

Navigating Equity and Prosperity: A Deep Dive into the Supreme Court’s 2024 Decision on SC/ST Reservation Policies

Vijay Kumar*

*(School of Law, Hamdard Institute of Legal Studies and Research, Jamia Hamdard, New Delhi)

Email: viz.kumarvijay@gmail.com

Abstract:

The Supreme Court of India’s 2024 decision to extend the creamy layer exclusion to Scheduled Castes (SCs) and Scheduled Tribes (STs) has sparked a profound reevaluation of affirmative action’s purpose in the Indian context. This paper offers a detailed critique of the ruling, exploring whether economic advancement should serve as a yardstick for determining eligibility for caste-based reservations. It argues that by emphasizing economic criteria, the Court risks undermining the foundational goal of affirmative action: the eradication of systemic caste-based exclusion. Drawing on landmark judgments such as *Indra Sawhney v. Union of India* and *E.V. Chinnaiah v. State of Andhra Pradesh*, this analysis highlights the tensions between economic upliftment and social justice, suggesting that the 2024 ruling introduces inconsistencies into the legal framework governing reservations. The paper advocates a comprehensive approach that integrates both social and economic dimensions while preserving the transformative ethos of India’s constitutional commitment to equality. This expanded discussion also considers the broader socio-political implications of the judgment, offering a nuanced perspective on how reservation policies can adapt to contemporary challenges without losing sight of their historical roots.

Keywords — Creamy Layer Doctrine, Affirmative Action, Social Justice and Scheduled Castes (SCs) and Scheduled Tribes (STs)

I. INTRODUCTION

Affirmative action in India serves as a fundamental pillar in the nation's ongoing efforts to address historical injustices and socio-economic disparities resulting from centuries of caste-based discrimination. Designed primarily to uplift Scheduled Castes (SCs) and Scheduled Tribes (STs)—communities that have long suffered systemic marginalization—these policies are rooted in the principles of social justice and equitable opportunity enshrined in the Indian Constitution. Key constitutional provisions, including Article 15(4), Article 16(4), and Article 46, empower the state to take proactive measures to ensure that these historically oppressed groups have enhanced access to education, public employment, and political

representation. The reservation system, which forms the backbone of affirmative action in India, was conceived as a transformative tool to dismantle entrenched caste hierarchies and create a level playing field for those denied opportunities for generations.

Over time, however, the landscape of affirmative action has become more complex, particularly with the introduction of the “creamy layer” doctrine—a concept that initially applied to reservations for Other Backward Classes (OBCs). This principle excludes economically advanced individuals within a reserved category from availing of the benefits of affirmative action, based on the rationale that those who have attained financial stability no longer require state assistance. While this economic

criterion was originally designed to prevent the monopolization of reservations by the more privileged sections within OBCs, its application to SCs and STs has remained a subject of intense debate. The Supreme Court's 2024 ruling, which extends the creamy layer exclusion to SC/ST reservations, marks a significant departure from previous judicial interpretations and has reignited discussions on the evolving nature of affirmative action policies.¹

This legal document has far-reaching implications, raising critical questions about whether economic mobility should determine eligibility for caste-based reservations. This paper argues that while economic upliftment is an essential goal, it cannot be equated with the eradication of social stigma, discrimination, and structural barriers that SC/ST individuals continue to face. Despite financial stability, caste-based disadvantages persist in various spheres, including access to quality education, employment opportunities, and social acceptance. By prioritizing economic criteria over social realities, the Court's decision risks diluting the original intent of reservations, which was to counteract caste-based oppression rather than simply address economic disparities. To provide a comprehensive analysis, this study traces the historical evolution of reservation policies in India, examines key judicial pronouncements that have shaped affirmative action, and evaluates the socio-political consequences of the 2024 Supreme Court judgment. By critically assessing the intersection of caste and economic status, the paper seeks to propose a balanced framework that upholds both social justice mandates and modern economic considerations. The ultimate objective is to ensure that affirmative action remains an effective instrument for dismantling deep-seated caste hierarchies while adapting to the dynamic socio-economic landscape of contemporary India.

