



# ALL INDIA FEDERATION OF OTHER BACKWARD CLASSES EMPLOYEES' WELFARE ASSOCIATIONS

(National Organisation representing Central Govt. and Public Sector OBC Employees)

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(Census)

July 18, 2022

**Hon'ble Member of Parliament**  
New Delhi

Respected Sir/Madam,

### Matters relating to OBCs

The implementation of reservation to OBCs both in education and employment is not done properly due to which the OBCs are not able to get their rightful share in every level of governance of this country.

The following matters needs to be taken up with the Union Government for consideration and implementation, without which, the largest population of this country will ever remain unrepresented in the top rungs of power.

1. Against Privatisation of GOI Depts/Public Sectors
2. Caste-wise Census-2021
3. Separate Ministry for OBCs.
4. Adequate budget allocation for OBC welfare and creation of Special Component Plan for OBCs in the Union Budget
5. Removal of Creamy layer Interregnum, the income ceiling has to be revised wherein the salary income and agriculture income should not be taken into account for income criteria.
6. 50% ceiling on reservation to be removed
7. Reservation in Private Sector.
8. Reservation to OBCs in Local Bodies.

**While requesting your goodself to kindly take up the matter with Hon'ble Prime Minister besides raising the matter in the Parliament along our respected Members of Parliament concerned with social justice.**

With respectful regards,

Encl: Annexure-I

Yours sincerely,

(G.Karunanidhy)  
General Secretary

**Annexure - I****1. Caste-wise data of OBCs in Census 2021:**

Courts have often been requiring the States to conduct the triple test that includes quantifiable data of the communities for whom reservation has to be implemented be it in Education, Employment or Local Bodies.

Unless the Union Government conducts a caste census, how this legal requirement of 'quantifiable data' can be fulfilled?

The Union Home Minister in 2018 informed that in the current Census enumeration, the OBC castes data will also be collected. Why then, the government should backtrack now? The reasons given by the Officials or the Ministers in the Parliament is not convincing.

The State Assemblies of Maharashtra, Odisha and Bihar have passed resolutions demanding the Central Government to conduct a caste-wise census of OBCs and Local Body elections in few States are stalled due to Court's intervention citing lack of data.

This serious matter has to be raised in the Parliament and also with Union Home Ministry to conduct a caste-wise data including data of OBCs so that any reservation applied to OBC, SC and ST communities do not suffer from legal hurdles. Unless empirical data of all the communities are available, Government cannot identify the social backwardness and undertake any welfare measures.

**2. Separate Ministry for welfare of OBC:**

Due to the creation of separate Ministry for Tribals and Minorities, those Ministries were able to undertake various welfare measures exclusively for these deprived sections.

We should strongly recommend to the Union Government to create an Independent Ministry for the OBCs (Other Backward Classes) instead of separate Department, to undertake welfare measures effectively as

has been done for Tribals and Minorities. Already, 20 years have gone and due to poor fund allocation, many of the welfare schemes for OBCs could not be done and this is the appropriate juncture to decide on creating Independent Ministry for OBC.

Some of the State Governments like Tamil Nādu have created separate Ministry and Minister for OBC and they are able to do lot of welfare schemes for the OBC people of that State.

### **3. Adequate budget allocation for OBC welfare and creation of Special Component Plan for OBCs in the Union Budget**

The Other Backward Classes (Socially and educationally backward classes) other than SC and ST were recognised at the national level and many States as a category needing focused developmental attention, only in 1990 and this could be put into effect only after the Supreme court's Mandal judgment in November 1992.

On account of this unfortunate delay, there has been a serious lacuna in respect of planned development of Backward Classes and there is no national policy and programmes consensus as in the case of SCs and STs.

#### **Budget allocation for OBC, SC, ST and Minorities**

(Schemes like Pre-Matric, Post-Matric, NBCFDC, Fellowships etc.)

(Rupees in crores)

<b>Division</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
<b>SC</b>	<b>4433</b>	<b>4729</b>	<b>5131</b>	<b>5418</b>	<b>5562</b>	<b>6404</b>	<b>6908</b>
<b>ST</b>	<b>4479</b>	<b>4792</b>	<b>4798</b>	<b>5300</b>	<b>5957</b>	<b>7293</b>	<b>5472</b>
<b>O.B.C.</b>	<b>1015</b>	<b>1112</b>	<b>1230</b>	<b>1237</b>	<b>1745</b>	<b>1944</b>	<b>2015</b>

(Source: Annual Reports of Ministry of SJE)

OBCs constitute the majority population of our country and a recent report shows that nearly 27% of OBC population lives below the poverty line. The report further noted that 27.2 percent of the Other

Backward Classes group 160 million out of 588 million people live in multidimensional poverty.

