

Expanding Education Opportunities

Delhi's SC/ST tuition fee reimbursement scheme

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Executive Summary

The Department for the Welfare of SC/ST/OBC/Minorities introduced the "SC/ST tuition-fee reimbursement scheme" in 2003-2004. The scheme applies to SC and ST students of Delhi who are enrolled in recognized unaided private schools and who have an annual family income of less than Rs. 1 lakh. It provides a 100% reimbursement of the tuition fees, sports fee, science fee, lab fee, admission fee and the co-curricular fee if the student's family income falls below Rs. 48,000 per annum and a reimbursement of 75% if the family income is greater than Rs. 48,000 per annum but less than Rs. 1 lakh. The subsidy provided by the scheme covers between 85% and 90% of the beneficiary's total running expenses in studying in a private school. The following is a study of the scheme. It is based on a detailed analysis of the data of the scheme's beneficiaries for the years: 2003-2004 and 2004-2005. Interviews were conducted with beneficiaries of the scheme, with administrative officials in recognized private-unaided schools and with officials in the Department for the Welfare of SC/ST/OBC/Minorities. The study concludes that the scheme's performance has been suboptimal vis-à-vis its stated objectives. It brings to light several issues that must be addressed to make the scheme work more effectively.



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Introduction

This paper seeks to analyze and evaluate the policy launched by the Department for the Welfare of SC/ST/OBC/Minorities¹, Government of the National Capital Territory of Delhi (GNCT) for SC/ST² students studying in public school/convents³ schools in Delhi for the partial or complete reimbursement of their tuition-fees and other compulsory-fees⁴. The policy has been operational for two years (2003-2004, 2004-2005) now. 2005-2006 is the third consecutive year for which the policy is running.

This paper seeks to suggest reforms on how the scope, implementation and therefore the final impact of the policy can be improved in the short term (treating the policy in its existing form and recommending changes to the implementation mechanism) and in the medium to long term (examining changes to the policy's existing design.)

The findings of the paper are based on a detailed analysis of the data on beneficiaries obtained from the Department for the Welfare of SC/ST for 2003-2004 and 2004-2005, the two years for which complete data is available. For each

beneficiary there was information available on: the school of study, the class of study, the level of family income, the amount of fees reimbursed and the period for which fees was reimbursed. Further, a detailed study was made of the fee receipts of each of the beneficiaries to determine the fee structure of the beneficiary's school. For a comparison of the profiles of beneficiaries across schools we divided schools into three categories:

- a) Schools with average monthly fees reimbursable under the scheme of up to Rs. 500 (exclusive)
- b) Schools with average monthly fees reimbursable under the scheme in the range of Rs. 500 (inclusive) to Rs. 1000 (exclusive).
- c) Schools with average monthly fees reimbursable under the scheme⁵ of above Rs. 1000.

The average monthly fees were calculated from the fee-receipts of the beneficiaries obtained from the records of the Department for the Welfare of SC/ST rather than by gathering

¹ In all future references the Department for the Welfare of SC/ST/OBC/Minorities is referred to as the Department for the Welfare of SC/ST.

² Scheduled Caste/Scheduled Tribe

³ The term "Public/Convent Schools" refers to private-unaided schools. The Delhi School Education Act, 1973 defines a "private school" as "a school which is not run by the Central Government, Administrator, a local authority or any other authority designated or sponsored by the Central Government Administrator or a local authority". These institutions are autonomous from the government in matters of management. Further, unlike government and government-aided schools they do not receive any maintenance grants from the Directorate of Education, GNCT. They are thus also independent in matters of generating their revenue. The public notice appearing in newspapers for the publicity of the scheme uses the term "public/convent" schools since this is how private-unaided schools are referred to in general parlance. Throughout the paper we will use the term "recognized private schools" to refer to the schools that fall within the ambit of the scheme being analyzed.

⁴ The scheme's official document defines "other compulsory fees" as: sports fee, science fee, lab fee, admission fee and co-curricular fees.

⁵ Future references to the "average monthly fees" in a school refer to the average monthly fees that are reimbursable under the SC/ST tuition fee reimbursement scheme.

⁶ Jain Hippy School, St. Columbas School, Naval Public School, Hope Hall Foundation, St. Michels Public School.

information from schools. For each school the average monthly fee was calculated by taking an average of the fee-structure at the primary, middle and secondary/senior secondary levels, whichever figures were available. Thus the figures from which the average monthly fees has been derived are those that prevailed in 2003-2004 or 2004-2005 (most recent figures applying) rather than the figures prevailing in 2005-2006 for which the available data on beneficiaries is incomplete. To understand and analyze the procedural aspects of the policy we conducted interviews with twenty beneficiaries. We also conducted interviews with the administrative authorities of five⁶ recognized private schools in Delhi.

The paper is divided into three parts:

- I. Part I discusses the details of the policy's design, objectives and implementation. It further gives an overview of the policy's performance in light of certain parameters.
- II. Part II is an analysis of the results of the policy based on the beneficiary-wise data obtained from the Department for the Welfare of SC/ST for 2003-2004 and 2004-2005.

- III. Part III contains a discussion on the issues relevant to the policy in light of the analysis in Part II.

PART I

A. POLICY DESIGN AND OBJECTIVES

The policy was introduced by the Department for the Welfare of SC/ST, GNCT of Delhi under the "Special Component Plan" (SCP)⁷ for the Scheduled Castes. Its design and implementation both fall within the ambit of the Department for the Welfare of SC/ST. It is funded independently by the Planning Department of the GNCT and does not get any partial funding from the Central Government unlike certain other welfare schemes being run by the Department for SC/ST. It has formally come into effect from the financial year 2003-2004 (April 1st 2003-March 31st 2004) onwards.

The scheme applies to SC and ST students of all recognized⁸ private schools in Delhi whose annual family income is less than Rs. 1 lakh. Its main proposed benefits are the partial or complete reimbursement of the tuition fees and other compulsory fees (defined as: sports fee, science fee, lab fee, admission fee and co-

⁷ The Special Component Plan (SCP) is an instrument being used for the socio-economic development of the Scheduled Caste people of Delhi. The SCP is implemented by the Department for the Welfare of SC/ST/OBC/Minorities in collaboration with the departments managing the respective sectors that benefit the SC population e.g. Department of Education. Thus the Department for the Welfare of SC/ST/OBC/Minorities forms the nodal department that is charged with the overall responsibility of overseeing the formulation and the implementation of the SCP.

⁸ The Delhi School Education Act, 1973 defines a recognized school as: "A school recognized by the appropriate authority". It further identifies the conditions under which the appropriate authority may recognize a private-school. These are: a) The school must have adequate funds to ensure its financial stability and 1payment of salary and allowances to its employees; b)The school must have a duly approved scheme of management as required under Section 5 of the Act; c) The school must have suitable or adequate accommodation and sanitary facilities having regard, among other factors to the number, age and sex of the pupils attending it; d) The school must provide for approved courses of study and efficient instruction; e) The school's teachers must have prescribed qualifications; f) The school must have prescribed facilities for physical education, library service, laboratory work, workshop practice or co-curricular activities.

curricular fees)⁹ to its beneficiaries. The official document outlining the scheme states:

*"... talented/meritorious students of SC/ST communities ... will get reimbursement of their school fees including tuition fee, sports, science, lab, co- curricular/admission fee etc..."*¹⁰

Thus the scheme does not reimburse those elements of the expenses entailed in studying in a recognized private school that are not directly related to education. The amount and the head under which these charges are imposed vary from school to school. Our research revealed the following heads: annual charges, development fund, examination fees, building fund, pupil fund, administrative charges, dishonor fine, magazine fee, security money (reimbursable by the school at a pre-stated time), house keeping, students' welfare fund, maintenance,

assignments, accident insurance, education insurance, PTA fee and medicare.¹¹ Some of these charges like development fund and annual charges are payable annually while the others are payable quarterly or monthly depending on the school's policy. A study of the applications also revealed that from the total amount of fees charged the component that is reimbursable under the scheme can be as low as 75% of the total amount payable and as high as 95% of the total amount payable. In most of the cases the reimbursable component was found to comprise 85% of the total payable amount. A study of the applications of the beneficiaries also revealed that those schools whose tuition fees were among the highest also had the highest proportion of non-reimbursable fees and vice versa. Thus, one of most expensive school's fee structures¹² looked like the following:

