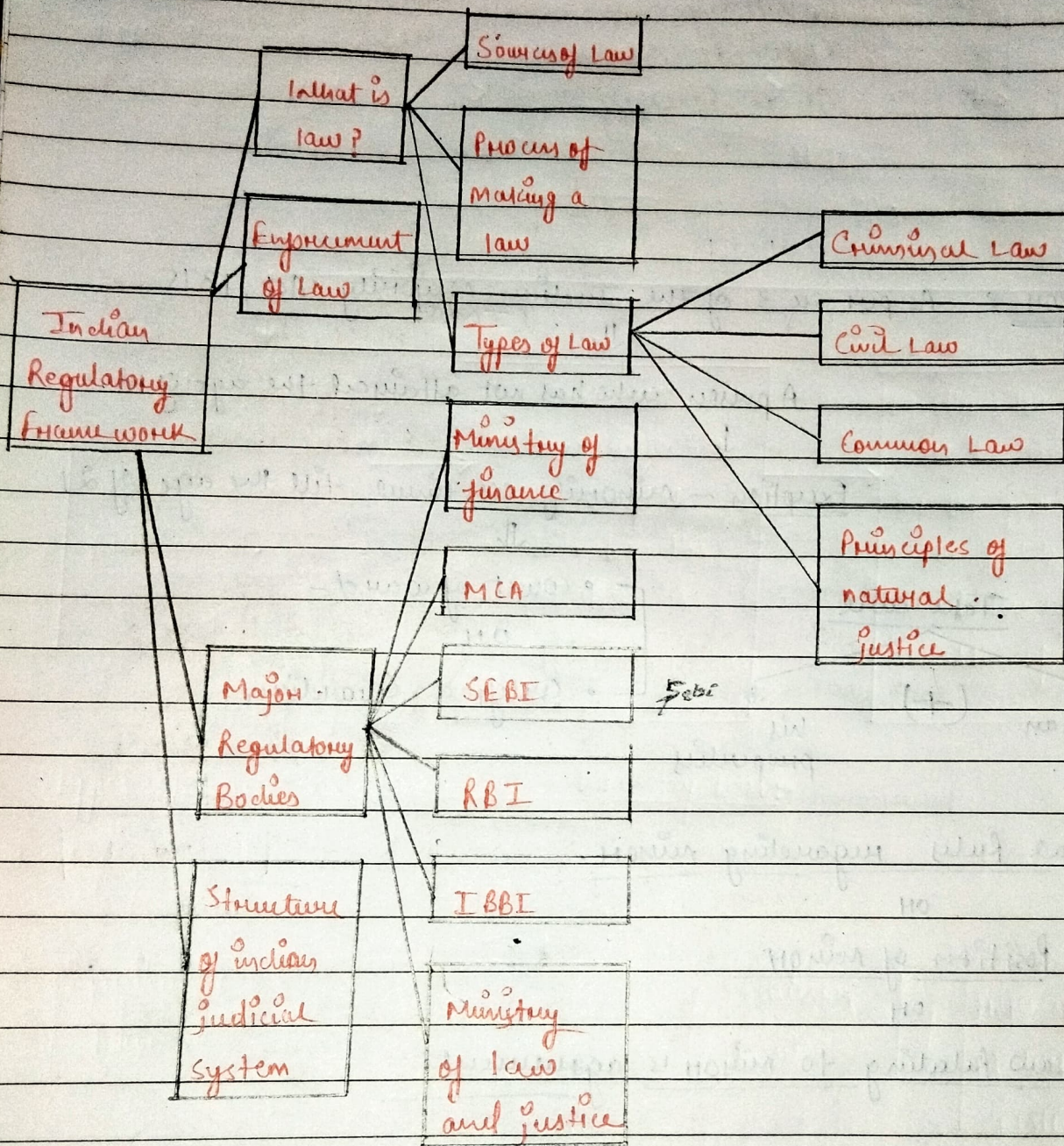


Chapter-1 Indian regulatory framework



* 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

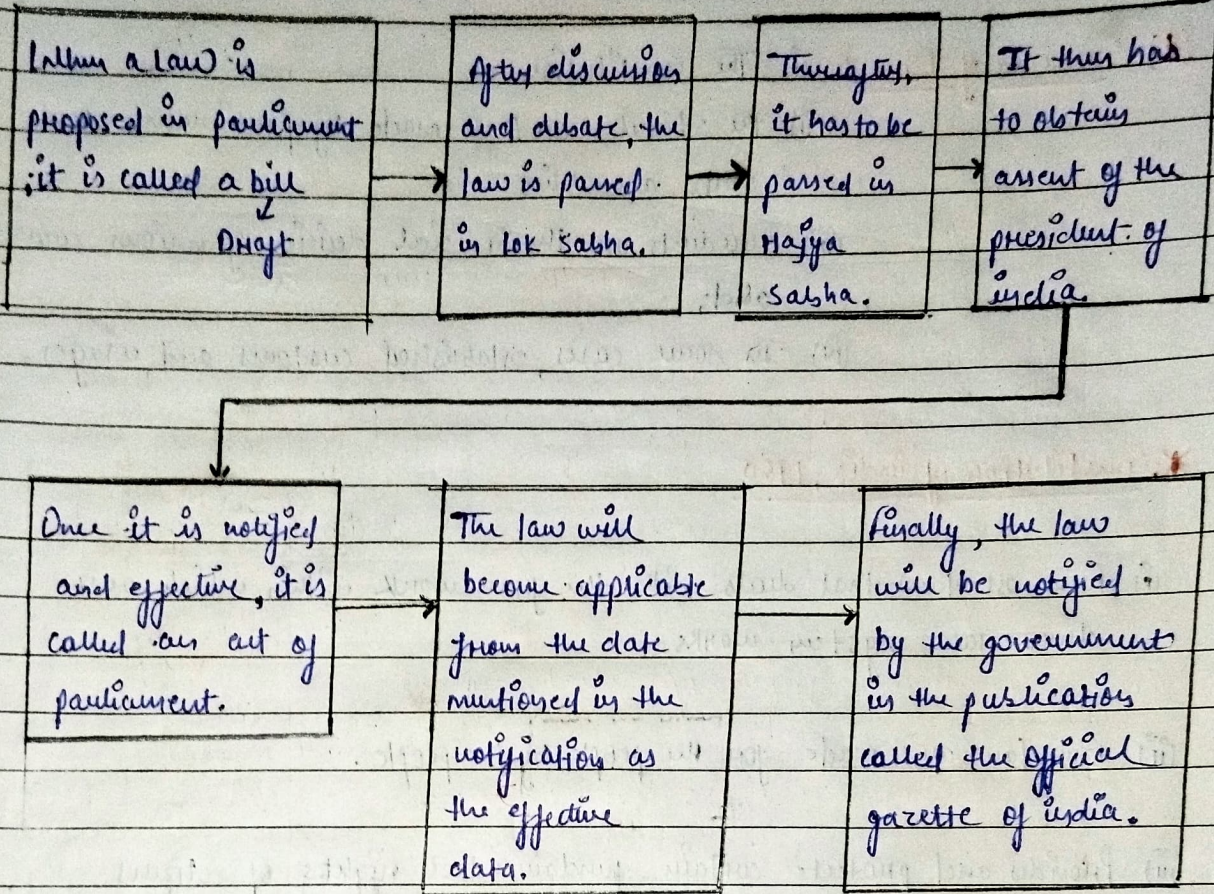
diversified country.

- (4) Sources of Law :-
- (i) The constitution.
 - (ii) The statutes or laws made by parliament and state assemblies.
 - (iii) Precedents or the judicial decision of various courts and;
 - (iv) In some cases, established customs and usages.

