

Ch-4

Indian Regulatory Framework [IRF]

→ Indian Regulatory Framework - is a set of Laws, Rules, Regulations that govern the ^{individual} conduct and ^{industry} operations of a particular sector or industry.

It provides a framework for how individuals, organizations and companies must comply with certain guidelines.

⇒ Some examples :-

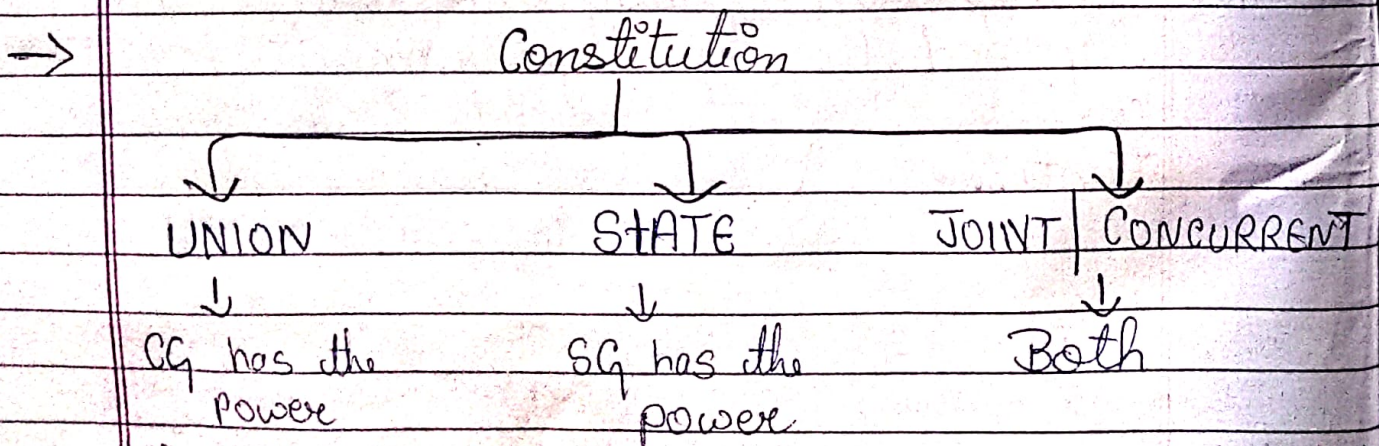
- 1 Safety Standards
- 2 Environmental regulations
- 3 Licensing requirement
- 4 Family Law
- 5 Workplace Law
- 6 Pay Laws

Q1 What is Law?

Ans It is an obligation or a duty imposed by the government for the welfare of the society & to provide Justice.

⇒ Source of Law?

- 1 The Constitution (CG, SG) and Lists
- 2 The statutes or laws made by Parliament of and State Assemblies Pass / Change / Repeal (to finish) (end)
- 3 Precedents of the judicial decisions of ~~various~~ various courts (SC is the highest authority)
- 4 Customs and Usages (Customary Law)
- 1 Constitution of India : Constitution has given power to the parliament to make laws as per Article 245. And it has distributed it into 3 Lists as per Article 246
 - Union (central) List
 - State List
 - Joint (concurrent) List



To make law

In article 245 of the constitution it has written that Parliament is the law making body. It can

make, change, repeal.