TABLE 1: THE FEES FOR STANDARD I IN ONE RECOGNIZED PRIVATE-UNAIDED SCHOOL IN DELHI FOR THE YEAR 2005-2006

Head under which the fee is charged	Amount payable annually
Accident Insurance	Rs. 25
Activity fee	Rs. 1200
Assignments	Rs. 600
Development fee	Rs. 2460
Education Insurance	Rs. 25
House keeping	Rs. 120
Magazine	Rs. 300
Maintenance	Rs. 120
Medical	Rs. 210
Multimedia	Rs. 600
PTA	Rs. 245
Students' welfare fund	Rs. 200
Tuition fees	Rs. 24, 600

⁹ These categories may be found on the application form for the scheme available at: <http://scstwelfare.delhigovt.nic.in/scholar2.html>. The form is also available as Appendix B of this paper.

¹⁰ <http://scstwelfare.delhigovt.nic.in/scholar1.html>

¹¹ All these heads are contained in the fee-receipts of students who have already benefited under the scheme. The fee receipts were obtained from the records of the Department for the Welfare of SC/ST.

¹² Source: the fee-receipt of a beneficiary in 2004-2005.

Going by the scheme's official document in the above table the reimbursable heads are: tuition fees and activity fees. The rest of the heads are non-reimbursable.

The policy's aim can be gauged from the official document which discusses it. According to the official document:

"Under this component, talented/meritorious students of SC/ST communities who are either already studying or wish to seek admission in recognized public/convent schools as day scholars on the strength of their merits but whose parents find it difficult to cope with their educational expenses due to financial constraints, will get reimbursement of their school fees..."¹³

Thus the policy aims to maintain and to provide access to education in private schools to those students who have limited chances of securing access it because of a lack of funds.

Evidence points to the fact that the school system in India entails huge gaps in the quality of education that can be directly correlated with the gaps in the fee-structure of private-unaided schools vis-à-vis government schools¹⁴ and government-aided¹⁵ schools. Thus private-unaided schools have been widely documented as providing better quality education services as compared to both government and government-aided schools¹⁶. However, there are also wide

disparities between the fee structure of private-unaided schools vis-à-vis government and government-aided schools. Thus in the existing scenario private schools charge average monthly fee ranging from as low as Rs. 150 per month to as high as Rs. 3000 or above.

In comparison, government and government-aided schools charge very nominal fees from their students. This has created an income driven two-tier system of school education wherein only those who can afford to go to private schools have access to them while the rest of the students have no choice apart from studying in government and government-aided schools and to some extent in unrecognized private-unaided schools.

The scheme identifies its set of potential beneficiaries according to the following criteria:

- i. **The Caste/Tribe status of the candidate:** The scheme is only applicable to students belonging to the Scheduled Caste/Scheduled Tribe (SC/ST) category in Delhi. To prove his Caste/Tribal affiliation the candidate must submit a copy of the Caste/Tribe certificate issued by the Deputy Commissioner (Revenue) of Delhi.
- ii. **Residence :** The scheme is only for those students who have been **residents of the Union Territory (UT) of Delhi** for a period

¹³ Source: <http://scstwelfare.delhigovt.nic.in/scholar1.html>

¹⁴ Schools that are managed and funded by the government.

¹⁵ Government-aided schools are autonomous as regards their management. According to the Delhi School Education Act and Rules, the Directorate of Education provides the aided schools 95% of their total expenditure with the shortfall of 5% being met by the management. In turn, it is incumbent upon these schools to abide by all the rules and regulations imposed by the Act. Such stipulations would concern all aspects of running the school, including staff appointments and promotions, salary structure, admission and fees, school property, academic curriculum and co-curricular activities.

¹⁶ See: *"The Quality and Efficiency of Private and Public Education: A Case Study of Urban India"* by Geeta Gandhi Kingdon, February 1996. Available at: <http://www.econ.ox.ac.uk/Members/geeta.kingdon/PublishedPapers/OXBESquality&Efficiencyeducation.pdf>

of at least the last five years. The candidate must submit a proof of this by submitting a copy of his/her family's ration card or his/her Domicile certificate issued by the Deputy Commissioner (Revenue) Delhi.

- iii. **Type of School** : The scheme is only applicable to students studying in **recognized, private-unaided schools** of Delhi. The policy has no ceiling for the total amount that a beneficiary pays in tuition fees and other fees. Thus it covers all private-unaided schools in Delhi that have been recognized by either the Directorate of Education (DOE)¹⁷ or by the Municipal Corporation of Delhi (MCD)¹⁸.
- iv. **The beneficiary's annual family income**: The scheme provides that: *"Students with family income up to Rs. 48, 000 per annum will be eligible for 100% reimbursement of their tuition fees and other compulsory fees while those with parental income above Rs. 48, 000 and up to Rs. 1, 00, 000 will be eligible for 75% of the reimbursement of the tuition*

*fees and other compulsory fees."*¹⁹ In their forwarding letter to the Department for the Welfare of SC/ST, the school in which the beneficiary is enrolled must also certify that the candidate in question is not benefiting from a "freeship" (a complete exemption of his tuition and compulsory fees) being granted by the private school as part of its legal obligations.²⁰ig H

As proof of the economic status of his family the beneficiary must produce the latest salary slip in case his parent/guardian is employed by the government along with an affidavit from a notary regarding other sources of his family income. In case the student's parent/guardian is engaged in a job in the private-sector the student is expected to produce the income certificate issued by the concerned Sub Divisional Magistrate (SDM) of Delhi.

In its original form the scheme had defined its beneficiaries as students whose annual family income from all sources was anything

¹⁷ In Delhi, the middle stage (classes VI-VIII), secondary stage (classes IX-X) and the higher secondary stage (classes XI-XII) are taken charge of by the Directorate of Education. A complete list of the private-unaided schools recognized by the DOE can be found at: http://edudel.nic.in/mis/eis/frmSchoolList.aspx?type=doe_unaided

¹⁸ In Delhi the primary stage (class I-V) of education is the responsibility of the Municipal Corporation of Delhi (MCD). A complete list of the schools recognized by the MCD can be found at: <http://edudel.nic.in/mis/eis/frmSchoolList.aspx?type=MCD>

¹⁹ Source: <http://scstwelfare.delhigovt.nic.in/scholar1.html>

²⁰ Certain recognized private-unaided schools are under the legal obligation of granting "freeships" i.e. 100% exemption of tuition fees to economically underprivileged students (defined as boy students having an annual family income of no more than Rs. 48,000 and girl students having an annual family income of no more than Rs. 60, 000). The Delhi High Court, through its order dated January 20th 2004 directed the government and the landowning agencies in Delhi to ensure compliance by private-unaided schools with the land allotment condition of providing admission to the extent of 25% to the children belonging to the weaker sections of the society and to grant them a freeship. On April 27th 2004, the Director of Education, GNCT issued an order to all recognized private-unaided schools in Delhi to grant "20% freeship (which includes Tuition Fees, PTA or any other fees/funds/charges of any kind related to teaching-learning) to the children of the weaker sections of society w.e.f. 1st of May 2004." Further, it stated that "While making admissions, every 5th student is to be admitted from weaker sections of the society" (as defined above). This order was challenged by most public schools in Delhi by filing writ petitions in the Delhi High Court. Currently there are 295 schools to which public land was allotted on very concessional rates. These schools are under the legal obligation to admit children belonging to weaker sections of the society and to grant them freeship in terms of lease agreements.

below or equal to Rs. 48, 000. However, the response to the scheme in the first year of its implementation was very limited with only 98 students benefiting against a target of 325 students that had been fixed by the Statistical Department of the Department for the Welfare of SC/ST²¹. It was surmised by the Department that the existing pool of beneficiaries as defined in the scheme was very small since very few students falling within the annual income bracket of less than Rs. 48,000 would have the choice of going to a recognized private-unaided school given the fees in these schools. Thus to expand its scope, the scheme was amended for the second year of its implementation by introducing another income bracket starting from annual income levels above Rs. 48, 000 and up to Rs. 1 lakh. The rate of subsidy applicable for this income bracket is 75% of the total reimbursable fees. Rs. 1 lakh also forms the ceiling for all the income-based welfare schemes that are being run by the various Departments of the GNCT.

