

Newspaper Analysis

21 JUNE



**BPSC
CONCEPT
WALLAH**



Bihar quota struck down: what is the 50% ceiling that court relied upon?

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NEW DELHI, JUNE 20

PATNA HIGH Court on Thursday set aside notifications by the Bihar government increasing reservation in government jobs and educational institutions from 50% to 65%.

"It is to break the stranglehold of a few at the expense and to the detriment of the many that reservation to backward classes was envisaged. But merit cannot be completely effaced and sacrificed at the altar of reparations. This was the principle on which the 50% limit was laid down for reservations," the High Court said.

What is the history of the 50% ceiling for quotas, and why is it litigated so often?

The Indra Sawhney ruling

The 50% ceiling was introduced by the

Supreme Court in its landmark 1992 decision in *Indra Sawhney v Union of India* in order to ensure "efficiency" in administration.

The 6-3 majority verdict that upheld the 27% quota for socially and economically backward classes (SEBC) set two important precedents — first, it said that the criteria to qualify for reservation is "social and educational backwardness"; second, it reiterated the 50% limit to vertical quotas that the court had laid down in earlier judgments (*M R Balaji v State of Mysore*, 1963, and *Devadasan v Union of India*, 1964). The 50% limit would apply unless in "exceptional circumstances", the court said.

The *Indra Sawhney* ruling has been reaffirmed in a host of cases since then. But efforts to breach the 50% limit have also continued, in Bihar and other states, and gained significant political currency. During the Lok Sabha election campaign, Congress leader

Rahul Gandhi promised a caste census and extension of reservation beyond 50%.

Legal challenge to ceiling

The 50% limit is under challenge before the Supreme Court. Despite the pending challenge, laws that could breach the limit have been set aside by the courts. The only exception has been the 10% quota for the Economically Weaker Section (EWS) introduced in 2019.

In November 2022, a five-judge Bench of the Supreme Court upheld the EWS quota in a 3-2 verdict that said the 50% ceiling applied only to SC/ ST and OBC quotas, and not to a separate quota that operated outside the 'backwardness' framework which was "an entirely different class".

"Moreover...the ceiling limit...has not been held to be inflexible or inviolable for all

times to come," the majority opinion stated.

This observation has led to questions on whether the SC might reopen the *Indra Sawhney* question itself. In the minority opinion by two judges, there was a general refrain on whether it is permissible to breach the 50% ceiling since the issue is pending before the court.

They sounded a "cautionary note" that "permitting the breach of the 50% rule as it were" could become a "gateway for further infractions, resulting in compartmentalisation".

Critics of the 50% ceiling argue that it is an arbitrary line drawn by the court, even as the legislature has consistently attempted to push back.

On the other hand, an argument is made that breaching 50% would be antithetical to the principle of equality since reservations

are an exception to the rule. Dr B R Ambedkar's speech in the Constituent Assembly is often quoted as caution that reservations without qualifiers could "eat up the rule of equality".

However, there is also a view that reservations are a feature of the fundamental right to equality, and part of the basic structure of the Constitution. In its ruling of 2022 upholding the 27% OBC quota in NEET, the SC had said that "reservation is not at odds with merit but furthers its distributive consequences".

This reframing of the question on substantive equality rather than formal equality will be tested when the SC takes up the *Indra Sawhney* question once again, armed with the learnings from more than three decades of jurisprudence on reservations since the implementation of the report of the Mandal Commission.

Reservation in other states

The 76th constitutional amendment in 1994 inserted the Tamil Nadu reservation law breaching the 50% limit into the Ninth Schedule of the Constitution. The Ninth Schedule provides the law with a "safe harbour" from judicial review under Article 31A of the Constitution. Laws placed in the Ninth Schedule cannot be challenged for reasons of violating any fundamental right protected under the Constitution.

In May 2021, a five-judge SC Bench unanimously struck down a Maharashtra law that provided reservation to the Maratha community as unconstitutional, holding that the quota limit could not exceed 50%. With the implementation of the Maratha quota, reservation in the state could have gone up to 68%.

Similar to the Maratha issue are the cases of Patels in Gujarat, Jats in Haryana, and Kapus in Andhra Pradesh.

EXPLAINED
LAW



Introduction

The Patna High Court recently struck down the Bihar government's notification to increase reservation in government jobs and educational institutions from 50% to 65%. The court based its decision on the established 50% ceiling for reservations, emphasizing that while reservations aim to provide opportunities for backward classes, merit should not be entirely compromised.