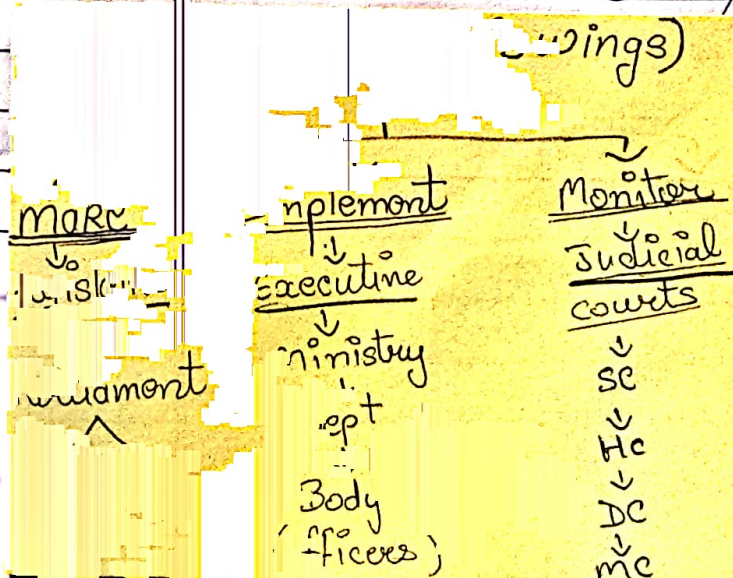
2 Statutes or Law made by Parliament:-
Parliament is the ultimate law making body. Parliament can make / amend / Repeal laws

3 Precedent / Judicial decisions

As per Article 141 ^{court} supreme is the highest authority in India. It means all the Judicial decisions passed by SC will apply to the whole of India. It is called Common Law.

Note :- Common Law is a Law which is common to all because SC has passed a judgement on it.

4 Customary Law :- Law which is based on customs or usage, is called a source of Law.

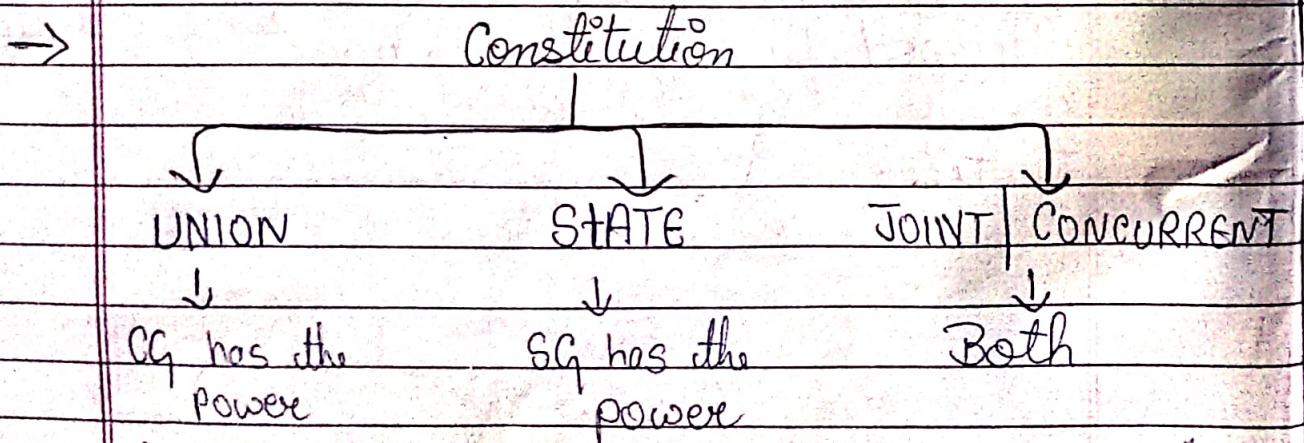


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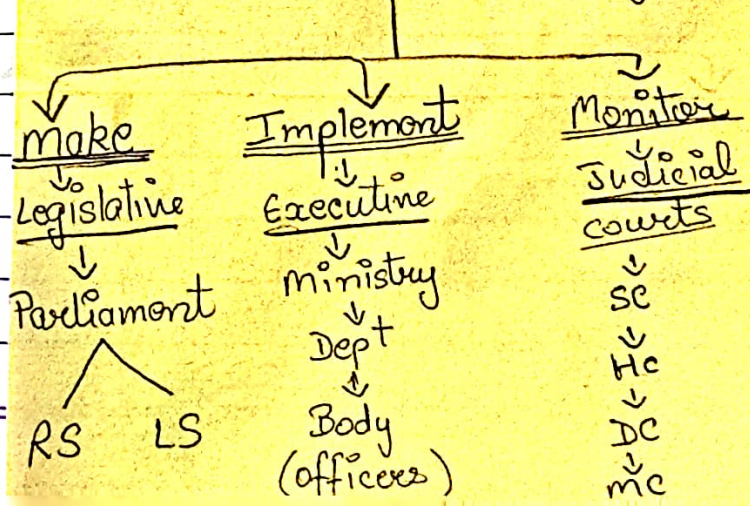
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Constitution (3 wings)

