour and Employment. The Centre for Good Governance, Hyderabad has developed a National Scholarship Portal (NSP) on

behalf of MeitY in 2015-16. 87383 scholarship applications were received on NSP during 2015-16.

Since the portal could not be made functional in an effective manner, it was decided in a meeting of CoS held on 18.03.2016 under chairmanship of Cabinet Secretary to constitute a Group of Secretaries (GoS) to oversee the process of harmonization of various scholarship schemes of different Ministries / Departments. During 2017-18 NSP 2.0 has been launched and 88039 numbers of applications have been received through NSP. From 2018-19 onwards, it became fully operational. Some new features like "back end - verification' with result was introduced in 2018-19 and bio-authentication at Institute Nodal Officer / District Nodal Officer/State Nodal Officer level was introduced during 2022-23.

A Task Force has also been constituted by Cabinet Secretariat on 23.03.2023 comprising of Joint Secretary (DBT) and Joint Secretaries from Ministry of Social Justice & Empowerment, M/o Tribal Affairs, M/o Minority Affairs, Ministry of Education, D/o Empowerment of Persons with Disabilities, NIC, UIDAI and PFMS representatives for strengthening of NSP..On recommendations of the task force mandatory Aadhaar provisions have been introduced for NSP application during 2023-24 and One-Time Registration is also launched during 2024-25.”

33.It was queried whether any provision for automatic refund of undisbursed amount had been incorporated in the MOU with SBI. The Ministry submitted the following reply:-

“The undisbursed amount will be refunded back to the consolidated fund of India after the close of financial year after ensuring that the fund has been transferred to the DBT accounts of the beneficiaries.”

34.When asked what were the technical glitches on National Scholarship Portal that continued for 3 years because of which the scheme could not be made fully operational, the Ministry submitted the following reply:-

“The Centre for Good Governance, Hyderabad has developed National Scholarship Portal (NSP) on behalf of DeitY. In the NSP Monitoring Committee meeting held on 14.03.2016 under the chairmanship of Shri S.K. Srivastava, Secretary (Coord.), Cabinet Secretariat, it was

decided that since the CGG could not develop and implement the NSP portal in an effective manner in 2015-16, a new system will be designed for on-line submission of proposals for 2016-17. During the period of 03 years different versions of NSP were launched. From initial phase of uploading data of all students by State Nodal Officer to self-registration by the student on NSP in later phases, it was a major upgradation in NSP. Multiple technical issues arose, such as the following: -

Technical Glitches in earlier versions i.e. NSP and NSP 1.0:

- Since its inception, slow speed of NSP was a recurrent phenomenon. Most of the time NSP was not working which led to delay in uploading of data on the portal.
- Delay in disbursement of scholarships to the students due to non-integration of CGG/ PFMS/ Ministries/Departments.
- Methodology for registration of Digital Signature Certificate (DSC) of State Nodal Officers was not defined.

Technical Glitches in the latest Version of NSP 2.0:

- Name of the Institute and Courses were not included in the portal.
- Various network issues due to which schools could not apply on the portal.
- NMMSS scheme was not visible to some applicants in the menu on the portal.
- For renewal applications, error message was displayed i.e. “No Record found”.
- Students were not able to re-apply after withdrawal of the application form.
- User ID and Passwords for many institutions were either not available or not working.
- Name of the student was not displayed in the Institution login.
- Poor services of NSP help desk.
- Students who had availed of scholarship benefits under one scheme on NSP were unable to switch to NMMSS on NSP even after being selected for the new scholarship. Students who

were getting scholarship under Minority, Beedi workers Scholarship Scheme could not switch to NMMSS.

- Two UDISE+ codes for the same school was also a technical issue
- At student registration stage many a time NSP 2.0 portal showed error messages such as " invalid user Id, invalid password and Captcha mismatch."
- The schools which were given new UDISE+ codes were unable to submit with old UDISE+ codes.
- For new registration and application, no option was available for updating and editing at student level and institute level.

Though all the glitches mentioned above have been resolved, the on-going process of introduction of new features in NSP leads to infinite technical issues requiring constant resolution.”

