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**LIVE LEARNING CLASSES
BOARD OF STUDIES(A), ICAI**

CA FOUNDATION

**TOPIC NAME - INDIAN REGULATORY FRAMEWORK
PAPER 2 : BUSINESS LAWS**

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COVERAGE OF THE SESSION

Meaning of Law and its sources

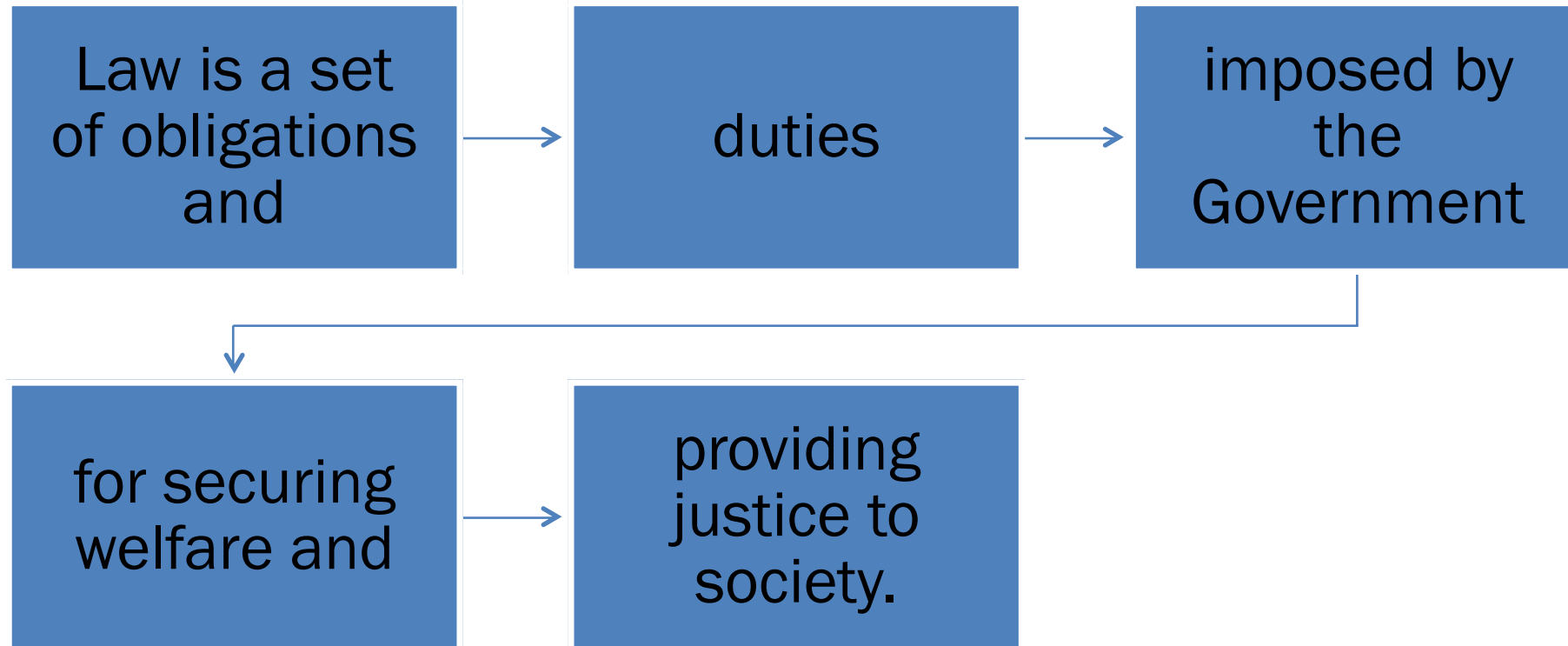
Types of laws in the Indian Legal System

Enforcement of Law

Introduction of Major Regulatory Bodies such as Ministry of Finance, MCA, SEBI, RBI, IBBI and Ministry of Law and Justice.



WHAT IS LAW?





The Constitution

the statutes or laws
made by Parliament
and State Assemblies

Sources of
Law in India

Precedents or the
Judicial Decisions of
various Courts and

in some cases,
established Customs
and Usages.



