



# Statutory, Regulatory and Various Quasi-Judicial Bodies

## What are the Constitutional and Statutory Bodies?

### ▪ Constitutional Bodies:

- A Constitutional Body is an institution or authority that **derives its powers and responsibilities directly from the [Constitution of India](#)**, which either directly establishes these entities or mandates their creation, outlining their composition, powers, functions, and duties, making them a fundamental part of the country's governance and administrative structure.
- **Examples:** [Election Commission of India \(ECI\)](#), [Union Public Service Commission \(UPSC\)](#), [Finance Commission of India \(FCI\)](#), [Goods and Services Tax Council \(GST Council\)](#), [National Commission for Scheduled Castes \(NCSC\)](#), [National Commission for Scheduled Tribes \(NCST\)](#), [National Commission for Backward Classes \(NCBC\)](#), [Comptroller and Auditor General of India \(CAG\)](#) etc.
- Each of these constitutional bodies has specific roles and responsibilities as outlined in the related Constitutional provisions.

### ▪ Statutory Bodies:

- Statutory bodies in India are [non-constitutional bodies](#), as they are **not mentioned in the Constitution**.
- **Establishment:**
  - These bodies are **established through an Act of [Parliament](#)** or an Act of State Legislatures, granting them significant roles in governance.
  - They are known as 'statutory' because they derive **their powers from statutes (laws) passed by the legislature**.
- **Purpose:**
  - They are created to **fulfill specific purposes**, address particular issues, and regulate various sectors.
- **Powers:**
  - They are authorized to implement certain legislation, pass laws, and make decisions on behalf of the state or country.

**Note:** A **single body** can have **statutory, regulatory, and quasi-judicial functions**.

## What are the Major Statutory Bodies in India and Its Functions?

### ▪ Reserve Bank of India (RBI):

- [Reserve Bank of India \(RBI\)](#) was established on **1<sup>st</sup> April 1935, under the Reserve Bank of India Act, 1934**. Initially privately owned, it was nationalized in 1949 and is now fully owned by the Government of India.
- **Main Functions:**
  - **Monetary Authority:** It implements and monitors **monetary policy** to ensure price stability and economic growth. The flexible **inflation targeting** framework was introduced through the 2016 amendment to the [RBI Act, 1934](#) with decisions made by the [Monetary Policy Committee \(MPC\)](#).

- **Regulator and Supervisor of the Financial System:** RBI sets parameters for **banking operations, issuing licenses, regulating liquidity**, and ensuring public confidence in the financial system while protecting depositors' interests.
- **Manager of Foreign Exchange:** It manages India's **foreign exchange** reserves, **facilitates external trade**, and maintains the value of the rupee.
- **Issuer of Currency:** Issues and manages currency, ensuring its quality and sufficiency for public use.
- **Developmental Role:** Supports national objectives, such as promoting **rural finance** and ensuring **priority sector lending** for **small-scale industries**.
- **Other Functions:** Acts as the **banker to the government and other banks**, managing government funds, remittances, and public debt. It also serves as the **lender of last resort for banks**.
- **SEBI (Securities and Exchange Board of India):**
  - [SEBI](#) is a statutory body established on 12th April 1992 under the [SEBI Act, 1992](#).
  - **Powers and Functions:**
    - SEBI is a **quasi-legislative** and **quasi-judicial body**, empowered to draft regulations, conduct inquiries, pass rulings, and impose penalties.
    - It caters to issuers by providing a **market for raising capital, ensures investor safety, and facilitates a competitive market** for intermediaries.
    - It **oversees venture capital funds, mutual funds**, and works to prevent fraudulent and **unfair trade practices in the securities market**.
- **National Human Rights Commission (NHRC):**
  - [NHRC](#) was established on 12th October 1993 under the [Protection of Human Rights Act, 1993](#), and amended in 2006 and 2019.
  - It ensures the protection of rights related to life, liberty, equality, and dignity, as guaranteed by the [Indian Constitution](#) and international covenants.
  - **Role and Functions:**
    - It acts as a civil court for judicial proceedings and can investigate human rights violations within one year of occurrence.
    - It has the authority to utilize central or state government officers and agencies for investigations.
- **National Commission for Women (NCW):**
  - [NCW](#) was established in January 1992 under the [National Commission for Women Act, 1990](#).
  - It **advises the government** on policy matters affecting women and represents women's rights in India.
  - The NCW addresses issues like **dowry, gender equality in jobs, and exploitation of women**. It also investigates complaints of **violence, discrimination, and rights violations** against women.
- **National Green Tribunal (NGT):**
  - [NGT](#) was established under the [National Green Tribunal Act, 2010](#), for the swift and effective disposal of cases related to environmental protection, forest conservation, and natural resource management.
  - It handles disputes under seven key laws listed in Schedule I of the Act, including The [Water \(Prevention and Control of Pollution\) Act, 1974](#), The [Forest \(Conservation\) Act, 1980](#), The [Air \(Prevention and Control of Pollution\) Act, 1981](#) and others. It aims to resolve cases within 6 months of filing.
- **Central Vigilance Commission (CVC):**
  - The [CVC](#) is the **apex vigilance institution** in India. It operates independently of any executive authority.
  - It was set up in 1964 on the recommendations of the [Santhanam Committee](#), and was given statutory status by the [CVC Act, 2003](#).
  - It oversees all vigilance activities under the Central Government and advises various authorities in Central Government organizations on planning, executing, reviewing, and reforming their vigilance work.
- **Armed Forces Tribunal (AFT)**
  - [Armed Forces Tribunal](#) is a military tribunal of India established on 8<sup>th</sup> August 2009 and is a statutory body set up under the [Armed Forces Tribunal Act 2007](#).
  - It has provided the power for the adjudication or trial by AFT of disputes and complaints