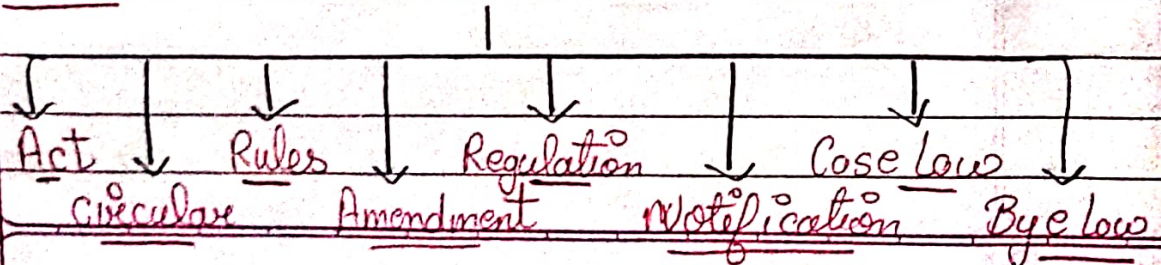


⇒ Process of Making Law :-

- 1 When a law is proposed in parliament it is called a Bill.
- 2 After discussion and debate, the law is passed in LOK Sabha.
- 3 Thereafter, it has to be passed in Rajya Sabha.
- 4 It then must obtain the ^{signature} assent of the President of India.
- 5 Finally, the law will be notified / published by the government in the publication called the Official Gazette of India.
- 6 The law will become applicable from the date mentioned in the notification as the effective date.
- 7 Once, it is notified and effective, it is called an Act of Parliament.

Notes :-

Law



⇒ History of Law :-

1 Oldest written Law :- Code of Hammurabi
Law was carved on bulky stones in 1758 BC so that public may have the knowledge of codes.

- Appoints judges to check whether public is following the laws or not.

2 Roman Law :- 12 Bronze Tables in 450 BC

3 1935 :- The ^{government} constitution of India Act by Parliament of united Kingdom. It converted India from unitary to Federal form of govt.

4 1937 :-

↳ 1937 ^{12 Years} → 1950
↳ federal court ↑ 151 cases

Apex court = SC of India

↓
re-established → Constitution of India (1950)

⇒ Types of Laws :-

→ Four types of Law :-

(i) CRIMINAL LAW - handles crime and punishment

a IPC (1860) - Indian Penal Code - Nature / Punishment of the crime.

b CRPC (1973) - Criminal Procedure Code - execute / Procedure

eg - Murder, rape, theft etc, violation of rules etc.

(ii) Civil Law - Primary focuses on dispute resolution rather than punishment.

a) CPC ACT - Code of Civil Procedure.

eg - Non-delivery of goods, breach of contract etc, Non payment of dues.

(iii) Common LAW - A case law or Judicial decision are precedent given by SC ie - Binding (equal) for all. The doctrine of Stare decisis means stand by which is decided. But the case should be equal in all the legs.

(iv) PRINCIPLE OF NATURAL JUSTICE :- It is a fundamental principle of Justice which means going beyond ^{written} law if needed.

- LATIN LANGUAGE - "Nemo iudex in causa sua"



No one should be a judge of his own case

- LATIN LANGUAGE - "Audi alteram Partem"



Hear the other party, give him a fair chance / hearing.

- No Judgement or common law can override the statute / Act.

