

CH 1 Indian Regulatory Framework

- Meaning of law
  - set of obligations
  - Rules and Regulations
  - Imposed by government
  - In order to provide justice to citizens.

Law

- Political
- Social
- Economic

- Sources of law in India
  - Constitution (written)
    - e.g.: Law and relating to Hindu, Muslim.
  - Parliament (written)
    - e.g. - ICAI, LIC
    - Consumer Protection Act

State Assemblies

- e.g. or usury, state stamp act, Maharashtra participation act.

d) Precedents of old Judicial cases -

- e.g.: Muzumdar case.

E) Custom and usage.

- e.g. Child Marriage.

- Process of making law
  - when a law is proposed in parliament it is called a bill
- a) A bill is first prepared and circulated in Lok Sabha for discussion and debate
- b) once passed by L.S it is presented in Rajya Sabha.
- c) After both approvals it is sent for assent of president of India.
- d) once passed by president it is published in official gazette and it becomes a law from the date mentioned in it.

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• Difference between civil law and criminal law.

CIVIL LAW	CRIMINAL LAW
1) Civil law deals with the disputes between organisations and individuals.	Criminal law deals with offences committed against society.
2) Governed by civil procedure code 1908.	Governed by criminal procedure code 1973.
3) Case is heard by civil court.	Case is heard by criminal court.
4) Court has power to issue penalty, damages and compensation.	Court has power to issue penalty like imprisonment and death sentences.
5) Civil law deals with property, money damage, contract, deeds, etc.	Criminal cases deal with serious offences like murder, rape, robbery etc.

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3) Common Law

→ It is based upon the judgment or order given in a previous case. Any judge can refer the old case to decide the existing case if the subject matter and facts of case are similar.

4) Principles of Natural Justice

→ Every person who is a party to appeal shall be given an equal opportunity of being heard. It ensures all parties involved.

• Embodiment of law

→ The Embodiment of law is done by provisions of government statute or constitution. For the embodiment of law government has constituted various ministries:-

a) Ministry of Finance. b) Ministry of Home Affairs.

c) M.C.A.

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Ministry of Finance

- Also known as Ministry of Finance
- Treasury of India
- Consisted with -
  - Taxation - Financial Legislation
  - Financial Institutions.
- Taxation - Tax laws
- Financial Institutions - Laws, Legislation, Bank, Insurance, NBFC
- Financial Institutions - Insurance, Banks.
- Capital Market - Brokers, BSE, NSE
- Headed by Finance Minister

• Functions of MoF

- 1) Responsible for fiscal policy decisions
- 2) Presentation of Union Budget and allocation of funds to various states

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SEBI

1) Responsible for PFRDA

[ Provision Fund Regulatory Development Authority ]

2) Maintain government and national financial stability

• SEBI - The functions of SEBI

- 1) Protection -
  - protect the interest of Investor and provide safety of Investment.
- 2) Development -
  - Promote and develop activities of stock exchange and increase the business in stock exchange
- 3) Regulatory
  - Regulate the business in stock exchange.

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→ The High Courts hear appeal from lower courts and also has original jurisdiction.

→ In India there are 25 High Courts and six states share common High Court.

→ The oldest High Court in India is Calcutta High Court.

- District Court
  - The District Courts are placed below the High Courts.
  - They deal with both civil and criminal matters through court of District Judge and court of session.
  - A civil Judge can entertain cases which has a value less than Rs. 2 crore.
- Metro Polity Courts
  - These courts are established in cities where the population is more than 10 lakh.
  - They are established under constitution with High Courts.

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• Structure of Courts

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    Supreme Court
      ↑
    High Court
      ↑
    District Court
      ↑
    Metro Polity Court
  
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- Supreme Court
  - The highest court of Justice in India is Supreme Courts.
  - It was established on 26 Jan 1950.
  - It consists of one Chief Justice and 28 other Justices.
  - The decision of Supreme Court is binding on all the courts of India.
- High Courts
  - The constitution of India states that there should be one High Court in each state of India.

## Ministry of Law and Justice

- 1) Mainly concerned with drafting of all major laws for central government.
- 2) Another important role of MJS is to give advice to all ministries on legal matters.
- 3) MJS makes sure that courts and judges in India are sufficient to provide justice.
- 4) The law ministry also takes part in appointment of judges of supreme court and high courts.

## Ministry of Corporate Affairs

- 1) Exercising supervision over IIT
- 2) Provides for incorporation of company, name availability, DIN and DSC services.
- 3) Responsible for corporate governance of companies.
- 4) Serves as a guardian of companies.
- 5) MCA also administers the Companies Act in the country ensuring fair and healthy competition among all sectors.

## Ministry of Home Affairs

- The MHA extends man power and financial support to the state government whenever they require.
- 1) MHA is responsible for police, law and order in the country.
  - 2) MHA is also responsible for central and state elections.
  - 3) MHA also takes responsibility of disaster management.