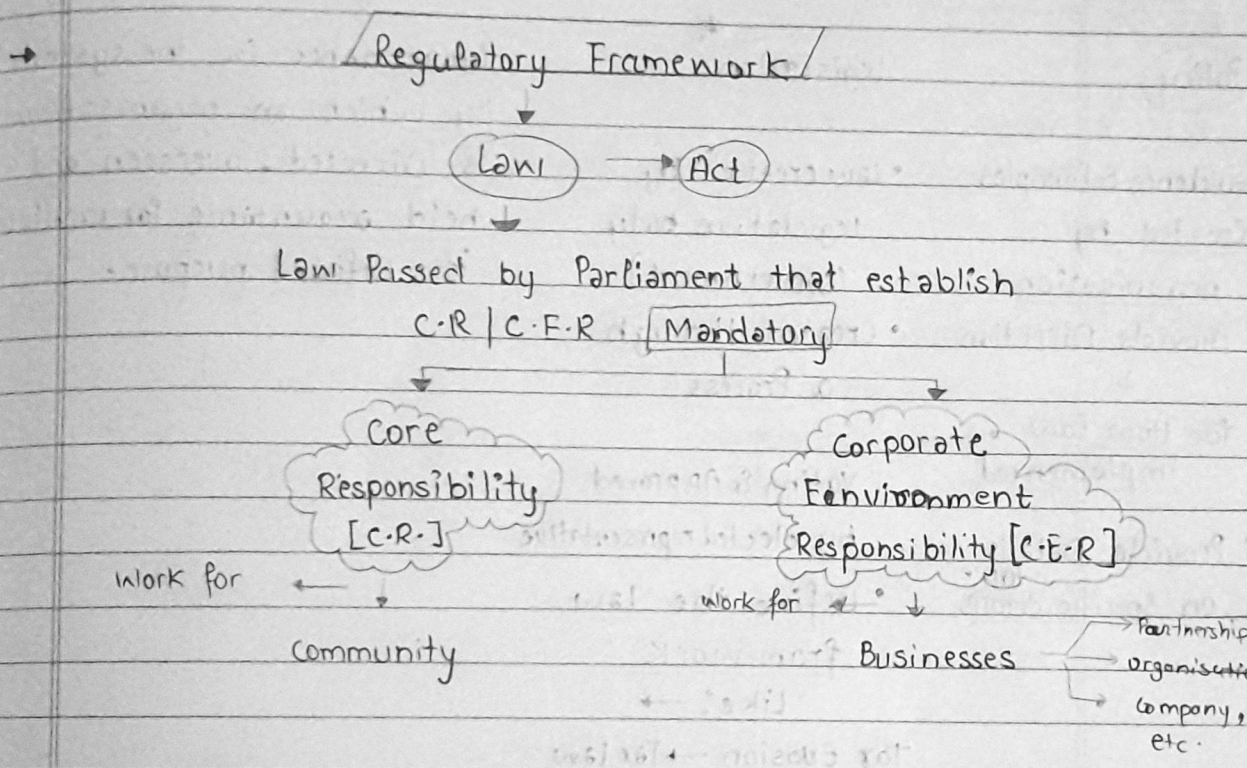
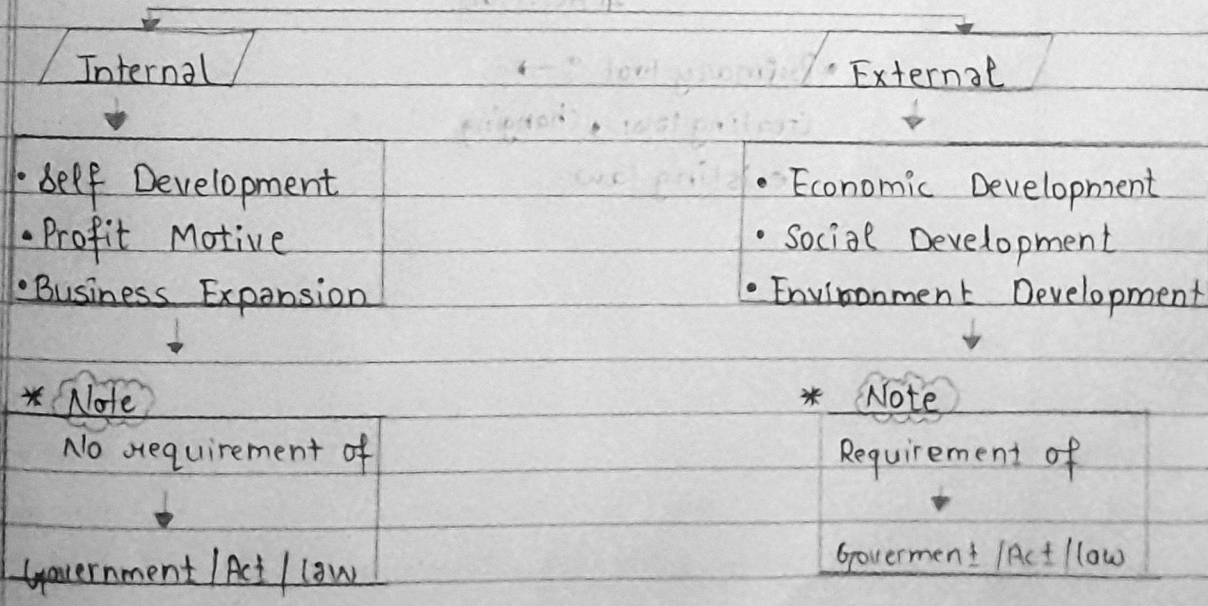


