

Revisiting Reservation and Socio -Economic Disparities in Tamil Nadu With Reference to the Myth of the Sc Creamy Layer in India

Dr. G. Yoganandham

Professor, Department of Economics, Director- Centre for Knowledge, Thiruvalluvar University (A State University) Serkkadu, Vellore District, Tamil Nadu, India- 632 115.

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ABSTRACT

Reservation in Tamil Nadu has historically been a vital tool for addressing caste-based inequalities and promoting social justice. The debate over the “SC creamy layer” raises concerns about unequal benefits within Scheduled Castes and internal stratification. Despite Tamil Nadu’s high reservation quota of over 69%, disparities, social exclusion, and caste-based atrocities continue, showing that economic advancement alone cannot eliminate deep-rooted caste hierarchies. The state’s refusal to adopt the creamy layer principle reflects its commitment to community-wide redress rather than selective exclusions. Empirical evidence highlights persistent inequalities within SC sub-castes like Arunthathiyars, emphasizing the need for targeted, data-driven policies that support the most marginalized while maintaining social cohesion.

The study challenges the assumption that income alone can overcome caste discrimination, pointing to ongoing social, spatial, and institutional barriers. It calls for finer sub-caste classification, focused socio-economic interventions, and robust anti-discrimination measures to ensure equitable development. Overall, effective affirmative action in Tamil Nadu must go beyond income-based criteria to achieve genuine social justice and meaningful mobility. This assessment critically examines reservation policies, socio-economic gaps, and the relevance of the creamy layer debate for SCs, arguing for nuanced, evidence-based strategies that promote inclusion. Using a qualitative and comparative approach with secondary data and historical analysis, the study is exploratory and policy-oriented, offering insights for inclusive growth. It also underscores that caste stigma persists despite economic progress; highlighting the importance of strengthening sub-quotas and safeguarding caste-based redress to address entrenched inequalities in Tamil Nadu and beyond.

Keywords: Reservation policies, Socio-economic disparities, Scheduled Castes, Creamy layer, and Caste discrimination.

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AN EMPIRICAL ASSESSMENT

Dr. G. YOGANANDHAM, Professor, Department of Economics, Director- Centre for Knowledge, Thiruvalluvar University (A State University) Serkkadu, Vellore District, Tamil Nadu, India- 632 115.

The theme of the article

Tamil Nadu has historically been at the forefront of social justice initiatives, implementing extensive reservation policies aimed at dismantling caste hierarchies and promoting equitable access to education, employment, and political representation. With reservation percentages reaching around 69%, the state’s approach emphasizes caste-based affirmative action rather than solely economic criteria. Central to contemporary debates is the applicability of the “creamy layer” concept, originally devised for Other Backward Classes (OBCs)—to Scheduled Castes (SCs). While the creamy layer aims to exclude socio-economically advanced sub-groups within marginalized communities to better target benefits, critics argue that caste-based discrimination persists independently of income or social mobility. Empirical evidence from Tamil

Nadu reveals that despite decades of reservation, SC communities continue to face significant disparities: lower literacy rates, income gaps, under-representation in elite institutions, and ongoing social exclusion. The persistence of caste-based atrocities and social biases underscores that economic progress does not automatically erode deep-seated caste hierarchies. Tamil Nadu's resistance to applying the creamy layer principle to SCs stems from a longstanding ideological commitment to caste-based redress, viewing reservation as a tool for whole communities rather than selective exclusions. This approach aims to preserve social solidarity and address structural inequalities rooted in caste oppression. However, intra-community disparities, especially among sub-castes like Arunthathiyars, highlight the need for nuanced, data-driven policies that ensure benefits reach the most marginalized. Overall, the debate underscores the complex interplay between caste, socio-economic status, and social justice, emphasizing that effective affirmative action must go beyond income-based exclusions to genuinely address the enduring legacy of caste discrimination.

Statement of the problem

The core problem addressed in this study revolves around the ongoing disparities in social, economic, and educational outcomes among marginalized communities, particularly Scheduled Castes (SCs), in Tamil Nadu, against the backdrop of the broader national debate on the applicability of the “creamy layer” principle within reservation policies. Despite Tamil Nadu's historically strong commitment to social justice, characterized by an expansive reservation system of around 69%, persistent inequalities reveal that caste-based discrimination and social exclusion continue to undermine the objectives of affirmative action. While reservation has improved literacy rates, employment opportunities, and poverty indicators among SCs, significant intra-community disparities remain, especially among sub-castes like Arunthathiyars, and caste-based atrocities and social biases persist.

The debate over the “creamy layer” raises critical questions about the effectiveness of income-based exclusions in addressing deeply entrenched caste hierarchies, given evidence that socio-economic mobility does not necessarily erase caste prejudices or social ostracism. Moreover, Tamil Nadu's resistance to applying the creamy layer concept to SCs reflects a broader ideological stance that caste oppression is fundamentally social and structural, not merely economic. The challenge lies in designing nuanced, data-driven reservation policies that balance the need to target the most marginalized within communities without fragmenting social unity or diluting the principle of caste-based redress. Addressing this problem requires reconciling the realities of persistent caste discrimination with the goals of equitable development, ensuring that affirmative action genuinely translates into socio-economic mobility while safeguarding the broader social justice framework. The study explores pressing and rapidly evolving challenges that hold growing importance in today's interconnected world, highlighting their significance within the current global context.

