

# The Student

Online Student Magazine of Faculty of Law, IFHE

Vol.XIII

November 2014



IFHE (Icfai Foundation for Higher Education)

## Contents

FOL News	3
Articles	
Right to Privacy in E-Commerce	6
Case Studies	
Enercon v. Enercon: Indian Supreme Court on Arbitration/Conflict of Laws	14
About Books	
Income Tax Law Vol. 6 (Sections 139 to 181)	19
Legal Luminaries	
Hon'ble Mr. Justice Chandramauli Kumar Prasad	20
Colloquium	
Choosing the Right Training Contract for your Graduate Career in Law	21
Maxims	24
Legal News	25
Competitions	26

## Magazine Committee

<b>Chief Editor:</b>	Ms. M. Annapurna Devi
<b>Advisor:</b>	Dr. V. Hemalatha Devi, Dean, FOL
<b>Composer:</b>	Mr. S. Murali Mohan
<b>Sub-Editors:</b>	Mr. Prajeet Daniel Mr. Sourya Banerjee
<b>Contributors:</b>	Ms. Priyanka Gunturi Mr. Manoj Reddy. K Mr. Sourya Banerjee

### **Internal Moot Court Competition**

Internal Moot Court Competition held on 8<sup>th</sup> November 2014 for the students of Faculty of Law, IFHE, Hyderabad. Mr. Harinath. N, Mr. Mohan Krishna, Ms. Sujana, Smt. Naga Lakshmi acted as judges and selected two teams for the Moot Court Competitions.



### **Activity**

‘Rashtriya Ekta Diwas’ conducted at IFHE. FoL conducted an activity on 31<sup>st</sup> October 2014.



**Guest Lecture**

Guest Lecture by Mr. S. Sai Sushanth, CEO, IT & Law Solutions on November 18<sup>th</sup> 2014 on '**Cyber Smart Program**'.



Guest Lecture by Dr. Sairam Bhat, Associate Professor, Coordinator - Distance Education Dept. Coordinator - Centre for Environmental Law Education, Research & Advocacy (CEERA), National Law School of India University, Bangalore on November 19<sup>th</sup> 2014 on '**Right to Information**' and also delivered another lecture on November 20<sup>th</sup> 2014 on '**Environmental Law**'.



### Faculty Seminars

Dr. Achyutananda Mishra, Assistant Professor, has given Faculty seminar on '**Positivism in Contemporary Context**' on October 14<sup>th</sup>, 2014.

Dr. S.V. Damodar Reddy, Assistant Professor, has given Faculty Seminar on '**Protection of Domain Names Under the Regime of Intellectual Property Rights**' on November 5<sup>th</sup>, 2014.



### Sports

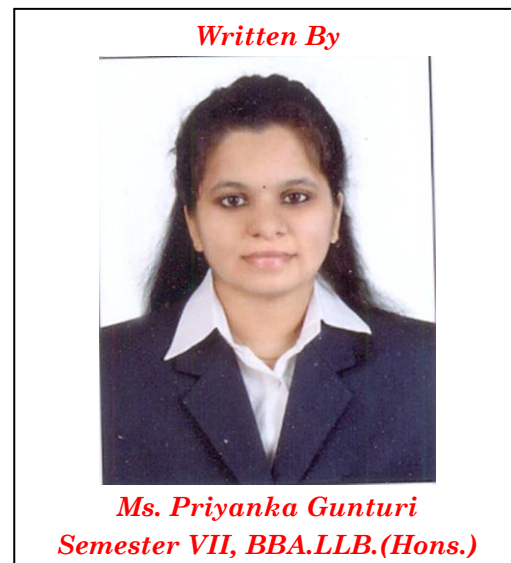
Sports competition held on November 8<sup>th</sup>, 2014.



# Right to Privacy in E-Commerce

### Introduction

The technologies that make the World Wide Web and e-commerce possible have some potentially negative components. Privacy issues are a major concern for many, since there are the means to collect consumer information easily with digital tools. Transaction security is equally important as well. These issues need timely resolution with government and business working together to ensure the privacy of consumers and the fidelity of transactions. Business and government need to develop a set of specific standards that are part of a uniform business code for transacting business on the Internet.