Indian Regulatory Framework



→ **Corporate Environment Responsibility [C-E-R] :**



Core Responsibility

4 types of

Policies

Governance

Policy

- Guidance & Principles
- Created by organisation
- Provide Direction

for How law implemented

- Provide Details on specific details

Legislation

- Law created by legislative body (Government)
- Created through a Process

Voting & Approved by elected representative

- Define the law framework
→ Like: →

Tax Evasion → Tax law

IT Act, 1961

- Primary tool: →
Creating law, changing existing law

Governance is the system by which an organisation is Directed, overseen and held accountable for achieving its Defined purpose.

Strategic Priorities

Regulatory Framework

• Moving from

"VISION"

to

"EXECUTION"

(done by the government, organisation, etc)

• Require Government agencies to restrict or Direct the activities of regulated Parties

APPROACH to Regulation → 3 points

- Command and control
- Performance based
- Management based

→ Law →

Simple words

LAW

"Instrument which regulate Human Behaviour"

What is law?

• Law is a set of obligations and duties imposed by the Government for securing welfare and providing justice to society.

LAW is a set of → obligation and duties

Securing Welfare and providing justice to society. ← for → Imposed by government

Indian framework reflects

- Social
- economic
- political and
- Cultural

aspects of our vast and diversified country

Enforcement

→ Law enforced through legal system.

• Aim to provide

→ justice, fairness & social order

Form & Violation

→ Law may be ~~un~~ written or unwritten (Imposed)

but not written

ex:- Quasi Contract

• Violation → Consequences

fine / Imprisonment

Both

or

Amendments

(changes)

→ Increasing order

→ Decreasing order

→ Reducing order / Merger / Dissolve

→ Law may also amended or repealed overtime as society evolves & changes.

LAW $\xrightarrow[\text{it is made}]{\text{for whom}}$ COMMUNITY $\xrightarrow{\text{include}}$ Society \rightarrow evolve & change

Existing law will also change

Law change

If no change

Law Amendments will be done

People will start to forget about it.

Source of Law

Source of Law

The Constitution

- Decide the law making between the:
 - Central government
 - State government
- Indian Constitution has

THREE LIST

Central List
State List
Joint List

Statute
Union of India to enact law and states when by the legislature

Statutes

statutory law is a law that is created by the legislature

It is a kind of Assembly with the Powers to:-

- PASS → Introduced
- AMEND → changes
- REPEAL → close ~~front~~

Law made by Parliament and state Assemblies

Customary law

Set of Rules that attains the force of law in a society.

Judicial Decision of various Courts OR Precedent

The supreme court is the highest Authority, and its Decision are Binding in all other court.

Process of Making a law is

- (i) After discussion in law is passed in
- (ii) Thereafter, it has in Rajya Sabha.