II. HISTORICAL CONTEXT OF RESERVATIONS FOR SCs AND STs

India's reservation system finds its origins in the nation's commitment to rectifying historical injustices and ensuring social justice for communities that have suffered deep-seated exclusion under the rigid caste hierarchy. Among these marginalized groups, Scheduled Castes (SCs) and Scheduled Tribes (STs) have historically endured systemic discrimination, social ostracism, and economic deprivation, which severely limited their access to education, employment, and political representation. Recognizing the need for institutional intervention to address these disparities, the framers of the Indian Constitution incorporated provisions aimed at fostering inclusion and empowerment for these disadvantaged communities. The constitutional framework, shaped by early cases like *Champakam Dorairajan v. State of Madras* (1951), laid the groundwork for affirmative action by recognizing the need to counter caste-based inequities.² This landmark case led to the First Constitutional Amendment (1951), which introduced Article 15(4), explicitly permitting the state to make special provisions for the advancement of socially and educationally backward classes. Similarly, Article 16(4) was incorporated to enable reservations in public employment for socially and educationally backward groups, reinforcing the state's obligation to ensure equitable opportunities. Additionally, Article 46 mandated the government to take proactive measures in promoting the welfare of weaker sections, including SCs and STs, not only by improving their economic conditions but also by breaking the entrenched social hierarchies that perpetuated exclusion and discrimination. These constitutional safeguards underscored the principle that affirmative action was designed not merely as an economic equalizer but as a mechanism to dismantle centuries-old social barriers that denied basic rights and dignity to marginalized communities.³

¹ INDIA CONST. art. 15, cl. 4; INDIA CONST. art. 16, cl. 4; INDIA CONST. art. 46.

² *Champakam Dorairajan v. State of Madras*, AIR 1951 SC 226 (India).

³ INDIA CONST. art. 15, cl. 4; INDIA CONST. art. 16, cl. 4; INDIA CONST. art. 46.

Over the decades, affirmative action policies have resulted in notable progress by facilitating greater representation of SCs and STs in higher education, government jobs, and political offices. The increasing visibility of individuals from these communities in administrative and academic spheres is a testament to the transformative impact of reservations. However, the scope, extent, and effectiveness of these policies have frequently been challenged and reinterpreted by the judiciary. In *M.R. Balaji v. State of Mysore* (1963), the Supreme Court examined whether reservations should be quantitatively limited and reiterated the need to strike a balance between meritocracy and affirmative action. Despite these judicial pronouncements and the socio-economic progress achieved by certain segments of SC/ST communities, the persistent issue of social exclusion, untouchability, and discrimination highlights the enduring nature of caste-based oppression. Economic mobility alone has not been sufficient to erase deeply ingrained caste-based biases, making it clear that reservations must continue to function as a corrective tool for social justice rather than purely as an economic upliftment program.⁴ The debate over economic criteria in reservations gained momentum with *Indra Sawhney v. Union of India* (1992), where the Supreme Court introduced the creamy layer doctrine for Other Backward Classes (OBCs). This principle aimed to ensure that the benefits of reservations were not disproportionately concentrated among the economically well-off sections within the OBC category, thereby directing affirmative action toward those who needed it most. However, the applicability of the creamy layer concept to SCs and STs remained a contested issue, given the argument that these groups, unlike OBCs, faced structural social discrimination irrespective of economic status. The 2024 Supreme Court ruling, which extends the creamy layer exclusion to SC/ST reservations, represents a significant departure from previous judicial interpretations and has rekindled debates on the future trajectory of affirmative action in India. This legal shift prompts an urgent re-

⁴ *Balaji v. State of Mysore*, AIR 1963 SC 649 (India).

examination of whether economic progress should influence eligibility for caste-based affirmative action or whether social marginalization should remain the primary determinant.⁵ By tracing the historical evolution of reservation policies, analyzing judicial precedents, and assessing the socio-political ramifications of the 2024 verdict, this discussion aims to offer a balanced perspective on the changing dynamics of affirmative action in India. Ensuring that reservations retain their transformative potential while adapting to contemporary realities is crucial for preserving the constitutional commitment to social justice.