Today transaction in e-commerce typically requires the divulgence of large amounts of personal information. Necessary information includes credit card information and delivery details. Also the possession of such information gives e-business the opportunity to analyze it, discovering trends and increasing the efficiency of their business dealings. Consumers typically had no idea as to the range of possible uses that possession of this information allows for, and thus had no idea as to the possible violation of their privacy that could occur. However, in the last decade, consumer awareness of privacy is increasing, particularly among the Internet users. They begin to demand that their privacy be respected by e-commerce, which requires the legislation of e-commerce consumer rights protection.<sup>1</sup>

The growth in technology has made the concept of privacy more of a growing concern. Individuals are engaged in many daily transactions that are recorded by some means or the other means. Sometimes, information about these transactions may be useful to someone else. There are numerous examples of situations in which technology, especially in an e-commerce environment, has been used as a tool to abuse individual's privacy and leave their personal

---

<sup>1</sup> Coursey, D., Your Privacy: Uncle Sam Isn't the Real Threat. Here's Who Is, ZDNet AnchorDesk, January 26, 2001, <http://www.zdnet.com/anchordesk/stories/story/0,10738,2678867,00.html>

information vulnerable.<sup>2</sup> One example of IT practices which lead to potential privacy abuse is the use of data collection technology. When using the Internet, the individual leaves behind a trail of information which can be collected and then stealing one's identity is a child's play.

### **The Right to Privacy and Its Characteristics**

The concept of privacy is highly interesting. Perhaps its most striking feature is the fact that there is no agreement upon what it actually is.

There are four main parties involved in the context of privacy protection: 1) the privacy subject, who wishes to control the dissemination of personal information to collectors; 2) the collector, who wishes to collect private information for business purpose; 3) the illegal user or violator, who illegally or unethically acquires, stores, sells or uses the subject's private information; and 4) the privacy protector, whose duty it is to safeguard the rights of the subject by stopping the violator and setting guidelines for the collector.<sup>3</sup>

Privacy violation refers to the acquisition, storage, selling and use of private information without the awareness and consent of the subject. These actions can result in personal or monetary harm or damage. Businesses are economically motivated to collect and use great amounts of personal information because "personal details are acquiring enormous financial value. They are the new currency of the digital economy". Many may be tempted by the profit potential from the sale of personal data. The Internet is a new and expanding medium, where "companies say they need information on people to target their products, build their business models, and plan their marketing campaigns. The government, in turn, justifies its attack on private communications in the name of combating crime and terrorism"<sup>4</sup>.

**Illegal or Unethical Acquisition:** Implicit or covert collection of personal data is performed daily by businesses seeking a competitive advantage.

---

<sup>2</sup> C. Dembeck, Online Privacy Inside and Out, E-Commerce Times, April 25, 2000, <http://www.ecommercetimes.com/news/articles2000/000425-1a.shtml>.

<sup>3</sup> Susan E. Gindin, *Nobody Reads Your Privacy Policy or Online Contract? Lessons Learned and Questions Raised by the FTC's Action Against Sears*, 8 Nw. J. Tech. & Intell. Prop. 1 (2009). <http://scholarlycommons.law.northwestern.edu/njtip/vol8/iss1/1>

<sup>4</sup> Mahmood H Shah, Ramanus Okeke, Rizwan Ahmed, Issues of Privacy and Trust in E-Commerce: Exploring Customers' Perspective, J. Basic. Appl. Sci. Res., 3(3)571-577, 2013, [http://textroad.com/.../J.%20Basic.%20Appl.%20Sci.%20Res.,%203\(3\)57](http://textroad.com/.../J.%20Basic.%20Appl.%20Sci.%20Res.,%203(3)57)

**Illegal or Unethical Storage:** Information may be collected for use in the immediate future, or collected for long term storage. Long term storage of personal data affects people's rights to choose what information they wish to reveal about their past.

**Illegal or Unethical Selling:** The more times personal information is bought and sold over the Internet, the more likely it will fall into the wrong hands.

**Illegal or Unethical Use:** Whether information was gathered ethically or not, it is the use of this information that can result in violations with significant consequences. These violations directly affect the subject through the delivery of unsolicited "spam" mail or through more serious personal and/or monetary damage.

### **The tort of invasion of privacy**

Computers and cyberspace are sometimes used to commit the tort of invasion of privacy. In order to prove the tort of intrusion into private affairs or public disclosure of private facts, the plaintiff must prove that (1) the defendant revealed private information about the plaintiff, (2) the information is presumed private, and (3) the information is entitled to privacy protection. Employers have a right to look at employees' e-mail that is communicated via the employers' e-mail system, whether or not the employees are notified that their e-mail is being monitored. The Electronic Communications Privacy Act of 1986 (ECPA) forbids the interception of "live" communications, such as telephone conversations. It is not clear whether this law forbids persons who are not employers from intercepting others' e-mail.

The tort of invasion of privacy consists of three different torts:

- (1) Intrusion into the plaintiff's private affairs;
- (2) Public disclosure of private facts; and
- (3) Appropriation of another's name, likeness, or image for commercial advantage.

One such prominent examples of cyber tort is Hacking – it includes theft of information, passwords, and of credit card numbers. Once the hacker has gained access to a computer system they can browse through files, read private information and inflate user privileges and intrude into one's privacy. So the proper disclosure by individuals needs to be monitored to escape these types of crimes. People generally in their youth age become susceptible to all the misdemeanors. Many people don't even know what remedies are available nor is there any



violation of law. This could be increased by channelizing this information in educational institutions against such offenders.