Objective of the article

The overall objective of the article is to critically examine the interplay between reservation policies, socio-economic disparities, and caste dynamics in Tamil Nadu, with a specific focus on evaluating the applicability and limitations of the “creamy layer” concept for Scheduled Castes (SCs). It aims to analyze empirical evidence and historical contexts to argue for nuanced, data-driven policies that address intra-community inequalities while upholding social justice principles. The article advocates for a reimagining of affirmative action that moves beyond simplistic income-based exclusions to effectively combat deep-rooted caste discrimination. Ultimately, it seeks to contribute to informed debates on equitable reservation strategies that promote inclusive development in Tamil Nadu and India with the help of secondary sources of information and statistical data pertaining to the theme of the article.

Research Methodology of the article

This article adopts a qualitative and analytical research design, relying primarily on secondary sources of information to critically examine the interplay between reservation policies, socio-economic disparities, and caste dynamics in Tamil Nadu. The study utilizes historical analysis to trace the evolution of reservation

policies in the state, particularly the resistance to the creamy layer concept, and situates them within the larger framework of Dravidian social justice movements.

The research draws upon government reports (such as NSSO, NFHS, and Census of India data), scholarly articles, policy papers, and judicial pronouncements to assess the economic and educational status of Scheduled Castes and sub-castes in Tamil Nadu. It also reviews empirical studies conducted by academic institutions and research organizations to highlight intra-community disparities and the continuing effects of caste-based discrimination despite upward mobility. A comparative approach is employed by contrasting Tamil Nadu's stance with that of other states where the creamy layer principle has been applied to SCs and OBCs. The methodology emphasizes a critical interpretation of statistical evidence and secondary literature to argue for nuanced reservation policies. Thus, the study is exploratory, interpretative, and policy-oriented, aimed at contributing to ongoing debates on inclusive development and social justice. The gathered data and information will be thoroughly examined and interpreted to produce actionable insights that support the development of well-informed, evidence-based policies.

REVIEW OF LITERATURE

Deshpande, L. (2011), stated that the Caste and Economic Disparities in India: An Empirical Perspective. This work critically examines the intersection of caste and economic status, emphasizing that economic mobility does not necessarily translate into social inclusion. Deshpande argues that caste-based discrimination persists despite economic progress, especially among Dalit communities, reinforcing the need for caste-sensitive policies beyond income-based exclusions. The study underscores Tamil Nadu's resistance to the creamy layer policy for SCs, viewing reservation as a means of structural redress rather than purely economic redistribution. Jodhka, S. S. (2014), explores the persistence of caste hierarchies in contemporary India, highlighting that social exclusion is maintained through spatial segregation, social networks, and institutional biases. The paper discusses how economic mobility alone cannot dismantle caste-based prejudices, aligning with Tamil Nadu's approach of community-wide affirmative action. It also emphasizes the importance of intra-community stratification, such as among sub-castes like Arunthathiyars. Beteille, A. (2002), seminal work delves into the complex relationship between caste and socio-economic status, emphasizing that caste remains an enduring social structure that cannot be eradicated solely through economic measures. His analysis supports the argument that reservation policies must be nuanced, addressing intra-caste disparities and social hierarchies, as seen in Tamil Nadu's internal reservation practices.

Nair, S. (2017), analyzes Tamil Nadu's expansive reservation system and its ideological underpinnings rooted in Dravidian politics. Nair references empirical data showing that despite high reservation percentages, disparities within SC communities persist, particularly among sub-groups like Arunthathiyars. The study advocates for finer classification and targeted interventions to achieve genuine social justice. Chakravarti, S. (2015), critically examines the political dimensions of reservation and the myth of the "creamy layer," especially in the context of SCs. The paper discusses judicial debates and policy resistance, highlighting Tamil Nadu's stance of broad-based community reservation. It argues that caste remains a social, spatial, and institutional phenomenon that income data alone cannot capture.

Rao, M. (2018), traces the evolution of reservation policies in Tamil Nadu, emphasizing the state's ideological commitment to caste-based redress. Rao discusses intra-community disparities and the challenges of implementing sub-quotas without fragmenting social cohesion, supporting the need for evidence-based, nuanced policies. Sarkar, S. (2019), reviews the concept of the creamy layer, questioning its applicability to SCs based on empirical income data and social realities. The article highlights that in Tamil Nadu, policies resisting the creamy layer are rooted in a recognition that caste-based discrimination persists regardless of income, aligning with the broader themes of this comprehensive assessment.

Reservation and Social Justice in Tamil Nadu: Debating the SC Creamy Layer

Tamil Nadu has been a pioneer in social justice, with reservations dating back to the 1921 Justice Party government. Currently, the State provides 69% reservation, safeguarded under the Ninth Schedule of the Constitution. Unlike the national debate on the "creamy layer," Tamil Nadu asserts caste-based exclusion as a

structural issue rather than merely economic. According to the **2011 Census**, Scheduled Castes (SCs) form **20.01% of the State's population**, yet continue to lag behind in literacy and employment. The creamy layer debate reopens critical questions on whether socio-economic advancement neutralizes caste stigma in Tamil Nadu's unique context.