* Constitution of India, 1950

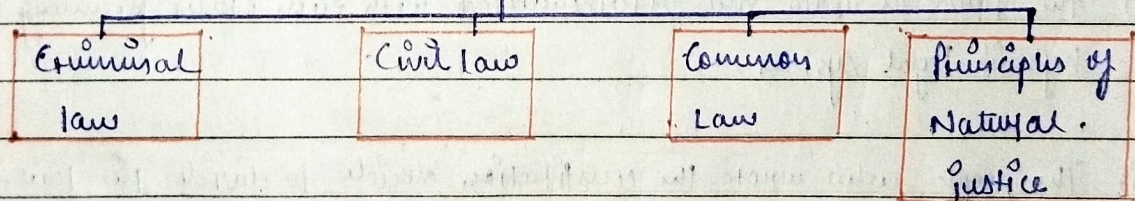
- (i) Foremost law that deals with the framework within which our democratic system works.
- (ii) Our laws are made for the people by the people.
- (iii) Provides and protects certain fundamental rights of citizens.
- (iv) Lays down fundamental duties as well as the powers and duties of governments, both central and state.
- (v) The laws in India are interconnected with each other forming a hybrid legal system.
- (vi) The people who wrote the constitution decide to divide the law-making power between the central government and the various state governments.
- (vii) Indian constitution has three lists viz., central list, state list and joint list.