In this regard, we would like to mention that during the last budget (2021-22), Rs.76,256 crores have been allocated for Scheduled Tribes Component (STC). Rs.1,26,259 crores have been allocated for Scheduled Castes Component. (SCC).

These Special Component Plans under which schemes implemented by Central and State Governments are dovetailed by apportioning funds exclusively for targeted groups (SCs and STs) for addressing their needs/problems. They are aimed at economic development of the targeted groups covering farmers, primary leather workers (flayers, tanners etc.), rural artisans, fishermen, urban unorganized labourers etc.

A similar component plan for OBCs has not been created so far by Central Government. The present budget allocation of around Rs.2000 crores for OBC welfare is nowhere near their need.

As nearly 27% of the OBCs are living below poverty line, we request your goodself to kindly consider creating an OBC Component on the lines of SC/ST in the current budget (2022-23) in addition to the usual budget allocation to the Ministry of Social Justice and Empowerment. This is very much essential towards creating an equitable welfare society.

#### **4. Revision of income ceiling for OBCs**

The present income ceiling of Rs. 8 lacs to determine the creamy layer for OBCs has already ended by September 2020 and hence has to be revised.

An unconstitutional provision of fixing 'economic criteria' was imposed on OBCs and the Government ought to have overcome the Court's verdict by bringing constitutional amendment. But instead, the Government officials particularly the DOPT is bent upon imposing

further restrictions in the name of creamy layer criteria contrary to its own OM dated 8.9.1993 by including 'salary and agriculture income' which has to be stopped at least now.

In this regard, we would like to mention that the three-member committee headed by former Finance Secretary Ajay Bhushan Pandey was constituted by the Social Justice Ministry, Government of India on 30.11.2021 to review the criteria for identifying EWS.

In its report under para 4.3 it has been mentioned as under: *“In case of deciding the OBC creamy layer, income from salaries, agriculture and traditional artisanal professions are excluded from the consideration”* *“whereas the Rs.8 lakh criteria for EWS includes that from all sources included farming”*.

These recommendations were accepted by the Government and form part of the affidavit filed in the Hon'ble Supreme Court in the case relating to 'EWS'.

By this, it is apparent that Union Government and Social Justice Ministry has rejected the B.P.Sharma Committee recommendations to “include salary and agricultural income” and restored the guidelines relating to Income Test mentioned in the original OM dated 8.9.1993 that excludes salary income and agricultural income, which we have been demanding all these years.

The 3-year period for revision of income ceiling of Rs. 8 lacs for OBCs has already ended on 1.9.2020 and therefore, we request you to kindly recommend the revision of income ceiling to Rs.15 lacs, as recommended by NCBC in 2015 itself, with explicit mention that 'income from salaries, agriculture and traditional artisanal professions are excluded from Income Test' in line with the recommendations of Pandey Committee report that has been accepted by the Government and also affidavit filed before the Supreme Court of India.

Early consideration and action of Ministry of Social Justice and Empowerment will enable the OBC students and candidates in

obtaining OBC certificate with revised income ceiling and will enable them to apply for admission in higher educational institutions as well as for govt. employment from this academic year 2022.

## **5. 50% ceiling to be removed:**

OBCs constitute nearly 60% of the Indian population but the reservation percentage for OBCs has been limited to 27% in Union Government and in many of the States. This is due to the ceiling on reservation percentage imposed by the judgement of Supreme Court in Indra Sawhney case, quoting Balaji vs State of Mysore case. This has seriously affected the opportunities and rights of the backward classes who constitute nearly 60% of our population.

In fact, Mandal Commission has to restrict to 27% reservation to OBCs citing court judgement despite the fact that the Commission had estimated OBC population around 52%.

It is also a fact that the Constitution of India nowhere speaks about ceiling on reservation or reservation percentage. Under Art 16 (4) of the Constitution, it has been mentioned as 'adequate representation'.

Now that the Union Government by implementing 10% reservation to EWS among upper castes, the total reservation percentage has reached 59.5%. Thus the Union Government has already breached the 50% ceiling.

Hence it is very much necessary that the Union Government brings a constitutional amendment to remove the ceiling on reservation so that the large sections of our society who have been historically discriminated and remain as 'socially and educationally' backward can get their rightful and legitimate share in the governance of our country.

## **6. Privatisation of PSUs/GOI Depts to be stopped:**

The Union Govt's policy of disinvestment of Public Sectors including profit earning establishments is not suitable to the country like India

having a huge population as privatization will erode employment opportunities and will create social inequalities.