Reservation in Tamil Nadu has historically been a cornerstone of social justice, aimed at dismantling entrenched caste hierarchies and ensuring equitable access to education, employment, and political representation. With 69% reservation enshrined in the Ninth Schedule of the Constitution, Tamil Nadu has gone beyond the national cap of 50%, justifying it on the basis of historical discrimination and socio-economic disparities. A critical debate today centers on the application of the "creamy layer" concept to Scheduled Castes (SCs). The creamy layer principle, introduced in *Indra Sawhney vs Union of India* (1992), currently excludes affluent sections of Other Backward Classes (OBCs) from reservation benefits. However, the Supreme Court has repeatedly deliberated whether the same should apply to SCs and STs. In Tamil Nadu, SCs constitute nearly 20% of the population (2011 Census). Despite decades of reservation, data reveals persistent inequalities: the literacy rate among SCs in Tamil Nadu (73.26%) lags behind the state average (80.09%). Similarly, SC households report lower per capita income and higher poverty levels compared to forward communities.

According to the Periodic Labour Force Survey (2022), unemployment among SC youth in Tamil Nadu was around 8.6%, higher than the state average of 6.3%. Proponents of extending the creamy layer argue that a small elite within the SCs disproportionately benefits from reservation, leaving behind the most marginalized sub-castes, such as Arunthathiyars, who were given a 3% internal quota in 2009. Critics, however, contend that caste-based discrimination persists irrespective of economic mobility, with evidence of continued untouchability practices, exclusion, and atrocities under the NCRB 2022 data, which reported over 1,300 cases of crimes against SCs in Tamil Nadu. Thus, the creamy layer debate in Tamil Nadu highlights a tension between economic advancement and entrenched caste-based discrimination. A nuanced policy balancing social justice with equitable distribution within SC communities remains essential.

Reservation Dynamics and Socio-Economic Disparities in Tamil Nadu

Reservation in Tamil Nadu has significantly shaped access to education and employment. The SC literacy rate improved from 54% in 2001 to 73.26% in 2011, reflecting positive outcomes of affirmative action. However, disparities persist: National Sample Survey (NSSO, 2017-18) data show that SC households in Tamil Nadu had an average monthly per capita expenditure of only ₹1,495, compared to ₹2,151 for non-SC groups. Employment gaps remain evident, with SCs overrepresented in unorganized and manual labor. While reservation has opened educational opportunities, its socio-economic benefits are uneven, highlighting the persistence of caste hierarchies beyond income levels. Tamil Nadu operates India's most expansive quota system, 69% total reservation, protected by the Constitution (76th Amendment, 1994), which placed the state's 1993 reservation law in the Ninth Schedule. The working split traditionally cited is BC 30% + MBC/DNC 20% + SC 18% + ST 1%, keeping the aggregate at 69%. Demographically, Census 2011 places SCs at ~20.0% and STs at ~1.1% of Tamil Nadu's population, crucial for understanding targeting and representation within the quota blocks. On the outcomes side, the state pairs affirmative action with long-run investments in schooling and college access: by AISHE 2021-22, Tamil Nadu's Gross Enrolment Ratio (GER) in higher education is ~47% (age 18–23), versus India's 28.4%, signaling substantially broader participation in tertiary education.

Poverty has also fallen sharply. According to Tamil Nadu's State Planning Commission analysis of the Multidimensional Poverty Index (MPI), the headcount ratio declined from ~4.9% (2015–16) to ~1.6% (2019–21), with the MPI value dropping from 0.020 to 0.006, evidences that deprivations in health, education, and living standards have eased markedly. Nationally, NITI Aayog reports a broad MPI decline over the last decade, providing a favourable macro backdrop for Tamil Nadu's progress. Yet disparities and contestation persist. The 10.5% internal quota for Vanniyars (within MBCs) enacted in 2021 was struck down by the Supreme Court in 2022 for relying on outdated data, underscoring the need for current caste-wise evidence to refine internal reservations without eroding legal sustainability. In short, Tamil Nadu's 69% reservation regime constitutionally shielded coexists with high higher-education access and rapidly declining

multidimensional poverty. The next frontier is data-rich, intra-category calibration (using updated caste/education/labour indicators) to ensure that the most historically excluded sub-groups within BC/MBC/SC/ST blocks translate legal entitlements into equitable educational and economic mobility.

The Creamy Layer Debate in India: Concept and Controversies

The creamy layer principle emerged from the *Indra Sawhney v. Union of India* (1992) judgment, which capped reservations at 50% and introduced economic exclusion for OBCs. However, applying the same logic to SCs has been contested. Proponents argue it prevents the monopolization of benefits by affluent SCs, while critics stress that caste discrimination operates independently of income. The National Commission for Scheduled Castes (2021) opposed its extension, citing persistent untouchability practices, over 50,000 atrocity cases against SCs were registered nationally in 2020 (NCRB). This demonstrates that social stigma persists despite upward mobility, undermining the creamy layer argument. The creamy layer was evolved by the Supreme Court in *Indra Sawhney* (1992), which upheld 27% OBC reservation but required the exclusion of the socially advanced among OBCs and set a general 50% cap on quotas. The income ceiling, ₹1 lakh (1993), was later revised up to ₹8 lakh (2015). At the Union level, reservations are 27% for OBCs, 15% for SCs and 7.5% for STs in jobs and central educational institutions (total 49.5%). Demographically, SCs are ~16.6% and STs ~8.6% of India's population (Census 2011). The Mandal Commission (1980) estimated OBCs at ~52% based on 1931 data, highlighting under-representation. Prevents capture of benefits by relatively better-off SC subgroups, improving reach to the most marginalized; aligns with equality principles used for OBCs. Recent Supreme Court signals, in promotion cases, endorsed excluding the creamy layer among SC/ST for promotions.

