



GOVERNMENT OF KARNATAKA

**EVALUATION OF ARIVU EDUCATIONAL LOAN
SCHEME IMPLEMENTED BY D DEVARAJ URS
BACKWARD CLASSES DEVELOPMENT
CORPORATION IN KARNATAKA (2011-12 to 2017-18)**



ಕರ್ನಾಟಕ ಮೌಲ್ಯಮಾಪನ ಪ್ರಾಧಿಕಾರ
Karnataka Evaluation Authority

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DEPARTMENT OF PLANNING, PROGRAMME MONITORING AND STATISTICS

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SEPTEMBER 2020

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CORPORATION



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FOREWORD

Karnataka State has emerged as a viable knowledge economy with spectacular growth in the field of research and Higher education. It tops the India Innovation Index 2019 exhibiting high potential for knowledge production and dissemination. However, it has to address issues relating to unequal access, regional disparities, social inequalities, poor quality and deplorable educational standards which are major challenges for achieving the targets in SDG-4 Quality Education. In this context, to increase the access to higher education the Educational Loan schemes are introduced so that no student shall be denied the opportunity to pursue higher education for want of financial assistance. Arivu Education loan scheme by D Devaraj Urs Backward Class Development Corporation is to facilitate the entry of poor backward class students in higher education with increased access to quality education by providing financial assistance. To examine the impact of the scheme the Corporation has initiated an evaluation study through Karnataka Evaluation Authority. The study was undertaken by GRAAM.

The study derives its findings from the analysis of secondary as well as primary data collected from a multi-stage, stratified random sampling covering 1130 beneficiaries selected from 12 districts across 4 revenue divisions of the state. The study has brought out the fact that ARIVU Loan Scheme is showing promises of improving participation of backward class poor students in higher education, as 81.7% of student beneficiaries are seen in the BE course and their access to gainful employment opportunities has also increased. The course completion ratio is 46.5 per cent among beneficiaries, of which highest proportion is in PG courses (82.8%). The scheme needs to be continued further, however, serious effort is required to identify and target the most vulnerable households, particularly the first generation, to promote social equity. The wide gender gap in Kalaburgi, Bidar and Belagavi districts indicates the need for increased regional gender focus in the programme.

The major recommendations are enhancing the loan amount as per the requirements of technical and professional courses, priority to girl students, relaxing the document requirements, increasing the coverage in rural areas and developing an effective monitoring system. The programme design may also examine the feasibility of up scaling the non-CET students to bring them on par with the CET category.

I expect that the findings and recommendations of the study will be useful to the Government and D Devaraj Urs Backward Class Development Corporation for taking up the necessary modifications in scheme design and implementation.

The study received support and guidance of the Additional Chief Secretary Planning, Programme Monitoring and Statistics Department, Government of Karnataka. The report was approved in 47th Technical Committee meeting. The review of the draft report by KEA, members of the Technical Committee and an Independent Assessor, has provided useful insights and suggestions to enhance the quality of the report. I duly acknowledge the assistance rendered by all in successful completion of the study.



Chief Evaluation officer
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Our sincere appreciation and thanks to the contribution of Dr M D Usha Devi who has not only led this study but has also been centrally involved in drafting and modifying the report in its multiple iterations. Our sincere thanks to Dr Syed Ajmal Pasha, former Senior Research Fellow, GRAAM, who has played a critical role at all stages of the study.

We would like to thank the community consultation team and project management team at GRAAM for effective management of data collection and constant communication with KEA respectively. Our special thanks to enumerators and NGOs who helped us complete the data collection despite difficulties due to floods and other field imperatives.

We are thankful to all the study participants i.e. the beneficiaries of the scholarships who shed light on their experience of the scholarship, the non-beneficiaries and the officials who provided insights on the process side. Without them it would not have been possible to do this piece of work.

Sd/-

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TABLE OF CONTENTS

Executive Summary	1
CHAPTER - 1	7
INTRODUCTION	7
1.1 Background about ARIVU Educational Loan Scheme:.....	7
1.2 Problem Statement	9
1.3 The Purpose of Evaluation	9
1.4 Objectives of the Study:	10
CHAPTER - 2	11
METHODOLOGY	11
2.1 Theory of Change.....	11
2.2 Data Collection Methods and Analysis	13
2.3 Sampling Design and Research Tools.....	17
2.3.1 Selection of sample student beneficiaries of Arivu Scheme.....	18
2.3.2 Research Tools: Description	19
2.3.3 Data Analysis	19
CHAPTER - 3	21
LITERATURE REVIEW	21
3.1 Student loan for higher education: Studies in India	21
3.2 Student loan for higher education: International contexts	25
CHAPTER - 4	31
EMPIRICAL ANALYSIS	31
4.1 Progress, Spread and Coverage at the State Level	31
4.1.1 Coverage across Caste Groups.....	33
4.1.2 Arivu Beneficiaries under CET Category	37
4.1.3 Beneficiary Coverage across Higher Education Courses: Time Series Analysis	37
4.1.4 Beneficiary Coverage across Categories: Time Series Analysis	39
4.1.5 Beneficiary Coverage: Gender-Wise and Regional Analysis	41
4.1.6 Beneficiary Coverage: Category & Regional Analysis	43
4.1.7 Beneficiary Coverage: Higher Education Courses & Regional Analysis.....	44
4.2 Arivu Education Loan Beneficiaries: Background	46
4.2.1 Landholding Status	46
4.2.2 Household Assets Owned by Beneficiaries	48
4.2.3 Student Beneficiaries by Type of College, Parents Occupation and Income	50

4.3	Beneficiary and Stakeholders' Perceptions about Arivu Loan Scheme.....	53
4.3.1	Continuation of Arivu Loan Scheme and Adequacy of Loan Amount	53
4.3.2	Benefit and Utility of the Scheme.....	54
4.3.3	Non-Economic Benefits of Arivu Loan.....	54
4.3.4	Utilisation of Arivu Education Loan.....	55
4.3.5	Release of Loan: Mode of Payment, Timeliness	56
4.3.6	Timeliness of Loan Release	57
4.4	Effectiveness of Arivu Scheme Implementation.....	58
4.4.1	Beneficiary Selection Procedure: Problems and Issues	60
4.4.2	Beneficiary Perceptions about Scheme Implementation: Easy Accessibility....	60
4.4.3	Beneficiary Perceptions about Procedural Requirements.....	61
4.5	Arivu Education Loan Impact on Educational Outcomes.....	64
4.5.1	Arivu Impact on Course Completion Ratio	64
4.5.2	Arivu Education Loan Impact on Employment	68
4.6	Expenditure Incurred by Beneficiaries during their study period	76
4.7	Loan Repayment Status of Arivu Beneficiaries	81
4.7.1	Loan repayment status among employed and unemployed beneficiaries.....	82
4.7.2	Loan repayment status among male-female Beneficiaries	83
4.7.3	Loan repayment status across four BC categories	84
4.7.4	Loan repayment across different courses.....	86
4.7.5	Loan repayment status across different management types.....	87
4.7.6	Loan repayment status across districts/divisions	87
4.8	Logistic Regression	89
4.9	Beneficiary Awareness about Arivu Education Loan	90
4.9.1	Eligibility Criteria	91
4.9.2	Selection & Application Procedure	92
4.9.3	Beneficiary Awareness about Documents required.....	95
4.10	Reasons and Constraints for Low Access & Poor Participation	96
4.11	A Comparative Analysis of Non-Beneficiaries.....	97
4.12	Case Study of a Female Student Beneficiary	98
4.13	Comparative Analysis of Arivu Scheme with Similar Schemes from Other States	101
CHAPTER - 5		103
FINDINGS, SUGGESTIONS, AND RECOMMENDATIONS.....		103
5.1	Major Findings	103
5.2	Suggestions and Recommendations	108

ANNEXURE	111
IDIs (In-depth Interviews) and.....	111
FGDs (Focused Group Discussions) Analysis.....	111
BIBLIOGRAPHY.....	115
APPENDIX	119
Questionnaire / Schedule.....	119
Terms of Reference for the Study.....	145
Study Photographs.....	162

LIST OF TABLES

Table 2.1 Evaluation Matrix	13
Table 2.2 Sampling Design.....	17
Table 4.1 Progress of ARIVU Education Loan Scheme at the State Level.....	32
Table 4.2 Physical & Financial Allocation & Achievement of Arivu Loan for Nomadic & Semi-Nomadic BC students at the State Level.....	34
Table 4.3 Physical & Financial allocation & Achievement of Arivu Loan for Madivala BC students at the State Level.....	34
Table 4.4 Physical & Financial allocation & Achievement of Arivu Loan for Savitha BC students at the State Level.....	35
Table 4.5 Physical & Financial allocation & Achievement of Arivu Loan for Kumbara BC students at the State Level.....	35
Table 4.6 Physical & Financial allocation & Achievement of Arivu Loan for Tigala BC students at the State Level.....	36
Table 4.7 Physical & Financial allocation & Achievement of Arivu Loan for Uppara BC students at the State Level.....	36
Table 4.8 Physical & Financial allocations under CET (Overall State)	37
Table 4.9 Arivu Education Beneficiaries in CET and Non-CET courses.....	38
Table 4.10 Arivu beneficiary coverage under different courses for category I students	39
Table 4.11 Arivu beneficiary coverage under different courses for category IIA students.....	40
Table 4.12 Arivu beneficiary coverage under different courses for category IIIA students ...	40
Table 4.13 Arivu beneficiary coverage under different courses for category IIIB students....	41
Table 4.14 Gender- wise Coverage across Sample Districts (Universe-All Beneficiaries) ...	42
Table 4.15 BC category- wise Coverage across Sample districts (Universe-All Beneficiaries)	43
Table 4.16 Course-wise distribution & coverage of beneficiaries in the sample districts (Universe-All Beneficiaries).....	45
Table 4.17 Land owning status of the Arivu Beneficiaries	47
Table 4.18 Landowning Status across Beneficiary Categories.....	47
Table 4.19 Type of Land Owned Across Beneficiary Categories	48
Table 4.20 Household Assets owned by Beneficiaries across districts	49
Table 4.21 Beneficiaries by Type of College	50
Table 4.22 Beneficiary College Type and the Annual Income of their Parents	51

Table 4.23 Beneficiary by College Type and Parents Occupation	52
Table 4.24 Beneficiary by College Type and Parents educational level	52
Table 4.25 Beneficiary perceptions about the benefit of Arivu programme	55
Table 4.26 Utilisation of Arivu Loan by beneficiaries	55
Table 4.27 Loan Instalments	57
Table 4.28 Releasing of Loan on Time.....	58
Table 4.29 Easy Accessibility to the Loan by the beneficiaries	60
Table 4.30 Beneficiaries views on Difficult Procedural Tasks.....	62
Table 4.31 Difficult Procedural Tasks faced by Rural Students.....	63
Table 4.32 Convenience in filling of online application.....	64
Table 4.33 Course-wise beneficiary status	65
Table 4.34 Reasons for dropout (N=23)	65
Table 4.35 District-wise Student Beneficiary Course Completion Status.....	66
Table 4.36 Male- Female student beneficiary status	67
Table 4.37 District-wise Male-Female Course Completion Status	67
Table 4.38 BC category –wise distribution of student beneficiary status.....	68
Table 4.39 Employment Status of Course Completed and Dropouts	69
Table 4.40 Employment Status: Male – Female	69
Table 4.41 Employment Status across BC Category Beneficiaries	69
Table 4.42 Course-wise Employment Status among Beneficiaries	70
Table 4.43 Employment status across districts	71
Table 4.44 Type of employment of the beneficiaries	71
Table 4.45 Place of Work of the employed beneficiaries	72
Table 4.46 Monthly earnings of the employed beneficiaries.....	73
Table 4.47 Beneficiaries getting job immediately after completing the course	74
Table 4.48 Extent of delay in getting job.....	74
Table 4.49 Reasons for delay in getting job	75
Table 4.50 Average Annual Educational Expenditure per Beneficiary for CET and Non-CET across Districts	77
Table 4.51 Average Annual Education Related Expenditure across Courses per Beneficiary	78
Table 4.52 Average Education related Expenditure across districts and divisions	78
Table 4.53 Average Education related Expenditure across Categories	79
Table 4.54 Average Annual expenditure as against Average Loan for CET Beneficiaries	79

Table 4.55 Average Annual expenditure as against Average Loan for Non-CET Beneficiaries	80
Table 4.56 Loan Repayment Status among Beneficiaries	82
Table 4.57 Employment Status of Beneficiaries and Loan Repayment Status.....	82
Table 4.58 Loan Repayment Status of Employed-Unemployed Male-Female Beneficiaries .	83
Table 4.59 Repayment of loan across different categories of Beneficiaries.....	84
Table 4.60 Repayment of loan among employed-unemployed across different categories of Beneficiaries	85
Table 4.61 Beneficiaries loan repayment status across different courses.....	86
Table 4.62 Beneficiaries loan repayment status across different type of higher education institutions.....	87
Table 4.63 Status of Repayment of the loan	87
Table 4.64 Status of Repayment of the loan – Matrix Regression Results of Employment status with independent variables	90
Table 4.65 Source of awareness about the Arivu Scheme.....	91
Table 4.66 Beneficiaries knowledge about programme eligibility criteria.....	92
Table 4.67 Beneficiaries knowledge about selection process / procedure.....	93
Table 4.68 Awareness about Loan Amount Releasing Procedure among the Beneficiaries...	94
Table 4.69 Beneficiaries knowledge about application procedures.....	95
Table 4.70 Beneficiaries knowledge about documents required for the scheme.....	96
Table 4.71 Non-Arivu BC beneficiary views on higher Education [N=12]	98

LIST OF FIGURES

Figure 2.1 Theory of Change	12
Figure 2.2 Map Showing the Selected Districts across Revenue Divisions of Karnataka	18
Figure 4.1 Progress of Arivu Education Loan Scheme at State Level.....	32
Figure 4.2 Progress of ARIVU Education Loan Scheme at the State Level (in %)	33
Figure 4.3 Gender- wise Coverage across Sample districts.....	42
Figure 4.4 BC category- wise Coverage across Sample districts (Universe-All Beneficiaries)	44
Figure 4.5 Distribution of beneficiaries across colleges (%).....	51
Figure 4.6 Beneficiary by College Type & Parent's educational level	53
Figure 4.7 Loan repayment status among employed-unemployed beneficiaries.....	83
Figure 4.8 Loan repayment status of employed-unemployed male-female beneficiaries	84
Figure 4.9 Repayment of loan among Male and Female Employed Beneficiaries	85
Figure 4.10 Beneficiaries loan repayment status across different courses	86
Figure 4.11 Status of Repayment of the loan.....	89

LIST OF PICTURES

Picture 1: Interview with Arivu Education Loan Beneficiary Parent	162
Picture 2 Interview with DD Urs Corporation district Manager Bangalore	162
Picture 3 Interview with Engg. College Principal in Belagaum on Arivu Education loan....	163
Picture 4 : Arivu Educational Loan Study Tools Orientation to enumerators.....	163

LIST OF ABBREVIATIONS

BC	Backward Class
BE	Bachelor of Engineering
CEO	Chief Executive Officer
CET	Common Entrance Test
DDUBCDC	D Devaraj Urs Backward Class Development Corporation
EQUIP	Education Quality Up-gradation and Inclusion Programme
FGDs	Focus Group Discussion
GDP	Gross Domestic Product
GER	Gross Enrolment Ratio
GOK	Government of Karnataka
HEI	Higher Educational Institutions
IDIs	In-depth Interviews
KEA	Karnataka Examination Authority
MHRD	Ministry of Human Resource Development
PG	Post-Graduation
ZP	Zilla Panchayat

Executive Summary

The present study is an Evaluation of the Arivu Education Loan Programme launched by the Karnataka state government. The scheme aims at increasing access, reducing dropout and enhancing employability of the backward class students of category I, II-A, III-A & III-B. The scheme provides education loan to pursue higher education for both CET and non-CET backward class students. It covers all the 30 districts. The scheme is implemented by the D Devaraj Urs Backward Class Development Corporation [DDUBCDC]. The scheme offers a maximum loan of Rs.1.0 lakh per student per year at 2% interest per annum whose family's annual income does not exceed Rs. 3.5 lakh per annum.

The purpose of evaluation as given in the Terms of Reference issued by KEA is to examine the design, structure & process of implementation of the scheme. The objectives of the study are: (i) to assess the programme impact in terms of intended outcomes; (ii) to examine its spread, coverage, timely availability, utilization; (iii) to understand beneficiary and stakeholders' perceptions with respect to programme implementation and impact. The study employs a field survey method of evaluation combined with case study. Data collection methods include questionnaires, documentary analysis, FGDs and IDIs. The sampling design involves multi-stage, stratified covering a sample size of 1130 beneficiaries selected from 12 districts across 4 revenue divisions of the state. The data analysis includes both quantitative and qualitative techniques.

Major Findings:

1. Overall, the state has covered a total of 16,430 BC students under the Arivu Educational loan programme from the year 2011-12 to 2018-19. Considering the total amount spent for the programme target of 15,095 beneficiaries and financial allocation of Rs.10,297.71 lakhs, the efficiency in terms of achievement works out to 108.8 per cent for the former and 83.1 per cent for the latter. Relatively better performance is seen with respect to annual coverage for the years 2013-14 & 2015-16. ***In terms of achievement of targets under the CET category, the scheme reveals consistently positive performance.***
2. Consistent shortfall in the coverage of most vulnerable caste groups like Nomadic & Semi-Nomadic, Kumbara, Thigala, Madivala, Savitha, not only suggests the need for re-examining the program design but also revising the state policy norm itself.

3. Across courses in the 12 sample districts from 2011 to 2015, the BE/B.Tech course reveals highest coverage, taking a big leap from the year 2016 onwards to boost the participation of BC students in the most happening professional programme (Engineering) of higher education sector. This is a commendable achievement. Despite limited coverage of PG, Medical and non-CET courses, the consistent growth over the years is a reflection of the increased demand. ***Considering the fact that BC students constitute large chunk of the general degree enrolment in rural areas, there is a need to examine the relevance and up scaling of Arivu loan benefit even to this category of students.***
4. Across BC categories, over the time, the coverage proportion is found to be in alignment with the overall state distribution norms. By default, category IIA emerges as the largest beneficiary of the programme. Across regions, anomalies in coverage of categories in Bengaluru, Mysore districts and Hyderabad Karnataka region, although is explained in the context of demographic composition and spread of the population, yet the fact remains that some of the predominant castes under these categories may not necessarily qualify for the benefit. Therefore, ***the most crucial factor in the final selection of the beneficiaries needs to be based on the vulnerability and risk factors among such caste groups rather than merely going by nominal categories.***
5. The programme is found to cover 4 girls for every six boys. However, the wide gender gap in Kalaburgi, Bidar and Belagavi districts ***indicate the need for increased regional gender focus under the programme.***
6. Overall, a whopping majority (81.7%) of student beneficiaries are seen in the BE course. Across regions, all divisions present the same trend. It is gratifying to note that even backward districts such as Bagalkote and Uttara Kannada reveal more than 90.0 per cent of beneficiaries in the BE programme. ***Higher visibility of BC students in the most happening and glamorous programme such as the BE even in the backward regions is an indication of positive impact of the Arivu programme.***
7. Higher proportion (58.0 %) of the beneficiary households do not own land, suggesting presence of vulnerability and deprivation factors. Landless status is higher in case of Bengaluru (73.0%) and Belagavi (60.0%) divisions. Category IIIB reveals higher proportion of landless beneficiaries. Even in case of those revealing higher proportion (75.0 to 80.0 per cent) of dry land, such as those in Kalaburgi and Mysore regions, may not

necessarily provide immunity from vulnerability due to the fact that dry land in most cases does not ensure productive income.

8. Largest chunk (63.2%) of beneficiaries is found to be studying in private unaided colleges. This may be an obvious trend considering the fact that higher education is predominantly offered by the private sector in the state. Further, the selection and choice of the college type is also determined by the CET rank position of the student. This phenomenon, however, is noteworthy and further the Arivu programme facilitating this trend is even more promising.
9. Barring districts of Kolar and Bellary, in general, beneficiaries are satisfied with respect to mode of loan disbursement, easy accessibility (82.0%), convenience in accessing and submitting on-line application (94%), and timely release of loan (87.3%). ***However, procedural difficulties (44.3%), providing surety, providing affidavit (32.5%) and submitting different documents (28.4%) appear to be major deterrents across most districts.***
10. Arivu loan is being utilized for education purpose alone as reported by an overwhelming majority (94.51%). Apart from the loan mitigating their financial hardships and household burden, it has also helped them to complete their higher education in colleges of their choice without any interruptions and paved way for economic and social mobility. Additionally, ***more than 96.0 per cent of the beneficiaries are in strong agreement about the benefit of Arivu programme in increasing their confidence and comfort levels. While the loan amount is found to be sufficient by and large, a need has been felt for enhancement for medical students considering the heavy expenses incurred by them.***
11. An encouraging feature, suggestive of positive impact of the Arivu programme is the course completion ratio with 46.5 per cent of the beneficiaries, of which highest proportion is in PG courses (82.8%) followed by BE course (46.3%). While the programme is found to reveal absolute positive impact in terms of course completion for category IIA beneficiaries, for category IIIB, it is the other way round. The latter also reveals highest incidence of dropout with 14 out of the total 23 dropouts hailing from this category. Mysore division reveals relatively higher rate of positive impact with respect to course completion ratio.

12. Overall, the programme seems to impact boys and girls almost equally in terms of course completion ratio. However, when regional dimension is added, different patterns seem to emerge. Kolar and Kodagu districts reveal far higher positive impact on female students than male students.
13. With respect to programme's impact on employment, a higher proportion of beneficiaries is found to be unemployed (58.1%) as compared to employed (41.5%). Category IIA reveals highest level of unemployment (60.0 per cent). The trend appears obvious as this category receives highest coverage (54%) under the programme. Across courses, barring the general degree and the medical programme, which have very small samples, unemployment rate is higher among PG beneficiaries (66%) followed by BE graduates (57%). Further, as revealed by the regression analysis, the programme is found to significantly influence employment of beneficiaries in Bengaluru division, male beneficiaries, and of those in government colleges. ***Quite significantly, loan repayment behaviour is found to increase with employment status.***
14. Highest proportion of beneficiaries are holding engineering jobs as engineering graduates happen to constitute a major chunk in the study sample, and most of them (56.84%) are working in Bengaluru and within Karnataka (35.9%).
15. The monthly earnings of the highest proportion (48%) of the employed beneficiaries fall between 15k to 25k. The wage structure seems to vary across districts.
16. The annual expenditure reported by the student beneficiaries is found to vary in the range of Rs.1.0 lakh to over Rs.4.0 lakh across districts. So also there is variation between CET and non-CET students. Overall a CET beneficiary will be required to meet a gap of Rs.38,929.85 per annum during the study period. This gap is found to vary from a low of Rs.25K a high of Rs.97k plus. Quite interestingly, Shivamogga district reveals lesser expenditure incurred as against the loan availed in the year.
17. Only 101 out of 549 eligible beneficiaries have repaid the loan, which works out to 18.4 per cent. Across districts, Hassan and Bellary reveal relatively better performance. It is very poor in Bengaluru Urban district (1.49 %). Across categories, loan repayment is much better in the case of category III B beneficiaries, 30 percent of them are repaying the loan. Low level of repayment is seen both in case of category I and category IIA, the latter being

largest beneficiaries of Arivu programme. Those taking loan from other sources is quite negligible.

Recommendations

1. Considering the greater utility value and higher benefit accrued to backward class students, ***it is recommended that the ARIVU programme may be continued further. It is also recommended that the programme may further be extended to backward class students in general degree programmes of higher education.***
2. As the coverage and targeting under specific BC communities such as Nomadic & Semi-Nomadic, Savitha, Kumbara, Thigala, Uppara reveal huge shortfalls, ***the State needs to seriously examine the way programme has been designed to reach out to these most vulnerable households, particularly the first generation families.***
3. Considering low visibility of girls in the Arivu programme, ***it is strongly recommended that the programme may consider giving priority to girls to the extent of 30.0 per cent, particularly in backward regions.***
4. As the programme is seen to favour beneficiaries largely from urban and semi-urban regional backgrounds, ***it is recommended to enhance target coverage for rural beneficiaries so as to bring them on par with their urban counterparts.***
5. While it is necessary to re-examine the rationale and mechanism for fixing targets and allocations to improve overall reach and coverage, ***district specific strategies may be employed for fair and unbiased selection of beneficiaries.***
6. There is need for benchmarking data systems and to develop proper baseline datasets to track the progress and impact of any given programme over the time. Such a system would enable the governments to justify public resource investments as well as achieving various developmental goals. In the light of this, ***it is recommended that the DDUDBC may consider establishing a statistical unit in collaboration with the education department for not only generating statistical database, but also for proper monitoring and assessment of various education programmes.***
7. In the light of beneficiaries reporting about difficulties experienced in providing surety, affidavits and several documents, it is necessary for the department to streamline and

simplify some of these procedures so as to make it convenient and friendlier. Therefore, *it is recommended that the present system of providing surety/witnesses may be replaced with alternative authentic proof system provided by beneficiary' own family.*

8. In view of the higher expenditure incurred by the beneficiaries in certain courses, *it is recommended that the present loan amount may be enhanced to 2.0 lakh per annum for medical education courses.*
9. The incidence of large scale non-payment of loan among beneficiaries is a serious issue. While unemployment appears to be the key factor for default, there are also instances of non-repayment even among the employed beneficiaries. Considering the fact that some students face financial constraints and have genuine reasons for loan repayment, *it is recommended that the waiting period for loan recovery may be extended for one year from the date of completion to enable those seeking employment. Alternatively, the department may consider decreasing interest rate to enable loan recovery from those who experience serious constraints. On the other hand, for those already employed, some serious disciplinary actions may be invoked for loan recovery.*
10. It is noticed that the department has a weak monitoring system to review and take stock of the programme. *It is therefore strongly recommended that the department has to step up its district level monitoring of the programme in terms of tracking the loan beneficiary and upkeep of the record through the use of digital software systems.*
11. *Loan in the first semester / year can be given to the college. But from the second year onwards, it can be given at the time of paying college fees.* Students can pay the loan amount to college as fees. This will reduce the burden on students' parents of mobilizing the fees amount.
12. The DDUBCD Corporation is required to step up its information dissemination strategy in backward districts like Bagalkot, Belgaum, Bellary, Mysore and Uttara Kannada. Similarly awareness strategies about the Arivu scheme and the administrative support system may be strengthened for better reach and coverage of beneficiaries in such backward districts.
13. Further research, preferably case studies may be initiated to understand and identify region specific variables impacting education among backward class students.

CHAPTER - 1

INTRODUCTION

The Indian economy currently is poised for reaping the advantages of the competitive edge it enjoys in terms of the expected demographic dividend in the next few decades. Therefore, improving the quality of human capabilities for increased productivity and efficiency have emerged as the top priority developmental agenda in the national context. Clearly higher education has received a significant boost in this direction with the vision to realize India's human resource potential to its fullest in the Higher Education sector and the mission to provide greater opportunities of access to Higher Education with equity to all the eligible persons and in particular to the vulnerable sections. The Higher Education sector, with its major focus on expansion and qualitative improvement aims at increasing the Gross Enrolment Ratio (GER) in Higher Education to 30% by the year 2020 (MHRD, GOI, 2019). As per the Indian government's latest release of the 5-year vision plan of Education Quality Up-gradation and Inclusion Programme (EQUIP), the major focus area is doubling the GER and resolving geographically & socially skewed access to Higher Education Institutions in India as well as doubling employability of students passing out of these institutions.

Karnataka State presents a promising scenario of spectacular growth in the field of higher education. Being a front runner in higher education, the state has pegged an average (above the national average) of 35% GER by 2020 from the current GER of 25% (Karnataka Knowledge Commission, GoK, 2012). However, it encounters formidable challenges of addressing issues relating to unequal access, regional disparities, social inequalities, poor quality and deplorable educational standards. Low transition, high dropout, poor completion ratio in higher education paint a gloomy picture in the otherwise promising higher education sector. Besides, rising cost, credit constraints and opportunity cost pose challenges for vulnerable population segments, not only for accessing higher education, but also for successful completion and economic gains.

1.1 Background about ARIVU Educational Loan Scheme:

Karnataka state has launched *Arivu*, an Education loan scheme as an alternative source of financing higher education for credit constrained students from underprivileged sections. The scheme is aimed at increasing access, participation in higher education and economic mobility among backward class students belonging to marginalized sections. The scheme provides financial support to pursue higher education for backward community students, who are unable

to mobilize loans from public sector banks owing to poverty and economic restraints. The scheme aims at increasing access, reducing dropout and enhancing employability of the students belonging to backward communities and is implemented through the D Devaraj Urs Backward Class Development Corporation [DDUBCDC]. The scheme covers all the 30 districts and targets higher education students of backward classes - category I, II-A, III-A & III-B in the ratio of 14%, 54%, 14% and 18% respectively. Earlier both CET and Non-CET educational loans were sanctioned and disbursed through Zilla Panchayats at the district level. Since 2017-18 CET educational loans are sanctioned, managed and disbursed on-line directly by D.D. Urs Corporation headquartered at Bengaluru. Non-CET loans are being given at the district level through Zilla Panchayats. ARIVU loan scheme covers engineering, medical and other 28 courses.

The Scheme, implemented in the year 2010-11, initially offered a maximum of Rs.10,000/-per year with an interest rate of 2% per annum, starting from the beginning of the course. The beneficiaries have to start repaying the educational loan with interest after four months of their completion of the course, even without getting any job. They have to clear the loan with interest in equal monthly instalment over a period of three years after completing the course over the period of completion of education. It was limited to only two categories of backward classes and only for students pursuing professional courses in engineering and medical education. The annual income limit for eligibility was Rs.22,000/-. Over the years, the scheme has seen expansion with respect to beneficiary coverage to include other backward class categories as well as other professional and general degree courses in higher education. The loan amount has been revised upwards and the eligibility norms have also been revised. Currently, the scheme offers a maximum loan of Rs.1.0 lakh per student per year at 2% interest per annum whose family's annual income does not exceed Rs. 3.5 lakh per annum. Up until the year 2018-19, 16,430 student beneficiaries have been covered with a budgetary expenditure of Rs.8558.75 lakh. It is nearly a decade that the Arivu scheme has been in place and there is need to understand how this scheme / programme has been performing over the years, how many student beneficiaries have been covered and what changes it has brought to the students in terms of economic and social gains. Hence the present study. It is expected that this evaluation study would provide appropriate feedback on the policy and the programme implementation as well as reveal critical insights with regard to the major challenges and issues confronting the higher education sector in the state.

1.2 Problem Statement

As already mentioned, the Arivu scheme has been implemented with the intention of enhancing enrolment and participation in higher education as well as improving job prospects among backward class students from the marginalized sections through the support of education loan. The scheme envisages bringing about economic and social change among these population segments thereby addressing issues relating to equitable growth and improving overall development.

While the programme targets the backward class students from the most vulnerable households, it is to be noted that apart from great diversity among the backward class population located in different geographical regions, the economic and social vulnerability factors also vary between households. This phenomenon is further compounded by the asymmetrical growth and development of higher education across different regions in the state, which will have differential impact on the intended outcomes of the programme. Further, the programme being implemented through a Quasi-Governmental Agency, namely D Devaraj Urs Backward Class Development Corporation in coordination with various line departments creates complexity in smooth and efficient implementation. It is in this context, it is worthwhile to understand not only the performance of the programme in terms of its intended benefits, but also to identify critical impediments, issues and challenges which come in the way of effective implementation. Thus, it is necessary to understand the interplay of various linkages in the programme with respect to design, planning, implementation, inputs, activities/tasks, outputs and outcomes.

1.3 The Purpose of Evaluation

The purpose, scope, and methodology of evaluation as given in the Terms of Reference is to examine the design, structure & process of implementation of the scheme; study & assess impact in terms of increasing access to higher education, completion ratio, reducing dropout, increasing job opportunities and economic mobility.

1.4 Objectives of the Study:

1. To assess the performance of Arivu scheme in terms of spread and coverage, timely availability and disbursement, extent of utilization
2. To assess beneficiary and stakeholders' perception and satisfaction with regard to Arivu loan scheme
3. To study the impact of the Arivu scheme in increasing access, enrolment, participation and employment potential of backward class students in higher education
4. To study the effectiveness of Arivu scheme implementation [tracking supply-distribution chain from the origin till the end beneficiary]
5. To assess the level of awareness of Arivu scheme among the backward class students
6. To find out reasons and constraints for low access and poor participation in higher education among backward class youth
7. To make a comparative analysis of the scheme with similar schemes from other states
8. To identify constraints and glitches experienced by Arivu loan student beneficiaries for managing other expenses during their study period
9. To examine the repayment status of Arivu loan by the beneficiaries as well as about other alternative loans if they have availed for higher education purpose
10. To critically analyse the context and historical background of the DDUBCDC and its interface with planning and growth of higher education sector
11. To explore various dimensions of budgetary components of loan and subsidy in regard to financing of Arivu loan scheme
12. To critically analyse the criteria and mechanism adopted for selection of student beneficiaries across different strata [caste categories, households, courses, boys and girls] within the overall demographic composition in the region.

CHAPTER - 2

METHODOLOGY

The study being an evaluation of a public policy intervention essentially employs standard social research method unique to the evaluation of a social program. The purpose, scope and methodology of evaluation as given in the Terms of Reference is to examine the design, structure & process of implementation of the scheme; study & assess impact in terms of increasing access to higher education, completion ratio, reducing dropout, increasing job opportunities and economic mobility. The study essentially employs an analytical research design involving macro survey of secondary data as well as micro survey of field data. The survey is also being supplemented by qualitative methods. At macro level, numerical data relating to financial parameters as well as beneficiary coverage from the secondary sources are being subjected to trend analysis across time and space. The field survey is aimed at mapping the socio-economic profiles of the beneficiaries using household level data.

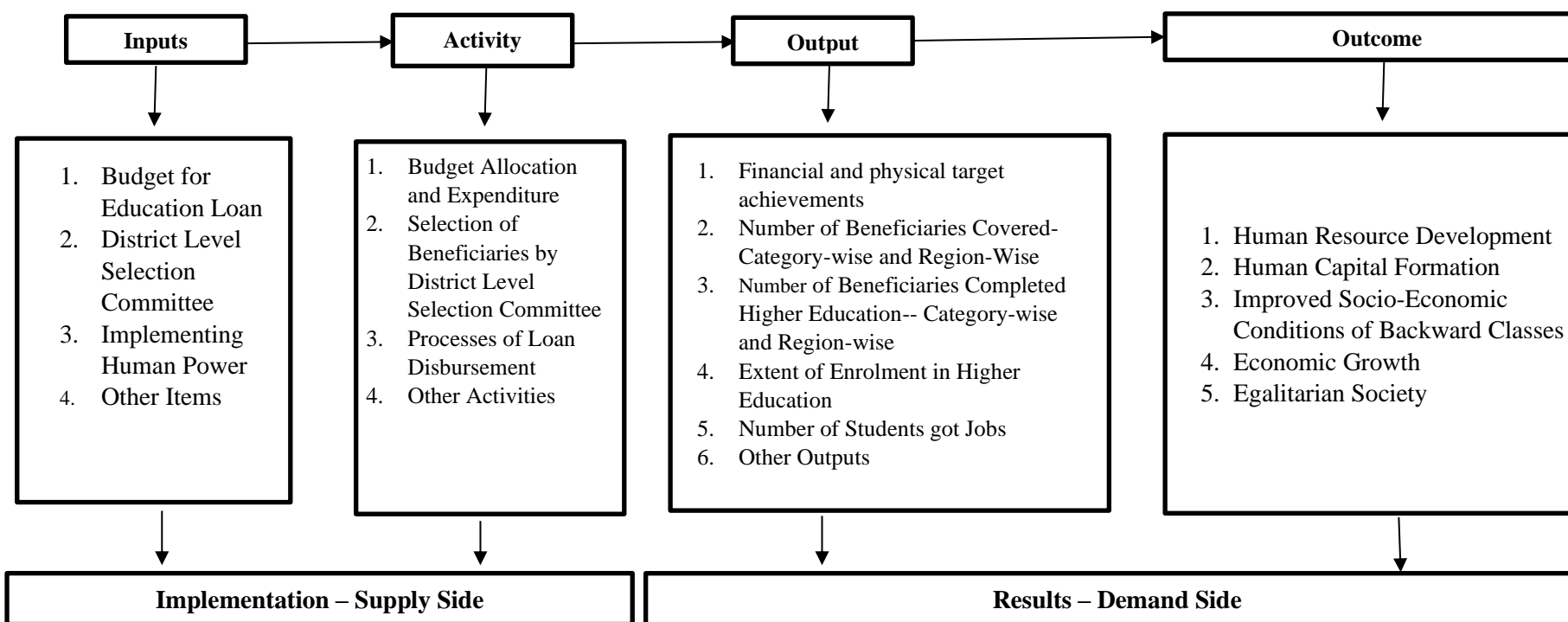
Keeping this in view, the research method follows the general principles, types and techniques that are generally followed in any evaluation research method. These are input measurement, output/performance measurement, impact/outcomes assessment, service quality assessment, process evaluation, and quantitative and qualitative methods. The evaluation research, being a rigorous systematic process involves collecting data about organizations, processes, programs, services, and resources from student beneficiaries and other stakeholders.