Constitution of India, 1950

foremost law that deals with the framework within which our democratic system works

our laws are made for the people, by the people

provides and protects certain Fundamental rights of citizens

lays down Fundamental duties as well as the powers and duties of Governments, both Central and State

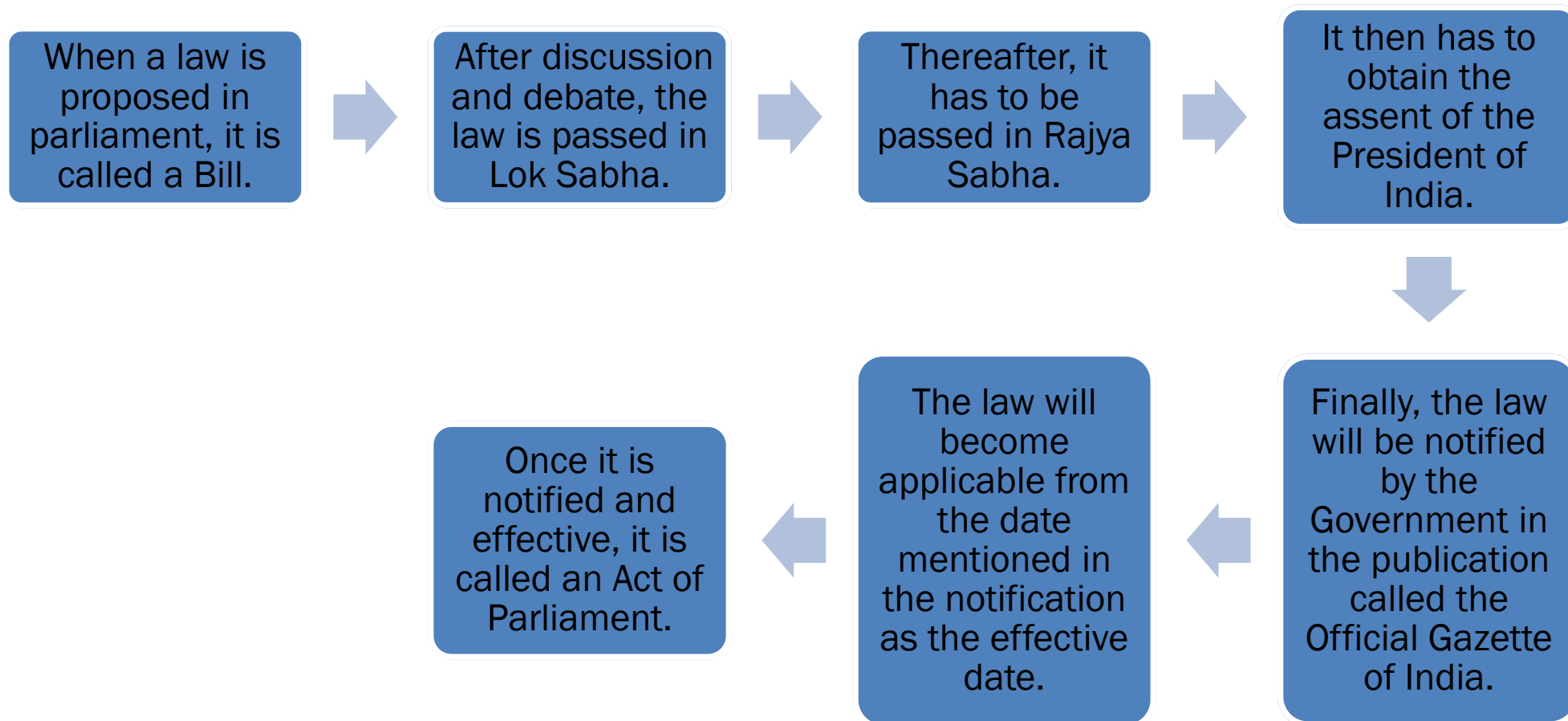
The laws in India are interconnected with each other forming a hybrid legal system

The people who wrote the Constitution decided to divide the law-making power between the Central Government and the various State Governments

Indian Constitution has three lists Viz., Central List, State List and Joint List.

