Constitutional and administrative law

*Main articles:*[*Indian constitutional law*](http://en.wikipedia.org/wiki/Indian_constitutional_law)*and*[*Indian administrative law*](http://en.wikipedia.org/w/index.php?title=Indian_administrative_law&action=edit&redlink=1)

The [Constitution of India](http://en.wikipedia.org/wiki/Constitution_of_India), which came into effect on the 26th of January, 1950 is the lengthiest written constitution in the world .[[9]](http://en.wikipedia.org/wiki/Law_of_India" \l "cite_note-Source-9) Although its administrative provisions are to a large extent based on the [Government of India Act 1935](http://en.wikipedia.org/wiki/Government_of_India_Act_1935), it also contains various other provisions that were drawn from other constitutions in the world at the time of its creation.[[9]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-Source-9)It provides details of the administration of both the Union and the States, and codifies the relations between the [Federal Government](http://en.wikipedia.org/wiki/Government_of_India) and the State Governments.[[10]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-10) Also incorporated into the text are a chapter on the [fundamental rights](http://en.wikipedia.org/wiki/Fundamental_Rights_in_India) of citizens, as well as a chapter on [directive principles of state policy](http://en.wikipedia.org/wiki/Directive_Principles_in_India).[[11]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-11)

The constitution prescribes a [federal](http://en.wikipedia.org/wiki/Federalism) structure of government, with a clearly defined separation of legislative and executive powers between the Federation and the States.[[12]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-12)Each State Government has the freedom to draft it own laws on subjects classified as state subjects [1](http://www.lawsofindia.org/). Laws passed by the [Parliament of India](http://en.wikipedia.org/wiki/Parliament_of_India) and other pre-existing central laws on subjects classified as central subjects are binding on all citizens. However, the Constitution also has certain unitary features, such as vesting power of amendment solely in the Federal Government,[[13]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-13) the absence of dual citizenship,[[14]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-14) and the overriding authority assumed by the Federal Government in times of [emergency](http://en.wikipedia.org/wiki/State_of_Emergency_in_India).[[15]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-15)

Criminal law[[edit](http://en.wikipedia.org/w/index.php?title=Law_of_India&action=edit&section=3" \o "Edit section: Criminal law)]

*Main article:*[*Indian criminal law*](http://en.wikipedia.org/wiki/Indian_criminal_law)

The [Indian Penal Code](http://en.wikipedia.org/wiki/Indian_Penal_Code) formulated by the British during the [British Raj](http://en.wikipedia.org/wiki/British_Raj) in 1860, forms the backbone of [criminal law](http://en.wikipedia.org/wiki/Criminal_law) in [India](http://en.wikipedia.org/wiki/India). The Code of Criminal Procedure, 1973 governs the procedural aspects of the criminal law.[[16]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-16)

[Jury trials](http://en.wikipedia.org/wiki/Jury_trial) were abolished by the [government](http://en.wikipedia.org/wiki/Government_of_India) in 1960 on the grounds they would be susceptible to [media](http://en.wikipedia.org/wiki/Mass_media) and public influence. This decision was based on an 8-1 acquittal of Kawas Nanavati in [*K. M. Nanavati vs. State of Maharashtra*](http://en.wikipedia.org/wiki/K._M._Nanavati_vs._State_of_Maharashtra), which was overturned by higher courts.

In February 2011, the [Supreme Court of India](http://en.wikipedia.org/wiki/Supreme_Court_of_India) ruled that criminal defendants have a constitutional right to counsel.[[17]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-17)

[Capital punishment in India](http://en.wikipedia.org/wiki/Capital_punishment_in_India) is legal. The last execution was conducted in February 2013, when the mastermind of 2001 Indian Parliament Attack, [Afzal Guru](http://en.wikipedia.org/wiki/Afzal_Guru" \o "Afzal Guru) was hanged in Tihar Jail, New Delhi.