2.1 Theory of Change

The present study is set within the Theory of Change framework in order to evaluate how a public policy intervention like the Arivu education loan scheme has been planned and implemented to bring about change among the backward class community students in terms of increasing access to higher education, enhancing their enrolment, participation and achievement in HEIs and thereby enhancing their employment prospects. The theoretical frame identifies the logical connection between and among the given inputs, activities, outputs and the expected outcomes. The *inputs* are defined with respect to budgetary resources (financial allocations), physical and material infrastructure (office, establishment structures and

technology support systems) and human resource (officials, ministerial staff, technical support staff, training and capacity building, student beneficiaries). The scheme implementation identifies a number of *activities* right from defining the agenda and objectives of the scheme, preparation of physical and financial plan targets, setting up organizational structures, coordination and management of the scheme across different offices and departments. The *outputs* are identified in terms of reaching the target coverage with respect to amount of money spent or utilized, beneficiary coverage and spread of the scheme across region, over the time and among different target groups. The final outcomes are defined in terms of the overall gain in human capital and human resources at large. This logical frame is diagrammatically represented in the following flow figure-2.1 below.

Figure 2.1 Theory of Change



Assumptions: Timely allocation and expenditure of budget. Required human power be there. Efficiency in loan disbursement by the officials.
Risks: Resources crunch at the government level. Inefficiency in programme implementation. Beneficiaries not utilising the benefits effectively

2.2 Data Collection Methods and Analysis

The entire evaluation procedure describing the evaluation questions, data indicators, data sources, data collection tools and analysis procedure is represented in Table-2.1 below.

Table 2.1 Evaluation Matrix

Evaluation Question	Indicators	Data Source	Collection Method / Tool	Analysis Procedure
1. To assess the performance of Arivu scheme in terms of spread and coverage, timely availability and disbursement, extent of utilization	<ul style="list-style-type: none"> - <i>Financial</i> -budgetary allocations (Rs) Expenditure as against allocations & No. of beneficiaries actually covered as against physical target fixed [category wise; CET/Non-CET] - <i>Physical</i>- No. of beneficiaries covered •Extent of awareness created •Level of awareness about ARIVU among backward classes students. •Spread and coverage of the scheme •Timely availability and disbursement of loan - Extent of utilization 	<ul style="list-style-type: none"> •Secondary data from official records •Review of official documents, records Discussions with the concerned officials 	<ul style="list-style-type: none"> • Document verification • Interviews (IDIs) FGDs 	<p>Data and information shall be analysed in terms of allocation of budget, its release and actual expenditure. Timely release and availability of Arivu loan to the line departments and to the beneficiaries.</p> <p>Awareness, right identification of beneficiaries and timely distribution of ARIVU loan.</p>
2. To assess beneficiary and stakeholders' perception and satisfaction with regard to the loan scheme	<ul style="list-style-type: none"> •Extent of beneficiary satisfaction about ARIVU •Perceptions of beneficiaries and other stakeholders about ARIVU •Awareness about ARIVU scheme 	<ul style="list-style-type: none"> • Interviews with beneficiaries and other stakeholders •IDIs and FGDs •Structured questionnaires / schedules 	<ul style="list-style-type: none"> • Questionnaire • Interview schedules • FGDs • IDIs 	<p>How far the beneficiaries are happy and satisfied with ARIVU loan scheme, and their level of awareness.</p> <p>Reasons for low participation of backward</p>

	<ul style="list-style-type: none"> • Constraints, if any, for low participation of backward class students in the higher education 			class students in higher education, if any
3. To study the impact of the scheme in increasing access, enrolment, participation and employment potential of backward class students in higher education	<ul style="list-style-type: none"> - Increase in No. of BC students enrolled in Higher Educational Institutions [HEI] - Availability of HEIs in the region as against the supply pool of BC students in the region; - Spatial access that is distance to be traversed to reach an HEI; - Type of HEI, that is Govt, private aided and private unaided; - Type of Education- General degree, Professional, Technical, - Number of BC students passing out PUC in the given academic year, eligible to be enrolled into a HEI. [CET/Non-CET] - Number of students passing out in the given academic year and no. of students actually getting enrolled in HEIs [CET/Non-CET] - No. of BC student beneficiaries successfully completing the course in a given time period [CET/Non-CET] - No. of BC student beneficiaries getting employment after completing the degree [CET/Non-CET] 	Secondary data from official records and documents-of departments, colleges, officials,	Schedule / questionnaire, FGDs IDIs, and Key Informants	Collected data shall be analyzed across different variables and indicators using appropriate techniques.
4.To study the effectiveness of scheme implementation [tracking supply- distribution	- Adhering to time schedule by various departments from the time of budgetary sanctions to	• Documents on fund release from	<ul style="list-style-type: none"> • Document verification • Interview schedules • FGDs 	Data and information shall be analyzed in terms of

chain from the origin till the end beneficiary]	<p>release of loan amount to different line departments until it reaches the beneficiary;</p> <ul style="list-style-type: none"> - Selection of beneficiaries as per norms by the ZP committee; - Timely release of notification to colleges for inviting and submission of applications to the concerned authority; - Processing scrutiny of applications by the concerned authority; (v) release of sanctioned loan amount to CET & non-CET beneficiaries; • Timely release of funds • Access, level of enrolment and participation and employability of the beneficiaries. • Effectiveness of the scheme-process, implementation and monitoring. • Repayment of loan amount 	<p>implementing agency (Secondary)</p> <ul style="list-style-type: none"> • Documents on release of loan to the beneficiaries • Interviews with beneficiaries and their families, and officials 	IDIs	process, implementation and distribution.
5.To assess the level of awareness of Arivu scheme among the backward class students	- Awareness, knowledge and understanding about the Arivu scheme with respect to different dimensions [CET/Non-CET]	Beneficiaries and other stakeholders.	Structured questionnaire / schedule, FGDs and IDIs	Data, particularly qualitative data shall be analyzed using appropriate techniques.
6. To find out reasons and constraints for low access and poor participation in higher education among backward class youth	- Views of beneficiary/non-beneficiary households, department functionaries, HEI authorities, ZP committee, student beneficiaries & non-beneficiaries with regard to poor participation of BC students in	<ul style="list-style-type: none"> • Official records, officials, college principals, beneficiaries and other stakeholders. 	<ul style="list-style-type: none"> • Questionnaire / Schedule, FGDs, IDIs. 	Both quantitative and qualitative shall be analyzed keeping in view the related indicators.

	higher education [CET/Non-CET]			
7. To examine the repayment status of loan by the beneficiaries	<ul style="list-style-type: none"> Opinions/views from student beneficiaries, department functionaries, ZP committee members with regard to payment/default of loan recovery [CET/Non-CET] 	<ul style="list-style-type: none"> Official records and documents and the beneficiaries 	<ul style="list-style-type: none"> Questionnaire / Schedule, FGDs and IDIs. 	Data shall be analysed in terms of loan received by the student beneficiaries, percent / extent of loan repaid, loan outstanding and the reasons for not repaying the loan amount, if any.
8. To make a comparative analysis of the scheme with similar schemes from other states	<ul style="list-style-type: none"> Review of student Loan data from various sources [Inter-state compilation of statistical data from NSSO, Banking/higher education sector & other agencies] Research findings and insights from review of research studies across States- Issues & Challenges 	<ul style="list-style-type: none"> Review of literature, review of reports from the other States, secondary sources, official documents 	<ul style="list-style-type: none"> Literature and documents 	Analysis will be made based on the reviews to gain a comparative perspective.

Source: Author

2.3 Sampling Design and Research Tools

Within the prescribed sampling frame and sample size already indicated as per the ToR, the study has employed a multi-stage stratified sampling design. In the first stage, four revenue divisions are selected. In the second stage, 3 districts from each of the divisions, high, medium and low beneficiary coverage are selected. Thus, a total of 12 districts are selected. In the third stage, the student beneficiaries are selected. Overall the 12 districts had a coverage of 2247 student beneficiaries under the Arivu Loan scheme. From these 12 districts, approximately 50% of them, that is 1130 student beneficiaries are selected as final sampling units. In addition, one percent of non-beneficiary students [12] is selected for each of the sample districts. The sampling design and size is indicated in the following Table-2.2. The spatial spread and location of the sample districts are also shown in the Map-1 below.

Table 2.2 Sampling Design

Districts	Total Beneficiaries	Samples drawn	Sampling Description
BENGALURU DIVISION			Sample drawn from 4 Revenue Division X 3 District = 12 Districts Four Revenue Divisions Bengaluru, Belagavi, Mysore and Kalaburgi From each division, three districts: One Dist. with highest No. of Beneficiaries One Dist. with lowest No. of Beneficiaries One Medium District Total Beneficiaries = 2247 Total Sampled Beneficiaries = 1130 One Percent of the sampled beneficiaries are selected as Control Group covering all the four divisions i.e. $1130 \times 1/100 = 12$ Non- Beneficiary Students
Bengaluru Urban	589	245	
Shivamogga	194	81	
Kolar	59	25	
MYSORE DIVISION			
Mysore	270	160	
Hassan	113	67	
Kodagu	30	18	
BELAGAVI DIVISION			
Belagavi	389	189	
Bagalkot	158	78	
Uttara Kannada	84	41	
KALBURGI DIVISION			
Kalaburgi	177	110	
Bidar	103	65	
Bellary	81	51	
TOTAL	2247	1130	

Source: ToR, KEA

Figure 2.2 Map Showing the Selected Districts across Revenue Divisions of Karnataka



Figure 1: 12 Selected districts for the study (Source: <https://www.mapsofindia.com/maps/karnataka/>)

2.3.1 Selection of sample student beneficiaries of Arivu Scheme

The beneficiary selection is based on probability criteria of random representativeness, so as to include all student categories from different courses in higher education across sample districts. We received the list of beneficiaries for 12 districts from the line department as all of them as CET candidates. But while analysing there were a few Non-CET students as well in the list. We have analysed CET and Non-CET sampled student beneficiaries separately. The stratification is done on the basis of beneficiary coverage in the districts.

2.3.2 Research Tools: Description

Primarily, the research tools employed for data collection are questionnaires, in-depth interviews, Focused Group Discussion and informal interactions. Further qualitative data relating to process of implementation and issues relating to selection of beneficiaries, scheduling of tasks and activities, criteria adopted for selection by category-wise, minutes of the meetings, coordination with the line departments, colleges, CET/KEA are also collected from concerned departments, ZP offices and various stakeholders. Thus, the research tools used for data collection in the present study are:

- Student Beneficiary and Non-Beneficiary Survey Questionnaire
- Interview schedule for BC/DDUBCDC Department officials
- Focused Group Discussion at the College Level (Principal and other faculty).
- Interview schedule for CEOs of ZPs
- Focused Group Discussion of the Student Beneficiaries

2.3.3 Data Analysis

The quantitative data are analysed using spreadsheets (SPSS, STATA) statistical packages. The format of data analysis is done using 2-way/3-way formats, cross-sectional methods. Typologies are generated wherever necessary and presentation is done using matrix format or schematic diagram, flow chart etc., the mode of analysis is interpretative and inferential. Case studies are presented in descriptive and narrative styles.

In South Africa, the national student financial aid scheme (NFSAS), which has an in-built student loan component not only is unpopular among students as it saddles them with debt but also the government itself is finding it unviable. Recent reforms have increased the bursary component of NFSAS and undermined its recovery ratio (George Hull, 2016). In countries such as Kenya, Nigeria, Mozambique & Zambia, the trend suggests increasingly moving towards loan schemes. Even rich countries such as New Zealand, Australia and the United Kingdom have introduced cost recovery through loans once their higher education participation rose above 15%

CHAPTER - 3

LITERATURE REVIEW

Escalating cost in higher education is a global phenomenon. Along with this, the issue of increasing access to education loans to students in order to increase educational attainment is an important subject in higher education financing for both academics and policy makers. Currently student loan is a fiercely debated issue across most of the countries as higher education around the world is being drastically impacted by the global economic and political dynamics. There are different views on financing higher education and the way student loan has to be organized, supported and managed within this framework. The questions such as which category of students need to be supported with loan, what is the source of student loan, what is the role of government in the provision of student loan, and how should student loan be paid and recovered have occupied central concerns in this discourse. These questions eventually touch upon larger issues of access, equity, outcome, investments and returns to higher education. There is sufficient literature and empirical evidence, which provide rich insights about student loan for higher education, its policy perspective, operational strategy, impact and the outcome. Some major observations stemming from such literature review is presented hereunder.

3.1 Student loan for higher education: Studies in India

In Indian context, economists and public finance experts such as JBG Tilak (1991,2003); Varghese (1991,2014), Sudhanshu Bhushan (2008), JL Azad (2008), P. Geetharani (2009), Ravi Srivastava (2008), Ravindra Dholakia (2009) have contributed extensively to the understanding of various contours and perspectives underlying higher education financing. In their discourse, they point out salient issues and the emerging challenges for the Indian higher education, such as planning, resource allocation, expenditure, effect of public spending on education including student loan financing for higher education, its effect on poverty reduction, economic mobility and better employment and wages.

Tilak JBG & Varghese NV (1991) argue that given the resource constraints and equity considerations, financing higher education from the general tax revenue may not be a viable option in the long run. In the light of this, they suggest several alternative policy choices for higher education financing from the public resources, which include student loan also. They also caution that the government is not only required to bear large responsibility for higher

education financing, but also needs to exercise greater fiscal restraints to make the allocations effective and sustainable in the long run as Indian economy is being subjected to the changing dynamics of socio-economic and political realities.

In a study of National Loan Scholarship scheme in India, Tilak (1992) finds out several problems and issues relating to implementation of the scheme. Although he does not subscribe to the view that student loans are more effective than other methods of financing higher education, however, argues that in the light of declining budgetary resources for higher education, discriminatory pricing would be more effective both in terms of efficiency and equity points of view [Tilak & Varghese, 1991].

Srinivasan R & Das D (2011) examined practices followed in selecting beneficiary student for grant of education loan for pursuing higher studies in India; problems faced by applicants; background of the problematic borrowers and steps taken to overcome problems in getting loans. Using a probit model for statistical analysis of the data, the authors conclude that students pursuing post graduate professional courses is more likely to get education loan than the one pursuing undergraduate education; banks prefer giving loans to students seeking admission in government and government recognized colleges. Further, there appeared to be no discrimination in granting loans to students with or without prior work experience. The study also found out the reluctance of private sector banks in extending education loan to students.

Jacob John (2013) has made a comprehensive analysis of the operational features, issues of implementation and impact of student loans in India. The author argues for expanding the student loan scheme and even recommends for establishing a national body for coordinating all such efforts across the country. He further cautions about the undesirable effects of such a scheme and the need for careful calibration and implementation procedure with sensitivity to the needs of students from socially and economically marginalised sections of the society.

Rajeev Darolia (2013) observes that student loan debt and defaults have been steadily rising, igniting public worry about the associated public and private risks. Policymakers face the challenge of promoting efficient use of public funds (education loan) and protecting students while also encouraging access to higher education.

Varghese K. X. and Manoj P. K (2013) note that with the advent of the Educational Loan Scheme of the Public Sector Banks in India in 2001, there has been a fillip in the enrolment in higher education institutions. The educational loans paved the way for pursuing professional

and job-oriented courses offered at the self-financing colleges and Universities to deserving students.

Rajesh Tiwari and Bimal Anjum (2013) observe that for a country with the largest population of young people combined with a poor GER, availability of loan is a necessity to ensure supply of skilled manpower for the economic progress and wealth distribution in the country. They argue that the move towards privatization of higher education and poor budgetary support further increases the importance of educational loans for the country. For every 1% rise in GDP, demand for education loan rises by 3%. They note that in spite of consistent rise in outstanding amount of education loans, the issue of poor access to banking services, complaints regarding loan rejection by banks merit serious attention.

Manoj P.K. (2013) analyses the growth of education loan vis-à-vis other forms of personal loans at the national level. He observes a steady increase in the disbursement higher education loan with an increase in private colleges and deemed universities and also increase in enrolment for higher education during the period 2001-2011.

Aarti Dewan et al (2013) conducted a study on student perception on education loan in Haryana state. The study examined students' perceptions towards education loan with respect to various features such as value addition, mortgage, effectiveness, eligibility criteria, disbursement procedure, convenience and rate of interest. The study found out differential perceptions between male and female students with respect to various parameters.

According to a study conducted by ASSOCHAM (2015) nearly 680,000 students, many of them from middle classes, go abroad to study, with an annual outflow of \$6 billion to \$7 billion, suggesting that not only the rich but even the middle class that can contribute to cross-subsidization. Under the circumstance, bank finance for professional courses will be critical in the future. While loans increased at a phenomenal annual rate of 26% in real terms (not accounting for inflation) between 2006 and 2010, the annual growth rate dropped to only 3% in the next four years. This was partly due to loan recovery issues. Alumni funds can be used to guarantee such loans with limits imposed. Currently 15% of the total enrolment in higher education in the county is funded by bank loans. This should increase to at least 30% by 2020-21, implying annual growth rate of 20%. The government can also encourage insurance companies to design products to be brought by educational institutions to protect themselves against the possibility of potentially jobless graduates not being able to repay their loans.

Geetharani P (2016) has examined trends and troubles in financing higher education from the perspective of student loan as a dominant source of financing higher education in India in an attempt to explore various factors that influence the growth of higher education in India. Some of the factors considered are enrolment growth, growing private sector, bulging youth population with middle class with a wider acceptability of loan culture and increasing earning premium of higher education and the willingness to pay. Using various secondary data sources including available unique datasets on interest subsidy scheme on student loans, the author notes the trend of increasing fees, grants/scholarships and increasing cost and role of markets in higher education along with affordability within the domain of family characteristics.

Sangeeta Arora and Jagadish Kaur (2016) discuss the status of higher education and educational loan with special reference to Punjab state in India. The authors observe that there is a linear increase in the number of HEIs, student enrolment and education loans. In Punjab, there has been a steady expansion in the number of HEIs and the student loan and the government has made improvement in the education loan scheme over the years to fulfil the student needs.

Bandyopadhyay A (2016) made an empirical investigation on the borrower level risk characteristics of education loan in India. Using a cross section of data from 5000 borrowers obtained from 4 major public sector banks in India, he found out that education loan defaults are mainly influenced by security, borrower margin, and repayment periods. The presence of guarantor or default loss rates. Further, the socio-economic characteristics of borrowers, and their regional locations also act as important factors associated with education loan defaults.

Senjuti Patra et.al (2017) evaluated the performance of model education loan introduced by the Indian Central Bank in 2001, which had substantially increased availability of education loans to students in India. The study focused on assessing the impact of the education loan on students. The authors found out that not only the loan availability has improved years of schooling but also decision to enrol for higher education. At disaggregate level, the study reveals mixed effects of education loans on enrolment and years of schooling with the effects being more pronounced for the relatively disadvantaged groups across caste, gender and location (rural/urban).

An empirical study in Punjab by Manisha (2018) has broken the myth that girl students and rural students do not avail education loans for their higher studies of professional courses.

Students belonging to different categories are provided education loans by banks. The study reveals that most of the meritorious but poor students are refused education loans by the banks because they do not possess any property; increase in outstanding amount is due to less employability and less salaries; In the ranking of first five courses in which male students have availed education loans are B. Tech, MCA, MBA, BDS and Law respectively. In case of female students first five courses are B. Tech, BDS, Nursing, MBA and MDS; Girls are taking more loans for BDS, MDS and Nursing because they want to go abroad as these courses have value in foreign countries. The maximum students' loans are from public sector banks with lesser rate of interest; Students whose parents are government employees have taken maximum education loans followed by farmers and businessmen. The study further points out that Loans' disbursement should not be linked with income of the family as poor students face difficulties in getting education loans; Repayment of education loan is a major area of concern for beneficiaries. Majority of students said that due to less salary they could not repay the loan, it is difficult for them to repay as instalment in some cases is 40-45 percent of their salary, 30 percent could not find jobs, 14.44 percent could not get suitable job according to their qualification.; Even bank employees feel less employability and less income are the main reasons for non-repayment of loans.

3.2 Student loan for higher education: International contexts

Shen et.al, (2009) in an international comparison of government sponsored student loans in over 70 countries, observe that there is considerable diversity in the design, practice, and overall efficacy of schemes. They point out that apart from the schemes revealing different rates of success across countries, five central issues emerge which need to be addressed in evaluating a current scheme or setting up a new one. These are the objective of the loans scheme, its initial funding source, the financial viability, justification for government subsidy of loans schemes, and method of repayment collection.

Student loans in advanced countries is seen as an effective policy intervention for expanding access to higher education for students. In this regard, Colclough's study (1990) on student education loan argues that payroll taxes would satisfy both equity and efficiency criteria more effectively than students' loans.

Daniel Rivero's (2017) analysis of student loans in United States reveals how the student loan industry betrays young Americans. He observes among the 44 million Americans who have amassed the nation's whopping \$1.4trillion in student debt, the student loan industry flourished

under the Obama administration, and its stock rose sharply after the election of Donald Trump. These findings are further corroborated by Fusion TV investigation (2016), which observe that most of the wrath stems from structural issues surrounding college finance, like the terms of the loans, which the federal government and private banks are responsible for, but not the customer service issues relating to the loan industry. It further notes that the present system of student loan scheme, instead of breaking down inequities is actually reinforcing.

In the US, over the past decade, the reliance on loans for funding higher education has increased and this has led to many problems and complexities. For instance, between 2004 and 2014, the total student debt in the US tripled from \$364 billion in 2004 to \$1.16 trillion in 2014. The student debt increased by an average of 13 percent per year. With respect to the rise in the number of borrowers, it is noticed that a steadily increasing share of young people are taking out student loans: in 2004, only about 27 percent of 25-year-old had student debt while 9 years later, in 2013, the proportion of 25 years old with student debt had increased to about 45 percent (McAndrews, 2015).

A survey by Brookings Institute (2016) in US reveals that the year 2019 is the worst year for student loans with the borrowers owing over 1.5 trillion dollars student loans. The study concludes that making college education free would mainly benefit higher income families, not lower income families.

Chingos (2016), in his study observed that the high school graduation rates and college enrolment rates in the US among low income and disadvantaged students virtually improved when certain affirmative actions are provided. However, stark differences remained in college progression and completion rates between disadvantaged and non-disadvantaged and white and black students due to factors such as college debt and overpriced college tuition.

Jason Delisle's study (2016) examined whether the law that prevents borrowers from discharging their federal loans in bankruptcy, and a separate wage garnishment policy prevent "strategic defaults". The study relied on a links of National Student Loan Data System, which houses records for all federal student loans, with each borrower's federal income tax information. Using this data, the author examined the changes in the borrower repayment patterns before and after key policy changes related to bankruptcy and wage garnishment. The study revealed that repayment incentives changed for different groups of borrowers who were affected by changes to bankruptcy law and wage garnishment.

Webber (2016) examined the financial value over the course of a lifetime of pursuing a college degree under a variety of different settings. One of the factors considered was student loan debt. Having student loans totalling \$30,000 and a college degree at age 22 is on average, a much better situation than peers who decided to skip college and go directly into the labour market at age 18. The results emphasise the role that risk plays in the cost benefit analysis of obtaining a college degree.

Nicholas Barr (2015), argues that tuition fees should be fully covered by income-contingent loans. He argues that in a good system, university is free for students while they are studying but they then pay part of the cost of their higher education once they have graduated. Thus, a good system would have tuition fees initially paid for the students by the student loan administration, but later students would pay part of the cost once they start earning. Thus, a good system of student loans, where “good” means a loan designed so as not to deter people from poor backgrounds from going to university.

Countries such as Australia, New Zealand, and the UK have tuition fees, but fully covered by a well-designed student loan. Another highly desirable feature of the UK system is that any loan that has not been repaid after 30 years is forgiven. Thus income-contingent repayments protect graduates with low monthly earnings and forgiveness after 30 years those with low lifetime earnings (Nicholas Barr, 2015).

Johnstone (2012) presents an excellent review of student loan programmes in Central America, Europe, Africa, USA, Sweden, Germany, Netherlands, UK, South Africa and Kenya. The review also covers recent experiences of student loan scheme in some Asian countries presented by Shen and Li (2003) for China, Kim and Li (2003) for Korea, Ziderman (2003) for Thailand, Chung (2003) for Hong Kong and Kitaevetal (2003) for Philippines. Across the countries, the most important and common objectives of student loan programme are equity and access for the poor. The review reveals cost sharing has an implicit budgetary objective in regard to public funding replacement in higher education.

Chung (2003) observes, in Hong Kong, the allocation of student loan is based on considerations of equity, efficiency, and adequacy. The students from less well-off families receive greater financial assistance and the loan entitlement varies according to a formula based on applicant’s family financial situation. The scheme mainly has two goals, first, no deserving and qualified student is deprived of higher education because of lack of funds and second, the maximum loan

is adjusted so as to correspond to the general living needs of a student through regular surveys of student expenses and the compilation of the student price index.

Ziderman (2003) notes that the Thailand loan scheme operating from 1996 is aimed at disadvantaged students enrolled in upper secondary general and vocational schools as well as tertiary education, in both public and private sector. It receives a considerably higher level of government subsidy than the loans schemes in the other countries. However, the scheme although is aimed at needy students, targeting is not found to be effective. The family income ceiling set for loan eligibility is three times more than the officially designated poverty level. Besides the loan budget allocation to educational institutions is very loosely tied to the social profile of the student population at a given institution.

Veronica R Nyahende's study (2013) examined the factors indicating the success of students' loan in financing higher education in Tanzania. Using data collected from a larger cross-sectional survey, the study reveals that the programme is successful in increasing enrolment in HEIs and further the Higher Education Students' Loans Boards is making enough efforts to recover loans apart from putting in place adequate guidelines and satisfactory criteria.

Erik Cantona & Andreas Blom (2004) examined whether financial aids to students in tertiary education contributed to human capital accumulation through two channels: increased enrolment and improved student performance. For this study quantitative data from private universities in Mexico, where the scheme was implemented were analysed. The authors observe that with regard to the first channel, enrolment, Mexican household survey data analysis indicates a strong positive effect on university enrolment. Regarding the second channel, that is student performance, administrative data provided were analysed using a regression-discontinuity design. Empirical results indicate show better academic performance than students without a credit.

In South Africa, the national student financial aid scheme (NFSAS), which has an in-built student loan component not only is unpopular among students as it saddles them with debt but also the government itself is finding it unviable. Recent reforms have increased the bursary component of NFSAS and undermined its recovery ratio (George Hull, 2016). In countries such as Kenya, Nigeria, Mozambique & Zambia, the trend suggests increasingly moving towards loan schemes. Even rich countries such as New Zealand, Australia and the United

Kingdom have introduced cost recovery through loans once their higher education participation rose above 15%.

CHAPTER - 4

EMPIRICAL ANALYSIS

In this chapter, empirical analysis of the data gathered from secondary source as well as primary source has been done. Wherever necessary, disaggregated analysis has been done to capture variations in trends and patterns across courses, gender, category, district/division of Arivu beneficiaries. The data analysis is done keeping in view the objectives outlined in the study.

4.1 Progress, Spread and Coverage at the State Level

The spread and coverage of the programme reflects the extent to which the Arivu programme has been utilized by student beneficiaries. In this section, an attempt has been made to assess the performance of the Arivu programme in terms of physical and financial target achievements at the state level. To obtain a macro scenario, time series statistical data obtained from the official records of the DDUBCDC, KEA/CET and Economic Survey have been used. Analysing the data, it is seen from Table-4.1 (Graph-4.1 and 4.2), overall, the state has covered a total of 16,430 students under the Arivu Educational loan programme from the year 2011-12 to 2018-19. The total amount spent for the programme during the period is Rs 8,558.75 lakh. Considering the achievement in terms of physical target coverage of 15,095 student beneficiaries and the total financial allocation of Rs. 10,297.71 lakhs for the scheme, the scheme is efficient to the extent of 108.8 per cent and 83.1 per cent respectively over the same period.

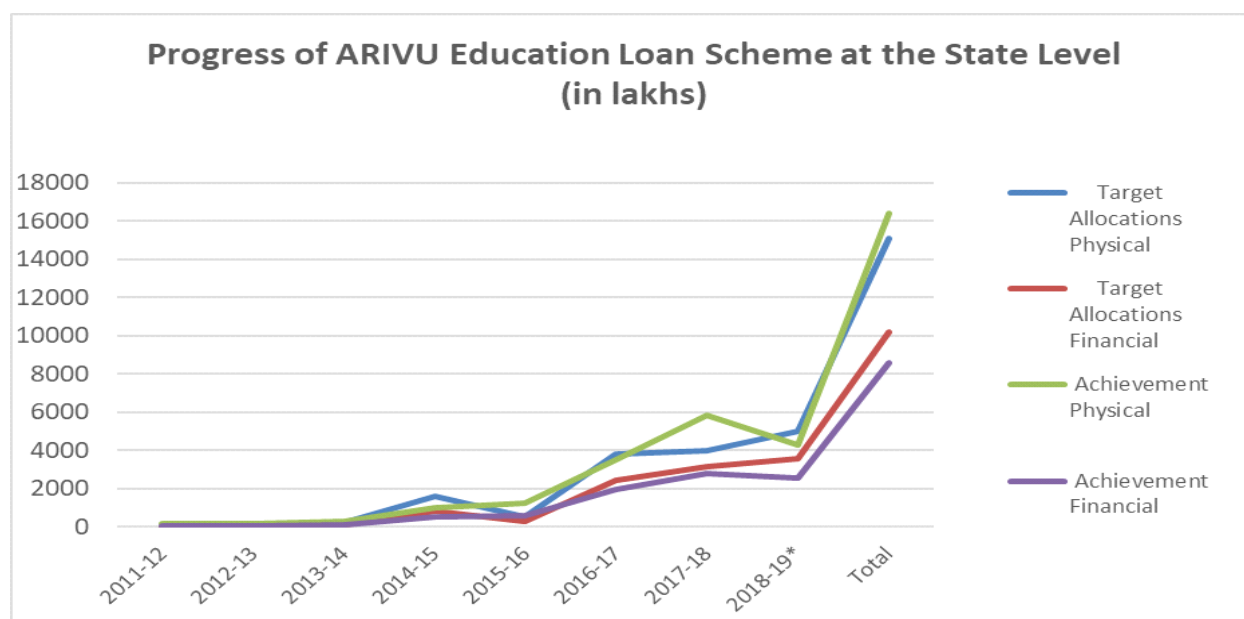
Further, the annual coverage of the student beneficiaries does not indicate positive growth during the period. Rather there is fluctuation in the physical targets. The shortfall in fund utilisation is consistently seen for all the years, except for the years 2013-14 & 2015-16, where both physical and financial achievements have exceeded 100 per cent. It transpired during the interaction with the officials that the Department was able to cover more beneficiaries in these two years because the State government had provided special grants for the Arivu scheme. In the subsequent years, however, the department had made allocations to the scheme out of the available funds given to the department. Hence fluctuation in the beneficiary coverage.

Table 4.1 Progress of ARIVU Education Loan Scheme at the State Level

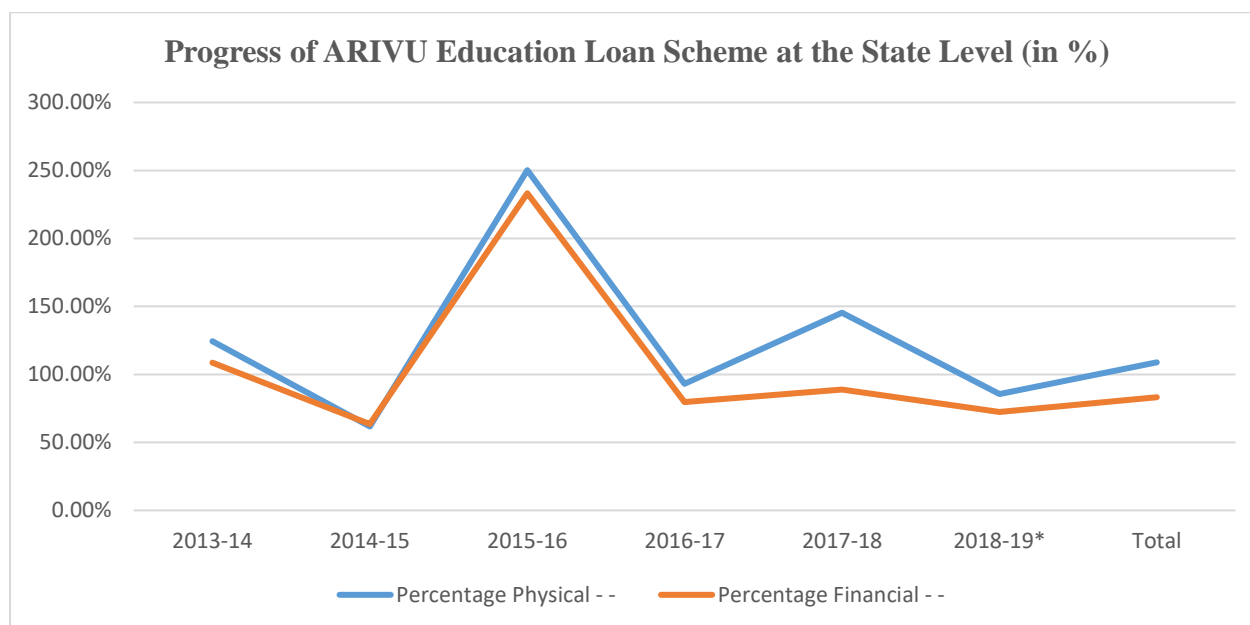
Year	Target Allocations (Rs. in Lakhs)		Achievement (Rs. in Lakhs)		Percentage	
	Physical	Financial	Physical	Financial	Physical	Financial
2011-12	NA	NA	176	17.60	-	-
2012-13	NA	NA	134	20.60	-	-
2013-14	200	100.00	249	108.63	124.50	108.63
2014-15	1615	807.71	997	513.03	61.73	63.52
2015-16	500	250.00	1251	583.01	250.0	233.00
2016-17	3780	2450.00	3523	1951.01	93.0	80.0
2017-18	4000	3150.00	5819	2800.66	145	89
2018-19*	5000	3540.00	4281	2564.21	86	72
Total	15,095	10297.71	16,430	8,558.75	108.8	83.1

Note: * Up to November, 2018. Data for the years 2011-12 and 2012-13 has been taken from TOR of KEA (DDUBCDC). For the years 2013-14 to 2014-15, data as per the official records provided by DDUBCDC, Bengaluru. For the years 2015-16 to 2018-19, data has been taken from Economic Survey of Karnataka, 2018-19.

Figure 4.1 Progress of Arivu Education Loan Scheme at State Level



Source: EOS 2018-19

Figure 4.2 Progress of ARIVU Education Loan Scheme at the State Level (in %)

Source: EOS 2018-19

4.1.1 Coverage across Caste Groups

It is noted that some numerical data is available for exclusive caste groups of BC students, such as Nomadic, Semi-Nomadic, Madivala, Savitha, Kumbara, Thigala and Uppara. This data is available for only certain years. An attempt is made to assess the coverage of these caste groups. In case of Nomadic and Semi-Nomadic BC students, analysing the coverage from the year 2014-15 up to 2018-19 (Table 4.2), it is noted that both physical and financial allocations indicate an increasing trend during this period except for the last year, 2018-19. However, strangely in terms of achievement, both these parameters indicate severe shortfall.

Table 4.2 Physical & Financial Allocation & Achievement of Arivu Loan for Nomadic & Semi-Nomadic BC students at the State Level

Year	Physical (number)		Financial [in lakhs]	
	Allocations	Achievement	Allocations	Achievement
2011-12				
2012-13				
2013-14	0	0	0	0
2014-15	196	56	98	26.18
2015-16	200	92	100.00	38.29
2016-17	215	110	107.50	56.98
2017-18	268	131	135	70.36
2018-19	8	20	5.06	10.72
Total	887	409	445.56	202.53

Source: EOS 2018-19.

A similar trend is noticed for other BC categories such as Madivala, Savitha, Kumbara and Thigala (Table 4.3; 4.4; 4.5, 4.6 & 4.7 respectively). In case of Uppara, the coverage is seen for only one year. Although even this category indicates shortfall, it is not as huge as observed in other caste groups. Consistent shortfall in physical and financial target coverage suggest some serious constraints in reaching out to these categories, who are considered most vulnerable among the BC communities. This calls for further investigation.

