

National Means cum Merit Scholarship Scheme: Delhi's Experience

1. Introduction

'Universalisation of education' has been a high aimed objective of the Government of India right since the time of independence. Though the efforts have been inadequate and slow the government is taking steps in the right direction in order to make primary and secondary education available to all the children in the country. The nationwide '*Sarva Shiksha Abhiyan*' launched by the Government of India was a welcome step with regard to elementary education. Coupled with such programmes the government has also offered scholarship schemes for aiding the needy students so that they are able to complete their schooling. The National Merit-cum-Means Scholarship Scheme (NMMS Scheme) is one such programme that aims to reduce the dropout rates from classes IX to XII. This nationwide Scheme was announced by the former Finance Minister Mr. P Chidambaram in the *2007-08 Annual Budget*.

The Scheme not only aims at helping the students who are financially weak but also takes their merit into account. Only the students who are able to prove their mettle in a specially conducted examination earn the scholarship for the rest of the years in school.

Acknowledging the steps taken by the government to promote the potential talent in the country which could have been otherwise lying latent due to lack of finances, this chapter seeks to review this Scheme with respect to its concept, objectives, implementation, access and the success achieved so far. The state of Delhi is taken as a sample in order to analyse the implementation and success of the Scheme. In this regard the duties and responsibilities of each of the stakeholders are explored with a direct reference of what remains to be done. In the end, the chapter concludes by an analysis of the success of the Scheme in respect of two fundamental aspects: efficiency and effectiveness. Certain recommendations are proposed for enabling the Scheme to be a greater success in the coming years.

2. The NMMS Scheme

The NMMS Scheme was designed by the Ministry of Human Resource and Development (MHRD) to give away one lakh scholarships to students in class VIII all over the country.

a. Objective

The objective of the Scheme is to reduce the dropout rates from classes IX to XII. The Scheme seeks to encourage and support the students from the weaker sections of the society by giving them financial support so that they are not compelled to leave their education due to non-availability of finances. The merit criterion is introduced so that the talented and meritorious students are able to get the scholarship. The need criterion is fixed with respect to annual income of parents so that only the most deserving students get the money.

b. Scholarship

The government proposed to give 1 lakh scholarships to the meritorious students whose parental income is not more than Rs. 1.5 lakhs per annum. The students are given an amount of Rs. 6,000 per year or Rs. 500 per month under the Scheme which is deposited directly into the bank account opened in the name of the student. The money is provided on a quarterly basis for a period of four years from class IX to class XII. Students studying in government schools, local body schools or government-aided schools are eligible for this Scheme.

c. Quota for States and Districts

Each state or union territory has a fixed quota of scholarships which is decided on the basis of enrollment in class VII and VIII and on population of the children in the concerned age group. This quota is fixed by the MHRD for all states. For fixing the scholarship to states/UTs, 2/3rd weightage is given to enrollment of students in classes VII and VIII and 1/3rd weightage is given to population of children of relative age group for classes VII and VIII. The quota for Delhi was fixed at 1,576 scholarships.

The state governments then set a district-wise quota within the state on similar lines. There is also a quota set for students belonging to different categories. For Delhi, there is 15% reservation for the students belonging to the Scheduled Castes, 7.5% for the students from the Scheduled Tribes and 3% reservation is for the physically challenged students.

d. Examination

The state governments conduct the examination for the Scheme. For Delhi, it is done by the Directorate of Education (DoE), Science Branch. The National Talent Search (NTS) examination already being conducted in every state is used for this Scheme. Only for the first

exam conducted in August 2008 was there a separate exam. The students are tested on the basis of:

- i. Mental Ability Test (MAT) that consists of 90 multiple-choice questions testing verbal and non-verbal meta-cognitive abilities like reasoning and critical thinking. The questions in the test may be on analogy, classification, numerical series, pattern perception, hidden figures etc.
- ii. Scholastic Aptitude Test (SAT) which consists of 90 multiple-choice questions covering subjects namely science, social studies and mathematics as taught in classes VII and VIII. The examination is conducted on the basis of the guidelines received from the NCERT.

