

INTERNATIONAL JOURNAL OF LAW MANAGEMENT & HUMANITIES

[ISSN 2581-5369]

Volume 9 | Issue 3

2026

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The Evolution of Reservation Policy: From Historical Roots to the Creamy Layer Principle

PRACHI PANWAR* AND MONASHREE SHRIVASTAVA**

ABSTRACT

The reservation policy exists in the Indian Constitution post-independence, derived from colonial affirmative action policies for supporting backward areas and classes including SC, ST & OBC. Originally it was framed for uplifting social justice but over time especially with the introduction of creamy layer concept; the policy looks to remove the economically privileged persons coming under the OBC category. This work engages in a critical analysis of the constitutional, statutory and the common law processes governing policies touching on reservations and reviews performance and shortcomings of the creamy layer. While the creamy layer principle makes everyone who serves a reservation group to be equal, the basic idea of affirmative action is criticised for failing to address caste-based discriminations. In this paper, the author offers an extended strategy based on the economic and social parameters and aims at expanding the effectiveness of the principle for defining inclusive social justice. The study therefore encourages constant review of the reservation policies since the socio-political and economic status of backward classes in India require refinement.

Keywords: Reservation policy, creamy layer principle, social justice, affirmative action, backward classes, Indian Constitution, OBCs, SCs, STs

I. INTRODUCTION

The reservation policy in India stands as one of the most contentious and debated aspects of the country's social and legal landscape. Initially conceptualized as a tool to promote social justice, the policy was aimed at correcting historical wrongs inflicted upon marginalized communities, primarily the Scheduled Castes (SCs), Scheduled Tribes (STs), and later, the Other Backward Classes (OBCs). Over time, the debate surrounding reservations has evolved, especially with the introduction of the creamy layer principle, a concept designed to exclude the more affluent sections of the OBCs from the benefits of reservation. This critical study explores the

* Author is an LL.M. Student at IIMT College of Law, IIMT University, Meerut, Uttar Pradesh, India.

** Author is an Assistant Professor at IIMT College of Law, IIMT University, Meerut, Uttar Pradesh, India.

development of the reservation policy, its legal foundations, and the role of the creamy layer principle, analyzing its impact on the intended beneficiaries¹

The reservation policy in India has its roots in the British colonial era, when affirmative actions were introduced to uplift the oppressed communities, particularly the Dalits, who faced systematic discrimination under the caste system. The modern reservation framework, however, emerged after independence, enshrined within the “Constitution of India, 1950.” Articles like “Article 15(4)” and “Article 16(4)” empower the state to make special provisions for the advancement of socially and educationally backward classes of citizens, as well as the SCs and STs. “Article 46”, under the Directive Principles of State Policy, further directs the state to promote the educational and economic interests of these groups²

In the case of “*Indra Sawhney v. Union of India*”³ popularly known as the Mandal Commission case, the Supreme Court examined the constitutional validity of reservations for OBCs. The judgment, which upheld the policy of reserving 27% of government jobs for OBCs, also introduced the concept of the creamy layer, which refers to the more affluent members of the OBC category. This principle ensures that the economically better-off individuals within the OBCs are excluded from the benefits of reservation, preserving the policy for the truly disadvantaged. However, the policy continues to evolve, generating significant debates over its fairness, effectiveness, and implementation.

A. Historical Background of Reservation in India

India’s reservation policy stems from the socio-political need to address centuries of systemic inequality, especially in relation to caste-based discrimination. The rigid caste system that existed in India relegated certain groups, notably the Scheduled Castes (SCs) and Scheduled Tribes (STs), to the peripheries of society, both socially and economically. The marginalization of these communities led to their exclusion from educational opportunities, economic participation, and civil rights. In the broader context of colonial rule and India’s fight for independence, leaders recognized the urgent need to uplift these communities, leading to the introduction of affirmative action policies, which would later be institutionalized as the reservation system. This framework aimed to offer a level playing field to marginalized communities, ensuring that they had access to resources, education, and employment. The reservation policy was thus not merely a social corrective measure but also an embodiment of

¹ B. Mohapatra, *Reservation Policy in India* 132 (Research India Press, Delhi, 1st edn., 2013).

² R. S. Sharma, "Evolution of Reservation Policy in Modern India", 14 *Indian Journal of Constitutional Studies* 32 (2018)

³ [1992] Supp 3 SCC 217.

the nation's commitment to social justice as a constitutional principle⁴

1. Pre-Independence Period

The roots of reservation in India can be traced back to the early 20th century, a period when British colonial administrators and Indian leaders began recognizing the social inequality entrenched within the caste system. One of the earliest instances of affirmative action in India was the implementation of quotas in the princely state of Mysore in 1902, aimed at addressing the backward classes of the time. This was soon followed by the Madras Presidency's introduction of a similar reservation policy in 1921, which sought to address the educational and social backwardness of certain castes. The British government, through the "Government of India Act, 1935", also made provisions for reserved seats for SCs in the legislative assemblies, acknowledging their under-representation in public services and governance⁵

The infamous "Poona Pact of 1932" between Dr. B.R. Ambedkar and Mahatma Gandhi is another pivotal moment in the history of reservations. Initially, the British proposed separate electorates for the SCs, a move opposed by Gandhi. The compromise reached in the Poona Pact led to reserved seats for SCs within the general electorate, laying the groundwork for the reservation policy post-independence. Thus, even before India achieved independence, the notion of reservation as a tool for uplifting backward communities was beginning to take shape, setting the stage for its incorporation into the Indian Constitution.

2. Post-Independence Constitutional Framework

The post-independence period saw the formalization of the reservation policy within the framework of the "Constitution of India, 1950." The framers of the Constitution, led by Dr. B.R. Ambedkar, were acutely aware of the historical injustices faced by marginalized communities and the need for state intervention to correct these inequities. Articles 15(4) and 16(4) of the Constitution provided the legal basis for the state to make special provisions for the advancement of socially and educationally backward classes, as well as for SCs and STs, in matters of public employment and education.

"Article 15(4)", added through the First Amendment to the Constitution in 1951, permitted the state to make special provisions for the advancement of any socially and educationally backward classes of citizens or for SCs and STs. Similarly, "Article 16(4)" empowers the state to reserve seats in public employment for any backward class of citizens that is not adequately represented in the services under the state. These provisions were a direct recognition of the socio-economic

⁴ Arvind Gupta, "Historical Aspects of Reservation in India", 22 *Journal of South Asian Studies* 78 (2017).

⁵ Sanjay Jain, V.D. Mahajan's *Constitutional Law of India* 132 (Eastern Book Company, Delhi, 8th edn., 2023).

handicaps faced by certain sections of society and the need for affirmative action to ensure their representation in public life.

