

# INDIAN REGULATORY FRAMEWORK



## WHAT IS A LAW?

Set of obligations/ duties imposed by the govt. for social welfare + providing justice to the society.

## SOURCES OF LAW

We elect **representatives**



Parliament

(ultimate law- making body)



Legislative assemblies

(makes laws for states)

- **Government of India Act, 1935** - Precursor of the Indian constitution.
- Power distribution between central and state govt. to avoid disputes.
- **1937** - Federal courts established (right to take decisions which extended to civil + criminal cases).
- Federal court operated for 12 yrs (heard 151 cases).
- The Supreme court later replaced Federal court.
- The constitution protects fundamental rights of the citizens.



**Law- making power**

→ Central Govt. (Income Tax)

→ State Govt.

→ Joint (Levy of stamp duty)

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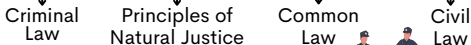
## THE PROCESS OF LAW MAKING



- **Bill**- Law proposed in the parliament.



## TYPES OF LAWS IN INDIAN LEGAL SYSTEM



### CRIMINAL LAW



- Concerned with the laws pertaining to violations of rule of law or public wrongs and punishment for the same.
- **Include**- Murder, Rape, Theft, Fraud, Cheating etc.
- **Governed under**- Indian Penal Code (1860) and Code of Criminal Procedure (1973)- CRPC.

### CIVIL LAW



- Deals with matters of disputes b/w individual or organisation.
- Primarily focus dispute resolution, rather than punishment.
- **Governed by**- Code of Civil Procedure, 1908 (CPC)



# INDIAN REGULATORY FRAMEWORK

## Eg of civil offence and breach of contract-

1. Non- delivery of goods.
2. Non payment of dues to lender.
3. Seller defamation.
4. Breach of contract.
5. Dispute b/w landlord and tenant.



## COMMON LAW



- A judicial precedent/ a case law is common law.
- The doctrine of state decisis is principle supporting common law, means "to stand by which is decided".
- A judgement delivered by the supreme court, will be binding upon the courts within the territory of India under Article 141 of Indian constitution.

## PRINCIPLES OF NATURAL JUSTICE

- Known as Jus Naturals deal with certain fundamental principles of justice beyond written law.

### Principles-

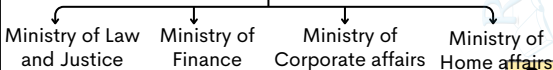
- No one should be made a judge in his own cause, it's a rule against prejudice.
- Give the other party a fair hearing.



## ENFORCING THE LAW

- **Executive-** Monitors the law being enforced

### Popular Ministers



# INDIAN REGULATORY FRAMEWORK

- **Civil servants-** Employed officials in the ministry.
- **Cabinet Minister-** Head of major ministers, sits in the Union Council of Minister, supported by team of junior ministers (Ministers of state).

## THE MINISTRY OF FINANCE



- Vitta Mantralaya is a ministry within the Govt. of India concerned with the economy of India.
- **It deals with-**
  - Taxation
  - Finance legislation
  - Financial institutions
  - Capital markets
  - Centre and state finances
  - Union Budget



Note- Shri. Morarji Desai (Finance Minister 1962- 1969) presented 10 union budgets (highest number).

## DEPARTMENTS (MINISTRY OF FINANCE)

- Department of economic affairs
- Department of Revenue
- Department of expenditure
- Department of financial services
- Department of Investment and Public asset management
- Department of Public enterprise



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## MINISTRY OF CORPORATE AFFAIRS (MCA)

- Concerned with administration of the Companies Act (2013), the Limited liability Partnership Act (2008), Insolvency and bankruptcy code (2016).
- **Regulates-** Indian enterprises (Industrial + Service sector).
- **Run by-** Civil servants of the ICLS cadre.
- Officers elected by Civil Services Exam (Union Public Service Commission).
- **Highest post-** Director General of Corporate Affairs (DGCoA).