→ Implement / Monitor

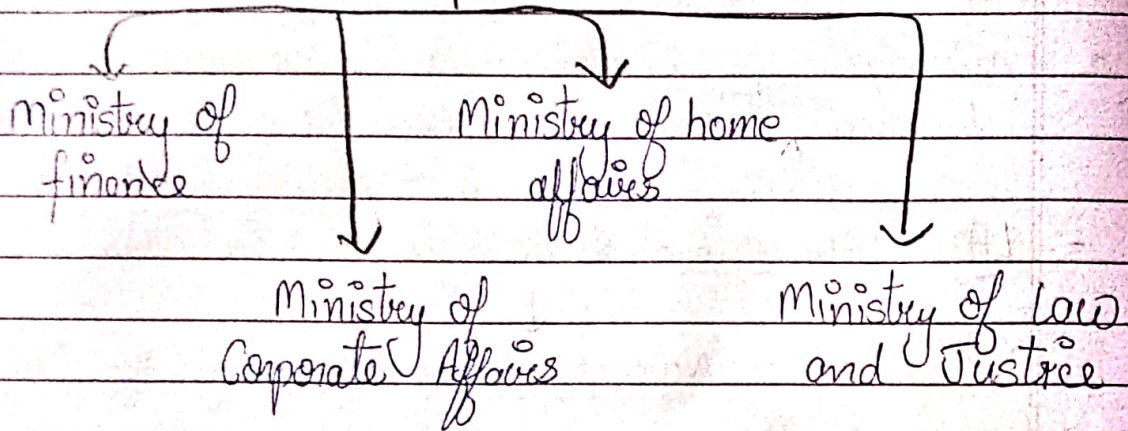
⇒ Enforcing the Law - Ministry

- After a law is passed in parliament it has to be enforced (Implement and Monitor)

- Depending on whether a law is a central law or a state law the central or state government will be the enforcing authority.

- For this purpose government functions are distributed to various ministries.

→ Some of the popular ministries are :-



- 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.

- Example:-

- 1) Act - The Income Tax Act
- 2) Ministry - Implemented and enforced by MOF
- 3) Dept - Department of Revenue
- 4) Body - the central Board for Direct Taxes
- 5) Administered by - the officers of the Indian Revenue Service.

1) The Ministry of Finance :- Vitta Mantralaya

- The Ministry concerned with the economy of India.
- Serving as the Treasury of India.

Concerns with -

- Taxation
- Financial legislation
- Financial Institutions
- Capital markets
- Centre and state finances
- The union Budget - One of the important functions.

This annual event is eagerly awaited by professionals and the common man as it provides for the rates of taxes and budget allocations for the ensuing year.

Q2 Who presented the Maximum number of Union Budget as Finance Minister?