1. Context and Background of the Article

The decision to strike down Bihar's increased reservation quota is rooted in the historical context of India's reservation system, particularly the 50% ceiling established by the Supreme Court in the landmark 1992 Indra Sawhney v Union of India case. This ceiling was set to ensure administrative efficiency and balance merit with social justice.

2. How it is Relevant for BPSC Exam

- **Constitutional Law:** Understanding the legal framework and judicial precedents related to reservations is crucial for questions on constitutional law.
- **Public Administration:** The article provides insights into the implementation and challenges of reservation policies, relevant for public administration topics.
- **Current Affairs:** The ongoing debates and legal challenges regarding reservation limits are pertinent for current events.
- **Social Justice:** Knowledge of reservation policies and their impact on social equity and inclusion is essential for discussions on social justice.

Body

- **Details of the 50% Ceiling for Reservations**
 - **Historical Context:**
 - The 50% ceiling was first established by the Supreme Court in the 1992 Indra Sawhney v Union of India case to maintain a balance between reservations and merit.
 - This decision reinforced earlier judgments from the M R Balaji v State of Mysore (1963) and Devadasan v Union of India (1964) cases, emphasizing that reservations should not exceed 50% except in exceptional circumstances.
 - **Rationale:**
 - The ceiling ensures that merit is not entirely compromised while providing opportunities for backward classes.
 - It aims to maintain efficiency in administration and uphold the principle of equality.
- **Legal Challenges and Exceptions**
 - **Indra Sawhney Ruling:**
 - Reaffirmed in multiple cases, the ruling has become a cornerstone of reservation policy in India.

- Efforts to breach the 50% limit have persisted, gaining political traction and leading to frequent litigation.
 - **EWS Quota:**
 - The 2019 introduction of a 10% quota for the Economically Weaker Section (EWS) was upheld by the Supreme Court, distinguishing it from SC/ST and OBC quotas.
 - The majority opinion in the 2022 verdict suggested that the 50% ceiling is not inflexible, hinting at possible future reconsideration.
 - **Arguments For and Against Breaching the Ceiling**
 - **Critics of the Ceiling:**
 - Argue that the 50% limit is arbitrary and restricts the legislature's ability to address social inequalities.
 - Point to the evolving understanding of equality and social justice that may necessitate higher reservation percentages.
 - **Proponents of the Ceiling:**
 - Emphasize that reservations are exceptions to the general rule of equality and should not overshadow merit.
 - Cite Dr. B R Ambedkar's caution that unqualified reservations could undermine the principle of equality.
 - **Reservation Policies in Other States**
 - **Tamil Nadu:**
 - The 76th constitutional amendment placed Tamil Nadu's reservation law, which breaches the 50% limit, into the Ninth Schedule, providing it protection from judicial review.
 - **Maharashtra:**
 - In 2021, the Supreme Court struck down a law providing reservations to the Maratha community, ruling that the quota limit could not exceed 50%.
 - **Similar Cases:**
 - Other states, including Gujarat, Haryana, and Andhra Pradesh, have faced similar challenges with communities like Patels, Jats, and Kapus seeking reservations beyond the 50% limit.

Conclusion

The Patna High Court's decision to strike down Bihar's increased reservation quota underscores the ongoing legal and political debates surrounding the 50% ceiling on reservations. While reservations are crucial for social justice, maintaining a balance with merit and administrative efficiency remains a challenge. The evolving jurisprudence and societal demands may eventually lead to a reevaluation of this ceiling, but for now, it stands as a significant constraint on expanding reservations.

GST (Goods and Services Tax) → (01 July 2017)

Cess V. Surchn

Move ahead

The GST Council must not dither any further on pending reforms

Revenues from the Goods and Services Tax (GST), which completes seven years at the end of this month, hit a record high of ₹2.1 lakh crore in April that typically sees higher inflows due to a year-end compliance rush. Receipts in May, for transactions undertaken in April, were the fifth highest ever at ₹1,72,739 crore, rising almost 10% from a year ago, compared with a 12.4% uptick in the previous month. This was the slowest rise since July 2021 when the second COVID-19 wave had dented economic activity. In the nearly three years since then, GST revenues have generally grown at least 11%. Compared with the average monthly receipts of ₹1.68 lakh crore in 2023-24, taxes pertaining to the first month of this fiscal are 3% higher. Although gross revenues from domestic transactions grew 15.3%, accelerating from a 13.4% rise a month earlier, revenues from goods imports dipped for the second time in three months. Domestic revenue growth has also been uneven across States, with five recording a decline in May, and eight growing far slower than the national average. However, broader worries about GST revenues being underwhelming, voiced by the Union Finance Minister at a GST Council meeting in late 2021, have now receded.