Table 4.3 Physical & Financial allocation & Achievement of Arivu Loan for Madivala BC students at the State Level

Year	Physical (number)		Financial [in lakhs]	
	Allocations	Achievement	Allocations	Achievement
2011-12				
2012-13				
2013-14	0	0	0	0
2014-15	0	0	0	0
2015-16	0	0	0	0
2016-17	75	33	45.0	21.13
2017-18	100	16	67.40	8.93
2018-19	62	1	44.95	0.70
Total	237	50	157.35	30.76

Source: EOS 2018-19.

Table 4.4 Physical & Financial allocation & Achievement of Arivu Loan for Savitha BC students at the State Level

Year	Physical (number)		Financial [in lakhs]	
	Allocations	Achievement	Allocations	Achievement
2011-12				
2012-13				
2013-14	0	0	0	0
2014-15	0	0	0	0
2015-16	0	0	0	0
2016-17	75	10	45.0	5.66
2017-18	100	15	67.40	9.90
2018-19	62	3	44.95	2.01
Total	237	28	157.35	17.57

Source: EOS 2018-19.

Table 4.5 Physical & Financial allocation & Achievement of Arivu Loan for Kumbara BC students at the State Level

Year	Physical (number)		Financial [in lakhs]	
	Allocations	Achievement	Allocations	Achievement
2011-12				
2012-13				
2013-14	0	0	0	0
2014-15	0	0	0	0
2015-16	0	0	0	0
2016-17	75	30	45.0	18.98
2017-18	100	17	67.40	10.26
2018-19	62	2	44.95	0.77
Total	237	49	157.35	30.01

Source: EOS 2018-19.

Table 4.6 Physical & Financial allocation & Achievement of Arivu Loan for Tigala BC students at the State Level

Year	Physical (number)		Financial [in lakhs]	
	Allocations	Achievement	Allocations	Achievement
2011-12				
2012-13				
2013-14	0	0	0	0
2014-15	0	0	0	0
2015-16	0	0	0	0
2016-17	75	11	45.0	7.90
2017-18	138	10	89.70	8.06
2018-19	69	1	44.85	0.42
Total	282	22	179.55	16.38

Source: EOS 2018-19.

Table 4.7 Physical & Financial allocation & Achievement of Arivu Loan for Uppara BC students at the State Level

Year	Physical (number)		Financial [in lakhs]	
	Allocations	Achievement	Allocations	Achievement
2011-12				
2012-13				
2013-14	0	0	0	0
2014-15	0	0	0	0
2015-16	0	0	0	0
2016-17	75	37	45	21.59
2017-18	0	0	0	0
2018-19	0	0	0	0
Total	75	37	45	21.59

Source: EOS 2018-19.

4.1.2 Arivu Beneficiaries under CET Category

The State's data for BC students under the CET category is available for 3 years from 2016-17 to 2018-19 (Table 4.8). The figures however suggest an increasing pattern in terms of physical and financial target achievements over the years indicating good performance of the scheme.

Table 4.8 Physical & Financial allocations under CET (Overall State)

Year	Physical	Financial (in lakhs)
2016-17	525	268.43
2017-18	1059	543.2
2018-19	1551	518.39
Total	3135	1330.02

Source: EOS 2018-19

4.1.3 Beneficiary Coverage across Higher Education Courses: Time Series Analysis

Spread and coverage of student beneficiaries under Arivu programme is an ostensible reflection of the programme's effectiveness. It indicates how programme has targeted student beneficiaries across different courses, across regions, male and female students, and across different categories over the years. Arivu programme is not universal in coverage of BC students in higher education. It is limited to certain professional and other undergraduate and post graduate degree courses. It targets both BC students selected through CET by the Karnataka Examination Authority (KEA) and students in certain non-CET courses offered in HEIs. Over the years, there are some revisions in the inclusion and exclusion of non-CET students. In this context, an attempt is made to capture trends by assessing the coverage of beneficiaries across different higher education courses over the period. For this analysis, universe data available for the 12 sample districts in the four divisions of the state from 2011-12 to 2017-18 is used. It is seen from the Table 4.9 that there has been an increase in the overall number of beneficiaries for different higher education courses both for CET and Non-CET categories over the years. However, the increase is huge in terms of absolute numbers for CET courses. From a mere 31 in the year 2011, it increased to 1111 in 2017.

Table 4.9 Arivu Education Beneficiaries in CET and Non-CET courses

Course Year	CET					CET Total	Non-CET			Non- CET Total	Grand Total
	BE/ BTech	PG	Other Profes	MBBS	Others		Gen. Degree	Others	PG		
2011	31					31					31
2012	27					27					27
2013	115	16		6		137					137
2014	418	67	12	17	1	515	2		5	7	522
2015	437	34	9	21	1	502	3		1	4	506
2016	591	45	20	40	2	698	9	2	3	14	712
2017	951	58	55	44	3	1111	27	2	8	37	1148
G T	2570	220	96	128	7	3021	41	4	17	62	3083

Source: DDUBDC, Bengaluru

However, the incremental growth is not consistent from 2011 to 2015. Across different courses, it is quite pleasing to note it is the BE/BTech course, which reveals not only highest coverage of beneficiaries but also consistent increase in absolute numbers over the years. It appears that from the year 2016, the coverage has taken a big leap in case of BE course. The trend is clearly an indication of the Arivu higher educational loan programme boosting participation of BC students in the most trending professional programme (Engineering) in the sunrise sector of the economy.

Similarly, consistent increase is also noticed in case of PG, Medical and professional courses under the CET category from 2015 onwards, although the number is limited to two digits and less than 60. In case of non-CET courses, it is only in the year 2014, the Arivu education loan beneficiaries are beginning to make themselves visible in different courses, albeit in small numbers. This is due to the programme itself being extended to them in the later years and also limiting the coverage itself to a small proportion. Considering the fact that large majority of higher education enrolment is in general degree courses, that too in rural areas, and comprises large chunk of OBC students, it becomes necessary to examine the relevance and prospects of extending education loan benefit even to this section of students.

The increasing numbers of beneficiary coverage over the years is in a way broad reflection of higher utility value of the programme. However, mere numerical figures do not adequately

reflect the utility aspect of the programme. Therefore, one has to assess the utility value by considering other factors such as various benefits students have received after availing the loan. This aspect is further analysed and discussed by using field survey primary data [section 4.3; 4.4; 4.5; 4.6].

4.1.4 Beneficiary Coverage across Categories: Time Series Analysis

Analysis of time series beneficiary data is attempted to examine the coverage trends for four different categories of students over the time for different courses under CET and non-CET. Table 4.10, 4.11, 4.12 and 4.13 present the coverage trends for Category I, category IIA, category IIIA and category IIIB respectively. The increase in coverage over the time across four categories reveals that it is the BE/B.Tech students who are availing the Arivu loan benefit to the maximum extent from all the four categories. It is noted that from the year 2016-17, for BC students selected through CET, an advance grant is being made available to the CET Cell at the time of student counselling, to enable students to make fee payment as per requirement of the respective college. Further on, it is the category IIA students who are the largest beneficiaries, followed by IIIB, I and IIIA. In case of MBBS degree, the increase in coverage is noticed highest for Category IIA from initial 3 to 22 in 2017, the other three categories do not reveal increased coverage. In fact, strangely, category IIIB reveals inconsistent growth with initial 3 beneficiaries in 2015 increasing to 16 in 2016 and declining to 9 during 2017.

Table 4.10 Arivu beneficiary coverage under different courses for category I students

Year	CET					Non-CET			Total
	BE/B Tech	PG	Degree	MBBS	Others	General Degree	PG	Others	
2011	11 (100.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	11(100.00)
2012	4 (100.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	4 (100.00)
2013	22 (91.67)	1(4.17)	(0.00)	1(4.17)	(0.00)	(0.00)	(0.00)	(0.00)	24 (100.00)
2014	57 (86.36)	4(6.06)	3(4.55)	2(3.03)	(0.00)	2 (66.67)	1(33.33)	(0.00)	69 (100.00)
2015	73 (87.95)	5(6.02)	1(1.20)	4(4.82)	(0.00)	2(100.00)	(0.00)	(0.00)	85 (100.00)
2016	78 (83.87)	6(6.45)	3(3.23)	4(4.30)	2(2.15)	2(100.00)	(0.00)	(0.00)	95 (100.00)
2017	145(81.46)	9(5.06)	12(6.74)	9(5.06)	3(1.69)	3 (60.00)	1(20.00)	1(20.00)	183(100.00)
Grand Total	390(84.97)	25(5.45)	19(4.14)	20(4.36)	5(1.09)	9 (75.00)	2(16.67)	1 (8.33)	471(100.00)

Source: DDUBDC, Bengaluru Note : Numbers in parenthesis are in percentage

Table 4.11 Arivu beneficiary coverage under different courses for category IIA students

Course Year	CET					Non-CET			Total
	BE/B Tech	PG	Degree	MBBS	Others	General Degree	PG	Others	
2011-12	20 (100.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	20 (100.00)
2012-13	23 (100.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	23 (100.00)
2013-14	66 (83.54)	10 (12.66)	(0.00)	3 (3.80)	(0.00)	(0.00)	(0.00)	(0.00)	79 (100.00)
2014-15	219 (80.81)	34 (12.55)	6 (2.21)	11 (4.06)	1 (0.37)	(0.00)	4 (100.00)	(0.00)	275 (100.00)
2015-16	243 (87.73)	18 (6.50)	5 (1.81)	10 (3.61)	1 (0.36)	(0.00)	1 (100.00)	(0.00)	278 (100.00)
2016-17	341 (86.11)	25 (6.31)	13 (3.28)	17 (4.29)	(0.00)	5 (55.56)	3 (33.33)	1 (11.11)	405 (100.00)
2017-18	498 (86.31)	30 (5.20)	27 (4.68)	22 (3.81)	(0.00)	11 (68.75)	4 (25.00)	1 (6.25)	593 (100.00)
Grand Total	1410 (85.82)	117 (7.12)	51 (3.10)	63 (3.83)	2 (0.12)	16 (53.33)	12 (40.00)	2 (6.67)	1673 (100.00)

Source: DDUBDC, Bengaluru Note : Numbers in parenthesis are in percentage

Table 4.12 Arivu beneficiary coverage under different courses for category IIIA students

Course Year	CET				Non-CET			Total
	BE/B Tech	PG	Degree	MBBS	General Degree	PG	Others	
2013	11 (73.33)	2 (13.33)	(0.00)	2 (13.33)				15 (100.00)
2014	59 (76.62)	12 (15.58)	2 (2.60)	4 (5.19)				77 (100.00)
2015	67 (88.16)	4 (5.26)	1 (1.32)	4 (5.26)	1 (100.00)	(0.00)	(0.00)	77 (100.00)
2016	98 (89.91)	7 (6.42)	1 (0.92)	3 (2.75)	(0.00)	(0.00)	1 (100.00)	110 (100.00)
2017	131 (89.73)	5 (3.42)	6 (4.11)	4 (2.74)	5 (83.33)	1 (16.67)	(0.00)	152 (100.00)
Grand Total	366 (86.52)	30 (7.09)	10 (2.36)	17 (4.02)	6 (75.00)	1 (12.50)	1 (12.50)	431 (100.00)

Source: DDUBDC, Bengaluru

Table 4.13 Arivu beneficiary coverage under different courses for category IIB students

Course Year	CET				Non-CET		Total
	BE/B Tech	PG	Degree	MBBS	General Degree	PG	
2013	16(84.21)	3 (15.79)	(0.00)	(0.00)	(0.00)	(0.00)	19(100.00)
2014	83(82.18)	17(16.83)	1 (0.99)	(0.00)	(0.00)	(0.00)	101(100.00)
2015	54(81.82)	7 (10.61)	2 (3.03)	3 (4.55)	(0.00)	(0.00)	66 (100.00)
2016	74(74.00)	7 (7.00)	3 (3.00)	16(16.00)	2 (100.00)	(0.00)	102(100.00)
2017	177(84.29)	14 (6.67)	10 (4.76)	9 (4.29)	8 (80.00)	2(20.00)	220(100.00)
Grand Total	404(81.45)	48 (9.68)	16 (3.23)	28 (5.65)	10 (83.33)	2(16.67)	508(100.00)

Source: DDUBDC, Bengaluru Note : Numbers in parenthesis are in percentage

Thus, the proportion of coverage across four categories over the time is found to be in alignment with the State norms for distribution of education loan benefit. The number under Non-CET is small and the increase over the years for different categories is also insignificant. Justification for not up scaling coverage for the students under non-CET perhaps calls for proper explanation.

4.1.5 Beneficiary Coverage: Gender-Wise and Regional Analysis

In this section, the coverage of male and female beneficiaries across 12 sample districts in the four divisions of the state is examined to capture variations if any. The data from the official records of the DDUBCDC have been used for this analysis. The cumulative statistics for the entire universe of student beneficiary from 2011-12 to 2018-19 are used for this analysis.

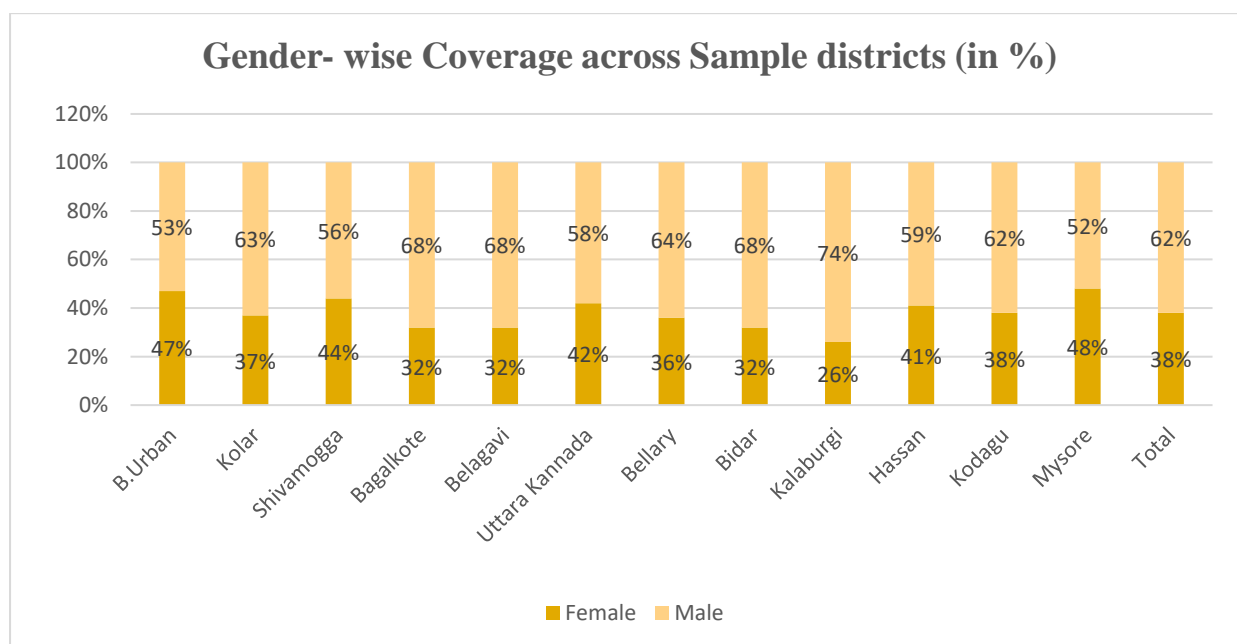
At the outset, the coverage of male and female students has been examined across regions. A peek into Table 4.14 and Graph-4.3 reveals that overall, the programme has covered 38.3 per cent of female students and 61.7 per cent of male students during the period. That is for every 6 boys, 4 girls are covered under the programme. It is to be noted that the Programme does not have any gender focus. Moreover, Karnataka has achieved gender parity in higher education with girls constituting 50.04 per cent of the overall higher education enrolment (AISHE, 2018-19). Across regions, the same overall trend of less coverage of girls as compared to boys is noticed. However, the yawning gender gap in Kalaburagi and Belgaum divisions is a matter of concern. Whether Kalaburagi, Bidar and Belagavi districts deserve better targeting of girls under the programme has to be seriously looked into.

Table 4.14 Gender- wise Coverage across Sample Districts (Universe-All Beneficiaries)

Districts	Female	Male	Total
B.Urban	370 (47)	415 (53)	785 (100)
Kolar	80 (37)	136 (63)	216 (100)
Shivamogga	56 (44)	71 (56)	127 (100)
Bengaluru division	506 (45)	622 (55)	1128 (100)
Bagalkote	90 (32.1)	190 (67.9)	280 (100)
Belagavi	148 (31.6)	320 (68.4)	468 (100)
Uttara Kannada	31 (41.9)	43 (58.1)	74 (100)
Belagavi Division	269 (32.7)	553 (67.3)	822 (100)
Bellary	71 (36)	124 (64)	195 (100)
Bidar	38 (32)	80 (68)	118 (100)
Kalaburgi	55 (26)	153 (74)	208 (100)
Kalaburgi division	164 (31)	357 (69)	521 (100)
Hassan	54 (41)	78 (59)	132 (100)
Kodagu	125 (38)	203 (62)	328 (100)
Mysore	16 (48)	17 (52)	33 (100)
Mysore Division	195 (40)	298 (60)	493 (100)
Overall Total	1134 (38.3)	1830 (61.7)	2964 (100)

Source: DDUBDC, Bengaluru Note: Numbers in parenthesis are in percentage

Figure 4.3 Gender- wise Coverage across Sample districts



Source: DDUBDC, Bengaluru

4.1.6 Beneficiary Coverage: Category & Regional Analysis

Analysing the coverage of beneficiaries across four different categories of the BC, it is seen from the numerical database (Table-4.15 and Graph-4.4) that the coverage appears to be more or less in alignment with the original proportional norm of 14%, 54%, 14%, and 18% for categories I, IIA, IIIA & IIIB respectively. However, since 2016-17, the norm was revised with 70% coverage for category I and IIA and 30% coverage for category IIIA and IIIB. Thus considering this norm, overall at the state level, as well as at the divisional level, the coverage distribution is quite in alignment. However among districts, Kolar, Bagalkote, and Uttara Kannada reveal higher coverage for category I and IIA. In contrast, Bengaluru, Kolar and Uttara Kannada reveal under coverage for category IIA, IIIA and IIIB respectively. Thus, all through, by default, category IIA is found to be the largest beneficiary of the programme. It may be noted that this category predominantly covers castes like Kuruba, Ganiga, Banajiga, which do not necessarily represent the first generation beneficiaries of higher education programmes. On discussion with the officials of the department in this direction, it was justified that the demand for loan is higher among IIIA & IIIB in Bengaluru and Mysore districts and for IIIB students in Hyderabad Karnataka region. Besides, it is also seen that that the demographic composition and spread of the population in these regions is in alignment with this argument. However, the most crucial question in this regard is to what extent the final selection of the beneficiaries seriously considers the vulnerability and risk factors rather than merely going by aggregate categorisation.

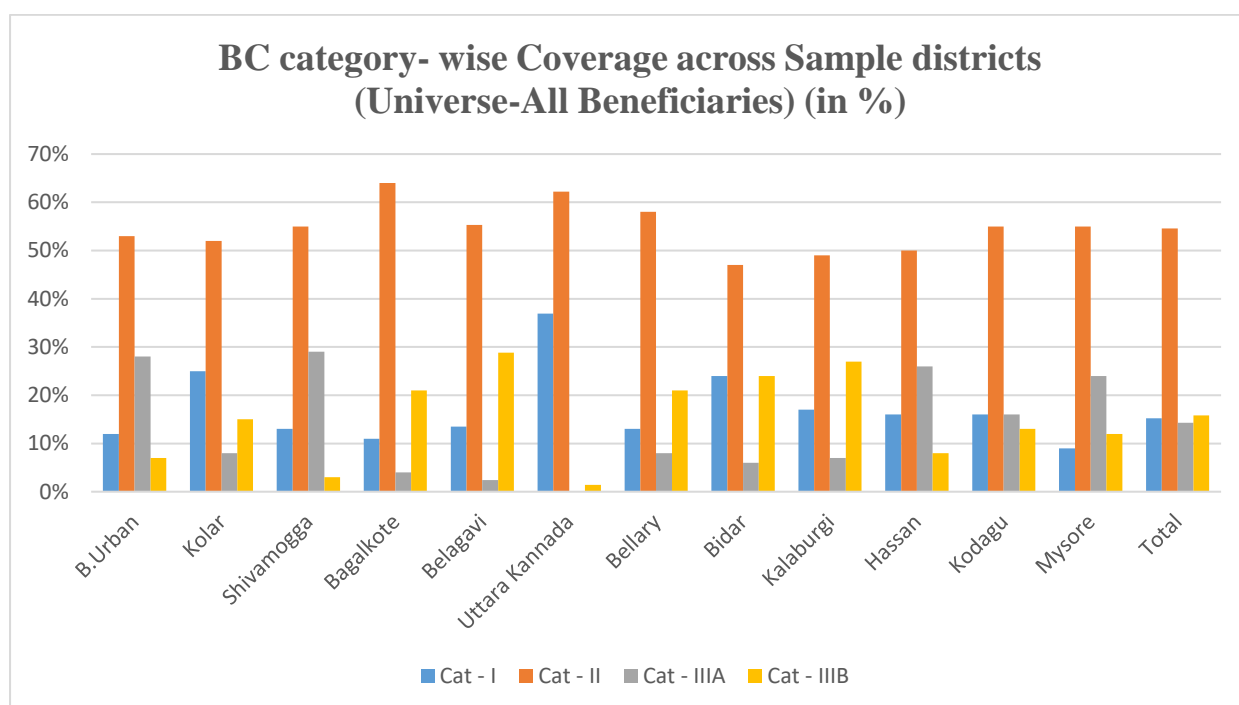
Table 4.15 BC category- wise Coverage across Sample districts (Universe-All Beneficiaries)

Districts	Cat-I	Cat-IIA	Cat-IIIA	Cat-IIIB	Total
B.Urban	92 (12)	418 (53)	217 (28)	58 (7)	785 (100)
Kolar	54 (25)	112 (52)	17 (8)	33 (15)	216 (100)
Shivamogga	16 (13)	70 (55)	37 (29)	4 (3)	127 (100)
Bengaluru Division	162 (14)	600 (53)	271 (24)	95 (8)	1128 (100)
Bagalkote	32 (11.4)	179 (63.9)	11 (3.9)	58 (20.7)	280 (100)
Belagavi	63 (13.5)	259 (55.3)	11 (2.4)	135(28.8)	468 (100)
UttaraKannada	27 (36.9)	46 (62.2)	0 (0)	1 (1.4)	74 (100)
Belagavi Division	122 (15)	484 (59)	22 (3)	194 (24)	822 (100)
Bellary	26 (13)	114 (58)	15 (8)	40 (21)	195 (100)
Bidar	28 (24)	55 (47)	7 (6)	28 (24)	118 (100)

Kalaburgi	35 (17)	101 (49)	15 (7)	57 (27)	208 (100)
Kalaburgi Division	89 (17)	270 (52)	37 (7)	125 (24)	521 (100)
Hassan	21 (16)	66 (50)	35 (26)	10 (8)	132 (100)
Kodagu	54 (16)	181 (55)	52 (16)	41 (13)	328 (100)
Mysore	3 (9)	18 (55)	8 (24)	4 (12)	33 (100)
Mysore Division	78 (16)	265 (54)	95 (19)	55 (11)	493 (100)
Overall Total	451(15.2)	1619 (54.6)	425(14.3)	469(15.8)	2964(100)

Source: DDUBDC, Bengaluru Note : Numbers in parenthesis are in percentage

Figure 4.4 BC category- wise Coverage across Sample districts (Universe-All Beneficiaries)



Source: DDUBDC, Bengaluru

4.1.7 Beneficiary Coverage: Higher Education Courses & Regional Analysis

The coverage of Arivu beneficiaries is further analysed to capture the regional spread and across different courses. Table 4.16 presents data relating to the same. It is clearly evident that a whopping majority (81.7%) of student beneficiaries are seen in the BE course. It is quite pleasing to note this encouraging trend considering the fact that BE is one of the most sought-after programmes targeting lucrative and highly remunerative jobs in the sunrise sector of the knowledge economy. Presence of increasing number of students and that too from this marginalised population segment in a trendy course such as Engineering can be considered as

a positive impact of the programme in enhancing access for these students. Across regions, all divisions present the same trend. It is interesting and gratifying to note that backward districts such as Bagalkote and Uttara Kannada reveal more than 90.0 per cent of beneficiaries in the BE programme. Considering the fact that admission to engineering is based on CET ranking, questions such as whether BC students in these districts reveal higher success rates in the qualifying examinations at the higher secondary stage, as well as are improving their performance in the CET examinations also to ensure eligibility for accessing BE programme merit deeper analysis.

Table 4.16 Course-wise distribution & coverage of beneficiaries in the sample districts (Universe-All Beneficiaries)

Districts	BAMS	BE	MBA	Graduate	PG	MBBS	MD/MS	PhD	Total
Bagalkote	1 (0.4)	254 (90.7)	2 (0.7)	10 (3.6)	9 (3.2)	4 (1.4)	0	0	280 (100)
Belagavi	10 (2.1)	343 (73.3)	15 (3.2)	38 (8.1)	27 (5.8)	30 (6.4)	2 (0.4)	3 (0.6)	468 (100)
Uttara Kannada	2 (2.7)	71 (95.9)	1 (1.4)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	74 (100)
Belagavi Division	13 (1.6)	668 (81.3)	18 (2.2)	48 (5.8)	36 (4.4)	34 (4.1)	2 (0.2)	3 (0.4)	822 (100)
Bellary	1 (0.5)	151 (77)	13 (7)	5 (3)	13 (7)	12 (6)	0 (0)	0 (0)	195 (100)
Bidar	1 (0.8)	89 (75)	3 (3)	9 (8)	7 (6)	9 (8)	0 (0)	0 (0)	118 (100)
Kalaburgi	1 (0.4)	163 (79)	8 (4)	9 (4)	13 (6)	13 (6)	0 (0)	1 (0.4)	208 (100)
Kalaburgi Division	3 (0.5)	403 (77)	24 (7)	23 (4)	33 (6)	34 (7)	0 (0)	1 (0.1)	521 (100)
Hassan	1 (1)	112 (85)	5 (4)	5 (4)	6 (4)	3 (2)	0 (0)	0 (0)	132 (100)
Mysuru	1 (0.30)	271 (82)	25 (8)	8 (2)	14 (4)	9 (3)	0 (0)	0 (0)	328 (100)
Kodagu	0 (0)	28 (85)	2 (6)	2 (6)	0 (0)	1 (3)	0 (0)	0 (0)	33 (100)
Mysuru Division	2 (1)	411 (83)	32 (6)	15 (3)	20 (4)	13 (3)	0 (0)	0 (0)	493 (100)
Bengaluru Urban	5 (1)	663 (84)	18 (2)	49 (6)	22 (3)	24 (3)	4 (1)	0 (0)	785 (100)
Shivmogga	0 (0)	181 (84)	6 (3)	16 (7)	6 (3)	5 (2)	0 (0)	2 (1)	216 (100)
Kolar	2 (2)	96 (76)	5 (4)	10 (8)	5 (4)	9 (7)	0 (0)	0 (0)	127 (100)
Bengaluru division	7 (1)	940 (83)	29 (3)	75 (7)	33 (3)	38 (3)	4 (0.5)	2 (0.1)	1128 (100)
Overall Total	25 (0.8)	2422 (81.7)	103 (3.5)	161 (5.4)	122 (4.1)	119 (4.0)	6 (0.2)	6 (0.2)	2964 (100)

Source: DDUBDC, Bengaluru Note : Numbers in parenthesis are in percentage

For backward class students experiencing different forms of vulnerability, getting into colleges and universities itself is a great honour and achievement. For first generation students, securing admission in prestigious higher education institutions and pursuing professional programmes such as BE and MBBS are matters of prestige and privilege. Under the circumstance when large number of BC students are enrolled into the BE programme, definitely this is an indication of positive impact of the programme. However, whether the state has ensured proper targeting of the BC students from the most vulnerable categories and there is no slip-up in the coverage of different categories is something which needs further probing.

4.2 Arivu Education Loan Beneficiaries: Background

In this section, an attempt is made to understand the background information about Arivu beneficiaries with respect to certain household information. The analysis is done using primary data collected from the field survey of 1130 sample beneficiaries selected for the study.

4.2.1 Landholding Status

The programme targets higher education students of backward class below annual family income of Rs.3.5 lakh. In this context, it would be worthwhile to examine the household background information of the beneficiaries with respect to landholding and other assets owned in order to ascertain deprivation and vulnerability aspects of the beneficiaries. For this analysis, the data provided by the beneficiaries who participated in the primary survey have been used. Looking at the landowning status, it is seen from table 4.17 that overall 58.0 % of the beneficiary households do not own land. However, across region, both Bengaluru division and Belagavi division reveals higher proportion of landless households as compared to landed. In fact, the former reveals landless household to the extent of 73.0% and the latter to the extent of almost 60.0%. Whereas in case of Kalaburgi division, landless beneficiary households are only 40.0 % and in case of Mysore division, the distribution of landed and landless is almost equal. Across districts, quite interestingly, Kalaburgi (74.54%) and Kolar (72.0%) districts reveal highest proportion of beneficiaries owning landholdings. Similarly, districts like Shivamogga (56.79%), Bidar (53.85%) and Hassan (64.18%) reveal more than half of the beneficiaries holding lands. Thus, the vulnerability factor seems to be higher in districts revealing higher proportion of landless beneficiaries rather than those revealing an opposite trend.

Table 4.17 Land owning status of the Arivu Beneficiaries

Division/District	Owns land	Landless	NR	Grand Total
Bengaluru Division	69 (19.65)	256 (72.93)	26 (7.41)	351
Bengaluru Urban	5 (2.04)	214 (87.34)	26 (10.61)	245
Kolar	18 (72.00)	7 (28.00)	(0.00)	25
Shivamogga	46 (56.79)	35 (43.21)	(0.00)	81
Belagavi Division	124 (40.25)	184 (59.74)	(0.00)	308
Bagalkot	30 (38.46)	48 (61.53)	(0.00)	78
Belagavi	80 (42.32)	109 (57.67)	(0.00)	189
Uttar Kannada	14 (34.15)	27 (65.85)	(0.00)	41
Kalaburgi Division	136 (60.17)	90 (39.82)	(0.00)	226
Bellary	19 (37.25)	32 (62.75)	(0.00)	51
Bidar	35 (53.85)	30 (46.15)	(0.00)	65
Kalaburgi	82 (74.54)	28 (25.45)	(0.00)	110
Mysore Division	123 (50.20)	122 (49.79)	(0.00)	245
Hassan	43 (64.18)	24 (35.82)	(0.00)	67
Kodagu	3 (16.67)	15 (83.33)	(0.00)	18
Mysore	77 (48.13)	83 (51.87)	(0.00)	160
Grand Total	452 (40)	652 (57.69)	26 (2.30)	1130

Source: DDUBDC, Bengaluru Note : Numbers in parenthesis are in percentage

A further attempt to understand the landholding status of the beneficiaries across four BC categories, it is seen (table 4.18) except category IIIB, in all the remaining three categories, more than half of the beneficiary households are landless. Thus, the vulnerability factor appears to be higher in case of category I, IIA and IIIA, with category IIIA revealing highest proportion of landless beneficiaries.

Table 4.18 Landowning Status across Beneficiary Categories

Category	Owns a land	Landless	NR	Total
I	72 (45.0)	85 (53.12)	3 (1.88)	160
IIA	243 (37.44)	391 (60.25)	15 (2.31)	649
IIIA	46 (30.67)	98 (65.3)	6 (4.00)	150
IIIB	91 (53.2)	78 (45.6)	2 (1.17)	171
Grand Total	452 (40.0)	652 (57.69)	26 (2.30)	1130

Source: DDUBDC, Bengaluru & Filed Survey Note : Numbers in parenthesis are in percentage

A further attempt is made to understand the productivity aspect of the land owned. Thus, probing the nature of land owned by 452 beneficiaries, it is noticed (table 4.19) that overall

70.0% of these beneficiaries own dry land. Only 23.45% own irrigated and another 3.32% own farm land indicating some productivity status. To this extent, landholdings do not necessarily generate productive income. If one looks at the land owned status across categories, it may be noticed that 70 to 80% of the beneficiaries owning just dry land across all categories do not seem to generate any produce. It is about 20 to 25.0% of the beneficiaries from category I, IIA, and IIIB seem to be in a position to generate some income by owning irrigated and farm land. Therefore, even for 70.0% of the beneficiaries, owning land does not guarantee any economic advantage.

Table 4.19 Type of Land Owned Across Beneficiary Categories

Category	Farm	Irrigated	Dry	Total
I	2 (2.78)	19 (26.39)	51 (70.1)	72
IIA	7 (2.88)	63 (25.92)	173 (71.19)	243
IIIA	4 (8.70)	5 (10.87)	37 (80.43)	46
IIIB	3 (3.30)	21 (23.07)	67 (73.62)	91
Grand Total	16 (3.32)	108 (23.45)	328 (70.58)	452

Source: Field Survey Note : Numbers in parenthesis are in percentage

4.2.2 Household Assets Owned by Beneficiaries

Owning assets and gadgets reflect certain level of economic standard of each family. Some such assets could be Electricity, Fan, Refrigerator, Mobile phone, internet facility, vehicles like bicycle, two-wheelers such as bikes, scooters and automobiles like, passenger cars, commercial vehicles etc, A peek into the table 4.20 clearly reveals that in most households, the presence of singular asset is seen to the extent of around 20.0 per cent only. However, there is slight variation in the extent to which each family owns the same. It is only items such as Refrigerator, Internet and Car seem to be rare possession for many households.

Table 4.20 Household Assets owned by Beneficiaries across districts

Division / District	Electricity	Fan	Refrigerator	TV	Mobile	Internet	Bicycle	Scooter	Car	Total
Bengaluru Division	320 (17.68)	288 (15.91)	234 (12.93)	308 (17.02)	306 (16.91)	74 (4.09)	54 (2.98)	217(11.99)	9 (0.50)	1810
Bengaluru Urban	215 (17.41)	203 (16.44)	197 (15.95)	213 (17.25)	207 (16.76)	40(3.24)	14 (1.13)	145(11.74)	1 (0.08)	1235
Kolar	25 (19.08)	24 (18.32)	9 (6.87)	22 (16.79)	23 (17.56)	3 (2.29)	7 (5.34)	18 (13.74)	(0.00)	131
Shivamogga	80 (18.02)	61 (13.74)	28 (6.31)	73 (16.44)	76 (17.12)	31 (6.98)	33 (7.43)	54 (12.16)	8 (1.80)	444
Belagavi Division	296 (20.76)	238 (16.69)	78 (5.47)	249 (17.46)	265 (18.58)	40 (2.81)	126 (8.84)	127 (8.91)	7 (0.49)	1426
Bagalkot	75 (20.66)	72 (19.83)	38 (10.47)	65 (17.91)	56 (15.43)	4 (1.10)	47 (12.95)	6 (1.65)	(0.00)	363
Belagavi	180 (20.69)	133 (15.29)	23 (2.64)	147 (16.90)	169 (19.43)	36 (4.14)	77 (8.85)	99 (11.38)	6 (0.69)	870
Uttar Kannada	41 (21.24)	33 (17.10)	17 (8.81)	37 (19.17)	40 (20.73)	(0.00)	2 (1.04)	22 (11.40)	1 (0.52)	193
Kalaburgi Division	219 (19.16)	217 (18.99)	56 (4.90)	180 (15.75)	202 (17.67)	108 (9.45)	53 (4.64)	105 (9.19)	3 (0.26)	1143
Bellary	50 (17.24)	49 (16.90)	15 (5.17)	45(15.52)	48(16.55)	44 (15.17)	4 (1.38)	35 (12.07)	(0.00)	290
Bidar	62 (15.94)	61 (15.68)	17 (4.37)	60 (15.42)	60 (15.42)	43 (11.05)	43 (11.05)	43 (11.05)	(0.00)	389
Kalaburgi	107 (23.06)	107 (23.06)	24 (5.17)	75 (16.16)	94 (20.26)	21 (4.53)	6 (1.29)	27 (5.82)	3 (0.65)	464
Mysore Division	242 (19.10)	186 (14.68)	116 (9.16)	233 (18.39)	221 (17.44)	29 (2.29)	50 (3.95)	183 (14.44)	7 (0.55)	1267
Hassan	67 (21.47)	48 (15.38)	20 (6.41)	60 (19.23)	63 (20.19)	1 (0.32)	9 (2.88)	43 (13.78)	1 (0.32)	312
Kodagu	18 (25.71)	15 (21.43)	7 (10.00)	18 (25.71)	5 (7.14)	(0.00)	3 (4.29)	4 (5.71)	(0.00)	70
Mysore	157 (17.74)	123 (13.90)	89 (10.06)	155 (17.51)	153(17.29)	28 (3.16)	38 (4.29)	136(15.37)	6 (0.68)	885
Grand Total	1077 (19.08)	929(16.45)	484(8.57)	970(17.18)	994(17.61)	251(4.45)	283(5.01)	632(11.19)	26(0.46)	5646

Source: Field Survey Note : Numbers in parenthesis are in percentage

4.2.3 Student Beneficiaries by Type of College, Parents Occupation and Income

Analysing the beneficiary data by type of colleges they are studying, it is noted from Table 4.21 and Graph-4.5 that largest chunk (63.2%) of the beneficiaries are studying in private unaided colleges. If autonomous and deemed universities are added to this, then over 65% of beneficiaries hail from private colleges. Those studying in government colleges constitute only a meagre 15.2%. This may be an obvious trend considering the fact that higher education is predominantly offered by the private sector in the state. Further, the selection and choice of the college type is also determined by the CET rank position of the student.