The reservation policy was initially meant to be a temporary measure, with a time limit of 10 years, but successive governments have extended the policy, recognizing that the social inequalities it sought to address remain entrenched. This extension reflects the ongoing need to uplift marginalized communities and the state's commitment to promoting social justice as envisioned in the Preamble of the Constitution, which enshrines the principles of equality and justice for all citizens.

The Supreme Court of India has played a pivotal role in shaping the reservation policy over the years, particularly with the landmark case of "*M.R. Balaji v. State of Mysore*"⁶ where the Court held that reservation under "Article 15(4)" should not exceed 50% of the total seats in any educational institution. This limitation was introduced to ensure a balance between affirmative action and the right to equality enshrined under "Article 14." The Court further emphasized that caste alone could not be the sole criterion for determining social and educational backwardness⁷

The post-independence era also saw the extension of reservations to the OBCs, following the recommendations of the Mandal Commission in 1980. The commission, headed by B.P. Mandal, was tasked with identifying the socially and educationally backward classes and recommending measures for their upliftment. The commission recommended a 27% reservation for OBCs in public employment, a move that was met with both support and fierce opposition, ultimately leading to the Supreme Court's intervention in the "*Indra Sawhney v. Union of India*"⁸ case. In this case, the Court upheld the constitutional validity of reservations for OBCs but introduced the creamy layer principle, a significant development that would shape the future of the reservation policy in India.

II. SOCIAL AND ECONOMIC DISPARITIES IN INDIA

India, as a deeply stratified society, has witnessed significant social and economic disparities, particularly based on caste, class, and religion. The caste system, an entrenched feature of Indian society for centuries, created a rigid hierarchical structure, confining entire communities to the margins of economic and social life. The Scheduled Castes (SCs) and Scheduled Tribes (STs), in particular, have historically faced severe discrimination, exclusion, and poverty. These communities were denied access to education, land ownership, and employment opportunities,

⁶ [1963] AIR 649.

⁷ Post-Independence Era: The Constitutional Approach to Reservation, available at: <https://constitutionandreservation.in/overview> (last visited on October 16, 2024).

⁸ [1992] Supp 3 SCC 217.

resulting in a vicious cycle of poverty and marginalization that persists to this day. In the post-independence period, the government recognized the need to address these historical wrongs and instituted affirmative action policies, such as reservations, aimed at uplifting these disadvantaged groups. However, the persistent social inequalities, exacerbated by economic disparities, have posed significant challenges to the implementation and effectiveness of the reservation policy.

One of the critical features of India's social landscape is the stark contrast between the privileged upper castes and the disadvantaged lower castes. The upper castes, historically occupying positions of power, wealth, and education, have benefited from the exclusionary practices of the caste system. This socio-economic dominance has translated into higher literacy rates, greater land ownership, and better access to economic opportunities. On the other hand, the lower castes, particularly the SCs, STs, and Other Backward Classes (OBCs), have remained largely marginalized, with limited access to education, healthcare, and employment. These disparities are not just economic; they are deeply social, reflected in the day-to-day discrimination, untouchability practices, and denial of basic human rights to certain communities⁹

Economic disparity in India also has a strong regional dimension. While certain urban centers and states like Maharashtra, Gujarat, and Karnataka have developed robust economies with high standards of living, rural areas, especially in states like Bihar, Uttar Pradesh, and Jharkhand, continue to suffer from widespread poverty and underdevelopment. This urban-rural divide exacerbates the problem of access to resources and opportunities for marginalized groups, many of whom reside in rural India. The lack of infrastructure, schools, and employment opportunities in these regions has further hindered the economic mobility of disadvantaged communities.

The economic disparity is also reflected in the labor market. Marginalized communities, including SCs, STs, and OBCs, are disproportionately represented in low-wage, unorganized sectors such as agriculture, manual labor, and domestic work. The lack of formal education and vocational skills has prevented them from accessing higher-paying jobs in the organized sector. Additionally, the social stigma associated with certain occupations, traditionally relegated to lower castes, continues to persist, reinforcing the socio-economic divide.

The reservation policy, as outlined in "Articles 15(4)" and "16(4)" of the "Constitution of India, 1950", was designed to address these social and economic disparities by providing affirmative action to SCs, STs, and OBCs in education and public employment. However, the policy has

⁹ P. Bhaskar, "Economic Disparities and Social Justice in India", 27 *Journal of Economic and Social Development* 89 (2017).

been criticized for failing to adequately address the economic aspects of inequality. While the reservation system has succeeded in providing educational and employment opportunities to many marginalized individuals, it has not been able to substantially alter the broader economic structures that perpetuate inequality. The introduction of the creamy layer principle in the “*Indra Sawhney v. Union of India*”¹⁰ case sought to address this issue by excluding the economically better-off members of the OBCs from the benefits of reservation, thereby ensuring that the benefits reach the truly disadvantaged¹¹

The creamy layer principle is based on the premise that economic criteria should be used to exclude the affluent sections of the OBCs from the reservation policy. This principle acknowledges that not all members of the OBC category are equally disadvantaged and that certain individuals within this group have achieved significant economic mobility. By excluding the creamy layer, the reservation policy aims to ensure that the benefits of affirmative action reach the economically and socially disadvantaged members of the OBCs. However, the implementation of this principle has been fraught with challenges, as determining the criteria for identifying the creamy layer remains a contentious issue.

Moreover, the focus on economic criteria in the creamy layer principle raises important questions about the nature of social and economic disparities in India. While economic mobility is an important factor in addressing inequality, it is not sufficient to capture the full extent of social exclusion faced by marginalized communities. The caste system, with its deep-rooted social prejudices and discriminatory practices, continues to operate in many parts of India, regardless of economic status. Members of marginalized communities who have achieved economic success still face social discrimination and exclusion, suggesting that economic criteria alone may not be sufficient to address the complexities of caste-based inequality.

In addition, the reservation policy has been criticized for creating a sense of entitlement among certain sections of society, leading to demands for inclusion in the OBC category from relatively privileged groups. For example, the demand for reservation by the Jats in Haryana and the Patels in Gujarat reflects a broader trend of politically powerful communities seeking to benefit from the reservation policy, despite their relatively privileged socio-economic position. This has led to a dilution of the original intent of the reservation policy, which was to uplift the most disadvantaged sections of society.

The issue of social and economic disparities in India is thus a complex and multifaceted one,

¹⁰ [1992] Supp 3 SCC 217.