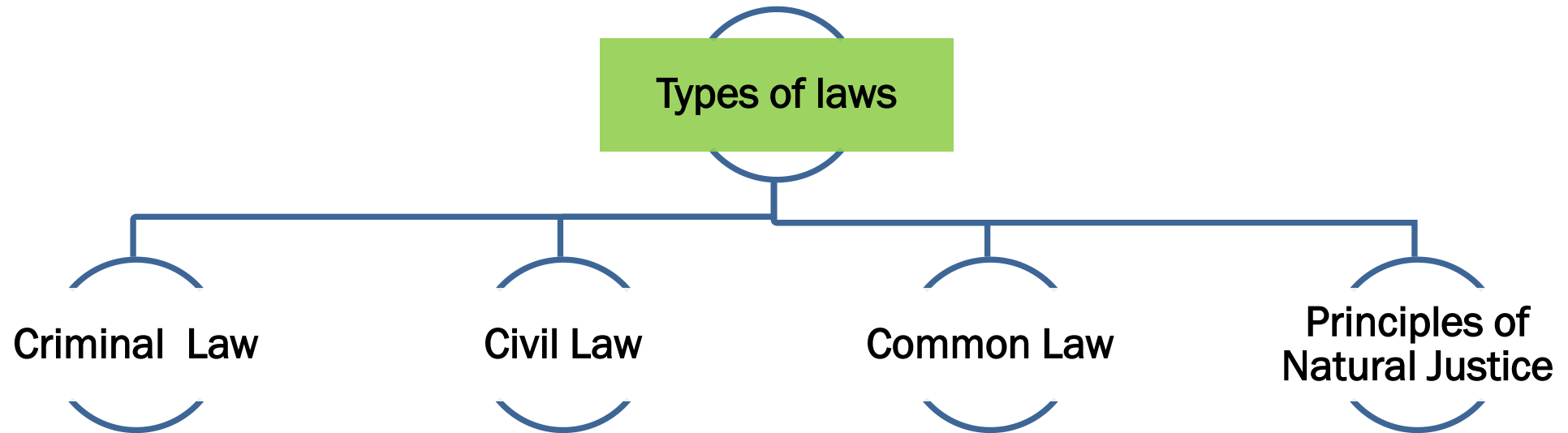


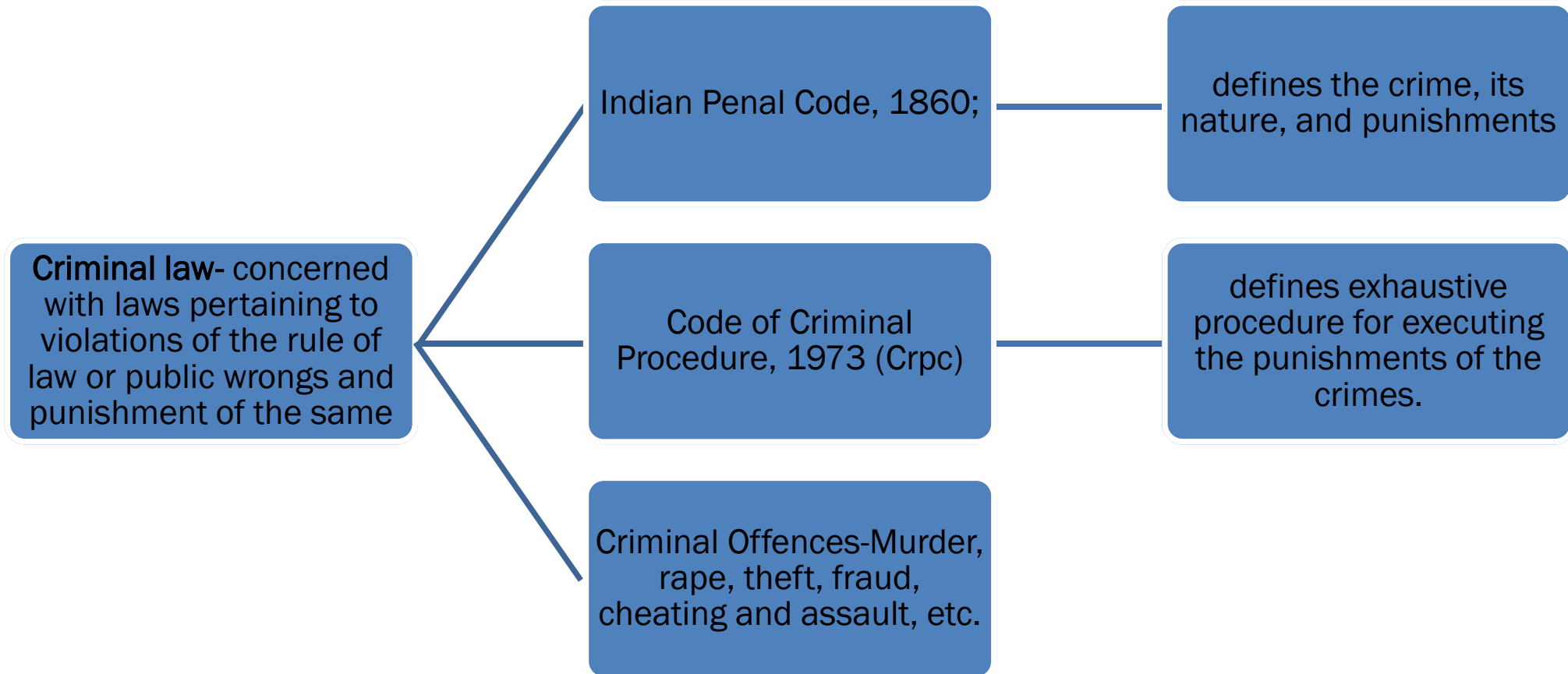
Process of Making a Law





Types of laws in the