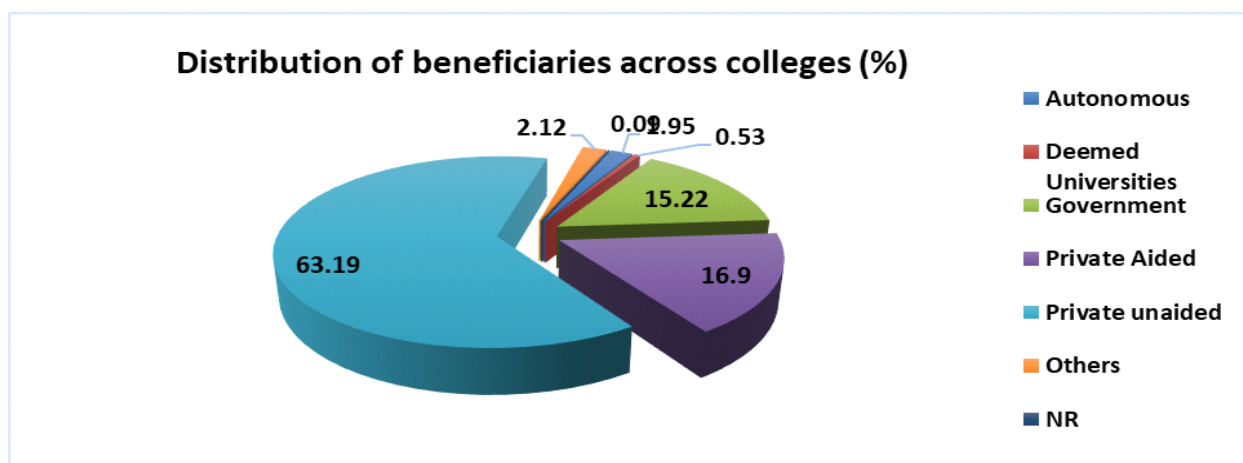
On a quick perusal of the list of beneficiaries from Belagavi division, it is interesting to note that some of the beneficiaries have secured higher rank positions in the CET merit list, through which they have been able to secure seats in prestigious private engineering colleges like RVCE, PES, Ramaiah, BMS etc., in Bengaluru. Although, the Arivu scheme takes care of their tuition fees in such colleges, the question about their living and maintenance expenses in a big city like Bengaluru is a question worth considering.

Table 4.21 Beneficiaries by Type of College

Type of college/university	No. of beneficiaries	Percent
Autonomous	22	1.95
Deemed Universities	6	0.53
Government	172	15.22
Private Aided	191	16.90
Private unaided	714	63.19
Others	24	2.12
NR	1	0.09
Total	1130	100

Source: Field Survey

Figure 4.5 Distribution of beneficiaries across colleges (%)



Source: Field Survey

Thus, on further analysing the beneficiaries' college affiliation against variables such as family income, fathers' occupation and education level, some interesting results emerge. This analysis is limited to the beneficiary numbers, who have provided information about these variables. It is seen considering the family income variable (table 4.22), strangely highest proportion (53.53%) of beneficiaries studying in private unaided colleges hail from families reporting an annual income between Rs. 50,000-1.0 lakh. Even among those reporting less than Rs. 50,000 annual income, highest number are from private unaided colleges. The data for the income is reported only by 430 beneficiaries and analysis is confined to this number. Thus, the trend reveals that income is not a deterrent to study in a private college. As said earlier, it is their merit rank which gives them advantage to study even in a private unaided college.

Table 4.22 Beneficiary College Type and the Annual Income of their Parents

College Type/Ann. Income	Autonomous	Govt	Pvt-aided	Pvt-unaided	Other	Total
<50000	5 (4.59)	28 (25.69)	27 (24.77)	42 (38.53)	7 (6.42)	109 (100.00)
50000-100000	9 (3.73)	42 (17.43)	54 (22.41)	129(53.53)	7 (2.90)	241 (100.00)
100000-300000	1 (1.92)	9 (17.31)	1 (1.92)	40 (76.92)	1 (1.92)	52 (100.00)
>300000	2 (7.14)	2 (7.14)	8 (28.57)	13 (46.43)	3 (10.71)	28 (100.00)
Grand Total	17 (3.95)	81 (18.84)	90 (20.93)	224(52.09)	18 (4.19)	430 (100.00)

Source: Field Survey Note : Numbers in parenthesis are in percentage

A similar trend seems to emerge when the beneficiary college type data is correlated with fathers' occupational background (Table 4.23). Farmers' and private sector employees'

children are likely to study more in private unaided colleges rather than in government or government aided colleges.

Table 4.23 Beneficiary by College Type and Parents Occupation

College Type/ Occupational background	Autonomous	Govt	Pvt-aided	Pvt-unaided	Other	Total
Farmer/ agriculturist	7 (5.47)	24(18.75)	25(19.53)	64 (50.00)	8 (6.25)	128 (100.00)
Artisan [non-farming]	(0.00)	(0.00)	1 (25.00)	3 (75.00)	(0.00)	4 (100.00)
Business	3 (8.57)	9 (25.71)	2 (5.71)	17 (48.57)	4 (11.43)	35 (100.00)
Govt. service/employee	2 (10.00)	1 (5.00)	6 (30.00)	11 (55.00)	(0.00)	20 (100.00)
Private	3 (2.13)	28(19.86)	28(19.86)	81 (57.45)	1 (0.71)	141 (100.00)
Trade/petty shop	(0.00)	(0.00)	2 (50.00)	1 (25.00)	1 (25.00)	4 (100.00)
Not working	(0.00)	7 (17.07)	10(24.39)	23 (56.10)	1 (2.44)	41 (100.00)
other	2 (3.51)	12(21.05)	16(28.07)	24 (42.11)	3 (5.26)	57 (100.00)
Grand Total	17 (3.95)	81(18.84)	90(20.93)	224(52.09)	18 (4.19)	430 (100.00)

Source: Field Survey Note : Numbers in parenthesis are in percentage

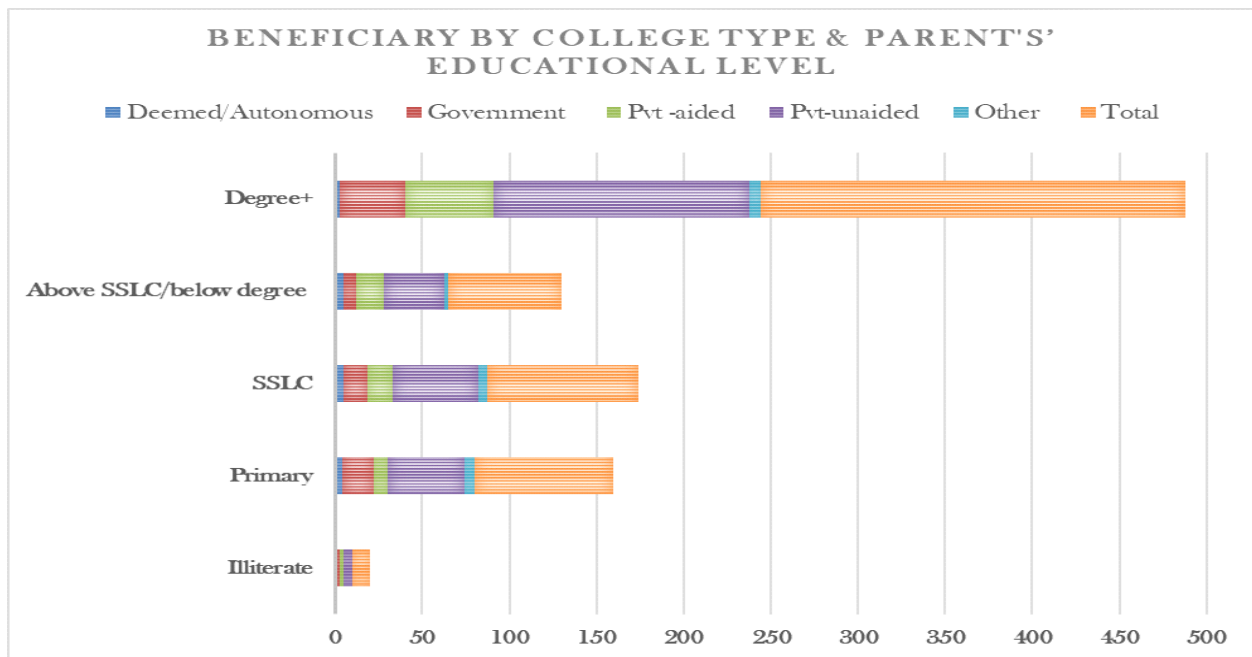
However, quite interestingly, it is the Fathers' educational level which seems to determine the type of college their wards choose for pursuing higher education (Table 4.24 and Graph-4.6). The higher the level of fathers' education, greater likelihood of studying in private unaided colleges.

Table 4.24 Beneficiary by College Type and Parents educational level

College Type Education background	Deemed / Autonomous	Government	Pvt -aided	Pvt-unaided	Other	Total
Illiterate	(0.00)	3 (30.00)	2 (20.00)	5 (50.00)	(0.00)	10 (100.00)
Primary	4 (5.00)	18 (22.50)	8 (10.00)	44 (55.00)	6 (7.50)	80 (100.00)
SSLC	5 (5.75)	14 (16.09)	14 (16.09)	49 (56.32)	5 (5.75)	87 (100.00)
Above SSLC/ below degree	5 (7.69)	7 (10.77)	16 (24.62)	35 (53.85)	2 (3.08)	65 (100.00)
degree & above	3 (1.23)	37 (15.16)	51 (20.90)	147 (60.25)	6 (2.46)	244 (100.00)
Grand Total	17 (3.50)	79 (16.26)	91 (18.72)	280 (57.61)	19 (3.91)	486 (100.00)

Source: Field Survey Note : Numbers in parenthesis are in percentage

Figure 4.6 Beneficiary by College Type & Parent's educational level



Source: Field Survey

4.3 Beneficiary and Stakeholders' Perceptions about Arivu Loan Scheme

An attempt was made to gather views and perceptions of 1130 student beneficiaries and various stakeholders to understand about the Arivu loan scheme, its implementation, various challenges and issues and benefits accrued to the students. Several stakeholders such as District level Managers of the Department(12), District Line department officials(12), CEOs at the ZP(12), State level officers of the Department and the Karnataka Examination Authority/CET (4) were interviewed during the field survey [details presented in the Annexure 1]. These responses are consolidated and collated with respect to various aspects of the scheme and integrated into the analysis of the beneficiary field survey data.

4.3.1 Continuation of Arivu Loan Scheme and Adequacy of Loan Amount

To a question about continuation of the Arivu scheme, all beneficiaries categorically responded in affirmative. For them, the scheme not only enhanced access to higher education, but also helped them in completing the course as well as in increasing their potential and opportunities for economic and social mobility. Similarly all other stakeholders felt the scheme was quite helpful for the credit constrained students from the vulnerable backward class sections and hence needs to be continued. In this regard, a question was also asked about up scaling the scheme to larger numbers as well as extending to other higher education courses. Students in general felt that the loan benefit should be made available to all the BC students satisfying the

eligibility criteria. The college authorities opined that extending the scheme to other courses currently not covered will boost up enrolment of backward class students in higher education. The officials at the state level also felt the scheme may be extended to students from other courses.

To another question regarding adequacy of the loan amount provided currently under the scheme, many students were of the view that loan amount was not sufficient as they incurred many other study related expenses during the course of study. The department officials, on the other hand felt the loan amount could be increased for only medical students considering the heavy expenses incurred by them. The officials both at the district and the state level were of the view that the sanctioned budget was insufficient and they experienced budgetary constraints while making allocations to the districts.

4.3.2 Benefit and Utility of the Scheme

As already mentioned, while all student beneficiaries wanted the scheme to be continued, they further reiterated that the scheme is very essential and useful to them as many of them were not in a position to raise loans from Banks owing to financial hardships. In view of this the scheme was most useful in reducing financial burden of the family in terms of paying the required college fee. This view was further corroborated by college principals, district level and state level officials. Beneficiaries also reported that it helps them to complete their courses without any interruptions. Some of them also felt that it boosted their morale and self-confidence and paved way for smooth absorption into the job market through on-campus selection.

4.3.3 Non-Economic Benefits of Arivu Loan

Although, the major dimension of the programme is economic support and assistance to poor students, there are other non-economic benefits that may accrue to students in the process. The very fact that there is temporary relief for the financial hardship because of a loan intervention itself may generate positive feelings among the beneficiaries. Some of the implicit benefits are: increase in their confidence and comfort levels because of timely financial assistance, enhanced motivation to participate in academic activities and continue studies uninterrupted, reduced economic burden. In this context, the beneficiaries were asked to respond to certain key questions on a five-point scale of agreement. Analysing the responses to the questions in this direction, it is interesting to note that indeed some benefits have accrued to the beneficiaries in terms of certain positive influences (Table 4.25). More than anything, the loan has provided them a 'temporary reprieve from the financial hardships' and 'increased their levels of

‘confidence and self- esteem’ as more than 96.0 per cent of the beneficiaries have responded both in agreement and strong agreement. Similarly, ‘enhanced motivation to complete the course’ (over 88.0 per cent) ‘campus placement’ (over 70.0 per cent) have also emerged as other accrued benefits as per responses to agree and strongly agree statements. However, it may be noted that the ‘undecided’ beneficiaries constitute more than 18.0 per cent and 10.0 percent respectively for the latter and former aspect.

Table 4.25 Beneficiary perceptions about the benefit of Arivu programme

Perceptions	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Grand Total
Temporary reprieve from financial hardship	409 (36.2)	678 (60.0)	31 (2.7)	8 (0.7)	2 (0.2)	1130 (100)
Increased confidence and self-esteem levels	381 (33.7)	714 (63.20)	27 (2.4)	6 (0.5)	1 (0.1)	1130 (100)
Enhanced motivation to complete the course	293 (25.9)	696 (61.6)	115 (10.2)	24 (2.1)	2 (0.2)	1130 (100)
Campus placement	157 (13.9)	638 (56.5)	210 (18.6)	124 (11.0)	1 (0.1)	1130 (100)

Source: Field Survey Note : Numbers in parenthesis are in percentage

4.3.4 Utilisation of Arivu Education Loan

It is interesting to know how Arivu loan is utilised, for what purpose and to what extent beneficiaries are satisfied with the loan received. Analysis of data in this regard yielded the following results (table 4.26).

Table 4.26 Utilisation of Arivu Loan by beneficiaries

Districts	Exclusively for education	Education of other family members	Personal	No information	Others	All
Bagalkot	68 (87.2)	6 (7.7)		4 (5.1)		78 (100)
Bengaluru Urban	223 (91.0)	21 (8.6)	1 (0.4)			245 (100)
Belagavi	182 (96.3)	6 (3.2)		1 (0.5)		189 (100)
Bellary	49 (96.0)	-		1 (2.0)	1 (2.0)	51 (100)
Bidar	65 (100.0)					65 (100)
Kalaburgi	109 (99.1)				1 (0.9)	110 (100)
Hassan	67 (100.0)					67 (100)
Kodagu	6 (33.3)				12 (66.7)	18 (100)

Kolar	24 (96.0)				1 (4.0)	25 (100)
Mysore	158 (98.8)	2 (1.3)				160 (100)
Shivamogga	79 (97.5)	1 (1.2)	1 (1.2)			81 (100)
Uttar Kannada	38 (92.7)	1 (2.4)			2 (4.9)	41 (100)
Grand Total	1068 (94.5)	37 (3.3)	2 (0.2)	6 (0.5)	17 (1.5)	1130 (100)

Source: Field Survey Note : Numbers in parenthesis are in percentage

Overall, an overwhelming majority (94.51%) of the beneficiaries have utilised the loan amount for educational purpose. There are however, another 5.0 per cent of the beneficiaries who have reported that it is used for other course related expenses. There are two beneficiaries who seem to have used the loan amount for meeting their personal expenses, perhaps towards transport charges. It may be noted that the first year loan amount is released directly to the college to meet tuition and college fees. However, subsequently, the amount is released to student's bank account. Even the data analysed from the FGDs reveals that highest proportion of beneficiaries report about the Arivu loan benefit in completing the course as well as in providing financial stability. Considerable number also report about helpfulness of the scheme in getting admission in good college as well as enabling them to pursue higher education. This seems an added advantage for BC students.

4.3.5 Release of Loan: Mode of Payment, Timeliness

An attempt is made to find out the mode of payment of loan to the beneficiaries and timeliness with which it reaches them. For this analysis, perceptions and views expressed by sample respondents during field survey have been used. As reported by the beneficiaries as well as stakeholders, the loan is released in instalment and payment mode is done both by check and on-line. Further, more number of beneficiaries across districts reported about receiving the loan in one instalment. The second and third instalments are released as beneficiaries' progress towards course completion. To a question relating to mode of loan payment, most beneficiaries have reported that it is either through cheque or on-line. While the former mode is being used in case on Non-CET beneficiaries, the latter is being employed in making loan payment to CET student beneficiaries.

Table 4.27 Loan Instalments

District	No. of Instalments			Total
	One	Two	Three	
Bengaluru Urban	4	2	2	8
Kolar	2	4	2	8
Shivamogga	2	3	3	8
Belagavi	4	3		7
Bagalkote	4	2		6
Uttara Kannada	3	3	2	8
Bellary	5	2		7
Bidar	5	2		7
Kalaburgi	3	3	2	8
Hassan	3	2	2	8
Kodagu	4	5		9
Mysore	5	2	3	10
TOTAL	44	33	16	93

Source: Field Survey

4.3.6 Timeliness of Loan Release

It is important that the education loan has to reach on time so that students are not put to any kind of difficulties, especially when they belong to the most vulnerable groups. The analysis relating to timely release of loan has been done using the primary survey data gathered from 1130 Arivu beneficiaries. To a question relating in this regard, as seen from Table 4.28 overall, large majority have reported in affirmative (87.3%). However, interestingly an unacceptably high proportion (48%) of beneficiaries from Kolar district report in negative. This is a matter of serious concern. On further analysing the data gathered from FGD/IDI, it transpired that some of the CET and non-CET college authorities and student beneficiaries expressed the view that loan was not given on time. The college authorities in particular were of the view that as the colleges usually start during July- August period, if the loan is sanctioned by September that will be more appropriate and beneficial.

Table 4.28 Releasing of Loan on Time

Districts	Released on time	Did not release on time	No info	Grand Total
Bagalkot	68 (87.2)	9 (11.5)	1 (1.3)	78 (100.0)
Bengaluru Urban	241 (98.4)	4 (1.6)		245 (100)
Belagavi	163 (86.2)	26 (13.8)		189 (100)
Bellary	45 (88.2)	6 (11.8)		51 (100)
Bidar	52 (80.0)	13 (20.0)		65 (100)
Kalaburgi	93 (84.6)	16 (14.6)	1 (0.9)	110 (100)
Hassan	62 (92.5)	5 (7.5)		67 (100)
Kodagu	15 (83.3)	3 (16.7)		18 (100)
Kolar	13 (52.0)	12 (48.0)		25 (100)
Mysore	126 (78.8)	34 (21.3)		160 (100)
Shivamogga	72 (88.9)	8 (9.9)	1 (1.2)	81 (100)
Uttar Kannada	36 (87.8)	4 (9.8)	1 (2.4)	41 (100)
Grand Total	986 (87.3)	140 (12.4)	4 (0.4)	1130 (100)

Source: Field Survey Note : Numbers in parenthesis are in percentage

4.4 Effectiveness of Arivu Scheme Implementation

Effectiveness of Arivu scheme implementation is assessed through beneficiary perceptions. However, before that a brief report about the way programme is implemented is presented herein as reported by the department authorities. Every year action plan is prepared by DUBCDC during April-May. Based on the OBC population, Central office will fix the physical and financial targets to the districts in the ratio of 70 and 30 percent criteria. This will be placed before the advisory committee, which will decide the loan sanction. As per the roaster and the scheme guidelines, based on CET ranking candidate is identified. According to the Manager of the District office, first Annual action plan will be prepared, then notification will be issued for receiving application. These applications will be verified for eligibility criteria and other conditions of fulfilment by the district office and sanctions of Arivu loan will be released.

For CET central server based online applications will be notified during July, August, and September (since 2016-17). For ARIVU education loan, the Corporation invites applications every year from eligible candidates. Corporation sorts out the applications based on criteria

(eligibility) under different categories; and a list is prepared and the same is sent to KEA / CET. KEA verifies the list and if the listed candidates have cleared the KEA entrance exams, and based on the individual ranking of the student and allotment to different colleges, ARIVU loan will be sanctioned as per the required amount. KEA also invites applications from students who are in 2nd Year PUC (Science) every year, and also from other candidates for different courses. After PUC / CET exams, if the candidates are eligible and ranked, seats will be allotted accordingly for professional courses. List of selected candidates for other courses shall also be prepared based on the rankings. The list of selected candidates sent by D Urs Corporation will be verified, and whoever comes under ranking, ARIVU loan will be sanctioned.

After CET ranking, the candidates' sanction letter will go to the respective allotted colleges as well as to the students. This letter enables the students and the colleges to complete the admission processes. The students need not have to pay the admission fees to the college at the time of admission. After admission, the joining letter with fees structure and other required documents will come to KEA. This makes clear that the student has accepted the course and the college and college has admitted him/her. Then KEA start the process of remitting the admission fees (government fees) for first semester / year directly to the college online, and this may take a maximum of three months. For the subsequent semesters / years, D Urs Corporation releases the loan amount directly to the students. For CET courses, applications are invited on-line every year. The on-line received applications are scrutinized and stratified based on categories and courses for each district. Keeping the budgeted cap for each district, a list of eligible candidates is prepared for each district, and the same is sent to each district for further verifications. The verified lists from all the districts will come back to corporation, and the same is forwarded to CET/ KEA for sanction and releasing of first semester / year loan amount to the respective colleges.

For non-CET, applications are invited off-line by the corporation (also by the district office) and the applications will come to district manager's office at the district level. DM office scrutinize and verify the applications for necessary documents and stratify the applications—category-wise and course-wise; the selected applications (based on the cap by the corporation—budget for each district) will be submitted to the selection committee headed by CEO. Generally, CEO with the committee members approves the list. The DM office submit the CEO approved list with all the documents of all the selected candidates to the corporation.

The corporation approves the list and loan is directly sanctioned to the selected candidates, and the loan amount is credited to the candidate's account through RTGS.

4.4.1 Beneficiary Selection Procedure: Problems and Issues

It appears that there are certain bottlenecks in the procedure followed for scheme implementation. It transpired during interviews that beneficiary selection process is quite a complicated process as it entails verification of the documents submitted by the beneficiaries to check for authenticity of the same. This is a time-consuming process. It is noticed that in the context of spiralling demand for higher education, the department receives excess application and distributing the same category-wise is quite a ticklish issue because of less budgetary provisions. Besides the physical target has to be decided as per the concerned district requirement. Many a times beneficiaries fail to produce required security deposit papers, which poses problem for obtaining approval from the selection committee.

4.4.2 Beneficiary Perceptions about Scheme Implementation: Easy Accessibility

What kinds of views and perceptions stakeholders have about the Arivu programme in terms of the way it is being implemented, serving the purpose, timeliness in its reach, accessibility are all important aspects while assessing the effectiveness of the programme. Besides, their views on problems and difficulty experienced are also important from the point of understanding how the programme has performed and served the clientele. Beneficiaries were asked about various aspects of Scheme Implementation. To a question relating to easy accessibility to programme information, it is gratifying to note from Table-4.29 that overall a large majority (82.0) have reported that the programme was easily accessible. Across districts, more or less the same picture emerges. However, Bellary and Kolar districts reveal higher proportion of beneficiaries reporting in negative that is not easily accessible. In fact, Bellary district reveals far higher proportion (82.0%) of beneficiaries reporting that the programme was not easily accessible.

Table 4.29 Easy Accessibility to the Loan by the beneficiaries

Districts	Yes	No	Total
Bagalkot	76 (97.4)	2 (2.6)	78 (100)
Bengaluru Urban	239 (97.6)	6 (2.4)	245 (100)
Belagavi	117 (61.9)	72 (38.1)	189 (100)
Bellary	9 (17.7)	42 (82.4)	51 (100)
Bidar	59 (90.8)	6 (9.2)	65 (100)

Kalaburgi	104 (94.6)	6 (5.5)	110 (100)
Hassan	67 (100)	0	67 (100)
Kodagu	17 (94.4)	1 (5.6)	18 (100)
Kolar	12 (48.0)	13 (52.0)	25 (100)
Mysore	139 (86.9)	21 (13.1)	160 (100)
Shivamogga	50 (61.7)	31 (38.3)	81 (100)
Uttar Kannada	37 (90.2)	4 (9.8)	41 (100)
Grand Total	926 (82.0)	204 (18.1)	1130 (100)

Source: Field Survey Note: Numbers in parenthesis are in percentage

4.4.3 Beneficiary Perceptions about Procedural Requirements

The department has laid down procedural guidelines to be followed by students for obtaining Arivu loan. Accordingly, application forms are filled by the candidates, attaching all the required documents, and submitted to the corporation. Students have to submit the quotation from the college after getting admission to the course. Quotation includes college fee structure and other education related expenditure like books, stationary etc. Based on the quotation, loan is sanctioned. College admission receipt with fees paid receipt will have to be enclosed. While it is necessary to ensure that all norms and conditions are adhered to while releasing the loan to the students, at the same time the procedures in place should not intimidate or create hurdles for the students. Many a times government programme norms are unduly stringent only to ensure no conditions are compromised or the authority and power abused. Lax implementation mechanisms may create unnecessary burden for the student in terms of investment of time, money and effort in fulfilling the requirements. In this context beneficiaries were asked about their views on the most difficult procedural requirement to be adhered to while submitting application (Table 4.30). Most importantly, five elements have emerged from their responses. They are, procuring application, filling application, submitting documents, providing affidavit, providing surety. Overall, highest proportion (44.3%) report about 'providing surety' as the most difficult aspect. In order of difficulty level, 'providing affidavit' (32.5%), 'submitting different documents' (28.4%), 'procuring application' (21.7) and 'filling application' (10.7%) are reported.

Table 4.30 Beneficiaries views on Difficult Procedural Tasks

District	Procuring application	Filling application	Submitting documents	Giving affidavit	Giving_surety	others
Bagalkot	44 (18.)	8	7	20	65	2
Bengaluru Urban	29	39 (32.2)	166 (51.7)	25	29	1
Belagavi	96 (39.2)	55 (45.5)	55 (17.1)	89 (24.3)	116 (23.2)	10
Bellary	1	2	24	29	19	
Bidar	40 (16.3)	2	5	15	40 (8.0)	
Kalaburgi	10	6	26	95 (25.9)	79 (15.8)	
Hassan	3	3	9	15	29	23
Kodagu			1		8	9
Kolar	10	1		2	3	10
Mysore	3	1	5	9	42 (8.4)	46
Shivamogga	2	3	10	60 (16.3)	62 (12.4)	10
Uttara Kannada	7	1	13	8	9	17
Grand Total	245 (21.7)	121 (10.7)	321 (28.4)	367 (32.5)	501 (44.3)	128

Source: Field Survey Note: Numbers in parenthesis are in percentage

Across districts in the region, ‘providing surety’ emerges as the most difficult task as highest number of beneficiaries have viewed. In fact, for many students, getting witnesses from people of the surrounding area is quite a challenging task. Even department officials concurred that obtaining affidavits and surety from the beneficiaries indeed was a challenging exercise as it not only demanded proper verification to ensure authenticity but also many times consumed more time during the process. A couple of beneficiaries also reported about paying money to the proposed witness in order to procure surety. In this regard, during the interaction with the stakeholders, a suggestion was made to obtain witness from one’s own family. For Bengaluru Urban district ‘submitting documents’ emerged as the most difficult task. Similarly providing affidavit has emerged as the most difficult task for Belagavi, Bellary, Kalaburgi, and Shivamogga districts. For Belagavi, Bidar and Kolar, procuring application itself is a challenging task in addition to other procedural tasks as reported by beneficiaries. An attempt was also made to find out difficulties faced by rural students in regard to some of the procedural requirements (Table-4.31).

Table 4.31 Difficult Procedural Tasks faced by Rural Students

District	Procuring Application	Filling application	Submitting documents	Giving affidavit	Giving surety	others	Total
Bagalkot	23 (31.9)	3 (4.2)	4 (5.6)	10 (13.9)	32 (44.4)		72 (100)
Bengaluru Urban	1 (12.5)		4 (50.0)	2 (25.0)	1 (12.5)		8 (100)
Belagavi	44 (22.8)	21 (10.9)	23 (11.9)	43 (22.3)	58 (30.1)	4 (2.1)	193(100)
Bellary	1 (1.6)	2 (3.3)	19 (31.2)	23 (37.7)	16 (26.2)		61 (100)
Bidar	22 (38.6)		3 (5.3)	8 (14.0)	24 (42.1)		57 (100)
Kalaburgi	9 (7.6)	2 (1.7)	15 (12.6)	50 (42.0)	43 (36.1)		119(100)
Hassan	3 (6.0)	1 (2.0)	8 (16.0)	10 (20.0)	15 (30.0)	13(26.0)	50 (100)
Kodagu					5 (50.0)	5 (50.0)	10 (100)
Kolar	9 (45.0)			2 (10.0)	1 (5.0)	8 (40.0)	20 (100)
Mysore	1 (2.3)	1 (2.3)	1 (2.3)	2 (4.7)	21 (48.8)	17(39.5)	43 (100)
Shivamogga	1 (1.3)	1 (1.3)	7 (8.8)	29 (36.3)	33 (41.3)	9 (11.3)	80 (100)
Uttara Kannada	3 (8.3)		6 (16.7)	5 (13.9)	7 (19.4)	15(41.7)	36 (100)
Grand Total	117 (15.6)	31 (4.1)	90 (12.0)	184(24.6)	256 (34.2)	71 (9.5)	749(100)

Source: Field Survey Note: Numbers in parenthesis are in percentage

Even here, giving surety and giving affidavits emerged as the most difficult tasks. Even procuring application is also seen as the difficult task considering the highest number of beneficiaries reporting about this. For most districts, besides these, even procuring application and filling application are most difficult.

The introductions of digital software systems in most of the departments under the state government have enabled hassle-free service to the clientele seeking help and support from the government. In line with this, the backward class department corporation has also introduced on-line application procedure for accessing the education loan. In this context, beneficiaries were asked about the convenience and friendliness of the procedure under the Arivu programme (Table 4.32). In specific, to a question on convenience in filling up the online application, overall highest majority have reported in affirmative.

Table 4.32 Convenience in filling of online application

Districts	Convenient	Not convenient	Total
Bagalkot	75 (96.2)	3 (3.9)	78 (100)
Bengaluru Urban	239 (97.6)	6 (2.5)	245 (100)
Belagavi	183 (96.8)	6 (3.2)	189 (100)
Bellary	37 (72.6)	14 (27.5)	51 (100)
Bidar	63 (96.9)	2 (3.1)	65 (100)
Kalaburgi	108 (98.2)	2 (1.8)	110 (100)
Hassan	66 (98.5)	1 (1.5)	67 (100)
Kodagu	16 (88.9)	2 (11.1)	18 (100)
Kolar	24 (96.0)	1 (4.0)	25 (100)
Mysore	151 (94.4)	9 (5.6)	160 (100)
Shivamogga	60 (74.1)	21 (25.9)	81 (100)
Uttara Kannada	40 (97.6)	1 (2.4)	41 (100)
Grand Total	1062 (94.0)	68 (6.0)	1130 (100)

Source: Field Survey Note : Numbers in parenthesis are in percentage

4.5 Arivu Education Loan Impact on Educational Outcomes

Being a non- experimental study, measuring actual impact of the Arivu programme on educational outcomes exclusively for the BC students is a daunting task as it demands baseline and terminal datasets at disaggregate levels with respect to access, enrolment, attendance, course completion, reduction in dropout and finally employment and economic mobility. In the absence of these datasets in the required format at disaggregated levels, alternative symptomatic numerical data have to be considered for this analysis. Thus, outcome indicators such as course completion, dropout, employment-unemployment status, wages etc., have been examined to assess the impact on outcomes.

4.5.1 Arivu Impact on Course Completion Ratio

It is noted from Table-4.33 that out of the 1130 students who participated in the survey, an overall 51.4 per cent of them are still studying and 46.5 per cent have completed the course. The proportion of latter, although is not equal to the former, yet the fact it is as high as 46.5 per cent can be seen as an encouraging feature, suggestive of positive impact of the Arivu programme on course completion.

Table 4.33 Course-wise beneficiary status

Course	Students	Course Completed	Dropouts	Total
Gen degree	8 (66.67)	4 (33.33)	0	12 (100)
BE/B.Tech	505 (51.3)	456 (46.3)	23 (2.3)	984 (100)
MBBS	33 (80.49)	8 (19.51)	0	41 (100)
PG (MBA, MD, MTech, MVSc, MSc Ag, MCA, MSc, MA)	11 (17.19)	53 (82.81)	0	64 (100)
Others (BA, BAMS, BHMC, Nursing, PHD, BCA, LLB, BSc forestry, Pharma, BYNS, BHMS, BDS)	24 (82.76)	5 (17.24)	0	29 (100)
Grand Total	581 (51.42)	526 (46.55)	23 (2.04)	1130 (100)

Source: Field Survey Note : Numbers in parenthesis are in percentage

Across the courses, it is the post-graduate degree, which reveals highest percent (82.81%) of course completers, followed by Engineering (46.3%). In case of former, reporting of bachelor degree as completed could have boosted their proportion. It is also noted that there are 23 beneficiaries failing to complete the course or dropping out from the course, all from BE degree course. Although, the incidence of overall dropout works out to a negligible 2.0 per cent, yet it is unacceptable when an educational loan is offered. On further analysing the reasons for drop out, the following is noticed (table 4.34). Barring the only one student who has reported economic reason for dropping out, 5 beneficiaries have reports about health reasons, 7 beneficiaries have reported family crisis and another 8 have reported assorted reasons such as loss of eligibility, getting a job, and some technical hitch in the result declaration. The reasons suggest the need for strengthening counselling service in the colleges to help those facing such problems. This phenomenon merits further investigation.

Table 4.34 Reasons for dropout (N=23)

Reasons	Number
Economic /financial difficulties	1
Health reasons	5
Family crisis	7
Course difficult	2
Other reasons [lost eligibility to continue; got a job/govt. job; technical problem in result declaration]	8
Total	23

Source: Field Survey

Across divisions, course completion ratio reveals more or less the same trend is reflected as seen in case of overall pattern (Table 4.35). Interestingly, Mysore division presents a higher proportion of course completion ratio, thereby endorsing positive impact of the scheme. District-wise, Bengaluru Urban, Bidar, Mysore and to a certain extent Kalaburagi district reveals better ratio of course completion suggesting positive impact of the scheme. On the flip side, districts such as Shivamogga, Uttara Kannada and Bellary reveal rather discouraging trends in terms of course completion ratio.

Table 4.35 District-wise Student Beneficiary Course Completion Status

Division/District	Students	Complete	Dropouts	Total
Bengaluru Urban	111 (45.3)	134 (54.7)		245 (100)
Kolar	15 (60.0)	10 (40.0)		25 (100)
Shivamogga	52 (64.2)	26 (32.1)	3 (3.7)	81 (100)
Bengaluru Division	178 (50.7)	170 (48.4)	3 (0.9)	351 (100)
Bagalkot	47 (60.3)	31 (39.4)		78 (100)
Belagavi	99 (52.4)	85 (45.0)	5 (2.7)	189 (100)
Uttar Kannada	23 (56.1)	16 (39.0)	2 (4.9)	41 (100)
Belagavi Division	169 (54.9)	132 (42.9)	7 (2.3)	308 (100)
Bellary	32 (62.8)	15 (29.4)	4 (7.8)	51 (100)
Bidar	30 (46.2)	33 (50.8)	2 (3.1)	65 (100)
Kalaburagi	54 (49.1)	53 (48.2)	3 (2.7)	110 (100)
Kalaburagi Division	116 (51.3)	101 (44.7)	9 (4.0)	226 (100)
Hassan	35 (52.2)	31 (46.3)	1 (1.5)	67 (100)
Kodagu	10 (55.6)	8 (44.4)		18 (100)
Mysore	73 (45.6)	84 (52.5)	3 (1.9)	160 (100)
Mysore Division	118 (48.2)	123 (50.2)	4 (1.6)	245 (100)
Grand Total	581 (51.4)	526 (46.6)	23 (2.0)	1130 (100)

Source: Field Survey Note : Numbers in parenthesis are in percentage

Assessing the impact of the Arivu programme on male and female students' course completion ratios, the overall difference is only less than 5.0 per cent (Table 4.36), suggesting almost an equal impact on boys and girls. From out of the small number of dropouts, more boys than girls are found to drop out. Thus, the programme in general does not seem to impact male and female students differently in a large extent.