SC status is tied to untouchability-based stigma, not mere economic progress; imposing a creamy-layer test risks diluting remedial justice. It may also introduce complex, contentious intra-SC stratification. *Indra Sawhney* (1992) imposed a 50% ceiling on the creamy layer for OBCs, with some exceptions. *Jarnail Singh v. Lachhmi Narain Gupta* (2018) removed the "quantifiable backwardness" requirement from M. Nagaraj for SC/ST promotions, but held creamy-layer exclusion applies. Parties often support OBC creamy-layer exclusion while differing on extending it to SCs; parallel moves focus on internal categorisation within SCs to target benefits (e.g., Karnataka's split of its 17% SC quota among sub-groups). Senior judicial voices recently called applying creamy layer within SC/ST a "milestone," reflecting an evolving consensus on targeting. Evidence of persistent under-representation (despite 49.5% reservations) and population shares (SC 16.6%, ST 8.6%, OBC ~52% est.) fuels the debate: extend creamy-layer logic to sharpen targeting, or preserve group-based remediation for communities facing entrenched caste stigma.

The Myth of the SC Creamy Layer: Structural Exclusion and Caste Hierarchy

Unlike OBCs, Scheduled Castes face entrenched untouchability, which economic growth alone cannot erase. Studies by Indian Institute of Dalit Studies (2018) reveal that nearly 60% of Dalit graduates experience caste-based job discrimination. In Tamil Nadu, upwardly mobile SC families continue to face exclusion in social and matrimonial spheres, showing the endurance of caste prejudice. Even in urban areas, caste identity remains a barrier, with SCs concentrated in low-paying occupations. The creamy layer concept, therefore, ignores the layered reality of caste-based exclusion, where education and income offer limited protection against deeply embedded caste hierarchies. Socio-economic mobility does not dissolve caste stigma because caste marks are social, spatial, and institutional, encoded in names, networks, neighborhoods, and gatekeeping norms. Even upwardly mobile Scheduled Castes (SCs) face targeted risks: the NCRB recorded 57,582 crimes against SCs in 2022, a 13.1% rise over 2021, evidence that status gains do not insulate from caste-motivated violence. In education, access has widened but hierarchies persist. SC higher-education enrolment reached 66.23 lakh in 2021–22, yet SCs remain slightly under-represented relative to their population share; official AISHE data show category shares around 15% of total enrolment versus ~16.6% of population. Meanwhile, representation plummets at the top: RTI-based reporting shows multiple IIT departments with no SC/ST/OBC faculty, and across elite institutions >80–90% of faculty posts are often held by "General" category scholars, indicating glass-ceiling effects despite student-level inclusion.

Employment evidence likewise shows continuing exclusion beyond income. Classic decomposition studies estimate ~15% of the SC/ST wage gap arises from discrimination unexplained by human capital. A well-known Delhi correspondence test finds no caste penalty in software callbacks but significant gaps in call-center jobs, underscoring that bias reappear in customer-facing segments. Space and everyday life reproduce stigma. An ICSSR-supported audit of the urban rental housing market in Delhi-NCR documented high rejection rates for Dalit applicants; face-to-face audits recorded around 60% denial odds tied to caste/religion markers, even for salaried, educated seekers. Independent urban studies confirm persistent residential segregation by caste. Taken together, rising atrocity cases, elite-faculty under-representation, labor-market penalties, and housing denials, empirical evidence shows that economic mobility does not erase caste. The “SC creamy layer” thesis mistakes income for inclusion; structural exclusion endures through institutional gatekeeping, spatial segregation, and status policing across education, employment, and public life.

Tamil Nadu’s Resistance to the Creamy Layer Concept

Tamil Nadu has consistently resisted the creamy layer principle for SCs, arguing that caste oppression is not comparable to economic class differences. The State’s Justice Party and Dravidian movements emphasized representation as a tool to dismantle caste barriers. As a result, Tamil Nadu provides 18% reservation for SCs without a creamy layer cap. Evidence from the Tamil Nadu Policy Note on Higher Education (2022) shows that SC enrollment in higher education rose to 26.4%, nearly proportional to their population. This success demonstrates that reservations must remain caste-sensitive rather than income-sensitive to address structural inequalities. Tamil Nadu has consistently resisted applying the creamy layer idea to Scheduled Castes (SCs), insisting that reservation must protect all SC communities rather than exclude better-off sub-groups. The state’s distinctive stance is rooted in policy and law: Tamil Nadu’s caste quota totals **69%** (established via the Tamil Nadu Backward Classes, SCs & STs Act, 1993) and the state successfully placed its Act in the Ninth Schedule to shield it from judicial reversal. Two features explain this resistance. First, the Dravidian movement, from Periyar’s social-reform politics through DMK/AIADMK state governance, centred social justice and mass redistribution rather than narrow meritocratic exclusion, producing political pressure to keep broad, universal reservations. This historical and ideological lineage is well documented in scholarly accounts of the Dravidian model. Second, Tamil Nadu treats reservations as structural redress for entrenched caste disadvantages across entire communities; officials worry that a creamy-layer rule (which filters out relatively better-off households) would fragment solidarity and weaken access for many historically excluded sub-castes. The state has actively taken legal and administrative steps (including committees to monitor promotion/reservation impacts) to defend its approach.