Indian Legal System







Civil Law

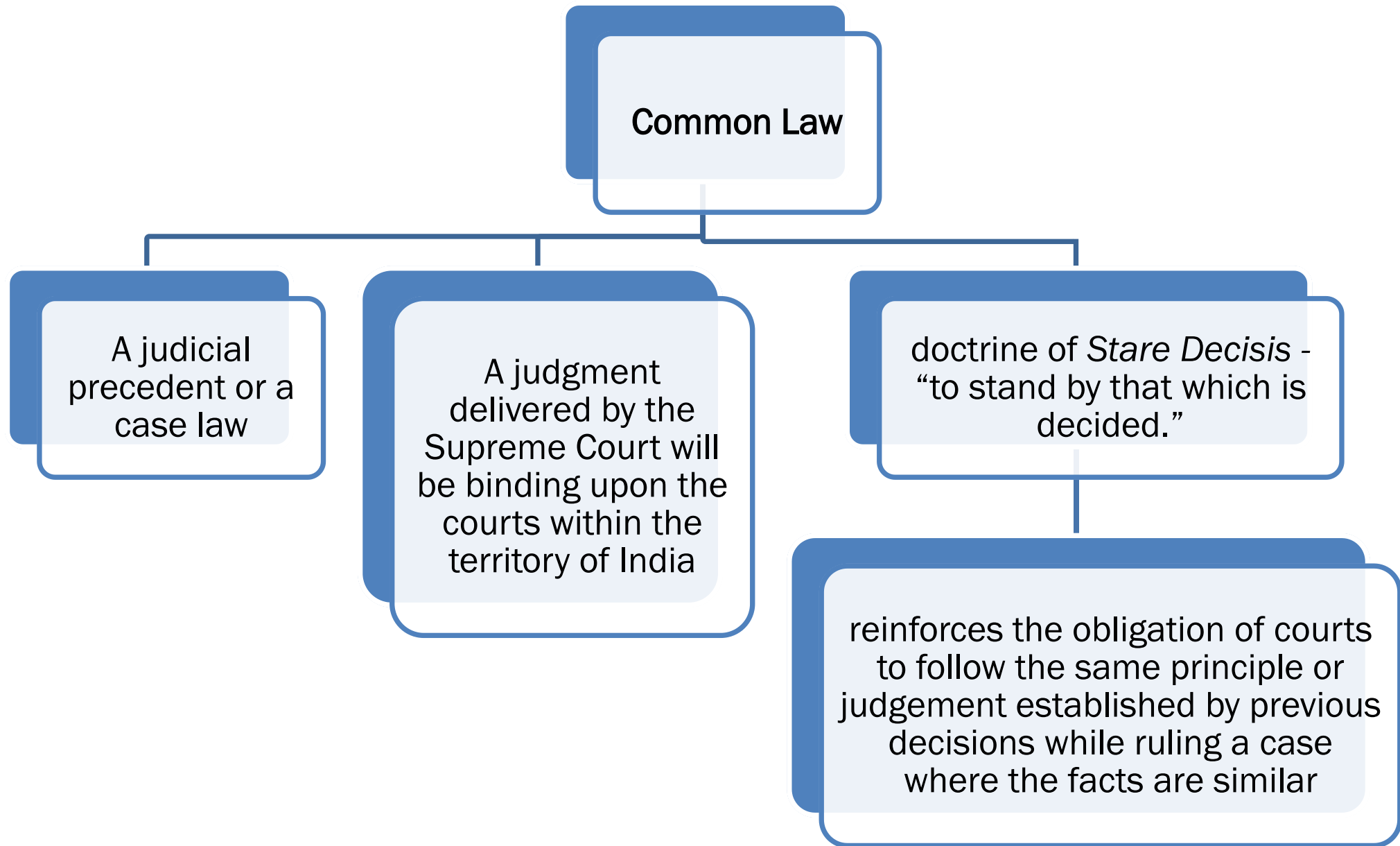
Matters of disputes between individuals or organisations

