BLOGS

National Book Trust Is “State” Under Article 12: Supreme Court Applies the Deep and Pervasive Control Test

Hanspal Bakul · 19 Nov 2026

The SC has ruled that the **National Book Trust is a 'State' under Article 12 of the Constitution of India.** Applying the judicial benchmark of the 'deep and **pervasive control' test,** the bench observed that the body’s financial and administrative structures are fundamentally intertwined with the government. By bringing the NBT under this ambit, the court has ensured that the institution's administrative actions are fully amenable to writ jurisdiction for enforcing fundamental rights.

***The Chairman, National Book Trust, India & Anr. v. A.R. Abdul Gaffar & Ors*, 2026**

INSC 1202 (reportable), Civil Appeal No. 14369 of 2015,

Decided 6 November 2026

By Prashant Kumar Mishra and Augustine George Masih JJ. (judgment by Mishra J.).

The Legal Question

The Court narrowed the case to one issue: whether the **National Book Trust (NBT) is “State” under Article 12, which would make it answerable for fundamental rights under Part III.**

The Delhi High Court Full Bench had said yes on 1 June 2012, and the NBT appealed.

Background

The NBT was brought into existence through Government of India resolutions of 15 June 1957 and 28 September 1962. Its objectives include producing and promoting good literature and making books available at moderate prices, publishing classical Indian works, and translating important Indian and foreign books.

The Trust's Rules **show heavy government involvement. The Government appoints the Chairman, who holds office at its pleasure (Rules 3, 7 and 13).** The governing body includes **representatives of the Ministries of Education, Finance, and Information and Broadcasting, and the Government nominates other members.**

The Executive Committee under Rule 26 includes ministry representatives, with the Finance Ministry's representative as Financial Adviser, and its rule-making power needs prior Government approval (Rule 42).

On finance, disputes can go up to the Ministers of Education and Finance (Rule 51). Annual reports and accounts go to the Government (Rule 59), accounts are kept in a form prescribed with the Comptroller and Auditor-General, and the CAG can audit them (Rule 58). Changes to the rules or purposes need Government approval (Rule 60).

Contentions

Appellant (NBT): It is a society or trust and not a statutory corporation. Government grants are only one source of income, and in some years its own receipts from publication sales were substantial, so the High Court was wrong to treat grants as conclusive.

Respondents and Amicus: The inquiry must look cumulatively at the Trust's financial, functional and administrative relationship with the Government, not at funding alone.

Reasoning

1. Form does not decide status. *Article 12 is an inclusive definition, and the Court said constitutional obligations cannot be avoided by moving public functions into a different legal form.* Relying on ***Ajay Hasia ((1981) 1 SCC 722, five judges)***, it noted that even a **society registered under the Societies Registration Act, 1860 can be an instrumentality of the State.** The question is why the body was created, not how it was born.

2. The test is cumulative. The Court applied ***Pradeep Kumar Biswas ((2002) 5 SCC 111,*** seven judges). The *Ajay Hasia* indicia are not a rigid checklist. The real question is whether **the body is financially, functionally and administratively dominated by, or under the control of, the Government, with control that is particular to the body and pervasive.** Mere regulatory control does not make a body "State".

3. Application. The Government created the Trust, shaped its governing composition, appoints its Chairman and controls his tenure. It takes part in financial administration, audit and reporting, and keeps control over changes to the Trust's own framework. The Court called this a substantially different relationship from ordinary regulatory supervision of a private society.

4. Independent income is not a defence. Financial assistance is important but not the only factor. The Trust's revenue from selling publications does not remove the structural control, because financial autonomy in one aspect cannot be isolated from the body's regulatory framework, composition and management.

5. Public functions alone are not enough. Following ***Zee Telefilms ((2005) 4 SCC 649)***, the Court said publishing is not an exclusively governmental function and not every activity of public utility makes a body "State". The functions matter only alongside the circumstances of creation and control. Later material, such as the PM-YUVA scheme, was treated only as corroboration.

6. A narrow consequence. The declaration does not make the NBT a Government department, does not make its employees civil servants, and has no automatic effect under Articles 309, 310 and 311. Article 12 status is about the enforceability of Part III.

Outcome

The appeal was dismissed and the High Court Full Bench's holding that the NBT is an "other authority" under Article 12 was upheld.

Ratio

A body is "State" under Article 12 when, on a cumulative view, it is financially, functionally and administratively dominated by the Government, and that control is particular to the body and pervasive. *Registration as a society and part independent income do not take a body outside Article 12, but public functions alone do not bring it in.*

The Article 12 Line of Authority

Case	Contribution
Rajasthan SEB v. Mohan Lal (1967)	Wide reading of "other authorities"

Sukhdev Singh ((1975) 1 SCC 421)	Statutory corporations treated as State
Ramana Dayaram Shetty ((1979) 3 SCC 489)	Instrumentality or agency test
Ajay Hasia ((1981) 1 SCC 722)	Registered society can be State; indicia culled out
Pradeep Kumar Biswas ((2002) 5 SCC 111)	Cumulative test of domination and pervasive control
Zee Telefilms ((2005) 4 SCC 649)	Public function alone is not enough