A credit card fraud which involves the illegal use of credit card and debit card for the benefit of the wrongdoer is a serious cyber tort. Credit card fraud is done by gathering the details of credit/debit cards and then making illegal purchases and using it for unlawful transactions. Sale of such information to counterfeiters of credit cards is extremely lucrative, and difficult to detect and punish. Apart from this, assets in data format, if available by remote access methods, allows wrong-doer to commit fraud without even entering the premises. This leads to the infringement of privacy of the individual further infringing his/her fundamental rights with respect to constitution of India. Proper control of such information is also in the hands of government agencies and companies which can restrict such information related to the individual by proper disclosure.<sup>5</sup>

In *Timothy R. McVeigh, v. William Cohen*<sup>6</sup>, Plaintiff, a Navy serviceman, sent an anonymous e-mail via AOL under the alias "boysrch." The recipient searched through AOL's member profile directory, which indicated that "boysrch" was a homosexual. The member profile did not identify "boysrch" as plaintiff. The recipient forwarded this information to the Navy. In response to a subsequent inquiry from the Navy, AOL identified "boysrch" as plaintiff. Defendant thereafter held an administrative hearing at which it determined that plaintiff should be discharged for engaging in homosexual conduct. On plaintiff's motion, the Court issued a preliminary injunction enjoining the Navy from discharging plaintiff. The "Suggestions of sexual orientation in a private anonymous e-mail account not give the Navy a sufficient reason to investigate to determine whether to commence discharge proceedings. In its action, the Navy violated" its Don't Ask, Don't Tell, Don't Pursue policy. The Court further found that the Navy's request that AOL identify the true identity of "boysrch" was "likely illegal" under the Electronic Communications Privacy Act of 1996, 18 U.S.C. "The ECPA allows the government to obtain information from an online service provider only if

a) it obtains a warrant issued under the Federal Rules of Criminal Procedure or state equivalent; or b) it gives prior notice to the online subscriber and then issues a subpoena or receives a court order authorizing disclosure of the information in question." Having failed to follow either path, the Navy ran afoul of the ECPA. The court rejected the government's

---

<sup>5</sup> Head, M., Yuan, Y. (2001). "Privacy Protection in Electronic Commerce: A Theoretical Framework", Human Systems Management <http://business.mcmaster.ca/~head/.../Privacy%20Protection%20in%20E...>

<sup>6</sup> 983 F. Supp. 215

argument that Sec.2703(c) only prohibits the actions of Internet Service Providers, and not the Government.

It is notable that in 2009, two federal courts refused to uphold click wrap agreements against consumers suing for privacy issues. In *Doe 1 v. AOL LLC*<sup>7</sup>, an action was brought in California by AOL members alleging violations of federal electronic Privacy law, after AOL made publicly available the Internet search records of more than 650,000 of its members. In this case, which was decided in January 2009, the Court of Appeals for the Ninth Circuit based its refusal to uphold the same forum provision in AOL's member agreement on the Mendoza case decided eight years earlier.

In *Harris v. Blockbuster Inc*<sup>8</sup>, decided in April 2009, the District Court for the Northern District of Texas refused to uphold the Blockbuster click wrap agreement against a consumer who alleged that Blockbuster violated the federal Video Privacy Protection Act by sharing information about her movie selections with third parties without first obtaining her consent. The alleged violation arose out of Blockbuster's participation in Facebook's "Beacon" advertising program, which allowed companies partnered with Facebook to advertise by posting notices in Facebook users' "news feeds" when the user took an action, such as making a purchase from a third-party website that participated in the Beacon program. When the program originally launched, Facebook users had the right to opt-out, but, in response to consumer complaints, Facebook changed Beacon to an opt-in system, and later retired the system. In Harris, which has been appealed to the Court of Appeals for the Fifth Circuit, the court ruled that because Blockbuster reserves the right to modify the Terms and Conditions, including the section that contains the arbitration provision, "at its sole discretion" and "at any time," and such modifications will be effective immediately upon being posted on the site, Blockbuster's arbitration provision in its clickwrap agreement is illusory, and thus unenforceable.

Of course, two federal court cases do not make a trend, especially when one has been appealed, but it is notable that both 2009 cases noted above involve alleged violations of consumer privacy. They are otherwise exceptions to the general rule that click wrap agreements and notices are enforceable as long as the user has a reasonable opportunity to review the terms of the agreement and the user indicates assent.

---

<sup>7</sup> Doe 1 v. AOL LLC, 552 F.3d 1077 (9th Cir. 2009)

<sup>8</sup> 9 622 F. Supp. 2d 396 (N.D. Tex 2009)

## India

For an e-commerce platform, it is almost difficult to complete any online transaction without collecting some form of personal information of the users such as details about their identity and financial information. Apart from the collection of primary data from the users, e-commerce platforms may also collect a variety of other indirect information such as users' personal choices and preferences and patterns of search.