This is, therefore, an opportune time for the Council, which is meeting this Saturday, to press the pedal on its pending reform agenda to make it a truly Good and Simple Tax as originally envisaged. Meeting for the first time since last October, the Council may have much routine work on its plate, including clarifications related to, and reviews of, past decisions such as the 28% levy on online games and casinos. However, it is hoped the Council will also find time for bigger things such as reviving the plan to rationalise GST's complex, multiple-rate structure. A ministerial group, tasked with this agenda since 2021, must be asked to restart its work expeditiously. A new rate structure might also entail lower levies on items such as cement and insurance, for instance. A road map is also needed to bring excluded items such as electricity, natural gas, and petroleum products into the GST net to ensure businesses can avail credits for these inputs. Along with easing compliances for smaller firms as promised in the Bharatiya Janata Party's election manifesto, there is room for simplifying the system for all businesses, including large ones which are compelled to register in each State and face varying compliance diktats. Not all of this can be discussed in one go. So, it is most critical that the Council, which is usually expected to meet every quarter but has been convened just six times since 2022, resolves to meet more often.

CM
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101st CAA 2016 → added in Art 279-A

- Central GST
- State GST
- Integrated GST

GST Council - Constitutional Body

- F.M
- Mos in charge in Revenue/finance
- Minister in charge in finance/Taxation
Other minister nominated by each State govt.

Other Bodies :

