

Income Limit for Scholarships

Mains: GS II – Welfare Schemes for Vulnerable Sections of the population by the Centre and States and the Performance of these Schemes

Why in News?

Recently, union government is considering to revise the parental income limit for eligibility in availing post and pre-matric scholarships administered to students from marginalised castes and tribes.

What are pre and post matric scholarships?

- **Scholarship** – It refers to financial aid awarded to students to support their education, typically based on merit, need, or a combination of both.
- **Scheme** – These scholarships are centrally sponsored scheme
- **Funding ratio** – The Union and State governments in a 60:40 ratio (90:10 for the Northeastern states).
- **Aim** – To provide financial assistance to students from marginalised communities to support their education.
- **Concerned ministry – The scholarships are dealt by**
 - **Ministry of tribal affairs** – For (scheduled tribe) ST students.
 - **Ministry of social justice** – Scheduled Castes (SCs), Other Backward Castes (OBCs), and Denotified Tribes (DNTs).
- **Pre-Matric Scholarships** – Students of Classes IX and X.
 - For SCs, they are available from Classes I to X for children of parents engaged in “unclean or hazardous” occupations.
- **Post-Matric Scholarships** – Students of Class beyond X.
- **Current Eligibility** – The annual parental income must not exceed Rs. 2.5 lakhs.

What is the proposed revision to income limit?

- **For ST scholarship** – The Ministry of Tribal Affairs is looking to raise parental income limit to ₹4.5 lakh for post and pre-matric ST scholarships.
- **For others** – The social Justice Ministry is discussing revising the limits for post and pre-matric scholarships for Scheduled Castes (SCs), Other Backward Castes (OBCs), and Denotified Tribes (DNTs).
- In addition, discussions are also on to raise the parental income limit of college and school scholarships for OBCs, and DNTs.

What are the budgetary allocations?

- **For ST students** – Scholarship schemes for ST students accounted for about 18.6% of the department's ₹14,925.81 crore allocation for FY 2025-26.
- **For others** – Scholarships for SCs, OBCs, EBCs, and DNTs account for 66.7% of the Social Justice Ministry's Rs. 13,611 crore budgets.

What are current scenarios in availing scholarships?

- **Declining beneficiaries** – The number of beneficiaries for post and pre-matric scholarships across socio-economic groups has been falling according to government data tabled in parliament.
- From 2020-21 to 2024-25, there was a 30.63% drop in the number of beneficiaries for pre-matric scholarships for SCs.
- In the same time period, beneficiaries for SC post-matric scholarships dropped by 4.22%.
- Pre-matric scholarships for OBCs, EBCs, and DNTs, the beneficiaries dropped from 58.62 lakh in 2021-22 to a little over 20.25 lakh in 2023-24.
- A similar drop was seen in post-matric scholarships for these sections in the same time period, reducing from 43.34 lakh beneficiaries to 38.42 lakh.
- For STs, there was a drop of 4.63 lakh beneficiaries in this time period for pre matric scholarships, and a drop of 3.52 lakh beneficiaries for post-matric scholarships.

What are the recommendations from Parliamentary Committees?

- **OBC Welfare Committee** – Asked the government to double the income limit for beneficiaries of pre and post-matric scholarships for OBCs.
- It has asked for suitable rise in the income limits for beneficiaries of top-class scholarships for school and college education.
- Recommended expanding pre-matric scholarships to OBCs to start from Class V.
- **Panel on Tribal Affairs and Social Justice** – Recommended revising parental income limits for ST scholarships.
- Emphasised that current limits exclude many families in need.
- Both committees stressed that scholarships are vital tools for social mobility, and overly restrictive criteria undermine their purpose.

Reference

[The Hindu| Income limit for scholarships](#)