Hence, an important consideration for every e-commerce platform is to maintain the privacy of its users.

Two primary concerns that a user of e-commerce platforms would have are:

- i. Unauthorized access to personal information
- ii. Misuse of such personal information.

Historically, the concept of privacy and data protection were not addressed in any Indian legislation. In the absence of a specific legislation, the Supreme Court of India in the cases of *Kharak Singh v State of UP*<sup>9</sup> and *People's Union of Civil Liberties v. the Union of India*<sup>10</sup> recognized the "right to privacy" as a subset of the larger "right to life and personal liberty" under Article 21 of the Constitution of India. However a right under the Constitution can be exercised only against any government action. Non-state initiated violations of privacy may be dealt with under principles of torts such as defamation, trespass and breach of confidence as applicable.

The IT Act, 2000 deals with the concept of violation of privacy in a limited sense; it provides that the privacy of a person is deemed to be violated where images of her private body areas are captured, published or transmitted without her consent in circumstances where she would have had a reasonable expectation of privacy.

### III. Data Protection

India has in the year 2011 notified rules under Section 43A of the IT Act titled "Reasonable practices and procedures and sensitive personal data or information Rules, 2011" which provide a framework for the protection of data in India.

---

<sup>9</sup>AIR 1963 SC 1295

<sup>10</sup> AIR1997SC568

### **Kinds of Information Covered Under the Data Protection Rules**

There are basically two categories of information which are covered under the IT Act which need to be considered with respect to data protection.

1. **Personal information** (“PI”) which is defined as any information that relates to a natural person, which, either directly or indirectly, in combination with other information available or likely to be available with a body corporate, is capable of identifying such person.

2. **Sensitive personal data or information** (“SPDI”) which is defined means such PI of a person which consists of password;

ii. Financial information such as Bank account or credit card or debit card or other payment instrument details;

iii. Physical, physiological and mental health condition;

iv. Sexual orientation;

v. medical records and history;

vi. Biometric information.

The Data Protection Rules, inter alia, set out compliances which to protect SPDI in the electronic medium by a corporate entity which possess, deals with or handles such SPDI such as:

i. The need to have a privacy policy in accordance with the parameters set out in the Data Protection Rules;

ii. The need to obtain consent in a specific manner from the provider of SPDI;

iii. The need to provide an opt out option to the provider of SPDI;

iv. The need to maintain reasonable security practices and procedures in accordance with the requirements of the Data Protection Rules.

### **Section 72 in the Information Technology Act, 2000**

**72. Penalty for breach of confidentiality and privacy.**- Save as otherwise provided in this Act or any other law for the time being in force, any person who, in pursuance of any of the powers conferred under this Act, rules or regulations made there under, has secured access to any electronic record, book, register, correspondence, information, document or other material

without the consent of the person concerned discloses such electronic record, book, register, correspondence, information, document or other material to any other person shall be punished with imprisonment for a term which may extend to two years, or with fine which may extend to one lakh rupees, or with both.

### **Protecting Privacy**

Government legislation and self-regulation are two major mechanisms for privacy protection. The effectiveness of privacy protection, however, depends on the joint effort of all the parties involved.

### **Conclusion**

Protecting privacy rights on the Internet is a critical step towards user acceptance and adoption of an electronic marketplace. Although the protectors play the most active role in privacy protection, it is the responsibility of the privacy subjects to be aware of potential violations and adequately shelter their personal data. It is the responsibility of the collectors to provide clear and complete privacy policies, which must be strictly followed and audited for compliance. Moreover, it is the responsibility of every party to foster privacy protection through their actions and online behavior.

# Enercon v. Enercon: Indian Supreme Court on Arbitration/Conflict of Laws

(Civil Appeals 2086 & 2087 of 2014; judgment dated February 14, 2014)

### Background

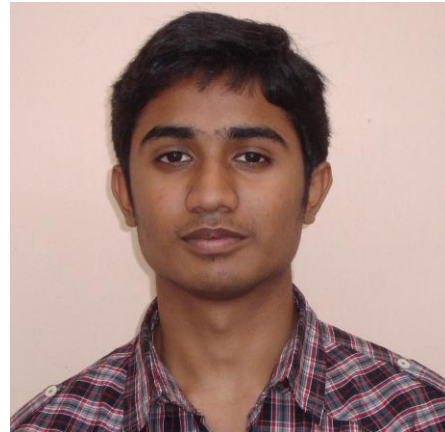
The facts giving rise to the various proceedings in *Enercon (India) Ltd and Ors v Enercon GmbH and Anr.* are somewhat complex. The dispute between the parties is a long-standing one and began in 2008. Enercon (India) Ltd (**Enercon India**) is a joint venture company that was set up pursuant to an agreement between the members of the Mehra family (Appellants 2 and 3 in the case) and Enercon GmbH (**Enercon Germany**).