Ans

10 → Shri Morarji Desai → As Finance Minister b/w 1962 and 1969 has

9 → Shri P Chidambaram

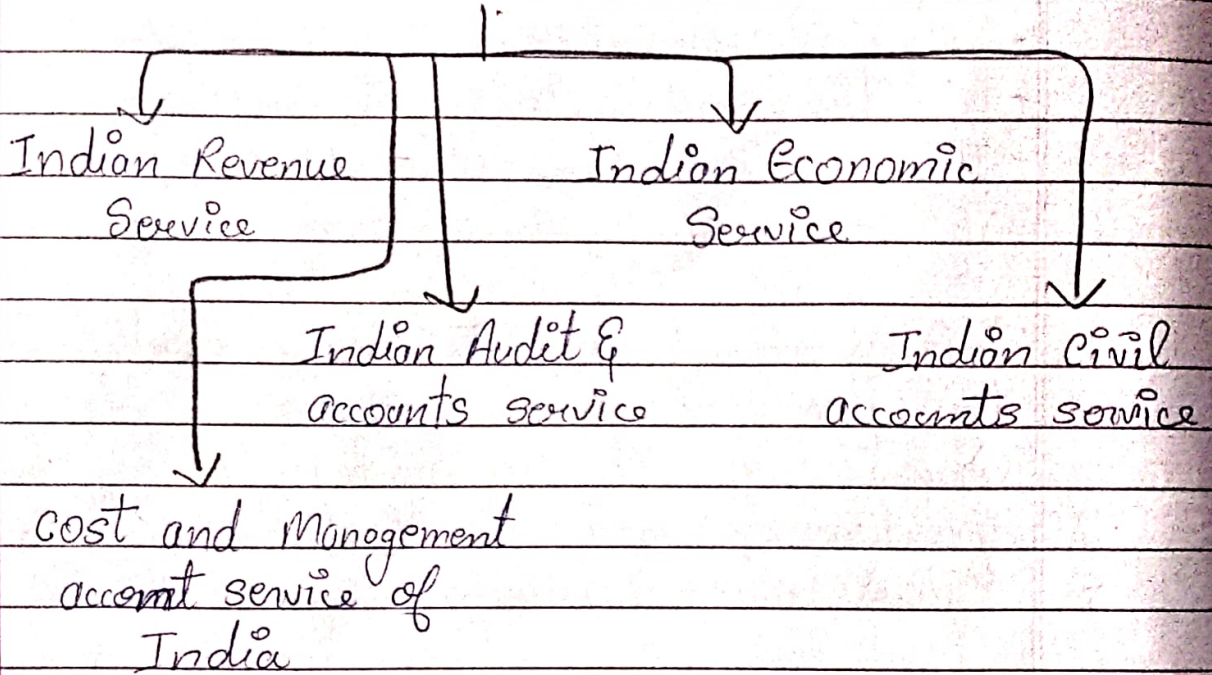
8 → Shri Pranab Mukherjee and Shri Yashwant Sinha

6 → Dr Manmohan Singh

Constitution of the Ministry of Finance

Post holder →

Apex controlling authority for
Central Civil Service



→ Departments of Ministry of Finance

- Department of Economic Affairs
- Department of Expenditure
- Department of Revenue
- Department of Financial Service
- Department of Investment & Public Asset management
- Department of Public Enterprises

2 Ministry of Corporate Affairs (MCA)

- Primarily concerned with administration of :-
 - The Companies Act 2013 (TCA)
 - The Companies Act 1956 (TCA)
 - The Limited Liability Partnership Act 2008 (LLP)
 - The Insolvency and Bankruptcy Code, 2016 (IBC)
- Responsible mainly for the regulation of Indian enterprises in the industrial and services sector
- The ministry is mostly run by civil servants of the Indian Corporate Law Service (ICLS) cadre
- These officers are recruited through the Civil Services Examination conducted by Union Public Service Commission (UPSC)
- The highest post, Director General of Corporate Affairs (DGCoA) is fixed at Apex Scale for the ICLS.