e. Declaration of Results

For selecting the students the following conditions may apply:

- i. The students must pass both the tests i.e. MAT and SAT with at least 40% marks in each. For the reserved category, this cut off is 32% marks.
- ii. The parental income of the students should not be more than Rs. 1.5 lakhs per annum from all sources.
- iii. At the time of selection the candidate must have scored at least 55% marks or equivalent grade in class VIII examination. There is a 5% relaxation for SC/ST.
- iv. The awardees should satisfy the eligibilities and the conditions mentioned in the Scheme.

f. General Eligibility Conditions

An awardee is eligible for the scholarship on the following conditions:

- i. The awardee takes up studies in approved courses.
- ii. The awardee maintains good conduct as certified by the Head of the college/institution and continues his/her studies as a regular student in government/local body/government-aided school.
- iii. The awardee does not absent himself/ herself without proper leave.
- iv. The awardee takes up studies on a whole-time basis.
- v. The awardee does not take up any job.
- vi. The awardee has a minimum of 55% marks or equivalent

grade in class VII examination for appearing for selection test for award of scholarship (relaxable by 5% for SC/ST).

- vii No claim for scholarship arrears will be entertained after the expiry of 12 months of the academic session for which one has applied for the claim. In case any awardee leaves his/her course of study within one month of registration/admission no scholarship shall be paid to him/her.
- viii In case an awardee is not able to appear at the annual examination due to serious illness, the awardee should send the medical certificate through the Head of the institution within three months of one's falling ill. The duration of illness should be clearly certified by a specialist, who should be a registered medical practitioner. The facility will be available to the awardee to continue the same course in which she is studying provided the Principal or the Head of the institution certifies that the overall performance of the awardee during the year is 50% or above.
- ix The awardee must join the next class/desired course within 3 months of the declaration of the result of the previous class/course.
- x Scholarship shall be deemed to be discontinued if a gap of one academic session ensues in studies at any time due to any reason.

Eligibility and Other Conditions for Starting and Continuing of Scholarship at Secondary and Higher Secondary Stage

- i. The awardees should get clear promotion from class VIII to class IX for being eligible for the scholarship.
- ii. For continuing the scholarship in classes X and XII the awardees should get clear promotion from class IX to class X and from class XI to class XII in the first attempt with 55% marks (relaxable by 5% for SC/ST).
- iii. The awardees must obtain a minimum of 60% marks in class X examination or equivalent examination (relaxable by 5% for SC/ST) for continuation of the scholarship at higher secondary stage.
- iv. In case an institution does not conduct an examination at the end of class IX and/or class XI, the scholarship for the second year will be continued on the submission of a certificate to this effect from the Head of the institution.

3. The Problems

a. Low Pass Percentage

The low pass percentage of students poses a larger question on the quality of education in government schools and the relevance of school examinations. It was admitted by the officers in the DoE that because of higher standards of education in public schools, the students from those schools were able to corner all the places in the National Talent Search Examination and hence NMMS Scheme was specifically designed only for the government schools to help the actual needy and meritorious students. But even in this exam only about 40% scholarships were given out because the students were unable to pass. This percentage dropped to 13.6% in the second exam. This poses a serious question as to why the students of government schools who score 80-90% marks in the X class board examinations are not able to get even 40% marks to pass the scholarship test. The sample paper obtained from the DoE shows that the paper consists of 90 multiple-choice questions of MAT and SAT each and minimum of 72 in total have to be answered correctly to pass the examination.

b. Lack of Awareness

A major problem observed among the students was lack of awareness of the NMMS Scheme. Even the students who have passed the examination did not know exactly how they are going to receive the money. They have opened the bank account but they do not know its purpose. The students do not know the details of the Scheme and the minimum percentage of marks they would have to get in class IX in order to avail the scholarship next year. Some of the students were not aware about the kind of exam before appearing for it. The DoE claims to have given an information brochure with the sample paper to every applicant. But the responses collected from the students reveal that no such information was provided. Whether it is because of carelessness on the part of the DoE or of the schools is not known. Since very few schools and students had applied for the Scheme, it can be attributed to inadequate publicity and awareness about the Scheme. Most of the teachers in government schools are not even aware of such a Scheme. Consequently there is lack of motivation in the students to work.