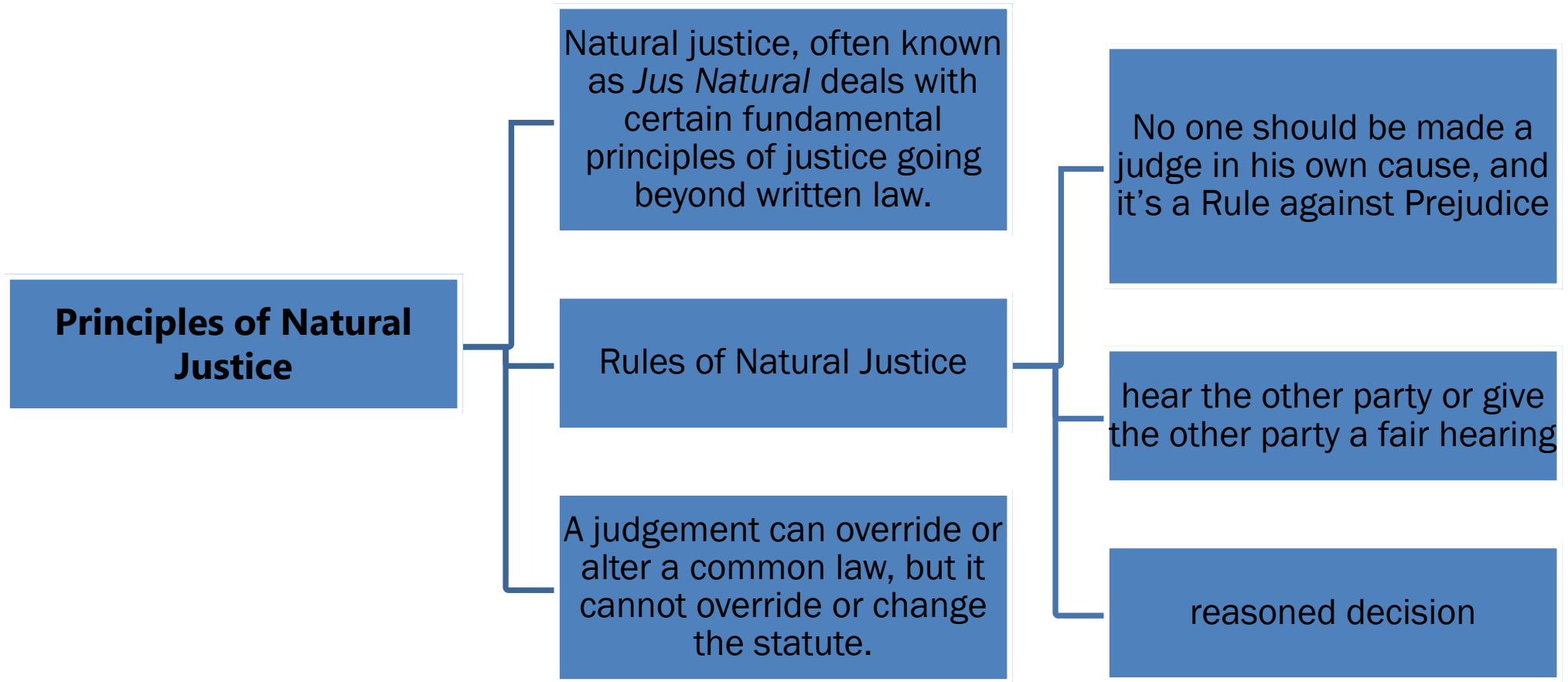
Law primarily focuses on dispute resolution rather than punishment

Code of Civil Procedure, 1908 (CPC)

further classified into Law of Contract, Family Law, Property Law, and Law of Tort

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.