Table 4.36 Male- Female student beneficiary status

Gender	Students	Course Completed	Drop outs	Total
Female	236 (54.5)	189 (43.7)	8 (1.9)	433 (100)
Male	345 (49.5)	337 (48.4)	15 (2.2)	697 (100)
Total	581 (51.4)	526 (46.6)	23 (2.04)	1130 (100)

Source: Field Survey Note : Numbers in parenthesis are in percentage

However, when regional dimension is added, different patterns seems to emerge (Table 4.37). Kolar and Kodagu districts reveal far higher positive impact on female students than male students. While Kodagu's performance may be attributed to the higher female ratio of the district, the same cannot hold good for Kolar as well, considering its laggard status both in terms of infrastructure and female educational attainment. Bengaluru urban district reveals a better picture for girls as compared to their counterparts in other districts. While the gender gap is observed to the extent of over 30.0 per cent in the remaining districts, districts such as Bagalkot, Uttara Kannada, and Kalaburgi reveal striking gender disparities. Thus, the trend suggests disparate impact of the Programme on girls, when regional dimension is added.

Table 4.37 District-wise Male-Female Course Completion Status

Districts	Course completed		Drop outs	
	Female	Male	Female	Male
Bengaluru Division	79 (46.5)	91 (53.5)	2 (66.7)	1 (33.3)
Bengaluru Urban	63 (47.0)	71 (53.0)		
Kolar	7 (70.0)	3 (30.0)	7 (70.0)	3 (30.0)
Shivamogga	9 (34.6)	17 (65.4)	2 (66.7)	1 (33.3)
Belagavi Division	35 (26.5)	97 (73.5)	2 (28.6)	5 (71.4)
Bagalkot	6 (19.4)	25 (80.7)		
Belagavi	27 (31.8)	58 (68.2)	1 (20.0)	4 (80.0)
Uttara Kannada	2 (12.5)	14 (87.5)	1 (50.0)	1 (50.0)
Kalaburgi Division	28 (27.7)	73 (72.3)	4 (44.4)	5 (55.6)
Bellary	5 (33.3)	10 (66.7)	3 (75.0)	1 (25.0)
Bidar	10 (30.3)	23 (69.7)		2 (100)
Kalaburgi	13 (24.5)	40 (75.5)	1 (33.3)	2 (66.7)
Mysore Division	47 (38.2)	76 (61.8)		4 (100)
Hassan	10 (32.3)	21 (67.7)		1 (100)
Kodagu	5 (62.5)	3 (37.5)		
Mysore	32 (38.10)	52 (61.90)		3 (100)
All	189 (35.93)	337 (64.07)	8 (34.78)	15 (65.22)

Source: Field Survey Note: Numbers in parenthesis are in percentage

It would be interesting to study whether the Arivu programme impacts differently the course completion and dropout incidence across four different BC categories (Table 4.38). Looking at the course completion ratio as against the students for each of the category, in case of category IIA, there is absolute positive impact with students and course completion ratio revealing 1:1. Regretfully, this category also reveals highest proportion of dropout incidence, with 14 out of the total 23 dropouts hailing from this category. Category IIIB reveals far lower proportion of students completing the course as compared to students, thereby indicating negative impact of the programme on this category.

Table 4.38 BC category –wise distribution of student beneficiary status

Beneficiary	Students	Course Completed	Drop outs	Total
Category				
I	84 (52.5)	71 (44.4)	5 (3.1)	160 (100)
IIA	318 (49.0)	317 (48.8)	14 (2.2)	649 (100)
IIIA	81 (54.0)	68 (45.3)	1 (0.7)	150 (100)
IIIB	98 (57.3)	70 (40.9)	3 (1.8)	171 (100)
Total	581 (51.4)	526 (46.6)	23 (2.0)	1130 (100)

Source: Field Survey Note : Numbers in parenthesis are in percentage

4.5.2 Arivu Education Loan Impact on Employment

An attempt is made to examine the employment status of Arivu beneficiaries as an indicator of assessing the programme’s impact. This variable is examined for male and female beneficiaries, across regions and different courses and across four categories. This analysis is confined to only those who have completed the course. It is observed that even some of the dropouts have reported about their employment status. They have also been included for this analysis. Thus, 549 beneficiaries out of the total sample of 1130 have been considered for this analysis.

It is seen from Table 4.39 that out of the total 549 beneficiaries, 228 are employed and 319 are unemployed. The former includes 4 dropouts as well. Thus, the overall employment – unemployment ratio indicates that a higher proportion of beneficiaries are unemployed (58.1%) as compared to employed (41.5%).

Table 4.39 Employment Status of Course Completed and Dropouts

Status of employment	Course Completed	Drop outs	Total
Employed	224 (42.6)	4 (17.4)	228 (41.5)
Unemployed	300 (57.0)	19 (82.6)	319 (58.1)
No info	2 (0.4)	0	2 (0.4)
Total	526 (100)	23 (100)	549 (100)

Source: Field Survey Note : Numbers in parenthesis are in percentage

However, it is to be noted that the figure for unemployed could be higher as many may not be successful in campus recruitment or have just completed the course and are waiting to be employed. Between male and female beneficiaries, the unemployment level is 66.5 per cent among female (Table 4.40), which is 13.0 per cent higher than that of male respondents.

Table 4.40 Employment Status: Male – Female

Gender	Employed	Unemployed	NR	Total
Female	66 (33.5)	131 (66.5)		197 (100)
Male	162 (46.0)	188 (53.4)	2 (0.6)	352 (100)
Total	228 (41.5)	319 (58.1)	2 (0.4)	549 (100)

Source: Field Survey Note : Numbers in parenthesis are in percentage

Similarly, across BC categories, Category-I reveals highest level of unemployment to the extent of almost 62 per cent followed by Category IIIB (61.6 %) (Table 4.41).

Table 4.41 Employment Status across BC Category Beneficiaries

Category	Employed	Unemployed	NR	Total
I	28 (36.8)	47 (61.8)	1 (1.3)	76 (100)
IIA	139 (42.0)	191 (57.7)	1 (0.3)	331 (100)
IIIA	33 (47.8)	36 (52.2)		69 (100)
IIIB	28 (38.4)	45 (61.6)		73 (100)
Total	228 (41.5)	319 (58.1)	2 (0.4)	549 (100)

Source: Field Survey Note: Numbers in parenthesis are in percentage

Whether the pattern of employment-unemployment status varies for different courses is yet another question which needs to be looked into. Barring the small number of general degree holders (4), medical graduates (8) and others (5), it is seen from Table 4.42 that the extent of employment is relatively higher (42.6%) among the engineering graduates as compared to the post graduates (34.0%). However, conversely the unemployment level is higher among the

latter as compared to the former (66.0 % as against 57%) due to the highest proportional representation of engineering graduates in the sample coverage.

Table 4.42 Course-wise Employment Status among Beneficiaries

Course	Employed	Unemployed	NR	Total
Gen degree	1 (25.0)	3 (75.0)		4 (100)
BE/B.Tech	204 (42.6)	273 (57.0)	2 (0.4)	479 (100)
MBBS	2 (25.0)	6 (75.0)		8 (100)
PG (MBA, MD, MTech, MVSc, MSc Ag, MCA, MSc, MA)	18 (34.0)	35 (66.0)		53 (100)
Others (BA, BAMS, BHMC, Nursing, PHD, BCA, LLB, BSc forestry, BPharma, BYNS, BHMS, BDS)	3 (60.0)	2 (40.0)		5 (100)
Grand Total	228 (41.5)	319 (58.1)	2 (0.4)	549 (100)

Source: Field Survey Note: Numbers in parenthesis are in percentage

Barring the students, who have yet to earn their degrees to become eligible for employment across regions, the employment-unemployment status among the graduates across regions, it is noticed that the extent of unemployment is highest in the Kalaburgi Division recording 39.4 per cent (table 4.43). Conversely looking at the employment status, it is the Bengaluru division, which reveals highest percentage of 28.5 per cent. This is followed by Mysore division with 24.5 per cent. Across districts, it is Bengaluru Urban reveals highest percentage of employment (35.5%) followed by Mysore district (29.4%). Regretfully, Kalaburgi records highest percentage of unemployment with 46.4 per cent followed by Belagavi, Bidar, Bellary and Hassan all of them revealing unemployment level to more than 30.0 per cent.

Table 4.43 Employment status across districts

Division/district	Employed	Unemployed	NR	Students	Grand Total
Bengaluru Division	100 (28.5)	73 (20.8)	0	178 (50.7)	351 (100)
Bengaluru Urban	87 (35.5)	47 (19.2)	0	111 (45.3)	245 (100)
Kolar	5 (20.0)	5 (20.0)	0	15 (60.0)	25 (100)
Shivamogga	8 (9.9)	21	0	52	81
Belagavi Division	47 (15.3)	90 (29.2)	2 (0.7)	169 (54.9)	308 (100)
Bagalkot	12 (15.4)	19 (24.4)	0	47 (60.3)	78 (100)
Belagavi	29 (15.3)	60 (31.8)	1 (0.5)	99 (52.4)	189 (100)
Uttara Kannada	6 (14.6)	11 (26.8)	1 (2.4)	23 (56.1)	41 (100)
Kalaburgi Division	21 (9.3)	89 (39.4)	0	116 (51.3)	226 (100)
Bellary	4 (7.8)	15 (29.4)	0	32 (62.8)	51 (100)
Bidar	12 (18.5)	23 (35.4)	0	30 (46.2)	65 (100)
Kalaburgi	5 (4.6)	51 (46.4)	0	54 (49.1)	110 (100)
Mysore Division	60 (24.5)	67 (27.4)	0	118 (48.2)	245 (100)
Hassan	10 (14.9)	22 (32.8)	0	35 (52.2)	67 (100)
Kodagu	3 (16.7)	5 (27.8)	0	10 (55.6)	18 (100)
Mysore	47 (29.4)	40 (25.0)	0	73 (45.6)	160 (100)
Grand Total	228 (20.2)	319 (28.2)	2 (0.2)	581 (51.4)	1130 (100)

Source: Field Survey Note: Numbers in parenthesis are in percentage

An attempt is made to further examine the type of jobs the employed beneficiaries are currently holding, it is seen from Table-4.44 that highest proportion of them are holding engineering jobs as engineering graduates happen to constitute a major chunk in the study sample. The remaining are working as tech support in BPO, clerical and associates in business enterprises also as computer assistants and in teaching profession. This group is an amalgamation of all kinds of graduates.

Table 4.44 Type of employment of the beneficiaries

Districts	BPO, Business, Clerical, computer Asst., Teacher, Trainer	Doctor	Engineer	Total
Bagalkot	2 (16.7)		10 (83.3)	12 (100)
Bengaluru Urban	3 (3.5)		84 (96.6)	87 (100)
Belagavi	11 (34.4)		21 (65.6)	32 (100)
Bellary	1 (20.0)		4 (80.0)	5 (100)

Bidar	3 (25.0)	1 (8.3)	8 (66.7)	12 (100)
Kalaburgi	4 (80.0)		1 (20.0)	5 (100)
Hassan	8 (80.0)		2 (20.0)	10 (100)
Kodagu	3 (100)		0	3 (100)
Kolar	4 (80.0)		1 (20.0)	5 (100)
Mysore	27 (57.5)		20 (42.6)	47 (100)
Shivamogga	4 (40.0)	1 (10.0)	5 (50.0)	10 (100)
Uttara Kannada	3 (50.0)		3 (50.0)	6 (100)
Grand Total	73 (31.2)	2 (0.9)	159 (68.0)	234 (100)

Source: Field Survey Note: Numbers in parenthesis are in percentage

Further looking at their job locations, it is seen from Table-4.45 that highest proportion (56.84%) are working in Bengaluru and within Karnataka (35.9%). This trend is seen even across region. Those working outside Karnataka is far and few (6.8%).

Table 4.45 Place of Work of the employed beneficiaries

Districts	Outside Bengaluru	Outside KA	Within Bengaluru	Within KA	Grand Total
Bagalkot		1 (8.3)	3 (25.0)	8 (66.7)	12 (100)
Bengaluru Urban	1 (1.2)	1 (1.2)	84 (96.6)	1 (1.2)	87 (100)
Belagavi		7 (21.9)	12 (37.5)	13 (40.6)	32 (100)
Bellary				5 (100)	5 (100)
Bidar		2 (16.7)	1 (8.3)	9 (75.0)	12 (100)
Kalaburgi		1 (20.0)		4 (80.0)	5 (100)
Hassan		2 (20.0)	5 (50.0)	3 (30.0)	10 (100)
Kodagu			1 (33.3)	2 (66.7)	3 (100)
Kolar			4 (80.0)	1 (20.0)	5 (100)
Mysore		1 (2.1)	15 (31.9)	31 (66.0)	47 (100)
Shivamogga		1 (10.0)	3 (30.0)	6 (60.0)	10 (100)
Uttara Kannada			5 (83.3)	1 (16.7)	6 (100)
Grand Total	1 (0.4)	16 (6.8)	133 (56.8)	84 (35.9)	234 (100)

Source: Field Survey Note: Numbers in parenthesis are in percentage

Looking at the monthly earnings of the employed beneficiaries, it is seen (Table 4.46) the median salary falls between 15k to 25k. Close to 48.0 per cent of the beneficiaries fall in this range. Another 20.0 per cent are in the range of 10k to 15k. Bengaluru urban and Mysore districts reveal contradictory trends in terms of spread of high and low wage earners in the opposite quartiles. Interestingly, districts in North Karnataka region reveals presence of

beneficiaries earning highest salary of 30k+ per month, although the number is very small. Bengaluru urban job market does not seem to support high salary as not a single beneficiary is represented in the category of 30k+ salary range.

Table 4.46 Monthly earnings of the employed beneficiaries

Districts	<5k	5-10k	10-15k	15-20k	20-25k	25-30k	30k +	NR	Grand Total
Bagalkot		1	1	1	3	3	3		12
Bengaluru Urban		1	4	31	32	19			87
Belagavi		3	10	5	3	8	3		32
Bellary		1	2	1	1				5
Bidar		3	1	1	4	2	1		12
Kalaburgi		1	1	1	1	1			5
Hassan		1	6	2			1		10
Kodagu			1	1	1				3
Kolar		1	1	1			1	1	5
Mysore	1	10	15	10	8	3			47
Shivamogga	1	3	3	2	1				10
Uttara Kannada		1	1	1	1	1		1	6
Grand Total	2	26	46	57	55	37	9	2	234

Source: Field Survey

There are many factors which influence one's employment-unemployment status, such as quality of education, merit status, job related skills, demand for jobs, nature and quality of job training etc., Examining the incidence of securing job immediately after course completion, it is seen (Table-4.47) that overall, those who have reported in affirmative to the question of getting a job immediately after course completion is 68.0 per cent. Alternatively, 32.0 per cent have answered in negative suggesting the incidence of delay. Across the districts, beneficiaries from Bengaluru district report that there is no delay, while all the 3 beneficiaries from Kodagu district report about experiencing delay. Relatively higher proportion of beneficiaries from Bagalkote (75.0%), Kalaburgi (80.0%), Kolar (80.0%) and Hassan (60.0%) report about experiencing delay.

To a follow up question, what is the extent of delay that beneficiaries experienced, it is seen (Table-4.48) overall 6-12 months is reported by highest proportion (35.14 %). Across districts, large majority of the districts reveal this trend. The incidence of experiencing delay to the extent

of more than one year and two years is seen to be prevalent among beneficiaries from Belagavi, Bidar, Kalaburgi, Hassan and Mysore districts.

Table 4.47 Beneficiaries getting job immediately after completing the course

Districts	Yes	No	N R	Grand Total
Bagalkot	3 (25.0)	9 (75.0)		12 (100)
Bengaluru Urban	87 (100)			87 (100)
Belagavi	14 (43.6)	18 (56.2)		32 (100)
Bellary	4 (80.0)	1 (20.0)		5 (100)
Bidar	7 (58.3)	5 (41.7)		12 (100)
Kalaburgi	1 (20.0)	4 (80.0)		5 (100)
Hassan	4 (40.0)	6 (60.0)		10 (100)
Kodagu		3 (100)		3 (100)
Kolar	1 (20.0)	4 (80.0)		5 (100)
Mysore	29 (61.7)	18 (38.3)		47 (100)
Shivamogga	5 (50.0)	5 (50.0)		10 (100)
Uttara Kannada	4 (66.7)	1 (16.7)	1 (16.7)	6 (100)
Grand Total	159 (68.0)	74 (31.6)	1 (0.4)	234 (100)

Source: Field Survey Note : Numbers in parenthesis are in percentage

Table 4.48 Extent of delay in getting job

Districts	<6 months	6-12 months	12 - 18 months	18-24 months	24 Months+	No info	Total
Bagalkot	4 (44.4)	5 (55.6)					9 (100)
Bengaluru Urban	0	0	0	0	0	0	0
Belagavi	2 (11.1)	7 (38.9)	4 (22.2)	3 (16.7)	2 (11.1)		18 (100)
Bellary						1 (100)	1 (100)
Bidar	1 (20.0)	1 (20.0)	1 (20.0)		2 (40.0)		5 (100)
Kalaburgi	-	2 (50.0)	1 (25.0)		1 (25.0)		4 (100)
Hassan	2 (33.3)	-	3 (50.0)		1 (16.7)		6 (100)
Kodagu	1 (33.3)	2 (66.7)	-	-			3 (100)
Kolar	3 (75.0)	1 (25.0)					4 (100)
Mysore	1 (5.7)	5 (27.8)	9 (50.0)		3 (16.7)		18 (100)
Shivamogga	1 (20.0)	2 (40.0)	1 (20.0)	1 (20.0)	-		5 (100)
Uttara Kannada		1(100.0)					1 (100)
Grand Total	15(20.3)	26(35.1)	19 (25.7)	4 (5.4)	9 (12.2)	1 (1.4)	74 (100)

Source: Field Survey Numbers in parenthesis are in percentage

Further probing the reasons for delay in getting the job, it is seen (Table 4.49) that a variety of factors seem to compound the problem. However, the most common reason as reported by more than half of the sample beneficiaries is found to be 'lack of job opportunities. Additionally, 33.8 per cent beneficiaries report that they could not succeed in the interviews. While the first reason indicates some kind of lopsided planning, the second reason clearly suggests the inefficiency of the higher education programme in equipping the graduates with appropriate competencies and skills.

Table 4.49 Reasons for delay in getting job

Districts	Couldn't succeed	Didn't try	No money bribe	No opportunity	monetary reasons (bribe)	others	Total
Bagalkot	1 (11.1)	1 (11.1)		7 (77.8)			9 (100)
Bengaluru Urban							
Belagavi	3 (16.7)			12 (66.7)	1 (5.7)	2(11.1)	18 (100)
Bellary				1 (100)			1 (100)
Bidar			1(20.0)	4 (80.0)			5 (100)
Kalaburgi	1 (25.0)			3 (75.0)			4 (100)
Hassan	1 (16.7)			5 (83.3)			6 (100)
Kodagu		1 (33.3)		2 (66.7)			3 (100)
Kolar			1(25.0)	1 (25.0)		2(50.0)	4 (100)
Mysore	17 (94.4)					1 (5.6)	18 (100)
Shivamogga	1 (20.0)			3 (60.0)		1(20.0)	5 (100)
Uttara Kannada	1 (100)						1 (100)
Grand Total	25 (33.8)	2 (2.7)	2 (2.7)	38 (51.4)	1 (1.4)	6 (8.1)	74 (100)

Source: Field Survey Note : Numbers in parenthesis are in percentage

4.6 Expenditure Incurred by Beneficiaries during their study period

Many of the Arivu Education beneficiaries may be required to relocate for purpose of pursuing higher education. Or even if they stay in their own hometown, they may be required to commute to college located at long distances. Besides, they will also be required to spend money for purchase of study materials and other college expenses. It is noticed that most beneficiaries view Arivu education loan as a great financial support to pursue higher education. Most of them also report that without this support, it would not have been possible to pursue higher education. Besides, they not only feel this scheme should be extended to all BC students in higher education, but also feel the loan amount has to be increased.

During the Focus Group Discussion, many of the beneficiaries have reported that the expenditure incurred by them during their study period is towards accommodation, food, transport, books, stationery, study materials and other miscellaneous items. Under the circumstance, how much annual expenditure is incurred by the Arivu beneficiaries is examined for different courses as well as for different category of students across divisions/districts.

For purpose of calculating annual average expenditure per beneficiary, the total expenditure incurred by each beneficiary for various items during the previous year is collected. The amount varies as students will be studying in different semesters/years of course/programme. Besides, the amount also varies for CET and non-CET beneficiaries. From the reported total expenditure for the year, the tuition fee for the corresponding course/year is deducted. The average is calculated for each district by dividing the total expenditure by the number of students for each of the districts. The average expenditure is calculated separately for CET and non-CET beneficiaries. It is to be noted that the figures thus obtained are reported by the beneficiaries for various items of expenditure and the authenticity of the same needs validation. It is noted that the beneficiaries from the North East Karnataka region have reported higher expenditure than their counterparts in Bengaluru and Mysore. Similarly, in some cases, Non-CET students are reported to have incurred more expenditure than CET beneficiaries.

Table 4.50 Average Annual Educational Expenditure per Beneficiary for CET and Non-CET across Districts

Division/District	CET (in Rs.)	Non-CET (in Rs.)	Grand Total
Bengaluru Division	166875.13	159062.50	166786.10
Bengaluru Urban	189156.09	209416.67	189404.17
Kolar	166035.96		166035.96
Shivamogga	99737.50	8000.00	98604.94
Belagavi Division	228485.05	171009.09	226432.34
Bagalkot	202274.67	142300.00	199967.95
Belagavi	237477.91	181775.00	235120.11
Uttara Kannada	236730.73		236730.73
Kalaburgi Division	183589.26	132285.71	182000.21
Bellary	305564.60	181000.00	303122.16
Bidar	149398.55	101166.67	147172.46
Kalaburgi	146402.88	147166.67	146423.71
Mysore Division	263476.15	371333.33	264796.85
Hassan	143462.66		143462.66
Kodagu	419672.22		419672.22
Mysore	296784.27	371333.33	298182.06
Grand Total	207903.18	182294.00	207336.60

Source: Field Survey

It is seen (table 4.50) overall annual expenditure incurred for CET beneficiaries is over Rs. 2.0 lakh per student. The same for non-CET beneficiary is over 1.80 lakh per student. Quite interestingly, Bengaluru division reveals lowest expenditure (1.67 lakh) as compared to Mysore (Rs. 2.6 lakh), Belagavi (Rs.2.28 lakh) and Kalaburgi (1.83 lakh). Across districts, Kodagu reveals highest (Rs 4.1 lakh). Strangely, all three districts in Belagavi and Mysore district reveal far higher expenditure than Bengaluru district. In case of non-CET beneficiaries, Mysore district reveals an expenditure of Rs.3.7 lakh, higher than even for CET beneficiary. Strangely, Bengaluru urban and Kalaburgi districts reveal far higher expenditure as compared to CET beneficiaries.

Table 4.51 Average Annual Education Related Expenditure across Courses per Beneficiary

Course	Annual Education Related Expenditure (Rs.)
Gen degree	71000
BE/B.Tech	67596
MBBS	117819
PG (MBA, MD, MTech, MVSc, MSc Ag, MCA, MSc, MA)	89707
Others (BA, BAMS, BHMC, Nursing, PHD, BCA, LLB, BSc forestry, B. Pharma, BYNS, BHMS, BDS)	56596
Grand Total	70424

Source: Field Survey

From Table 4.51, it can be seen that on an average per year per beneficiary for all the courses put together is Rs. 70,424 is being spent on education related expenses. These expenses include food, lodging, travel, project work and other miscellaneous expenses. Across courses these expenses are higher (Rs.1,17,819) in the case of MBBS course followed by PG courses (Rs. 89,707). Further, across districts these average expenses are higher in Bellary District (Rs.1,53,097) followed by Belagavi (Rs.1,03,669) (Table-4.52). It can also be seen from Table-4.53 that across categories, these expenses are higher in the case of Category III B students (Rs. 75,112) followed by Category III A students (Rs. 72,605).

Table 4.52 Average Education related Expenditure across districts and divisions

Division/ district	Average Education related Expenditure (Rs.)
Bengaluru Division	45796
Bengaluru Urban	57300
Kolar	81440
Shivamogga	0
Belagavi Division	86043
Bagalkot	38756
Belagavi	1,03,669
Uttara Kannada	94748
Kalaburgi Division	93911

Bellary	1,53,097
Bidar	60096
Kalaburgi	86451
Mysore Division	64407
Hassan	27888
Kodagu	120383
Mysore	73403
Grand Total	70424

Source: Field Survey

Table 4.53 Average Education related Expenditure across Categories

Category	Average Education related Expenditure (Rs.)
I	70,060
IIA	68,774
IIIA	72,605
IIIB	75,112
Grand Total	70424

Source: Field Survey

Worked out in averages for CET (table 4.54) and Non-CET (table 4.55) category students as well as across the districts/Division (table 4.54 and 4.55).

Table 4.54 Average Annual expenditure as against Average Loan for CET Beneficiaries

Division/District	Average loan availed	Average expenditure	Gap
Bengaluru Division	104667.52	166875.13	-62207.61
Bengaluru Urban	108641.45	189156.09	-80514.64
Kolar	68820.00	166035.96	-97215.96
Shivamogga	103848.75	99737.50	4111.25
Belagavi Division	98555.57	228485.05	-129929.48
Bagalkot	97884.25	202274.67	-104390.42
Belagavi	101971.19	237477.91	-135506.72
Uttara Kannada	84704.88	236730.73	-152025.85
Kalaburgi Division	57567.64	183589.26	-126021.62

Bellary	52980.56	305564.60	-252584.04
Bidar	60929.03	149398.55	-88469.52
Kalaburgi	57763.41	146402.88	-88639.47
Mysore Division	110434.79	263476.15	-153041.36
Hassan	90668.66	143462.66	-52794
Kodagu	79705.56	419672.22	-339966.66
Mysore	122393.12	296784.27	-174391.15
Grand Total	94953.09	207903.18	-112950.09

Source: Field Survey

It is seen from Table-4.54 that the overall average annual expenditure incurred by the CET beneficiary is Rs.2,07,903 and considering the average loan of Rs. 94,953 availed by the beneficiary, he or she will be required to meet a gap of Rs.1,12,950 per annum during the study period. Across divisions, strangely, it is the Mysore division, which reveals highest gap of Rs.1,53,041, which is way higher than even Bangalore division (Rs. 62,207). Across districts, it is Kodagu which reveals highest gap of Rs.3,39,966, which is rather unacceptably higher. In Kalaburgi division, Bellary district reveal a gap of Rs.2,52,584. These figures appear unacceptably higher. Since these are reported figures, there is possibility of exaggeration. Quite interestingly Shivamogga district reveals positive difference in the gap suggesting lesser expenditure incurred as against the loan availed in the year. Mysore, Bagalkot and Uttar Kannada, all of these districts reveal lower gap of difference.

Table 4.55 Average Annual expenditure as against Average Loan for Non-CET Beneficiaries

Division/District	Average loan availed	Average expenditure	Gap
Bengaluru Division	64750.00	159062.50	-94312.5
Bengaluru Urban	66333.33	209416.67	-143083.34
Shivamogga	60000.00	8000.00	52000
Belagavi Division	53829.36	171009.09	-117179.73
Bagalkot	67833.33	142300.00	-74466.67
Belagavi	48577.88	181775.00	-133197.12
Kalaburgi Division	50142.86	132285.71	-82142.85
Bellary	40000.00	181000.00	-141000

Bidar	36666.67	101166.67	-64500
Kalaburgi	67000.00	147166.67	-80166.67
Mysore Division	103333.33	371333.33	-268000
Mysore	103333.33	371333.33	-268000
Grand Total	68013.89	182294.00	-114280.11

Source: Field Survey

A similar analysis of the expenditure incurred by the Arivu beneficiaries for non-CET category reveals an overall gap of Rs.1,14,280 between loan availed and expenditure incurred. It may be noticed from table 4.55 that the average loan availed itself is Rs. 68,000/-, however the expenditure far exceeds (Rs.1,82,294). Here highest gap of Rs.2,68,000 is noticed for Mysore division followed by Belagavi division (Rs.1,17,179). From among the districts, again Mysore register highest difference between loan availed and expenditure incurred. Once again, it appears to be a matter of over reporting.

4.7 Loan Repayment Status of Arivu Beneficiaries

In this section, beneficiary details relating to Arivu loan repayment status, loans taken from other sources, financial liabilities etc., are analysed. For analysis of Arivu loan repayment status, only those beneficiaries who had completed the course and those dropped out have been taken into consideration. Students, currently attending colleges are excluded. Thus there were altogether 549 beneficiaries, which included 526 beneficiaries successfully completing the course and 23 beneficiaries who had dropped out midway through the course. There are 14 non-CET beneficiaries out of the total of 549, out of whom 3, all from Gulbarga division had repaid the loan amount. Similarly, even from among the dropouts, some had repaid the loan amount. The programme requires that beneficiaries start repaying the loan (loan amount plus interest in monthly instalments up to three years) after four months of completing their courses. For defaulters, 4 percent interest will be charged on cumulative basis. For the dropout candidates, who had availed the loan, it is required that they should repay the loan with four percent interest rates in four equal monthly instalments.

Thus analysing the beneficiaries by loan repayment status, it is noticed overall, at aggregate level, only 101 beneficiaries out of the 549 eligible had repaid the loan. This accounts for a mere 18.40 per cent (Table 4.56). From among the successful completers, a mere 18.63% had repaid the loan, suggesting high proportion (81.36%) of defaulters. Similarly, 3 each of the

dropouts (13.04%) and non-CET beneficiaries (17.64%) had repaid the loan amount. On further asking about reasons for loan non-payment, many of them mentioned about their unemployment and non-earning status. Alternatively, those employed reported about their low income and poor financial conditions. However, they expressed the positive view that they will be making repayment of their loan amount.

Table 4.56 Loan Repayment Status among Beneficiaries

Beneficiary Status	No.	%
Repaid	101	18.40
Not paid	448	81.60
Total *	549	100.00

*includes 23 dropouts and 17 non-CET (Source: Field Survey)

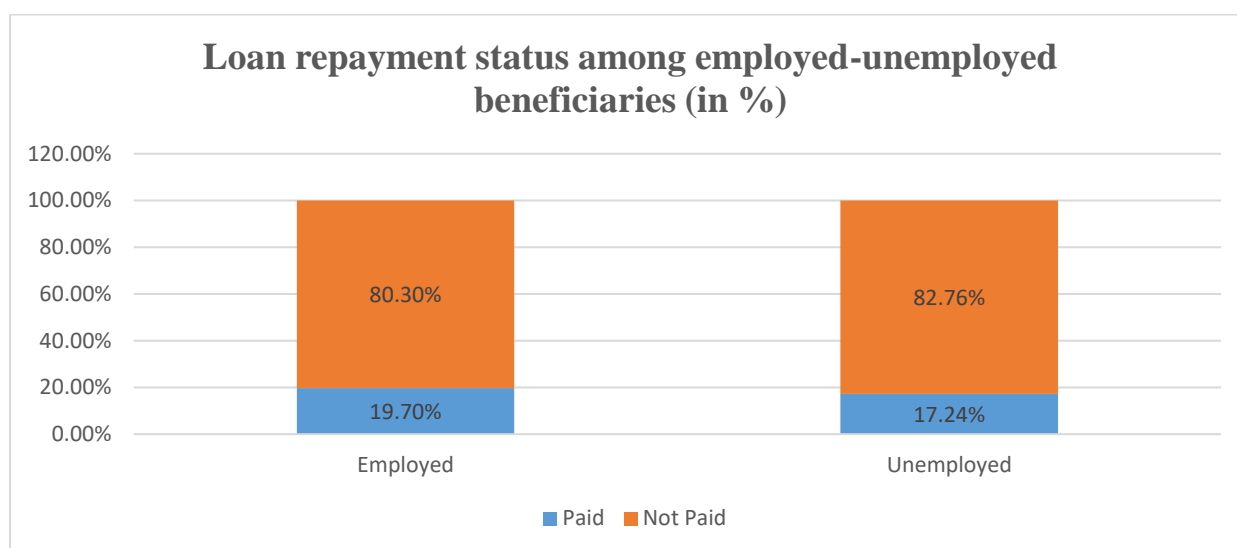
4.7.1 Loan repayment status among employed and unemployed beneficiaries

Considering the fact that the ability to pay back loan increases with the beneficiary getting a job and starts earning wages, an attempt is made to correlate the loan repayment status with employment status (table 4.57). It is noticed from the Graph 4.7 that in absolute numbers, slightly higher number of unemployed beneficiaries have repaid loan as against employed. This is quite contrary to the assumption. However, in terms of proportion, a slightly higher proportion (19.7 per cent) of the employed beneficiaries have repaid loan as against 17.24 per cent of the unemployed beneficiaries. But it is to be noted that over 80.0 per cent of the employed beneficiaries have yet to repay the loan suggesting that employment does not determine the loan repayment ability.

Table 4.57 Employment Status of Beneficiaries and Loan Repayment Status

Employment Status	Loan Repayment Status		Total
	Paid	Not paid	
Employed	45 (19.7)	183 (80.3)	228
Unemployed	55 (17.24)	264 (82.76)	319
NR	1 (50.0)	1 (50.0)	002
Total	101	448	549

Source: Field Survey Note: Numbers in parenthesis are in percentage

Figure 4.7 Loan repayment status among employed-unemployed beneficiaries

Source: Field Survey

4.7.2 Loan repayment status among male-female Beneficiaries

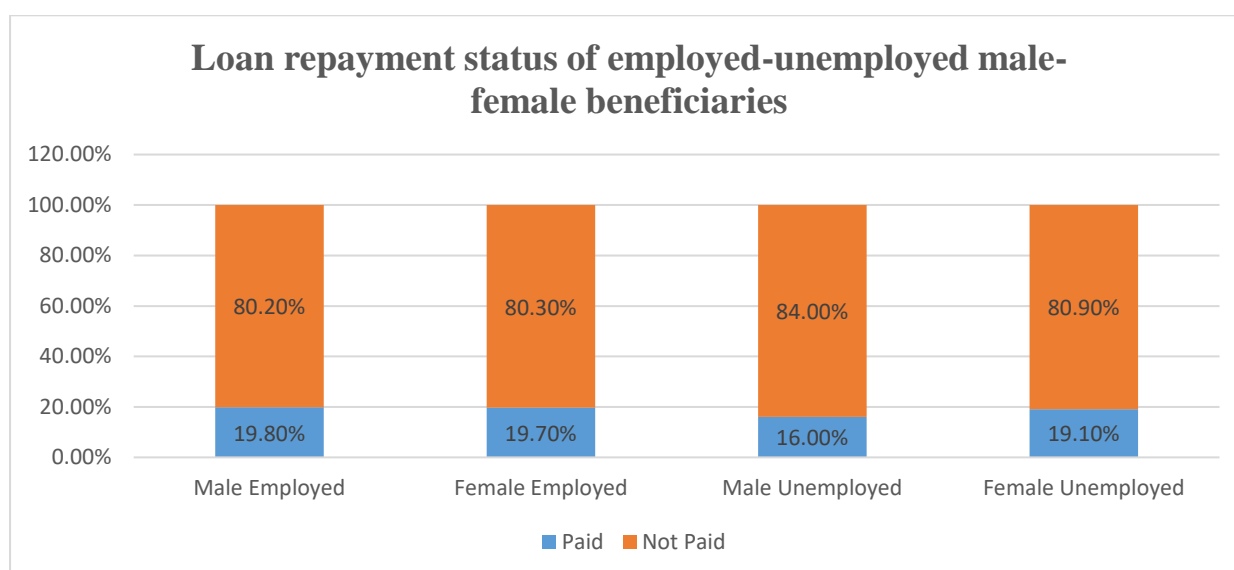
Further analysing the loan repayment status among employed-unemployed male-female beneficiaries, it is noted that as it is the employment level among female beneficiaries is quite low as compared to their male counterparts. Yet, when it comes to fulfilling the loan commitments, they seem to outperform their male counterparts. The proportion of employed male and female beneficiaries for loan repayment status does not indicate any difference, although it is quite low as just 19.0 per cent (Table 4.58 and Graph-4.8).