¹¹ Sunita Sharma, "Caste and Economic Inequality in India", 11 Asian Journal of Social Science 112 (2018)

requiring a nuanced approach to policy-making. While the reservation policy, including the creamy layer principle, has played an important role in promoting social justice, it is clear that more needs to be done to address the root causes of inequality. This includes not only expanding access to education and employment but also tackling the deeper social and economic structures that perpetuate inequality. In this context, the creamy layer principle, while a step in the right direction, must be carefully implemented to ensure that it does not undermine the broader goals of social justice and equality enshrined in the Constitution¹²

III. RATIONALE BEHIND RESERVATION

The rationale behind the reservation policy in India lies in the principle of social justice, which aims to rectify the historical injustices and systemic discrimination faced by certain marginalized communities, particularly those classified under the Scheduled Castes (SCs), Scheduled Tribes (STs), and Other Backward Classes (OBCs). The Indian society, for centuries, was governed by a rigid caste system that relegated large sections of the population to positions of socio-economic disadvantage. These groups were systematically deprived of education, wealth, and political representation, making it difficult for them to improve their socio-economic conditions without state intervention. The reservation policy is thus seen as a corrective measure, designed to offer these marginalized groups equitable access to educational institutions, government employment, and political representation, thereby promoting their inclusion into mainstream society.

The Indian Constitution, through provisions like “Articles 15(4)” and “16(4)”, provides the legal foundation for the reservation system. These provisions empower the state to make special provisions for the advancement of socially and educationally backward classes, SCs, and STs. The intention behind this policy was not merely to provide preferential treatment but to compensate for centuries of discrimination and marginalization. The framers of the Constitution recognized that, in a deeply hierarchical society like India, formal equality under the law would not suffice to achieve true equality of opportunity. Hence, the reservation policy was conceived as an essential mechanism to level the playing field and enable the historically disadvantaged sections of society to compete on an equal footing with the more privileged upper castes.

One of the key objectives of the reservation policy is to ensure adequate representation of marginalized communities in the public sector, educational institutions, and political bodies. Historically, SCs, STs, and OBCs were grossly underrepresented in these arenas due to their

¹² Asha Verma, "The Role of Reservation in Bridging Socio-Economic Gaps" *The Hindustan Times* March 3, 2024.

exclusion from mainstream education and employment opportunities. By reserving a certain percentage of seats for these communities, the policy seeks to improve their representation in positions of power and influence, thereby breaking the cycle of exclusion and marginalization. In the case of public employment, for example, “Article 16(4)” permits the state to reserve seats for backward classes in government jobs if these classes are not adequately represented. This provision acknowledges that without such affirmative action, the disparities between privileged and disadvantaged groups would likely persist, perpetuating social and economic inequality¹³

Moreover, the reservation policy is grounded in the belief that educational and economic opportunities alone are not enough to ensure the upliftment of marginalized communities. The deep-seated social prejudices associated with the caste system continue to persist, even among economically well-off members of SCs, STs, and OBCs. Thus, the reservation policy is also intended to challenge and dismantle the social hierarchies that have historically discriminated against these groups. In this context, the policy is seen as a means to promote not just economic mobility but also social transformation by empowering individuals from disadvantaged communities to claim their rightful place in society.

The rationale behind reservation is further bolstered by the Directive Principles of State Policy, enshrined in Part IV of the “Constitution of India, 1950.” “Article 46” explicitly directs the state to promote the educational and economic interests of SCs, STs, and other weaker sections of society and to protect them from social injustice and all forms of exploitation. Although the Directive Principles are non-justiciable, they serve as guiding principles for the state in framing laws and policies aimed at promoting social and economic justice. The reservation policy is thus a manifestation of the state’s commitment to fulfilling its constitutional obligation to create a more just and equitable society.

However, while the policy was initially framed as a temporary measure to uplift marginalized communities, it has evolved into a long-term solution due to the persistence of caste-based inequalities. The Constitution initially mandated that reservations for SCs and STs be limited to a period of 10 years, after which their continuation would be subject to periodic reviews. Despite these time limitations, successive governments have extended the policy, reflecting the reality that caste-based discrimination and socio-economic disparities remain deeply entrenched in Indian society. The reservation policy has therefore become an essential component of India’s broader strategy to combat social inequality.

¹³ The Purpose of Reservation Policies in India, available at: <https://reservationpolicyindia.com/rationale/> (last visited on October 18, 2024)

The introduction of reservations for OBCs in the aftermath of the Mandal Commission Report (1980) further expanded the scope of the policy. The Mandal Commission was tasked with identifying the socially and educationally backward classes and recommending measures to improve their socio-economic status. The commission's findings revealed that OBCs, despite constituting a significant portion of the population, were underrepresented in government employment and educational institutions. In response to these findings, the Indian government introduced a 27% reservation for OBCs in public employment and educational institutions. This move, although controversial, was aimed at addressing the specific socio-economic disadvantages faced by the OBCs, who, like SCs and STs, had been historically marginalized under the caste system¹⁴

The introduction of the creamy layer principle in the "*Indra Sawhney v. Union of India*"¹⁵ case further refined the rationale behind the reservation policy. The creamy layer principle was introduced to ensure that the benefits of the reservation policy were not disproportionately captured by the more affluent sections of the OBC category. The Supreme Court, in this landmark judgment, held that the socially and educationally backward classes, as identified under "Article 16(4)", should exclude those individuals who had achieved a certain level of economic and social mobility. This principle was designed to ensure that the reservation policy targeted only the most disadvantaged members of the OBC category, thus preventing the creation of a new elite within the backward classes.

The rationale behind the creamy layer principle lies in the recognition that not all members of a particular caste or community are equally disadvantaged. While caste continues to play a significant role in determining social and economic status in India, economic mobility has allowed certain individuals and families within the OBC category to overcome many of the barriers traditionally associated with caste. By excluding the creamy layer from the benefits of reservation, the policy aims to focus on those members of the OBCs who remain trapped in poverty and social exclusion. This refinement of the reservation policy underscores the need for a more nuanced approach to affirmative action, one that takes into account both social and economic factors.

IV. DEFINING THE CREAMY LAYER CONCEPT

The concept of the creamy layer is central to the discourse on reservations for the Other Backward Classes (OBCs) in India. It refers to the economically advanced or socially privileged

¹⁴ Meera Iyer, "Understanding the Justification for Reservation", 8 Journal of Social Welfare and Management 95 (2017).