2. Process of making a law:

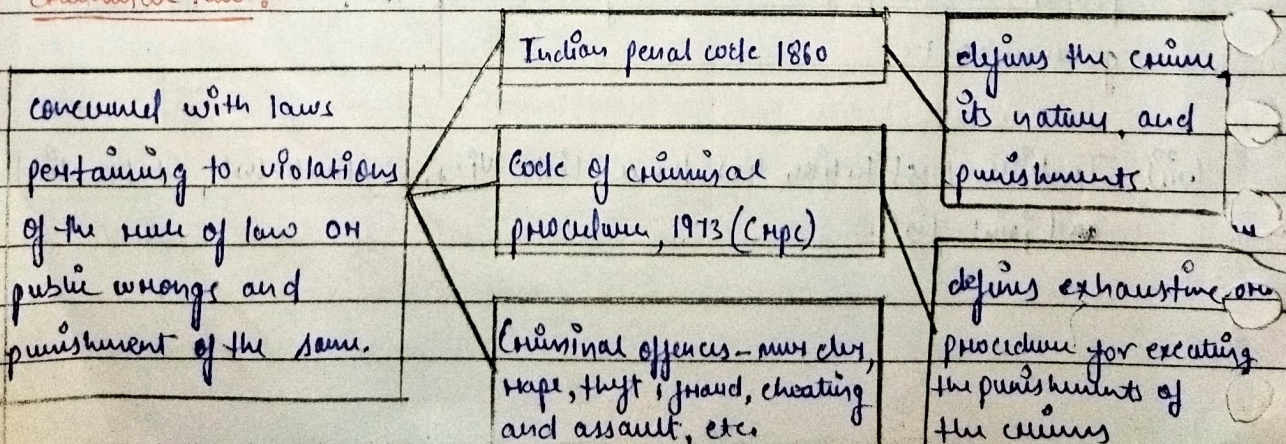


3. Types of laws in the Indian legal system:

Types of law



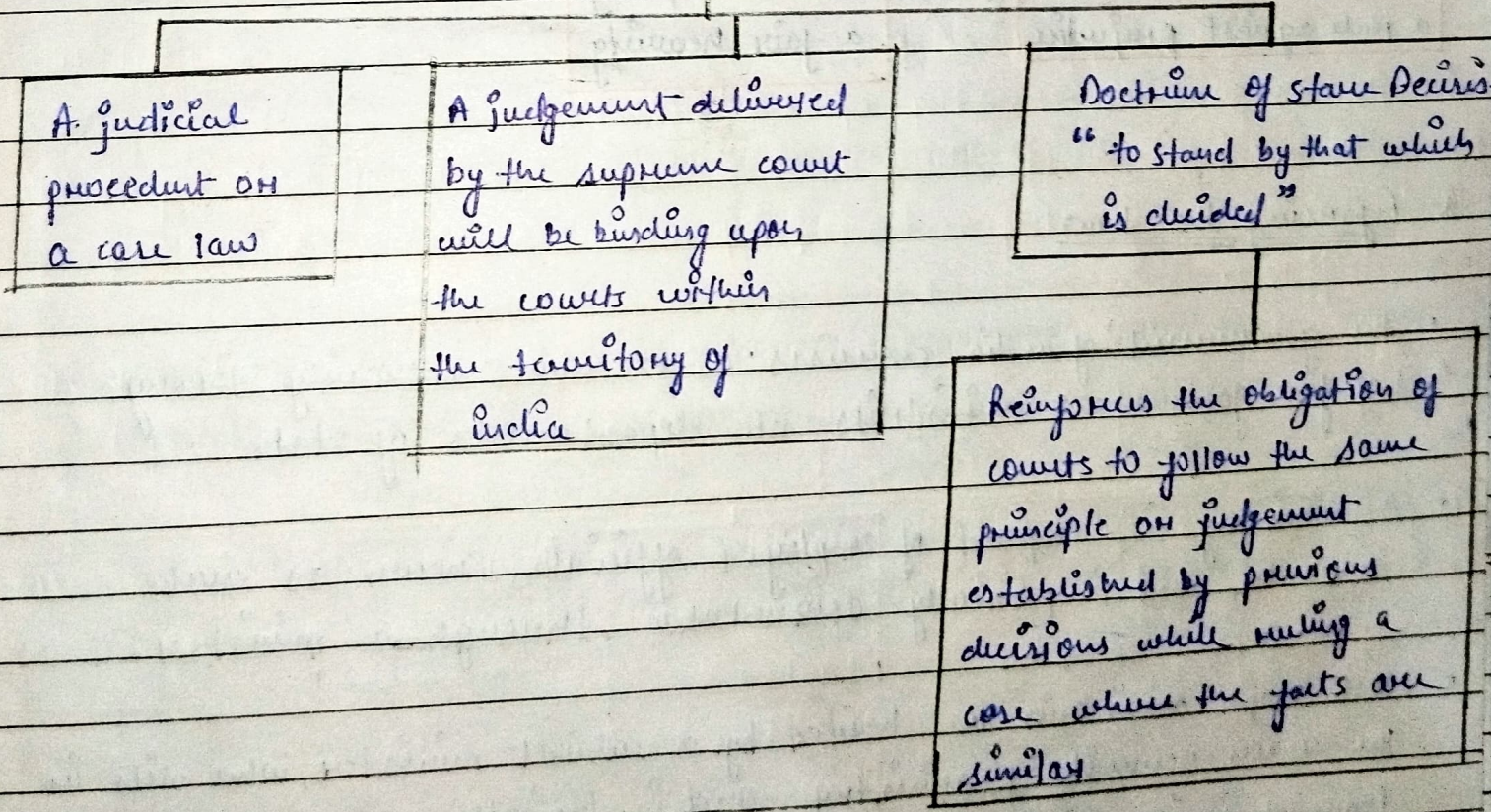
1) Criminal law:-



2. Civil Law :-
- (i) Matters of disputes between individuals or organisations
 - (ii) Law primarily focuses on dispute resolution rather than punishment.
 - (iii) Code of civil procedure, 1908 (CPC)
 - (iv) Further classified into Law of contract, Family Law, property Law, and Law of tort.
 - (v) Civil offences - Breach of contract, non-delivery of goods, non-payment of dues to lender or seller, defamation, breach of contract and disputes between landlord and tenant, etc.

3. Common Law :-

Common Law



1. Principles of Natural Justice -

Principles of Natural Justice.

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

Rules of Natural Justice

A judgement can override or after a common law, but it cannot or change the statute.

No one should be made a judge in his own cause; and it is a rule against prejudice

than the other party or give the other party a fair hearing

Reasoned decision

* Enforcing the Law

- The government of India exercises its executive authority through a few government ministries or departments of state.
- A ministry is composed of employed officials, known as civil servants, and is politically accountable through a minister.
- Most major ministries are headed by a cabinet minister, who sits in the union council of ministry, and is typically supported by a team of junior ministers called the ministers of state.

Major Regulatory Bodies

1. Ministry of finance :- It's concerned with the economy of india and serving as the treasury of india, concerns itself with taxation, financial legislation, financial institutions, capital markets, centre and state finances, and the union Budget.

Important functions is the presentation of the union budget.

Constitution of ministry of finance

Is the apex controlling authority of four central civil services, namely: indian revenue service, indian audit and accounts service, indian economic service and indian civil accounts service.