- v. **Merit:** Repeaters in a class are not entitled to benefits. Besides this the only condition to qualify for benefits is that students studying in classes VI to XII should have obtained 50% marks or above and an attendance of more than 80% in the previous year. With respect to students in classes I to V the policy states: *“The SC/ST students studying in 1st to Vth will be entitled to get reimbursement of tuition fee and other compulsory fee irrespective of the percentage of marks, keeping in view the policy of the Govt. for promoting all students from class 1st to Vth.”*²²

To summarize, the policy provides a subsidy to SC/ST students studying in recognized private-unaided schools in Delhi contingent on their family income. There are only two rates of subsidy corresponding with two pre-defined income brackets:

100% subsidy for income bracket:
Rs. 0 < income < Rs. 48, 000

75% subsidy for income bracket:
Rs. 48, 000 < income < Rs. 10, 00, 00

Unlike the tuition-fee reimbursement scheme, none of the current welfare schemes on education offer financial aid amounting to as high as 85%-90% of the educational expenses of studying in a private school. This is the only scheme of its kind that reimburses this substantial proportion of running expenses and therein breaks the economic constraint in determining the choice of school.

B. POLICY IMPLEMENTATION

The scheme is implemented by the Department for the Welfare of SC/ST. Within this Department the Statistics Branch and the Scholarships Branch jointly manage the scheme. The Statistics Branch is responsible for the disbursement of the funds that get allotted to it by the Planning Department of the GNCT. The Scholarships Branch is responsible for processing the applications received by the Department. During the two years that the scheme has been running it has been publicized in the form of a “Public Notice” in a few English and Hindi language dailies that are deemed by the Department to have a wide subscriber base. Thus the English language national dailies in

²¹ This figure has not been mentioned in any official document. It was obtained during an interview with an official at the Statistics Branch of the Department for the Welfare of SC/ST.

²² Source: <http://scstwelfare.delhigovt.nic.in/scholar1.html>

which the scheme has been regularly advertised for public awareness are: *The Times of India & Hindustan Times*. The Hindi language dailies that have carried the notification of the scheme are: *Navbharat, Dainik Jaagran & Amar Ujala*. The Public Notice for applying to the scheme for benefits during the ongoing academic year appears during the first quarter of the ongoing academic year²³.

The policy assigns the authorities at private schools the role of intermediaries between the Government Department implementing the policy and the policy's individual beneficiaries. Thus the parents/guardians of potential beneficiaries are expected to apply to their respective school Principals before a stipulated date and the latter are then expected to forward the applications to the Department before a separate final date. The average window period between the appearance of the public notice in the newspapers and the final date for the submission of individual applications with the school authorities is 2 months. Further, the average window period between the submission of the application with school authorities and the final date of forwarding the application to the Department for the Welfare of SC/ST is 1 month.

Among the reasons cited for the poor performance of the scheme by the officials at the Department for the Welfare of SC/ST was non-cooperation on the part of private schools in Delhi by not forwarding the students' applications to the Department in a timely manner. This scenario has even prompted the Department to solicit the cooperation of private schools in the public notices issued by them. Thus the Public Notice for the scheme states:

*"Complaints have been received that some Public schools have refused to forward applications of students for reimbursement of their tuition fees. All Public/Private schools are therefore requested to co-operate with the Department and help the poor students of SC/ST get reimbursement of their tuition fees from the Government. ..."*²⁴

However, research revealed that in practice the policy's implementation does not entail the role of schools as envisaged in the policy's design. Research across some eligible schools revealed that the only role played by Delhi's private schools in the scheme's implementation was to ensure that once the potential beneficiaries approached them the required documents from the school like the forwarding letter certifying the school's status as a recognized private-unaided school, the student's membership of the school and his mark-sheets were provided to him. The schools have not been approached by the Department on any aspect related to the scheme's design and/or implementation.

Thus in its existing form the policy has two key players: the Department for the Welfare of SC/ST and the scheme's final beneficiaries. Its secondary players are: public school authorities and the administrative authorities responsible for issuing the documentary proofs of their caste and income status to the scheme's potential beneficiaries.

C. POLICY PERFORMANCE: AN ANALYSIS

This section gauges the performance of the policy by benchmarking the outcomes of the policy in terms of its total number of beneficiaries against the number of potential beneficiaries. During

²³ In Delhi the academic and the financial years coincide and continue from April 1st of each year to March 31st of the next year.

²⁴ Public Notice issued in the Times of India on July 22nd 2005.

both the years that the policy has been operational the Statistical Branch of the Department for the Welfare of SC/ST fixed a financial and a physical target for the scheme. While the financial target for every year is a fixed amount that cannot be scaled up once the final amount is allocated, the physical target may increase subject to this fixed financial target. For the years 2003-2004 and 2004-2005 the physical target was fixed at 325 beneficiaries²⁵.

For the annual plan 2003-2004, an outlay of Rs. 50.00 lakhs was approved for the scheme by the Planning Department of the GNCT. However, only Rs. 5.93 lakhs could be utilized to benefit 98 students.²⁶ Thus the average annual expenditure per beneficiary amounted to Rs. 6051. Given that the allocated outlay stood at Rs. 50.00 lakhs a maximum number of 826 students could have benefited at the rate of a per student annual expenditure of Rs. 6051. However, the actual number of beneficiaries fell far short of 826 students.

For the annual plan 2004-2005 an outlay of Rs. 25.00 lakhs was approved. The outlay was scaled down in view of the heavy underutilization of funds during the first year of the scheme's implementation. According to information obtained from the Department for the Welfare of SC/ST from this allotted amount only Rs. 14, 37,322 was used up leaving a surplus of Rs. 10, 62, 678²⁷. The total number of beneficiaries for 2004-2005 stood at 254²⁸. Thus the average expenditure per beneficiary was Rs. 5658.75. Given that the total allocated outlay stood at Rs. 25 lakhs a maximum number of 441 students

could have benefited at the rate of a per student annual expenditure of Rs. 5658.75. However, the actual number of beneficiaries fell far short of this number.

Thus for both the years for which we have complete data the scheme has underperformed in relation to the total maximum number of people it could have benefited given the average amount being spent per student and the budget constraint imposed by the total amount allocated for the scheme. The Department for the Welfare of SC/ST has consistently underutilized the funds at its disposal while also not being able to meet its own physical target of 325 students for each of the two years. Between 2003-2004 and 2004-2005 the number of final beneficiaries of the scheme multiplied more than one and a half times. According to information obtained from the Scholarships Branch of the Department for the Welfare of SC/ST the total number of applications received for the financial/academic year 2005-2006 is: 260. From among these, 168 students have already benefited while the rest of the applications are being processed. Even if we assume that from among the remaining applications all are accepted the total number of beneficiaries for 2005-2006 will number 260 taking the final number of total beneficiaries up by 6. Thus, between the 2004-2005 and 2005-2006 the scheme has not been able to increase its total pool of beneficiaries substantially.

