In 1937 Deendayalji passed the Intermediate Board Examination with distinction in every subject, thus again setting a new record. Till that time no student of Birla College had secured such high marks. Pleased with the young student's memorable achievement Shri Ghanshyam Das Birla presented Deendayal with a Gold Medal. The Intermediate Board also gave him another.

When Shri Birla asked Deendayalji, "What present would you like to have?" Deendayalji gave the same reply he had given to Maharaja of Sikar – "Your blessings".

"That of course you have, but what else would you like to have?" Shri Birla asked. "I do not want anything else," Deendayalji replied.

Asked about his High School studies, Deendayalji told him that in the school final examination also he had stood first and that the Maharaja of Sikar had given him Rs. 250 as a prize and a monthly scholarship of Rs. 10. On this Shri Birla said, "I shall also give you a gold medal, a monthly scholarship of Rs. 10 and an amount of Rs. 250."

As a matter of fact Shri Birla wished to give him something more. He offered Deendayalji a good job, which the latter politely declined, saying he wished to complete his studies. Shri Birla said, "Well, there will always be a place for you here". As it happened, no occasion ever came for Deendayalji to ask the Birlas for a job.

After completing his studies at Pilani, Deendayalji went to Kanpur for B.A. and joined the Sanatan Dharma College. He stayed at the college hostel and one of his intimate friends during this period was Shri Sunder Singh Bhandari, now the General Secretary of the Jana Sangh. Another close friend was Shri Balwant Mahashabde, at whose instance he joined the Rashtriya Swayamsewak Sangh in 1937. Gradually Deendayalji's interest in R.S.S. activities grew and he started devoting time to R.S.S. work along with his studies. In 1939 he took his B.A. in the first division.

From Kanpur Deendayalji went to Agra to do his M.A. and joined the English Literature Course. By this time Shri Nanaji Deshmukh and Shri Bhau Jugade had reached Agra to begin R.S.S. work there. Deendayalji joined forces with them. But even while engaged in R.S.S. work he passed the M.A. previous examination with first class marks.