35. On being queried if the Ministry of Education engaged with the Ministry of Electronics and Information Technology for resolving technical issues they were facing with the National Scholarship Portal and how far these issues could be resolved and the time taken for their resolution, the Ministry submitted as under:-

“Several technical issues arise at student/INO/DNO level when new features are introduced frequently. To resolve such issues, Ministry continuously engages with NSP Team and DBT, Cabinet Secretariat, which is directly monitoring implementation of NSP, with weekly meetings to review the progress on NSP. Video Conferences are organized at SNO/INO level with groups of States on regular basis to resolve the technical issues, Workshops are also organized with all States and UTs for review of progress of scheme on NSP. A Helpline No. 011.23383363 is also available for registering the complaints of students. Majority of issues are resolved immediately but sometimes resolution takes upto a week. Once the SOPs under NSP are finalized without introduction of any new feature, then implementation related technical issues will substantially decrease.”

36. On being asked if the disbursement of scholarship under the scheme through the PFMS-NSP-PAO-DBT system was being carried out smoothly, the

Ministry replied in the affirmative. It was also informed that payment mode under the scheme has already been shifted from Agency to PAO DBT mode, the NMMSS Account with the SBI New Delhi has been closed and all the undisturbed fund has also been recovered. All the payments are being transferred through PAO DBT Mode.

37. When asked that as required under Rule 241 of the General Financial Rules, 2017, was the Ministry keeping proper record and accounts relating to the direct releases under the scheme to the beneficiaries' bank accounts and for stating the reasons for not following GFR-241 in the easier implementation of NMMSS, The Ministry stated the following: -

“Yes, the Ministry is keeping proper record and accounts relating to the direct releases under the scheme to the beneficiaries bank accounts.”

Part- II

Observations/ Recommendations of the Committee

The C&AG of India in Para 2.2 of Report no. 8 of 2024 brought out certain observations on the subject “Parking of Funds outside the Government Account” related to Department of School Education and Literacy, Ministry of Education (MoE). The Committee note that Department of School Education and Literacy failed to observe the extant General Financial Rules and adhere to mandatory use of PFMS for transferring the scholarship directly from PAO to beneficiaries, which led to parking of funds outside the Government Account and utilisation of savings in the subsequent years. The Committee examined the subject in detail including written submissions and oral evidence of the Ministry on the subject. The observations/ recommendations of the Committee on important issues are contained in the succeeding paragraphs.

Recommendation-1- Finalising SOPs and resolving of issues in the National Scholarship Portal (NSP)

1. The Committee note that MoE did not adhere to the provisions of Rule 57 (2) and Rule 62 (1) of GFRs and allowed parking of undisbursed funds, outside the Government Account, in the SBI bank account with an intent to disburse them in subsequent years. This led to accumulation of substantial balance at the end of each year ranging between ₹ 12.96 crore and ₹ 429.65 crore during the period 2016-17 to 2022-23 i.e. up to 28 December 2022. The Committee note from the reply of the Ministry that there were various reasons for accumulation of balances such as, insufficient budget; proposals being in offline mode; continuous issues in National Scholarship Portal (NSP) and COVID pandemic and subsequent school closure due to lockdown for a period of 2 years. The Committee note that while the National Means cum Merit Scholarship Scheme (NMMSS) was on-boarded on NSP in 2015-16, the facilities provided by the portal could not be fully utilised during first three years due to technical glitches. The Scheme became fully operational on the NSP from 2018-19 onwards. The Committee also note from the findings of Report brought out by the Centre for Market Research and Social Development in 2025 on ‘Evaluation Study of National Means cum Merit Scholarship Scheme’ that the process of registration of students’ applications and verification is complicated due to frequent

modifications in the NSP and a simple, easy and hassle-free application process and resolution of technical problems on the NSP will have a great impact on target beneficiaries under the scheme. In this regard, The Ministry submitted before the Committee that it continuously engages with the stakeholders to immediately resolve all the issues that arise and that once the Standard Operating Procedures (SOPs) of NSP are finalised, the implementation related technical issues will substantially decrease. The Committee are concerned to note that despite a lapse of almost a decade, the NSP is still beset with various problems including difficulty in finding pending students list for registration etc.

