

1. Indian Regulatory Framework

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• what is law?

- • set of obligation & duties imposed by government for securing welfare & justice to society.
- Indian legal framework reflects social, political, cultural, economic aspects

• source of law:

- constitution is the main source of law in India.
- the statutes or laws are made by
 1. ⁶⁶ Parliament [Lok Sabha + Rajya Sabha + President]
 2. state assemblies [Vidhan Sabha & Vidhan Parishad + Governor of state]
 3. Judgement of courts [Metropolitan courts → District court → High court → Supreme court]

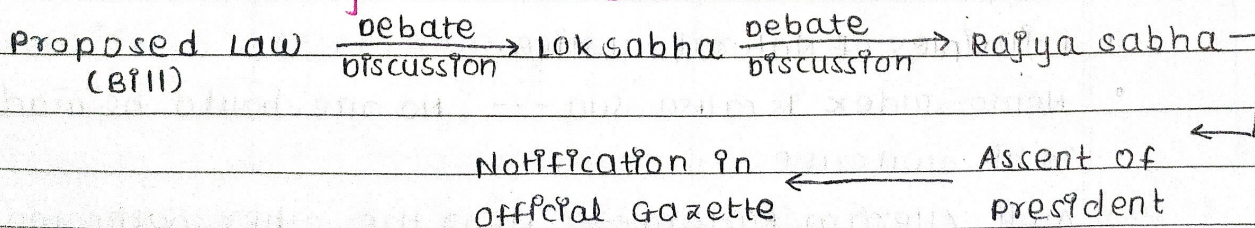
* laws passed by state legislature apply only within the borders of the state.

* constitution has decided to divide the law making power between [CG & SG]

* So, Indian constitution has 3 lists:

1. central list [power lies with CG (law making power)]
2. state list [law making power lies with SG]
3. Joint list [power to make law lies with CG & SG both]

• Process of Making Law in India:



* Types of laws in legal system:-

1. Criminal Law:-

- It is related to violations of rule of law or public wrongs and PUNISHMENT OF THE SAME
- [Ex: Indian penal code (IPC) 1860 [defines crime, nature, punishment]]
- [Ex: 2 code of criminal procedure (CPC) 1973 [Procedure for executing the punishments]]
- Murder, Fraud, rape, cheating are examples of criminal offence.

2. Civil Law:-

- It deals with disputes related to individuals or organisations.
- It focussed on dispute resolution rather than punishment.
- Governed by the code of civil procedure (CPC) 1908.
- Ex: laws of contract, family law, property law, law of tort (civil wrong)

3. Common Law:-

- A judgement delivered by supreme court (case law) is common law.
- Under Article 141 of constitution supreme court judgement is binding upon all courts.
- (Doctrine of 'stare decisis' is a principle supporting common law)

