



# Petition to implement 'Creamy Layer' in SC/ST Reservation - Supreme Court Notice

24.08.2025

## Introduction:-

- Recently, the Supreme Court has issued a notice to the Central Government on a petition demanding the implementation of 'Creamy Layer' to ensure equitable distribution of reservation benefits among Scheduled Caste (SC) and Scheduled Tribe (ST) communities.
- This petition has been filed by Rama Shankar Prajapati.
- The petitioner argues that due to the current reservation policy, the already economically and socially advantaged class is getting more benefits, while the most marginalized sections are still trapped in the cycle of poverty and social backwardness.

## Main Arguments in the Petition

### 1. Unequal Benefit Distribution:

- ⊗ The current policy is repeatedly benefiting a small but economically affluent and socially influential section of the SC/ST communities.
- ⊗ The poor and marginalized are deprived of the intended benefits.

### 2. Need to Include Economic Criteria:

- ⊗ The petitioner has suggested that economic criteria should be included in reservation.
- ⊗ Its purpose is to ensure a more equitable distribution of benefits among all members of the SC/ST community.

### 3. Two-Tier Reservation System:

- ⊗ Priority should be given to economically weaker SC/ST persons.
- ⊗ After that the relatively affluent class should get the benefit.
- ⊗ This system will not reduce the percentage of reservation, but it will be made effective.

## Supreme Court's Observation and Proceedings

<b>1. Hearing Bench:</b> <ul style="list-style-type: none"><li>⊗ Justice Aniruddha Suryakant</li><li>⊗ Justice Joymalya Bagchi</li></ul>	<b>2. Court's Remarks:</b> <ul style="list-style-type: none"><li>⊗ This issue is related to the State's Ability to assess and implement the economic capability of the communities.</li><li>⊗ The matter needs to be carefully considered keeping in mind various perspectives and social sensitivity.</li></ul>	<b>3. Next Hearing of the case:</b> <ul style="list-style-type: none"><li>⊗ The case is listed for 10 October 2025.</li></ul>
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## Social and Legal Significance

### 1. Equal Opportunities among SC/ST communities:

- ⊗ In the current policy, the distribution of benefits is more in favor of the economically strong class.
- ⊗ With the implementation of the 'Creamy Layer' concept, the truly needy members will get priority.

## 2. Similar to OBC Reservation Structure:

- ⊛ The concept of Creamy Layer is already applicable in the OBC category.
- ⊛ This ensures that reservation benefits are limited only to the economically weaker sections.

## 3. Social Justice and Policy Reform:

- ⊛ This reform will strengthen social justice.
- ⊛ Access to opportunities for poor SC/ST members in education, employment and government schemes will increase.

## Possible Challenges and Criticisms

### 1. Accuracy of Economic Criteria:

- ⊛ Assessment of economic status can be difficult and controversial.
- ⊛ Appropriate criteria are required to measure assets, income and social influence.

### 2. Political Sensitivity:

- ⊛ There may be discontent or opposition to this change among SC/ST communities.
- ⊛ Maintaining a balance of interests of different social groups is challenging.

### 3. Administrative Implementation:

- ⊛ Central and state governments need a robust data collection system to identify economically weaker SC/ST members.
- ⊛ Requires time, resources and training to implement.

## SC/ST Reservation and 'Creamy Layer': Constitutional Background and Key Issues

### Constitutional Background and Prior Judgments

#### 1. Punjab State vs. Davinder Singh

- ⊛ This case came before a seven-judge Constitution Bench.
- ⊛ This judgment stated that criteria can be set to identify the 'creamy layer' within the SC/ST communities and exclude them from reservation benefits.

#### 2. Justice B.R. Gavai's observation

- ⊛ According to him, the purpose of reservation is to provide real equality.
- This goal will be achieved only by excluding the already benefited and affluent class in the SC/ST communities.

### Key Issues Raised in the Petition

#### 1. Inter-Community Economic Stratification:

- ⊛ Growing gap between economically affluent and poor classes in SC/ST communities.

#### 2. Lack of Equal Opportunities:

- ⊛ Despite political representation, economic and educational benefits are limited to the privileged class.