The Committee, accordingly exhort the Ministry to engage proactively with the Ministry of Electronics and Information Technology for early finalisation of the SOPs under NSP. The Committee also desire that the issues being faced by stakeholders on the NSP be urgently resolved- bearing in mind that the applicants are from remote and rural areas. The Committee also suggest that the applications in off-line mode may also be considered in areas having lower/limited connectivity. The Committee further recommend that adequate technical manpower support may be provided at State/district level and continuous training regarding any modifications being made in the NSP should be necessarily given to the District Nodal Officers and Institute Nodal officers to enable them to effectively use the portal for implementation of the scheme. The Committee would like to be apprised of steps taken in the matter and result of the same.

Recommendation No. 2 – Strengthening of Internal audit

- 2. The Committee note that MoE entered into a Memorandum of Understanding (MoU) with the SBI in November 2009 for opening a current account for management of the corpus fund for implementation of the NMMSS and disbursement of scholarship to the beneficiaries. As per the Scheme Guidelines, no claim for scholarship arrears was to be entertained after the expiry of 12 months of the academic session for which one had applied for the claim. The Committee observe that while the SBI refunded ₹ 34.97 crore on account of undisbursed scholarships during 2014-15 to 2017-18, no such refund was made during 2018-19 to 2021-22. On being pointed out by Audit, the Department reviewed the position and secured the refund of undisbursed scholarship aggregating ₹ 100.06 crore in December 2022. The Ministry has informed the Committee that due to COVID-19**

pandemic, work was paralyzed during 2020-21 and 2021-22 and therefore, the sanctioned amount got accumulated with the bank and disbursal process was completed in the end of 2021-22. The Committee also observe that while internal audit of the Department is carried out through Principal Chief Controller of Accounts, no internal audit of the scheme was carried out by them. The Committee are of the view that the internal audit of the scheme could have pointed out the large accumulation of undisbursed scholarship money. The Committee, therefore, recommend that the Ministry may take concrete steps to strengthen the internal audit mechanism of the Department/Ministry and of the schemes being undertaken by the Ministry to avoid such recurrences in future.

Recommendation 3- Carrying out due diligence before launching schemes

- 3. The Committee note that while the steps relating to validating the correctness of bank account number of students, Aadhaar number, matching of name of the students with Aadhaar and bank account numbers etc. were being used under the NMMSS, PFMS was not leveraged for steps relating to disbursement of scholarship in DBT mode using PAO-DBT module. Ministry of Education continued to use the SBI bank account for carrying out transactions which allowed the bank to hold significant float funds with it. The Committee note that the operating cost of the Scheme was compensated by the available float fund in the account. While noting the fact mentioned by the Bank that cost of the implementation was barely compensated with the interest on float funds, the Committee also note that compensating the SBI through maintaining float funds without amending the MoU between the Ministry and SBI, indicated lack of due diligence. The Committee have been informed that the NMMSS account of the Ministry with SBI has since been closed. The Committee, however, recommend that the Ministry may ensure due diligence before finalization of modus operandi of any scheme and that such instances do not recur in the future.**

Recommendation no. 4- Utilisation of quota and Increase in number of beneficiaries.

4. The Committee note that the National Means-cum-Merit Scholarship Scheme (NMMSS) is a 100% Central Sector Scheme under Ministry of Education (MoE) with an objective to award scholarships to meritorious students of economically weaker sections to arrest their drop out at class VIII and to encourage them to continue their study at secondary stage in State Government, Government-aided and local body schools. Under this scheme, one lakh scholarships are awarded to the students studying in class IX, which is renewed for classes X, XI and XII. The Committee note that the number of beneficiaries has not increased since inception of the scheme in 2008. The Committee also note from the submission made by the Ministry that in the next EFC, there will be a review of the quota of scholarships being given to states. The Committee recommend that the Ministry may examine any cases of non / less utilisation of quota by States and take corrective action to achieve full utilisation of the allotted quota. The Committee also opine that since education and human capital development are the foundational pillars of development, there is an immediate need to increase the number of beneficiaries. The Committee therefore, recommend that the number of beneficiaries of the scheme may be sufficiently increased taking into consideration the population of students/demand of States/ UTs. These measures, while enabling States/UTs to get increased quota of scholarships to achieve the objective of the Government would also help in arresting the dropout of meritorious students of economically weaker section at Class VIII and encourage them to continue their education at Secondary stage.

Recommendation No. 5- Increase in amount of scholarship.