A dispute arose around the non-delivery of supplies – allegedly governed by an Intellectual Property Licence Agreement (the **IPLA**). Enercon India and the Mehra family contended that the IPLA was not concluded and did not bind the parties. Further, as the arbitration clause in question was in the IPLA, they also contended that there was no binding arbitration agreement.

The relevant aspects of the governing law and the arbitration clause in dispute are:

- the governing law of the IPLA was Indian law;
- the arbitration clause covered all disputes, controversies or difference including the validity, interpretation, construction, performance and enforcement of the IPLA,
- the arbitral tribunal was to consist of 3 arbitrators of whom one was to be appointed by each of the two parties to the IPLA and the arbitrator appointed by Enercon Germany would act as the presiding arbitrator- the question of how the third arbitrator would be appointed was not dealt with by the arbitration clause,
- the venue of the arbitration was London, and
- the provisions of the Indian Arbitration Act were to apply.

*Written By*



*Mr. Manoj Reddy. K  
Semester VII. BBA.LLB.(Hons.)*

### **Parallel Court Proceedings**

There were a series of parallel proceedings initiated both in India and in England seeking declarations on the validity of the arbitration clause and asking for anti-suit injunctions. Of relevance to the present discussion, Enercon India commenced proceedings before the Bombay High Court and the Daman Trial Court asking for a declaration that the IPLA was not properly concluded and that there was no valid arbitration agreement between the parties. Enercon Germany in response filed applications under section 45 of the Indian Arbitration Act asking the court to refer the dispute to arbitration. The matter was subsequently appealed to the Bombay High Court and then to the Supreme Court.

Enercon Germany, simultaneously, filed an application before the English High Court asking it to constitute an arbitration tribunal under the provisions of the IPLA. The English High Court stayed its proceedings in light of the pending proceedings in India and refused an application for an anti-suit injunction based on an undertaking from Enercon India that it would ensure that the Bombay High Court and subsequently the Supreme Court proceedings would be completed expeditiously.

Enercon India and the Mehra family appealed up to the Supreme Court where they requested the court to hold that there was no valid arbitration agreement in place.

### **Issues before the Indian Supreme Court**

1. Whether the Parties can refuse to arbitrate on the grounds that there was no validly concluded IPLA? Further, whether the Court decides this issue or if it is an issue that is to be left for the Arbitral Tribunal to decide?
2. Assuming that there is an arbitration agreement in place, whether the arbitration clause is vague and ‘unworkable’?
3. Assuming that the arbitration clause is ‘workable’ whether the seat of arbitration is in London or India?
4. Assuming that the seat is India, whether the English Courts would have concurrent jurisdiction as the venue of arbitration is in London?

### **Decision of the Indian Supreme Court**

1. Arbitration Agreement is valid and existing

The Supreme Court started out by stating that the legislative mandate under section 45 of the Indian Arbitration Act only allowed the court to decline referring a dispute to arbitration if the agreement was found to be “*null and void, inoperative or incapable of being performed*“. A party is required to contend and prove that one of these infirmities exist and the mere allegation that the underlying contract containing the arbitration clause (here the IPLA) was not properly concluded would not be enough to fall within the parameters set out under section 45 of the Indian Arbitration Act. The Supreme Court held that the signing of the IPLA by the parties together with evidence of past dealing – all of which were subject to arbitration – was enough for the court to arrive at a *prima facie* conclusion that the parties intended to arbitrate and on that basis refer the parties to arbitration.

The Supreme Court supported its above conclusion by asserting that parties cannot be permitted to avoid arbitration without satisfying the court that it would be just and in the interest of all the parties not to proceed with arbitration. The Court also considered the widely worded arbitration clause where all disputes (including those with regard to the validity of the IPLA) were to be referred to arbitration. The Court reiterated the concept of separability of the arbitration agreement and held that an arbitral tribunal had jurisdiction to consider claims even where there is a dispute as to the validity of the underlying contract. The Supreme Court went on to hold that in the present case, the issue as to whether the IPLA was properly concluded would be one for the Arbitral Tribunal to decide.

### 2. Arbitration Agreement is not ‘unworkable’

The Supreme Court held that although there were some errors in the drafting of the clause – such as the clause’s failure to specify the procedure for appointment of a third arbitrator – the clause was not ‘unworkable’ or pathological. The Supreme Court held that courts are required to adopt a pragmatic approach and not a pedantic or technical approach while interpreting or construing arbitration clauses and must try to give effect to the intention of the parties to arbitrate – where this is clear. Therefore, when faced with a seemingly unworkable arbitration clause, it is the courts’ duty to make the same workable within the limits permissible under the law. On the facts, the court interpreted the arbitration clause from the point of view of a ‘reasonable business person’. The Court held that the arbitration clause in the IPLA was missing a line to the effect that the two arbitrators appointed by the parties shall appoint the third arbitrator. The Court felt that this omission was so obvious that the court was entitled to legitimately supply the missing line in the clause. In the interests of time however the



Supreme Court appointed the third arbitrator itself, as the parties had already appointed an arbitrator each.