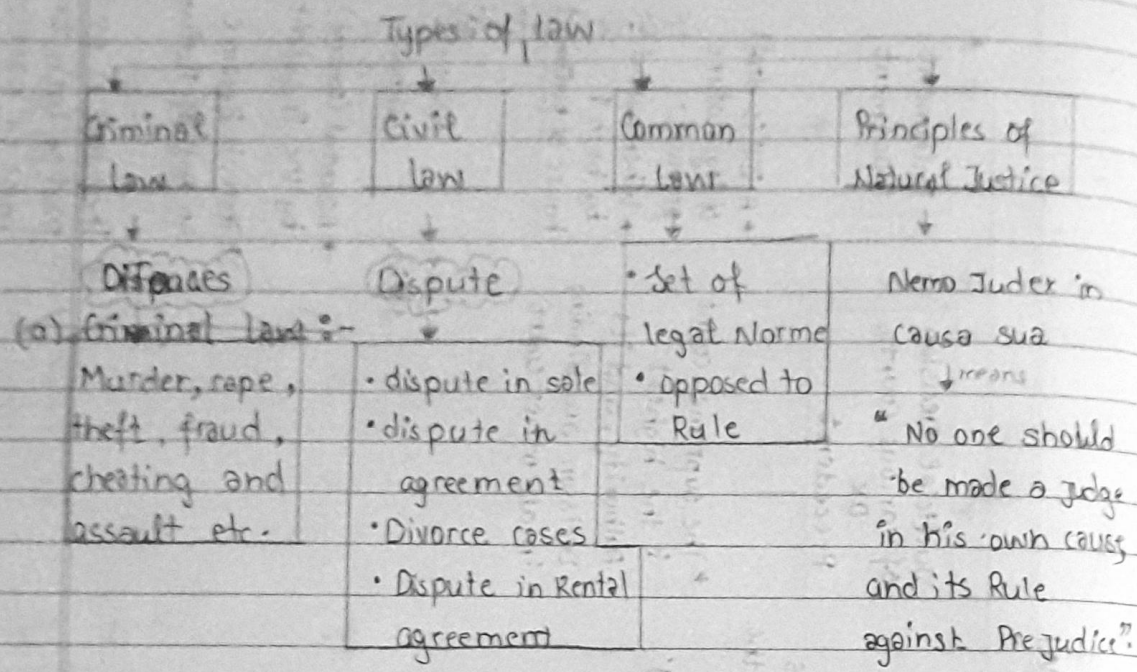
Parliament Enactment

(i) A Bill is draft of legislature propose.
When passed by both house of parliament

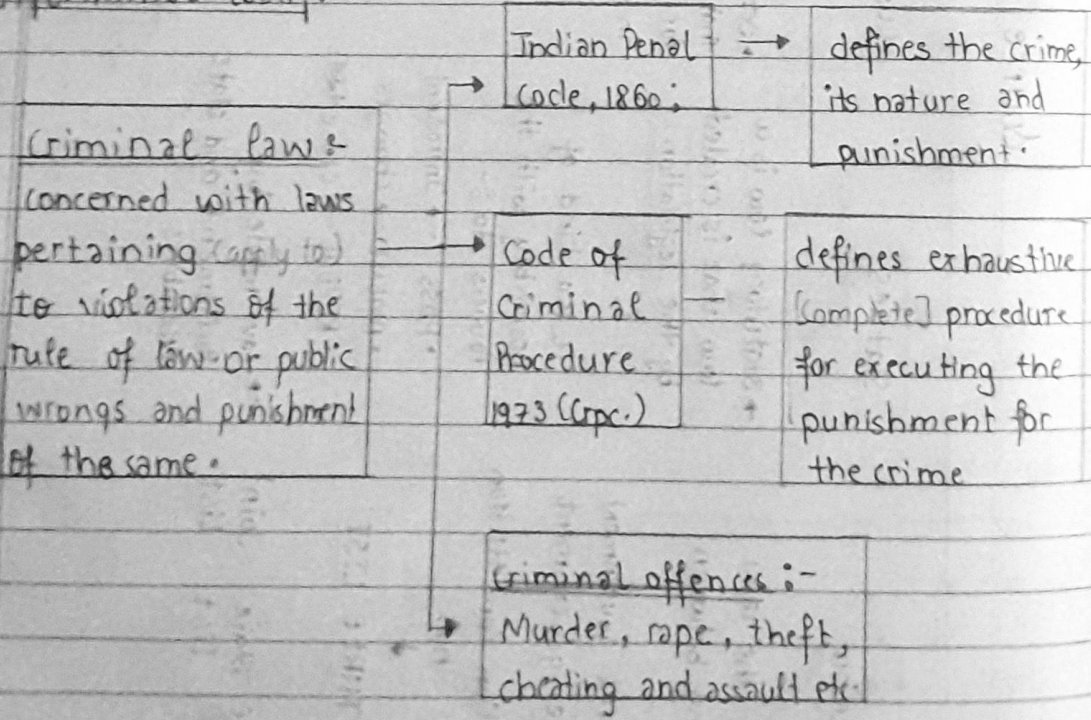
Lok Sabha
Rajya Sabha
Assented (consent) by the President
Then, it became an Act of Parliament.

