

## **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)**

<b>Sl. No.</b>	<b>Content</b>	<b>Page no</b>
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. ಸಕಇ 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.ಹಿಂಪಕ 'ಜಿ೦೭ ಬಿಎಂಎಸ್೨೦೦೩ ದಿನಾಂಕ ೩೦/೮/೨೦೦೩ 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

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.)

Sl. 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
<b>Total</b>		<b>5062</b>	<b>2295.05</b>

D Devaraj Urs Backward Classes Development Corporation

#### 4. 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.

## **5. 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**

25. Whether the notification about call for applications for the loan scheme is published in the State level and local News papers? 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?
26. What are the difficulties faced in receiving the applications? What is the procedure followed for receipt and scrutiny of applications?



27. Whether adequate number of applications is received in different categories? What are the categories where adequate applications are not received? Why?
28. 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?
29. Whether proper records are maintained about the details of the beneficiaries at the college level and at the District office level?
30. 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?
31. What is the linkage and coordination between colleges and Districts as well as State level offices? Are there in gaps or problems in coordination?
32. What is the overall opinion of the implementing officers about the scheme and how the implementation of the scheme can be improved?

## 6. 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	<b>Bengaluru Urban</b>	<b>5</b>	<b>3</b>	<b>23</b>	<b>283</b>	<b>275</b>	<b>589</b>
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	<b>Kolar</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>27</b>	<b>27</b>	<b>59</b>
	<b>Total</b>	<b>41</b>	<b>26</b>	<b>143</b>	<b>886</b>	<b>851</b>	<b>1947</b>
10	<b>Mysuru</b>	<b>13</b>	<b>15</b>	<b>35</b>	<b>92</b>	<b>115</b>	<b>270</b>
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	Chikka mangaluru	4	1	7	34	61	107
16	Chamaraja nagar	-	1	9	33	44	87
17	<b>Kodagu</b>	<b>3</b>	<b>-</b>	<b>2</b>	<b>9</b>	<b>16</b>	<b>30</b>
	<b>Total</b>	<b>61</b>	<b>48</b>	<b>108</b>	<b>414</b>	<b>579</b>	<b>1210</b>
18	<b>Belagavi</b>	<b>8</b>	<b>4</b>	<b>16</b>	<b>182</b>	<b>179</b>	<b>389</b>
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	<b>Uttara Kannada</b>	<b>2</b>	<b>1</b>	<b>10</b>	<b>36</b>	<b>35</b>	<b>84</b>
	<b>Total</b>	<b>39</b>	<b>38</b>	<b>99</b>	<b>534</b>	<b>530</b>	<b>1240</b>
25	<b>Gulbarga</b>	<b>15</b>	<b>16</b>	<b>15</b>	<b>65</b>	<b>66</b>	<b>177</b>
26	Raichuru	-	-	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	<b>Ballari</b>	<b>1</b>	<b>-</b>	<b>4</b>	<b>40</b>	<b>36</b>	<b>81</b>
	<b>Total</b>	<b>35</b>	<b>22</b>	<b>53</b>	<b>277</b>	<b>278</b>	<b>665</b>
	<b>Grand Total</b>	<b>176</b>	<b>134</b>	<b>403</b>	<b>2111</b>	<b>2238</b>	<b>5062</b>



### 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
- 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
<b>Total</b>	<b>12</b>	<b>2247</b>	<b>1130</b>

### Control Group

Control group consists of the students who are eligible 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

## 7. 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:**

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



## **8. 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.

#### **Annexures**

- a. Approved Terms of Reference of the study.
- b. Inception Report
- c. Survey tools and questionnaires
- d. List of persons with addresses personally interviewed.
- e. Place, date and number of persons covered by Focus Group Discussion.

#### **9. 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	1 <sup>st</sup> Core team member	Post graduate in Education/ Social Sciences/	Should also possess a minimum of three (3) years of experience in Education/ Social and allied sector projects
3	2 <sup>nd</sup> 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.

#### **10. 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.

### 11. Selection of Consultant Agency for Evaluation:

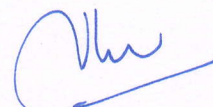
The selection of evaluation agency should be finalized as per provisions of KTPP Act and rules without compromising on the quality.

### 12. Contact persons for further details:

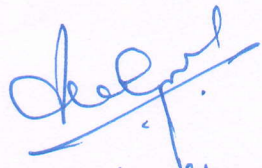
Nodal officer – Shri T Venugopal, Programme Officer, D Devaraj Urs Backward Classes Development Corporation. Contact No.9632179589

Nodal Officer KEA Shri M Ranganna e mail: [conpkea@karnataka.gov.in](mailto:conpkea@karnataka.gov.in) Mobile: 9901174915

*Chaya Degaokar*  
**Prepared by**  
(Dr. Chaya Degaokar)  
Consultant (Evl.) KEA

  
**Chief Evaluation Officer**  
**Karnataka Evaluation Authority**

Department-

  
**Nodal officer**  
**D. DEVARAJ URS BACKWARD CLASSES**  
**DEVELOPMENT CORPORATION**  
Devaraj Urs Bhavan  
No. 16-D, 4th Floor,  
Miller Tank Bund Area,  
Vasanthnagar, Bangalore - 560 052