By contrast, several other states have seen more active creamy-layer debates or sub-classification moves: Andhra Pradesh and Karnataka have pursued sub-categorisation of SCs/STs and internal redistribution to address intra-group inequalities, and national courts have entertained applying differential tests, making these states focal points of contention. Commentators and legal analysts note growing national-level judicial/legislative interest in carving exceptions that Tamil Nadu resists. In short, Tamil Nadu’s resistance combines (a) a 69% universal-quota legacy, (b) Dravidian political ideology prioritizing broad social justice, and (c) active policy/legal defence, while states like Andhra and Karnataka have been more open to sub-classification/creamy-layer style reforms.

Socio-Economic Disparities among SCs/ STs, SC(A), BC and MBCs in Tamil Nadu

Despite progress, disparities persist within SCs themselves. For instance, the Arunthathiyars (7% of the SC population) have historically lagged behind other SC sub-castes. Recognizing this, Tamil Nadu introduced a 3% sub-quota within SC reservations in 2009. A report by the State Adi Dravidar Welfare Department (2020) showed that Arunthathiyar literacy rates (66.7%) were significantly lower than the overall SC average (73.26%). Employment statistics also reveal concentration in low-paying, stigmatized work. While reservations have improved representation, intra-caste inequalities challenge the notion of a uniform SC community, underscoring the need for sub-classifications without adopting the creamy layer principle. Tamil Nadu’s reservation landscape shows clear internal stratification, Scheduled Castes (SCs) form a substantial minority in the state, but benefits of reservations and welfare are unevenly shared across SC sub-castes, and between SC, ST, BC and MBC groups. The 2011/earlier Census records Tamil Nadu’s SC population as

roughly 18–19% of the state (district tables/Census). The state’s reservation architecture attempts corrective targeting, Tamil Nadu provides 15% for SCs plus an additional 3% specially for Arunthathiyar (SC-A), amounting to 18% SC reservation, and an unusually high overall caste quota (widely reported at ~69%). These measures recognise intra-SC disadvantage but have not eliminated skewed outcomes. Empirical and NGO reports document the unequal take-up of benefits: Arunthathiyar and other most-marginal SC sub-castes remain under-represented in public employment and higher-education seats relative to their population share (reports find Arunthathiyars often receive <10% of reservation allocations meant proportionally for them). This indicates capture of opportunities by relatively advantaged SC sub-groups.

Scholars and policy analysts warn that without finer targeting (sub-classification or calibrated sub-quotas) reservation can reproduce intra-group inequality, while opponents fear sub-division could fragment Dalit unity or dilute the universal principle of social justice. Recent debates therefore call for evidence-based redistribution (using caste-disaggregated data on education, employment and poverty) to steer benefits toward the most deprived without eroding anti-discrimination aims. Addressing these disparities requires balancing equity and unity. Tamil Nadu’s experience shows that while broad-based quotas uplift marginalized communities, internal hierarchies persist, leaving the poorest sub-castes like Arunthathiyars or certain ST groups behind. Studies highlight that poverty incidence among SCs is still 32–34%, compared to 20% among BCs and less than 15% among Forward Castes, reflecting continued socio-economic gaps. Unequal land ownership, limited access to higher education, and wage discrimination exacerbate deprivation. Therefore, reservation policies must be complemented with targeted socio-economic interventions, ensuring fair distribution of benefits without weakening the foundational principle of social justice and collective empowerment. In short, combine disaggregated monitoring, proportionate sub-quotas were justified, and strengthened outreach (scholarships, placements, local representation) so reservation advances equity within communities while upholding broader social-justice goals.

The Flawed Argument of the SC Creamy Layer: Towards Inclusive Development through Education, Reservation, and Anti-Discrimination Measures

The Supreme Court’s application of a “creamy layer” argument to Scheduled Castes is empirically and normatively weak. Poverty and educational deficits remain widespread among SC communities: the 2011 Census records the SC population at ~201 million with an overall literacy of 66.07%, below national averages. Rural poverty estimates show over one-third of SC households remained below the poverty line in 2011–12 (about 33.8%), underscoring persistent material disadvantage. Crucially, multiple empirical studies and commentators find that economic mobility does not erase caste-based exclusion: discrimination in housing, social interactions, education and labour markets persists even for upwardly mobile Dalits, so wealth alone is a poor proxy for vulnerability. Legal scholars and policy analysts have also noted that proposals to apply a creamy-layer exclusion to SC/ST quotas lack robust caste-level data to identify “forward” subgroups, making blunt income cutoffs likely to misclassify and exclude many who remain socially marginalized.

Policy pathway such as, preserve reservation as an anti-exclusion tool while improving targeting through sub-classification only after a comprehensive, transparent caste census and microdata analysis; and Invest heavily in educations such as bridge programmes, scholarships, quality improvements, because higher completion rates are foundational to mobility, Census and MOSPI show persistent education gaps that demand remedial action. Enforce anti-discrimination laws, expand affirmative outreach in hiring and schooling, and monitor outcomes with disaggregated indicators (poverty, learning, employment) so policy responds to social, not just economic, exclusion. Furthermore, inclusive development requires bridging structural inequities beyond material metrics. While a narrow creamy layer lens assumes income erases stigma, field studies reveal that Dalits with higher education or salaried jobs still face social ostracism, residential segregation, and hiring bias. This indicates that caste hierarchies reproduce disadvantages across generations irrespective of individual progress. Therefore, reforms must integrate social justice with economic growth: expanding digital literacy, vocational training, and entrepreneurship among SC youth; enforcing workplace diversity; and sensitizing institutions against implicit bias. Only through this holistic approach can reservations, education, and anti-discrimination measures converge to dismantle entrenched caste barriers. In short, treating caste disadvantage as reducible to income risks undoing constitutional commitments to substantive equality; evidence calls for data-driven, multi-pronged remedies, education, reservation, and strict anti-discrimination enforcement.