* President is not a part of both the house of parliament

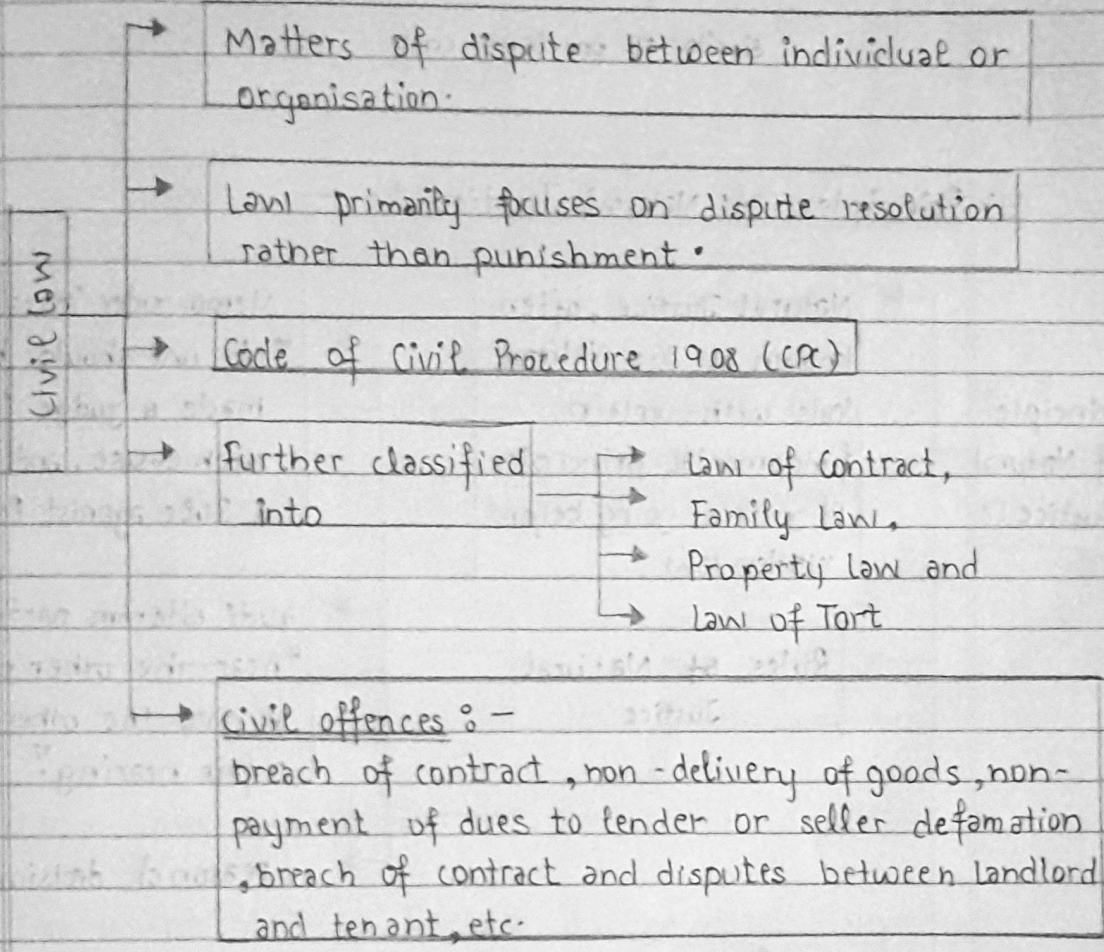
• Types of Law :



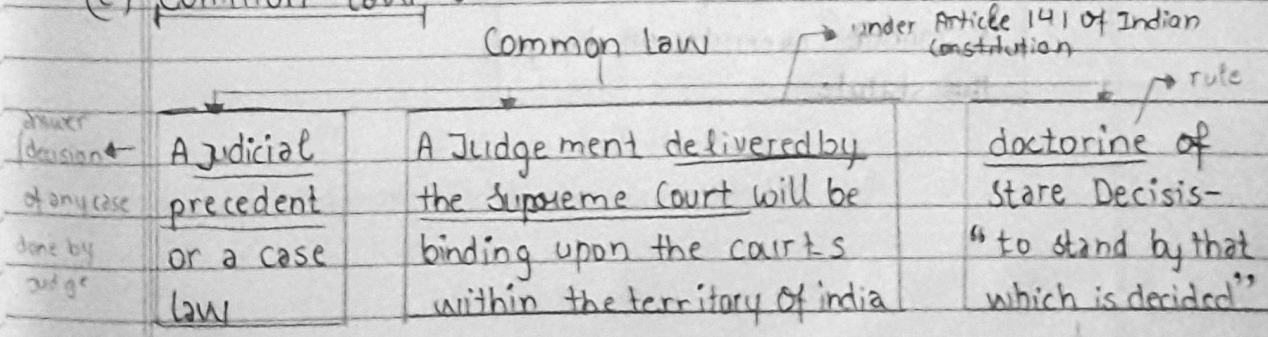
(a) Criminal Law :-



(b) Civil Law :-



(c) Common Law :-



reinforces the obligation of the courts to follow the same principle or judgement established by previous decision of courts to follow previous decisions while ruling a case where the facts are

Similar or "on all four legs," with earlier decision

↓
similar to previous case

(d) Principles of Natural Justice, 2

Principle
of Natural
Justice

Natural Justice, often known as Jus Natural deals with certain fundamental principles of justice going beyond written law

Nemo iudex in causa sua
"No one should be made a judge in his own cause, and it's a Rule against Prejudice"

Rules of Natural Justice

audi alteram partem
"hear the other party or give the other party a fair hearing"

reasonable decision

A judgment can override or alter a common law, but it cannot override or change the statute

→ Enforcement of law :

Law is passed in parliament

then, law is enforced

Some Organisation Monitor
[the law whether it is followed or not]

Depending on law (whether it is)

Central Law

Enforcing Authority
Central government

State Law

Enforcing Authority
State government

Example :-
GST
CGST SGST

→ How Law Enforce :

Government of India Exercise its Executive Authority.