Contract law[[edit](http://en.wikipedia.org/w/index.php?title=Law_of_India&action=edit&section=4" \o "Edit section: Contract law)]

*Main article:*[*Indian contract law*](http://en.wikipedia.org/wiki/Indian_contract_law)

The main contract law in India is codified in the [Indian Contract Act](http://en.wikipedia.org/wiki/Indian_Contract_Act), which came into effect on 1 September 1872 and extends to all India except the state of [Jammu and Kashmir](http://en.wikipedia.org/wiki/Jammu_and_Kashmir). It governs entrance into contract, and effects of breach of contract. Indian Contract law is popularly known as mercantile law of India. Originally Indian Sales of Goods Act and Partnership Act were part of Indian Contract act, but due to needed amendment these acts were separated from Contract Act. The Contract act is the main and most used[*[citation needed](http://en.wikipedia.org/wiki/Wikipedia:Citation_needed" \o "Wikipedia:Citation needed)*] act of legal agreements in India.

Labour law[[edit](http://en.wikipedia.org/w/index.php?title=Law_of_India&action=edit&section=5" \o "Edit section: Labour law)]

*Main article:*[*Indian labour law*](http://en.wikipedia.org/wiki/Indian_labour_law)

[Indian labour law](http://en.wikipedia.org/wiki/Indian_labour_law) are among the most comprehensive in the world. They have been criticised by the [World Bank](http://en.wikipedia.org/wiki/World_Bank),[[18]](http://en.wikipedia.org/wiki/Law_of_India" \l "cite_note-wboverview-18)[[19]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-19) primarily the grounds of the inflexibility that results from government needing to approve dismissals. In practice, there is a large informal sector of workers, between 80 or 90 per cent of the labour force, to whom labour rights are not actually available and laws are not enforced.

Company law[[edit](http://en.wikipedia.org/w/index.php?title=Law_of_India&action=edit&section=6" \o "Edit section: Company law)]

*Main article:*[*Indian company law*](http://en.wikipedia.org/wiki/Indian_company_law)

The current [Indian company law](http://en.wikipedia.org/wiki/Indian_company_law) was updated and recodified in the [Companies Act 2013](http://en.wikipedia.org/wiki/Companies_Act_2013).

Tort law[[edit](http://en.wikipedia.org/w/index.php?title=Law_of_India&action=edit&section=7" \o "Edit section: Tort law)]

*Main article:*[*Indian tort law*](http://en.wikipedia.org/wiki/Indian_tort_law)

The development of [constitutional](http://en.wikipedia.org/wiki/Constitution) [tort](http://en.wikipedia.org/wiki/Tort) law in India began in the early 1980s.[[20]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-Tort_Law_in_India-20) It influenced the direction tort law in India took during the 1990s.[[20]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-Tort_Law_in_India-20) In recognising state liability, constitutional tort deviates from established norms in tort law.[[20]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-Tort_Law_in_India-20) This covers custodial deaths, police atrocities, encounter killings, illegal detention and disappearances. Law commission of India's first report was relating to the [Liability of the State in Tort.](http://www.lawcommissionofindia.nic.in/main.htm#REPORTS_SUBMITTED_BY_FIRST_LAW_COMMISSIO) This report was submitted by the Law commission of India on 11.5.1956. State owes tortious Liability under Article 300 of Indian Constitution.[[21]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-21)

Property law[[edit](http://en.wikipedia.org/w/index.php?title=Law_of_India&action=edit&section=8" \o "Edit section: Property law)]

*Main article:*[*Indian property law*](http://en.wikipedia.org/w/index.php?title=Indian_property_law&action=edit&redlink=1)

*Further information:*[*The Transfer of Property Act 1882*](http://en.wikipedia.org/wiki/The_Transfer_of_Property_Act_1882)

Tax law[[edit](http://en.wikipedia.org/w/index.php?title=Law_of_India&action=edit&section=9" \o "Edit section: Tax law)]

*Main article:*[*Indian tax law*](http://en.wikipedia.org/w/index.php?title=Indian_tax_law&action=edit&redlink=1)

Indian tax law involves several different taxes levied by different governments. Income Tax is levied by the Central Government under the [Income Tax Act 1961](http://en.wikipedia.org/w/index.php?title=Income_Tax_Act_1961&action=edit&redlink=1). Customs and excise duties are also levied by the Central government. Sales tax is levied under VAT legislation at the state level.