### 3. Seat of arbitration is India

The Supreme Court relied heavily on the ratio of the case of *Naviera Amazonica Peruana S.A. v Compania Internacional De Seguros Del Peru*<sup>2</sup> and applied the closest and intimate connection test to determine the seat of arbitration.

The Supreme Court held that Indian law was chosen as the law applicable to all aspects of the agreement and the arbitration; i.e. the law governing the contract, the law governing the arbitration agreement and the procedural law of the arbitration were all Indian law. The court started with the presumption (based on various English cases) that given the parties' choice of Indian law particularly for the conduct of the arbitration, the parties are not likely to have intended to have fixed the seat of arbitration in London. The Court was willing to consider displacing this presumption – it indicated that the threshold to displace this presumption could be quite low – a mere choice of a transnational set of arbitration rules could be sufficient to consider a 'venue' as being a 'seat'. However it found no other connecting factor in favor of London. On that basis, the court held that the 'seat' was India and London was merely chosen by the parties as a venue for the conduct of the hearings.

The Supreme Court also relied on the 2012 BALCO decision support its conclusion. It held that since the parties has specifically applied portions from Part I of the Indian Arbitration Act – which, in the post BALCO context was only effective where the seat of arbitration was India – the parties must have intended for the seat to be in India.

### 4. English Courts do not have concurrent supervisory jurisdiction over the arbitration

The Bombay High Court had concluded that although the seat of arbitration was in India, the English courts would have concurrent jurisdiction over the dispute as the venue chosen was London. The Supreme Court disagreed with this finding and held that the overarching aim of arbitration is to enable the parties to resolve the disputes speedily, economically and finally and there are several difficulties that can be caused by courts in two countries exercising concurrent jurisdiction over the same subject matter. The court held that (consistent with the law in most arbitration friendly jurisdictions) once the seat of arbitration has been fixed as India, then it is the Indian courts that would have the exclusive jurisdiction to exercise supervisory powers over the arbitration.

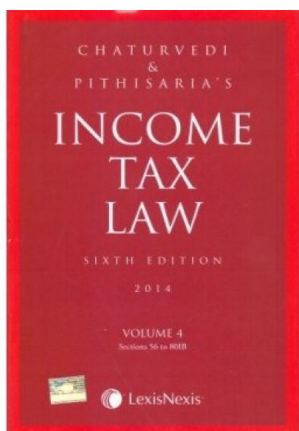
### **Analysis**

The decision to uphold a poorly drafted arbitration clause is another welcome indicator of the Supreme Court's willingness to uphold the intention of the parties to arbitrate, despite irregularities in the main contract.

There are, of course, some drafting lessons to be learnt from the *Enercon* case. These are fairly simple but as this dispute demonstrates, the time spent in getting the drafting right will invariably be lesser than the time spent in dis-entangling parties from the complexities created due to poorly drafted clauses.

1. Always specify the seat in the arbitration clause and use the word "seat" to avoid any confusion.
2. Specify the law governing the arbitration agreement separately or at least state that the law governing the arbitration agreement is the same as the substantive law of the contract if this is the intention.
3. Carefully think of the arbitral mechanism you choose to adopt in your contract as regards the appointment of arbitrators. Ensure that this is clearly set out or set out by reference to an established set of rules or an arbitration law.

## Income Tax Law Vol. 6 (Sections 139 to 181)



**Authored by:** Chaturvedi & Pithisaria's

**ISBN:** 9789351432784

**Year:** 2014

**Format:** Hard Cover

**Edition:** 6th Edition

**Price:** INR 2450.00 / US\$ 37.46

Chaturvedi & Pithisaria's Income Tax Law, Sixth Edition, 2014, a long awaited work, is being published after a gap of thirteen long years. Surpassing any comparable work, this evergreen classic encapsulates the law of income-tax in the most authentic and comprehensive manner. The work embodies logical and systematized analysis of the principles of income-tax law on one hand, while imparting practical guidance on the other. Various facets of law have been analyzed through illustrations with precision and clarity. The present edition is statutorily updated upto August 2014 including the Finance (No. 2) Act, 2014, and contains case law upto and including ITR 363, as well as select cases from other journals.

Presented in a set of 10 volumes, this work covering over 85,000 judicial decisions is meticulously arranged under approximately 25,000 headings and sub-headings. More than 5,000 pages have been added in this new edition, covering nearly 12,000 additional judgments reported over the last thirteen years. All departmental circulars, notifications and press notes issued by the CBDT and the Ministry of Finance till the date of publication of each volume have been reproduced at appropriate places. In addition, relevant rules and forms and allied provisions have been furnished.