Through a number of government Ministry.

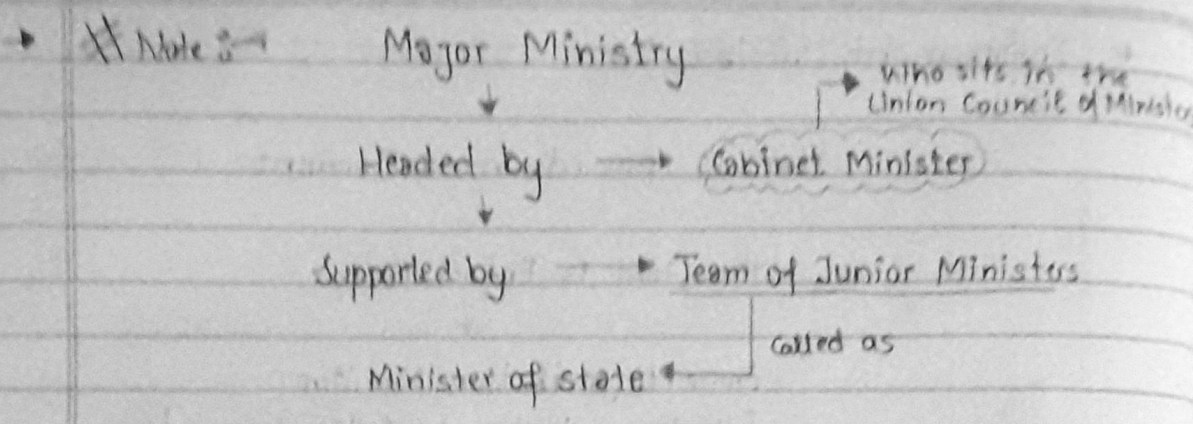
MINISTRY → Composed of employed officials

Through Ministers ← Politically accountable

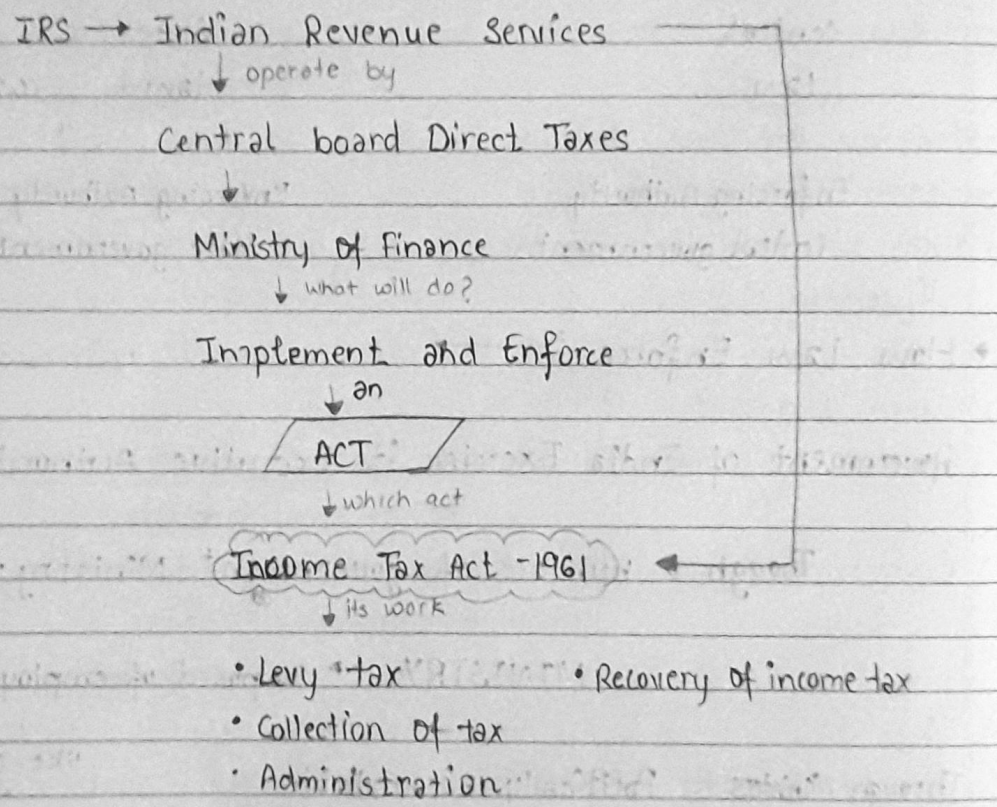
[like civil servant]