Castes Politics and Reservation Dynamics in Tamil Nadu: From Historical Marginalization to Emerging Political Power

During the time of Kamaraj and M.G.R., reservation stood at 31% for Backward Classes (BC), 18% for Scheduled Castes (SC), and 1% for Scheduled Tribes (ST). In 1989, Karunanidhi restructured the reservation system by dividing the seats among 118 castes under BC and 110 castes under the newly formed Most Backward Classes (MBC), allotting 30% to BC and 20% to MBC. Within MBC, priority was given to right-wing communities like Denotified Tribes, Kallar, and Maravar. This decision was presented in the Assembly without debate, but before it could be implemented, the government was dissolved. Later in 1991, Karunanidhi's plan was executed by Jayalalithaa with the support of Sasikala. Karunanidhi did not stop there. In 2009, he further divided the Scheduled Castes by allocating 3% exclusively to the Arunthathiyars, introducing a 200-point rotational system to prioritize them. However, communities such as Vettiyan, Semman, Puthirai Vannan, who face even harsher conditions, were excluded. This arrangement largely sidelined the Paraiyar community within the SC category. Since 1969, Paraiyars have borne the brunt of the power politics of the ruling parties.

In the 2024 elections, the DMK alliance faced setbacks in Villupuram and Chidambaram, where the community expressed its discontent. If AIADMK and BJP votes are combined, the DMK alliance would lose 12 crucial seats. In 2021, DMK secured 128 out of 234 seats, with nearly 60 from the northern districts, strongholds of the Paraiyar population. The question now is whether the Paraiyars will determine the future government. If they do, the political influence they once held before 1967 could see a revival. The Paraiyar community holds a decisive role in shaping Tamil Nadu's political future. Their unity and assertion can challenge the dominance of major parties that have historically sidelined them through divisive reservation policies. The lesson taught in Villupuram and Chidambaram is only the beginning. If their political strength is consolidated, alliances and vote banks will shift dramatically, especially in the northern districts. For decades, the voice of the Paraiyar has been muted under the shadow of larger caste interests, but the current political climate presents an opportunity for resurgence, reclaiming leadership reminiscent of the pre-1967 era.

According to the data, only 0.5% of Scheduled Caste (SC) households in India earn more than ₹66,000 per month, while a vast majority, 83.55%, survive on less than ₹5,000 per month. Another 11.74% fall in the ₹5,000–10,000 income bracket, and merely 4.67% earn above ₹10,000 monthly. If we apply the OBC and EWS income criteria of ₹66,000 per month, virtually the entire SC population, except for that 0.5%, would qualify. This raises a critical question: on what basis did the judiciary conclude that a so-called “creamy layer” within the SCs is cornering the benefits of reservation.

The idea of a “creamy layer” among Scheduled Castes (SCs) is deeply contested when examined against income statistics. Data shows that only 0.5% of SC households in India earn more than ₹66,000 per month, the income threshold applied for OBC and EWS categories. In contrast, a staggering 83.55% of SC households survive on less than ₹5,000 per month, while 11.74% earn between ₹5,000 and ₹10,000, and only 4.67% report a monthly income above ₹10,000. These figures demonstrate that the overwhelming majority of SC families continue to live under severe poverty and socio-economic marginalization. Even among the small upwardly mobile sections, caste-based discrimination persists in education, employment, housing, and social interactions. Studies by the National Sample Survey (NSS) and the India Human Development Survey (IHDS) reveal that SCs, regardless of income, face barriers in accessing equal opportunities. Landlessness, low literacy levels, and high dependence on casual labor further reflect structural disadvantages. Given that only a negligible proportion of SC households cross the ₹66,000 threshold, it is questionable how judges concluded that a so-called creamy layer is monopolizing reservation benefits, when the data clearly shows that economic upliftment has barely touched this community, and social exclusion remains entrenched.

Constitutional Provisions Relating to the Reservation System in India

The reservation system in India is rooted in the Constitution of India, aimed at ensuring social justice and equality for historically marginalized communities such as the Scheduled Castes (SCs), Scheduled Tribes (STs), and Other Backward Classes (OBCs). Articles 15(4) and 15(5) empower the state to make special provisions for the advancement of socially and educationally backward classes in educational institutions.

Article 16(4) enables reservation in public employment, while Article 46 under the Directive Principles directs the state to promote the educational and economic interests of weaker sections. Additionally, Articles 330 and 332 provide political reservations in the Lok Sabha and State Assemblies. The landmark First Constitutional Amendment (1951) laid the foundation for educational reservations, while the 77th Amendment (1995) introduced reservation in promotions for SCs and STs (Article 16(4A)). The 81st Amendment (2000) allowed the carry-forward of unfilled reserved vacancies, and the 93rd Amendment (2005) provided reservation in private unaided educational institutions (except minority institutions). The 103rd Amendment (2019) introduced 10% reservation for Economically Weaker Sections (EWS) in education and jobs, extending the principle beyond caste.

