

## CORRUPTING THE TECH

Relevant for: Developmental Issues | Topic: Important Aspects of Governance, Transparency & Accountability including Right to Information and Citizen Charter

Its advocates, including Central and state governments, have pitched Direct Benefit Transfers (DBT) as an antidote to a persistent problem of social welfare and subsidy schemes in the country — the almost ubiquitous middlemen who deprive beneficiaries of their legitimate allotment. An [Aadhaar](#) number, according to such proponents, adds to the robustness of these schemes. The Unique Identification Authority of India's website, for instance, notes, "Aadhaar seeding your scheme ensures that nobody else can claim your share of the benefits by impersonating you as a person." Social activists and grassroots-level workers have, however, pointed to the frailties of this system and argued that having a Unique Identification Number (UIN) is no guarantee against being robbed of scholarships, pensions and other welfare entitlements. Now, an investigation by this newspaper has uncovered a nexus of middlemen, government employees and bank staff who allegedly dupe students from minority communities of a centrally funded scholarship in Jharkhand. That these officials found ways to dodge verification processes to pilfer funds sanctioned by the Union Ministry of Minority Affairs underlines the urgency of plugging the gaps in these procedures and, more importantly, mending the DBT architecture.

On paper, the scholarship scheme for minority community students, from families with an annual income of less than Rs 1 lakh, undergoes a rigorous verification process — applications are scrutinised at the school/institution level and the district or state level. But right under the noses of district, state and Central authorities, bank officials and school staff connived to steal user IDs and passwords to divert benefits from schools that never applied for any grant, middlemen coerced parents to forego a big share of their children's dues and institutions fudged records to apply for scholarship funds. That many students received only a fraction of their scholarship money — that too in cash — shows that policymakers in charge of DBT schemes have much to do in cutting through networks of misappropriation. This newspaper's investigation shows that a bank account and a UIN are not always enough to flatten the traditionally asymmetrical relationship between officials who implement subsidy schemes in rural areas and beneficiaries of such projects. The scholarship money embezzled from the students, for instance, found their way into accounts of unsuspecting people who divulged their bank and Aadhaar details in return for "charity money from Saudi Arabia" — a part of which they handed out to the middlemen.

The Union Ministry of Minority Affairs and the Jharkhand government have assured a probe into the scam. The guilty should, of course, be punished. But it's high time that ways are found to strengthen DBT schemes, reach social welfare funds and subsidies to intended beneficiaries — in their full measure.

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