with respect to commission, appointments, enrolments and conditions of service in respect of persons subject to the Army Act, 1950, The Navy Act, 1957 and the Air Force Act, 1950.

▪ **Competition Commission of India (CCI):**

- CCI is a statutory body responsible for enforcing the [Competition Act, 2002](#), and was constituted in March 2009.
- The Act prohibits anti-competitive agreements, abuse of dominant position by enterprises and regulates combinations, which causes an appreciable adverse effect on competition within India.

▪ **Central Board of Film Certification (CBFC):**

- [CBFC](#) is a statutory body under the Ministry of Information and Broadcasting that regulates the public exhibition of films in India as per the [Cinematograph Act 1952](#).
- They give certification to films before they can be publicly exhibited, ensuring compliance with legal requirements and standards.

## What are Regulatory Bodies in India?

▪ **About:**

- Regulatory bodies are **independent government agencies** established to **set and enforce standards** within specific sectors or activities.
- These agencies may **operate autonomously or under limited executive oversight**.

▪ **Functions:**

- Establishing regulations and guidelines
- Conducting reviews and assessments
- Granting licenses
- Performing inspections
- Implementing corrective measures
- Enforcing compliance.

▪ **Examples:**

- [National Bank for Agriculture and Rural Development \(NABARD\)](#), [Small Industries Development Bank of India \(SIDBI\)](#), [Food Safety and Standards Authority of India \(FSSAI\)](#), [Central Drugs Standard Control Organisation \(CDSCO\)](#), and [Competition Commission of India \(CCI\)](#).

## What are the Major Regulatory Bodies in India and Its Functions?

▪ **National Bank for Agriculture and Rural Development (NABARD)**

- [NABARD](#) is a regulatory and statutory body established in 1982 under the Parliamentary act [National Bank for Agriculture and Rural Development Act, 1981](#).
- It supervises [Cooperative Banks](#) and [Regional Rural Banks \(RRBs\)](#), helping them develop sound banking practices and integrate them to the CBS (Core Banking Solution) platform.

▪ **Food Safety and Standards Authority of India (FSSAI)**

- [FSSAI](#) is an **autonomous statutory and regulatory body** established under the [Food Safety and Standards Act, 2006](#) under the Ministry of Health & Family Welfare, Government of India.
- Functions:
  - **Framing regulations** to establish food safety standards and guidelines.
  - Issuing **food safety licenses** and certifications for food businesses.
  - Setting **procedures and guidelines** for food business laboratories.
  - **Advising the government** on policy matters related to food safety.
  - **Collecting data** on food contaminants, identifying emerging risks, and implementing a rapid alert system.
  - Creating a **nationwide information network** on food safety.