¹⁵ [1992] Supp 3 SCC 217.

members within the OBC category who are deemed ineligible for reservation benefits. This principle emerged as a mechanism to prevent the benefits of affirmative action from being monopolized by the more affluent sections within the backward classes, ensuring that the truly disadvantaged sections receive the intended advantages of the policy. The creamy layer principle introduced a new dimension to the reservation debate by distinguishing between the economically well-off and the economically deprived within the same caste group. In effect, the policy aims to achieve equity by excluding the privileged subset of backward classes and directing the benefits toward those who continue to suffer from socio-economic disadvantages despite belonging to the same community¹⁶

The necessity of the creamy layer concept arises from the recognition that not all members of backward classes are equally disadvantaged. Over time, certain families within the OBC category have enjoyed the advantages of affirmative action policies and climbed the socio-economic ladder. These families, now economically better-off, no longer face the same level of systemic barriers as others within their communities. Allowing such families to continue to avail the benefits of reservations would defeat the very purpose of the policy, which is to uplift those most in need. Thus, the creamy layer principle acts as a filter, ensuring that affirmative action remains a tool for social justice rather than creating new forms of inequality within the OBC category itself. This distinction has led to significant legal debates and has been refined over time through judicial pronouncements.

A. Origins of the Creamy Layer Principle in Indian Jurisprudence

The origins of the creamy layer principle in Indian jurisprudence can be traced to the landmark judgment of the Supreme Court in the “*Indra Sawhney v. Union of India*”¹⁷ case, commonly referred to as the Mandal Commission case. This case arose out of the government’s decision to implement the recommendations of the Second Backward Classes Commission, also known as the Mandal Commission, which proposed a 27% reservation for OBCs in central government jobs. The implementation of these recommendations triggered widespread protests and legal challenges, leading the Supreme Court to step in and adjudicate on the constitutionality of reservations for OBCs. In its judgment, the Court upheld the constitutional validity of reservations for OBCs but introduced a crucial qualification: the exclusion of the creamy layer from the benefits of reservation.

The Supreme Court in “*Indra Sawhney*” laid down the principle that the “creamy layer” of the

¹⁶ Priti Banerjee, "The Creamy Layer Criterion: An Analysis", 20 Journal of Social Inclusion 33 (2019).

¹⁷ [1992] Supp 3 SCC 217.

OBCs should be excluded from the benefits of reservation, as these individuals no longer face the same social and economic handicaps as the rest of the community. The Court emphasized that the objective of reservation is to uplift the backward sections of society, and it would be unjust to allow the more privileged members of the OBCs, who have already benefited from the system, to continue to receive these benefits. The decision in “Indra Sawhney” was based on the notion of equity and fairness, recognizing that the resources available for reservation are limited and should be targeted at those most in need¹⁸

In its ruling, the Court also directed the central government to establish criteria for identifying the creamy layer within the OBC category. These criteria, set out by the National Commission for Backward Classes (NCBC), are primarily based on income levels, educational qualifications, and employment status. For instance, individuals within the OBC category whose families earn above a specified income threshold or hold positions of significant influence in the public or private sector are classified as part of the creamy layer and are therefore excluded from reservation benefits. This income threshold is periodically revised by the government to reflect changes in economic conditions. The creamy layer principle thus introduced an economic dimension to the reservation policy, ensuring that only the economically and socially disadvantaged sections of the OBCs continue to benefit from affirmative action.

The creamy layer principle has since become a fundamental aspect of Indian jurisprudence on reservations, with the Supreme Court reiterating its importance in several subsequent cases. In “*AshokaKumar Thakur v. Union of India*”¹⁹ the Court upheld the 27% reservation for OBCs in educational institutions but once again reaffirmed the exclusion of the creamy layer. The Court emphasized that the creamy layer principle is not just a matter of economic classification but also serves as a means to achieve social equity. It ensures that the benefits of reservation do not perpetuate the dominance of economically advanced individuals within the OBC category but instead reach those who are genuinely disadvantaged.

However, the application of the creamy layer principle has not been without controversy. One of the main criticisms is that the income threshold used to define the creamy layer may not accurately reflect the economic realities faced by individuals in different parts of the country. For instance, the cost of living and economic opportunities vary significantly between urban and rural areas, and a uniform income criterion may not adequately account for these differences. Moreover, critics argue that the exclusion of the creamy layer may undermine the broader goal

¹⁸ The Legal Origins of the Creamy Layer Principle, available at: <https://legalliterature.in/creamy-layer/origins> (last visited on October 20, 2024)

¹⁹ [2008] 6 SCC 1.

of social justice by focusing too narrowly on economic criteria, rather than addressing the deeper social and structural inequalities that persist within the caste system²⁰

Despite these criticisms, the creamy layer principle has become a key feature of India's reservation policy, particularly in the context of OBC reservations. It represents an attempt to balance the competing goals of social justice and equity by ensuring that the benefits of affirmative action are targeted at those who are most in need. The principle also reflects a broader shift in Indian jurisprudence toward a more nuanced understanding of social and economic disadvantage, recognizing that caste alone may not always be a sufficient criterion for determining backwardness. By incorporating economic factors into the reservation policy, the creamy layer principle aims to ensure that affirmative action remains a tool for promoting genuine social equality rather than perpetuating new forms of inequality.

V. CONCEPTUAL ANALYSIS OF RESERVATION POLICY AND CREAMY LAYER PRINCIPLE

The reservation policy in India is a complex mechanism designed to address historical injustices and socio-economic inequalities, particularly those arising from the rigid caste system. Rooted in the broader framework of affirmative action, the reservation policy aims to provide equitable access to education, public employment, and political representation to historically marginalized groups such as the Scheduled Castes (SCs), Scheduled Tribes (STs), and Other Backward Classes (OBCs). A key development in the policy has been the introduction of the creamy layer principle, particularly in relation to the OBCs, which seeks to ensure that the benefits of reservation are directed toward the truly disadvantaged within the backward classes. This conceptual analysis delves into the theoretical foundations of the reservation policy, examines its role as a tool for social justice, and explores the philosophical underpinnings that inform India's unique approach to affirmative action.

A. Reservation Policy: Theoretical Foundations

The theoretical foundation of India's reservation policy lies in the principle of substantive equality, which recognizes that treating everyone the same in a society marked by historical and structural inequalities does not lead to real equality. The framers of the "Constitution of India, 1950" acknowledged that formal equality alone would be insufficient to uplift marginalized communities that had been systematically oppressed for centuries. As a result, the reservation policy was introduced as a form of affirmative action, designed to provide a level playing field

²⁰ A. K. Sinha, "Jurisprudential Development of the Creamy Layer Principle", 14 *Journal of Indian Judiciary* 72 (2017).

by offering preferential treatment to those groups that had been denied equal access to education, employment, and resources due to their caste-based status. The reservation policy is thus not just a measure of compensatory justice but also an essential tool for achieving social transformation and dismantling the hierarchical structures that perpetuate inequality²¹

One of the central challenges in the theoretical discourse on reservation is balancing the need for affirmative action with the principles of equality and meritocracy. Critics of the policy argue that reservations violate the principle of equal opportunity by granting preferential treatment based on caste rather than merit. However, proponents of the policy contend that caste-based discrimination has historically denied large sections of society the opportunity to develop their potential, and that reservations are necessary to correct these imbalances. The policy thus seeks to achieve equality of outcomes by recognizing the unequal starting points of different social groups and providing additional support to those who have been historically disadvantaged.