4. Principles of Natural Justice:-

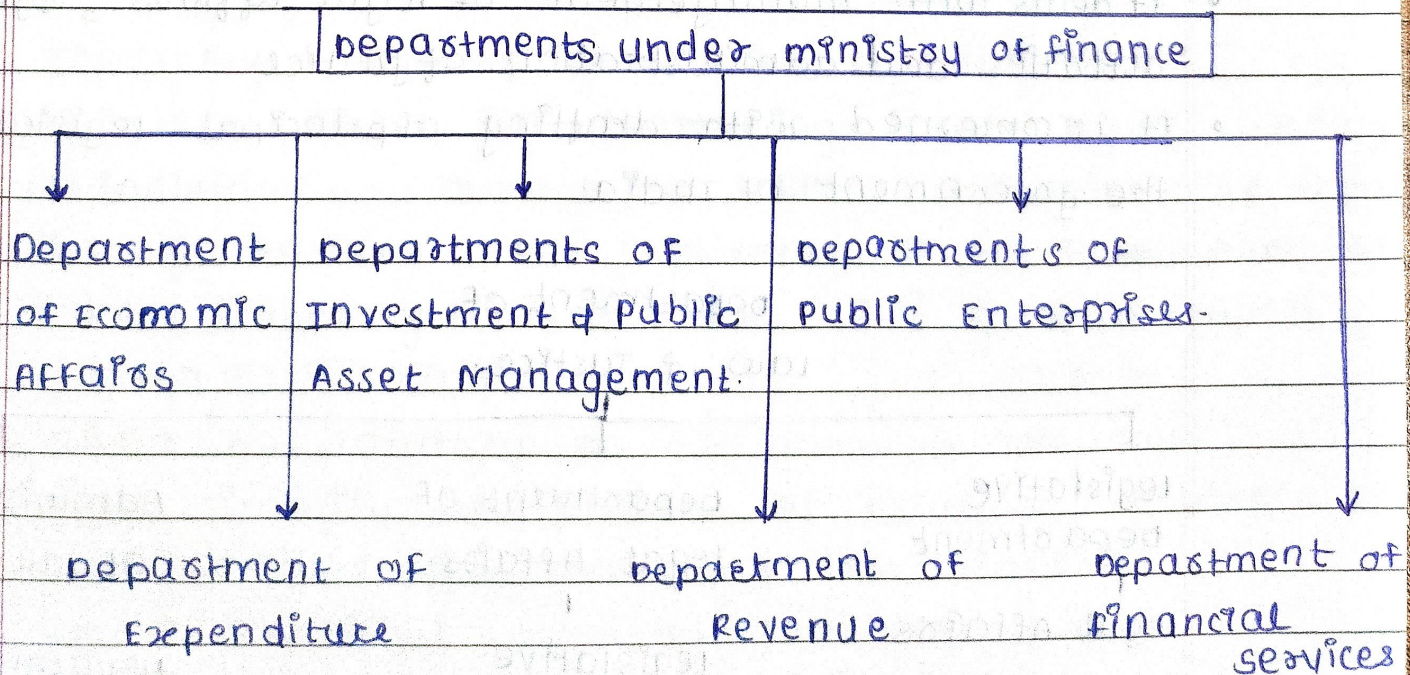
- Nemo iudex in causa sua --- No one should be made judge in his own cause.
- Audi Alteram partem --- Hear the other party too.
- Reasoned decisions are the rules of Natural Justice.

*** Enforcing the law :-**

- After a law is passed in parliament. It should be enforced and monitored by executive.
- If it is a central law, central government will be enforcing authority and if it is a state law, SG will be enforcing authority.
- These enforcement functions are distributed to various ministry [ministry of finance, ministry of corporate Affairs, ministry of Home Affairs]
- These ministry are headed by minister and runned by civil servants.
- For ex: Income Tax Act is enforced by ministry of finance [CBOT] (Department of Revenue)

1. The Ministry of finance: [Witta Mantralay] :-

- concerned with economy of India, serving as the treasury of the India.
- concerned with taxation, financial legislation and institution, capital markets etc.
- Important function of finance ministry is presentation of Union Budget.



2) Ministry of corporate Affairs:-

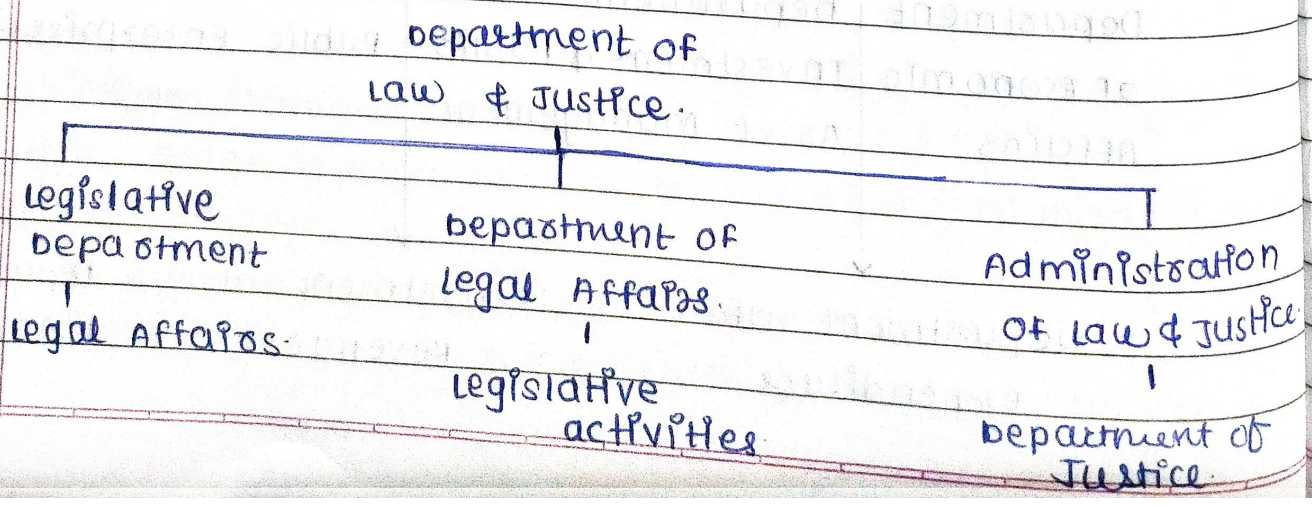
- concerned with companies Act 2013, LLP 2008, The Insolvency & Bankruptcy Act 2016.
- It also governs the administration of Indian enterprises engaged in service & industrial sector.
- Run by civil servants of Indian corporate law services.

