

Chapter - 1

INDIAN REGULATORY FRAMEWORK

1) What is law ?

- Set of obligations & duties → imposed by government for securing welfare & providing justice to society.
- Reflects → Social, political, economic & Cultural aspects of country.

2) Sources of law ?

- ① Constitution :- ultimate law-making body
- ② Statutes :- (Laws made by parliament & state Assemblies)
- ③ Precedents or the Judicial Decisions of Various Courts
- ④ Customs & usages.

3) History :-

Oldest law in written form → 'Code of Hammurabi'

- ↳ Babylon (1792 BC to 1750 BC)
- ↳ On bulky stone slabs.

First most detailed code = Twelve Tables

- ↳ 450 BC. → On 12 Bronze Tablets in Rome.

4) The Origins :-

1935

Govt. of India Act 1935

↳ (Passed - Parliament of UK)

↳ (By Constitution)

↳ defined characteristics of Govt.

↳ from 'unitary' to 'Federal'.

↳ tie into Centre & States

1937

Federal Govt. ↳ Jurisdiction

Appellate

↓
Civil & Criminal cases

Original & Advisory

↓
Advise Governor General in matters of Public opinions.

Then became SUPREME COURT

1950

The Constitution of India

↓
Fundamental Rights of people

↓
Fundamental duties of Government

5) The Basics :-

Court Bodies

Legislative Bodies

↓
Make Laws

↳ Parliament ↳ State legislature

Where written??

Article 246 Read with Sch VII of the Constitution of India has divided into three lists.

→ Union list, State list & Joint list.

Administrative/Executive Body

↓
Implement Law

↳ Ministries / Department

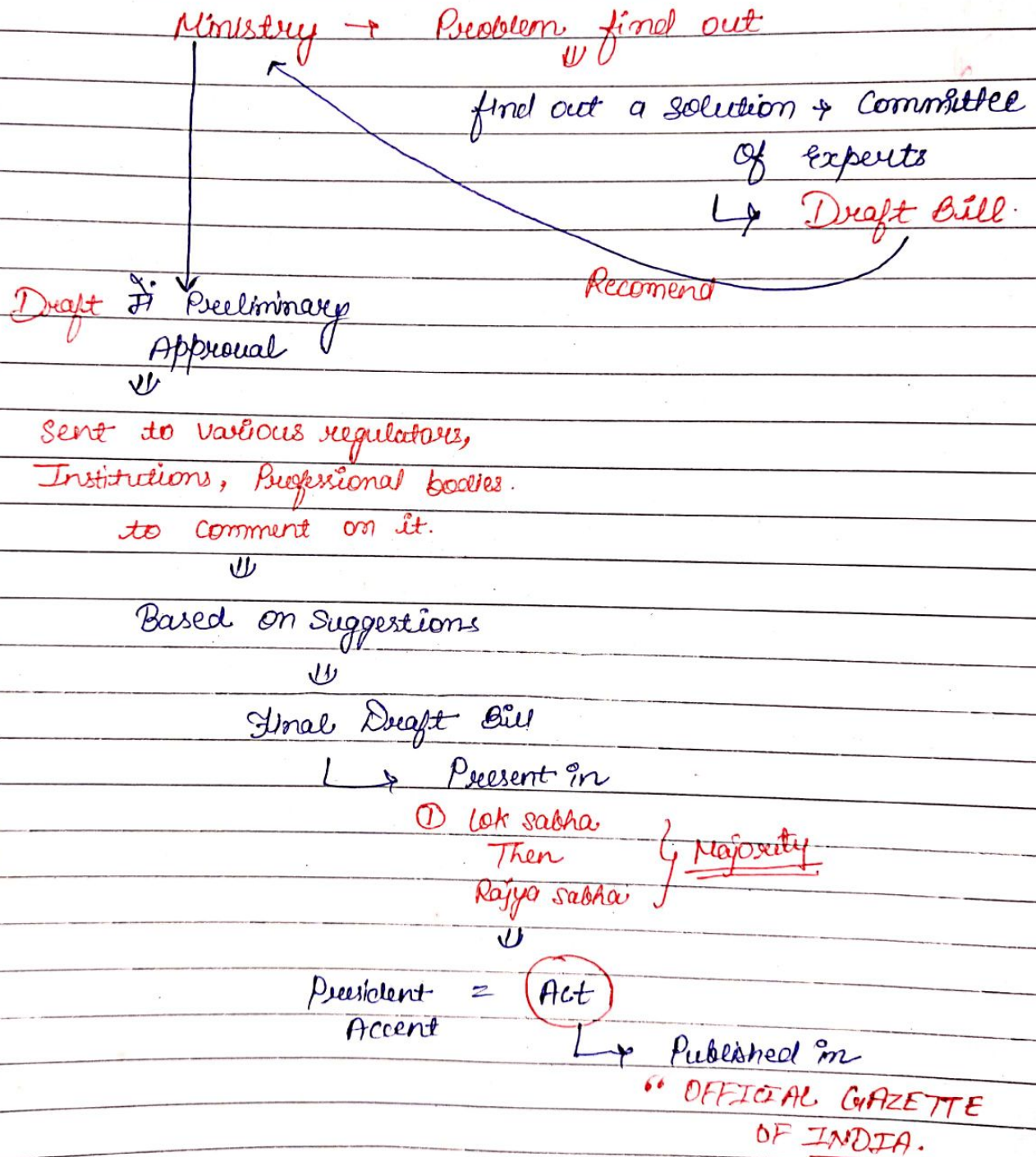
- Ministry of Finance
- Ministry of Corporate Affairs
- Ministry of Home Affairs
- Ministry of Law & Justice Etc.