≠ Note :-

Government Ministry or Departments of state



→ How law enforce → Example : →



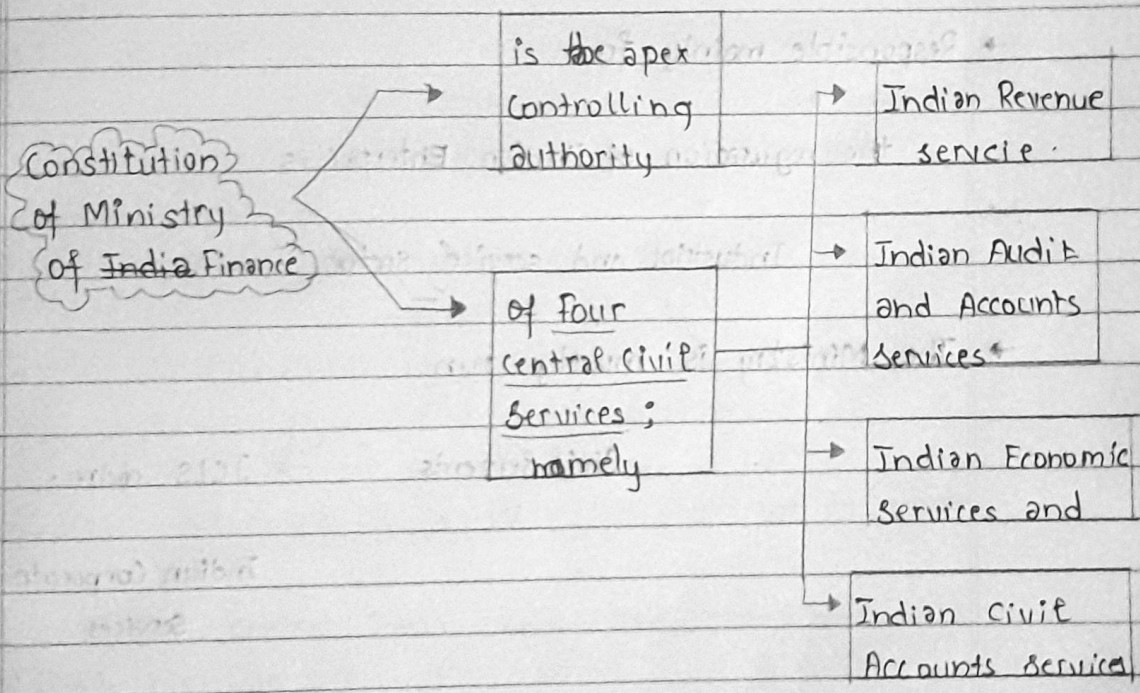
→ Major Ministries and laws Enforced by them →

Major Regulatory bodies

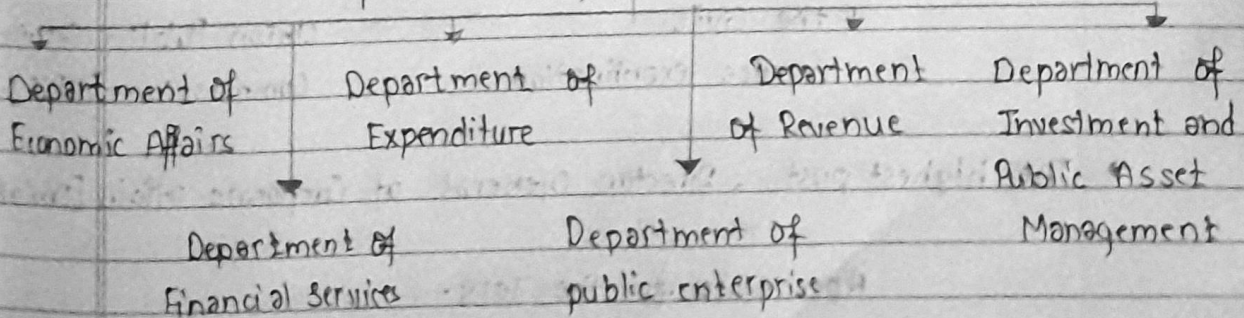
(a) The Ministry of Finance, India → (Vitta Mantralaya)

- Concerned with the economic of India
 - taxation
 - Financial legislation
 - Financial institution
 - capital markets
 - Central and state finances
 - and the Union Budget
- Serving as the Treasury of India.
- Important function is presentation of Union Budget.

on
udget



Department of Ministry of Finance



(b) Ministry of Corporate Affairs (MCA), →

→ is an Indian Government Ministry.