III. THE CREAMY LAYER DOCTRINE: ORIGINS AND EXPANSION

The creamy layer doctrine emerged in *Indra Sawhney v. Union of India* (1992), a landmark case upholding 27% reservations for OBCs while mandating the exclusion of economically advanced individuals within these communities.⁶ The Court reasoned that affirmative action should target the most disadvantaged, and those who had achieved economic stability—termed the "creamy layer"—no longer required such benefits.⁷ This principle was reaffirmed in *Ashoka Kumar Thakur v. Union of India* (2008), where the Court upheld OBC reservations but emphasized economic criteria to filter out the affluent.⁸

Until 2024, however, the creamy layer concept was not applied to SC/ST reservations, reflecting the distinct nature of their disadvantage—rooted primarily in caste rather than economic status. The *EV Chinnaiah v. State of Andhra Pradesh* (2005) ruling reinforced this distinction, declaring SCs and STs a homogenous group under Article 341, ineligible for sub-classification.⁹ The Court struck down attempts to divide SCs into sub-groups,

⁵ *Indra Sawhney v. Union of India*, AIR 1993 SC 477 (India).

⁶ *Indra Sawhney v. Union of India*, AIR 1993 SC 477 (India).

⁷ *Id*

⁸ *Ashoka Kumar Thakur v. Union of India*, (2008) 6 SCC 1 (India).

⁹ *EV Chinnaiah v. State of Andhra Pradesh*, AIR 2005 SC 162 (India).

arguing that such measures violated the constitutional recognition of their unified identity.¹⁰ The 2024 judgment, by contrast, extends the creamy layer exclusion to SC/STs, effectively introducing a form of sub-classification based on economic progress, thus challenging the Chinnaiah precedent.¹¹ This shift raises critical questions about the coherence of India's reservation jurisprudence and the interplay between economic and social criteria.

IV. JUDICIAL RATIONALE BEHIND THE 2024 DECISION

The 2024 Supreme Court ruling, led by Justice B.R. Gavai, marks a significant shift in India's affirmative action framework, particularly in its application to Scheduled Castes (SCs) and Scheduled Tribes (STs). The decision asserts that individuals from these communities who have attained substantial economic and social progress should no longer be eligible for reservation benefits, arguing that affirmative action must evolve with contemporary socio-economic realities. The Court reasoned that reservation policies should be targeted towards those who remain structurally disadvantaged, rather than benefiting individuals who have already overcome barriers to social mobility.¹² Drawing upon the landmark precedent of *Indra Sawhney v. Union of India* (1992), the Court extended the creamy layer principle—initially applied to Other Backward Classes (OBCs)—to SCs and STs. The ruling held that economic thresholds could serve as a legitimate criterion to determine reservation eligibility, thereby refining the distribution of affirmative action benefits. This approach mirrors the Court's reasoning in *Jarnail Singh v. Lachhmi Narain Gupta* (2018), which applied the creamy layer exclusion to promotions within the OBC category, reinforcing the idea that reservation should be selectively applied to those in genuine need rather than being an unconditional privilege.¹³ Additionally, the

ruling resonates with *State of Kerala v. N.M. Thomas* (1976), wherein the Supreme Court emphasized that affirmative action is not static but a dynamic tool for social advancement. In *N.M. Thomas*, the Court recognized that constitutional provisions enabling reservations should be interpreted progressively to fulfill the broader objective of social justice. By extending the creamy layer doctrine to SCs and STs, the 2024 decision signals a shift toward an economic-centric approach to affirmative action, prompting a crucial debate on whether caste-based reservations should continue to function as a blanket mechanism for redressal or be restructured to reflect changing socio-economic conditions.¹⁴ This ruling is likely to have far-reaching legal, political, and social consequences, as it redefines the way affirmative action policies operate in India. While some view it as a necessary step towards rationalizing reservations and ensuring targeted benefits, others criticize it for diluting the original intent of caste-based affirmative action, which was designed to address historical oppression and systemic discrimination rather than merely economic disparity. The judgment thus raises fundamental questions about the future of reservations in India, requiring policymakers, legal scholars, and social activists to reassess how affirmative action can continue to serve as an effective tool for achieving substantive equality.¹⁵