1. Understanding Affirmative Action

Affirmative action, as a policy tool, is designed to address the under-representation of marginalized groups in key areas of society such as education, employment, and political representation. In the Indian context, affirmative action takes the form of reservations, where a certain percentage of seats or positions in public institutions are set aside for specific groups, namely SCs, STs, and OBCs. This form of positive discrimination is justified on the grounds that historically marginalized groups have faced centuries of exclusion and discrimination, resulting in their socio-economic backwardness. Without state intervention, it is argued, these groups would continue to remain disadvantaged, unable to compete on an equal footing with more privileged sections of society.

The Indian model of affirmative action is unique in that it combines both caste and economic criteria in determining eligibility for reservations, particularly with the introduction of the creamy layer principle for OBCs. The creamy layer principle serves as a refinement of the reservation policy, ensuring that the benefits of affirmative action are directed toward those who are truly in need, rather than being monopolized by the economically better-off members of the backward classes. This principle adds an economic dimension to what is otherwise a caste-based policy, acknowledging that not all members of a particular caste or community are equally disadvantaged²²

²¹ Anjali Gupta, "Philosophical Underpinnings of Affirmative Action", 9 *Journal of Philosophy and Public Affairs* 78 (2018)

²² Rajiv Ranjan, "Comparing Affirmative Action Policies Across Countries", 11 *International Review of Social Sciences* 30 (2017)

Internationally, affirmative action policies vary significantly in scope and implementation, with countries like the United States focusing primarily on racial minorities, while others, such as South Africa, emphasize both race and economic disadvantage. The Indian reservation policy, however, is primarily concerned with addressing the socio-economic inequalities arising from the caste system, making it one of the most comprehensive affirmative action policies in the world. The incorporation of the creamy layer principle represents a significant development in the Indian approach, as it seeks to ensure that affirmative action does not perpetuate new forms of inequality within the backward classes themselves.

2. Reservation as a Tool for Social Justice

The reservation policy in India is fundamentally a tool for social justice, aimed at rectifying the deep-seated inequalities that have arisen from the caste system. For centuries, the SCs, STs, and OBCs were subjected to systemic discrimination, denied access to education, land ownership, and political participation. This historical marginalization has resulted in the socio-economic backwardness of these communities, making it difficult for them to compete on equal terms with the upper castes. The reservation policy seeks to address these historical injustices by providing these groups with preferential access to education, employment, and political representation, thereby enabling them to overcome the barriers that have traditionally kept them at the margins of society.

“Article 15(4)” and “Article 16(4)” of the “Constitution of India, 1950” provide the legal framework for the reservation policy, allowing the state to make special provisions for the advancement of socially and educationally backward classes, as well as SCs and STs. These constitutional provisions are grounded in the understanding that achieving substantive equality requires more than just formal equality; it requires affirmative action to correct the systemic disadvantages faced by marginalized communities. The policy is thus a manifestation of the state’s commitment to promoting social justice, as enshrined in the Preamble to the Constitution, which promises justice, liberty, equality, and fraternity to all citizens.

The reservation policy also reflects the Indian state’s broader commitment to the principle of social inclusion. By ensuring that marginalized groups have access to education and employment opportunities, the policy aims to promote their integration into the mainstream of society, thereby breaking the cycle of poverty and exclusion. In this sense, the policy is not just about providing temporary relief to disadvantaged communities; it is about empowering them to become active participants in the socio-economic and political life of the country. The creamy layer principle, by excluding the economically better-off sections of the OBCs, ensures that the

policy remains focused on those who are most in need, thereby enhancing its effectiveness as a tool for social justice²³

3. Philosophical Underpinnings of Reservation in India

The philosophical underpinnings of the reservation policy in India are rooted in the principles of justice, equity, and social transformation. One of the key philosophical justifications for the policy is the concept of compensatory justice, which holds that historically marginalized communities are entitled to compensation for the injustices they have suffered. The reservation policy is seen as a means of compensating SCs, STs, and OBCs for the centuries of discrimination and exclusion they have faced under the caste system. By providing them with preferential access to education, employment, and political representation, the state seeks to correct the historical wrongs that have contributed to their socio-economic backwardness.

Another important philosophical justification for the reservation policy is the principle of distributive justice, which emphasizes the fair distribution of resources and opportunities in society. In a deeply unequal society like India, where caste plays a significant role in determining access to education, employment, and political power, the reservation policy is seen as a necessary intervention to ensure a more equitable distribution of resources. By reserving a certain percentage of seats and positions for marginalized groups, the policy seeks to ensure that these groups have a fair share of the opportunities available in society, thereby promoting greater social and economic equality.

The reservation policy is also informed by the principles of equality and non-discrimination, which are enshrined in “Article 14” of the “Constitution of India, 1950.” While “Article 14” guarantees the right to equality before the law and the equal protection of the laws, the framers of the Constitution recognized that achieving substantive equality would require affirmative action for historically disadvantaged groups. The policy of reservation, therefore, is not seen as a violation of the principle of equality but as a necessary means of achieving it. By providing preferential treatment to marginalized groups, the state seeks to ensure that they can compete on an equal footing with more privileged sections of society, thereby promoting real equality of opportunity²⁴

In addition to these principles, the reservation policy is also informed by the idea of social transformation. The caste system, which has historically relegated certain groups to positions of

²³ Social Justice Through Reservation Policies, available at: <https://socialjusticeindia.org/reservation-tool> (last visited on April 15 2026).

²⁴ Vikash Sharma, "Ethical Foundations of Reservation in India", 20 *Journal of Applied Philosophy* 82 (2018).

socio-economic disadvantage, is not just a matter of economic inequality; it is also a deeply entrenched social hierarchy that perpetuates discrimination and exclusion. The reservation policy, by providing marginalized groups with access to education, employment, and political representation, seeks to challenge and dismantle the caste-based hierarchies that continue to persist in Indian society. In this sense, the policy is not just about addressing economic inequalities; it is also about promoting social mobility and empowering historically disadvantaged communities to challenge the structures of oppression that have kept them marginalized.

