

# Chapter - 1

## Indian Regulatory Framework

- ↳ The Purpose of a Regulatory Framework is to Provide a set of uniform rules and regulations that will govern the conduct of people interacting with each other in personal as well as business relationships

### WHY YOU ARE STUDYING THIS SUBJECT CALLED LAW?

- ↳ law is essential to become a full-fledged Chartered Accountant.
- ↳ A Chartered Accountant is the first level of contact on many legal matters.

### WHAT IS LAW?

- ↳ Law is a set of obligations and duties imposed by the government for securing welfare and providing justice to society.
- ↳ India's legal framework reflects the social, political, economic, and cultural aspects of our vast and diversified country.

### SOURCES OF LAW

- ↳ The main sources of law in India are :
  - ↳ The Constitution,
  - ↳ the statutes or laws made by Parliament and State Assemblies,
  - ↳ Precedents or the Judicial Decisions of various Courts,
  - ↳ In some cases, established Customs and Usages.
- ↳ A constitution which is the basis and source for all laws.
- ↳ Parliament is the ultimate law-making body.
- ↳ The laws passed by state legislatures apply only within the borders of the states concerned.

### THE GOVERNMENT OF INDIA ACT, 1935

- ↳ The Government of India Act, 1935, passed by the Parliament of the United Kingdom is the precursor for the Constitution of India.
- ↳ It defined the characteristics of the Government from "unitary" to "federal".
- ↳ Powers were distributed between Centre and State to avoid any disputes.
- ↳ In 1937, Federal Court was established
- ↳ The Federal Court was replaced by India's current Apex Court, the Supreme Court of India.