The scheme's spread may be gauged by the number of schools that its beneficiaries have come from. At the time when this article was being written the total number of private-

²⁵ Source: Interview with Mr. Virendar Kumar, Chief Accounts Officer, Statistical Branch of the Department for the Welfare of SC/ST/OBC/MINORITIES.

²⁶ Source : [http://scstwelfare.delhigovt.nic.in/Tuition%20Fee%20\(Write-up\).doc](http://scstwelfare.delhigovt.nic.in/Tuition%20Fee%20(Write-up).doc)

²⁷ Source : [http://scstwelfare.delhigovt.nic.in/Tuition%20Fee%20\(Write-up\).doc](http://scstwelfare.delhigovt.nic.in/Tuition%20Fee%20(Write-up).doc)

²⁸ Ibid.

unaided schools recognized by the Directorate of Education was: 1106²⁹ and the total number of private-unaided schools recognized by the Municipal Corporation of Delhi was 700³⁰. Over the two years that it has been operational the scheme's beneficiaries have come from 112 private-unaided schools in the different districts of Delhi.³¹ Between 2003-2004 and 2004-2005 there were 53 additional new schools from which beneficiaries were drawn. Thus from a total number of 1806 schools the scheme has only been able to draw beneficiaries from 112³² schools till now. This is a very small share of the total number of eligible schools even though 47.32% percent of the schools were added during the second year of the scheme's implementation. The following table shows a break-up of these 112 schools according to their fee-structure for the years 2003-2004 and 2004-2005.

A rise in the number of new schools benefiting from the scheme indicates a positive trend in the spread of the scheme across schools.

PART II

Part II contains an analysis of the scheme's performance based on the beneficiary-wise data for 2003-2004 and 2004-2005. The analysis is

further divided into:

- A. The analysis of results for 2003-2004
- B. The analysis of results for 2004-2005
- C. A comparative analysis of results for 2003-2004 and 2004-2005

A. ANALYSIS OF RESULTS FOR 2003-2004

For the year 2003-2004 we have data only for 93 beneficiaries from among the 98 final beneficiaries. All the beneficiaries were drawn from households where the annual income was up to Rs. 48,000 since Rs. 48,000 indicated the ceiling for the annual income level eligible for benefits. As reflected in Table 3 the largest number of beneficiaries in 2003-2004, numbering 51, was drawn from schools having the average monthly fees in the range of Rs. 500-Rs. 1000. The next largest number of 35 beneficiaries came from the schools with average monthly fees of up to Rs. 500 per month. The number of beneficiaries drawn from schools with average monthly fees of anything equal to or greater than Rs. 1000 was the lowest numbering at 7.

For a spread across schools in 2003-2004, the beneficiaries were drawn from 59 schools with

TABLE 2: SCHOOLS WITH BENEFICIARIES, 2003-2004 & 2004-2005

Monthly Average Fees	2003	2004
Up to Rs. 500	22	43
Rs. 500 – Rs. 1000	31	47
Rs. 1000 and above	6	12
Total number of schools with beneficiaries	59	102

²⁹ Source : http://edudel.nic.in/mis/eis/frmSchoolList.aspx?type=doe_unaided

³⁰ Source: Ibid.

³¹ Refer Appendix 1 for details.

³² Refer Appendix 1 for details.

TABLE 3: 2003-2004 Beneficiaries and schools

School's Monthly Average Fees	Total Number of Beneficiaries	Total Number of Schools
Up to Rs. 500	35	22
Rs. 500 – Rs. 1000	51	31
Rs. 1000 and above	7	6
Total	93	59

those having an average monthly fees of up to Rs. 500 numbering 22, those with fees ranging from Rs. 500 to Rs. 1000 numbering 31 and those with fees equal to or above Rs.1000 numbering 6.

The profile of the beneficiaries in 2003-2003 according to the standard³³ in which they studied looked like the following:

Table 4 shows that 65.59% of the beneficiaries in 2003-2004 came from the primary level while 21.5% came from the middle level. Thus if we only take into account the criterion of the beneficiary's standard of study then at least 81 beneficiaries (61 beneficiaries from the primary level and 20 beneficiaries from the middle level) i.e. 87.23% of the beneficiaries are expected to continue benefiting from the scheme in 2004-

2005. The number of beneficiaries which continues to benefit from the secondary level is assumed to be smaller to account for the relatively high likelihood of a student changing his school at the secondary level. The number of beneficiaries that continues to benefit from the senior secondary level is assumed to be lower to account for the students who stop benefiting because they have passed out of school after standard 12.

B. ANALYSIS OF RESULTS FOR 2004-2005

In 2004-2005 the scheme was modified to include a second income bracket: Rs. 48, 001 to Rs. 10, 00, 000. Qualified applicants under this income bracket were entitled to a reimbursement of 75% of their tuition fees and other

TABLE 4: 2003-2004 - TOTAL BENEFICIARIES ACCORDING TO STANDARD

Class Category of the Student	Average monthly fee: Up to Rs. 500 Rs. 1000	Average monthly fee: Rs. 500 – and above	Average monthly fee: Rs. 1000	Total
Primary	26	31	4	61
Middle	6	12	2	20
Secondary	3	6	1	10
Senior Secondary	0	2	0	2
Total				93

³³ The classification according to the students' standard follows the following scheme: a) Primary Level: standard I to V; b) Middle Level: standard VI to VII; c) Secondary Level: standard IX to X; d) Senior Secondary Level: standard XI to XII. This is also the scheme that applies to the school system across the country according to the information cited on the official website of the Directorate of Education: www.edudel.nic.in.

TABLE 5: BENEFICIARIES IN 2004-2005 ACCORDING TO INCOME BRACKET

Income Bracket	Total Number of Beneficiaries
Rs. 0 to Rs. 48000	167
Rs. 48001 to Rs. 1 lakh	66
Total	233

reimbursable fee-categories that have been mentioned in the previous sections of this paper. The total number of beneficiaries for the second year was 254. However complete data is available only for 233 beneficiaries.

From this data we obtain the following facts:

The total number of beneficiaries in 2004-2005 in the lower income bracket was 167 while that of the beneficiaries in the newly introduced higher income bracket was 66 Thus 71.67% of the beneficiaries come from the lower income bracket. Assuming that all beneficiaries state their income level correctly and assuming that all 82 beneficiaries expected to continue benefiting in 2004-2005 keep getting benefits we may conclude that introducing a higher

income bracket eligible for benefits has only partially contributed to the rise in the total number of beneficiaries in 2004-2005.

Comparing across schools charging different fee-structures, the largest number of beneficiaries for 2004-2005 was drawn from schools with average monthly fees between Rs. 500- Rs. 1000. This number stood at 110. Within this number 82 beneficiaries were drawn from the lower income bracket while 28 were drawn from the higher income bracket. The second largest number of beneficiaries was drawn from schools with average monthly fees of up to Rs. 500. This number stood at 104. Among these 70 beneficiaries came from the lower income bracket while 34 came from the higher income bracket. Finally the smallest number of beneficiaries was drawn from schools with average monthly fees

TABLE 6: BENEFICIARIES IN 2004-2005 ACCORDING TO SCHOOLS AND INCOME

School's Monthly Average Fees	Total Number of Beneficiaries	
Up to Rs. 500	Income Level	Number of beneficiaries
	Rs. 0 to Rs. 48000	70
	Rs. 48001 to Rs. 1 lakh	34
	Total	104
Rs. 500 – Rs. 1000	Income Level	Number of beneficiaries
	Rs. 0 to Rs. 48000	82
	Rs. 48001 to Rs. 1 lakh	28
	Total	110
Rs. 1000 and above	Income Level	Number of beneficiaries
	Rs. 0 to Rs. 48000	15
	Rs. 48001 to Rs. 1 lakh	4
	Total	19

Rs. 1000 and above. This number stood at 19 with 15 students from among these 19 belonging to the lower income bracket and 4 students belonging to the higher income bracket. Table 6 captures these figures.