Statistically, according to the 2011 Census, SCs constitute 16.6%, STs 8.6%, and OBCs are estimated at 41% of India's population (as per the Mandal Commission and NSSO data). Currently, the reservation stands at 15% for SCs, 7.5% for STs, 27% for OBCs, and 10% for EWS, totaling 59.5% at the central level, though states like Tamil Nadu have extended it to 69% under special provisions. Despite criticisms of perpetuating caste identities, reservation has significantly improved representation. For instance, SC/ST literacy rates rose from 21.38% (1961) to 66.1% (2011), indicating progress through affirmative action. Thus, constitutional provisions on reservation continue to play a pivotal role in balancing historical injustice with equitable opportunities in modern India. While reservations have expanded access, challenges of unequal intra-group benefits persist, as dominant sub-castes within SCs, STs, and OBCs often secure a disproportionate share. The Sachar Committee Report (2006) and NSSO surveys reveal that many Dalit and Adivasi households still face poverty, with over 40% of SCs and 45% of STs below the poverty line in rural areas. Furthermore, in higher education, despite quotas, SC enrollment remains at 14.7% and ST at 5.6% (AISHE 2020-21), still below their population share. These disparities highlight that constitutional provisions, though vital, require complementary policies for equitable and inclusive social justice.

Articles 15(4) and 15(5) empower the state to provide reservations in educational institutions. As per AISHE 2020-21, SC enrollment in higher education is 14.7%, STs at 5.6%, and OBCs at 36.3%, showing progress but still below their population share (SCs 16.6%, STs 8.6%). The 93rd Amendment (2005) also extended reservations to private unaided institutions (except minorities). Under Article 16(4), SCs, STs, and OBCs receive reservations in public employment. The 77th Amendment (1995) added reservation in promotions for SC/STs. As per Department of Personnel and Training (2021), SCs hold 17.5% of central government jobs and STs 7.6%, roughly matching their population shares, though representation in higher posts remains low. Articles 330 and 332 ensure political representation by reserving 84 Lok Sabha seats for SCs and 47 for STs (2019). In State Assemblies, over 1,000 constituencies are reserved for SC/ST candidates, ensuring their voices in governance.

Contemporary Relevance of the Reservation System in Modern India and Tamil Nadu

The reservation (quota) system remains a central instrument of social justice in modern India and Tamil Nadu: it corrects historic exclusion, expands access to education and public employment, and shapes political representation, even as debates about its scope, targeting and duration intensify. At the national level the 2011 census and related sources put Scheduled Castes (SCs) at roughly 16–17% and Scheduled Tribes (STs) near 8–9% of the population; the central government's statutory quotas (for direct recruitment/on-campus admissions) currently approximate 15% (SC), 7.5% (ST) and 27% (OBC) in many central contexts. Tamil Nadu is an outlier in policy design and size of reservation: the state's consolidated reservation today is commonly reported at about 69% (with allocations historically split across Backward Classes, Most Backward Classes, SCs and STs), a level well above the 50% ceiling that dominates Supreme Court jurisprudence and which has generated continuing litigation and political debate.

Contemporary relevance, education and employment. Government data and academic studies show persistent gaps in higher-education participation and labour-market outcomes for SC/ST and many OBC subgroups; reservation remains a primary policy lever to raise enrolment, secure government jobs and build representative institutions, especially where private expansion has unevenly benefited privileged groups. The announcement to include caste details in forthcoming census rounds has renewed demands for recalibration of quotas (state demands for higher shares, internal sub-quotas, and reclassification). That political fallout makes reservation

both a governance necessity for inclusion and a politically charged instrument that must balance fairness, data accuracy and constitutional limits. Reservation in India and Tamil Nadu continues to be highly relevant: it reduces measured exclusion and improves representation, but it also requires up-to-date data, finer targeting (to avoid leakages/duplication) and complementary investments (quality schooling, skill training) so quotas translate into sustained socio-economic mobility.

Tamil Nadu's Unique Stand on Creamy Layer: A Contrast with National and Other State Models

Tamil Nadu's approach to the "creamy layer" concept is distinctive because the state treats reservation primarily as a caste-and-social-backwardness measure rather than an economic one, and it has preserved a much larger aggregate quota than the national norm. Tamil Nadu continues to operate an overall reservation of 69% (established through state Acts and protected by successive legal and political measures), whereas the Supreme Court's Indra Sawhney (Mandal) line has generally limited reservations to 50% and required exclusion of the "creamy layer" within OBCs at the central level. At the national level the central OBC quota is 27%, and the Mandal framework explicitly applies the "creamy layer" exclusion for OBC beneficiaries, i.e., the relatively better-off among OBCs are removed from quota benefits to target the socially and educationally backward. Tamil Nadu, however, argues that caste-based social disadvantage cannot be captured solely by income cutoffs and that broad caste-based protection remains necessary in the state's socio-political context.

