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

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