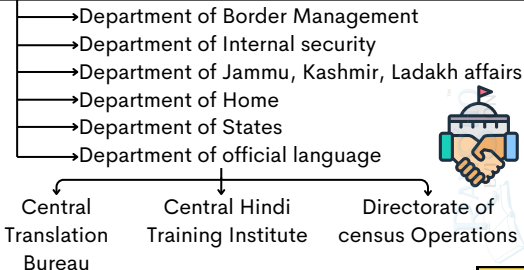


## MINISTRY OF HOME AFFAIRS



- Also known as Grih Mantralaya.
- **Responsible for-** Internal security, Domestic policy.
- **Headed by-** Union Minister of Home Affairs.

## DEPARTMENT (MINISTRY OF HOME AFFAIRS)



# INDIAN REGULATORY FRAMEWORK

## MINISTRY OF LAW AND JUSTICE



- Cabinet Ministry.
- Deals with-
  1. Management of legal affairs (Legislative dept.).
  2. Legislative activities (Dept. of Legal affairs).
  3. Administration of Justice (Dept. of Justice).

## DEPARTMENTS (Ministry of Law and Justice)

Department of  
Legal affairs  
(Advises central  
govt. ministers)

Legislative  
Department  
(Drafts principle  
legislation for  
central govt.)

Department of  
Justice



## SECURITIES AND EXCHANGE BOARD OF INDIA

- Regulatory body. (estd. 12th April, 1988)
- **Headed by-** Ministry of Finance
- **Given Statutory powers-** 30th Jan, 1992 (SEBI Act)



## RESERVE BANK OF INDIA (RBI)

- India's central bank, regulates Indian banking system.
- **Headed by-** Ministry of Finance.
- Controls/ maintains supply of currency.
- **Bhartiya Reserve Bank Note Murdan (BRBNM)-** Prints Indian currency notes in Nashik and Dewas.
- **National Payments Corporation-** Regulates payment settlements in India.



# INDIAN REGULATORY FRAMEWORK

- **Deposit Insurance and Credit Guarantee Corporation-** Provides Insurance of deposits and credit facilities.



## INSOLVENCY & BANKRUPTCY BOARD OF INDIA

- **Established-** 1st Oct 2016
- **Statutory powers given-** 5th May 2016 (Insolvency and Bankruptcy code by Lok Sabha).
- **Regulates insolvency proceedings-** Insolvency Professional Agencies (IPA), Insolvency Professionals (IP), Information Utilities (IU).
- Speeds up resolution process, simplify insolvency and bankruptcy proceedings.
- Handles cases using 2 tribunals- National company law tribunal (NCLT), Debt recovery tribunal

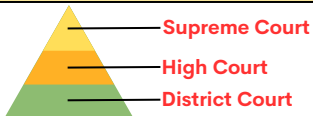


## STRUCTURE OF INDIAN JUDICIAL SYSTEM

- Judiciary resolves disputes between citizens and the govt.
- Functions-
  - Regulation of the interpretation of Acts, Codes
  - Dispute Resolution
  - Promotion of fairness among the citizens of land



## HIERARCHY OF COURTS



**Article 141-**  
Decisions of Supreme court are binding in all High courts

# INDIAN REGULATORY FRAMEWORK

## SUPREME COURT



- Apex of judiciary. (estd. 26th Jan, 1950)
- **Highest authority**- Chief Justice (Article 126).
- **Total members**- 34 (including chief justice).
- Individual can file petition under Article 32.



## HIGH COURT

- **Article 214**-There must be a high court in each state.
- It has appellant, original jurisdiction and supervisory jurisdiction.
- **In India**- 25 high courts (each state + UT)
- 6 states share a single high court.
- An Individual can file a writ under **article 226**
- **Oldest High court**- Calcutta High court (estd- 2nd July, 1862)



## DISTRICT COURT



- Deals with civil law matters (Contractual disputes, damage claims etc.).
- Under pecuniary jurisdiction- civil judge can try suits only upto Rs. 2 Cr.

## METROPOLITAN COURTS



- Established in metropolitan cities (population > 10 lakh).
- Chief metropolitan magistrate = powers as chief judicial magistrate.
- Metropolitan magistrate = powers of magistrate of first class.