## Hon'ble Mr. Justice Chandramauli Kumar Prasad



Term of Office: (DoA)08.02.2010 to (DoR)14.07.2014

Hon'ble Mr. Justice Chandramauli Kumar Prasad born on 15.07.1949 at Patna in the State of Bihar. He had his Schooling at Patna High School, from where he passed Secondary School Examination. Later he graduated in Science Magadh University. Graduated in Law from Patna University. He enrolled as an Advocate on November 27, 1973, having practical experience in Civil, Constitutional, Criminal and Service matters at Patna High Court. He has designated as Senior Advocate on July 17, 1989. Later appointed as the Additional Advocate General of the State Bihar on 14.12.1993, which office he held till his elevation. He held various offices including the office of the Vice-President of the English Speaking Union of Commonwealth. He was also the President of the Patna Golf Club.

He elevated as permanent Judge of the Patna High Court on November 08, 1994. Later transferred to Madhya Pradesh High Court on November 21, 1994. From this he transferred back to Patna High Court on September 10, 2001. He has appointed as Acting Chief Justice of Patna High Court from March 03, 2008 to May 12, 2008 and from December 17, 2008 to March 15, 2009.

He took oath as the Chief Justice of Allahabad High Court on March 20, 2009 and elevated as Judge, Supreme Court of India on February 08, 2010. Finally he is appointed as the new Chairman of the Press Council of India, replacing, Justice (ret'd) M. Katju on the 27th of November, 2014.

## **Choosing the Right Training Contract for your Graduate Career in Law**

Before you start the application process for a graduate job as a trainee solicitor, think carefully about what you want from your legal career and initial training. That way you'll be able to find the law firm that's right for you.

Don't assume that you ought to set your sights on the law firms that offer the highest salaries and are involved in the highest-profile deals. If you don't take some time to work out what you really want, you could find that your career as a solicitor is headed in the wrong direction from the outset. Although you're free to swap firms once you've finished your training contract, you'll find it difficult to move somewhere with a completely different focus.

On the other hand, if you think through your options clearly, your thorough approach will come across in your applications and interviews. Recruiters will be impressed by evidence that you are applying to them out of a genuine interest in their business and areas of specialisation.

### **Which legal areas of practice interest you?**

The most important factor to consider is which areas of law you'd like to try out. If you're a law student, bear in mind that practising in a particular field can be very different to studying it at university. For example, you may find your property lectures dull but discover that you love working on big real estate deals as a trainee solicitor.

It's important to be aware that you may not be able to choose the exact combination of seats you'd like to do on your training contract. This will be influenced in part by the size of the different departments and the desires of fellow trainees. However, firms will do their best to place you where you'll be happy and you can give yourself a massive headstart by selecting employers who practise broadly in the areas that interest you.

### **What sort of client relationships do you want?**

You might also want to consider what sorts of clients you'd prefer to work for and what kind of relationship you'd like to have with them. The highest-profile firms often have the highest-profile clients; however, if you work for smaller clients you're likely to deal with more senior members of the organisation and take great satisfaction in helping them achieve their goals.

### **Take the size of law firms into account**

Firms' practice areas and client bases are quite closely linked to their size. The largest firms tend to be commercial law practices advising major international organisations whereas the smallest are generally high-street firms used by members of the public. However, there are plenty of exceptions so never judge a firm purely on its number of fee-earners.

**Giant firms** – these include the 'magic circle' firms of Allen & Overy, Clifford Chance, Freshfields Bruckhaus Deringer, Slaughter and May, and Linklaters as well as other City heavyweights such as Herbert Smith, Hogan Lovells and CMS Cameron McKenna. These firms often employ thousands of staff, a couple of hundred partners and over 100 trainees. They handle a range of complex commercial work and lots of high-value international transactions for massive, global companies.

**Mid-tier firms** – although smaller than their magic circle counterparts, they are substantial legal powerhouses. Firms such as Ashurst, Macfarlanes and Travers Smith boast headline-grabbing deals and significant City clients. They tend to recruit between 20 and 50 trainees a year.

**US firms** – a number of firms whose head offices are in the US now have bases in London (eg Sidley Austin and White & Case). Like giant firms and mid-tier firms, they are involved with high value commercial work but tend to offer a smaller number of training contracts (typically 10–30). From time to time US firms choose to merge with significant commercial practices in the UK – for example the mergers of DLA with Piper Rudnick Gray Cary (now DLA Piper) and Lovells with Hogan & Hartson (now Hogan Lovells).

**Boutique or niche practices** – firms such as Ince & Co are known for offering specialist advice in one or more areas; in Ince's case it's shipping law. Typical niche areas include IT and telecommunications, intellectual property, family law and shipping. They may take on up to 15 trainees.