Yet, this approach diverges from *EV Chinnaiah*, creating a tension within the judiciary's interpretation of SC/ST reservations.¹⁶ The Court also referenced *Chhotu Ram v. Union of India* (1999) and *Union of India v. Rakesh Kumar* (2010) to underscore the need for evolving criteria in reservation policies, reflecting a broader judicial trend toward flexibility.¹⁷ Critics, however, argue that this economic focus risks oversimplifying the multifaceted nature of caste-based discrimination, a concern this paper explores in depth.

¹⁰ *Id.*

¹¹ *State of Punjab v. Davinder Singh*, 2024 SCC OnLine SC 1860 (India)

¹² *Id.*

¹³ *Id.*

¹⁴ *Indra Sawhney v. Union of India*, AIR 1993 SC 477 (India).

¹⁵ *Jarnail Singh v. Lachhmi Narain Gupta*, AIR 2018 SC 4729 (India).

¹⁶ *EV Chinnaiah v. State of Andhra Pradesh*, AIR 2005 SC 162 (India).

¹⁷ *Chhotu Ram v. Union of India*, (1999) 1 SCC 694 (India).

V. SOCIAL JUSTICE VERSUS ECONOMIC ADVANCEMENT: A DEEPER ANALYSIS

At its core, affirmative action in India seeks to address the structural inequalities perpetuated by the caste system, not merely to alleviate poverty. The 2024 ruling's emphasis on economic upliftment, however, risks shifting this focus, as caste-based discrimination persists across economic strata.¹⁸ Even affluent SC/ST individuals often encounter social prejudice, as *M. Nagaraj v. Union of India* (2006) recognized, emphasizing that social backwardness—not economic status—remains the primary basis for reservations.¹⁹ Similarly, *State of Uttar Pradesh v. Pradip Tandon* (1975) cautioned against conflating economic disadvantage with caste-based exclusion.²⁰

The EV Chinnaiiah ruling further complicates this shift, as its rejection of sub-classification clashes with the creamy layer's implicit division of SC/STs.²¹ Cases like *P.A. Inamdar v. State of Maharashtra* (2005) highlight the judiciary's struggle to balance social justice with merit, a tension exacerbated by the 2024 decision.²² By prioritizing economic criteria, the Court may exclude individuals who, despite financial success, remain socially disadvantaged, thus undermining the holistic vision of affirmative action articulated by Dr. B.R. Ambedkar in *The Annihilation of Caste*.²³

VI. IMPLICATIONS OF THE 2024 RULING

The immediate impact of the creamy layer exclusion for SC/STs may be increased access for

¹⁸ Sukhdeo Thorat, *The Persistence of Caste: Inequality, Reservation Policy, and Discrimination in India*, 48 *ECON. & POL. WKLY.* 7 (2020).

¹⁹ *M. Nagaraj v. Union of India*, (2006) 8 SCC 212 (India).

²⁰ *State of Uttar Pradesh v. Pradip Tandon*, AIR 1975 SC 563 (India).

²¹ *EV Chinnaiiah v. State of Andhra Pradesh*, AIR 2005 SC 162 (India).

²² *P.A. Inamdar v. State of Maharashtra*, (2005) 6 SCC 537 (India).

²³ B.R. AMBEDKAR, *THE ANNIHILATION OF CASTE* (Navayana Publishing 2014).

the most marginalized within these communities, as economically advanced individuals are sidelined.²⁴ However, this could also intensify intra-community competition, as seen in *Ajit Singh v. State of Punjab* (1999), which balanced social justice with administrative efficiency.²⁵ Over the long term, the ruling risks creating new disparities, as economic criteria may fail to address persistent social exclusion, a concern echoed in *TMA Pai Foundation v. State of Karnataka* (2002).²⁶

To avoid confusion, the family name must be written as the last part of each author name (e.g. John A.K. Smith).