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 Ministers, and is typically supported by a team of junior ministers called the Ministers of State.



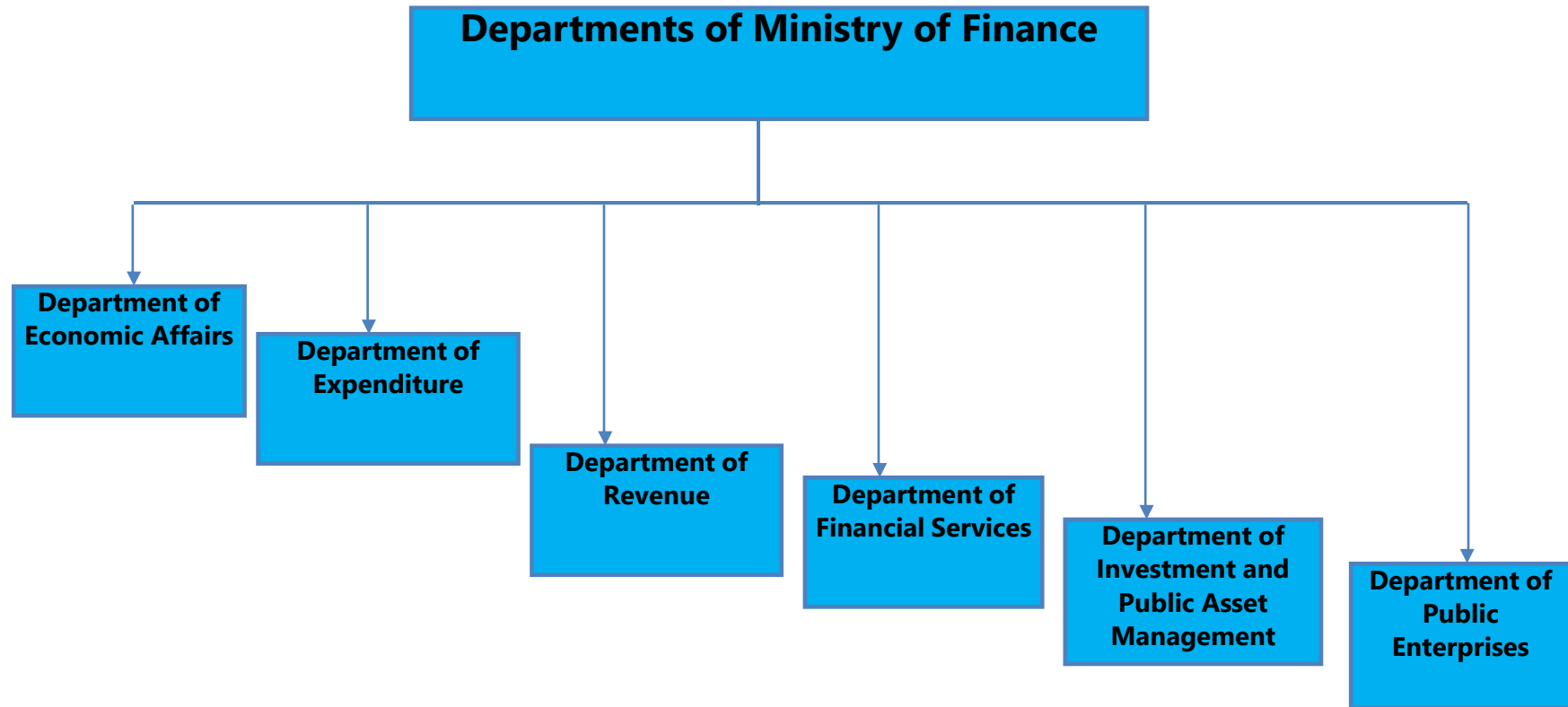
Ministry of Finance

- concerned with the economy of India
- 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 services namely Indian Cost and Management Accounts Service.