5. The Committee note that the current amount of scholarship is Rs. 12, 000 per annum per student. This amount in the current times may be insufficient to fund the cost of schooling, textbooks, stationery and the requirement of access to digital tools such as internet, printing facilities and basic smart phones. The Committee accordingly, recommend that the amount of scholarship may be reviewed and increased to cover such costs; account for inflation and also be a competitive alternative to child labour.

The Committee also desire that the income criteria for tribal students may be relaxed to give them a greater chance of availing this scholarship.

Recommendation-6-Increasing Awareness of the Scheme

- 6. The Committee note that the NMMSS was started to award scholarships to meritorious students of economically weaker sections to arrest their drop out at class VIII and to encourage them to continue their study at secondary stage in State Government, Government-aided and local body schools. The Ministry has stated that as per the cycle of the scheme, targeted number beneficiaries is 4 lakhs which includes 1 lakh beneficiaries for Class IX and subsequent renewals for Class X, XI and XII. In this context, the Committee note from the findings of the Report on 'Evaluation Study of National Means cum Merit Scholarship Scheme' that there is *inter-alia* a need to increase the awareness of the scheme particularly at the gram panchayat level. The Committee recommend that a multi-pronged, comprehensive plan be made for publicity of the scheme in regional languages in schools, gram panchayats etc. to increase awareness about the scheme and process of application among the intended beneficiaries.**

**NEW DELHI
16 April, 2026
26 Chaitra, 1948 (Saka)**

**K. C. Venugopal
Chairperson,
Public Accounts Committee**

MINUTES OF THE FOURTEENTH SITTING OF THE COMMITTEE ON PUBLIC ACCOUNTS (2024-25) HELD ON 21ST FEBRUARY, 2025.

The Committee on Public Accounts sat on Friday, the 21st February, 2025 from 1100 hrs. to 1230 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Shri K. C. Venugopal - Chairperson

Members

LOK SABHA

2. Shri T.R. Baalu
3. Shri Jagdambika Pal
4. Shri Jai Parkash
5. Prof. Sougata Ray
6. Dr. Amar Singh
7. Shri Dharmendra Yadav

RAJYA SABHA

8. Shri Shaktisinh Gohil
9. Dr. K. Laxman
10. Shri Praful Patel
11. Shri Sudhanshu Trivedi

LOK SABHA SECRETARIAT

- | | |
|--------------------------|------------------|
| 1. Shri Sanjeev Sharma | Joint Secretary |
| 2. Shri Muraleedharan P. | Director |
| 3. Shri Atul Bhawe | Deputy Secretary |
| 4. Ms. Malvika Mehta | Deputy Secretary |

REPRESENTATIVES OF THE MINISTRY OF EDUCATION (DEPARTMENT OF SCHOOL EDUCATION AND LITERACY), MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY AND STATE BANK OF INDIA

- | | |
|-------------------------|---|
| 1. Shri Sanjay Kumar | - Secretary |
| 2. Smt. A Srija | - Economic Advisor |
| 3. Shri Sanjay Kapoor | - Joint Secretary and Financial Advisor |
| 4. Shri Shashi Bhushan | - DDG, NIC, MEITY |
| 5. Shri Manoj K. Mishra | - DDG, NIC |
| 6. Shri Ashish Kumar | - Assistant General Manager |

REPRESENTATIVES OF THE OFFICE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

1. Ms. Smita S. Chaudhri - Dy. C&AG
2. Shri Samar Kant Thakur - Dy. C&AG
3. Ms. Kavita Prasad - Director General

2. At the outset, the Chairperson welcomed the Members and the officers of the Comptroller and Auditor General of India to the Sitting of the Committee on Public Accounts, convened to have oral evidence of the representatives of the Department of School Education and Literacy in Ministry of Education along with representatives of Ministry of Electronics and Information Technology and State Bank of India on the subject "Parking of funds outside the Government Account" based on Para 2.2 of C&AG Report No. 8 of 2024.

3. Audit officers then made a power point presentation and briefed the Committee on significant findings in the para, such as the scholarship funds being deposited in current bank account opened in State Bank of India (SBI) in deviation of the extant Direct Benefit Transfer disbursement pattern; holding of significant amount of float funds with SBI and as a result of this; non-verification of deposit of scholarship amount in beneficiaries' accounts and loss of interest to Government on account of stopping of auto sweep facility by SBI without consulting the Ministry etc.