Also, the apex controlling authority of one of the central commerce service namely indian cost and management accounts service.

Departments of ministry of finance

Department
of economic
affairs

Department
of expendi-
-ture

Department
of revenue

Department
of financial
services

Department
of investment
and public
assets
management

Department
public
enterprises

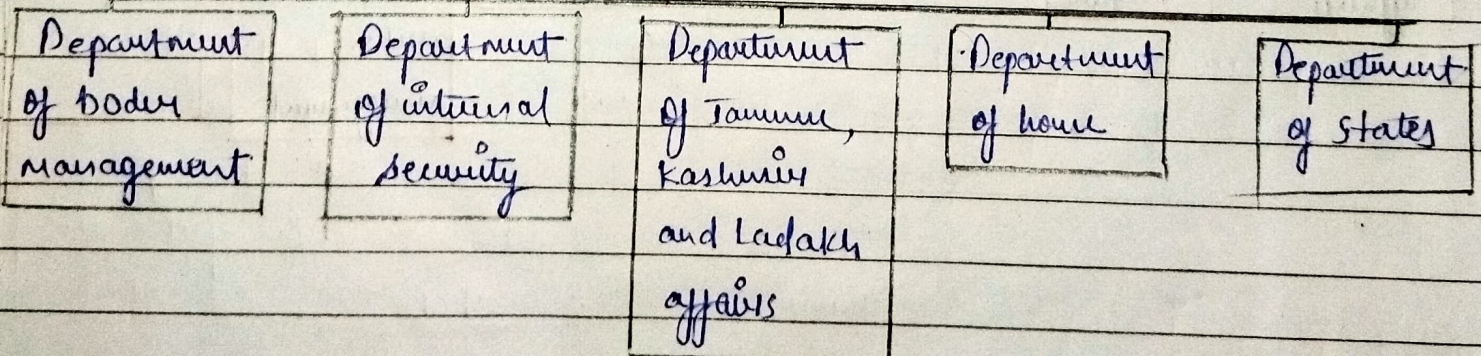
2. Ministry of corporate affairs

- It is an Indian government ministry.
- Primarily concerned with administration of the companies act 2013, the limited liability partnership act, 2008, and the insolvency and bankruptcy code, 2016.
- Responsible mainly for the regulation of Indian enterprises in the industrial and service sector.
- The ministry is mostly run by civil servants of the ICS cadre.
- These officers are elected through the civil services examination conducted by union public service commission.
- The highest post, director general of corporate affairs (DG/COA), is fixed at apex scale for the ICS.

* Ministry of home affairs (Ghna Mantralaya)

- It 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.
- The home ministry is headed by union minister of home affairs.

• Departments of ministry of home affairs



3. 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 is concerned with advising the various ministers of the central government while the legislative department is concerned with drafting of principal legislation for the central government.

4. The securities and exchange board of India (SEBI)

- Is the regulatory body for securities and commodity market in India. Under the ownership of ministry of finance within the government of India.
- It was established on 12 April, 1988 as an executive body and was given statutory powers on 30 January, 1992 through the SEBI Act, 1992.

5. Reserve Bank of India (RBI)

- Is India's central bank and regulatory body responsible for regulation of the Indian bank system.
- It is under the ownership of ministry of finance, government of India.
- It is responsible for the control, issue and maintaining supply of the Indian rupee.

Date.....