Judicial Body

↓
Ensure compliance of Law

- ↳ Supreme Court
- ↳ High Court
- ↳ District Court
- ↳ Metropolitan Court.

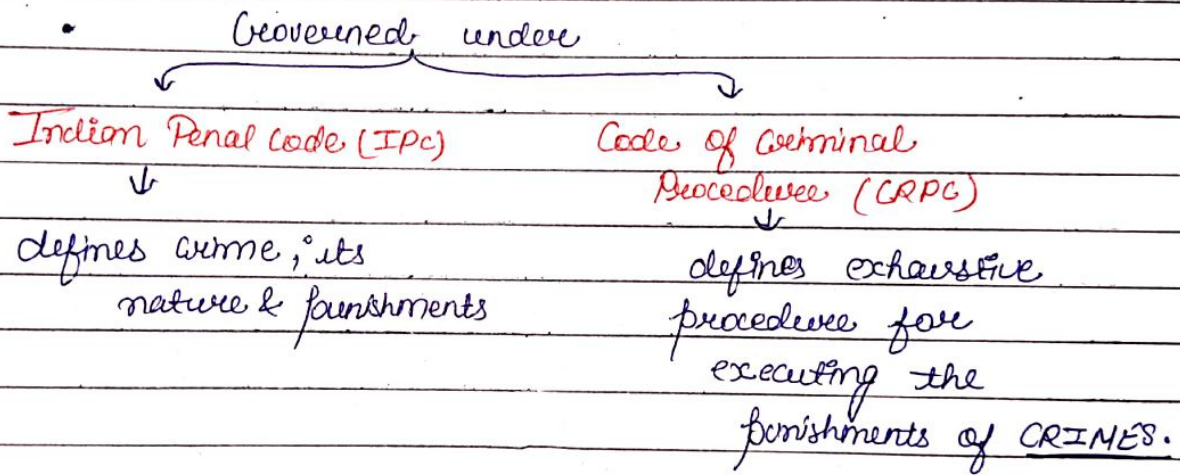
6) Process of making Law :-



7) Types of Law In Indian Legal System :-

1) Criminal Law → Murder, Theft, Fraud, Assault etc.

- Concerned with law relating to VIOLATIONS of Rule of Law / Public Wrongs & Punishment.



2) Civil Law →

- ↳ Law of tort
- ↳ Law of Contract
- ↳ Family law
- ↳ Property law

- Matters of disputes between individuals or organs.
- Primarily focuses on disputes resolution rather than punishment.

Process of Administration of law governed by

Code of Civil Procedure.

3) Common Law :-

- Judicial Precedent / CASE LAW
- Judgement by Supreme Court



Binding upon the courts within
India.

→ Supporting → 'DOCTRINE OF STARE DECISIS'
(Latin)

"to stand by that which
is decided"



Obligation of Courts to follow same
judgement / principle
established by previous decisions
while ruling the case where
the facts are similar.

4) Principles of Natural Justice :-

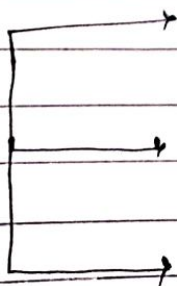


known as Jus Natural



Principles of Justice going
beyond written law.

Rules of
Natural
Justice



Nemo Jux in causa sua

(No one should be made judge in his own cause)

Audi Alteram Partem

(hear the party or give the other party a fair
hearing)

Reasoned Decision

A Judgement can override / alter a common law
but ≠ override / change the statute.

8) Enforcing the law:—

1. The Ministry of Finance. (Vitta Mantralaya)

- ↳ concerned with the economy of India
- ↳ Union Budget
- ↳ Taxation
- ↳ Financial legislation
- ↳ Capital Markets
- ↳ Centre & state finances.