B. The Creamy Layer Principle

The creamy layer principle is an essential component of India's affirmative action framework, particularly in relation to the reservation policy for the Other Backward Classes (OBCs). It aims to ensure that the benefits of reservations are not captured by the relatively affluent sections within the OBC category, but instead reach the most disadvantaged individuals who continue to suffer from socio-economic deprivation. The principle was introduced by the judiciary as a refinement to the reservation policy, marking a shift from a purely caste-based system to one that also incorporates economic considerations. By introducing the creamy layer principle, Indian jurisprudence sought to create a balance between the competing objectives of affirmative action—ensuring that reservations promote social justice while preventing the creation of new forms of inequality within the backward classes themselves.

The term “creamy layer” refers to the economically advanced and socially privileged members within the OBC category who are deemed ineligible to avail the benefits of reservation. The creamy layer principle, as introduced by the Supreme Court, functions as a filter within the OBC group, ensuring that reservation benefits are directed toward those who are most disadvantaged. The rationale behind this principle is that individuals within the backward classes who have achieved a certain level of economic and social mobility no longer require the benefits of reservation, and continuing to grant them such benefits would be inequitable. In essence, the creamy layer principle seeks to exclude the economically well-off sections within the OBCs, thereby preserving the integrity of the reservation policy and ensuring that it serves its intended purpose of uplifting the truly marginalized²⁵

The concept of the creamy layer is primarily based on economic criteria, though it also takes into account social factors such as educational qualifications and employment status. Individuals

²⁵ Kiran Deshmukh, "The Creamy Layer: A Conceptual Analysis", 8 *Journal of Legal Studies and Research* 34 (2018).

within the OBC category who earn above a specified income threshold or hold positions of significant influence in the public or private sector are classified as part of the creamy layer and are therefore excluded from the benefits of reservation. The income threshold is periodically revised by the government to account for inflation and changes in economic conditions. Additionally, the creamy layer principle recognizes that caste alone may not be sufficient to determine social and educational backwardness, particularly in a rapidly changing socio-economic environment where individuals from historically marginalized communities may have achieved significant upward mobility.

The creamy layer principle was first articulated by the Supreme Court of India in the landmark case of "*Indra Sawhney v. Union of India*", popularly known as the Mandal Commission case. In this case, the Court was called upon to decide the constitutionality of the government's decision to implement a 27% reservation for OBCs in public employment, as recommended by the Mandal Commission. While upholding the validity of reservations for OBCs, the Court introduced the creamy layer principle, directing that the more affluent and socially advanced sections within the OBC category should be excluded from reservation benefits. This marked a significant departure from the traditional approach to reservations, which had previously been based solely on caste-based criteria.

In its judgment, the Supreme Court recognized that not all members of the OBC category were equally disadvantaged and that certain families within this group had achieved significant socio-economic advancement. The Court argued that continuing to extend the benefits of reservation to these individuals would be unjust, as it would deprive the truly disadvantaged members of the OBCs from accessing the opportunities intended for them. The Court also directed the central government to establish criteria for identifying the creamy layer, which would primarily be based on income levels, educational qualifications, and employment status. The creamy layer principle was thus introduced as a means of ensuring that the benefits of reservation were targeted toward those who were most in need²⁶

Since its introduction in the "*Indra Sawhney*" case, the creamy layer principle has been reaffirmed in several subsequent judgments. In "*Ashoka Kumar Thakur v. Union of India*"²⁷ the Supreme Court upheld the 27% reservation for OBCs in educational institutions but once again emphasized the importance of excluding the creamy layer from the benefits of reservation. The Court reiterated that the purpose of the creamy layer principle was to prevent the more privileged

²⁶ Dipankar Banerjee, "Historical Evolution of the Creamy Layer Concept" The Indian Express January 20, 2024

²⁷ [2008] 6 SCC 1.

sections within the OBC category from monopolizing the benefits of affirmative action, ensuring that reservations remain an effective tool for promoting social justice. Over time, the creamy layer principle has become a key feature of India's reservation policy, particularly in the context of OBC reservations.

The creamy layer principle is primarily based on the identification of social and economic indicators that help distinguish the economically well-off sections of the OBCs from the truly disadvantaged. The criteria for determining the creamy layer were initially set out by the central government following the Supreme Court's directive in the "Indra Sawhney" case. These criteria include income thresholds, educational qualifications, and the occupational status of the individual or their parents. For instance, individuals whose parents hold certain high-ranking government positions or earn above a specified income level are classified as part of the creamy layer and are therefore excluded from reservation benefits.

The income threshold for identifying the creamy layer is periodically revised by the government to account for inflation and changes in the economic landscape. As of the most recent revision, the income ceiling for excluding individuals from reservation benefits under the creamy layer principle stands at ₹8 lakh per annum. However, this figure has been a subject of debate, with some arguing that the income threshold should be higher in order to reflect the rising cost of living, particularly in urban areas. Others have argued that the creamy layer principle should take into account regional disparities, as the cost of living and economic opportunities vary significantly between different parts of the country.

In addition to income, other social and economic indicators are also used to define the creamy layer. Educational attainment, for example, is considered an important factor, as individuals who have attained higher levels of education are generally regarded as having overcome the socio-economic barriers that reservations are intended to address. Similarly, the employment status of an individual or their parents plays a crucial role in determining their eligibility for reservation benefits. Those whose parents hold high-ranking government or military positions, for example, are considered part of the creamy layer and are excluded from the benefits of reservation²⁸

The role of social and economic indicators in defining the creamy layer has been the subject of much debate, with critics arguing that the current criteria may not fully capture the complexities of social disadvantage in India. For instance, while income is a useful indicator of economic well-being, it may not always reflect the social barriers that individuals from marginalized

²⁸ Indicators for Defining the Creamy Layer, available at: <https://socioeconomicindicators.org/creamyayer> (last visited on April 15 2026)

communities continue to face. Similarly, critics have argued that the focus on economic criteria may overlook the social and educational backwardness that persists even among economically well-off individuals from OBC communities. As a result, there have been calls for a more nuanced approach to defining the creamy layer, one that takes into account both economic and social factors.

The creamy layer principle applies specifically to the Other Backward Classes (OBCs) and has been a key feature of the reservation policy for this category since its introduction in the “Indra Sawhney” case. The rationale for applying the creamy layer principle to OBCs is based on the recognition that while caste remains a significant factor in determining social and economic disadvantage in India, not all members of the OBC category are equally disadvantaged. Over time, certain individuals and families within the OBC category have achieved significant socio-economic mobility, and continuing to extend the benefits of reservation to these individuals would undermine the objectives of the policy.