Ministry of Corporate Affairs

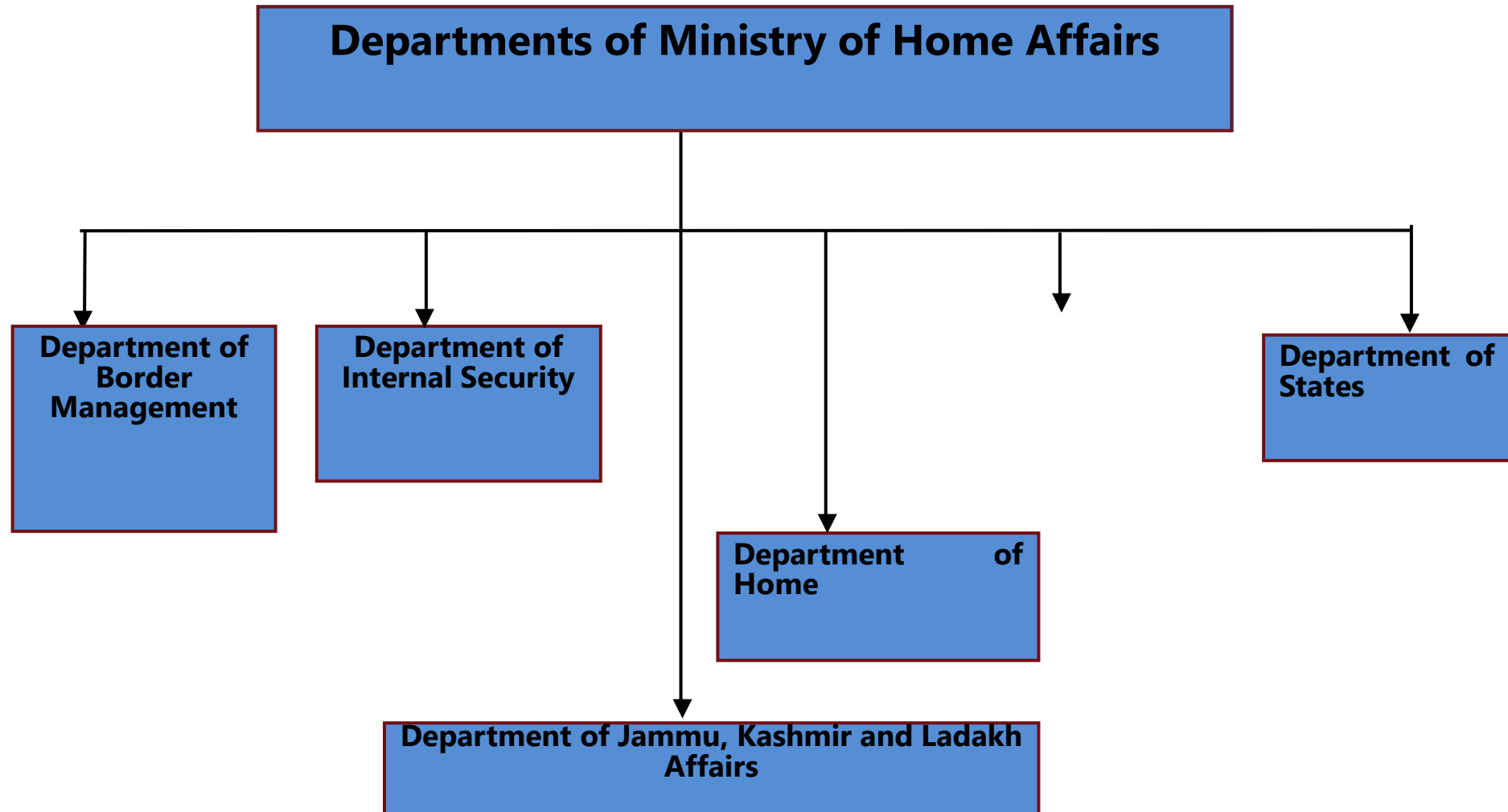
- is an Indian Government Ministry.
- primarily concerned with administration of the Companies Act 2013 the Limited Liability Partnership Act, 2008, and the Insolvency and Bankruptcy Code, 2016.
- responsible mainly for the regulation of Indian enterprises in the industrial and services sector.
- The Ministry is mostly run by civil servants of the ICLS cadre.
- These officers are elected through the Civil Services Examination conducted by Union Public Service Commission.
- The highest post, Director General of Corporate Affairs (DGCoA), is fixed at Apex Scale for the ICLS.





