



**Course Name:**

## **Corporate Rule Compliance: Understanding how regulators work in India**

**Sub head: The role of regulators within the mosaic of law, political challenges and governance issues**

**COURSE INSTRUCTOR: Subhomoy Bhattacharjee**

**COURSE CODE: L-EL-0934**

**CREDIT: 4**

### **COURSE DESCRIPTION & AIM**

Anchored at the Jindal Global Law School (JGLS), the **Centre for Regulatory Governance** builds on the proven track record of JGLS to develop professionals who will understand and apply contemporary Indian and international approaches to effective regulation and governance.

They will graduate into an Indian economy at a hugely transformative stage where the government has progressively limited its role in governing of sectors. This has led to a welcome reduction of bureaucratic hurdles in private

businesses and public affairs. But it has also created challenges as the political establishment hands over many of the governance roles to regulators.

The course is about understanding these regulators—CCI, Sebi, RBI, TRAI, CERC, NHAI and NFRA, among the 50 odd which govern all aspects of the Indian economy. There are new ones coming up all the time like those for Big Tech, for example DPA, and those on health, education and maritime sectors.

Each of them are mighty governance structures. How do they set the rules and why should they do so? The elective will examine why and how they came up, what do they solve for business, domestic and foreign and what challenges they face from an increasingly demanding citizenry, in a democratic governance structure. Much as each of them may appear disparate, there are common strands in this landscape. In Budget 2025-26, finance minister Ms Nirmala Sitharaman, recognising the critical roles these organisations play in the economy, has promised Regulatory Reforms as one of the six domains of action for her. At CRG we are actively examining these aspects and are in the process of compiling a report for the government, drawing on the strength of the OP Jindal faculty, especially the Law faculty but also with a huge access to multidisciplinary studies.

The active engagement with the policy makers is what separates the proposed elective from other courses on regulations in different universities. CRG has begun strongly networking with top level policy makers in the government, to bring the practical understanding of the regulatory landscape, to offer a dynamic understanding based on a clear understanding of the legal framework on which they are built. Many of them have begun to visit the University to share their perspective on the regulatory landscape in India

## **COURSE LEARNING OUTCOMES**

The course shall train the students in professional skills that are especially pertinent to the field of regulatory governance. In addition, it will provide adequate opportunities for gaining direct understanding of the field through field visits, field exposures, and optional internship.

All these will provide them with a lively understanding of the sophisticated nature of regulators. Through analysis of specific policies from their conception to their execution, the student will be able to realise how the role of regulators

expand at each stage, paradoxically in response to the demands of the citizens for less government interference in their lives. Specifically she shall be armed with a tool kit to answer questions about the heightened role of Governance in the lives of citizens. At the end of the course, she will be able to apply this understanding, to any policy that is either in place or is being contemplated. The students will be able to apply in their coursework, a rich understanding of the tools deployed by modern governments to achieve their aims, how those tools acquire legitimacy and are then positioned in tandem with corresponding institutions, both in the economy and in the larger society.

It is expected that the students have no experience of how governments—from municipal to the federal level works.

The key objectives of this programme include

1. To fill the knowledge and capacity gaps in the field of regulatory governance in the country
2. Aspire to evolve, engage and influence the students to be regulatory practitioners, with a sharp awareness of social and environmental responsibilities

There is no Indian university, which is able to offer such a study, at any level.

## **PEDAGOGY**

The suggested course outline is spread over fifteen\sixteen lectures. In each lecture of three—four hours, the themes are to be explored through an examination of case studies. Each case study is a real world analysis of a government policy\programme in India building in the economic rationale and their deviations. In addition there shall be live interviews with some of the experts by the students. Both will bring the students to an awareness of how the same roles are essayed by other key countries. Since a new government shall take over in this semester, plenty of innovations in the course work is expected to happen for which the students will be expected to be ready

- 1) How difficult is it to reconcile within the democratic aspirations, the structures of twenty-first century governments, while satisfying the conflicting demand of transparency and fulfilment of targets. Will this need a re-engineering of the government structure

***Case Study: An examination of Big Tech reforms, the judicial challenges which has shaped the work of both, the companies and the government. How the role of TRAI, the oldest Indian regulator after liberalisation has changed and will change***

- 2) What is the role of states and the central government in providing services that are often overlapping like that of health. Has the setting up of regulators in these sectors served to clean up the respective roles or have they militated against the choice of leaner government and more decentralisation—

***Case Study: Health and education outcomes for state and centre has been extremely skewed. What explains the success and the failure—role of National Health Authority and that of emerging Higher Education Authorities***

- 3) Successes in regulation has been the outcome of decades of painstaking work of building laws, applying policies consistently and developing public support.

***Case Study: What does the success of Sebi, the stock markets as self regulatory organisations and NHAI tell us about the capacity of the Indian states.***

- 4) Key regulators have an in-built judicial powers. While the same regulators were also mandated to improve the outcomes in the sector, especially develop the market in the sector, the judicial role has often become the more significant one. This has been described as mandate creep and has often vastly outreached the role assigned to them by Parliament

***Case Study—the need to guide evolution of fintech system in India. It has got complicated with the role of Big Tech, that of national control over data—How has the conflicting roles of RBI and CCI played out***

- 5) A key debate in India has been the need to contain the powers of the civil service and bring in specialists. How much has the three layered structure of All India services and their feeders, the state level services been changed by the presence of regulators.

