

Business Law

What is Law?

Rules and regulations of a country.

The customs, practices, and rules of conduct of a **community** that are recognized as binding by the community. Enforcement of the body of rules is executed through a controlling **authority**.

“Law is a body of rules relating to particular types of human action as are determined from time to time by the legislature and enforced by the judiciary.”

-Business Law in India by Surajit Sengupta.

Central Law _ Parliament

State Law_Assembly.

How are Laws made?

A bill is proposed

The bill is passed in the Parliament/State Assembly

Once signed by the President/Governor, the bill becomes an Act.

After is it implemented, it becomes a Law.

How are they enforced?

Separation of power (Governance)

Legislature - Makes the laws (MLAs and MPs)

Executive - Executes the laws (Ministers, IAS, Police officers)

Judiciary - Guardian of the laws - interprets, defends, and applies the law in the name of the state (Judges and Justices)

What is Business Law ?

The body of laws that govern how business organizations and business entities are established, run, and managed.

“Business law is a section of code that is involved in protecting liberties and rights, maintaining orders, resolving disputes, and establishing standards for the business concerns and their dealings with government agencies and individuals.

Every state defines its own set of regulations and laws for business organizations. Similarly, it is also the responsibility of the business concerns to know the existing rules and regulations applicable to them.”

<https://johnstonassociateslaw.com/what-is-business-law-and-why-is-it-important/>

Why are there business laws?

Safety

Security

Standardization of the product

Rights and responsibilities of the business owners

Protection of the business

- **Safety:** Ensuring safety in products and services is crucial for protecting consumers from harm. Business laws outline safety standards and regulations that businesses must adhere to in order to produce and sell safe products. This includes regulations related to product testing, labeling, and warning signs to prevent accidents and injuries.
- **Security:** Business laws address security concerns by establishing rules and regulations related to data protection, cybersecurity, and financial transactions. These laws aim to protect sensitive information, prevent fraud and theft, and ensure the security of business operations and assets.

- **Standardization of the product:** Standardization is important for ensuring consistent quality, performance, and safety of products. Business laws often incorporate standards and guidelines that businesses must follow in terms of product design, manufacturing processes, and quality control measures. This helps build consumer trust and confidence in the products they purchase.
- **Rights and responsibilities of the business owners:** Business laws define the rights and responsibilities of business owners, including their legal obligations towards employees, customers, shareholders, and the broader community. These laws cover aspects such as employment contracts, intellectual property rights, taxation, business licenses, and compliance with environmental regulations.

- **Protection of the business:** Business laws are designed to protect businesses from various risks and challenges they may face. This includes legal frameworks for contract enforcement, dispute resolution, bankruptcy protection, and insurance requirements. By providing legal mechanisms for addressing issues and resolving disputes, these laws help businesses operate in a stable and predictable environment.