The authority to levy a tax is derived from the [Constitution of India](http://en.wikipedia.org/wiki/Constitution_of_India) which allocates the power to levy various taxes between the Centre and the State. An important restriction on this power is Article 265 of the Constitution which states that "No tax shall be levied or collected except by the authority of law."[[22]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-22) Therefore each tax levied or collected has to be backed by an accompanying law, passed either by the [Parliament](http://en.wikipedia.org/wiki/Parliament_of_India) or the [State Legislature](http://en.wikipedia.org/wiki/Legislative_Assembly). In 2010-11, the gross tax collection amounted to INR 7.92 billion ([Long scale](http://en.wikipedia.org/wiki/Long_scale)), with direct tax and indirect tax contributing 56% and 44% respectively.)[[23]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-2010-11-23)

**Central Board of Direct Taxes**[[edit](http://en.wikipedia.org/w/index.php?title=Law_of_India&action=edit&section=10" \o "Edit section: Central Board of Direct Taxes)]

The [Central Board of Direct Taxes](http://en.wikipedia.org/wiki/Central_Board_of_Direct_Taxes) (CBDT) is a part of the Department of Revenue in the Ministry of Finance, Government of [India](http://en.wikipedia.org/wiki/India).[[24]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-24) The CBDT provides essential inputs for policy and planning of [direct taxes](http://en.wikipedia.org/wiki/Direct_taxes) in India and is also responsible for administration of the direct tax laws through Income Tax Department. The CBDT is a statutory authority functioning under the Central Board of Revenue Act, 1963.It is India’s official [FATF](http://en.wikipedia.org/wiki/FATF) unit.The Central Board of Revenue as the Department apex body charged with the administration of taxes came into existence as a result of the Central Board of Revenue Act, 1924. Initially the Board was in charge of both direct and indirect taxes. However, when the administration of taxes became too unwieldy for one Board to handle, the Board was split up into two, namely the Central Board of Direct Taxes and Central Board of Excise and Customs with effect from 1.1.1964. This bifurcation was brought about by constitution of the two Boards u/s 3 of the Central Boards of Revenue Act, 1963.

**Income Tax Act of 1961**[[edit](http://en.wikipedia.org/w/index.php?title=Law_of_India&action=edit&section=11)]

The major tax enactment in India is the *Income Tax Act* of 1961 passed by the [Parliament](http://en.wikipedia.org/wiki/Parliament_of_India), which establishes and governs [the taxation of the incomes](http://en.wikipedia.org/wiki/Income_Tax_in_India) of individuals and corporations.[[25]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-25) This Act imposes a tax on income under the following five heads:[[26]](http://en.wikipedia.org/wiki/Law_of_India" \l "cite_note-26)

* Income from house and property,
* Income from business and profession,
* Income from salaries,
* Income in the form of Capital gains, and
* Income from other sources

However, this Act may soon be repealed and be replaced with a new Act consolidating the law relating to Income Tax and Wealth Tax, the new proposed legislation is called the[Direct Taxes Code](http://en.wikipedia.org/wiki/Direct_Taxes_Code) (to become the Direct Taxes Code, Act 2010). Act was referred to Parliamentary standing committee which has submitted its recommendations. Act is expected to be implemented with changes from the Financial Year 2013-14.[[27]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-27)

**Service tax**[[edit](http://en.wikipedia.org/w/index.php?title=Law_of_India&action=edit&section=12" \o "Edit section: Service tax)]

Service tax is a part of Central Excise in India.[[28]](http://en.wikipedia.org/wiki/Law_of_India#cite_note-28) It is a tax levied on services provided in India, except in the State of [Jammu and Kashmir](http://en.wikipedia.org/wiki/Jammu_and_Kashmir). The responsibility of collecting the tax lies with the [Central Board of Excise and Customs](http://en.wikipedia.org/wiki/Central_Board_of_Excise_and_Customs)(CBEC).

The ex-[Finance Minister of India](http://en.wikipedia.org/wiki/Finance_Minister_of_India), [Pranab Mukherjee](http://en.wikipedia.org/wiki/Pranab_Mukherjee" \o "Pranab Mukherjee) (now the [President](http://en.wikipedia.org/wiki/President_of_India)) in his Budget speech has indicated the government's intent of merging all taxes like Service Tax, Excise and VAT into a common Goods and Service Tax by the year 2011. To achieve this objective, the rate of Central Excise and Service Tax will be progressively altered and brought to a common rate. In budget presented for 2008-2009 It was announced that all Small service providers whose turnover does not exceed INR 1,000,000 need not pay service tax.