



## Income Criterion Remains for EWS Quota

**For Prelims:** EWS Quota and Constitutional Provisions.

**For Mains:** Significance of EWS Quota in Social Mobility and related Concerns.

### Why in News

Recently, a government committee report told the [Supreme Court \(SC\)](#) that “income” is a “feasible criterion” for defining the “Economical Weaker Sections” (EWS).

- In October 2021 [NEET](#) aspirants filed a petition asking how ‘Rs 8 lakh’ has been taken as an **annual income criterion** to identify EWS for grant of 10% reservation in NEET medical admissions under the All India Quota (AIQ) category.

### EWS Quota

- The **10% EWS quota was introduced under the 103<sup>rd</sup> Constitution (Amendment) Act, 2019** by amending [Articles 15 and 16](#).
  - It inserted Article 15 (6) and Article 16 (6).
- It is for **economic reservation in jobs and admissions in education institutes** for Economically Weaker Sections (EWS).
- It was enacted to promote the welfare of the poor not covered by the 50% reservation policy for [Scheduled Castes \(SCs\)](#), [Scheduled Tribes \(STs\)](#) and [Socially and Educationally Backward Classes \(SEBC\)](#).
- It enables both Centre and the states to provide reservation to the EWS of society.
- The income criterion for identifying EWS was introduced by a notification of January 17, 2019 which further laid down other conditions for identifying EWS, such as the beneficiary’s family must not own or possess five acres of agricultural land, a residential flat of 1,000 square feet and above or residential plot of 100/200 square yards and above in notified/non-notified municipalities.

### Key Points

- **About the Report:**
  - **8 Lakh is a fine Balance:**
    - The committee said the Rs 8 lakh criterion struck a “fine balance” between over-inclusion and inclusion errors and found it a “**reasonable**” **threshold to determine EWS in order to extend reservation** in admissions and jobs.
    - Considering that the currently effective income tax exemption limit is around Rs 8 lakh for individuals, the committee is of the view that the gross annual income limit of Rs 8 lakh for the entire family would be reasonable for inclusion into EWS.
  - **Rejected Notion of Emulation of OBC Criterion:**

- It rejected the notion that the Centre had “mechanically adopted” Rs 8 lakh as a number because it was also used for the [OBC \(Other Backward Classes\)](#) creamy layer cut-off.
- **Income Criterion more Stringent for EWS:**
  - **Firstly**, EWS’s criteria relates to the financial year prior to the year of application whereas the income criterion for the creamy layer in OBC category is applicable to gross annual income for three consecutive years.
  - **Secondly**, in case of 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 all sources, including farming**.
  - So, despite being the same cut-off number, their composition is different and hence, the two cannot be equated.
- **Uniform Income Threshold Backed by SC:**
  - The desirability of a uniform income-based threshold has been upheld by the Supreme Court, and it can be adopted across the country as a matter of economic and social policy.
- **Recommendations:**
  - In case of admissions to educational institutions, **sudden adoption of new criteria inevitably and necessarily would delay the process** by several months which would have an inevitable cascading effect on all future admissions and educational activities/teaching/examinations which are bound under various statutory or judicial time prescriptions.
  - EWS may, however exclude, irrespective of income, a person whose family has 5 acres of agricultural land and above. The **residential asset criteria may altogether be removed**.
    - The committee altogether omitted the residential asset criteria but retained the five acre agricultural plot criteria.
  - A **three-year feedback loop cycle may be used to monitor** the actual outcomes of these criteria and then be used to adjust them in future.
  - **Data exchange and information technology should be used** more actively to verify income and assets and to improve targeting for EWS reservations and also across government schemes.
  - The existing and ongoing criteria in every ongoing process where EWS reservation is available, **be continued and the criteria recommended in this report may be made applicable from next advertisement/admission cycle**.

[Source: TH](#)

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