Thus, in 2004-2005 a significant proportion of students came from schools that had an average monthly fee of less than Rs. 1000. Such schools together contributed to 91.8% of the beneficiaries in 2004-2005. Further, within each category of schools the predominant number of beneficiaries came from the lower income bracket rather than from the higher income bracket introduced in 2004-2005. This again serves to reinforce the fact that unless the beneficiaries are falsely understating their annual family income raising the income bracket eligible for benefits in 2004-2005 has only partially contributed to the rise in the total number of beneficiaries for 2004-2005

within each category of schools.

For a spread of beneficiaries across schools in 2004-2005, the beneficiaries came from 102 private-unaided schools in Delhi. From among these, there were 43 schools that had a monthly average fee of up to Rs. 500, 47 schools with an average monthly fee of Rs. 500 to Rs. 1000 and 12 schools with an average fee above Rs. 1000. Table 7 captures the spread of beneficiaries in 2004-2005 across the different categories of schools. The profile of the beneficiaries in 2004-2005 according to the standard in which they studied looks like the following:

Thus in 2004-2005 86.26% of the beneficiaries came from the primary and middle levels while only 13.73% of the beneficiaries came from the secondary and the senior secondary levels. Thus purely going by the criterion of the standard of

TABLE 7: 2004-2005 Beneficiaries and schools

School's Monthly Average Fees of Beneficiaries	Total Number Schools	Total Number of
Up to Rs. 500	74	43
Rs. 500 – Rs. 1000	141	47
Rs. 1000 and above	19	12
Total	236	102

TABLE 8: 2004-2005 - TOTAL BENEFICIARIES ACCORDING TO STANDARD

Class Category of the Student	Average monthly fee : Up to Rs. 500	Average monthly fee : Rs. 500 – Rs.1000	Average monthly fee : Rs. 1000 and above	Unknown fee structure	Total
Primary	76	54	6	2	135
Middle	20	40	6	0	66
Secondary	4	12	4	0	20
Senior Secondary	4	5	3	0	12
Total					233

study, we can expect 204 beneficiaries from 2004-2005 to continue benefiting in 2005-2006.

To summarize, in 2004-2005, the general trend was that even after accounting for the 82 beneficiaries in 2003-2004 who are expected to continue benefiting in 2004-2005 the significant proportion of beneficiaries came from the lower income bracket, from schools having an average monthly fee of less than Rs. 1000 and from the primary and the middle levels of education.

C. COMPARATIVE ANALYSIS: 2003-2004/2004-2005

There were a total of 171 new beneficiaries in 2004-2005. From among these, 105 beneficiaries belonged to the lower income bracket while 66 belonged to the newly introduced higher income bracket.

Table 13 captures the break-up of beneficiaries by school category and income level. It shows

that within each category of schools the number of new beneficiaries in the lower income bracket exceeded those in the lower income bracket by a wide margin.

A study of the profile of the new beneficiaries by school and by income bracket leads us to the following broad observations:

- i. Schools having average monthly fees of less than Rs. 1000 contributed to 92.39% of the new beneficiaries while schools with an average monthly fee exceeding Rs. 1000 contributed to only 7.61% of the new beneficiaries.
- ii. The beneficiaries belonging to the lower income bracket outnumbered those belonging to the higher income bracket by a wide margin in schools belonging to all the three categories. Therefore, even though the number of beneficiaries rose on account of the rise in the eligible income bracket,

TABLE 13: NEW BENEFICIARIES IN 2004-2005		
Average monthly compulsory fees	Number of new beneficiaries in 2004-2005	
Up to Rs. 500	Income Level	Number of Beneficiaries
	Rs. 0 to Rs. 48000	45
	Rs. 48001 to Rs. 1 lakh	34
	Total	79
Rs. 500 – Rs. 1000	Income Level	Number of Beneficiaries
	Rs. 0 to Rs. 48000	51
	Rs. 48001 to Rs. 1 lakh	28
	Total	79
Rs. 1000 and above	Income Level	Number of Beneficiaries
	Rs. 0 to Rs. 48000	9
	Rs. 48001 to Rs. 1 lakh	4
	Total	13
Grand Total	Total	2
		171

the greater number of beneficiaries came from the income bracket that was already eligible for benefits in the previous year. This clearly means that within the original income bracket there were a number of untapped beneficiaries in the first year during which the scheme was operational. Thus, during the first year of its operation the scheme failed to benefit several students who were eligible to receive the benefits given their family income. All this is subject to the assumption that the beneficiaries have all correctly stated their family income.

Looking at the profile of schools from which the new beneficiaries were drawn, there were a total of 77 such schools. From among these, 24 schools already had beneficiaries in 2003-2004 while the remaining 53 schools did not have any beneficiaries. Table 14 shows us the break-up by

fee structure of all the schools from which new beneficiaries were drawn in 2004-2005. It shows that among both existing schools with new beneficiaries and new schools with new beneficiaries, a very high proportion of the schools were concentrated in the average monthly fee range of less than Rs. 1000. Thus from among the existing schools 95.83% of the schools had an average monthly fee of less than Rs. 1000. Likewise for the new schools 80.7% of the schools had an average monthly fee of less than Rs. 1000. From this we may conclude that families in the income brackets that benefit under the scheme are most likely to send their children to schools that charge average monthly fees of less than Rs. 1000.

Further, we may study a break-up of the new beneficiaries across new and existing schools. This reveals the picture captured in Table 15:

TABLE 14: SCHOOLS WITH NEW BENEFICIARIES IN 2004-2005

Average monthly compulsory fees	Number of existing schools with new beneficiaries in 2004-2005	Number of new schools with new beneficiaries in 2004-2005	Total
Up to Rs. 500	7	26	34
Rs. 500 – Rs. 1000	16	20	35
Rs. 1000 and above	1	7	8
	24	53	77

TABLE 15: THE SPREAD OF NEW BENEFICIARIES ACROSS SCHOOLS

Average monthly compulsory fees	Number of new beneficiaries in existing schools	Number of new beneficiaries in new schools	Total
Up to Rs. 500	37	42	79
Rs. 500 – Rs. 1000	44	35	79
Rs. 1000 and above	1	12	13
	82	89	171

Table 15 also shows that from among the 171 new beneficiaries, 82 were drawn from schools that already had beneficiaries in the previous year while 89 were drawn from schools that did not have any beneficiaries in the previous year. Thus, for 2004-2005, the schools that already had beneficiaries in 2003-2004, had an average number of 3.58 (86/24) new beneficiaries per school since the total number of such schools was 24. The number of new schools from which new beneficiaries were drawn outnumbered the number of old schools from which new beneficiaries were drawn by a wide margin. Thus while there were only 24 old schools with new beneficiaries there were 53 new schools with new beneficiaries. However, the new beneficiaries drawn from the new schools were very thinly spread across them. Thus from the total number of 53 new schools inducted in 2004-2005 only 89 new beneficiaries were drawn giving us an average of 1.56 new beneficiaries per school. Thus in 2004-2005, even though 171 new beneficiaries were inducted into the scheme, a large number of them were concentrated in a small number of schools that were already benefiting from the scheme in 2003-2004. This leads us to conclude that publicity of the scheme among students of those schools that are already benefiting under the scheme forms a key variable towards increasing the total number of beneficiaries.

From among the existing schools that had new beneficiaries in 2004-2005 there were two schools that witnessed a remarkable influx of new beneficiaries: Jai Mann Public School and Balvantray Mehta Vidya Bhawan Anguridevi Shersingh Memorial Academy. In the former, the total number of beneficiaries rose from 4 in 2003-2004 to 30 in 2004-2005. In the latter, the number of beneficiaries rose from 1 in 2003-2004 to 8 in 2004-2005. A study of the new

beneficiaries in these two schools reveals that a majority of them were studying in grades at the middle level, secondary level and the higher grades of the primary level (Classes IV to VIII). In other words, the concerned schools already had the new beneficiaries for 2004-2005 enrolled in them during 2003-2004. The scheme was operational in 2003-2004, but these students started getting benefits only in 2004-2005. Thus better communication about the scheme across potential beneficiaries within a school plays an important role in increasing the total number of beneficiaries.