Constitution of MOF

Apex Controlling Authority of

- Central Civil Services
 - ↳ Indian Revenue Service
 - ↳ Indian Audit & Account
 - ↳ Indian Economic Service
 - ↳ Indian Civil Accounts Service.

Departments under the Ministry of Finance. :-

- Departments of
 - ↳ Investment & Public Asset Management
 - ↳ Economic Affairs
 - ↳ Expenditure
 - ↳ Revenue
 - ↳ Financial Services
 - ↳ Public Services.

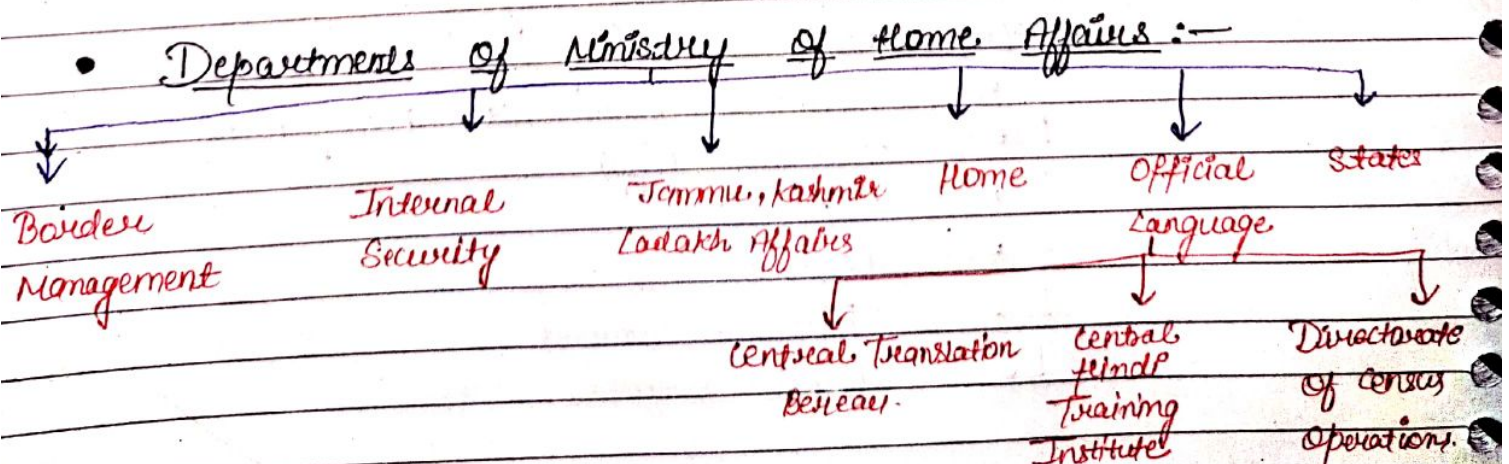
2) Ministry of Corporate Affairs :-

- ★ is an Indian Government Ministry
- ★ Concerned with administration of :-
 - Companies Act
 - LLP Act
 - IBC Act, 2016.
- ★ Responsible → regulation of Indian Enterprises in industrial & Services Sector.
- ★ Highest Post → Director General of Corporate Affairs (DGCA)