3) Ministry of Home Affairs:-

- It is responsible for internal security & domestic policy.
- departments under Home Affairs.
 1. department of internal security.
 2. department of Home.
 3. department of states.
 4. department of Border Management.
 5. department of Jammu & Kashmir & Ladakh Affairs.
 6. department of official language:
 - a) central translation Bureau.
 - b) central Hindi training Institute.
 - c) Directorate of census operation.

4) Ministry of law & Justice:-

- It deals with management of legal affairs, legislative activities and administration of justice.
- It is concerned with drafting of principal legislation for the government of India.



2. The securities & Exchange Board of India:- [SEBI]

1. Regulatory Body for securities & commodity market in India.
2. Under Ministry of finance
3. It was established on 12th April 1988.
4. Got the statutory powers on 30th Jan 1992 under SEBI Act 1992.

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iii) Reserve Bank of India: [RBI]

- It is central Bank and regulatory Body for Indian Banking system.
- ownership is with government of India [Ministry of finance]
- Responsible for control, issue, maintain of Indian currency.
- It is country's main payment system.
- National payment corporation of India (NPCI) is a specialized division of RBI to regulate payment & settlement systems in India.
- Deposit Insurance & credit Guarantee corporation is a specialised division of RBI.

iv) Insolvency & Bankruptcy Board of India [IBBI]:-

- It is a regulator for overseeing insolvency proceedings of individuals, companies, LLP's & partnership firm through entities like Insolvency Professional Agencies (IPA), Insolvency Professionals (IP) & Information Utilities (IU) in India.
- IBBI has statutory powers through IBC, 2016
- IBBI simplify the process of insolvency & bankruptcy
- IBBI handles the cases using two tribunals
NCLT - National company law Tribunal.
ORT - Debt Recovery Tribunal.

1. Structure of Indian Judicial System:-

- The function of judiciary system of India are,
 - i) regulation of interpretation of Acts & codes.
 - ii) dispute resolution.
 - iii) promote fairness among citizens.

• In India, hierarchy of courts is as follows:

1. SUPREME COURT:

- It is the apex body of judiciary established on 26th January 1960.
- Decisions of supreme court are binding on all High courts.
- **Article 141** of Indian constitution
- The Chief Justice of India is the highest Authority
- Presently, principle Bench of supreme court consists of 34 members including chief Justice of India.
- Individual can seek relief in s.c by filing writ petition under **Article 32**

2. HIGH COURT:

- High court is the highest court of appeal in a state & Union territory - **Article 214** - There must be a high court
- The High court has appellatant, original jurisdiction & supervisory jurisdiction.
- There are 25 High court, 1 for each state & union territory, 6 states share a single high court.
- When fundamental rights of individual is violated writ petition under **Article 226** can be filed in High court.

3. DISTRICT COURT:-

- It operates below High court
- Courts of District deals with civil law & courts of sessions deals with criminal law.
- A civil judge can try suits valuing not more than ₹ 2 crores.
- cases are decided based on [territorial jurisdiction], based on local limits, within which party resides & property under dispute is situated

4. METROPOLITAN COURTS :

- situated in metropolitan cities where population is 10 lakh or more.