#### 3. Misuse of Reservation:

- ⊛ Resource-rich groups are continuously taking advantage of reservation.
- ⊛ Due to this, poor and marginalized groups are deprived of the expected benefits.

#### 4. Towards a Caste-Free Society:

- ⊛ Petitioner's argument: Caste should not have any significance apart from constitutional provisions.
- ⊛ Reservation should be based on economic, social, and geographical criteria.

## OBC and Creamy Layer

⊗ Recent cases, such as the Pooja Khedkar case, alleged that candidates availed OBC non-creamy layer (NCL) certificates and disability certificates.

⊗ The case highlighted three key issues:

1. Definition and Effectiveness of Creamy Layer.
2. Centralization of Reservation Benefits – capture of opportunities by certain castes/sub-castes.
3. Transparency and Misuse in issuing Eligibility Certificates.

## Constitutional and Historical Basis of Reservation

### Constitutional Provisions

- 15(4) Special provision for the upliftment of socially and educationally backward classes.
- 16(4) Reservation in government jobs and appointments for backward classes.
- 46 Responsibility of the State: To specially promote the education and economic interests of the weaker sections.

### Current Central Reservation System

- SC (Scheduled Castes) 15%
- ST (Scheduled Tribes) 7.5%
- OBC (Other Backward Classes) 27%
- EWS (Economically Weaker Sections) 10%

Total: About 60% (above 50% limit after EWS reservation)

**Note:** The traditional rule of 50% cap in India applies in most cases, but this limit increases with EWS reservation.

### Recommendations of Mandal Commission (1980)

• In 1979, the then Prime Minister Morarji Desai constituted the Second Backward Classes Commission (Chairman: B.P. Mandal) to identify socially and educationally backward classes and suggest steps for them.

#### Main recommendations:

- 27% reservation for OBCs in central services and public sector jobs.
- Determination of social and educational backwardness with caste as the main criterion, but adding economic and educational indicators as subsidiary criteria.
- Exclusion of creamy layer—exclusion of economically advantaged sections of OBCs from reservation.
- Establishment of educational institutions and scholarships in backward areas.
- Establishment of special financial institutions for the economic upliftment of backward classes.

#### Implementation:

- In 1990, Prime Minister Vishwanath Pratap Singh introduced 27% OBC reservation.
- Amidst nationwide protests and support, the matter reached the Supreme Court.

## **'Creamy Layer' Concept: Origin and Criteria**

Indira Sawhney vs Union of India (1992)

- Supreme Court upheld 27% OBC reservation as constitutional.
- Maximum limit of reservation fixed at 50% (except in exceptional circumstances).
- Directed that economically advantaged ('creamy layer') section of OBCs be excluded, so that the genuinely underprivileged get the benefit.

## **Criteria (Ram Nandan Prasad Committee, 1993)**

- Annual income of parents (excluding salary and agricultural income) more than ₹8 lakh (in last 3 years).
- In government service:
  - ⊗ Either parent appointed as Group A/Class I officer.
  - ⊗ Both parents Group B/Class II officers.
  - ⊗ Father appointed in Group B and promoted to Group A before attaining the age of 40 years.
- Managerial post in PSU/Bank.

## **SC/ST and OBC Reservation Reforms: Key Guidelines and Suggestions**

### **A. Control on Misuse**

- Strict Punishment and Lifetime Ban:
  - ⊗ Strict legal action should be taken on misuse of reservation and fraudulent practices.
  - ⊗ Lifetime disqualification should be given to the culprits from reservation benefits.

### **B. Sub-Categorization of Reservation**

- Internal stratification should be implemented in OBC, SC, and ST, such as:
  - ⊗ 'Most Backward'
  - ⊗ 'Less Backward'
- Priority should be given to underrepresented communities.

### **C. Limited 'Creamy Layer' exclusion in SC/ST**

- Consideration of excluding children of at least Group A officers from reservation benefits.
- Economically and Socially Affluent SC/ST members should be kept out of the quota.

### **D. Filling Vacancies**

- Timely Recruitment: All reserved posts should be filled on time.
- Unutilized Reserved Seats should be carried forward to the next year.