Ministry of Home Affairs (Grha 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.
- The Home Ministry is headed by Union Minister of Home Affairs.



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 Ministries of the Central Government while the Legislative Department is concerned with drafting of principal legislation for the Central Government.



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.



Reserve Bank of India (RBI)

- is India's Central Bank and regulatory body responsible for regulation of the Indian banking 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.
- It also manages the country's main payment systems and works to promote its economic development.
- Bharatiya Reserve Bank Note Mudran (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 Payments Corporation of India as one of its specialised division to regulate the payment and settlement systems in India.
- Deposit Insurance and Credit Guarantee Corporation was established by RBI as one of its specialised division for the purpose of providing insurance of deposits and guaranteeing of credit facilities to all Indian banks.





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, Partnerships 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



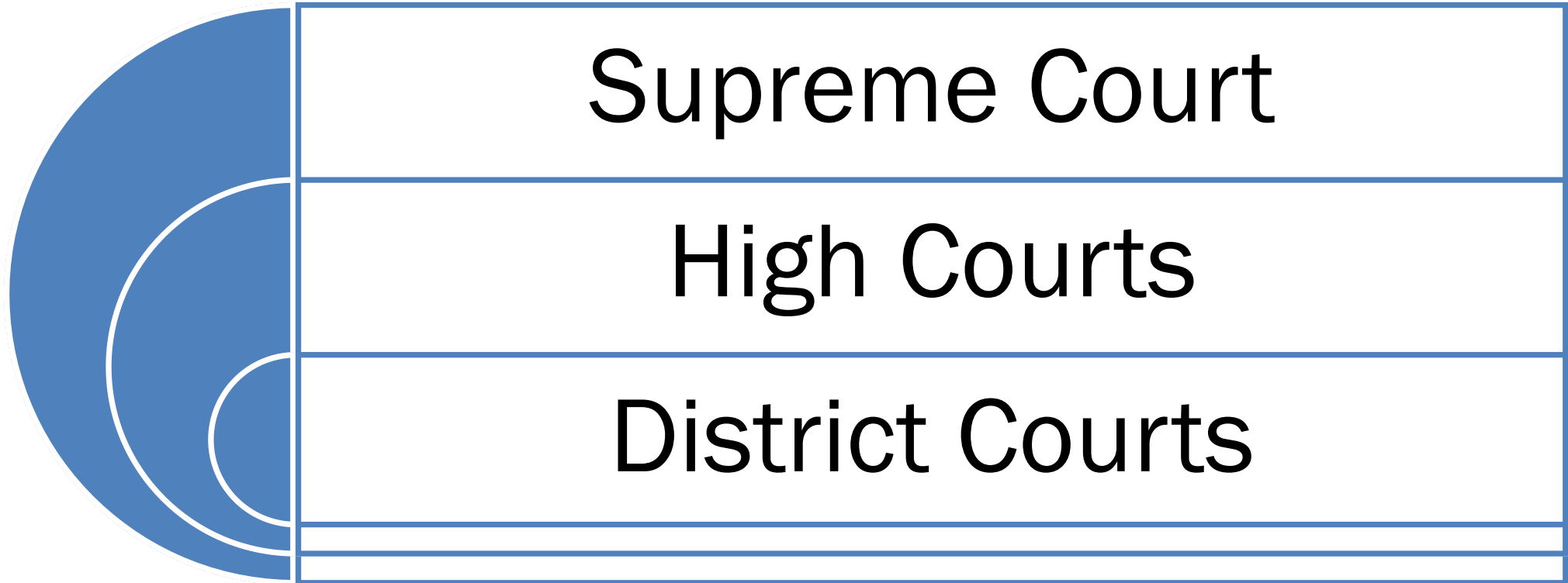
Regulation of the interpretation of the Acts and Codes,

Dispute Resolution between citizens or between citizens and the Government,

Promotion of fairness among the citizens of the land.



Hierarchy of Courts



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



High Court

- Highest court of appeal in each state and union territory
- There must be a High Court in each state
- has appellant, original jurisdiction, and Supervisory jurisdiction
- An individual can seek remedies against violation of fundamental rights in High Court by filing a writ





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.





THANK YOU

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