According to the figures shared by an officer in the DoE, Science Branch, out of the Rs. 35 lakhs sanctioned by the Delhi Government for this Scheme, Rs. 1.5 lakhs was spent on information and publicity. But the publicity done by the department, which was only through

the newspaper and the public circular on the department website, does not reflect that the money was well spent. No amount was spent on television advertising or on involving NGOs or voluntary groups in creating awareness.

c. Delay in Processes

There is a delay at every step in the work done by the DoE, Science Branch. Declaration of results takes more than six months and the actual transfer of money takes place almost a year after the exam. The results for the August 2008 exam were declared in December 2008 and those of the November 2008 exam were declared in June 2009. The Science Branch puts the blame on the resource centers of the DoE for the delay in data availability to set the district-wise quota. Not only the results, the final list with the bank account numbers of the students was sent to the bank only in May 2009 and hence the delay in the transferring the money. According to an officer in the MHRD the states are given timelines for each of the things but they do not adhere to them.

d. Student's Grievances

The students can only apply through the schools. According to an officer in the Science Branch, students can directly come to the branch to take the application form which is then verified and signed by the Principal. But according to the information brochure circulated by the branch the DoE does not entertain any individual applications.

Another problem observed was that the students who did not receive the money even six months after the declaration of results did not know whom to contact. They cannot personally correspond with the DoE or the nodal officer of the bank to question the delay. The schools are also not interested or sometimes they do not have the time to find out the status of money transfer. There is no timeframe given to the student or to the school within which the money would be credited to the student's account.

e. Bank Account

Bank account details could not be furnished immediately as the students did not have a bank account. It was difficult to open a bank account because of problems of guarantee, residence proof etc. Not all schools were cooperative enough to open the student's account. In some cases the account number submitted was found to be in somebody else's name. Also, because of clerical errors, there were problems in accessing the account. The problems in opening the bank accounts has already

been resolved to a great extent since from this year it has been made compulsory for all the schools to open the bank accounts of all the students in the beginning of the year.

f. No Monitoring and Impact Assessment

There is no monitoring done by the DoE to check how the student has been performing after receiving the scholarship. The Scheme document says that the student will not receive the scholarship if he leaves the school after a month. But there is no machinery in place by the DoE to monitor this. The attendance as well as the academic performance of the students is not monitored. There is also no impact assessment done by the DoE or by the MHRD to assess the success of the Scheme on its potential impact on the dropout rates, enrollment rate and annual results. In the absence of any impact assessment it is difficult to devise mechanisms to improvise the Scheme.

g. Computerization of Records

The DoE, Science Branch is highly understaffed and under-equipped. For this particular exam of NTS and NMMS, only five people are working in the Branch. The Nodal officer of the Delhi state was transferred in February 2009 and his post has been lying vacant since then. The interesting part is that the MHRD is unaware of this. Within the branch there are more than 60 posts which are lying vacant. All the records are not computerized. The Science Branch does not have its own website and hence many things which should be in the public domain are not there. It uses the website of DoE to put the public circulars and the results for the Scheme.

4. Recommendations

a. Examinations

The NTS examination used for NMMS is considered too tough for a Scheme whose prime objective is not 'talent search'. This is one of the reasons cited for low success rate of the students. Hence a reform in the examination system is required. These could be:

- i. Conducting a separate, relatively simpler exam, especially for the NMMS.
- ii. Decreasing the cut-off percentage for success in exams.
- iii. Selecting students on the basis of merit without taking into consideration the qualifying marks to exhaust scholarship quota.

