

# Scholarship Reforms

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## Scholarship Reforms : Revisiting Income Limits for Marginalised Communities

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### Context

The Union Government is considering **revising the parental income limit** for eligibility under **pre-matric and post-matric scholarship schemes**. These scholarships aim to provide financial assistance to students from **marginalised castes and tribes**, but the current income ceiling has been criticised as outdated, excluding many families in genuine need.

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### Introduction

Scholarships are an essential tool for promoting **educational access and equity**. The centrally sponsored **pre-matric and post-matric scholarship schemes** are jointly funded by the Union and State governments and are administered by the **Ministry of Tribal Affairs** for Scheduled Tribes (STs) and the **Ministry of Social Justice** for Scheduled Castes (SCs), Other Backward Classes (OBCs), and Denotified Tribes (DNTs). These scholarships support lakhs of students, but recent data shows a **decline in beneficiaries**, highlighting the need for reforms such as revision of **income ceilings**.

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### Pre and Post-Matric Scholarships

- **Scholarship** refers to financial aid provided to students to support education, based on **merit, need, or both**.
- **Scheme** - Centrally sponsored scheme with a **60:40 Union-State funding ratio** (90:10 for Northeastern states).
- **Aim** - To provide financial assistance to marginalised communities.
- **Concerned ministries** -

- **Ministry of Tribal Affairs** for ST students.
- **Ministry of Social Justice** for SCs, OBCs, and DNTs.

Pre-Matric Scholarships:

- For **Classes IX and X**.
- For SCs, available from **Classes I to X** for children of parents engaged in **unclean or hazardous occupations**.

Post-Matric Scholarships:

- For students **beyond Class X**.

Current Eligibility:

- Parental annual income must not exceed **₹2.5 lakh**.

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### **Proposed Revision to Income Limit**

- For ST scholarships - The Ministry of Tribal Affairs is considering raising the income limit to **₹4.5 lakh**.
- For SCs, OBCs, and DNTs - The Ministry of Social Justice is reviewing income ceilings for both pre and post-matric scholarships.
- Proposals are also being discussed to raise income limits for **school and college scholarships** for OBCs and DNTs.

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### **Budgetary Allocations**

- For STs - Scholarships account for **18.6%** of the Department's **₹14,925.81 crore** allocation for FY 2025-26.
- For SCs, OBCs, EBCs, and DNTs - Scholarships make up **66.7%** of the Ministry of Social

Justice's ₹13,611 crore budget.

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## Current Scenario in Availing Scholarships

- Overall, a **decline in beneficiaries** is observed across groups.
  - For SC pre-matric scholarships - Beneficiaries fell by **30.63%** between 2020-21 and 2024-25.
  - For SC post-matric scholarships - Decline of **4.22%** in the same period.
  - For OBCs, EBCs, and DNTs - Pre-matric scholarships declined from **58.62 lakh (2021-22)** to **20.25 lakh (2023-24)**.
  - For OBCs, EBCs, and DNTs - Post-matric scholarships reduced from **43.34 lakh to 38.42 lakh**.
  - For STs - A drop of **4.63 lakh beneficiaries** in pre-matric and **3.52 lakh** in post-matric scholarships.
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## Recommendations from Parliamentary Committees

- **OBC Welfare Committee -**
  - Recommended **doubling the income limit** for OBC scholarships.
  - Suggested expanding pre-matric scholarships for OBCs to start from **Class V**.
  - Called for revisions in income limits for **top-class scholarships**.
- **Committee on Tribal Affairs and Social Justice -**
  - Recommended revising **income limits for ST scholarships**.
  - Noted that existing ceilings **exclude many deserving families**.

Both committees stressed that scholarships are **critical for social mobility**, and restrictive income limits defeat their purpose.

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## Conclusion

Scholarships are a **key mechanism for promoting educational equity** among marginalised communities. However, the **falling number of beneficiaries** and the **outdated income ceiling of ₹2.5 lakh** highlight the urgent need for revision. Raising the parental income limits, as recommended by parliamentary committees, would make these schemes **more inclusive** and ensure that financial assistance reaches a **larger number of deserving students**.



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