Table 4.58 Loan Repayment Status of Employed-Unemployed Male-Female Beneficiaries

Employment Status Gender	Loan Repayment Status		Total
	Paid	Not paid	
Male Employed	32 (19.8)	130 (80.2)	162
Female Employed	13 (19.7)	53 (80.3)	66
Male Unemployed	30 (16.0)	158 (84.0)	188
Female Unemployed	25 (19.1)	106 (80.9)	131
NR	1 (50.0)	1 (50.0)	2
Total	101	448	549

Source: Field Survey Note: Numbers in parenthesis are in percentage

Figure 4.8 Loan repayment status of employed-unemployed male-female beneficiaries



Source: Field Survey

But an interesting and commendable feature is that a higher proportion of female unemployed beneficiaries are seen to make loan repayment better than their male counterparts, 19.1 per cent as against 16.0 per cent (graph 4.8). This trend is not only an additional feather in the cap for female beneficiaries, but also is suggestive of the fact that they deserve a far better deal in higher education.

4.7.3 Loan repayment status across four BC categories

A further attempt is made to examine the loan repayment status across four different BC Categories. It is noted from Table 4.59 that category IIIB reveals highest percentage of loan repayment (30.14), followed by IIA (17.22%), IIIA (15.94%) and I (14.47%).

Table 4.59 Repayment of loan across different categories of Beneficiaries

Social Category	Not Paid	Paid	Total
I	65 (85.53)	11 (14.47)	76 (100)
IIA	274 (82.78)	57 (17.22)	331 (100)
IIIA	58 (84.06)	11 (15.94)	69 (100)
IIIB	51 (69.86)	22 (30.14)	73 (100)
All	448 (81.60)	101 (18.40)	549 (100)

Source: Field Survey Note: Numbers in parenthesis are in percentage

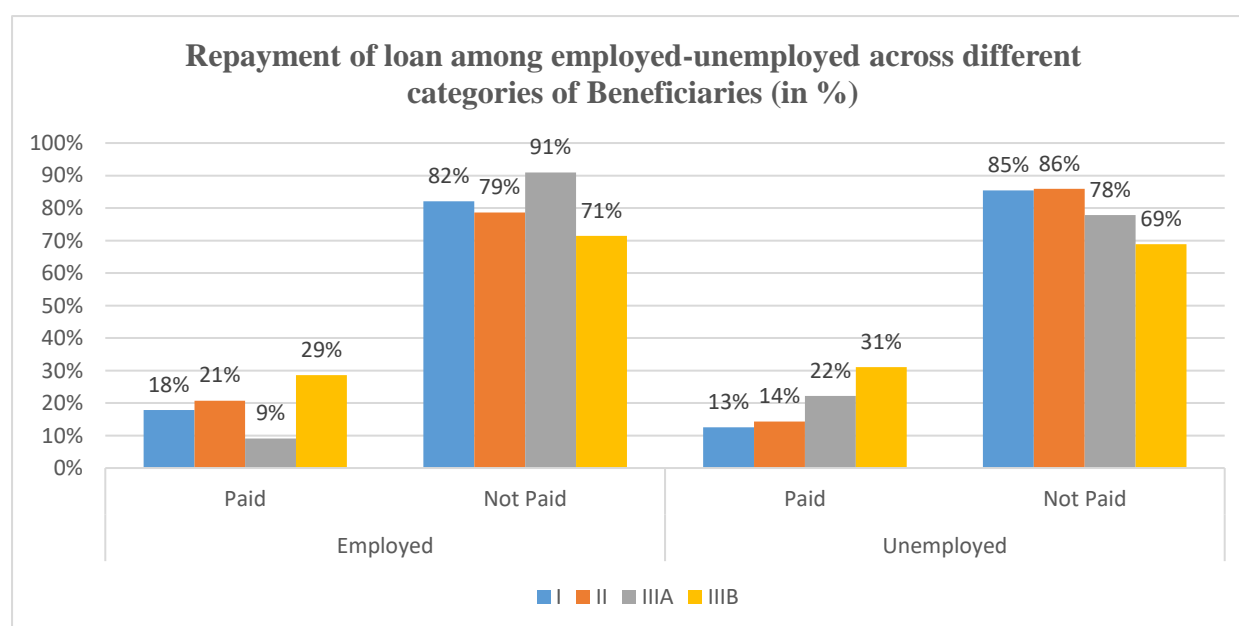
Analysing the loan repayment status among employed-unemployed and four categories of beneficiaries, it is seen (Table 4.60 and Graph-4.9) that among both employed and unemployed, beneficiaries under category IIIB reveal highest percentage of repayment, 28.6% and 31.1% respectively. An interesting trend that is noticed is both category IIIA and IIIB reveal a higher percentage of beneficiaries among unemployed category repaying loan as compared to employed. This deserves further probing as to what factor has prompted even the unemployed to make loan repayment.

Table 4.60 Repayment of loan among employed-unemployed across different categories of Beneficiaries

Category	Employed				Unemployed				Grand Total
	Loan paid	Not paid	NR	Total	Loan paid	Not paid	NR	Total	
I	5(17.9)	23(82.1)	-	28	6(12.5)	41 (85.4)	1 (2.1)	48	76
IIA	29(20.7)	110(78.6)	1(0.7)	140	27 (14.3)	164 (85.9)	-	191	331
IIIA	3 (9.1)	30 (90.9)	-	33	8 (22.2)	28 (77.8)	-	36	69
IIIB	8 (28.6)	20 (71.4)	-	28	14 (31.1)	31 (68.9)	-	45	73
Total	45	183	1	229	55	264	1	320	549

Source: Field Survey Note: Numbers in parenthesis are in percentage

Figure 4.9 Repayment of loan among Male and Female Employed Beneficiaries



Source: Field Survey

4.7.4 Loan repayment across different courses

Whether the loan repayment status differs among beneficiaries pursuing different courses and different management type of HEIs is an important question which merits analysis. The following section presents data relating to this aspect.

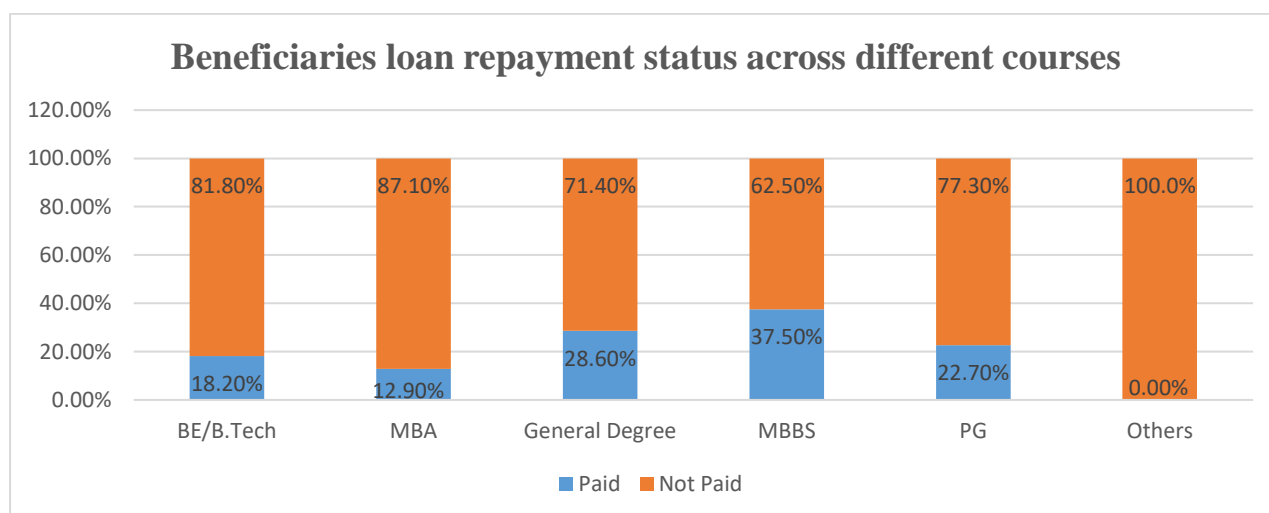
Table 4.61 Beneficiaries loan repayment status across different courses

Course	Paid	Not paid	Total
BE/B.Tech	87 (18.2)	392 (81.8)	479
MBA	4 (12.9)	27 (87.1)	31
General degree	2 (28.6)	5 (71.4)	7
MBBS	3 (37.5)	5 (62.5)	8
Others	(0.00)	2 (100.0)	2
PG	5 (22.7)	17 (77.3)	22
Grand Total	101	448	549

Source: Field Survey Note: Numbers in parenthesis are in percentage

It is seen (Graph 4.10) that repayment status is highest among MBBS (37.5%) followed by general degree (28.6%) and PG (22.7%) despite the fact that first two courses reveal less than 10 beneficiaries. Regretfully, the BE course which has largest number of beneficiaries under the Arivu programme reveals a mere 18.0 per cent repayment level. Earlier, it was also noticed that the employment level among BE is also highest.

Figure 4.10 Beneficiaries loan repayment status across different courses



Source: Field Survey

4.7.5 Loan repayment status across different management types

Yet another question of interest is whether students studying under different management type of colleges reveal different patterns of loan repayment. It is assumed that those studying under private management status will be in a better position to repay their loan as they may belong to economically well-off households. It is noted from Table 4.62 that beneficiaries from autonomous colleges reveal highest percentage of loan repayment (28.6%). However, they are very small in number. Considering those under private unaided and private aided, it adds up to 36.6 per cent. Thus, the assumption seems to corroborate that beneficiaries studying under these types of colleges may hail from relatively higher economic background.

Table 4.62 Beneficiaries loan repayment status across different type of higher education institutions

Type of Higher Education Institution	Paid	Not paid	Total
Autonomous/deemed	4 (28.6)	10 (71.4)	14
Government	17 (22.1)	60 (77.9)	77
Pvt-aided	20 (20.2)	79 (79.8)	99
Pvt-unaided	58 (16.4)	295 (83.6)	353
Other	1 (20.0)	4 (80.0)	5
NR	1 (100.0)	(0.00)	1
Grand Total	101	448	549

Source: Field Survey Note: Numbers in parenthesis are in percentage

4.7.6 Loan repayment status across districts/divisions

Further analysing data across regions, it is seen that Kalaburgi division records highest percentage (28.18 %) of loan repayment (Table 4.63 and Graph-4.11).

Table 4.63 Status of Repayment of the loan

Districts	Not Paid	Paid	Total
Bengaluru Division	166 (95.95)	7 (4.05)	173 (100)
Bengaluru Urban	132 (98.51)	2 (1.49)	134 (100)
Kolar	8 (80.00)	2 (20.00)	10 (100)
Shivamogga	26 (89.66)	3 (10.34)	29 (100)
Belagavi Division	107 (76.98)	32 (23.02)	139 (100)
Bagalkot	18 (58.06)	13 (41.94)	31 (100)
Belagavi	74 (82.22)	16 (17.78)	90 (100)

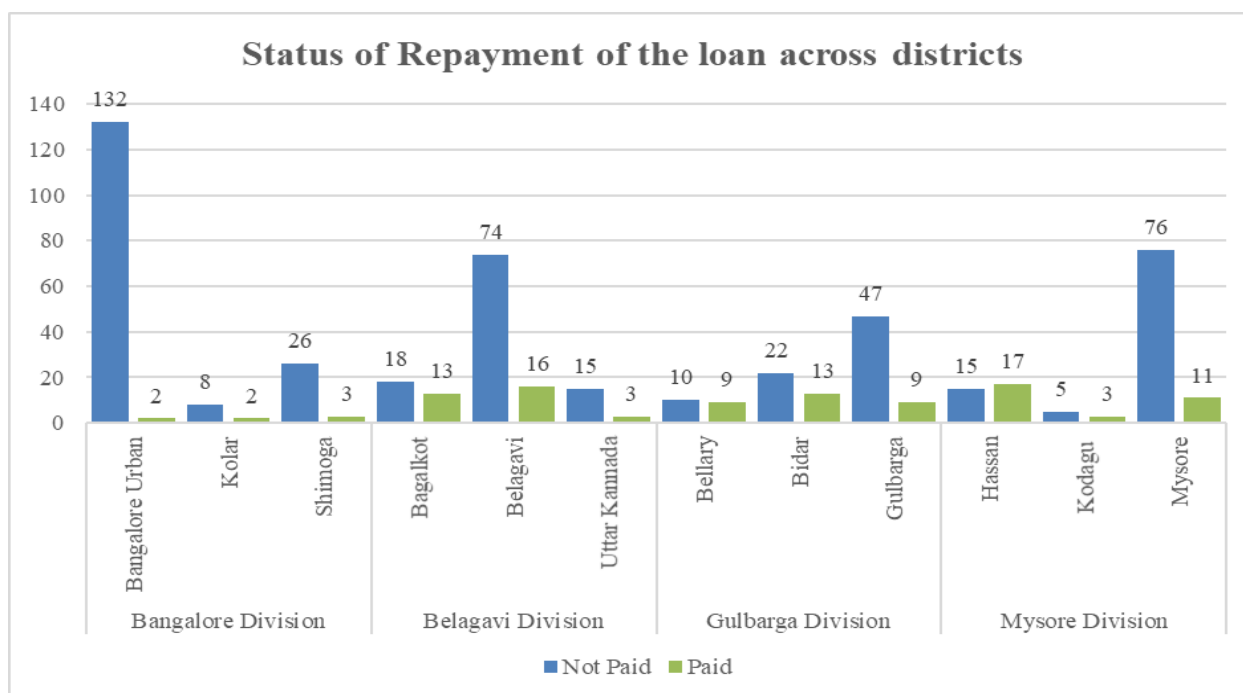
Uttara Kannada	15 (83.33)	3 (16.67)	18 (100)
Kalaburgi Division	79 (71.82)	31 (28.18)	110 (100)
Bellary	10 (52.63)	9 (47.37)	19 (100)
Bidar	22 (62.86)	13 (37.14)	35 (100)
Kalaburgi	47 (83.93)	9 (16.07)	56 (100)
Mysore Division	96 (75.59)	31 (24.41)	127 (100)
Hassan	15 (46.88)	17 (53.13)	32 (100)
Kodagu	5 (62.50)	3 (37.50)	8 (100)
Mysore	76 (87.36)	11 (12.64)	87 (100)
Grand Total	448 (81.60)	101 (18.40)	549 (100)

Source: Field Survey Note: Numbers in parenthesis are in percentage

This is followed by Mysore division (24.41%) and Belagavi division (23.02%). Bengaluru division records lowest percentage (4.05%). Across districts, Hassan reveals highest percentage (53.13) followed by Bellary (47.37%), Bagalkote (41.94%), Kodagu (37.50%) and Bidar (37.14%) districts. While, it is regrettable that all districts in Bengaluru Urban division record very poor loan repayment status, it is noteworthy that districts from backward districts reveal better performance.

Overall, it has been noticed and analysed that low level of loan repayment in many cases is due to: 1) unemployment even after completing the course, 2) low salary even if they are employed, 3) not so serious about repaying the loan taken from the government, 4) low level of monitoring and loan recovery mechanisms.

Figure 4.11 Status of Repayment of the loan



Source: Field Survey

4.8 Logistic Regression

Having analysed the loan repayment status across several independent variables in 2-way & 3-way tables, an attempt has been made to statistically test the significance of correlation of dependent variable with different independent variables in the sample. Whether the employment status of beneficiaries' influences loan repayment status and also to what extent the employment status itself is linked to background variables. This is examined by subjecting dependent and independent variables to regression analysis. The regression model was fit with dependent variable as employment status and division, gender, location, OBC category, college type, repayment of loan, total land holding size, house type, and type of degree as independent variables. Some of the significant variables are shown in the Matrix 4.64. The results are rather mixed up and merit further investigation with some variables revealing significant correlation and some others negative. Across divisions, Bengaluru division beneficiaries' employment status increases as compared to others; male beneficiaries are more likely to be employed; beneficiaries in government colleges are more likely to be employed; quite significantly, loan repayment behaviour increases with employment status; similarly, landless and owning Pucca house tend to increase the likelihood of employment for Arivu beneficiaries. Thus the results however suggest that there are other measures which need to be put in place to improve better employment prospects for Arivu beneficiaries, more so for females and in the backward

regions. Similarly, the results also raise the question, whether the norms need to be revised and reappropriated in so far as extending the loan benefit to private colleges as well as for the landless and the non-pucca households.

Table 4.64 Status of Repayment of the loan – Matrix Regression Results of Employment status with independent variables

Variable	Factors	Coefficient	Standard error	p-value	Significant
Division	Belagavi Division	-1.045429	.3047334	0.001	Bangalore Division is Significant at 1% level of significance
	Gulbarga Division	-2.056385	.3677206	0.000	Bangalore Division is Significant at 1% level of significance
	Mysore Division	-.5370871	.2807404	0.056	Bangalore Division is Significant at 5% level of significance
Gender	Male	.9550243	.2141239	0.000	Significant at 1% level of significance level.
College Type	Pvt. aided	-.6533159	.3579	0.068	Government college is Significant at 7% level of significance level.
	Pvt. unaided	-.5065369	.3017185	0.093	Government college is Significant at 10% level of significance
Repayment of the loan	Repaid	.6755807	.2599179	0.009	Significant 1 % level of significance level.
Land holding	NO land or landless	.8467308	.3749558	0.024	Significant at 3% level of significance
House type	Pucca	1.010964	.4775967	0.034	Significant at 4% level of significance.

Source: Field Survey

4.9 Beneficiary Awareness about Arivu Education Loan

In this section, knowledge and awareness of beneficiaries about the Arivu programme, its source of information, purpose, selection and implementation procedure, and other related dimensions are analysed. To begin with, an attempt has been made to analyse the data gathered from the FGD of the beneficiaries about the source through which they came to know about the Arivu programme. The following table reveals the same.

Table 4.65 Source of awareness about the Arivu Scheme

District	College Notice Board	News Paper	Website	Friends	Family members/others
Bengaluru Urban	4	2	2		
Kolar	3	4	5	5	4
Shivamogga	4	3	1		
Belgaum	5	2			
Bellary	2	2		1	1
Uttara Kannada	4	2	1	2	1
Bidar	3	1	1	1	1
Bagalkote	-	4	2	1	1
Kalaburgi	4	2		2	2
Hassan	3	2		1	
Kodagu	4	3	1	1	
Mysore	4	2	2	1	1
Total	40	29	15	15	11

Source: Field Survey

It may be noticed (table 4.65) that the most common source of information about Arivu programme comes to the beneficiaries through College Notice Board, followed by News Paper. Department Website and friends also are found to disseminate information about Arivu programme.

4.9.1 Eligibility Criteria

Further analysing the data gathered from 1130 sample beneficiaries about their knowledge and awareness about the programme eligibility criteria, the process of selection, loan release procedure, application procedure, and documents required are examined. It is seen that overall, almost an equal proportion of beneficiaries are either 'fully aware' or 'partially aware' about the eligibility of the scheme (Table 4.66). However, across the districts the trend appears to be different. Bagalkot, Bellary, Bidar, Belagavi, Mysore, Shivamogga, Uttara Kannada districts reveal higher proportion of 'partial awareness' about the programme eligibility criteria among the beneficiaries.

Table 4.66 Beneficiaries knowledge about programme eligibility criteria

Districts	Fully aware	Neutral	Not aware	Partially aware	Total
Bagalkot	16 (20.5)		2 (2.6)	60 (76.9)	78 (100)
Bengaluru Urban	174 (71.0)		2 (0.8)	69 (28.2)	245 (100)
Belagavi	84 (44.4)	1 (0.5)	7 (3.7)	97 (51.3)	189 (100)
Bellary	4 (7.8)			47 (92.2)	51 (100)
Bidar	16 (24.6)	1 (1.5)	12 (18.5)	36 (55.4)	65 (100)
Kalaburgi	83 (75.5)		1 (0.9)	26 (23.6)	110 (100)
Hassan	32 (47.8)		3 (4.5)	32 (47.8)	67 (100)
Kodagu	14 (77.8)		1 (5.6)	3 (16.7)	18 (100)
Kolar	22 (88.0)		1 (4.0)	2 (8.0)	25 (100)
Mysore	54 (33.8)	2 (1.3)	3 (1.9)	101 (63.1)	160 (100)
Shivamogga	29 (35.8)		1 (1.2)	51 (63.0)	81 (100)
Uttara Kannada	14 (34.2)		1 (2.4)	26 (63.4)	41 (100)
Total	542 (48.0)	4 (0.4)	34 (3.0)	550 (48.7)	1130 (100)

Source: Field Survey Note : Numbers in parenthesis are in percentage

In fact, Bellary district reveals more than 90.0 per cent of the beneficiaries having only ‘partial knowledge’ about the scheme. This is a sad reflection. On the contrary, the remaining districts reveal a higher proportion of beneficiaries reporting ‘full awareness’ about the programme. Kolar district reveals highest proportion (88.0%) reporting about ‘full knowledge’ about the scheme.

4.9.2 Selection & Application Procedure

A similar analysis of beneficiary perceptions about the selection process/procedure of beneficiaries into the programme reveals overall more than half (53.8%) of the respondents are ‘fully aware’ (Table 4.67). About 43.6 % are ‘partially aware’. Across districts, in Kolar, Belagavi, Bellary, Mysore and Uttara Kannada, the proportion of beneficiaries reporting about partial awareness is higher as compared to that of full awareness.

Table 4.67 Beneficiaries knowledge about selection process / procedure

Districts	Fully aware	Neutral	Not aware	Partially aware	NR	Total
Bagalkot	18 (23.1)	1 (1.3)		58 (74.4)	1 (1.3)	78 (100)
Bengaluru Urban	181 (73.9)		1 (0.4)	63 (25.7)		245 (100)
Belagavi	76 (40.2)		3 (1.6)	110 (58.2)		189 (100)
Bellary	2 (3.9)	1 (2.0)	3 (5.9)	45 (88.2)		51 (100)
Bidar	30 (46.2)		2 (3.1)	33 (50.8)		65 (100)
Kalaburgi	90 (81.8)			20 (18.2)		110 (100)
Hassan	53 (79.1)		2 (3.0)	11 (16.4)	1 (1.5)	67 (100)
Kodagu	18 (100)					18 (100)
Kolar	23 (92.0)		2 (8.0)			25 (100)
Mysore	67 (41.9)		3 (1.9)	90 (56.3)		160 (100)
Shivamogga	32 (39.5)	1 (1.2)	7 (8.6)	41 (50.6)		81 (100)
Uttara Kannada	18 (43.9)			22 (53.7)	1 (2.4)	41 (100)
Grand Total	608 (53.8)	3 (0.3)	23 (2.0)	493 (43.6)	3 (0.3)	1130 (100)

Source: Field Survey Note: Numbers in parenthesis are in percentage

While in Kodagu all the 18 beneficiaries are fully aware, in Kolar district, more than 90.0 per cent fall into this category. In the remaining districts of Bengaluru urban, Kalaburgi, Hassan, beneficiaries reporting ‘full awareness’ about the programme selection procedure far exceeds. A disturbing feature observed although in small proportion is the beneficiaries’ total lack of awareness about the programme’s eligibility and selection process. A total of 34 and 23 beneficiaries respectively do not seem to have an idea about the programme eligibility criteria and selection procedure as they report about being ‘not at all aware’. This reflects either casual/superficial attitude towards government programmes in general or could be that the entire activity was mediated by some well-wishers or representatives. A question was also asked to the beneficiaries about the method and procedure through which the loan amount was released to the selected students (Table 4.68).

Table 4.68 Awareness about Loan Amount Releasing Procedure among the Beneficiaries

District	Fully aware	Neutral	Not aware	Partially aware	No info	Total
Bagalkot	16 (20.5)		4 (5.1)	57 (73.1)	1 (1.3)	78 (100)
Bengaluru Urban	173 (70.6)			72 (29.4)		245 (100)
Belagavi	81 (42.9)		5 (2.7)	103 (54.5)		189 (100)
Bellary	3 (5.9)		1 (2.0)	47 (92.2)		51 (100)
Bidar	13 (20.0)	1 (1.5)	13 (20.0)	38 (58.5)		65 (100)
Kalaburgi	64 (58.2)			46 (41.8)		110 (100)
Hassan	36 (53.7)	1 (1.5)	4 (6.0)	26 (38.8)		67 (100)
Kodagu	13 (72.2)		2 (11.1)	3 (16.7)		18 (100)
Kolar	21 (84.0)	1 (4.0)	1 (4.0)	2 (8.0)		25 (100)
Mysore	38 (23.8)	3 (1.9)	9 (5.6)	110 (68.8)		160 (100)
Shivamogga	40 (49.4)	1 (1.2)	3 (3.70)	37 (45.7)		81 (100)
Uttara Kannada	21 (51.2)			19 (46.3)	1 (2.4)	41 (100)
Grand Total	519 (45.9)	7 (0.6)	42 (3.7)	560 (49.6)	2 (0.2)	1130 (100)

Source: Field Survey Note : Numbers in parenthesis are in percentage

Overall, almost equal proportion of students seem to be divided between ‘fully aware’ and ‘partially aware’. There are also 42 beneficiaries who report about ‘not at all being aware’ about this, which indeed is a sad reflection on the programme implementation. Across districts, Bengaluru Urban, Kalaburgi, Hassan, Kodagu, Kolar, Uttara Kannada reveal a higher proportion of beneficiaries expressing ‘full awareness’ about the programme. From among these, Kolar district occupies the top position with 84.0 %. The remaining districts of Bagalkot, Belagavi, Bellary, Bidar, Mysore reveal higher proportion of beneficiaries being ‘partially aware’ than ‘fully aware’. It is again Bellary district which reveals far higher (92.0%) beneficiaries under the ‘partially aware’ category than under ‘fully aware’. Beneficiaries’ knowledge and awareness about the application procedure involved in obtaining Arivu education loan was also examined. In this regard, it is noticed (Table 4.69).

Table 4.69 Beneficiaries knowledge about application procedures

Districts	Fully aware	Not aware	Partially aware	Grand Total
Bagalkot	12 (15.4)	3 (3.9)	63 (80.8)	78 (100)
Bengaluru Urban	168 (68.6)	2 (0.8)	75 (30.6)	245 (100)
Belagavi	100 (52.9)	1 (0.5)	88 (46.6)	189 (100)
Bellary	4 (7.8)	1 (2.0)	46 (90.2)	51 (100)
Bidar	25 (38.5)	5 (7.7)	35 (53.9)	65 (100)
Kalaburgi	80 (72.7)	1 (0.9)	29 (26.4)	110 (100)
Hassan	43 (64.2)	1 (1.5)	23 (34.3)	67 (100)
Kodagu	17 (94.4)		1 (5.6)	18 (100)
Kolar	21 (84.0)		4 (16.0)	25 (100)
Mysore	64 (40.0)	2 (1.3)	94 (58.8)	160 (100)
Shivamogga	38 (46.9)	2 (2.5)	41 (50.6)	81 (100)
Uttara Kannada	19 (46.3)		22 (53.7)	41 (100)
Grand Total	591 (52.3)	18 (1.6)	521 (46.1)	1130 (100)

Source: Field Survey Note: Numbers in parenthesis are in percentage

Overall, a little over half (52.0%) of the beneficiaries have reported full awareness and 46.0 percent have reported about partial knowledge. About 18 students have reported about not having any knowledge about this. Across the districts, Bagalkot, Bellary, Bidar, Mysore, Uttara Kannada and Shivamogga reveal a higher proportion of beneficiaries possessing only partial knowledge. Bagalkot and Bellay districts reveal huge numbers of beneficiaries having only partial knowledge about the application procedure.

4.9.3 Beneficiary Awareness about Documents required

Arivu programme requires several documents, such as affidavits for caste category, income limit, surety, educational credentials etc., to be submitted while applying for education loan under the programme. To a question about the same, it is noticed that a little over half (52.0%) of the respondents reveal full knowledge about the same (Table 4.70). Remaining 45.5 per cent only have partial awareness about the documents to be submitted during submission of the application.

Table 4.70 Beneficiaries knowledge about documents required for the scheme

Districts	Fully aware	Neutral	Not aware	Partially aware	Total
Bagalkot	14 (18.0)		6 (7.7)	58 (74.4)	78 (100)
Bengaluru Urban	173 (70.6)		1 (0.4)	71 (29.0)	245 (100)
Belagavi	82 (43.4)	1 (0.5)	4 (2.1)	102 (54.0)	189 (100)
Bellary	4 (7.8)		1 (2.0)	46 (90.2)	51 (100)
Bidar	27 (41.5)		6 (9.2)	32 (49.2)	65 (100)
Kalaburgi	81 (73.6)			29 (26.4)	110 (100)
Hassan	47 (70.2)			20 (29.9)	67 (100)
Kodagu	15 (83.3)			3 (16.7)	18 (100)
Kolar	22 (88.0)		1 (4.0)	2 (8.0)	25 (100)
Mysore	67 (41.9)		1 (0.6)	92 (57.5)	160 (100)
Shivamogga	42 (51.9)		1 (1.2)	38 (46.9)	81 (100)
Uttara Kannada	19 (46.3)	1 (2.4)		21 (51.2)	41 (100)
Grand Total	593 (52.5)	2 (0.2)	21 (1.9)	514 (45.5)	1130 (100)

Source: Field Survey Note : Numbers in parenthesis are in percentage

Across regions, Bagalkot, Belagavi, Bellary, Mysore and Uttara Kannada districts are having much higher proportion of beneficiaries possessing only partial knowledge about the scheme. Further on Bellary and Kolar reveal contrasting picture in accommodating beneficiaries who either have disproportionately full knowledge or partial knowledge about different documents to be submitted.

4.10 Reasons and Constraints for Low Access & Poor Participation

In order to find out low access and poor participation among backward class students in higher education, it is necessary to have supply pool data relating to student demographics such as enrolment, transition, progression and completion ratios both at aggregate and disaggregate levels. This data will be useful to assess the flow into higher education among the BC students in terms of access, enrolment, transition, retention, dropout and completion ratios. Furthermore, baseline and time-series enrolment data, dropout, transition, progression and completion data need to be compiled at the district level in order to capture the spread and progress made by different population segments as well as across different higher education courses. However, an attempt to tap this database proved futile as neither the Department of Collegiate Education, nor the Backward Class Department had compiled any such statistical

datasets to enable us to undertake this exercise. Nonetheless, in order to obtain a bird's eye view of the issues relating to low access and poor participation in higher education among the BC students an attempt was made to contact a few non-beneficiaries across different divisions. Section 4.11 below reflects on the issues related to low access and poor participation of BC students in higher education.

4.11 A Comparative Analysis of Non-Beneficiaries

As it has been mentioned earlier in the methodology, 12 non-beneficiaries, one each from the selected 12 districts have been interviewed. These respondents are those who have not taken ARIVU loan for their higher education purpose. The respondents were selected purposively to be compared with the beneficiaries. In other words, while selecting care has been taken that these respondents should be from BC communities and backward in terms income. Among the non-beneficiaries, 5 are female and 7 Male. Three are studying in Government College, 4 in private, 4 in private aided and 1 respondent in an autonomous college. All are in Degree level courses (BA/BSc/B. Com/BBM).

Eight respondents are from rural, 3 from urban and 1 from semi-urban areas. Seven respondents belong to II A category, 4 to IIIB and one is from category I. Seven of them have no land of their families.

Nine respondents have completed the course, but only one is employed, the other eight are still unemployed. Only 2 respondents have taken loan from banks, which ranges from 35,000 to 1,20,000. Out of 12 respondents, 10 have no other financial support, only two got support from the state government. The annual educational expenditure of these respondents ranges from Rs.35,000 to Rs.1,20,000.

About ARIVU education loan, four of the respondents are aware about it, and they got this information through friends and newspapers. They did not apply for ARIVU loan as they opined that applying to ARIVU loan is cumbersome, procedure takes lot of time, providing documents is difficult, it is not released on time, and we may not get even after applying to it.

It may be noticed from table 4.71 that over 58.0 % of the students have reported that the HEIs in the region are located in faraway places. As such it is inconvenient and difficult to reach the colleges, thereby making higher education inaccessible to them. Further, 83.3% of the students report that they are in need of financial support. Regretfully, large majority are not aware about

the government support for higher education. However, more than 66.0 percent are aware of the Arivu education loan scheme.

Table 4.71 Non-Arivu BC beneficiary views on higher Education [N=12]

Views	Yes	No
Location of degree college – convenient & easy to reach	5 (41.67)	7 (58.33)
Whether in need of financial support for higher education	10 (83.33)	2 (16.67)
Awareness about Governmental support for higher education	2 (16.67)	10 (83.33)
Awareness about Arivu education loan	8 (66.67)	4 (33.33)

Source: Field Survey Note: Numbers in parenthesis are in percentage

4.12 Case Study of a Female Student Beneficiary

Bhavya, an Arivu education loan beneficiary from Tharlakki village of Malur taluk in Kolar District. She has completed her MBA scoring 64 percent at the aggregate. She joined MBA in 2017 (2017-18 batch) in a private Business Management School located at Bengaluru city. She got the seat under government's merit quota. Ms. Bhavya belongs to a backward caste and a first-generation professional course student in her family. She is 23 years old now. Her father, Mr. Sampath, aged 58 years, is a very poor agriculturist doing farming on his own 2 acres of land for three decades. He has studied up to SSLC. Bhavya's mother, Ms. Uma, aged 54, is also 10th pass and a housewife. With the meagre agricultural income of around rupees 50,000 per annum, the only source of income for taking care of the family requirements. Ms. Bhavya has one younger brother and a younger sister. It was very hard for poor Sampath to feed and taking care of three children based on meagre income from agriculture. With determination he wanted to make Ms. Bhavya as highly educated person. The family is staying at 30*30 house belongs to the Sampath's father.

Bhavya studied primary and higher primary education at a private school located near to her house. She completed her high school education at Bangarpet town, and pre-university education at Malur, graduation at Kolar from a private college residing at a hostel. One important point to be noted here is that Bhavya's mother, fully devoted and committed towards the education of her children, supported her daughters. Bhavya completed her graduation successfully and got merit seat in a private business management college for MBA, which is one of the prestigious colleges in Bengaluru. But it was very difficult for Bhavya's father to meet the entire household and education related expenditures on based on his agriculture income.

Difficulties increased as she joined the college at Bengaluru for taking care of the educational expenditures—travelling from her PG, college fees, books, food etc. She was desperately looking for some financial support. One day her relative saw an advertisement in a local newspaper about Arivu education loan. Immediately he informed Bhavya about it, and Bhavya without losing time visited Kolar District DDUBDC office, enquired about ARIVU loan and procedures, collected the application form and applied. This was in September, 2017. She furnished the telephone number of her father and gave her email id.

After applying for Arivu loan she was hopeful that she will get it, as she was confident to get the loan because of her merit and economic backwardness. After 15 days she received a call from DDUBDC office on her father's phone in September, 2017 that she has to appear for a document verification with all the required documents at District office of DDUBDC. She successfully got selected for the loan. Finally, in November, 2017 she got her first year's loan amount of Rs. 89,000/ through Cheque. Bhavya says ***“This Helped her and her father a lot and both were so happy on that day”***. Her father was encouraged and got confidence that she will complete her MBA course. She got the loan amount when she was in the process of applying education loan at a bank. A benefit of Rupees Eighty-nine thousand was very big help to her family at that time of need! If she was not getting this, she would have taken education loan from bank with many hassles and high rate of interest. In the second year, she got 65,000 rupees.

Now she has completed the course and got job after one month of course completion at BPO with the package of 3.6 lakhs per annum, almost she is getting 27,000 rupees per month. It is not just the financial support of ARIVU education loan, it has also created a self-confidence and positive attitude in Bhavya.

Bhavya says: ***‘The total annual MBA course related expenditure was Rs. 2,50,000. Arivu loan was Rs.1,54,000, and the balance of Rs.96,000 was managed through her father's earnings and through her part time job’.***

She paid first year's college fees out of his father's income and by taking loan from relatives. She repaid the loan taken from relatives after getting ARIVU loan amount. This adjustment was necessary as the academic year starts from June/July every year, and Arivu cheque was received in November / December of the year i.e. usually after few months of collage commencement.

Bhavya at Present:

She is working in well-established private company, a BPO at Bengaluru. She is earning 27,000 rupees as monthly salary, her food and accommodation, travel and personal expenses amounts to Rs. 12,000 rupees per month, she is also sending Rs.10,000 to her parents and also supporting her younger brother and sister for their education. She has a desire to get the good position in her profession, wants to become a supportive member of her family. She has very much interested to contribute her sister education in future.