Legal and political tensions follow. The Supreme Court has repeatedly upheld the 50% ceiling in many contexts, creating friction with Tamil Nadu's higher ceiling; courts have also scrutinized state laws that expand quotas without up-to-date empirical data (the 2021 Special Reservation Act was struck down in litigation over lack of quantifiable backing). Meanwhile, the Centre has signalled it will not introduce a "creamy layer" rule for SC/ST reservations, even as some judges have suggested mechanisms to identify and exclude advantaged sub-groups within SC/STs. These developments mean the creamy-layer debate now sits at the intersection of law, demography, and politics. Tamil Nadu's model is distinctive because (1) it preserves a 69% aggregate quota rooted in caste categories rather than income tests, (2) it resists the uniform application of creamy-layer income cutoffs used for OBC policy at the centre, and (3) ongoing litigation and national policy signals keep the issue contested, with implications for how targeted and constitutional affirmative action should be. In short, Tamil Nadu's model prioritizes caste-based social backwardness and broad protective quotas; without recent caste-wise data the state faces legal vulnerability under Supreme Court tests (50% ceiling, evidence-based quota expansion). A state caste survey/census is the most likely legal remedy to strengthen Tamil Nadu's defence.

Strengthening Reservation Discourse in Tamil Nadu through Social Justice Theories

Tamil Nadu's reservation policies, which currently stand at 69% for SC, ST, BC, MBC, and DNC categories, have long been framed as instruments of social justice. A deeper theoretical engagement with thinkers like B.R. Ambedkar, John Rawls, Will Kymlicka, and Nancy Fraser can enrich the understanding of their ethical and political foundations. Ambedkar argued that caste is not merely a division of labor but a division of laborers, necessitating structural interventions. His principle of "liberty, equality, fraternity" underlines Tamil Nadu's commitment to dismantling caste hierarchies through affirmative action. Statistical evidence supports these gains: Gross Enrolment Ratio (GER) in higher education for SCs in Tamil Nadu was 28.6% in 2020–21, significantly higher than the national average of 23.4% (AISHE, 2021), reflecting the impact of sustained reservations.

Rawls' difference principle asserts that inequalities are justifiable only if they benefit the least advantaged. Tamil Nadu's expansion of reservations beyond the 50% ceiling recognized by the Supreme Court reflects a Rawlsian attempt to prioritize equity over formal equality. Meanwhile, Kymlicka's defense of group-differentiated rights validates Tamil Nadu's recognition of historically disadvantaged castes and communities as requiring targeted support for genuine democratic participation. Nancy Fraser's concept of redistribution and recognition is particularly relevant. Reservations in Tamil Nadu not only redistribute opportunities in education and employment but also provide symbolic recognition of marginalized identities, countering stigma and exclusion. Yet challenges remain: reports suggest that nearly 30% of Dalit households in Tamil Nadu still lack access to safe sanitation, reflecting persistent socio-economic inequality despite reservation gains (NSSO,

2019). Thus, grounding Tamil Nadu's reservation discourse in broader social justice theories highlights both its achievements and its unfinished agenda, moving beyond access towards dignity, equality, and structural transformation. In short, while Tamil Nadu's reservation policies resonate with Ambedkar's radical call for caste annihilation and Fraser's dual demand for redistribution and recognition, they face critical challenges. The creamy layer debate within OBCs, uneven intra-caste benefits, and persisting socio-economic deprivation indicate that redistributive justice is not fully achieved. A Rawlsian perspective would argue for refining targeting mechanisms to ensure benefits reach the most disadvantaged. Similarly, Kymlicka's emphasis on multicultural citizenship underscores the need to combine reservations with skill development and empowerment programs. Strengthening caste-disaggregated data collection and integrating welfare with dignity-based policies remain vital for inclusive justice.

CONCLUSION

The debate on the SC creamy layer often overlooks the reality that social stigma persists irrespective of income levels. Evidence from Tamil Nadu shows that while education and employment indicators for SCs have improved, socio-economic disparities and caste-based exclusion remain. To ensure equitable development, policy must prioritize strengthening sub-quotas, enhancing quality education, promoting entrepreneurship, and enforcing anti-discrimination laws. National Crime Records Bureau (2021) data on caste atrocities, 13,147 cases in Tamil Nadu alone since 2015, proves that caste is far from irrelevant. Thus, revisiting reservation requires nuance: targeting disparities while rejecting the flawed myth of the SC creamy layer. The reservation system in Tamil Nadu exemplifies a longstanding commitment to social justice, aiming to dismantle caste hierarchies and promote equitable access to education, employment, and political representation. With a notably high reservation quota of around 69%, Tamil Nadu has prioritized broad, community-based affirmative action over the application of the "creamy layer" principle, which seeks to exclude socio-economically advanced sub-groups within marginalized communities. This stance is rooted in the state's historical and ideological focus on caste-based redress, emphasizing that caste discrimination persists regardless of economic mobility.

Empirical evidence highlights ongoing disparities: despite improved literacy and reduced poverty, SCs in Tamil Nadu continue to face social exclusion, lower income levels, and under-representation in elite institutions and high-level jobs; caste-based atrocities and social biases remain entrenched. The "creamy layer" debate, which seeks to refine reservation targeting by excluding the relatively affluent, is contentious because caste-based discrimination is not solely economic, it is social, spatial, and institutional. Tamil Nadu's resistance to this concept underscores its belief that reservation must protect entire communities facing systemic oppression, not just those who are economically better-off. Internally, disparities among SC sub-castes like Arunthathiyars further complicate matters, calling for finer classification and targeted interventions rather than blanket exclusion. Overall, while Tamil Nadu's expansive reservation policy has advanced representation and reduced poverty, persistent intra-community inequalities and caste prejudices demand nuanced, data-driven policies that balance social justice with effective targeting. The core challenge remains ensuring that affirmative action translates into meaningful socio-economic mobility, while safeguarding the principle of caste-based redress against superficial economic criteria.

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