***Case Study: The three decades of iteration of power sector reforms is a classic study of civil service creep with the happy support of various lobbies—role of CERC and other energy sector regulators***

- 6) The administrative capacity of the state governments in India is vastly different across states. This has implications for delivery of key governance services.

Complicating the challenge is the attraction to provide freebies, which has risen enormously. Over decades the inter state differences has got magnified enormously setting of an intra-country migrational wave of massive proportions and at the other level has become a key asymmetry when guiding investments into the states. Has the setting up of regulators by states led to smarter delivery systems

***Case Study: Direct Benefit Transfer and role of UIDAI, and Niti Aayog***

- 7) The Indian state has scored success in delivering reforms in sectors which involve expanding the basket of choices for consumer facing sectors. At the same time it has been difficult to match those reforms with safeguards for environment and for equity. Writing in of sound legislative rules for sectors has had interesting consequences, successful and not so successful, illuminating the limits of state capacity—-

***Case Study: The role of environment laws, of drug standards and of tribunals—the role of National Green Tribunal***

- 8) India is not the only major Asian state which began the development journey in the 1950s. The experience of states across Asia often holds templates that show where the models converged and where they split:

***Case Study—Most development literature acknowledge that quality employment and better life chances depends on the development of planned urban areas. This has been so true of Asia. But in the concept of the fragmented response to urban challenges by Indian municipalities can one imagine what should be the regulatory response***

## **EVALUATION RUBRIC**

The student will be expected to participate in group assignments, quiz the invited specialists to assimilate and offer presentations, about their learnings from these case studies which offer solutions for real world problems. It is expected that the nature of her inquiries will be guided by the understanding of these issues, from governance, communication and the social perspectives of a democratic system. At some stages the student would make a presentation of the role of any regulator, bringing in her understanding of the economic and legal fundamentals.

*Of the total assessment seventy percent will be based on internal assignments and thirty percent in an end of term evaluation. The details of both the internal assessment and the end of term evaluation will be informed in the class.*

### **Reference Notes:**

1. Accelerating India's Development: Karthik Muralidharan—Penguin, 2024
2. Regulatory Governance in India and the Principles of Regulation: Carnegie India —<https://carnegieindia.org/events/2019/08/regulatory-governance-in-india-and-the-principles-of-regulation?lang=en>
3. Civil Service Reforms in India; Essays (Editor: Vinod Rai, Distinguished Visiting Research Fellow, published under the aegis of the Institute of South Asian Studies, National University of Singapore); Rupa Publications
4. In Service of the Republic: The art and science of economic policy Vijay Kelkar and Ajay Shah
5. Regulatory responsiveness in India: A normative and empirical framework for assessment: Anirudh Burman and Bhargavi Zaveri Indira Gandhi Institute of Development Research, Mumbai
6. Why you should 'Know your Regulator'? A talk series by CPR India <https://cprindia.org/why-you-should-know-your-regulator/>

### **Additional References:**

1. For Profit: By William Magnuson; *Basic Books*;
2. Slouching Towards Utopia. By J. Bradford DeLong; *Basic Books*
3. Changes and Challenges in Regulatory Governance: CERC [https://foir-india.org/upload/3days-CBP-13-15Dec\\_2022.pdf](https://foir-india.org/upload/3days-CBP-13-15Dec_2022.pdf)

## **INSTRUCTOR**

Subhomoy Bhattacharjee (Twitter: @subhomoyb) is Professor of Practice and Director, Centre for Regulatory Governance at Jindal Global Law School at OP Jindal Global University, Sonipat, Haryana. He is also Consulting Editor at the Business Standard newspaper. He works on public policy, primarily finance, maritime and energy issues. He comments on current economic issues he shares on his YouTube channel [On Point with Subhomoy Bhattacharjee](#).

Bhattacharjee advises the Ministry of Ports, Shipping and Waterways on regulatory issues. His book on the Maritime Sector is being published soon. His earlier book “India’s Coal Story”, traces how India’s coal reserves was at the centre of a major political scandal. It explores why since Independence, Indian business and government could not settle the rights on energy security, creating the murky politics of coal--& sketches the options for India's future energy security. His earlier book was “Special Economic Zones in India; Myths and Realities” (co-authored). He has read Economics at the Delhi School of Economics, Delhi University and at Shri Ram College of Commerce. He has worked in the Govt of India as part of Indian Information Service & has since moved to The Economic Times, Indian Express & Financial Express newspapers. His analysis of power sector reforms is in “The Difficulty of Being Gajendra Haldea”, whose contributors include Dr Manmohan Singh and Montek Singh Ahluwalia. His essay on the power of the civil services is in “Transforming the Steel Frame; Promise and Paradox of Civil Service Reform”—a collection of essays on Indian bureaucracy, edited by Vinod Rai, former CAG. He is also a frequent commentator on television channels for their business news programmes. He is presently working on his next book that sketches the conflicting role of political and permanent executive in the government, for framing public policy.