▪ **Telecom Regulatory Authority of India (TRAI)**

- [TRAI](#) was established on 20<sup>th</sup> February, 1997 by the [Telecom Regulatory Authority of India Act, 1997](#).
- **Functions of TRAI:**
  - Regulates telecom services, including the fixation and revision of tariffs, a responsibility previously held by the Central Government.
  - Ensures the quality of service and promotes transparency in tariff structures.

- Advises the government on policy matters and licensing issues.
- **National Pharmaceuticals Pricing Authority (NPPA)**
  - [NPPA](#) was established in 1997 as an attached office of the Department of Pharmaceuticals.
  - **Functions:**
    - Implementation and enforcement of the [Drugs Price Control Order \(DPCO\)](#) of 1995/2013, as per the powers delegated to it.
    - Conducting and sponsoring studies related to drug pricing and formulations.
    - Monitoring drug availability, identifying shortages, and taking corrective measures as needed.
    - Collecting and maintaining data on production, exports, imports, market shares of individual companies, and the profitability of companies dealing with bulk drugs and formulations.
    - Handling all legal matters arising from the Authority's decisions.
    - Advising and assisting the Central Government on revisions to drug policy and supporting parliamentary matters related to drug pricing.

## What are the Issues and Measures Related to Regulatory Bodies?

- **Issues Related to Regulatory Bodies:**
  - **Populist Pressure:** Political populism often undermines economic agendas, leading to interference in regulatory functions by ruling parties, exemplified by government interventions in the [Reserve Bank of India \(RBI\)](#).
  - **Inadequate Review Mechanism:** The evaluation processes for regulatory bodies, primarily conducted by [parliamentary committees](#), are not sufficiently robust, leading to a lack of accountability and oversight.
  - **Structural Weakness:** Many regulatory authorities require **technical expertise** to make informed decisions; however, significant vacancies persist in expert positions. For instance, approximately 20% of posts at the [Central Pollution Control Board \(CPCB\)](#) are unfilled, as indicated in its latest annual report.
  - **Overlapping Jurisdictions:** The existence of multiple regulatory bodies leads to overlapping powers, causing confusion and inefficiency. For instance:
    - In the environmental sector, both the Central Pollution Control Board **CPCB** and the [National Green Tribunal \(NGT\)](#) have jurisdiction over similar issues.
    - In the education sector, both the [All India Council for Technical Education \(AICTE\)](#) and the [University Grants Commission \(UGC\)](#) oversee technical education, resulting in jurisdictional conflicts.
- **Suggested Measures to Reform Regulatory Bodies:**
  - The [2nd Administrative Reforms Commission \(ARC\)](#) has recommended several reforms to enhance the functioning of regulatory bodies:
    - **12th Report of the 2nd ARC:**
      - Conduct a **comprehensive review of existing laws and regulations**, eliminating unnecessary ones and updating outdated procedures for greater compliance ease.
      - Establish **robust internal supervision of regulatory agencies**, complemented by periodic independent assessments to uphold high enforcement standards.
      - Promote **self-regulation** in sectors such as taxation and public health, encouraging voluntary compliance to lessen the enforcement burden.
      - **Simplify regulatory procedures** to be transparent and citizen-friendly, leveraging technology to minimize discretion and enhance transparency, thereby reducing corruption.
    - **13th Report of the 2nd ARC:**
      - Each Ministry or Department should develop a '**Management Statement**' that clearly articulates the objectives and roles of each regulator.
      - Establish **greater consistency** in the terms of appointment, tenure, and removal of regulatory authorities to ensure their independence and stability.
      - Strengthen **parliamentary oversight of regulatory bodies** through Departmentally Related Standing Committees to enhance accountability and transparency.
      - **Involve citizen groups and professional organizations** in regulatory activities

to distribute the enforcement burden and verify compliance.

## What are Quasi-judicial Bodies?

### ▪ About:

- Quasi-judicial bodies are **non-judicial entities** with the authority to **interpret the law**, such as **arbitration panels or tribunal boards**, which have been given powers and procedures similar to those of a court of law or judge.
- For example, the [Election Commission of India](#) is a Quasi-Judicial Body but does not have its core functions as a Court of Law.