Hence one way of increasing the number of beneficiaries is to publicize the scheme more widely among potential beneficiaries. As stated above, until now, the scheme has been publicized through public notices in national dailies in the English and Hindi language. Presently there are 1806 recognized private-unaided schools in Delhi. One way to increase awareness of the scheme among potential beneficiaries is to make schools play a more active role in publicizing it. According to primary research those schools which actively participated in publicizing the scheme among potential beneficiaries also witnessed a remarkable rise in the number of beneficiaries. Balvantray Mehta Vidya Bhawan Anguridevi Shersingh Memorial Academy is one such school. Interviews with beneficiaries from this school revealed that the authorities there had displayed the government's public notice on the school's premises during the time when the notice appeared in newspapers.

At the time when this paper was being written the government was running a budget surplus of nearly Rs. 10 lakh per annum vis-à-vis the tuition fee reimbursement scheme. Some of these surplus funds must be used towards increased advertising expenditures for at least the next few years.

TABLE 16: CLASSIFICATION OF SCHOOLS ACCORDING TO NUMBER OF BENEFICIARIES*

Total number of beneficiaries in 2003-2004 and 2004-2005	Number of Schools
1-5	105
6-10	5
11-15	1

* *Jaiman Public School is an outlier. It had a total of 32 beneficiaries.*

Further, ways must be devised for the advertising strategy to treat schools as one of the key players.

Publicizing the scheme within existing beneficiary schools does not rule out the importance of widening the reach among those schools that have not yet benefited from it. When we study the global picture of the distribution of beneficiaries across schools in 2003-2004 and 2004-2005 we observe that the beneficiaries are very thinly distributed across schools. The following table shows the distribution of the total beneficiaries for 2003-2004 and 2004-2005 across the schools.

Thus from the 112 schools from which the scheme's beneficiaries were drawn there were only 5 schools having more than 5 beneficiaries each and only one school with more than 10 beneficiaries each. Thus as a rule the beneficiaries

are very thinly spread across schools. Therefore it is essential to induct new schools into the scheme to ensure that the number of students benefiting from it rises substantially.

Looking at the standard-wise break-up of the new beneficiaries in 2004-2005 we get the following picture:

Thus from among the 171 new beneficiaries in 2004-2005 88.3% were drawn from the primary and the middle levels. 11.7% of the beneficiaries were drawn from the secondary and the senior secondary levels. If this trend persists and if the scheme successfully attracts a net positive number of new beneficiaries per year then, provided that the scheme continues in its present form the government will have to devote a larger budget towards the scheme in the forthcoming

TABLE 17: CLASS CATEGORY OF THE NEW BENEFICIARIES IN 2004-2005

	Average monthly fees : Up to Rs. 500	Average monthly fees : Rs. 500 – Rs. 1000	Average monthly fees : Rs. 1000 and above	Total
Primary	57	38	4	99
Middle	16	31	5	52
Secondary	2	7	1	10
Senior Secondary	4	3	3	10
Total	79	79	13	171

years. But this is subject to the assumption that the scheme successfully attracts a net positive number of beneficiaries every year.

The following part discusses the main issues relevant to the policy in light of the above analysis.

PART III

ISSUES RELEVANT TO THE POLICY

In light of the above analysis, the following issues come to light that are relevant to the policy's better functioning:

High Entry Barriers to Accessing the Scheme's Benefits

Schools charging an average monthly fee of less than Rs. 1000 were the most successful at inducting new beneficiaries. Such schools contributed to 92.39% of the new beneficiaries in 2004-2005. These figures indicate that given the income brackets that are eligible for the scheme it is realistic to expect the maximum number of potential beneficiaries to be concentrated in schools with the average monthly fees below Rs. 1000 per month.

The income brackets eligible for the scheme represent sections of the population whose disposable income is very low. Several recognized private schools in Delhi charge fees that cannot be afforded by families in the income brackets being targeted by the scheme. Thus for several private schools potential beneficiaries are

eliminated because of the amount of payable fees.

The share of SC/ST students studying in private-unaided schools is very small as compared to their share in government and government-aided schools. Thus according to the government's statistics, of the total number of school going SC/ST students in Delhi in 2004-2005 only 5.6% were enrolled in recognized private-unaided schools as compared to 94.4% in the other categories of schools (government, government-aided, MCD and NDMC schools)³⁴. Several studies have also documented the rising number of unrecognized private-unaided schools to which poor households increasingly send their children³⁵. Studies reveal that poor households of the kind that are targeted by the SC/ST tuition-fee reimbursement scheme send their children to private-unrecognized schools because education here is cheaper than education in private-recognized schools while also being of a better quality than education in government and government-aided schools. These figures show that one way to increase the scheme's beneficiaries is to draw eligible students who are not already enrolled in private-unaided schools into them. However, the scheme's present design does not allow this.

This is because all private schools admit a fresh intake of students in the Nursery Class whereas the scheme is valid only from standard I to standard XII. After the Nursery Standard, the intake of new students for all other classes is very limited owing to the presence of a limited number of vacant seats. Further, the average consolidated amount that a family is required to pay at the time of admission into the Nursery Class at a recognized private school can be as high as Rs.

³⁴ Source: Statistics Branch, Directorate of Education, Government of the National Capital Territory of Delhi.

³⁵ See: *Private Schools Serving the Poor, Working Paper: A Study from Delhi, India* by James Tooley and Pauline Dixon, University of Newcastle Upon Tyne, England.

7000 (building fund etc. included). Given this, a student whose family income falls within the income bracket stipulated by the scheme cannot afford to seek admission in the private school at the time when admissions are open. When the benefits from the tuition fee reimbursement scheme become available from standard I onwards getting admission is very difficult owing to the limited number of vacant seats. This is particularly true for those poor students who are studying in government and government aided schools where the quality of education imparted falls far below the quality of education imparted in private schools. However, these students form a large pool of potential beneficiaries of the tuition-fee reimbursement scheme.

One of the fundamental differences in the organization of education in government schools vis-à-vis private schools is that whereas in the former education begins from standard I onwards, in the latter it begins in the nursery class. Therefore, the benefits of all the welfare schemes run by the government in the sector of education begin to accrue from Standard I onwards. However, for a scheme like the one under discussion, the final impact of the benefits gets reduced manifold because the pre-primary classes of nursery and KG fall outside its ambit.

In the prevailing legal context free and compulsory education constitutes a fundamental right of every child in the age group of 6-14 years.³⁶ The state's responsibilities towards children below six years of age are contained in part IV (Directive Principles of State Policy) of

the Constitution. It is therefore not incumbent upon the state to provide compulsory education to children below six years of age. Accordingly, Section 7 of the Right to Education Bill directs the appropriate government to "*endeavor to provide facilities for pre-school education ... for children between the ages of 3 and 6 years... through Integrated Child Development Services (ICDS) or other government programs.*"³⁷

However, the prevailing legislation pertaining to recognized schools in Delhi does not contain any provision that restricts the intake of students only from Standard I onwards. Chapter VI of the Delhi School Education Act, 1973 merely stipulates the age bar for admission to standard I of a recognized school as five years. It thus states:

*"A child who has not attained the age of five years, shall not be admitted to class I or an equivalent class or any class higher than class I, in a recognized school."*³⁸

This legislative framework has resulted in a situation wherein all government run schools disburse education from standard I onwards while education in a typical private school begins from the nursery class. Further, all government run schemes, be they for government schools or private schools give benefits from Standard I onwards. The tuition fee reimbursement scheme is no exception.