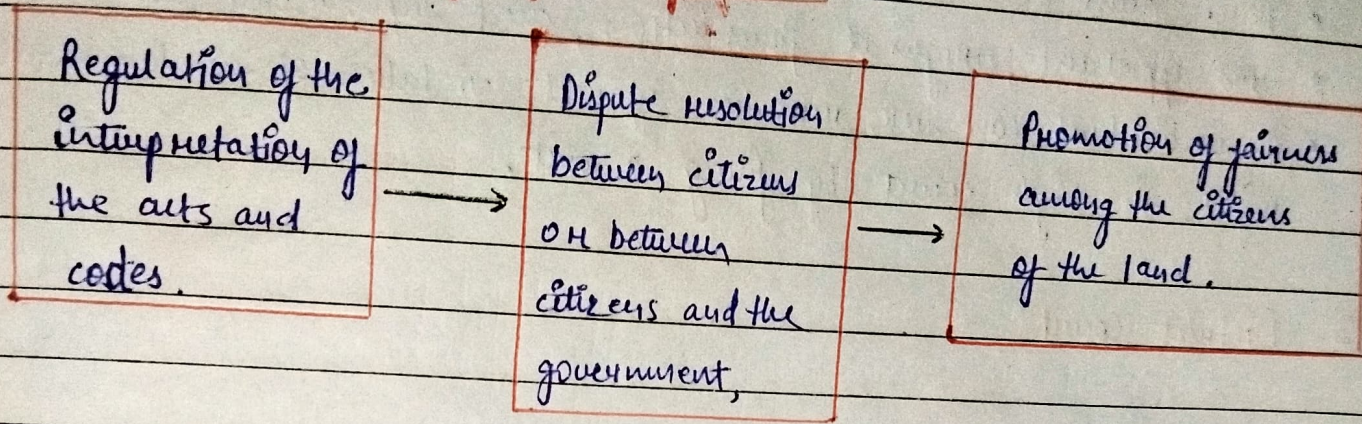
- It also manages the country's main payment systems and works to promote its economic development.
- Bharatya Reserve Bank Note Muktan (BRBNM) is a specialised division of RBI through which it prints and mints Indian currency notes (INR). In two of its currency printing presses located in Nashik (western India) and Dewas (central India).
- RBI established the national payment corporation of India as one of its specialised divisions to regulate the payment and settlement systems in India.
- Deposit insurance and credit guarantee corporation was established by RBI as one of its specialised divisions for the purpose of providing insurance of deposits and guaranteeing of credit facilities to all Indian banks.

6. Insolvency and bankruptcy board of India (IBBI)

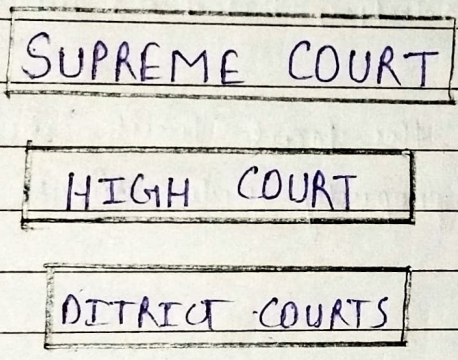
- Is the regulator for overseeing insolvency proceedings and entities like insolvency professional agencies (IPA), Insolvency professionals (IP) and information utilities (IU) in India.
- It was established on 1 October 2016 and given statutory powers through the insolvency and bankruptcy code, which was passed by Lok Sabha on 5th May 2016.
- It covers individuals, companies, limited liability, partnership and partnership firms. The new code will speed up the resolution process for stressed assets in the country.
- It attempts to simplify the process of insolvency and bankruptcy proceedings.

• It handles the cases using two tribunals like NCLT (National company law tribunal) and debt recovery tribunal.

Functions of judiciary system of india



HIERARCHY OF COURTS



1. Supreme Court

- Apex body of the judiciary
- Chief justice of india is the highest authority
- Principal bench of the supreme court consists of 7 members including the chief justice of india.
- Presently, the number has increased to 34 including the chief justice of india due to the rise in the number of cases and workload.
- An individual can seek relief in the supreme court by filing a writ petition.

2. High Court

- Highest court of appeal in each state and union territory
- There must be a high court in each state.
- Has appellate, original jurisdiction, and supervisory jurisdiction
- An individual can seek remedies against violation of fundamental rights in high court by filing a writ.

3. District Court

- Below the high courts
- The courts of district judge deal with civil law matters
- Civil judge can try suits valuing not more than Rupees 2 crore.
- Courts get territorial jurisdiction based on the areas covered by them
- Cases are decided based on the local limits within which the parties reside or the property under dispute is situated.

* Metropolitan Courts

- Established in metropolitan cities in consultation with the high court where the population is 10 lakh or more.
- Chief metropolitan magistrate has powers as chief judicial magistrate
- Metropolitan magistrate has powers as the court of a magistrate of the first class.