### ▪ Features:

- **Dispute Resolution:** Quasi-judicial bodies have the authority to [arbitrate](#) cases and impose penalties. Parties can seek justice from these bodies, thereby avoiding the complexities of the formal judicial system.
- **Limited Adjudicating Powers:** Their jurisdiction is typically confined to specific **areas of expertise**, such as financial markets, employment laws, public standards, or regulatory matters.
  - For instance, the [Company Law Appellate Tribunal](#) addresses issues related to corporate governance and functioning.
- **Predetermined Rules:** The decisions and awards of quasi-judicial bodies are often **guided by established rules** and based on existing legal frameworks.
- **Punishing Authority:** These bodies possess the power to impose penalties for violations within their jurisdiction.
  - For example, [Consumer Courts](#) in India adjudicate consumer disputes and penalize companies engaged in [illegal practices](#).
- **Judicial Review:** The rulings of quasi-judicial bodies can be **appealed in a court of law**, with the judiciary's decision being paramount.
- **Expert Leadership:** Unlike the judiciary, which is presided over by judges, quasi-judicial bodies are typically **led by experts in relevant fields** such as finance, economics, and law.

### ▪ Powers:

- **Conduct Hearings:** They can hold hearings to gather evidence and hear testimony from witnesses.
- **Factual Determination:** Quasi-judicial authorities can make relevant factual determinations based on the evidence presented at a hearing.
- **Applying the Law:** They can apply the law to the facts they have determined and make decisions regarding the [legal rights, duties, or privileges](#) of the parties involved.
- **Issue Orders or Decisions:** They can issue orders or decisions that have legal force, such as requiring a party to pay damages or comply with certain conditions.
- **Enforcing Decisions:** They can take steps to enforce their decisions, such as by imposing fines or other penalties for non-compliance.

## What are the Major Quasi-judicial Bodies in India?

### ▪ Income Tax Appellate Tribunal

- It is a quasi-judicial authority to file appeals against the orders of [income tax authorities](#).
- An [income-tax](#) department can also file an appeal against any order passed by the Commissioner of Income-tax (Appeals) before the [ITAT](#).

### ▪ Telecom Disputes Settlement & Appellate Tribunal (TDSAT)

- [TDSAT](#) is responsible for adjudicating disputes within the telecom sector that involve licensors, licensees, and consumer groups.
- In 2004, TDSAT's jurisdiction was expanded to encompass broadcasting issues. Furthermore, the [Finance Act, 2017](#) extended its authority to include matters related to airport tariffs and [cyber issues](#).

### ▪ Central Information Commission (CIC):

- [CIC](#) acts as the final appellate authority for hearing complaints and appeals against decisions made by public authorities under the [Right to Information Act, 2005](#).

### ▪ Lok Adalat

### ▪ Finance Commission

- [National Consumer Disputes Redressal Commission](#)
- [National Green Tribunal](#)
- Railway Claims Tribunal

## What are the Key Differences Between Judicial and Quasi-Judicial Bodies?

Basis	Judicial Body	Quasi-Judicial Body
Authority	It is a court of law that has the authority to interpret and apply the law, hear and decide cases, and enforce judgments.	It is an agency or tribunal that acts like a court, deciding disputes and enforcing decisions.
Independence	It is independent of the executive and legislative branches of government and is responsible for upholding the <a href="#">rule of law</a> .	It is not a full court and has less independence. The executive and legislative branches of government have more control over it.
Jurisdiction	They have the authority to hear a wide range of cases, including civil and criminal cases.	They have limited jurisdiction and can only hear cases that are within their specific area of expertise or subject matter.
Premise of Decision Making	They have the power to establish new legal precedents that can be used in future cases.	Their decisions are limited to applying existing laws to the specific case at hand.
Judges	It consists of judges or Judicial magistrates appointed by the government.	It may consist of a combination of judges and experts appointed by the government or by a <a href="#">specialized agency</a> .
Rigidity	They are usually more formal and follow strict rules of procedure.	It is comparatively less formal, but they still follow set procedures and rules of evidence.

### UPSC Civil Services Examination Previous Year Question (PYQ)

#### **Mains**

**Q.** What is a quasi judicial body? Explain with the help of concrete examples. **(2016)**

**Q.** National Human Rights Commission (NHRC) in India can be most effective when its tasks are adequately supported by other mechanisms that ensure the accountability of a government. In light of the above observation, assess the role of NHRC as an effective complement to the judiciary and other institutions, in promoting and protecting human rights standards. **(2014)**

**Q.** "The Central Administrative Tribunal which was established for redressal of grievances and complaints by or against central government employees, nowadays is exercising its powers as an independent judicial authority." Explain **(2019)**