→ Concerned with

- Administration of the Companies Act, 2013, the
- the Companies Act 1956, the Limited Liability Partnership Act, 2008, and
- Partnership Act - 1932, insolvency and Bankruptcy Code, 2016.
- Functioning of the Corporate Sector

→ Responsible mainly for

↓
the regulation of Indian Enterprises

↓ in the
Industrial and service sector.

→ The Ministry is mostly run

↓ by
Civil Servants

↳ of the → ICLS cadre.

↓
Indian Corporate Law
Services

→ These officers are elected

↓ through
the Civil
Service examination

↳ conducted by → Union Public Service
Commission [UPSC]

→ The highest post, Director General of Corporate Affairs [DGCA]

↓ is fixed at
Apex scale for the ICLS.

Date: _____
Page No: _____

(a) The Securities and Exchange Board of India [SEBI] →

→ is the regulatory body.

→ It was established on 12 April, 1988, as an executive body

↓ and

given → Statutory power on 30 January, 1992

↓ through

The SEBI Act, 1992.

→ It is under the ownership

↓ of

Ministry of Finance → with in → Government of India.

→ Concerned with

- Indian financial Market
- Promote Security Market
- Regulate security Market
- Protect the interest of investors

(b) Reserve Bank of India [RBI] →

→ It is India's central bank and regulatory body

→ Responsible for

- regulation of Indian banking system.

→ Under the ownership

↓ of

Ministry of Finance → with in → Government of India

→ Concerned with

- Control the monetary policy

- Concerning the National currency - except 1 Rupee notes or coins.
- Inspection of Banks
- Regulate Bank in the Interest of Bankingsystem
- Promotes economic development.

→ Established National Payment Corporation of India

↓ to
regulate → payment / settlement system

→ Bharatiya Reserve Bank Note Mudran [BRBNM]

is a

located in

Specialised division of RBI

Mashik [Western India]
and
Dewas [Central India]

↓ which
prints and Mints Indian

currency Notes [INR]

↑
two currency printing presses

(e) Insolvency and Bankruptcy Board of India [IBBI] →

→ Concerned with

- Oversees Insolvency Proceeding and entities
- Like • IPA → Insolvency Professional Agencies
- IP → Insolvency Professional
- IU → Information Utilities
- Simplify the process of Insolvency and bankruptcy proceedings.

→ established on 1st October 2016

→ Given → Statutory powers
↓ through

The Insolvency and Bankruptcy Code

↓ which was

passed by Lok Sabha on 5th May 2016.

→ It covers

- Individual Companies
- Limited Liability Partnership
- Partnership firms

→ It handles the cases using two tribunals, like

- National Company Law Tribunal (NCLT)
- Debt Recovery Tribunal.

(f) Ministry of Home Affairs [Griha Mantralaya] →

→ is a ministry of the Government of India.