- iv. If no change can be brought about in the examination system, provisions can be made for special coaching/training for the exam.

b. Information and Publicity

In conversation with the officer in-charge in the MHRD it was found that some of the smaller states like Goa, Mizoram and Arunachal Pradesh have been able to realize their full quota of scholarships. This has been made possible because of increased awareness among the students, parents and schools. The Scheme has been well-publicized by the print media, on television and on websites.

Hence it is required that greater emphasis is laid on spreading information about the Scheme. Greater publicity should be done by involving the television media. Posters/information brochures must be put up in every government school for information to the students and teachers. Officers from the Science Branch or people from the NGOs could go to the schools to spread awareness and motivating students for such kind of exams. Students should also be informed and educated about the process of managing their bank accounts.

c. Grievance Redressal

In the DoE, Science Branch, there must be a person responsible for entertaining the grievances of the students, parents and schools. The students must be given his contact number in case of any problems regarding examinations, results, delays in money transfer and the like. This person in co-ordination with the MHRD and the bank should redress the students' grievances by contacting the concerned person. There could also be online feedback/complaints form and online doubts resolving system for convenience of the students and schools. Through this suggestions can be invited from schools for better implementation of the Scheme.

In addition it would be a good idea to give a confirmation letter to the students who have passed the examination which will also be an instruction to the bank to open the account for the student. This government letter will also serve as a guarantee in the hands of the beneficiary showing that she is entitled to get this amount from the government.

d. Strengthening the Directorate of Education, Science Branch

As witnessed during the course of study and in conversation with the officers in the Science Branch it was found that there was a need to

strengthen the Science Branch and make it more responsible. Greater emphasis must be laid on increasing the qualified manpower and computerization of records. Hardly any staff in the Science Branch is adept to working on a computer. The Branch needs to be given greater responsibility as far the implementation of the Scheme is concerned and must be held responsible in case of any delays/lapses/problems. Right now it functions as a body only responsible for conducting the examinations and nothing more. It does not care to ensure that the money is delivered to the students or to find out the reasons for the delay. As mentioned earlier the Science Branch does not have a website of its own where the details of the organization, responsibilities of officials, information about its workings, budgets, expenditures, etc. can be seen. Hence the working is mostly non-transparent.

If the Science Branch is incapable of taking on this responsibility, creation of an independent body is highly recommended which will be completely responsible for the implementation of the Scheme in the state. The body must be transparent in its procedures and must be held responsible for any delays or problems in the implementation at any stage. The body should also be given responsibility to monitor and review the attendance and academic record of the beneficiary in order to assess the motivation provided by the Scheme, at least in the initial years.

e. Fixing the Timelines

It is a must that the MHRD gives fixed dates to the states for the issue of application forms, conducting examinations, declaration of results and transfer of money. All the dates except for the one decided for the transfer of money can be fixed by the implementing body. But all these dates must be made public before commencement of the Scheme for that academic year. These timelines will increase accountability of the DoE, Science Branch and also the bank to the students and schools who could then complain/question any delay beyond the fixed date to the grievance redresser. These timelines will also enable the MHRD to warn/penalize the state against non-efficiency in service delivery. The implementing agencies must be strictly advised to adhere to the timelines.

f. Incentivising Successful States and Schools

MHRD is advised to incentivise good performing states by way of rewards to the states where the entire quota of scholarship is realized and which have been able to adhere to the timelines. This system will encourage implementing bodies in the state to work more efficiently and diligently.

