GOVERNMENT OF INDIA
MINISTRY OF MINORITY AFFAIRS

**LOK SABHA
STARRED QUESTION NO.*169**
ANSWERED ON 14.12.2023

FAKE INSTITUTIONS UNDER MINORITY SCHOLARSHIP PROGRAMME

*169. SHRI RITESH PANDEY:

Will the Minister of MINORITY AFFAIRS be pleased to state:

(a) whether it is a fact that over 53 per cent of institutions active under the minority scholarship programme were found 'fake';

(b) if so, whether any investigation has been intiated in the matter;

(c) if so, the present status of the investigation thereof;

(d) whether the Government has framed a comprehensive policy to ensure that such incidents do not re-occur;

(e) if so, the details thereof and the timeline set for its implementation; and

(f) if not, the reasons therefor and whether such a policy is likely to be drafted in the near future and a timeline set for the same?

ANSWER

THE MINISTER OF MINORITY AFFAIRS
(SHRIMATI SMRITI ZUBIN IRANI)

(a) to (f): A Statement is laid on the Table of the House.

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STATEMENT AS REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION *169 FOR ANSWER ON 14.12.2023 REGARDING FAKE INSTITUTIONS UNDER MINORITY SCHOLARSHIP PROGRAMME ASKED BY SHRI RITESH PANDEY:

(a) to (c): Taking cognizance of Media reports and All India Performance Audit Report, the Ministry entrusted a third party Evaluation study and Physical Verification of Institutes and applicants under Scholarship Schemes. The findings of the study indicated gross irregularities with instances where benefit of Scholarship Schemes is not reaching to the targeted beneficiaries. Government being seized of the complains, a sample of 1,572 institutes were identified for evaluation based on Red Flags generated on National Scholarship Portal (NSP). Out of 1,572 Institutions from 21 States, 830 Institutions are found either non-operational or fake or partial fake. These 830 institutes were either non-existent or beneficiaries were fully fake/partially fake. Consequently, the matter has been referred to the Central Bureau of Investigation (CBI) for thorough investigation and FIR has been registered by the CBI on 28.08.2023.

(d) to (f): After the on-line submission of application for scholarship, the onus of verification lies with Institute Nodal Officer and then District/State Nodal officers of the concerned state. Once, the application is verified at both the levels, the National Scholarship Portal runs the Sanity checks and generates Red Flags. The applications with red flags are again sent to State Nodal Officer for re-validation. Thus, the entire process of verification and validation is done by State functionaries. The Ministry only had to finally sign the payment files and push it to the Public Finance Management System (PFMS) for Direct Benefit Transfer (DBT).

The Government took various intensive exercise to clean up and revamp the system during the last two years through verification of applicants and the verifying authorities and ensure that such cases of fraudulent should not be repeated. As a policy intervention, an intensive drive for Aadhaar based bio-metric authentication of all verifying authorities and finally verified applicants, have been conducted and it has been ensured that henceforth, leakage can be curtailed. The Bio-metric Authentication drive has been completed within the stipulated timeline.

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