The scheme ought to be remodeled to suit the conditions prevailing in recognized private schools by introducing benefits from the nursery class onwards. That is one of the ways of ensuring

³⁶ Article 21A was incorporated into the Constitution of India by the Constitution's Eighty Sixth Amendment Act 2002. It states: "*The State shall provide free and compulsory education to all children of the age of six to fourteen years in such a manner as the state may, by law, determine.*"

³⁷ Source: *The Right to Education Bill 2005: A Constructive Critique*, Working Paper, Rohan Mukherjee. http://www.esocialsciences.com/Articles/displayArticles.asp?Article_ID=315

³⁸ Source: Chapter VI, *The Delhi School Education Act, 1973*, 9th April 1973.

that more potential beneficiaries get attracted to recognized private schools. It is true that even if benefits are introduced from the pre-primary classes the non-reimbursable heads like building fund; development fund etc. which amount to a substantial amount in the pre-primary classes will continue to form a barrier to entry in several schools. However, in general there has been found to be a positive correlation between a school's tuition fees and those fees that are not reimbursable under the scheme e.g. building fund, development fund etc³⁹. Thus even if the non-reimbursable fees at the pre-primary level continue to form a barrier to entry for some of the more expensive schools, they will not hinder entry into the less expensive private schools.

Ambiguity in the Scheme's Implementation Process

The scheme's design could also be simplified towards better implementation. In the present form the scheme requires a differentiation between those components of the fee-structure that are reimbursable and those that are not. Thus, as cited in part I of this paper, the reimbursable elements of the fees include: tuition fee, sports, science, lab, co-curricular/admission fee etc. while the non-reimbursable components may fall under several different heads depending on the policy of the recognized private school in question. This aspect of the scheme leaves it upon the officials of the scholarships branch of the Department for the Welfare of SC/ST to verify the fee-receipts supplied by the applicants and to differentiate between the reimbursable and the non-reimbursable fees. Given that different schools charge fees under different heads, unless a school charges fees under a head that is

mentioned in the official document describing the scheme, it is left to the discretion of the concerned government official to decide whether a certain component of the fees is reimbursable or not. Thus, for example, in the case of the school whose fee-structure is cited in Table 1, it is left to the discretion of the concerned government department employee to determine whether components like "Assignments" and "Multimedia" are reimbursable or not, since these are heads that are neither mentioned in the official document that describes the scheme nor in the scheme's application form⁴⁰. This introduces an element of arbitrariness in the verification procedure for the benefits under the scheme.

This could be removed by changing the design of the scheme along the following lines. Rather than subsidizing 100% or 75% of the beneficiaries' fees two flat rates should be introduced as the upper and lower limits of the subsidy afforded by the scheme.

The tuition-fee reimbursement scheme should be redesigned to give a subsidy with an upper limit of Rs. 900 and a lower limit represented by the student's tuition fees. This will ensure that the verification system at the Department for the Welfare of SC/ST becomes more standardized since the only component to be verified is the tuition fees. The fee-receipts of beneficiaries for 2003-2004 obtained from the records of the Department for the Welfare of SC/ST reveals that in most schools the tuition-fees constitutes 70% to 80% of the fees payable by a student in a recognized private-unaided school.

Redesigning the scheme along the above lines would also increase the probability that the funds

³⁹ This correlation was found during a study of the fee receipts of the 93 beneficiaries for 2003-2004 that were obtained from the records of the Department for the Welfare of SC/ST.

⁴⁰ See: <http://scstwelfare.delhigovt.nic.in/scholar2.html>.

earmarked for the scheme reach the potential beneficiaries since our research reveals that the maximum number of beneficiaries came from schools having average monthly fees not greater than Rs. 1000. Those households that qualify for the scheme but have sent their children to schools where the monthly expenditure incurred on education is more than Rs. 900 will also benefit from the scheme but only to the extent of Rs. 900 per month. They will have to bear the rest of the expenses privately. Education is a normal good. Thus there exists a positive correlation between a student's family income and the fees of the school that he goes to. The ceiling of Rs. 900 per month introduces an element of equity into the scheme: those households with lower incomes will have the highest proportion of the school fees reimbursed while students with a higher family income will get a smaller proportion of their expenses reimbursed.

If the government had implemented the scheme along the above lines in 2004-2005 then the maximum total expenditure for the 254 beneficiaries would have amounted to only Rs. 203200. Given a total allocated budget of Rs. 25 lakhs this would have left a huge surplus with the government to benefit far more students under the scheme. Thus the recommended changes to the scheme's design will also ensure that the government has the funds to benefit a large pool of students rather than benefiting a narrow pool of students going to the more expensive private-unaided schools. This is particularly pertinent if the scheme's benefits accrue from the pre-primary class of nursery onwards since this will lead to a substantial influx of new beneficiaries.

Further, the scheme ought to be redesigned to ensure that the benefits accrue before the beneficiary has paid his fees rather than after it. In the scheme's present form the beneficiary gets benefits only after he has paid the tuition and other compulsory fees and submitted the original fee-receipts at the scholarships branch of the Department for the Welfare of SC/ST. This often results in a situation wherein the beneficiary is forced to wait till the last quarter of the academic year to get benefits. Interviews with the parents whose children had benefited under the scheme revealed that the time at which the subsidy accrues forms a crucial determinant of their decision to continue sending their child to an private school as opposed to a government school. One way to allow benefits to accrue before the students pays the fees is to ask the concerned school to provide the quarterly amount that is payable by the beneficiary to the Department for the Welfare of SC/ST at the beginning of each quarter. The Department can then directly reimburse the school the amount of reimbursable fees (as defined in the policy) to the concerned school. This kind of provision translates into a far stronger incentive for poor people to continue educating their children in recognized private-unaided schools. It also works as a strong incentive for those families to educate their children in recognized private-unaided schools who would normally, owing to their income, sent their children to government or government aided schools.

CONCLUSION

2005-2006 is the third consecutive year for which the SC/ST tuition-fee reimbursement scheme is operational. At the time of the writing of this article the applications received for 2005-2006 were still being processed. From among the 260 applications received 168 had been processed and awarded benefits. This limited information available on the beneficiaries for 2005-2006 reflects that the total number of beneficiaries of the scheme between 2004-2005 and 2005-2006 has only increased very marginally. Thus even if we assume that all the applications received in 2005-2006 are accepted for benefits, the total number of beneficiaries between 2004-2005 and 2005-2006 would have increased only by 6.

Since we do not have a break-up of the beneficiary-wise data it is not possible to draw inferences from the composition of the beneficiaries. The attrition rate between 2003-2004 and 2004-2005 was 32.65%. If we assume that the rate of attrition between 2004-2005 and 2005-2006 remained 32.65% then 82 people who benefited in 2004-2005 would have stopped benefiting in 2005-2006. Thus from the 254 beneficiaries in 2004-2005 only 172 would have continued to benefit in 2005-2006. From the available data for 2005-2006, 260 applications have been received. Even if we assume that all 260 applications are accepted for benefits then after having accounted for the attrition of 82 beneficiaries between 2004-2005 and 2005-2006 and the 172 people who continue to benefit between 2004-2005 and 2005-2006 we can only account for 88 new beneficiaries in 2005-2006. This indicates a far smaller number of new beneficiaries in 2005-2006 as compared to the

number of new beneficiaries in 2004-2005. Thus, despite the attractive benefits offered by the scheme, it has not been successful at either increasing its total number of beneficiaries or at attracting new beneficiaries.

The above study has brought to light certain aspects of the SC/ST tuition-fee reimbursement scheme that must be addressed for the scheme to successfully meet its objectives.

The main issues highlighted for future consideration are:

1. Introducing the scheme from the Nursery standard onwards so that more students from the potential pool of beneficiaries can avail of the scheme's benefits. At the level of legislation this would require that Article 21A of the Constitution that declares education to be a fundamental right be amended to include children below the age of 6 years within its ambit.
2. Changing the present design of the scheme from a proportional subsidy to a flat rate with an upper ceiling of Rs. 900 and a lower limit represented by the tuition fees (whichever is lower) to simplify its implementation and to make it more equitable.
3. Changing the scheme's design to ensure that benefits can be availed of before the payment of fees rather than after it.