The same can be done by the DoE for the government schools in the state. The school from which the maximum numbers of students are able to qualify signifies better educational quality of the school and greater efficiency in carrying out their duties. Hence schools like these must be rewarded by the state government.

g. Impact Assessment

Any policy or scheme is successful only if it achieves the desired objectives. In the absence of any impact assessment of the schemes it is hard to identify how far the scheme has been successful in realizing its multiple goals. It is highly recommendable that there must be a provision for assessing the impact of the scheme, for example, the change in the drop-out rates and the change in the success rate in the Board examinations. These will be good indicators of motivation provided by the scheme. The impact assessment must be done every year in order to continuously improvise the scheme.

5. Conclusion

It will be not wrong say that the Scheme is an excellent one and has great potential to reduce the drop-out rates at the secondary level but only if it is implemented in a more professional way. First and the foremost, one needs to identify the baseline scenario, the problems with the existing implementation mechanism and most importantly problem of quality of school education. Serious reforms are needed to realize the desired outcomes. Quality of school education is a larger question which is not only relevant for this Scheme but is relevant to the education system as a whole. In this regard an impact assessment of each of such schemes is highly recommended. For better functioning of the system, fixing up of timelines is most important, and states must be strictly advised to stick to them. In addition, reforms in the examination system are a must in order to achieve the desired targets. The study has also brought to the forefront the inadequacy in performance of the implementing body that is the DoE, Science Branch. The MHRD and the DoE can shy away by saying that this is 'just a beginning, the first year of the Scheme'. But it should be realized that things will not improve even next year if no changes are brought about in the system. The review of the Scheme which is supposed to happen in 2010 must keep in mind the aforesaid recommendations and devise mechanisms to ensure better service delivery. The two critical criteria on which the Scheme was reviewed in this chapter (as mentioned in the beginning) were efficiency and effectiveness. For the first, it can be concluded that there is still long way to go for efficient system to be in

place, given the way work is done by the DoE and the schools. As for effectiveness nothing much can be deciphered as the beneficiaries have got the money only in June 2009 and more time is needed to evaluate their performance and behavioral changes. As mentioned earlier the very low pass percentage of the students is a matter of concern which raises questions on the education system in the state and if not taken care of, will reduce all chances for the success of this Scheme.

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Means-cum-merit scholarship far behind target

May 25, 2009 13:12 IST



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The centrally-sponsored National Means-cum-Merit scheme, which aims at providing scholarship to 100,000 school students annually, has failed to achieve the target in the first year of its implementation.

Only 33,000 students have so far benefited under the scheme, started last year.

The scheme envisages giving scholarship to 100,000 students whose parental income is less than Rs 1,50,000 per annum.

Students above class-IX are entitled for this scholarship and are selected through tests conducted by states and union territories with each having fixed number of seats for scholarships.

"We implemented the scheme in 2008-09 academic year. The government deposited a corpus of Rs 750 crore (Rs 7.5 billion) with State Bank of India [[Get Quote](#)], which has opened accounts in the name of the 33,000 eligible students," a senior HRD ministry official told PTI.

The SBI deposited Rs 9 crore (Rs 9 million) this year in the bank accounts of these

New scholarship scheme to arrest dropout rate

February 28, 2007 15:41 IST



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To arrest the high dropout rate, government proposes to introduce a new National Means-cum-Merit Scholarship Scheme which will encourage students to continue their education beyond class VIII.

Presenting the Union Budget for 2007-08 in the Lok Sabha on Wednesday, Finance Minister P Chidambaram [[Images](#)] said under the new scheme, eligible students studying in classes IX to XII would be given Rs 6,000 per year.

Besides, 100,000 scholarships would be awarded every year, he said.

To fund this programme, a corpus fund of Rs 750 crore (Rs 7.5 billion) would be created this year and a like amount would be added to the fund every year over the next three years, Chidambaram said.

He said a sum of Rs 750 crore would be placed with the State Bank of India [[Get Quote](#)] and the yield from the fund would be used for awarding the scholarship.

He said while the Sarva Shiksha Abhiyan improved the enrolment ratio in schools to 96 per cent, the drop out ratio continued to be high.

The government also proposed to increase the allocation for school education by about 35 per cent, he said.