



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

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

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JULY 18, 2022

Hon'ble

**Dr.Virendra Kumar**

Union Minister of Social Justice & Empowerment

Govt. of India

New Delhi-1

Respected Sir,

**Revision of income ceiling for OBCs due from 1.9.2020**

**Ref: Our letter dated 10.9.2020, 29.11.2020,**

**18.2.2021, 8.4.2021, 5.4.2022**

We invite your kind reference to our letter cited above wherein we have stated that the present income ceiling of Rs. 8 lac per annum for the purpose of determining the creamy layer amongst Other Backward Classes, was revised by DOPT vide its OM 36033/1/2013-Estt. (Res), dated 13.9.2017 and is **due for revision from 1.9.2020**.

Already **twenty-one months have lapsed**, still there is no decision taken by our Ministry on this important matter affecting OBCs across the country.

In this regard, we invite your kind attention to the recommendations of **Expert Committee of 1993**, that states in **para 28** of their report thus: *“Since the rupee value is bound to undergo change, the income criteria in terms of the rupee as stated above will accordingly stand modified with change in the value. The modification exercise may normally speaking be undertaken every 3 years but if the situation so demands, the interregnum may be less.”*

We had seen in the past, that the revision of income ceiling was never done within the stipulated period of 3 years. **Since 1993, it ought to have been raised 9 times. But the Govt. has revised the income ceiling only four times** from Rs. 1 lac in 1993 to Rs.2.5 lacs on **9.3.2004**, from Rs.2.5 lacs to Rs.4.5 lacs On **14.10.2008**, from Rs. 4.5 lacs to Rs. 6 lacs on **16.5.2013** and from Rs. 6 lacs to Rs. 8 lacs on **1.9.2017**.

**The Parliamentary Committee for OBC in its 8<sup>th</sup> report submitted to the Hon'ble Speaker of Lok Sabha on 25<sup>th</sup> July 2020** states: *“the Committee observe that the provisions laid down in the DoPT OM dated 8th September, 1993 on the basis of the Expert Committee report for modifying the income ceiling at three yearly intervals or less, as may be needed, is not being followed by the Government and the revisions are being made at larger intervals, which is not in consonance with and, therefore, violative of the norms set by the Government themselves”.*

Now that the period of 3 years is over by 1<sup>st</sup> September 2020, since last revision done in 1.9.2017, we request you to kindly consider revising the income limit immediately.

In 2015 itself, National Commission for Backward Classes (NCBC) submitted a supplementary report (26.10.2015) to the Government, on income criteria for creamy layer, after taking into account various inputs received by them and also modifications, recommended to enhance the income limit from Rs. 6.00 lakh **to Rs. 15.00 lakh per annum**, but it was not considered by the Government then.

All these facts have been pointed out by the Parliamentary Committee for OBC in their report dated 25.7.2020, and further the OBC Committee has recommended to the Ministry of Social Justice and Empowerment *“to ensure a judicious and realistic enhancement of the 'income ceiling' for determining the 'creamy layer' category amongst OBCs to a reasonable level; and also to ensure that the income ceiling prescribed is periodically revised in consonance with the stipulations of the DoPT OM dated 8th September, 1993, taking into account, the trend of rise in GDP, inflation, per capita income, all round economic growth, rise in cost of living, increased costs of health care, transport and education”.*

Having said so, we also reiterate our demand that:

- i. The contentious recommendations of the B.P.Sharma Committee Report should be totally rejected.**
- ii. The order of DoPT dated 14.10.2004 and 6.10.2017 be withdrawn and to maintain the 'status quo' of OM dated 8.9.1993.**
- iii. 'Salary income' and 'agriculture income' should not be taken into account for the 'Income Test' to identify creamy layer among OBCs.
- iv. The whole concept of creamy layer imposed on OBCs by the Court should be totally removed.**
- v. Suitable constitutional amendments to remove creamy layer be brought to safeguard the reservation policy for OBCs and to overcome Court judgements on creamy layer.
- vi. The OBC certificate should be **valid for a minimum period of three years** instead of one year (financial year) prescribed at present.

In view of what has been stated above, we request you to **immediately consider revising the income ceiling to Rs. 15 lacs per annum as recommended by NCBC in 2015 itself, with a proviso that salary income and agriculture income should not be taken into account in accordance with Office Memorandum dated 8.9.1993 issued by DoPT and validity of OBC certificate for a minimum period of three years instead of one year.**

We request your early consideration of our representation for the revision of income criteria as represented above, in line with the recommendations of NCBC and Parliamentary Committee for OBC.

With respectful regards,

Yours sincerely,



(G. KARUNANIDHY)

GENERAL SECRETARY

Copy submitted to:

Hon'ble Chairperson, Parliamentary Committee for OBC, New Delhi