Lessons from the Case:

Output:

1. One educated and good young girl is promoted
2. Promoted young girl for professional work.
3. Contributes to the society as a productive Social & Economic capital

Outcome:

1. From non-earning to earning member of the family (Non-productive member to Productive Member)
2. Development of career aspiration

Impact:

1. Safe guarded from financial crisis
2. Positive change in the family
3. Contribution to family and society
4. Change in attitude and behaviour of the poor girl.

4.13 Comparative Analysis of Arivu Scheme with Similar Schemes from Other States

Education loan for higher education to Indian Students both within the country as well as for foreign countries is provided for backward class students under the Union Ministry of Social Justice, GoI. In one of the recently held meetings of the National Backward caste Financial and Development Corporation, the Union Minister for Social Justice announced that the Ministry has hiked the limit of education loan for backward class students and also has waived interest on loan to girls by 0.5 %. Under this scheme students will get loan of Rs.10 lakh instead of Rs 5 lakh for higher education within the country. Those going abroad for studies will get Rs.20 lakh instead of the current Rs.10 lakh. Similarly, girl students will get concession of 0.5% in interest rate on the education loan. The loan interest rate for boys is 4.0 per cent and that of girls is 3.5%. He mentioned that over 13 lakh students are taking benefit of several schemes of the corporation [ToI, March 06, 2020, Mumbai].

There is very little evidence about the State sponsored higher education loan schemes in other states of the country. However, from the available evidences, some insights and inferences could be drawn.

According to a recent report, the education loan in the banking sector in Kerala State has run into a major problem. The outstanding education loan has been increasing year by year since 2015 and the NPA of educational loan is skyrocketing to the extent of Rs.2000 crore, which is in neck to neck with the agriculture loan. It is seen that about 70% of the NPA of educational loans was with the public sector banks followed by private commercial banks (DH, 2019). Considering the situation, the Kerala State has launched an education loan support scheme to bail out those students who are not in a position to repay loan borrowed from the Banks. Due to liberal policy and procedural guidelines, many students availed bank loans for purpose of higher studies. However, owing to unemployment and under employment, many students found it difficult to repay their loans as per time schedule. This resulted in accumulation of debts by the students and increasing NPA in the Scheduled banks. In order to bail out debt-ridden students, the State government has launched Education Loan Repayment Support Scheme for providing repayment support to borrower students. This was announced in the budget of 2016-17 and 2017-18. The scheme envisages government support to those who availed of education loan for a period of four years after the repayment holiday. Under this scheme, education loans sanctioned to students are classified under two categories: - (i)

education loan non-NPA/Standard Account, and (ii) education loan turned to NPA account on or before March 2016. Annual repayment loan amount (principal + interest) shared between the government and the borrower in the specified ratio during the four-year relief period for the first category. For the second category government will assist the borrower to settle and close the loan account by paying specified amount as per eligibility.

In Madhya Pradesh, a Higher Education Loan Scheme has been launched to promising students studying in IITs, IIMs and other such prominent institutions. With this, the MP is set to become India's first state to finance students for higher education. Under this scheme, interestingly, students won't be asked to furnish any documents to avail the loan or even a bank guarantee. Only their parents will be required to provide a self-attested certificate stating they don't pay any tax and live permanently in the state. The borrower will have to repay the loan amount within 5 years after completing his/her education.

The Tribal Welfare Department of Andhra Pradesh, under the Ambedkar overseas Vidhyanidhi offers education loan to the tune of Rs.5.0 lakh from any nationalized bank at prevailing interest rate to ST students for pursuing PG courses in foreign universities of UK, USA, Canada, Australia, & Singapore. The AP Scheduled Tribes Cooperatives Finance Corporation, Ltd., (TRICOR) coordinates with the nationalized banks in securing the education loan to the selected candidates.

The Andhra Pradesh State also provides interest subsidy to all education loan borrowers. In this context, in one of the recently held SBI regional conferences in Guntur, AP, the Bank managers noted that providing interest subsidy to all education loan borrowers would largely benefit the students and education sector. They were also of the view that risk weightage on education loans should be made 'zero'. In this regard, it was mentioned that the SBI has even initiated consultations with the field level managers to finalise the policy decisions. Additionally, the field level managers observed that the students should be mandatorily provided the information about the education loan scheme while choosing the colleges through web-based options. It was also felt that massive awareness programmes should be conducted particularly in rural areas to bring the rural populace to the digital fold (ToI, Aug 19, 2019).

CHAPTER - 5

FINDINGS, SUGGESTIONS, AND RECOMMENDATIONS

5.1 Major Findings

1. Overall, the state has covered a total of 16,430 BC students under the Arivu Educational loan programme from the year 2011-12 to 2018-19. Considering the total amount spent for the programme target of 15,095 and financial allocation of Rs.10,297.71 lakhs, the efficiency in terms of achievement works out to 108.8 per cent for the former and 83.1 per cent for the latter. In terms of annual coverage, relatively better performance is noticed for the years 2013-14 & 2015-16. In terms of achievement of targets under the CET category, the scheme reveals consistently positive performance.

2. Consistent shortfall in the coverage of the most vulnerable caste groups like Nomadic & Semi-Nomadic, Kumbara, Thigala, Madivala, Savitha, not only suggests the need for re-examining the program design but also revising the state policy norm itself.

3. Across courses in the 12 sample districts from 2011 to 2015, the BE/B.Tech course reveals highest coverage, taking a big leap from the year 2016 onwards to boost the participation of BC students in the most happening professional programme (Engineering) of higher education sector. This is a commendable achievement. Despite limited coverage of PG, Medical and non-CET courses, the consistent growth over the years is a reflection of the increased demand. Considering the fact that BC students constitute large chunk of the general degree enrolment in rural areas, there is a need to examine the relevance and up scaling of Arivu loan benefit even to this category of students.

4. Across four BC categories, over the time, the coverage proportion is found to be in alignment with the overall state distribution norms at the divisional level. However, among districts, Kolar, Bagalkot, and Uttara Kannada reveal higher coverage for category I and IIA. In contrast, Bengaluru, Kolar and Uttara Kannada reveal under coverage for category IIA, IIIA and IIIB respectively. Thus, all through, by default, category IIA emerges as the largest beneficiary of the programme. This phenomenon is justified in the context of increasing demand for higher education loan among certain categories in Bengaluru, Mysore districts and Hyderabad Karnataka region. Although, the demographic composition and spread of the population in these regions tend to be in alignment with this argument, the fact that some of

the predominant castes under these categories do not necessarily represent the first-generation beneficiaries of higher education programmes cannot be trivialised. Therefore, the most crucial factor in the final selection of the beneficiaries need to be based on the vulnerability and risk factors among such caste groups rather than merely going by nominal categories. Further, the number under Non-CET coverage is quite insignificant for different categories. Justification for not up scaling coverage for these students deserve proper attention.

5. The programme is found to cover 4 girls for every six boys. However, the wide gender gap in Kalaburgi, Bidar and Belagavi districts indicate the need for increased regional gender focus under the programme.

6. Overall, a whopping majority (81.7%) of student beneficiaries are seen in the BE course. Across regions, all divisions present the same trend. It is gratifying to note that even backward districts such as Bagalkot and Uttara Kannada reveal more than 90.0 per cent of beneficiaries in the BE programme. Higher visibility of BC students in the most happening and glamorous programme such as the BE is an indication of positive impact of the Arivu programme, yet the fact whether the state has ensured proper targeting of the BC students from the most vulnerable castes and there is no slip-up in the coverage of the neediest and deserving students is worth probing.

7. Overall, 58.0 % of the beneficiary households do not own land, suggesting presence of vulnerability and deprivation factors. Landless status is higher in case of Bengaluru (73.0%) and Belagavi (60.0%) divisions. Districts like Bengaluru Urban, Bagalkot, Belagavi, Uttara Kannada, Kodagu and Mysore reveal higher proportion of landless beneficiaries. Similarly, Category IIIB reveals higher proportion of landless beneficiaries. However, even regions such as Kalaburgi and Mysore divisions, though reveal higher proportion (75.0 to 80.0 per cent) of beneficiaries having landholdings, it is to be noted that largely it is dry land, which may not guarantee productive income. Thus, the vulnerability factor may get reinforced even for dry land-owning beneficiaries.

8. The presence of vulnerability factor for the BC students is also reflected in terms of absence of various facilities, gadgets and assets in the household. Except for mobile phone, only around 20.0 per cent of the beneficiaries are found to possess various facilities and gadgets. Refrigerator, Internet and Car seem to be a rare possession for many households.

9. Largest chunk (63.2%) of beneficiaries is found to be studying in private unaided colleges. This may be an obvious trend considering the fact that higher education is predominantly offered by the private sector in the state. Further, the selection and choice of the college type is also determined by the CET rank position of the student. This phenomenon, however is noteworthy and further the Arivu programme facilitating this trend is even more promising. On further probing the choice of private unaided colleges among the beneficiaries, it is seen that father's educational attainment is found to determine the choice of college rather than their income or occupation.

10. Beneficiaries are found to be satisfied in so far as mode of loan payment is considered. The programme is seen efficient in terms of easy accessibility (82.0%). An overwhelming majority (94%) feel convenient in accessing and submitting on-line application. In terms of timely release of loan, large majority (87.3%) report in affirmative. However, in districts like Bellary and Kolar, the trend appears to be discouraging with considerable proportion reporting in negative. Of the procedural difficulties involved in obtaining Arivu education loan, overall, highest proportion (44.3%) report about 'providing surety' as the most difficult aspect, followed by 'providing affidavit' (32.5%) and 'submitting different documents' (28.4%). These have emerged as the most difficult tasks across most districts.

11. An overwhelming majority (94.51%) have utilized the loan amount for education purpose. The programme is found to have greater benefit and utility value as it is useful in mitigating students' financial hardships and burden to the family. More than 96.0 per cent of the beneficiaries are in strong agreement about benefit of Arivu loan in terms of providing them a 'temporary reprieve from the financial hardships' and in 'increasing their levels of 'confidence and self- esteem'. Similarly, 'enhanced motivation to complete the course' (over 88.0 per cent) 'campus placement' (over 70.0 per cent) have also emerged as other accrued benefits. While the loan amount is found to be sufficient by and large, a need has been felt for enhancement for medical students considering the heavy expenses incurred by them.

12. An encouraging feature, suggestive of positive impact of the Arivu programme is the course completion ratio with 46.5 per cent of the beneficiaries, of which highest proportion is in PG courses (82.8%) followed by BE course (46.3%). While the programme is found to reveal absolute positive impact in terms of course completion for category IIA beneficiaries, for category IIIB, it is the other way round. This category also reveals highest incidence of dropout

with 14 out of the total 23 dropouts hailing from this category. Mysore division reveals relatively higher rate of positive impact with respect to course completion ratio.

13. Overall, the programme seems to impact boys and girls almost equally in terms of course completion ratio. However, when regional dimension is added, different patterns seem to emerge. Kolar and Kodagu districts reveal far higher positive impact on female students than male students. While Kodagu's performance may be attributed to the favourable female ratio in the district, the same will not hold good in case of Kolar district, considering its laggard status in terms of educational development. Bengaluru urban district reveals better picture for girls as compared to their counterparts in districts like Bagalkot, Uttara Kannada, Kalaburgi, suggesting disparate impact of the programme on girls, when regional dimension is added.

14. With respect to programme's impact on employment, a higher proportion of beneficiaries is found to be unemployed (58.1%) as compared to employed (41.5%). Category IIA reveals highest level of unemployment (60.0 per cent). The trend appears obvious as this category receives highest coverage (54%) under the programme. Across courses, barring the general degree and the medical programme, which have very small samples, unemployment rate is higher among PG beneficiaries (66%) followed by BE graduates (57%). Further, as revealed by the regression analysis, the programme is found to significantly influence employment of beneficiaries in Bengaluru division, male beneficiaries, and of those in government colleges. Quite significantly, loan repayment behaviour is found to increase with employment status.

15. A variety of factors seem to contribute to delay in getting job. The most common reason as reported by more than half of the sample beneficiaries is found to be 'lack of job opportunities. Additionally, 23.0 per cent beneficiaries report that they could not succeed in the interviews. The trend suggests not only the need for better planning strategies but also for putting in place effective curricular strategies at the college level.

16. Highest proportion of beneficiaries are holding engineering jobs as engineering graduates happen to constitute a major chunk in the study sample, and most of them (56.84%) are working in Bengaluru and within Karnataka (35.9%).

17. The monthly earnings of the highest proportion (48%) of the employed beneficiaries fall between 15k to 25k. Bengaluru urban and Mysore districts reveal contradictory trends in terms of spread of high and low wage earners in the opposite quartiles. Interestingly, districts

in North Karnataka region reveals presence of beneficiaries earning highest salary of 30k+ per month, although the number is very small. Bengaluru urban job market does not seem to support high salary as not a single beneficiary is represented in the category of 30k+ salary range.

18. By and large most beneficiaries are found to be aware of eligibility criteria, selection criteria, application procedure and documents to be submitted. However, across districts in Kolar, Belagavi, Bellary, Mysore and Uttara Kannada, unacceptable proportion of partial awareness is seen.

19. It is seen that CET beneficiaries incur an annual expenditure of over Rs. 2.0 lakh per student. The same for non-CET beneficiary is over 1.80 lakh per student. Quite interestingly, Bengaluru division reveals lowest expenditure (1.67 lakh). Across districts, Kodagu reveals highest expenditure (Rs 4.1 lakh+). Strangely, all three districts in Belagavi and Mysore divisions reveal far higher expenditure than Bengaluru urban district. In case of non-CET beneficiaries, Mysore district reveals an expenditure of Rs.3.7 lakh+, higher than even for CET beneficiary. Strangely, Bengaluru Urban and Kalaburgi districts reveal far higher expenditure as compared to CET beneficiaries.

20. Overall, a CET beneficiary will be required to meet a gap of Rs.38,929.85 per annum during the study period, when the difference between the Arivu loan amount received and the expenditure incurred is computed. Across divisions, strangely, it is the Kalaburgi division, which reveals highest gap of Rs.74,984, which is way higher than even Bengaluru division (Rs.62,207). The lowest gap of Rs.12,922 is seen for Mysore division and a slightly higher gap of Rs.14,191 is noticed for Belagavi division. Across districts, it is Kolar which reveals rather unacceptably higher gap of Rs.97,215. In Kalaburgi division, barring Bellary district, both Kalaburgi and Bidar reveal more than Rs.88,000 gap. Since these are reported figures, the likelihood of over reporting may not be ruled out. Quite interestingly Shivamogga district reveals positive difference in the gap suggesting lesser expenditure incurred as against the loan availed in the year. Mysore, Kodagu, Bagalkot and Uttara Kannada, all of these districts reveal lower gap of difference between Rs.25000 to 32000.

21. With respect to repayment status of Arivu loan, only 101 out of 549 eligible beneficiaries have repaid, which works out to 18.4 per cent. Across districts, Hassan and Bellary reveal 53.13 per cent of the beneficiaries and 47.37 per cent of beneficiaries repaying

indicating relatively better performance. Loan repayment is good from Bidar and Kodagu districts being 37.4 percent and 37.5 percent respectively. It is very poor in Bengaluru Urban district (1.49 %). Across categories, loan repayment is much better in the case of category III B beneficiaries, 30 percent of them are repaying the loan. Low level of repayment is seen both in case of category I and category IIA, the latter being largest beneficiaries of Arivu programme.

22. It is seen 97 beneficiaries have taken loan from other sources. This works out to a small percentage of 8.6. Across region, Belagavi, Kolar, Mysore and Uttara Kannada districts reveal more than 10.0 percent of the beneficiaries taking loan from other sources suggesting relatively higher financial constraints. Largely banks and money lenders have emerged as the main source of loan financing as reported by 34.0 percent and 25.0 percent of the Arivu beneficiaries respectively. While bank loans are raised in Bengaluru Urban district, private money lenders are characteristic of Mysore district.

5.2 Suggestions and Recommendations

1. Considering the greater utility value and higher benefit accrued to backward class students, **it is recommended that the ARIVU programme may be continued further. It is also recommended that the programme may further be extended to backward class students in general degree programmes of higher education.**

2. As the coverage and targeting under specific BC communities such as Nomadic & Semi-Nomadic, Savitha, Kumbara, Thigala, Uppara reveal huge shortfalls, the State needs to seriously examine the way programme has been designed to reach out to these most vulnerable households, particularly the first-generation families.

3. Considering low visibility of girls in the Arivu programme, **it is strongly recommended that the programme may consider giving priority to girls to the extent of 30.0 per cent, particularly in backward regions.**

4. As the programme is seen to favour beneficiaries largely from urban and semi-urban regional backgrounds, **it is recommended to enhance target for rural beneficiaries so as to bring them on par with their urban counterparts.**

5. While it is necessary to re-examine the rationale and mechanism for fixing targets and allocations to improve overall reach and coverage, district specific strategies may be employed for fair and unbiased selection of beneficiaries.
6. Failure or constraints in adhering to the prescribed representation norm take us to the much larger question of availability of supply pool data at disaggregate levels, which can give us a fair estimate of the number of students available under the most vulnerable categories. Needless to mention that such a database will have to be generated at the district level taking into account the demographic composition of the region and the education development index, which will not only reveal category (caste) wise student data base at various educational levels but also spatial distribution of educational infrastructure. There is need for benchmarking data systems and to develop proper baseline datasets to track the progress and impact of any given programme over the time. Such a system would enable the governments to justify public resource investments as well as achieving various developmental goals. In the light of this, **it is recommended that the DDUDBC may consider establishing a statistical unit in collaboration with the education department for not only generating statistical database, but also for proper monitoring and assessment of various education programmes.**
7. Presence of large number of student beneficiaries from the BC in the most glamorous course like Engineering can be justified from the point of enhancing access and promoting economic mobility among this population segment, yet there are more important questions which come to the fore. For instance, questions such as what is the nature of backwardness and the nature of vulnerability among these students and most importantly how many of them are really first-generation engineers assume crucial significance. Therefore, the department may consider this criterion as well while selecting beneficiaries under various categories.
8. In the light of beneficiaries reporting about difficulties experienced in terms of providing surety, affidavits and several documents, it is necessary for the department to streamline and simplify some of these procedures so as to make it convenient and friendlier. Therefore, **it is recommended that the present system of giving 'witnesses' may be replaced with alternative authentic proof system provided by beneficiaries own families.**
9. In view of the higher expenditure incurred by the beneficiaries in certain courses, **it is recommended that the present loan amount may be enhanced to 2.0 lakh per annum for medical education courses.**

10. The incidence of large-scale non-payment of loan among beneficiaries is a serious issue. While unemployment appears to be the key factor for default, there are also instances of non-repayment even among the employed beneficiaries. Considering the fact that some students do face financial constraints and have genuine reasons for loan repayment immediately after three months of course completion, **it is recommended that the waiting period for loan recovery may be extended for one year from the date of completion to enable those seeking employment. Alternatively, the department may consider decreasing interest rate to enable loan recovery from those who experience serious constraints. On the other hand, for those already employed, some serious disciplinary actions may be invoked for loan recovery.**
11. The DDUBCD Corporation is required to step up its information dissemination strategy in backward districts like Bagalkot, Belgaum, Bellary, Mysore and Uttara Kannada. Similarly, awareness strategies about the Arivu scheme and the administrative support system may be strengthened for better reach and coverage of beneficiaries in such backward districts.
12. It is noticed that the department has a weak monitoring system to review and take stock of the programme. **It is therefore strongly recommended that the department has to step up its district level monitoring of the programme in terms of tracking the loan beneficiary and upkeep of the record through the use of digital software systems.**
13. Loan in the first semester / year can be given to the college. But from the second year onwards, it can be given at the time of paying college fees. Students can pay the loan amount to college as fees. This will reduce the burden on students' parents of mobilizing the fees amount.
14. Further research, preferably case studies may be initiated to understand and identify region specific variables impacting education among backward class students.

ANNEXURE

IDIs (In-depth Interviews) and FGDs (Focused Group Discussions) Analysis

We have used the qualitative information / data collected through IDS and FGDs in the report wherever it was appropriate to use. In this section, we are presenting the views / opinions of different stakeholders gathered / collected through IDIs and FGDs.

In total, 40 IDIs were conducted (As per TOR). The details are:

- District Managers / Member secretaries = 12 (one each in 12 districts)
- District level line department officials = 12 (one each in 12 districts)
- CEOs of Zilla Panchayat = 12 (one each in 12 districts)
- State level Officials = 4 (DDUBCDC and KEA).

From Annexure Table 1 below, responses from different stakeholders can be seen.

Annexure Table 1 – IDI responses to Key questions

Key Questions	District Managers and B.C. Corporation	District level line department officials	CEOs, ZPs	State level Officials and KEA officers	Remarks
Continuation of ARIVU Loan	Yes	Yes	Yes	Yes	It is very useful for course completion by BC students.
Upscaling & extending Arivu coverage	-	-	-	Yes	-
Beneficiary selection procedure – problems & issues	<p>Document verification and submission of original documents by the applicants on time.</p> <p>Excess of application, Distribution of application into category wise will be difficult-less amount of budget, high demand, physical target should be based on district requirement</p> <p>Failing to producing required security deposit papers on time</p> <p>Lack of applications to get the approval from selection committee</p> <p>Loan amount releases after admission.</p>	-	<p>Central office will be fixed the physical target, as per that requirements, committee will decide the loan sanction</p> <p>Based on the other back ward population, central office will give the physical and financial targets to the districts</p> <p>Physical and Financial targets will be assigned by Central office, as per 70 and 30 percent criteria</p> <p>As per scheme criteria, Cat- I and Cat-II 70%, Cat-III A, Cat- III B, 30% candidates are selected.</p> <p>AS per roster and scheme guideline and based on CET ranking candidate identified</p>	No	-
Adequacy of loan amount	-	-	-	Adequate for all except for	-

				medical education, which can be increased.	
Benefit & usefulness of loan to BC Students	-	-	Based on the current demand the sanctioned budget is not sufficient.	Yes	-
Present loan granting Procedure	Action plan by head office during April to May, central server based online application usually notified during July to August, September. publicizing the notification and receiving the application and put the same in front of the committee Online application, that will handle by central office	-	-	-	-
Knowledge & publicity strategy currently in use	Creating awareness about the scheme and giving wide publicity in the local and regional newspaper Issuing the newspaper notification, posting at college notice board, conducting committee meeting	-	-	To be improved	-
Loan recovery procedure/measures for improving efficiency	-	-	-	Not fully satisfied	-

Further, the details about FGDs can be seen from Annexure Table 2 below.

Total Number of FGDs conducted are 16 (as per TOR):

FGDs for student beneficiaries = 12 (one FGD each in 12 districts)

FGDs at the college level = 4 (one college each in 4 divisions)

Annexure Table – FGD Analysis

Key Questions/issues	FGDs at the college level	FGDs for student beneficiaries
Beneficiary selection procedure – problems & issues	-	Loan was not given on time. Loan amount was not sufficient to
Feasibility of Continuation of ARIVU Loan	-	It should be continued and given to all BC students.
Up scaling & extending loan benefit to non-CET	Not on time, usually colleges will start in the month of July to august, if they sanctioned the loan by September that will be good. Loan amount has to be increased. Loan amount should be given all BC students who satisfy the criteria.	Loan amount was not sufficient to pay fee.
Adequacy of loan amount	-	Loan amount was not sufficient to pay fee.
Benefit & usefulness of loan to BC Students	Very essential and beneficial scheme. Yes, it is one of the most useful schemes, in order to get higher education among backward class students and it will relax in the financial issues. Yes, it is useful, those who unable to adjust the fee they can get the loan.	It is very useful. It has increased my confidence level and moral strength. It has reduced family financial burden. It has helped to complete education without any barrier. It has helped in getting campus selection and recruitment. It has increased my financial condition and societal condition
Present loan sanctioning Procedure	As per merit and economic condition and based on documents Based on CET and scheme criteria	-
Knowledge & publicity mechanisms	-	Collage noticeboard, Website, Newspaper, Radio, TV, Friends, and Family Members.
Loan recovery procedure/enhancing efficiency	-	-

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APPENDIX

Questionnaire / Schedule

PART-A (Beneficiary)

Particulars	Response									
1. Name of the Beneficiary										
2. Mobile/email	Mobile					E-mail				
3. Gender	1. Male			2. Female			3. Transgender			
4. Age (in completed years)	21	22	23	24	25	26	27	28	28+	
5. Marital Status	1. Single	2. Married (ask question numbers 65 and 66)				3. Others (Specify)				
6. Father's Name										
7. Residence:	1. Urban			2. Rural			3. Semi-urban			
8. Religion	1. Hindu	2. Muslim	3. Christian		4. Jain	5. Buddhist	6. Sikh	7. Others		
9. Caste										
10. BC Category	I		IIA			IIIA			IIIB	
11. Course studied / studying@ (Gen degree)	1. BA	2. BSc		3. B. Com	4. BCA	5. BBM		6. Others		
12. Course studied / studying@ (Professional)	1. BE/BTech	2. MBBS		3. BSc Ag	4. BVSc	5. MBA		6. Others		
13. Year of Enrolment for the course (actual)	2011-12	2012-13		2013-14	2014-15	2015-16	2016-17	2017-18		
14. Year of Completion of the course	2013-14	2014-15	2015-16	2016-17		2017-18		2018-19		
15. CET / Non-CET	1. CET				2. Non-CET					
16. College where studied / studying	1. Govt	2. Pvt Aided	3. Pvt. Unaided	4. Deemed		5. Autonomous		6. Others		
17. Study Arrangements:	1. Daily Commuting	2. Staying at Hostel	3. At PG rental	4. Relative's house		5. Rental house sharing		6. Others		

18. Total Arivu loan Aailed:

2011-12 Rs.

2012-13 Rs.

2013-14 Rs.

2014-15	Rs.
2015-16	Rs.
2016-17	Rs.
2017-18	Rs.

19. Mode of Loan Disbursement:

2011-12	1. Cheque	2. Online
2012-13	1. Cheque	2. Online
2013-14	1. Cheque	2. Online
2014-15	1. Cheque	2. Online
2015-16	1. Cheque	2. Online
2016-17	1. Cheque	2. Online
2017-18	1. Cheque	2. Online

20. Number of Instalments:

2011-12	1. One	2. Two	3. Three
2012-13	1. One	2. Two	3. Three
2013-14	1. One	2. Two	3. Three
2014-15	1. One	2. Two	3. Three
2015-16	1. One	2. Two	3. Three
2016-17	1. One	2. Two	3. Three
2017-18	1. One	2. Two	3. Three

21. Loan Amount Repaid:

2011-12	Rs.
2012-13	Rs.
2013-14	Rs.
2014-15	Rs.
2015-16	Rs.
2016-17	Rs.

2017-18

Rs.

22. Total Arivu Loan Taken for the Whole Study Period (Rs):

23. Total Arivu Loan Amount Outstanding (Rs):

24. Did you utilize the Arivu loan amount only for the course for which it was sanctioned?

1. Yes

2. No

3. If no,

A. I changed the course as it was difficult to pass

B. The course for which loan was sanctioned, was not job oriented

C. It was not interesting to me

D. Others (specify)

25. Year-wise exams passed with percentage of total marks obtained

1. Year	2. Course	3. Semester/Annual exam	4. Percentage/ Marks obtained

26. How did you utilize the ARIVU loan money?

- For educational purpose
- Other course related expenditure
- Other personal related expenditure
- For family needs
- Others (specify)

27. Did you take any other loan (other than ARIVU) for your studies?

1) Yes

2) No

3) If yes,

a) Source: 1. Banks 2. Money Lenders 3. Friends 4. Others (Specify)

b) Loan Amount (Rs): 1. Banks..... 2. Money Lenders.....

3. Friends..... 4.

Others

(Specify).....

c) Rate of Interest: 1. Banks..... 2. Money Lenders.....3. Friends.....4. Others (Specify)

d) Loan Amount outstanding (Rs):

1. Banks..... 2. Money Lenders..... 3. Friends.....
4. Others (Specify).....

28. Have you received any other financial support from the Government or others for your education?

1. Yes 2. No

3. If Yes

a) Source:

- 1). State Govt. 2) Central Govt. 3) NGO 4) Philanthropist 5) Others (specify)

b) Amount (Rs):

- 1). State Govt..... 2) Central Govt..... 3) NGO.....

- 4) Philanthropist..... 5) Others (specify).....

29. How much money (Rs) on an average per year did you spent for the following related to your education (Rs):

Break-up:

1. Fees (Rs)..... 2. Source:

1. Accommodation (Rs)..... 2. Source

1. Food (Rs)..... 2. Source

1. Travel (Rs)..... 2. Source

1. Private Tuition (Rs)..... 2. Source

1. Purchase of Computer (Rs)..... 2. Source

1. Project Work (Rs)..... 2. Source

1. Others (Rs)..... 2. Source

30. Awareness of the beneficiary about the Arivu scheme (open-ended):

31. How did you come to know about ARIVU scheme?

- College notification
- dept. notification on the website

- newspaper
- Radio announcement
- Television advertisement
- friends
- family members/relatives
- others (specify)

32. Authority / departments involved for Sanctioning and release of Arivu Loan (open-ended)

33. Departments involved in selection of the beneficiary (open-ended)

34. Whether on-line application format easily accessible? 1. Yes 2. No

35. Was the format of application convenient to fill in? 1. Yes 2. No

36. Selection list announcement procedure

1) Fully aware 2) to some extent 3) not at all aware 4) neutral

37. Procedure for applying for the loan scheme?

1) Fully aware 2) to some extent 3) not at all aware 4) neutral

38. Documents required to be submitted

1) Fully aware 2) to some extent 3) not at all aware 4) neutral

39. Eligibility criteria for receiving the loan

1) Fully aware 2) to some extent 3) not at all aware 4) neutral

40. Loan amount and releasing procedure

1) Fully aware 2) to some extent 3) not at all aware 4) neutral

41. Interest rate on the loan

1) Fully aware 2) to some extent 3) not at all aware 4) neutral

42. Loan Repayment Schedule & conditions

1) Fully aware 2) to some extent 3) not at all aware 4) neutral

43. Was the loan released on time? 1. Yes 2. No

44. Details about the petty expenditure incurred by you for getting the educational loan sanctioned

1. Travel	2. Rs.
2. Procuring required documents	2. Rs.
3. Food	2. Rs.
4. Payments (bribe) to officials, if any	2. Rs.
5. Others (specify)	2. Rs.
6. Total	2. Rs.

45. Which procedural items were most difficult (Rank them):

1. Procuring the application
2. Filling the application
3. Documents to be submitted
4. Giving Affidavit
5. Giving Surety
6. Others (specify)

46. Are you aware about loan waiving for students receiving loan before 2013?

1. Yes 2. No

47. Have you availed this benefit? 1. Yes 2. No

48. Has any of your sibling/s also been a recipient of ARIVU loan schemes?

1. Yes 2. No

3. If yes,

A. Brother-1

a) Amount Received (Rs)..... b) loan amount outstanding (Rs).....

B. Brother-2

a) Amount Received (Rs)..... b) Loan amount outstanding (Rs).....

C. Sister-1

a) Amount Received (Rs)..... b) Loan amount outstanding
(Rs).....

D. Sister-2

a) Amount Received (Rs)..... b) loan amount outstanding
(Rs).....

(For Alumni Only)

49. Current Occupation*	1	2	3	4	5	6	7	8	9	10
50. Date of joining the job	2013	2014	2015	2016	2017	2018	2019			
51. Place of work at present	1. Within Karnataka		• Outside Karnataka		• Within Bengaluru			• Outside Bengaluru		
52. Total Monthly Earnings/Salary / Income (Rs)**	1	2	3	4	5	6	7			
53. Average Monthly living Exp. (current) Rs***	1	2	3	4	5	6				

54. Did you get the job immediately after completing your education?

1. Yes 2. No

(a) If no, how many months were taken to get the job?

1) < 6 months 2) 6 to 12 months 3) 12 to 18 months 4) 18 to 24 months 5) > 24 months

(b) Reasons

1). No job opportunities 2) could not succeed 3) did not try 4) had no money to pay (bribe)

55. Did anybody help you in getting the job? 1. Yes 2. No

If yes, who?

1). Friends 2) Relatives 3) Officials 4) Politicians

56. Were you required to pay any money (fees) for getting the job? 1. Yes 2. No

3. If Yes, how much? 4. To whom?

57. Were you required to pay any money (bribe) for getting the job? 1. Yes 2. No

3. If Yes, how much? 4. To whom?

58. How and in what particular way the Arivu loan scheme has helped you in your college education?

1) Increased my confidence level and boosted my morale

a) Strongly agree b) agree c) neutral d) disagree e) strongly disagree

2) Has decreased financial burden of my family

a) Strongly agree b) agree c) neutral d) disagree e) strongly disagree

3) Successful completion of my college education without any interruption

a) Strongly agree b) agree c) neutral d) disagree e) strongly disagree

4) On campus recruitment benefit and getting a job

a) Strongly agree b) agree c) neutral d) disagree e) strongly disagree

5. Enhanced my economic mobility and family social status

a) Strongly agree b) agree c) neutral d) disagree e) strongly disagree

6. Any other (specify)

a) Strongly agree b) agree c) neutral d) disagree e) strongly disagree

59. What other Govt. facility /support you think could have helped you in your educational achievements?

1). Free hostel facility 2) Transportation allowances 3) Food allowances 4) others (specify)

60. Did you help/ support financially your brothers and sisters in their education and in getting employment?

• Yes 2. No

61. How would have you completed your education in the absence of ARIVU loan?

- (i) My parents would have borne the expense of my education
- (ii) Would have taken other bank loan
- (iii) My relatives and friends would have helped me
- (iv) Would have depended on local moneylenders
- (v) It would not have been possible to complete

62. How much money (Rs) are you giving / sending to your parents / guardians every Month?

1. < 500 2. 500-1000 3. 1000-2000 4. 2000-3000 5. 3000 >

63. How much of your salary are you saving per month, other than giving to your parents / guardians?

- 1) 10 % 2) 20 % 3) 20 % >

64. What are the other sources of income to you?

1. Agriculture 2. Rent from buildings 3. Interest on deposits
5. Returns on investments 5. Spouse's income 6. Others (specify)

65. Is your spouse working? 1. Yes 2. No

- If yes, nature of job

1. Govt. 2. Private 3. Others (specify)

66. Where are your children studying?

Sl.No	1. Name of the child	2. Type of institution (Govt/private)	4. Mode of travel

67. What are your views on ARIVU education loan? (Your experience, shortcomings, hassles, was sufficient or not, improvements to be made) (Open-ended)

PART II – For the Family

1. Members of the Family

- a) Number of adults (19 to 59 years): 1. Males..... 2. Females.....
- b) Number of Children (up to 18 years of age): 1. Males..... 2. Females.....
- c) Number of Physically Challenged: 1. Males..... 2. Females.....
- d) Number of persons with old age (60 + years): 1. Males.....2. Females.....
- e) Total Family Members 1. Males..... 2. Females.....

2. Education background of the family members

i) Name of the member-1.....

- a) Male b) Female

ii) Education Background:

a) SSLC b) PUC c) Degree e) P.G f) Technical g) BE h) MBBS i) Dental j) Others

iii) Status:

- a) Completed b) Drop-out

i) Name of the member-2.....

- a) Male b) Female

ii) Education Background:

a) SSLC b) PUC c) Degree e) P.G f) Technical g) BE h) MBBS i) Dental j) Others

iii) Status:

- a) Completed b) Drop-out

i) Name of the member-3.....

- a) Male b) Female

ii) Education Background:

- a) SSLC b) PUC c) Degree e) P.G f) Technical g) BE h) MBBS i) Dental j) Others

iii) Status:

- a) Completed b) Drop-out

i) Name of the member-4.....

- a) Male b) Female

ii) Education Background:

- a) SSLC b) PUC c) Degree e) P.G f) Technical g) BE h) MBBS i) Dental j) Others

iii) Status:

- a) Completed b) Drop-out

i) Name of the member-5.....