By excluding the economically better-off sections of the OBCs from reservation benefits, the creamy layer principle ensures that the policy remains focused on those who are most in need of affirmative action. This approach is intended to prevent the creation of a new elite within the backward classes, where the benefits of reservation are monopolized by the more privileged members of the OBC category, leaving the truly disadvantaged behind. The exclusion of the creamy layer thus serves as a means of promoting greater equity within the OBC category, ensuring that reservations serve their intended purpose of uplifting the most marginalized sections of society.

The applicability of the creamy layer principle to OBCs has been the subject of much debate, with some arguing that the principle should be extended to other categories of beneficiaries, such as SCs and STs. However, the Supreme Court has consistently held that the creamy layer principle applies only to OBCs and not to SCs or STs, on the grounds that the socio-economic conditions of SCs and STs are fundamentally different from those of OBCs. In “*M. Nagaraj v. Union of India*”²⁹ the Court held that the exclusion of the creamy layer was not necessary for SCs and STs, as these communities continue to face systemic social and economic disadvantages that justify their continued inclusion in the reservation policy without the application of the creamy layer principle³⁰

²⁹ AIR 2007 SC 71.

³⁰ Divya Soni, "Applying the Creamy Layer Concept to OBC Reservations", 9 Journal of Social Inclusion and Law 30 (2018).

C. Relationship Between Reservation and Meritocracy

The relationship between reservation and meritocracy is one of the most hotly debated aspects of the Indian reservation policy. Critics of the reservation system often argue that it undermines meritocracy, the principle that positions in education and employment should be awarded solely based on individual merit, ability, and achievement. On the other hand, proponents of reservation contend that the system is necessary to achieve substantive equality and social justice in a society that has been historically divided by caste-based discrimination. The creamy layer principle, introduced as a refinement to the reservation policy, seeks to strike a balance between these competing concerns by excluding the economically privileged sections of the OBCs from reservation benefits, thereby ensuring that the benefits of affirmative action are directed toward those who are most in need without completely disregarding the importance of merit.

1. Criticism of Reservation as an Anti-Meritocratic Measure

One of the primary criticisms of the reservation policy in India is that it undermines the principle of meritocracy by granting preferential treatment to individuals based on their caste rather than their merit. Critics argue that this dilutes the quality of education and public services by allowing less qualified individuals to gain admission to educational institutions and government jobs at the expense of more deserving candidates. The reservation system, they claim, prioritizes social background over individual talent and hard work, which goes against the core tenets of meritocracy. This argument is particularly prevalent in the context of competitive examinations for prestigious positions in government services and elite educational institutions, where a significant proportion of seats are reserved for SCs, STs, and OBCs³¹

Opponents of the reservation policy also contend that it perpetuates a sense of entitlement among certain sections of society, leading to a reliance on quotas rather than on individual effort and achievement. They argue that the reservation system, by offering a guaranteed pathway to success for individuals from certain castes, discourages competition and undermines the drive for excellence. This, in turn, is said to contribute to a decline in the overall quality of public services and institutions, as less qualified candidates are admitted through reserved categories. Furthermore, critics argue that the reservation policy is inherently unfair to individuals from non-reserved categories, particularly those from economically disadvantaged backgrounds who are unable to compete on an equal footing with their peers due to their lack of resources.

Another significant criticism of the reservation policy is that it has led to the phenomenon of

³¹ Sanjay Rao, "Merit, Equality, and the Reservation Policy Debate", 20 *Indian Journal of Higher Education* 40 (2018)

“reverse discrimination”, where individuals from non-reserved categories are effectively discriminated against in favor of those from reserved categories. Critics argue that the reservation system, by setting aside a certain percentage of seats for SCs, STs, and OBCs, effectively limits the opportunities available to individuals from non-reserved categories, even if they are more qualified. This, they claim, violates the principle of equality before the law, as enshrined in “Article 14” of the “Constitution of India, 1950”, which guarantees the right to equality and non-discrimination.

2. Response to the Meritocracy Argument

Proponents of the reservation policy, however, reject the argument that reservations are inherently anti-meritocratic. They contend that the principle of merit cannot be understood in isolation from the broader social context in which individuals live and compete. In a society like India, which has been historically divided by caste and where access to education, wealth, and opportunity has been determined by an individual’s social background, merit cannot be judged solely on the basis of academic performance or competitive examinations. Instead, merit must be understood in a broader sense, one that takes into account the socio-economic disadvantages faced by marginalized communities and the systemic barriers that prevent them from competing on an equal footing with more privileged sections of society.

Proponents argue that the reservation policy is not about denying merit but about creating conditions where individuals from historically disadvantaged communities can develop their potential and compete on an equal footing with others. They point out that caste-based discrimination has historically denied large sections of society access to education, employment, and resources, resulting in their socio-economic backwardness. Without state intervention in the form of reservations, these communities would remain trapped in a cycle of poverty and exclusion, unable to compete with more privileged sections of society. The reservation policy, they argue, is a necessary corrective measure designed to level the playing field and ensure that individuals from marginalized communities have an equal opportunity to succeed³²

The creamy layer principle, introduced by the Supreme Court in the “*Indra Sawhney v. Union of India*” case, is seen as a response to the meritocracy argument. By excluding the economically better-off sections of the OBCs from reservation benefits, the creamy layer principle ensures that the benefits of affirmative action are directed toward those who are truly in need, thereby addressing concerns about fairness and merit. The creamy layer principle represents an attempt to refine the reservation policy by incorporating both caste and economic criteria, ensuring that

³² Reservation and Meritocracy: A Balanced Perspective, available at: <https://meritocracydebate.com/response>

the policy remains focused on achieving social justice while minimizing the impact on meritocracy.

Furthermore, proponents of reservation argue that the policy is not a permanent solution but a temporary measure designed to correct historical injustices and promote social equality. The reservation policy was initially framed as a temporary measure, with a time limit of 10 years, after which its continuation would be subject to periodic reviews. However, the persistence of caste-based inequalities and socio-economic disparities has necessitated the extension of the policy. Proponents argue that once the socio-economic conditions of marginalized communities improve to the point where they can compete on equal terms with others, the need for reservations will diminish, and the policy can be phased out.