→ As an interior ministry of India

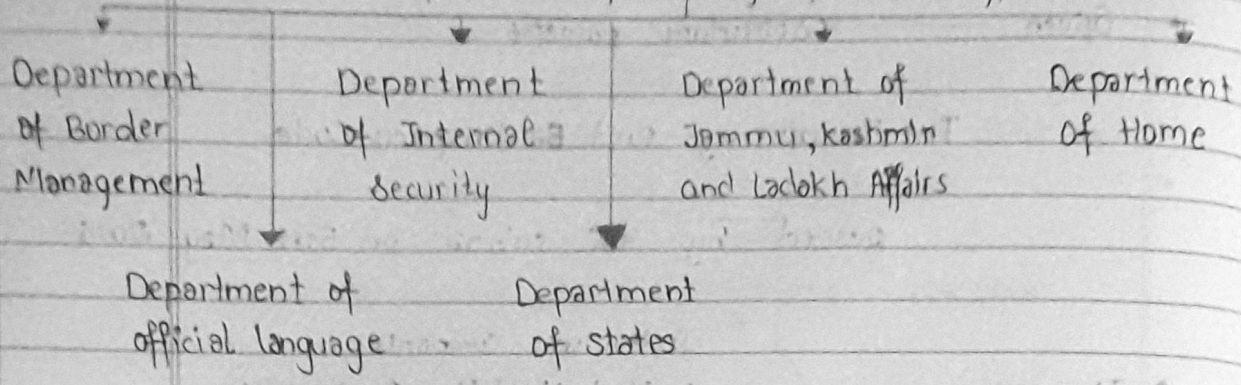
↓
it is mainly responsible for

the maintenance of internal security and domestic policy

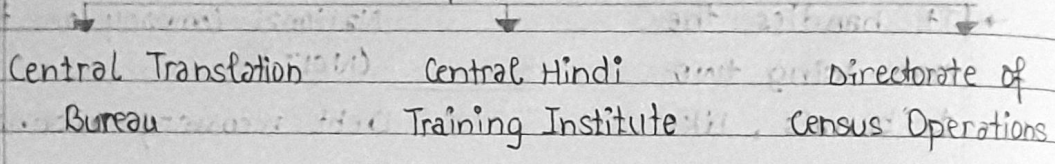
→ Home Ministry
↓ is headed by

Union Minister of Home Affairs

Department of Ministry of Home Affairs



Department of official language



(g) Ministry of Law and Justice

- in the Government of India is a Cabinet Ministry.
- deals with the
 - management of the legal affairs, through Department of Legal Affairs.
 - Legislative activities through the Legislative Department.
 - administration of Justice in India through the Department of Justice.
- The Department of Legal Affairs → concerned with
 - advising the various Ministers of Central government.
- While, Legislative Department → is concerned with

Date: _____
Page No: _____

↓

drafting of principal legislative for the
Central Government

Department of Ministry of Law and Justice

↓

Department of
Legal Affairs

↓

Legislative
Department

↓

Department
of Justice

→ Structure of the Indian Judicial System :- →

• When there is dispute,

↓

between citizens or between citizens
and government

these dispute are resolved by judiciary

• Functions of Judiciary system of India :-

- Regulation of the interpretation of the Acts and codes,
- Dispute Resolution,
- Promotion of fairness among the citizen of the land.

Hierarchy of Court

↓

Supreme
Court

↓

High
Court

↓

District
Court

↓

Metropolitan
Courts

(a) Supreme Court, \circ \longrightarrow

- \rightarrow is the apex body of the judiciary in India.
- \rightarrow established on 26th January, 1950.
- \rightarrow Principal bench

of supreme court $\xrightarrow{\text{consist of}}$ 7 members [including chief Justice of India]

- \rightarrow Chief Justice of India is the highest authority. ~~*~~

appointed under Article 126

Presently, the number increase to 34 member (including chief Justice of India)

\downarrow due to
number of
rise in cases and workload.

- \rightarrow An Individual $\xrightarrow{\text{can}}$ seek relief in the Supreme court $\xrightarrow{\text{by}}$ filing a writ petition \downarrow Under Article 32.

(b) High Court, \circ \longrightarrow

- \rightarrow Highest at state & Union Territory level
- \rightarrow There are 25 High court in India

There must be a high court in each state $\xrightarrow{\text{Under Article 214}}$ of Indian Constitution

Six states share a single high court.

- \rightarrow An Individual $\xrightarrow{\text{can}}$ seek remedies against violation of fundamental rights in High court $\xrightarrow{\text{by}}$ filing a writ \downarrow under Article 226

→ Article 227 of Indian Constitution Limits a High Court supervisory power.

(c) District Court : →

- Below the High Courts. (Generally in every District)
- Deals with civil law matters.
- Suite → Not more than 2 crores.

↓
under pecuniary jurisdiction

↓ means

the power to control.

- Courts gets territorial jurisdiction based on the areas covered by them.

(d) Metropolitan Courts, : →

- Cities where population is 10 Lakh or more
- In India → 9 Metropolitan cities

↳ Delhi, Mumbai, ~~Calcutta~~^{Kolkata}, Hyderabad, Chennai, Bengluru, Ahmedabad and pune.

- In India → 24 Metropolitan courts.

- Power of Metropolitan Magistrate

→ as chief Judicial Magistrate
OR

as a Court of Magistrate of first class

- The quantum of punishment can pass in any case
Except • the death • Imprisonment Life
• Imprisonment not more the 7 years

→ Which is the oldest High Court in India?

* Calcutta High court,
established on 2nd July 1862.

→ Who presented the Maximum number of union Budgets as Finance Minister?

1. Shri. Morarji Desai

↳ • between 1962 and 1969

• presented 10 union Budgets .

2. Shri. P Chidambaram

↳ • presented 10 union Budgets.

3. Shri. Pranab Mukherjee and
Shri. Yashwant Sinha

↳ • presented 8 union Budget

4. Dr. Mammohan Singh

↳ presented 6 union
Budget

→ Law is passed in parliament

Council
of State

Rajya
Sabha

House of
the people

Lok
Sabha

Process of Making A Law

(i) When a law is proposed in parliament, it is called a Bill.



(ii) After discussion and debate, the law is passed in Lok sabha.



(iii) Thereafter, it has to be passed in Rajya Sabha.



(iv) Then it has to obtain the assent [consent] of the President of India.



(v) Finally ; the law will be notified by the government in publication called the Official Gazette of India.