- a) Male b) Female

ii) Education Background:

- a) SSLC b) PUC c) Degree e) P.G f) Technical g) BE h) MBBS i) Dental j) Others

iii) Status:

- a) Completed b) Drop-out

3. Was there any financial or other kind of support from the government for the education of the family members?

1. Yes 2. No

3.1. If, Yes,

1. Scholarship 2. Free Hostel facilities 3. Free Transportation

4. Others (specify)

4. Occupation and Annual Income (Rs) of Household Members

a) Name of the family member-
1.....

b) Occupation:

1) Govt. 2) Private 3) Business 4) Others (specify) 5) Not working

c) Annual Income (Rs):

1) < 50,000 2) 50,000 to 1,00,000 3) 1,00,000 to 3,00,000 4) 3,00,000

>

a) Name of the family member-
2.....

b) Occupation:

1) Govt. 2) Private 3) Business 4) Others (specify) 5) Not working

c) Annual Income (Rs):

1) < 50,000 2) 50,000 to 1,00,000 3) 1,00,000 to 3,00,000 4) 3,00,000

>

a) Name of the family member-
3.....

b) Occupation:

1) Govt. 2) Private 3) Business 4) Others (specify) 5) Not working

c) Annual Income (Rs):

1) < 50,000 2) 50,000 to 1,00,000 3) 1,00,000 to 3,00,000 4) 3,00,000

>

a) Name of the family member-
4.....

b) Occupation:

1) Govt. 2) Private 3) Business 4) Others (specify) 5) Not working

c) Annual Income (Rs):

1) < 50,000 2) 50,000 to 1,00,000 3) 1,00,000 to 3,00,000 4) 3,00,000

>

a) Name of the family member-
5.....

b) Occupation:

1) Govt. 2) Private 3) Business 4) Others (specify) 5) Not working

c) Annual Income (Rs):

1) < 50,000 2) 50,000 to 1,00,000 3) 1,00,000 to 3,00,000 4) 3,00,000

>

5. Does your family members own land holdings?

1. Yes 2. No 3. If Yes,

1) Dry Land

i) Acres..... ii) Hereditary ii) self-acquired

2) Irrigated Land

i) Acres..... ii) Hereditary ii) self-acquired

3) Garden

i) Acres..... ii) Hereditary ii) self-acquired

4) Total land Holding

i) Acres..... ii) Hereditary ii) self-acquired

6. Residential Housing and Assets

1). Dimension:

1. < 20x30 feet 2. 30x40 feet 3. 40x60 feet and above

2) Type of House: 1. Pucca* 2. Semi-Pucca 3. Kachcha

(*Pucca refers to house with protective walls, windows and good roof)

3) Status: 1. Own 2. Mortgaged 3. Govt. Quarter 4. Employer provided 5. Rented

4) Drinking Water Facilities:

1. Tap (within the house) 2. Tap (public / common) 3. Well 4. Tank

4.Kiosk 5. Common Supply (Thombey)

5) Cooking: 1. LPG 2. Fire Wood 3. Kerosene 4. Electricity 5. Dung

6) Electricity: 1. Yes 2. No

7) Fans: 1. Yes 2. No

8) Refrigerator: 1. Yes 2. No

9) Television: 1. Yes 2. No

10) Mobile Phone: 1. Yes 2. No

11) Internet: 1. Yes 2. No

12) Bicycles: 1. Yes 2. No

13) Scooter / Motor Cycle: 1. Yes 2. No

14) Car: 1. Yes 2. No

7. Do family members have any bank account?

1) Yes 2) No

Code Description

***current occupation code**

1-graduate engineer 2-software Techie 3-Resident Doctor 4-BPO tech support

5-computer assistant/DEO 6-clerical 7-business assistant/manager 8-teaching

9-skilled technician 10-others (specify)

****Earning /income per month (in Rs) code**

- <5000
- 5001-10000
- 10000-15000
- 15001-20000
- 20001-25000
- 25001-30000
- 30001+

***Expenditure incurred per month (in Rs) code

1<10000

2-10001-15000

3-15001-20000

4-20001-25000

5-25001-30000

6-30001+

@: if currently pursuing PG such as MA/MS/M. Tech/MD/MBA to be noted down

PART-A (Non- Beneficiary)

Particulars	Response									
1. Name of the Beneficiary										
2. Mobile/email	Mobile					E-mail				
3. Gender	1. Male				2. Female			3. Transgender		
4. Age (in completed years)	21	22	23	24	25	26	27	28	28+	
5. Marital Status	1. Single		2. Married		3. Others (Specify)					
6. Father's Name										
7. Residence:	1. Urban			2. Rural			3. Semi-urban			
8. Religion	1. Hindu	2. Muslim	3. Christian	4. Jain	5. Buddhist	6. Sikh	7. Others			
9. Caste										
10. BC Category	I			IIA		IIIA			IIIB	
11. Course studied / studying@ (Gen degree)	1. BA		2. BSc		3. B. Com	4. BCA		5. BBM	6. Others	
12. Course studied / studying@ (Professional)	1. BE/BTech		2. MBBS	3. BSc Ag	4. BVSc		5. MBA	6. Others		
13. Year of Enrolment for the course (actual)	2011-12	2012-13	2013-14		2014-15	2015-16	2016-17	2017-18		
14. Year of Completion of the course	2013-14	2014-15	2015-16		2016-17		2017-18		2018-19	

15. CET / Non-CET	1. CET			2. Non-CET		
16. College where studied / studying	1. Govt	2. Pvt Aided	3. Pvt. Unaided	4. Deemed	5. Autonomous	6. Others
17. Study Arrangements:	1. Daily Commuting	2. Staying at Hostel	3. At PG rental	4. Relative's house	5. Rental house - sharing	6. Others

18. Year-wise exams passed with percentage of total marks obtained

1. Year	2. Course	3. Semester/Annual exam	4. Percentage/ Marks obtained

19. Did you take any other loan (other than ARIVU) for your studies?

1) Yes 2) No

3) If yes,

a) Source: 1. Banks 2. Money Lenders 3. Friends 4. Others (Specify)

b) Loan Amount (Rs): 1. Banks..... 2. Money Lenders.....

3. Friends..... 4. Others (Specify).....

c) Rate of Interest: 1. Banks..... 2. Money Lenders..... 3. Friends..... 4. Others (Specify)

d) Loan Amount outstanding (Rs):
 1. Banks..... 2. Money Lenders..... 3. Friends.....
 4. Others (Specify).....

20. Have you received any other financial support from the Government or others for your education?

1. Yes 2. No

3. If Yes

a) Source:

1). State Govt. 2) Central Govt. 3) NGO 4) Philanthropist 5) others (specify)

b) Amount (Rs):

- 1). State Govt..... 2) Central Govt..... 3) NGO.....
 4) Philanthropist..... 5) others (specify).....

21. How much money (Rs) on an average per year did you spent for the following related to your education (Rs):

Break-up:

- | | |
|-----------------------------------|------------|
| 1. Fees (Rs)..... | 2. Source: |
| 1. Accommodation (Rs)..... | 2. Source |
| 1. Food (Rs)..... | 2. Source |
| 1. Travel (Rs)..... | 2. Source |
| 1. Private Tuition(Rs)..... | 2. Source |
| 1. Purchase of Computer (Rs)..... | 2. Source |
| 1. Project Work (Rs)..... | 2. Source |
| 1. Others (Rs)..... | 2. Source; |

22. Are you aware of the ARIVU Educational Loan Scheme of the Govt. of Karnataka?

1. Yes 1) No

23. If Yes, Why have you not availed this loan?

- 1) It is difficult to get it
- 2) It is time consuming
- 3) We will not get it on time
- 4) Procedure of applying is cumbersome
- 5) We have to pay money (bribe)
- 6) Interest rate is high
- 7) Others (specify)

24. How did you come to know about ARIVU scheme?

- College notification
- dept. notification on the website

- newspaper
- Radio announcement
- Television advertisement
- friends
- family members/relatives
- others (specify)

25. Are you aware about loan waiving for students receiving loan before 2013?

1. Yes 2. No

26. Has any of your sibling/s been a recipient of ARIVU loan schemes?

1. Yes 2. No

3. If yes,

1. Brother-1

a) Amount Received (Rs)..... b) loan amount outstanding (Rs).....

2. Brother-2

a) Amount Received (Rs)..... b) Loan amount outstanding (Rs).....

3. Sister-1

a) Amount Received (Rs)..... b) Loan amount outstanding (Rs).....

4. Sister-2

a) Amount Received (Rs)..... b) loan amount outstanding (Rs).....

27. Current Occupation*	1	2	3	4	5	6	7	8	9	10
28. Date of joining the job	2013		2014		2015		2016		2017	
29. Place of work at present	1. Within Karnataka		• Outside Karnataka		• Within Bengaluru				• Outside Bengaluru	
30. Total Monthly	1		2		3		4		5	

Earnings/Salary / /Income (Rs)**							
31. Average Monthly living Exp. (current) Rs***	1	2	3	4	5	6	

32. Did you get the job immediately after completing your education?

1. Yes 2. No

(a) If no, how many months were taken to get the job?

1) < 6 months 2) 6 to 12 months 3) 12 to 18 months 4) 18 to 24 months 5) > 24 months

(b) Reasons

1). No job opportunities 2) could not succeed 3) did not try 4) had no money to pay (bribe)

33. Did anybody help you in getting the job? 1. Yes 2. No

If yes, who?

1). Friends 2) Relatives 3) Officials 4) Politicians

34. Were you required to pay any money (fees) for getting the job? 1. Yes 2. No

3. If Yes, how much? 4. To whom?

35. Were you required to pay any money (bribe) for getting the job? 1. Yes 2. No

3. If Yes, how much? 4. To whom?

36. What other Govt. facility /support you think could have helped you in your educational achievements?

1). Free hostel facility 2) Transportation allowances 3) Food allowances

4. Scholarship 5) others (specify)

37. Did you help/ support financially your brothers and sisters in their education and in getting employment?

- Yes 2. No

38. How much money (Rs) are you giving / sending to your parents / guardians every Month?

1. < 500 2. 500-1000 3. 1000-2000 4. 2000-3000 5. 3000 >

39. How much of your salary are you saving per month, other than giving to your parents / guardians?

- 1) 10 % 2) 20 % 3) 20 % >

40. What are the other sources of income to you?

1. Agriculture 2. Rent from buildings 3. Interest on deposits
5. Returns on investments 5. Spouse's income 6. Others (specify)

41. Is your spouse working? 1. Yes 2. No

- If yes, nature of job

1. Govt. 2. Private 3. Others (specify)

42. Where are your children studying?

Sl.No	1. Name of the child	2. Type of institution (Govt/private)	4. Mode of travel

PART II – For the Family

1. Members of the Family

a) Number of adults (19 to 59 years): 1. Males..... 2. Females.....

b) Number of Children (up to 18 years of age): 1. Males..... 2. Females.....

c) Number of Physically Challenged: 1. Males..... 2. Females.....

d) Number of persons with old age (60 + years): 1. Males..... 2. Females.....

e) Total Family Members 1. Males..... 2. Females.....

2. Education background of the family members

i) Name of the member-1.....

- a) Male b) Female

ii) Education Background:

- a) SSLC b) PUC c) Degree e) P.G f) Technical g) BE h) MBBS i) Dental j) Others

iii) Status:

- a) Completed b) Drop-out

i) Name of the member-2.....

- a) Male b) Female

ii) Education Background:

- a) SSLC b) PUC c) Degree e) P.G f) Technical g) BE h) MBBS i) Dental j) Others

iii) Status:

- a) Completed b) Drop-out

i) Name of the member-3.....

- a) Male b) Female

ii) Education Background:

- a) SSLC b) PUC c) Degree e) P.G f) Technical g) BE h) MBBS i) Dental j) Others

iii) Status:

- a) Completed b) Drop-out

i) Name of the member-4.....

- a) Male b) Female

ii) Education Background:

- a) SSLC b) PUC c) Degree e) P.G f) Technical g) BE h) MBBS i) Dental j) Others

iii) Status:

- a) Completed b) Drop-out

i) Name of the member-5.....

- a) Male b) Female

ii) Education Background:

- a) SSLC b) PUC c) Degree e) P.G f) Technical g) BE h) MBBS i) Dental j) Others

iii) Status:

- a) Completed b) Drop-out

3. Was there any financial or other kind of support from the government for the education of the family members?

1. Yes 2. No 3. If, Yes,

1. Scholarship 2. Free Hostel facilities 3. Free Transportation

4. Others (specify)

4. Occupation and Annual Income (Rs) of Household Members

a) Name of the family member-

1.....

b) Occupation:

- 1) Govt. 2) Private 3) Business 4) Others (specify) 5) Not working

c) Annual Income (Rs):

- 1) < 50,000 2) 50,000 to 1,00,000 3) 1,00,000 to 3,00,000 4) 3,00,000

>

a) Name of the family member-

2.....

b) Occupation:

- 1) Govt. 2) Private 3) Business 4) Others (specify) 5) Not working

c) Annual Income (Rs):

- 1) < 50,000 2) 50,000 to 1,00,000 3) 1,00,000 to 3,00,000 4) 3,00,000

>

a) Name of the family member-
3.....

b) Occupation:

1) Govt. 2) Private 3) Business 4) Others (specify) 5) Not working

c) Annual Income (Rs):

1) < 50,000 2) 50,000 to 1,00,000 3) 1,00,000 to 3,00,000 4) 3,00,000

>

a) Name of the family member-
4.....

b) Occupation:

1) Govt. 2) Private 3) Business 4) Others (specify) 5) Not working

c) Annual Income (Rs):

1) < 50,000 2) 50,000 to 1,00,000 3) 1,00,000 to 3,00,000 4) 3,00,000

>

a) Name of the family member-
5.....

b) Occupation:

1) Govt. 2) Private 3) Business 4) Others (specify) 5) Not working

c) Annual Income (Rs):

1) < 50,000 2) 50,000 to 1,00,000 3) 1,00,000 to 3,00,000 4) 3,00,000

5. Does your family members own land holdings?

1. Yes 2. No 3. If Yes,

1) Dry Land

i) Acres..... ii) Hereditary ii) self-acquired

2) Irrigated Land

i) Acres..... ii) Hereditary ii) self-acquired

3) Garden

i) Acres..... ii) Hereditary ii) self-acquired

4) Total land Holding

i) Acres..... ii) Hereditary ii) self-acquired

6. Residential Housing and Assets

1). Dimension:

1. < 20x30 feet 2. 30x40 feet 3. 40x60 feet and above

2) Type of House: 1. Pucca* 2. Semi-Pucca 3. Kachcha

3) Status: 1. Own 2. Mortgaged 3. Govt. Quarter 4. Employer provided 5. Rented

4) Drinking Water Facilities:

1. Tap (within the house) 2. Tap (public / common) 3. Well 4. Tank

4.Kiosk 5. Common Supply (Thombey)

5) Cooking: 1. LPG 2. Fire Wood 3. Kerosene 4. Electricity 5. Dung

6) Electricity: 1. Yes 2. No

7) Fans: 1. Yes 2. No

8) Refrigerator: 1. Yes 2. No

9) Television: 1. Yes 2. No

10) Mobile Phone: 1. Yes 2. No

11) Internet: 1. Yes 2. No

12) Bicycles: 1. Yes 2. No

13) Scooter / Motor Cycle: 1. Yes 2. No

14) Car: 1. Yes 2. No

(*Pucca refers to house with protective walls, windows and good roof)

7. Do family members have any bank account?

1) Yes 2) No

Code Description***current occupation code**

1-graduate engineer 2-software Techie 3-Resident Doctor 4-BPO tech support
 5-computer assistant/DEO 6-clerical 7-business assistant/manager 8-teaching
 9-skilled technician 10-others (specify)

****Earning /income per month (in Rs) code**

- <5000
- 5001-10000
- 10000-15000
- 15001-20000
- 20001-25000
- 25001-30000
- 30001+

*****Expenditure incurred per month (in Rs) code**

1<10000
 2-10001-15000
 3-15001-20000
 4-20001-25000
 5-25001-30000
 6-30001+

@: if currently pursuing PG such as MA/MS/M. Tech/MD/MBA to be noted down

Terms of Reference for the Study

Sl. No.	Content	Page no
1	Title of the Study	01
2	Department Implementing the Scheme	01
3	Background and Context	01
4	Evaluation Scope, Purpose and Objective	04
5	Evaluation Questions	05
6	Evaluation Methodology	08
7	Deliverables and Time Schedules	11
8	Qualities Expected from the Report	12
9	Administrative Arrangements Core Team	13
10	Cost and Schedule of Budget Release	14
11	Selection of Consultant Agency for Evaluation	15
12	Contact Person for Further Details	15

Terms of Reference for the study

Evaluation of Arivu-Educational Loan Scheme Implemented by D Devaraj Urs Backward Classes Development Corporation in Karnataka State (2011-12 to 2015-16)

1. Title of the study;

Evaluation of Arivu-Educational Loan Scheme Implemented by D Devaraj Urs Backward Classes Development Corporation in Karnataka State (2011-12 to 2015-16)

2. Department implementing the scheme:

The scheme is implemented by D Devaraj Urs Backward Classes Development Corporation in Karnataka State

3. Background and Context

One of the major developments in global economic thought over the past 60 years or so may be rightly coined as knowledge or human capital revolution. Education is the key factor to build up human capital. Many economists like Solow, Schultz, Arrow Romer and Lukas argued that there is a positive relationship between education and economic and human development. The endogenous growth theories recognize knowledge as an essential input for economic development. Knowledge is now identified as an important source of economic growth in the present century. The differences in levels of development of different countries today are mainly attributed to differences in accumulation of human capital. Attainment of higher levels of education not only ensures higher returns to individuals but also leads to accumulation of human and social capital. It is also a powerful tool of empowerment and inclusive growth as higher education increases access to skilled and high paid jobs. But the transition to higher education is very slow in developing countries including India.

Education promotes knowledge building process which ultimately raises collective levels of economic and social well-being. If India has to reap the benefits of demographic dividend, then access, equity and quality emerge as vital issues in shaping the programmes and policies for expansion of higher education. In a knowledge economy, those who have education and Knowledge are able to enter the global markets and reap the benefits. The Principle of Social Justice implies that the benefits of development should trickle down to

the people living on the margin of the society. A good social arrangement is one where the socio-economic benefits reach more and more the most deprived sections of the society. Therefore, the concept of Social Justice

advocates a development process that reaches to the last bottom member in the society. Education is the strong means to attain it.

There is a need to increase Gross Enrolment Rate in Higher Education and skills among the youths to take advantage of the demographic dividend. The existing education system in India has to make a visible shift to integrating analytical and technical skills for research and innovation. Unless we are able to achieve the goal of effectively cultivating such skills in our young population, it is impractical to visualize India as a prosperous nation in the future (Rao and Anitha, 2009). Therefore, way to accumulate knowledge and establish a knowledge society is to increase the enrolment in higher education and provide access to all. The GER in higher education was 12.4 percent in India (2006-07) and was 13.1 percent in Karnataka. After that it is increasing. The GER in higher education at the all India level was 20.4 in 2013-14 and it was 21.6 for male and 18.9 for female students. Karnataka is placed at the middle with the GER of 24 and it is above national average. However, the GER of Karnataka is low when compared to some Southern States. It is 38.2 in Tamil Nadu, 27.6 in AP and 27.4 in Maharashtra.

The GER varies across the caste groups. The GER of SC is 15.4 and for ST it is 12.7. The SC/ ST /OBC and Minority students have lesser access to higher education as both the direct as well as the opportunity cost of higher education is very high for these low income group students. Students are not able to bear the initial cost of admission to many professional courses. Many students drop out in between due to financial difficulties. Therefore, the questions of access and equity are prominent in higher education. Hence, deprivation of access to higher education is one of the greatest deprivations faced by these youths in Karnataka. The issues need to be addressed mainly through adequate financial assistance in various forms such as Scholarships and loans.

Arivu —Education Loan Scheme -Background and Context

Karnataka Government has extended financial assistance to the students of backward classes to seek admission and complete the professional courses. Arivu- the educational loan scheme was introduced vide the Government order. no. 207 BCA/ 97 dt. 12.1.1999 for studies in professional courses like medical engineering etc. it was limited to the students in **Category I and Category IIA**. The annual family income limit was Rs. 22000. A maximum amount of Rs. 10,000 per year was sanctioned with interest rate of 2% over the period of completion of education. Further, by Govt. order no. ಹಿಂವಕೆ ೫೦೭ ಬಿಎಂಎಸ್ ೨೦೦೩ ದಿನಾಂಕ ೩೧/೮/೨೦೦೩ the loan facility is extended to all the categories of students. The number of courses is also increased to cover professional, engineering, medical and other 28 courses of higher education. The loan

amount is increased to Rs. 1,00,000 or the total cost of the course @ the rate of interest of 2%. The household income limit is also increased to Rs. 3.5 Lakhs.

As per Govt. order No. BCW 841/BMS 2015Bengaluru Dt. 09/09/2015, the fees fixed by CET for admission of the students to various courses is to be paid in advance to CET by the D Devaraj Urs Development Corporation on behalf of the student and a MOU with terms and conditions is to be signed with Karnataka Examination Authority. The applications are received online and as per the allocation available per district for different categories of the students, the Director of the Corporation releases the first installment of the loan directly to the students. From 2016-17 the loan is directly sanctioned and the advance amount is paid to CET. The courses in which seats are not allotted through CET, the loan is sanctioned to the students as per existing terms and conditions.

Objectives of the Scheme

1. To increase the enrolment and access of students of backward class communities to higher education.
2. To control the dropouts in Higher education due to financial constraints and enable them to complete the course.
3. To prepare these students to face the competition in the job market and to mainstream them with other students/ job seekers.

4. To promote educational development of students of backward class communities belonging to category I Category IIA, Category IIIA and IIIB.
5. To help for higher education of the students of poor households whose income is in the limit of 3.5 lakhs per annum

Process of Implementation

The scheme is implemented at the district level. At the district level, there is a selection committee under the chairmanship of Chief Executive Officer, ZP. The Committee selects the eligible candidates and recommends them. The student and the parents/ Guardian has to produce Indemnity Bond on a stamp paper of the value of Rs. 200 for the repayment of the total amount of loan to be received during the study period. He/she has also to submit a surety affidavit on a bond paper of Rs. 100. The application and the other documents of the selected students are verified by the District Manager and are submitted to the head office.

Coverage of the Scheme

The scheme covers the backward class students belonging to Category-I, IIA, IIIA and IIIB. The distribution of loan benefits to the students is in the proportion of:

- Category I = 14percent
- Category IIA= 54 percent
- Category IIIA= 14 percent
- Category IIIB =18 percent
- Category IIIB= 18 percent

If applications are not received in a particular category, then the district Committee will review the received applications and will select 70 percent from Category I and IIA and 30 percent from Category IIIA and IIIB.

Table-1 Progress of the Scheme (Lakh in Rs.)

Si. No.	Year	Progress	
		Physical	Financial
1	2011-12	176	17.60
2	2012-13	134	20.60
3	2013-14	403	144.04
4	2014-15	2111	1034.38
5	2015-16	2238	1078.43
Total		5062	2295.05

D Devaraj Urs Backward Classes Development Corporation

Evaluation —Scope and purpose

The scheme covers the backward class students belonging to Category-I, **IIA, IIIA** and **IIIB**. The distribution of loan benefits to the students. It covers all the 30 districts in the State. The students covered are from CET and Non-CET process of admissions in professional, engineering, medical and other 28 courses of higher education. The purpose of evaluation is to examine the implementation process of the Scheme, and the impact on the beneficiary students-their access to higher education and completion of education and the impact on access to better jobs and income levels across the districts and divisions.

Objectives of Evaluation

- To assess the need for and role of higher education in promoting development of youths from these communities.
- To examine the reasons and constraints for low access and enrolment of backward class students in higher education.
- To assess the need for financial assistance and the role of Arivu- education loan in removing the financial constraints and increasing the access to higher education and awareness about the scheme among the students in rural and urban areas.
- To assess the utilization of loan across different categories of students in different courses.
- To examine the availability, timeliness and adequacy of the loan.
- To examine the impact of loan on capacity building and better access to job markets for the beneficiaries.
- To assess the impact on their employment and earnings

- To examine the repayment status of loans.
- To compare the impact of the scheme with similar schemes in other states
- To review implementation of the scheme and give suggestions based on field analysis for effective implementation and enhanced outcomes.

Evaluation questions

1. What is the need for such an educational loan? Examine the outcomes of similar schemes in other States and at National level? (Review of Literature).
2. Review the information system about the loan? Whether the students in rural areas are able to know about the scheme? Whether the system of filling up the application forms on line is convenient to the students? Whether any changes are required in the existing system?
3. Whether the loans are given to eligible candidates across different categories? Whether the Selection Committee at the district level has selected candidates belonging to backward classes only? Whether the ratio is maintained over the years and across the different courses? Whether any eligible candidates are deprived of the loan?
4. Whether the loan is utilized for the same course for which it was sanctioned? Are there any deviations in it? What are the reasons for such diversions?
5. Whether the students have the knowledge about the following;
 - i. Process of applying for the loan
 - ii. Sanctioning process and Authority of loan
 - iii. Process of selection
 - iv. Different categories of fees covered in the loan
 - v. Documents to be submitted for the loan.
 - vi. Selection list
 - vii. Interest rate and repayment schedule
6. Verify the following information about the loan from the sample
 - A. The candidate belongs to the eligible category

- B. The Annual Income of the family is within the limit of Rs. 3.5 Lakhs.
 - C. Whether the candidate has received any financial assistance form a Bank/ Finance for education earlier before the sanction of the loan.
 - D. Whether the candidate has submitted all the required documents for the loan.
7. Whether students are able to get information about the allotment and release of loan? What is the system of payment? What system —cheque or Account transfer is convenient to them? What are the difficulties faced by them in receiving payment
 8. Analyse the social background of the students? Which category of students have larger share in loan? What is the rural urban proportion of the students? What are the reasons for deviations? Why the number of beneficiaries is less from Kalaburagi division?
 9. Which are the courses in which there is heavy demand for the loan from the students? Make a separate analysis of admissions to Courses through CET and the Non-CET courses.
 10. Analyse the processes involved in the sanction of loan. What is the time taken at each stage? What is the total duration of time taken from the period of application to the delivery of cheque to the student during first year? Whether it varies across the courses & regions?
 11. Whether the students in rural areas are able to get information, face any problems in the submission of the documents? Whether the process is time consuming for the students?
 12. What are the processes involved in sanction of loan in the subsequent years? Whether the processes are followed correctly? What is the time gap and difficulties faced by the students?
 13. Whether the students have continued to pursue the course? Are there any drop outs? What are the reasons for the same?

14. Whether the loan amount is adequate enough to pursue the course? How the students are managing the other expenditures? What is the average expenditure incurred by them?
15. Whether the students who have received the loan before 13/5/ 2013 are aware about the waiving of the loan? How many have been able to avail the benefit?
16. What is the impact of loan on the educational performance of the students? Whether it differs across the divisions and districts? Whether it differs across the CET and Non CET courses?
17. What is the employment status of the Students who have availed loan after completion of the course? How many of them are able to get employment —Self or wage/ salary employment in Govt. and private concerns? Analyse in comparison with control group.
18. Examine the alternative situations in which the candidate would have to take decisions for seeking admission to the Course in the absence of the loan.
19. One of the basic objectives of the Scheme is to increase the enrolment of backward class students in higher education. Assess the achievement with the analysis of trends in enrolment of the students in sample colleges/courses.
20. What is the repayment performance of the students? What are the differences across the categories and regions?
21. What is the overall opinion of the students about the loan and contribution of the loan for their educational attainment?
22. Give an account of some successful as well as failure cases?
23. What is the experience of the other students who are not able to get the loan? Make the analysis of the control group.
24. What is the opinion of the students about continuation of the Scheme? Whether there are any suggestions for the improvement in the Scheme?

Implementing Officers

1. Whether the notification about call for applications for the loan scheme is published in the State level and local Newspapers? In how many papers it is published? Whether letters are sent to the principals of all colleges and the notification is placed on the website also?
2. What are the difficulties faced in receiving the applications? What is the procedure followed for receipt and scrutiny of applications?
3. Whether adequate number of applications is received in different categories? What are the categories where adequate applications are not received? Why?
4. What is the selection procedure adopted by the District level selection Committee? Are there any delays or lapses in the selection and intimation process? What are the reasons for it?
5. Whether proper records are maintained about the details of the beneficiaries at the college level and at the District office level?
6. What is the tracking system to know about the employment status of the students and the repayment of loan? How is the performance of the students in repayment of the loan?
7. What is the linkage and coordination between colleges and Districts as well as State level offices? Are there in gaps or problems in coordination?
8. What is the overall opinion of the implementing officers about the scheme and how the implementation of the scheme can be improved?

Evaluation Methodology

The required data for the study to be collected through the following methods

Table 2: Methods of Data collection

Type of data	Method of data collection	Source of information	Method and Tools
Primary data	1. Quantitative data	Beneficiaries, non-Beneficiaries.	Sample Survey,
	2. Qualitative data	Beneficiaries, non-Beneficiaries.	FGD, Case studies
		State level, district level, Officers, Committee members	IDI-interview schedules
Secondary data	Data from the department, annual Reports	Department level- State, district levels.	On selected indicators relevant for the evaluation

Sample size and selection of the sample

Table-3 Sample districts and sample size

Sl. No.	Districts	2011-12	2012-13	2013-14	2014-15	2015-16	Total
1	Bengaluru Urban	5	3	23	283	275	589
2	Tumkuru			21	128	121	270
3	Chithradurga	6	3	33	116	106	264
4	Davanagere	9	13	12	85	83	202
5	Shivmogga	16	4	24	75	75	194
6	Chikkaballa pur	2	1	5	64	60	132
7	Ramanagara			14	58	55	127
8	Bengaluru Rural	3	2	6	50	49	110
9	Kolar	-	-	5	27	27	59
	Total	41	26	143	886	851	1947
10	Mysuru	13	15	35	92	115	270
11	Dakshina Karnataka	5	5	18	96	119	243
12	Udupi	31	20	13	72	105	241
13	Mandya	-	5	11	39	64	119
14	Hasan	5	1	13	39	55	113
15	Chikkamangaluru	4	1	7	34	61	107
16	Chamarajanagar	-	1	9	33	44	87
17	Kodagu	3	-	2	9	16	30
	Total	61	48	108	414	579	1210
18	Belagavi	8	4	16	182	179	389

19	Gadag	11	9	11	82	88	201
20	Bijapur	-	-	14	71	82	167
21	Bagalkote	6	13	18	69	52	158
22	Dharwad	11	6	19	62	58	156
23	Haveri	1	5	11	32	36	85
24	Uttara Kannada	2	1	10	36	35	84
	Total	39	38	99	534	530	1240
25	Gulbarga	15	16	15	65	66	177
26	Rai churu			6	36	68	110
27	Koppal	1	-	8	68	32	108
28	Bidar	13	6	12	36	36	103
29	Yadagiri	5	-	8	32	40	85
30	Ballari	1	-	4	40	36	81
	Total	35	22	53	277	278	665
	Grand Total	176	134	403	2111	2238	5062

Sample selection process

The sample is selected through stratified random multi stage sampling method

I Stage-strata — 4 Divisions in the State

II Stage- 3 districts from each division

- Highest number of beneficiaries
- To Lowest number of beneficiaries
- A median district

Table 4: Distribution of the Sample

Divisions	Districts	Total Beneficiaries	Sample
Bengaluru	Bengaluru Urban	589	245
	Shivamogga	194(MD)	81
	Kolar	59	25
Mysuru	Mysuru	270	160
	Hassan	113(MD)	67
	Kodagu	30	18
Belagavi	Belagavi	389	189
	Bagalkote	158(MD)	78
	Uttara Kannada	84	41
Kalaburagi	Kalaburagi	177	110
	Bidar	103(MD)	65
	Bellary	81	51
Total	12	2247	1130

Control Group

Control group consists of the students who are but have not received/ not applied for the Loan. 1% of the sample to be selected as control group covering all the 4 divisions in the State. Random sampling to be done at KEA.

Table 5: Qualitative data

Details	Number	Total
FGDs	12@District level 4 at college level 1 in each division	16
In Depth Interviews	12officers @District level+2 members of District Committee (Chairman/ Member Secretary) (Total=24)+ 4 members at the State level	40

Deliverables and time schedule

The Department of women and Child Development and KEA will provide the necessary information pertaining to the study and also co-operate with the consultant organization in completing the assignment task within the stipulated time period. The concerned district and taluk officials will be instructed by the Department of Women & Child Development for providing the required information/data at the taluk and GP levels.

It is expected to complete the present study in 5 months time line, excluding the time taken for approvals at KEA.

Table 6: Timelines and deliverables:

Inception Report	1 month after signing the agreement
Field Data Collection	3 months date of work plan Approval
Draft report submission	1 month after Field Data Collection
Final report	1 Month after Draft report submission
Total duration	6 Months

Qualities expected from the Report:

The evaluation report should generally confirm to the United Nations Evaluation Guidelines (UNEG) "Standards for Evaluation in the UN System" and "Ethical Standards of Evaluations". The report should

present a comprehensive review of the Scheme/ programme in terms of the content, implementation process, adequacy, information and access to beneficiaries.

The Report should provide a scientific assessment of implementation of the Arivu - Educational loan Scheme and the impact on the beneficiary students-their access to higher education and completion of education and the impact on access to better jobs and income levels across the districts and divisions.

The qualitative data should be used in unbiased manner to support or for further analysis of the reflections from the quantitative data. The analysis should provide adequate space for assessing the variations across the regions and categories. Case studies to be presented to bring out the realities at the micro level.

The report should come out with specific recommendations based on adequate field evidence for any modifications in the programme design, content, implementing procedures, and any other modifications to improve the access and impact of the Scheme/Programme.

Structure of the report

The following are the points- only inclusive and not exhaustive- which need to be mandatorily followed in the preparation of evaluation report:

By the very look of the evaluation report it should be evident that the study that of D Devaraj Urs Backward Classes Development Corporation and Karnataka Evaluation Authority (KEA) which has been completed by the Evaluation Consultant Organization. The report should be complete and logically organized in a clear but simple language. Besides confirming to the qualities covered in the Terms of Reference, report should be arranged in the following order:

Preliminary Part

- Title and Opening Page
 - Index
 - List of acronyms and abbreviations

 - Executive Summary- A section that describes the program, purpose and scope of evaluation, research design and methodology, key findings, constraints and recommendations.
1. Background- A section that briefly covers the history or genesis of the sector under which the programme/scheme being evaluated covered. It should give recent fact sheets taken from reliable and published sources and review of the progress of the scheme at Taluka/District level.
 2. Objectives and performance of the program - This section includes the stated objectives of the program and the physical and financial achievements of the selected program in the period of evaluation. It should cover the description of the target group, aim of the program and method of selection of beneficiaries and the physical and financial achievements.
 3. Review of literature/past evaluation reports and their findings.
 4. Evaluation Methodology - This should include research design, sample design and size, questionnaire design and pilot test, data collection and quality assurance plan.
 5. Limitations/constraints in the evaluation study.
 6. Data Analysis and Findings of the evaluation study.
 7. FGD analysis, Case Studies & Best Practices
 8. Recommendations that flow from the evaluation.

Administrative arrangements: - Core Team

The core team should comprise of the following technical members and should possess requisite qualification and experience as stated below:

Table 7: Team to carry out the study

Sl. No.	Details	Subject Experts Requirements	Educational Qualification
1	Principal Investigator	Ph.D. in Social sciences/Education / I Class Post Graduate in Economics/Sociology/ Social work/ Education/Public Policy/ Development Studies	5 years of experience in Education/ / Social and related sectors.
2	1st Core team member	Post graduate in Education/ Social Sciences/	Should also possess a minimum of three three (3) years of experience in Education/ Social and allied sector projects
3	2 nd Core team member	Post Graduate in Statistics/Economics/Computer Applications with knowledge of Statistical analysis/Data analysis	3 years' experience in data analysis

And such numbers that the evaluation is completed within the scheduled time period as prescribed by the ToR.

Cost and Schedule of Budget release:

The Output based budget release will be as follows-

1. The **first installment** of Consultation fee amounting to 30% of the total fee shall be payable as advance to the Consultant after the approval of the inception report, but only on execution of a bank guarantee of a scheduled nationalized bank, valid for a period of at least 12 months from the date of issuance of advance.
2. The **second installment** of Consultation fee amounting to 50% of the total fee shall be payable to the Consultant after the approval of the Draft report.
3. The **third and final installment** of Consultation fee amounting to 20% of the total fee shall be payable to the Consultant after the receipt of the hard and soft

copies of the final report in such format and number as prescribed in the agreement, along with all original documents containing primary and secondary data, processed data outputs, study report and soft copies of all literature used in the final report. Taxes will be deducted from each payment, as per rates in force. In addition, the evaluating agency/consultant is expected to pay service tax at their end.

Selection of Consultant Agency for Evaluation:

The selection of evaluation agency should be finalized as per provisions of **KTPP** Act and rules without compromising on the quality.

Contact persons for further details:

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2. Nodal Officer KEA Shri M Ranganna e mail: conpkeagkarnataka.gov.in Mobile: 9901174915



Study Photographs



Picture 1: Interview with Arivu Education Loan Beneficiary Parent



Picture 2 Interview with DD Urs Corporation district Manager Bangalore



Picture 3 Interview with Engg. College Principal in Belgaum on Arivu Education loan



Picture 4 : Arivu Educational Loan Study Tools Orientation to enumerators

**EVALUATION STUDY OF ARIVU EDUCATIONAL LOAN SCHEME
IMPLEMENTED BY D DEVARAJ URS BACKWARD CLASSES DEVELOPMENT
CORPORTAION IN KARNATAKA (2011-12 to 2017-18)**

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