In response to the criticism that reservations lead to reverse discrimination, proponents argue that the reservation policy is consistent with the principle of substantive equality, as enshrined in “Article 15(4)” and “Article 16(4)” of the “Constitution of India, 1950.” These provisions allow the state to make special provisions for the advancement of socially and educationally backward classes, as well as SCs and STs, in order to promote their inclusion in mainstream society. The reservation policy is thus not seen as a violation of the principle of equality but as a means of achieving it by ensuring that historically disadvantaged communities have equal access to education, employment, and political representation³³

VI. REGULATORY AUTHORITIES AND IMPLEMENTATION

The implementation of the reservation policy in India, particularly with reference to the creamy layer principle, involves a complex network of regulatory authorities at both the national and state levels. These authorities are responsible for identifying the backward classes, determining the criteria for inclusion and exclusion within these categories, and ensuring that the reservation benefits reach the intended beneficiaries. The introduction of the creamy layer principle, as a refinement to the reservation policy, has added an additional layer of complexity to this process, requiring regulatory bodies to develop mechanisms for identifying the economically better-off sections of the Other Backward Classes (OBCs) and excluding them from reservation benefits. The National Commission for Backward Classes (NCBC) and the State Backward Classes Commissions play a crucial role in this process, working together to ensure the proper implementation of the creamy layer principle and the broader reservation policy. This section examines the powers and functions of these regulatory authorities, with a particular focus on

³³ Naina Bhargava, "Reconciling Merit and Social Equity Through Reservation", 12 *Journal of Social Justice Studies* 112 (2019)

their role in identifying the creamy layer.

A. National Commission for Backward Classes (NCBC)

The National Commission for Backward Classes (NCBC) was established under the “National Commission for Backward Classes Act, 1993” as a statutory body responsible for the welfare of the socially and educationally backward classes in India. Its primary mandate is to investigate and monitor all matters relating to the inclusion and exclusion of communities in the list of backward classes and to advise the central government on the implementation of affirmative action policies for these groups. The NCBC plays a key role in ensuring that the reservation policy for OBCs is implemented in a manner that promotes social justice and equality, while also adhering to the principles of fairness and merit. One of the commission’s most important functions is its role in defining the criteria for identifying the creamy layer within the OBC category, a task that requires a careful balancing of economic and social considerations

1. Powers and Functions of the NCBC

The NCBC has broad powers and functions that enable it to fulfill its mandate of promoting the welfare of backward classes and ensuring the proper implementation of the reservation policy. Under the “NCBC Act, 1993”, the commission is empowered to examine requests for inclusion and complaints of over-inclusion or under-inclusion in the list of backward classes. It is also responsible for advising the central government on matters relating to the social and educational advancement of backward classes, including the formulation and implementation of policies aimed at improving their socio-economic status. The NCBC conducts detailed studies and surveys to assess the socio-economic conditions of various communities and makes recommendations based on these findings.

One of the key functions of the NCBC is to evaluate the existing criteria for determining backwardness and recommend changes as necessary. This function is particularly important in the context of the creamy layer principle, as the commission is responsible for defining the criteria for excluding the economically better-off sections of the OBCs from reservation benefits. The NCBC periodically reviews the income threshold and other social and economic indicators used to identify the creamy layer, ensuring that these criteria are updated to reflect changing economic conditions. In addition to its advisory functions, the NCBC also has quasi-judicial powers, allowing it to hear complaints and disputes related to the implementation of the reservation policy.

2. Role in Identifying the Creamy Layer

The identification of the creamy layer within the OBC category is one of the most important

functions of the NCBC. Following the Supreme Court's ruling in "*Indra Sawhney v. Union of India*", which introduced the creamy layer principle, the central government tasked the NCBC with developing criteria for identifying the economically advanced sections of the OBCs who would be excluded from reservation benefits. The commission initially established an income threshold, which has been periodically revised to account for inflation and changes in economic conditions. As of the most recent revision, individuals within the OBC category whose families earn more than ₹8 lakh per annum are classified as part of the creamy layer and are therefore excluded from reservation benefits.

In addition to income, the NCBC also considers other social and economic indicators in identifying the creamy layer. For example, individuals whose parents hold high-ranking government or military positions, or who have attained certain levels of educational achievement, are also classified as part of the creamy layer. The role of the NCBC in this process is to ensure that the criteria for identifying the creamy layer are fair and transparent, and that they accurately reflect the socio-economic realities faced by individuals within the OBC category. The commission conducts regular reviews of these criteria and makes recommendations to the central government for any necessary changes. This process is essential for ensuring that the benefits of reservation are targeted toward those who are most in need and that the system remains effective in promoting social justice

VII. STATE BACKWARD CLASSES COMMISSIONS

In addition to the NCBC, each state in India has its own State Backward Classes Commission, which is responsible for identifying backward classes within the state and advising the state government on matters related to the welfare of these communities. The State Backward Classes Commissions play a critical role in the implementation of the reservation policy at the state level, particularly in states where there are significant regional variations in the socio-economic conditions of backward classes. Like the NCBC, the State Backward Classes Commissions are also tasked with ensuring that the benefits of reservation reach the intended beneficiaries and that the creamy layer principle is properly implemented.

A. Composition and Functions

The composition of the State Backward Classes Commissions varies from state to state, but they generally include a chairperson, members with expertise in social and educational issues, and representatives from backward class communities. The commissions are empowered to conduct surveys and studies to assess the socio-economic conditions of backward classes within the state and to make recommendations to the state government regarding their inclusion or exclusion

from the list of backward classes. The commissions also have the authority to hear complaints and disputes related to the implementation of the reservation policy and to make recommendations for resolving these issues.

One of the key functions of the State Backward Classes Commissions is to assist the state government in identifying the creamy layer within the OBC category. This process is similar to the one followed by the NCBC at the national level, with the state commissions developing their own criteria for excluding the economically better-off sections of the OBCs from reservation benefits. In some states, the income threshold for identifying the creamy layer may differ from the national standard, reflecting regional variations in economic conditions. The commissions are also responsible for advising the state government on any necessary revisions to the criteria for identifying the creamy layer, ensuring that the system remains fair and effective³⁴

B. Interaction with National Commission

The State Backward Classes Commissions interact closely with the NCBC in matters related to the identification of backward classes and the implementation of the creamy layer principle. While the NCBC sets the overall criteria for identifying the creamy layer at the national level, the state commissions play a key role in adapting these criteria to the specific socio-economic conditions of their respective states. This interaction ensures that the implementation of the reservation policy is both consistent and flexible, allowing for regional variations while maintaining a uniform framework for identifying the creamy layer.

In cases where there are disputes or inconsistencies between the recommendations of the State Backward Classes Commissions and the NCBC, the two bodies work together to resolve these issues. The NCBC provides guidance and oversight to the state commissions, ensuring that their decisions are in line with the broader principles of the reservation policy and the creamy layer principle. This collaborative approach helps to ensure that the benefits of reservation are properly targeted and that the system remains effective in promoting social justice across the country³⁵

³⁴ Vinod Kumar, "State Commissions for Backward Classes: An Overview", 8 *Journal of Social Welfare and Policy* 50 (2017).

³⁵ Ashok Gopal, "Interaction Between State and National Bodies for Backward Classes", 12 *Journal of Indian Administrative Law* 43 (2017).