* GSTN

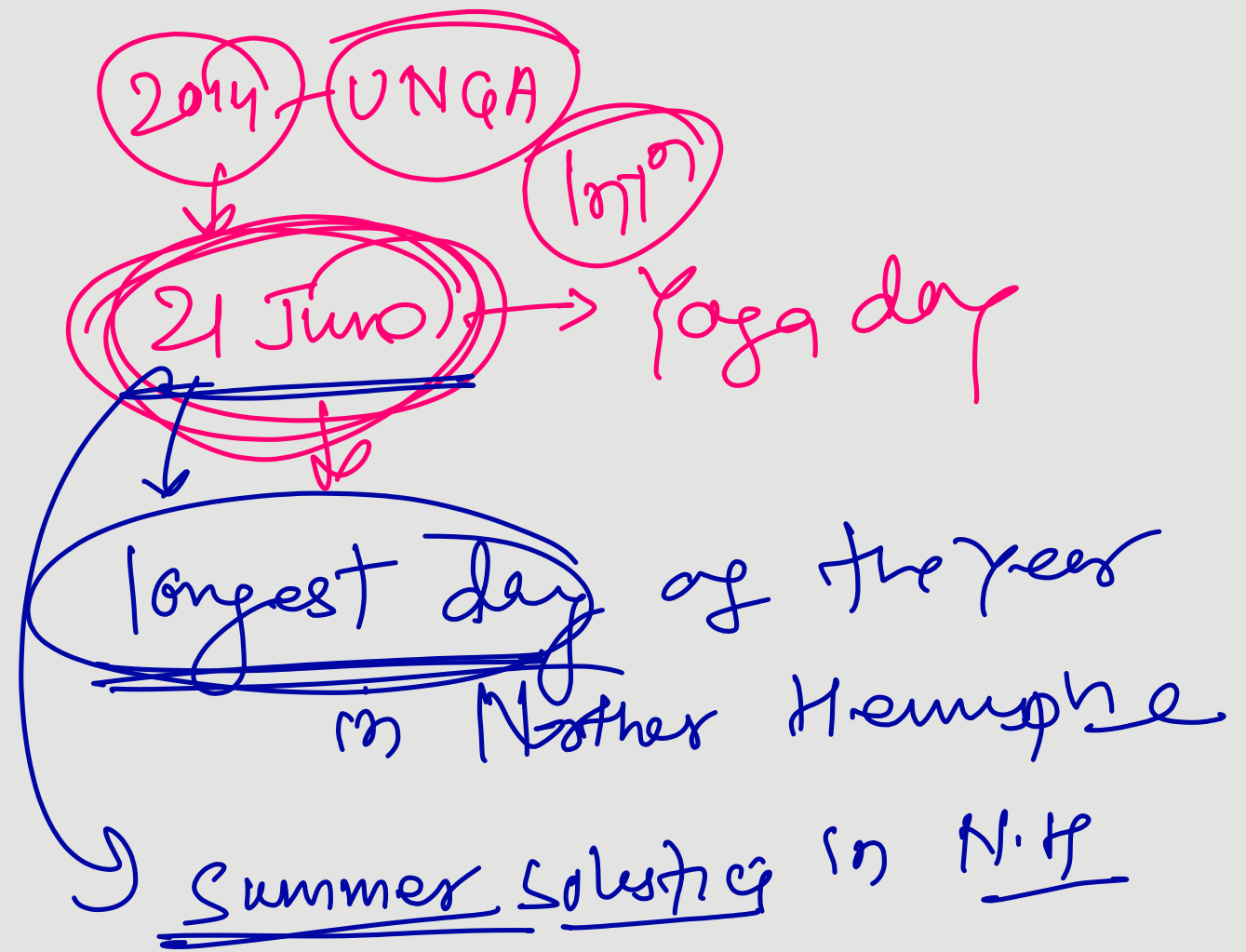
↓
GST Network

- a non-profit, non-govt company
- share IT info and service to C & S

* GST Appellate Tribunal (GSTAT)

- estd. under CGST Act 2017
- Stat. Body
- 1st appellate authority





Sri Meyan

Theme: Yoga for self and society



Myanmar armed groups accuse military of breaking ceasefire

Agence France-Presse
YANGON

An alliance of Myanmar ethnic armed groups have accused the junta of repeatedly violating a China-brokered ceasefire in the north of the country this month and causing civilian casualties.

Beijing brokered a truce between the junta and the so-called "Three Brotherhood Alliance" in January after months of fighting that displaced more than half a million people near

Junta troops
launched an air
strike on territory
the TNLA holds
near Mogok

China's southern border.

The ceasefire allowed the alliance – made up of the Ta'ang National Liberation Army (TNLA), the Myanmar National Democratic Alliance Army (MNDAA), and the Arakan Army (AA) – to hold swathes of territory it had

seized in northern Shan state.

Junta troops on Wednesday launched an air strike on territory the TNLA holds near the ruby and gem-mining hub of Mogok, the group said.

"In this incident, one civilian was killed and 3 wounded including a 10-year-old child," the TNLA said.

It said the attacks were the latest violation this month by the junta, which it said had shelled TNLA positions and cut roads.





1643 km

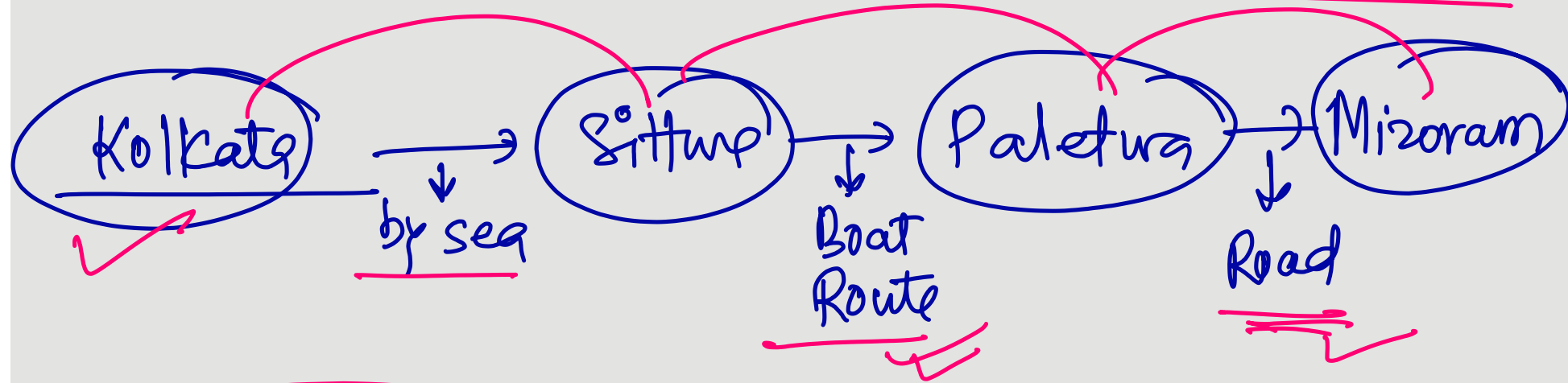
Free movement Regime

40 km → 72 hrs





Kaladan Multi-Model Transit Transport Project



Arkan An