While privatisation was seen as the panacea for development and human welfare then, it is no longer seen as that. On the contrary, several global studies and well known economists, including the World Bank, have said in the past few years that privatisation causes more harm than good.

While pointing at the growing inequality in India, French economist Lucas Chancel cautioned against the government's disinvestment policy. The reason: Disinvestment stripped government of its assets, thereby reducing its capacity to address income inequality.

But that is not the only worry. There are two more: (a) The Niti Aayog has pointed out that poverty, hunger and income inequality have increased in 22 to 25 of the 28 states and UTs it mapped in 2018 and 2019 and (b) The CAG says that the objectives of disinvestments are not being met.

In such a situation, there is a good case for the central government to revisit its disinvestment policy.

## **7. Reservation in Private Sector**

Post 1990, the advent of liberalization, privatization and globalization (LPG) in India, the disinvestment policy pursued by governments at the Centre has shrunked the job opportunities in Government departments and public sector undertakings. In particular, this policy is affecting the OBC, SC and ST educated youths to a great extent, as they now only grew in large numbers as educated groups. The reservation policy in force for the OBC, SC and ST in State services is also becoming ineffective for these deprived groups.

Joint venture companies formed by the profit making PSUs and the private sector is getting all importance and favour from the Government but this private sector, have no place for reservation

policy. Measures at enlarging the scope for Foreign Direct Investment (FDI) and opening of various areas including insurance etc., to multinational companies has turned the attention of these deprived youth towards these private sectors for their livelihood. But in the absence of any reservation policy to be followed by them, the chances of these youths getting placements in those sectors is not that easy, where the caste system certainly plays an important role.

In India, any talk of extending opportunities and representation for OBC, SC and ST is resisted by the captains of the Indian Industry. For them, any policy of affirmative action is dilution of merit and efficiency.

But these Industrialists must understand that in United States, where the affirmative action is applied for the Blacks and ethical minorities who constitute nearly 20 per cent of America's population, the multinational companies themselves are concerned with diversity in society. They have honestly approached the issue and implementing the inclusive policy that the Blacks were able to represent in various firms to the extent of 20%.

The top Fortune 500 companies like Exxon Mobile, Walmart Stores, Ford Motors, IBM, the Media, and Universities apply the policy of affirmative action in US and the Blacks were able to have reasonable representation in those companies and Universities.

But in India, statistics reveal that in thousand Corporate Companies having nearly 9000 Board Members, the OBC represent just 3.8% and SC, ST represent 3.5%.

The private sector in India is not functioning independently. It gets all the support of the government in land, water and electricity and also funds from public sector banks. They have a social responsibility which they cannot ignore by quoting merit and efficiency. The deprived youths belonging to OBC, SC and ST having required suitability are ignored and hence necessary safeguards have to be effected in private sector.



The attempt by the previous government headed by Dr.Manmohan Singh where the Confederation of Indian Industry (CII) assured of voluntary and self regulatory system of inclusiveness has not had any effect.

The National Commission for Backward Classes (NCBC), a statutory body under the Ministry of Social Justice and Empowerment as well as to DoPT has already recommended in 2016 that a legislation be passed under which private entities, including businesses, hospitals, schools, trusts, etc. will have to reserve 27 per cent of jobs for OBCs.

Former Social Justice Minister Thaawar Chand Gehlot then commented that "An official-level committee has been formed and the committee is consulting industrialists and corporate leaders as to what can be done on this".But no action further has been taken towards this recommendation.

So it is necessary that a bold decision has to be taken by the present Government headed by Prime Minister belonging to Backward Class, to implement reservation in private sector, keeping in mind the large number of educated, qualified youths belonging to OBC and other deprived sections.

  
(G.Karunanidhy)  
General Secretary

## Affirmative Action in United States of America

### Representation of Blacks

<b>Fortune 500 Companies</b>	<b>Managers / Officers</b>
Exxon Mobile	<b>16.90%</b>
Ford Motors	<b>18.20%</b>
IBM	<b>21.56%</b>
US based Boeing	<b>18%</b>
General Motors	<b>23%</b>

### HARVARD UNIVERSITY

	1994	1999
Researchers	28.30%	33.90%
Teachers in Medical School	9.54%	13.67%
Trainees	30.31%	37.50%

### JOURNALS

	<b>Out of Total Workforce</b>
Wall Street	17.10%
USA Today	18.70%
New York Times	16.20%
Washington Post	19.50%
Los Angels Times	18.70%

Source: Tehelka June 19 2004