3 Ministry of Home Affairs (Griha Mantralaya)

- 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

→ Department of Border Management

→ Department of Internal Security

→ Department of Jammu, Kashmir & Ladakh Affairs

→ Department of Home

→ Department of Official Language

→ Department of States

→ Department of Official Language

→ Central Translation Bureau

→ Central Hindi Training Institute

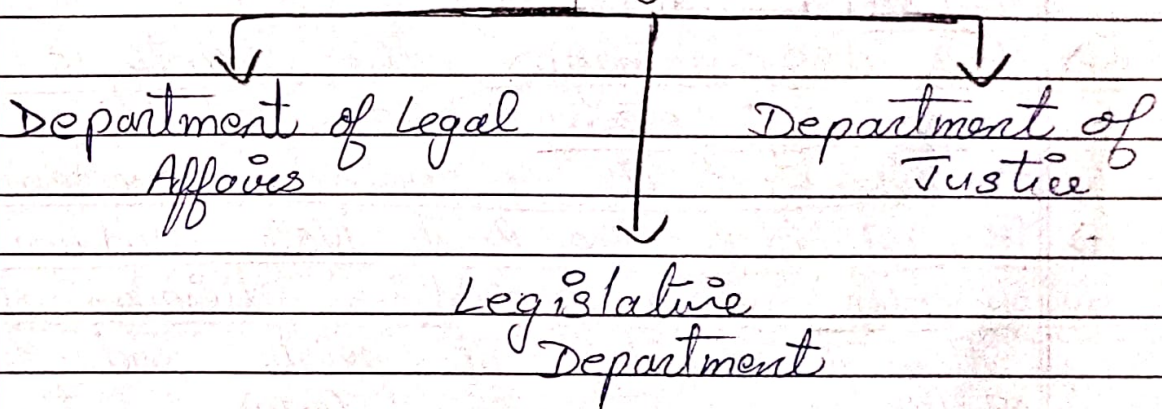
→ Directorate of Census Operations

4 Ministry of Law & Justice

- Ministry of Law and Justice is a Cabinet Ministry
- Deals with the:-

- 1 Department of Legal Affairs - Managing legal affairs and Advising the various ministry of the central Government
- 2 Legislative Department - Drafting of principal legislation for the central Government.
- 3 Department of Justice - Administration of justice in India

-> Departments of Ministry of Law & Justice



⇒ Major Regulatory Bodies :-

1 The securities and Exchange Board of India (SEBI) :-

-> The regulatory Body

-> For securities and commodity market in India

-> Under the ownership of Ministry of Finance within the govt 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.

2 Reserve Bank of India (RBI)

→ India's Central Bank

→ Regulatory body responsible for regulation of the Indian banking system

→ It is under the ownership of Ministry of Finance, Govt 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 (NPCI).

→ Deposit insurance & credit guarantee was established by RBI

* Insolvency - when liability is more than assets

* Insolvency & Bankruptcy code (IBC) is

Page _____

Date _____

the act and (IBBI) is its Board.

3 Insolvency and Bankruptcy Board of India (IBBI):-

- The regulator for overseeing insolvency proceedings. It covers individuals companies limited liability, Partnerships and Partnership firms.
- Entities like insolvency Professional Agencies (IPA) insolvency professionals (IP) and information utilities (IU) in India
- It was established on 1 October 2016 and given powers on 5th May 2016
- This will speed up the resolution process for stressed assets in the country.
- It handles the cases using two tribunals like NCLT (National company law tribunal) and debt recovery tribunal.

⇒ Structure of the Indian Judicial System

↳ (Types of courts)

→ Indian Judiciary System:- It is a system through which law is enforced in India, and it involves dispute among citizens & government as well.

→ Functions - FDI → ① Fairness - Promote fairness
② Dispute - Resolution
③ Interpretation - of Acts / Statutes

→ TYPES OF COURTS :- HIERARCHY (Step wise)

a) SUPREME COURT - Binding on all courts [article 141]

- i) It is an Apex Body
- ii) It was established in 1950
- iii) The judge of SC is called chief Justice of India
- iv) The post of judge is set through article 126
- v) Before there were total 7 members on the bench, now there are 34 members including (CJI) chief Justice of India
- vi) Application / writ can be directly filed in SC as per article 32

b) HIGH COURT :-

- i) In each state or union territory there is a high court
- ii) There are 25 HC, 6 states share 1 HC
- iii) Application / writ can be directly filed in HC as per article 226
- iv) Under article 227, HC got supervisory powers.

c) DISTRICT COURT :-

- i) Below HC, are the District Courts
- ii) DC deals with civil law matters i.e

- contractual disputes and claims for damages etc
- iii) The courts of sessions deals with Criminal Law or central
- iv) DC gets territorial Jurisdiction based on areas covered by them.
- d) Metropolitan courts :-
- i) Are established in metropolitan cities
 - ii) MC are made special courts where population is ten lakh or more
 - iii) IS decided by HC whether in need are met.

⇒	Articles	Description
a)	245	Power of parliament to make laws
b)	246	Three List - Central, State & Joint
c)	141(SC)	SC - Final decision, binding on all
d)	214(HC)	There shall be HC in every state & UT
e)	227(HC)	HC has only supervisory powers