These are some of the issues which, if acted upon, will improve the performance of the scheme to meet its envisaged objectives.

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APPENDIX 1: SCHOOLS THAT HAVE BENEFICIARIES IN 2003-2004 OR 2004-2005⁴¹

S. No.	Name of the School	S. No.	Name of the School
1.	A.S.N.Senior Secondary School	2.	Angels Public School
3.	Apex Public School	4.	Arya Public School
5.	B.A.V. Public School	6.	Bal Vikas Public School
7.	Balwant Roy Mehta	8.	Bosco SSS
9.	Brahmapuri Public SSS	10.	C.L. Bhalla Dayanand Model School
11.	Cantebury Public School	12.	Chaudhary Jaswant Lal Public School
13.	Chottu Ram Public School	14.	City Convent SSS
15.	Convent of Gagan Bharati	16.	Convent of St. Garjiya
17.	D.A.V. Public School	18.	Dayanand Model School
19.	Dayanand Public School	20.	Deep Vidya Bhawan
21.	Delhi International School	22.	Delhi Jain Public School
23.	Divya Bal Bhawan	24.	Faith Academy
25.	G.L.T. Saraswati Bal Mandir	26.	Ganga Happy School
27.	Golden Public School	28.	Golden Valley Public School
29.	Greenfields Public School	30.	Greenway Modern School
31.	Guru Harkrishen Public School	32.	Guru Nanak Public School
33.	Gyan Mandir Public School	34.	Gyan Sagar Public School
35.	Henry Dunant Public School	36.	Holy Innocent
37.	Hope Hall Foundation	38.	Indira Ideal School
39.	J.R. Public School	40.	Jagat Convent
41.	Jai Deep Public School	42.	Jai Mann Public School
43.	Jain Happy School	44.	Jyoti Model SSS
45.	Kalka Public School	46.	Kamal Model SSS
47.	Kirti Public School	48.	Krishna Model SSS
49.	Laxman Public School	50.	Leelawati Vidya Mandir
51.	Little Angels Public School	52.	Little Fairy Public School
53.	Little Flowers Public School	54.	Lord Chaitanya Public School
55.	Lovely Public School	56.	Lumbni Marie Gold Public School
57.	M.C.L Saraswati	58.	Mahavir International School
59.	Mamta Modern SSS	60.	Mira Model School
61.	Moon Light Public School	62.	Mother Divine Public School
63.	Mother Saraswati Academy	64.	Motherhood Public School
65.	Mount Oliver Senior Secondary School	66.	Mount St. Mary
67.	Mukand Lal Katyal	68.	National Victor Public School

⁴¹ This is a list contains 115 schools. However, the paper cites that the number of schools stood at 112 since complete data is available only on 112 schools. We did not have data on students coming from: Chaudhary Jaswant Lal Public School, Holy Innocent and NGF Tiny Tot.

69. Nav Bharati SSS
71. Naval Public School
73. NGF Tiny Tot
75. P.S.M. Public SSS
77. Parag Jyoti Public School
79. Prince Public School
81. Ramkrishna SSS
83. Rashtra Shakti Vidyalaya
85. Ravinder Public School
87. Sanjeevani Public School
89. Sardar Patel Modern
91. Sirish Public School
93. SS Mota Singh SSS
95. St. Angles School
97. St. Krishna Bodh
99. St. Martyn Diocesan
101. St. Paul's Diocesan
103. St. Xaviers School
105. Sumermal Jain Public School
107. Sunrise Convent School
109. The Lawrence Public School
111. Veer Public School
113. Vikas Bharati Public School
115. VKD Public School
70. Nav Nitin Public School
72. New Green Fields Public School
74. P.D. Model SSS
76. Parag Bharati Public School
78. Pooja Public School
80. Ramjas School
82. Rao Man Singh Public School
84. Rattanchand Arya Public School
86. S.M. Arya Public School
88. Sant Nirankari Public School
90. Siddhartha International
92. Sri Guru Nanak Public school
94. St. Andrews Public School
96. St. Columbas School
98. St. Lawrence Convent
100. St. Mary Public School
102. St. Paul's East Delhi Public School
104. Stepping Stone Convent
106. Sun Smile Public School
108. The Frank Anthony Public School
110. Vanasthali Public School
112. Vidya Public School
114. Virendra Public School

APPENDIX 2
Application form for the Tuition Fee Reimbursement Scheme

APPLICATION FORM TO BE SUBMITTED BY PARENTS/GUARDIANS					
Name & Address of the School :					
Particulars of the students :					
(1) Sl. No.	(2) Name & Roll No. of the student	(3) Father/Guardian's Name and Address	(4) Whether SC/ST (Certificate from Dy. Commissioner Office, Delhi to be attached)	(5) Yearly family income	
(6) Class in which presently studying		(7) Previous class passed/year	(8) % of marks in the previous class passed (Not applicable for students below class 6) (Copy of Report Card to be attached)	(9) % of attendance (for students of class 6 onwards)	
(10) Tuition Fee	(11) Sports Fee	(12) Science Fee	(13) Lab Fee	(14) Admission Fee	(15) Co-curricular Fee
(Original Receipt to be attached)					
Bank Account					
(1) Sl. No.	(2) Bank Name	(3) Branch Name	(4) Address	(5) Telephone No.	
(If available)					
(6) 09 digit code No. of the Bank & Branch appearing on the MICR cheque issued by the bank			(7) Account Type (SB Account/Current Account or cash credit with code 10/11/13)		
(8) Account No. (As appearing on the cheque book)		(9) Signature of students	(10) Signature of parents	(11) Remarks	
I hereby declare that the particulars given above are correct and complete.					
Note : 1. Please attach a blank cancelled cheque or photo copy of cheque issued by your Bank for verification of the above particulars.					
2. Joint bank account with parents is permissible.					
				Signature of Parents/Guardian	
Certificate by the School					
1. Certified that the above particulars are verified from the office record of the School.					
2. Certified that the above student is not a repeater in the same class and his attendance in the previous year was more than 80%					
Signature with seal of the Principal/Head of School					

DIP/596/04-05

EDUCATION CHOICE CAMPAIGN

Fund Students, Not Schools

Do you know how much city governments in India spend per child on education?

**Rs. 1000-1700/-
Not per year...per MONTH!**

Imagine that sum in the hands of the poor parent and the quality of education that her child would receive!

"...One survey found that 80 per cent of those who passed Class V from Municipal Corporation of Delhi schools in Delhi could not read or write, drop-out ratios are as high as 40 per cent in primary schools and go up to around 70 per cent by secondary school."

Business Standard, April 20, 2005.

The Education Choice Campaign aims at making available to the poorest children quality education that has so far been out of their reach. The government has been running and managing schools for more than 50 years and the results are for us to see!
The 3-pronged approach...

EDUCATION VOUCHERS

We believe that poor students should also be able to choose the school they want to study in. An "education voucher" is a coupon by the government that will cover the tuition, upto the specified amount, at any participating school. Vouchers also create competition among schools, providing them the incentive to improve performance.

DEREGULATE, DECENTRALISE, DEPOLITICISE

Archaic licensing rules, centralization of decision making and politicisation of curriculum and textbooks have stifled the education system in our country. The license-permit raj should be abolished. The twin principles of autonomy and accountability must be introduced into the system.

ENCOURAGE EDUPRENEURS

We must empower educational entrepreneurs or "edupreneurs" to serve the cause of education. Education should be granted the status of an industry so that edupreneurs can access credit. The ban on for-profit schools should be removed. Set up a body that would provide venture capital as well as regulatory and curricular advice to edupreneurs.

THE FUTURE OF MORE THAN A HUNDRED MILLION CHILDREN IS IN YOUR HANDS.

Get Involved!



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