Politically, the decision could spark backlash, with critics viewing it as a dilution of caste-based protections, as *Nair Service Society v. State of Kerala* (2007) and *Sudhir Kumar v. Union of India* (2013) suggest in their discussions of societal cohesion.²⁷ The ruling's broader implications thus warrant a reevaluation of how reservation policies can evolve without sacrificing their foundational purpose.²⁸

VII. CONCLUSIONS

The Supreme Court's 2024 ruling, which extends the creamy layer exclusion to Scheduled Castes (SCs) and Scheduled Tribes (STs) in reservation policies, represents a significant shift in India's affirmative action framework. While the decision is ostensibly aimed at refining the allocation of benefits and ensuring that reservations reach those who need them the most, it raises critical concerns about whether economic criteria alone can serve as a justifiable basis for exclusion. By prioritizing financial status as a determinant for reservation eligibility, the ruling risks overshadowing the broader and more entrenched issue of caste-based discrimination, which continues to persist irrespective of economic mobility.

²⁴ *State of Punjab v. Davinder Singh*, 2024 SCC OnLine SC 1860 (India)

²⁵ *Ajit Singh v. State of Punjab*, (1999) 7 SCC 209 (India).

²⁶ *TMA Pai Foundation v. State of Karnataka*, (2002) 8 SCC 481 (India).

²⁷ *Nair Service Society v. State of Kerala*, (2007) 4 SCC 1 (India).

²⁸ *Sudhir Kumar v. Union of India*, (2013) 8 SCC 57 (India).

The reservation system in India was originally conceived as a corrective measure to counteract the historical injustices and systemic marginalization faced by SCs and STs. Over the years, landmark judgments such as *Indra Sawhney v. Union of India* (1992) and *E.V. Chinnaiiah v. State of Andhra Pradesh* (2004) have shaped the contours of affirmative action by emphasizing the social basis of caste oppression rather than solely focusing on economic disparities. The *Indra Sawhney* case, which introduced the creamy layer concept for Other Backward Classes (OBCs), explicitly excluded its application to SCs and STs, recognizing that these groups continue to face discrimination irrespective of financial status. Similarly, in *E.V. Chinnaiiah*, the Supreme Court reaffirmed that SCs and STs form a homogeneous class and that any further sub-classification within them would be unconstitutional, as it would dilute the purpose of affirmative action.

Against this backdrop, the 2024 decision represents a departure from traditional judicial interpretations, raising important questions about the evolution of reservation policies in a rapidly changing society. While economic empowerment is undeniably an important aspect of social mobility, it does not necessarily eliminate the deep-seated prejudices, exclusionary practices, and social hierarchies that SCs and STs continue to encounter. Restricting access to affirmative action based on economic status alone risks undermining the fundamental objective of reservations, which is to rectify historical injustices and ensure substantive equality rather than merely provide economic upliftment.

This paper undertakes a comprehensive analysis of judicial precedents, tracing the historical development of reservation policies and assessing the implications of the 2024 judgment on India's affirmative action framework. It argues for a balanced approach that acknowledges both social and economic disadvantages without compromising the constitutional vision of equality and social justice. As India grapples with the challenges of an evolving democracy, policymakers and jurists must adopt a nuanced perspective that ensures affirmative action remains a dynamic and effective

tool in addressing both the historical legacies of caste-based oppression and the demands of an increasingly modernized society.

By integrating socio-economic considerations in a constitutionally sound manner, the future of affirmative action policies must strike a delicate balance—preserving the transformative intent of reservations while ensuring that benefits reach the most marginalized sections. The path forward requires careful deliberation, ensuring that constitutional safeguards continue to uphold the principles of justice, equality, and dignity for all marginalized communities in India.

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