4. Thereafter, the representatives of the Ministry of Education, Department of School Education and Literacy; Ministry of Electronics and Information Technology and State Bank of India were called in and the Chairperson welcomed them. The representatives of the Ministry of Education then made a Power Point Presentation on the issues pointed out by Audit. Members sought clarifications from the representatives on matters relating to selection of students for scholarship; quota of States in the scheme; access to the scheme by students in remote areas; opportunity to tribal students for availing the scholarship; incorporation of provision for automatic refund of undisbursed amount in Memorandum of Understanding with SBI; details of technical glitches on National Scholarship Portal that continued for three years; enhancing number of beneficiaries under the scheme; reasons for not adhering to the General Financial Rules regarding the utilization of grants within the financial year; reasons for overlooking legal opinion and contractual issues pointed out by C&AG; adoption of the criteria of learning outcomes; increase in number of students because of implementation of the scheme; possibility of introducing AI-

driven verification tools to check details of beneficiaries and outcome evaluation by independent third-party as proposed by the Expenditure Finance Committee for continuation of the scheme etc.

5. The representatives of the Ministry responded and *inter-alia* stated that number of students under the scheme is decided by the State within the quota; that from 2010-11 onwards the budget outlay provided to the Ministry was insufficient compared to the actual number of beneficiaries, resulting in lag in payments; that pending disbursement was due to COVID pandemic; reasons for retaining amount of Rs. 4 crore and the formula for dividing the scholarship amongst States etc.

6. When certain queries were being addressed to the representative of SBI, Members took serious exception to an AGM level officer representing SBI during oral evidence instead of a senior level officer as requested by the Committee Secretariat. Consequently, Chairperson directed the PAC Secretariat to seek an explanation from SBI in the matter. He then thanked the representatives of the Ministry of Education, Department of School Education and Literacy for appearing before the Committee and sharing valuable information. The information which was not readily available was sought within 15 days of the evidence. Chairperson also thanked the Audit officers for briefing the Committee on the said subject. The witnesses then withdrew.

The Committee then adjourned.

A copy of the verbatim proceedings has been kept on record.

MINUTES OF THE TWENTY FOURTH SITTING OF THE PUBLIC ACCOUNTS COMMITTEE (2025-26) HELD ON 16th APRIL, 2026.

The Public Accounts Committee (2025-26) sat on Thursday, the 16th April, 2026 from 1000 hrs to 1030 hrs in Committee Room No. '1', Extension to Parliament House Annexe, New Delhi.

PRESENT

Shri K. C. Venugopal - Chairperson

MEMBERS

LOK SABHA

2. Shri Jagdambika Pal
3. Shri Jai Parkash
4. Dr. C M Ramesh
5. Dr. Amar Singh
6. Shri Anurag Singh Thakur
7. Shri Balashowry Vallabhaneni
8. Shri Magunta Sreenivasulu Reddy

RAJYA SABHA

9. Shri Ashokrao Shankarrao Chavan
10. Dr. K Laxman
11. Dr. Sudhanshu Trivedi

LOK SABHA SECRETARIAT

1. Smt. Mamta Kemwal - Joint Secretary
2. Smt. Archana Pathania - Director
3. Shri Pankaj Kumar Sharma - Deputy Secretary
4. Ms. Malvika Mehta - Deputy Secretary

OFFICERS OF THE OFFICE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

1. Shri Saurav Kumar Jaipuridar - Dy. C&AG
2. Shri Samar Kant Thakur - Addl. Dy. C&AG
3. Ms. Ritu Dhillon - Director General
4. Shri Sanjay Sahu - Director

At the outset, the Hon'ble Chairperson welcomed the members to the sitting of the Committee and invited suggestions from the Members on the following Draft Reports included in the agenda for consideration and adoption:

- (i) **“Parking of Funds outside the Government Account” based on Para 2.2 of C&AG report No. 08 of 2024;**
- (ii) X X X X
- (iii) X X X X

2. After some deliberations, the Committee adopted the aforesaid three Draft Reports with slight modifications and authorised the Chairperson to finalise the Reports in the light of factual verification done by the Audit.

The Committee then adjourned.