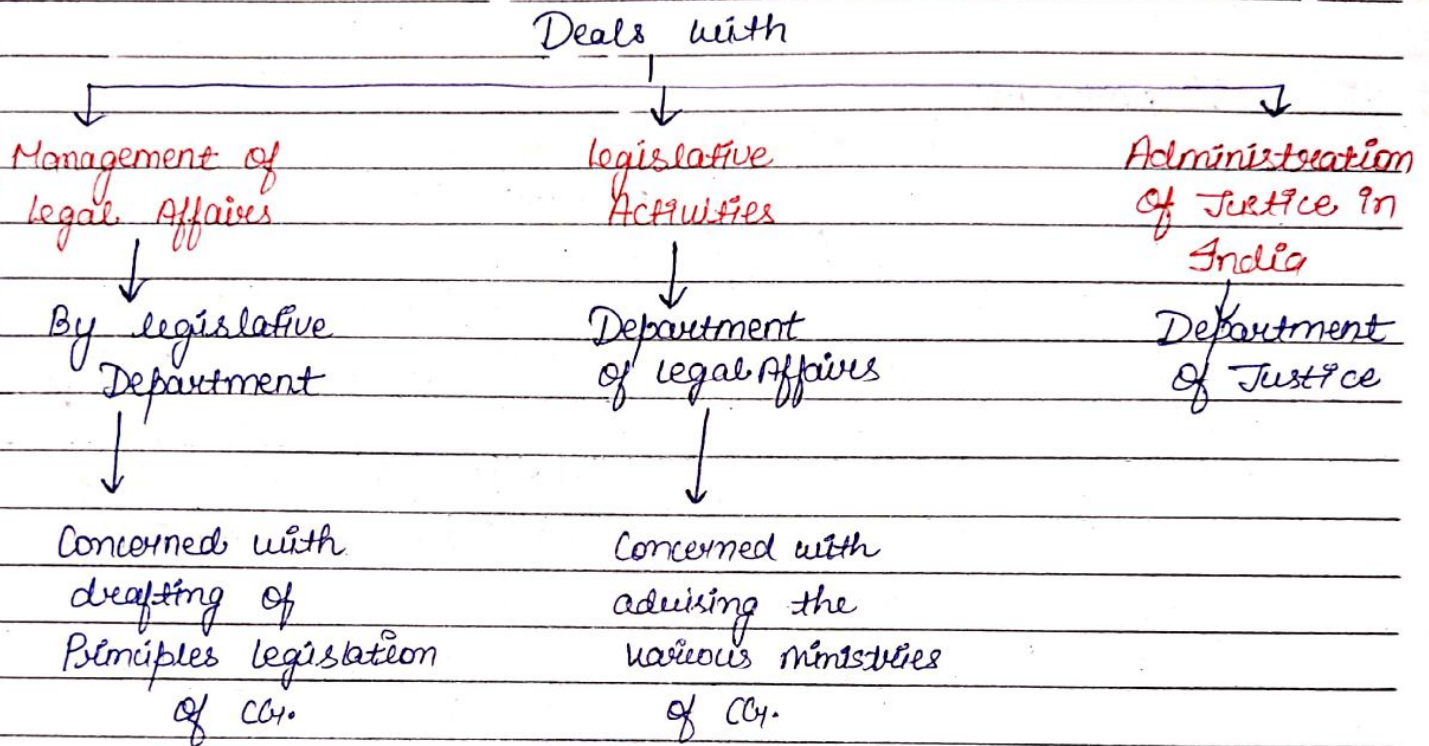
3) Ministry of Home Affairs (Ghar Mantralaya)

- # Responsible for
 - ↳ Maintenance of Internal Security
 - ↳ Domestic Policy

headed by Union Minister of Home Affairs



4) Ministry of Law & Justice :-



5) The Securities & Exchange Board of India (SEBI)

- Regulatory Body
- for Securities & Commodity market in India
- Under M.O.F
- Established 12/4/1988 → as executive body Statutory powers → 30/1/1992 through SEBI Act, 1992.

6) Reserve Bank of India (R.B.I)

- Apex body → responsible for regulation of Indian Banking System.
- Under M.O.F
- Responsible — Control issue & maintaining } Supply of Indian Rupee.

- Manages → Country's main payment systems
 - ↳ promote economic development

Departments

↳ Bhartiya Reserve Bank Note Mudran (BRBNM)



Specialized division which prints & mints.

Indian currency in [two] Currency Printing Presses

↳ Nashik (western India)

↳ Dewas (central India)

↳ National Payments Corporation



Regulate Payment & Settlement Systems in India.

↳ Deposit Insurance & Credit Guarantee Corporation.



Providing insurance of deposits & Guaranteeing of credit facilities to all Indian Banks.

(June 2024)

7) Insolvency And Bankruptcy Board of India (IBBI)

- Attempts to simplify process of insolvency & bankruptcy proceedings.
- Speed up + resolution process for stressed assets
- regular for overseeing insolvency proceedings & entities.
- Covers → individuals, CO, LLP, Partnership firms
- handles cases using 2 Tribunals
 - ↓
 - NCLT (Nat. Co. Law Tribunal)
 - ↓
 - Debt Recovery Tribunal

8) Structure of the Indian Judicial System :-

I. Supreme Court

- apex body of judiciary
- Chief Justice of India → Highest authority under Article 32
- Principal bench → 7 members
↓
increased to 34.
- Individuals can seek relief in the Supreme Court → filing writ petition under Article 32.

II. High Court

- Highest Court of appeal in state & union territory
- Has
 - Appellant
 - Original jurisdiction &
 - Supervisory jurisdiction (Article 227 limits the power)
- 25 High Courts
- An individual can seek remedies against violation of fundamental right.
⇓
Writ under article 226.

III. District Court

- Below High Courts

Courts of District

Judge

⇓
deal with civil law matters

⇓
Civil Judge
try suits < 2cr.

Courts of Session

⇓
deals with criminal matters

- Courts set territorial jurisdiction

↓
based on areas covered by them.

10) Metropolitan Courts
- established in metropolitan cities
↓
in consultation with
High Court
↓
where population is
10 lakh & above.

↓
Chief Metropolitan
Magistrate