**High-street or legal aid firms** – these firms deal with the man or woman on the street in areas such as family law, conveyancing, crime and employment. They are likely to take on up to five trainees a year. A certain kind of personality is needed to work in smaller firms. You'll probably be described as a 'self-starter' – someone who is happy and able to organise their own time and workload. You will need to be flexible, adaptable and keen to learn on the job. You are likely to run your own client files as a trainee.

A firm's size also correlates closely with the number of trainees it takes on, which will in turn affect your experiences there. Would you like to be one of only two or three new starters and have the chance to mingle with lawyers of all levels of experience or would you prefer to be part of a 100-strong intake from whom to select your new friends and pub-going buddies?

### **Where do you want to be based?**

Quality of life is a big consideration for many employees but what this means differs from person to person. You might love the buzz of working in the City with a large pay packet and plenty to spend it on. Or you may make a conscious decision to give London a miss in favour of more predictable working hours and shorter commutes.

### **How the structure of legal training varies from firm to firm**

Different firms structure their training contracts in slightly different ways. The traditional model is for trainees to spend four six-month placements in different departments; however, some will have shorter seats in a greater number of departments or, conversely, stay in one department but experience different areas of work. Likewise, the time and manner in which formal training sessions are delivered will differ, as will the support systems.

### **Optional extras for trainee solicitors**

Many firms offer trainees opportunities such as participating in pro bono programmes, spending a seat in an overseas office or going on secondment to a client. These shouldn't be your first consideration but could help you decide between similar firms.

### **Alternatives to law firms**

There are a small number of training contracts available in companies' in-house legal departments, the Government Legal Service and the Crown Prosecution Service. However, these employers tend to take on the majority of their employees post-qualification.

### **Shortlist your favoured firms**

Once you have a reasonable idea of where you'd like to work, you need to draw up a shortlist. You can then whittle it down further by checking out employers' websites, reading the legal press and attending any events on campus. You may find yourself coming back to the names you first thought of but you'll at least have the confidence of knowing that they really are the best firms for you.

Source: <http://targetjobs.co.uk/career-sectors/law-solicitors/291175-choosing-the-right-training-contract-for-your-graduate-career-in-law>

## **Maxims**

**Ante** - Before.

**Corpus** - Body.

**Dubitante** - Doubting the correctness of the decision.

**In camera** - In private.

**In terrorem** - As a warning or deterrent.

**Jus ad rem; jus in re** - A right to a thing; a right in a thing.

**Jus dicere, non jus dare** - To declare the law, not to make the law.

**Lex nil frustra facit** - The law does nothing in vain.

**Lex punit mendaciam** - The law punishes falsehood.

**Non compus mentis** - Not of sound mind and understanding.

**Pacta privata juri publico non derogare possunt** - Private contracts cannot derogate from public law.

**Prima impressionis** - On first impression.

**Quod non apparet, non est** - What does not appear, is not.

**Res gestae** - Things done.

**Sub nomine** - Under the name of.

**Vice versa** - The other way around.

.



**Bills passed by Lok Sabha this week: CBI, Labour, Apprentices amendments, universities, caste lists**

The following Bills were passed this week:

1. **The Delhi Special Police Establishment (Amendment) Bill, 2014** was introduced and passed by Lok Sabha on November 26 and Rajya Sabha on November 27. This Bill makes two amendments- the first permits for the Leader of the single largest party in Lok Sabha, in the absence of a Leader of Opposition, to be in the selection committee for the appointment of the CBI Director. The second amendment states that the appointment of the CBI Director cannot be invalidated on the ground of absence or vacancy of any Member of the Selection Committee.
2. **The Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Amendment Bill, 2011**, was passed by Rajya Sabha on November 25 and Lok Sabha on November 28. The Bill amends two Labour Laws to change the definition of small establishments, among other things.
3. **The Apprentices (Amendment) Bill, 2014**, was passed by Rajya Sabha on November 26. The Bill makes various changes to the Act regulating the training of apprentices in the country. This Bill had already been passed by Lok Sabha in the last Session and will become a law once it gets the President's approval.
4. **The Indian Institutes of Information Technology Bill, 2014** was passed by Lok Sabha on November 26. The Bill declares four Indian Institutes of Information Technology as Institutes of National Importance.
5. **The Central Universities (Amendment) Bill, 2014** was passed by Lok Sabha on November 26. The Bill sets up a central university in Bihar, in addition to an existing one.
6. **The Constitution (Scheduled Castes) Orders (Amendment) Bill, 2014** was passed by Lok Sabha on November 27. This Bill adds communities in the list of scheduled castes in the states of Kerala, Madhya Pradesh, Odisha, and Tripura. It also removes the Majhi community from the list in Sikkim.

The Higher Education and Research Bill, 2011 was withdrawn from Parliament on November 25.

## ***Competitions***

### **Call for Papers**

**Journal of the Campus Law Centre (JCLC) Vol. III**

**Abstract Submission (300 words):** December 31, 2014

*Source: <http://www.lawctopus.com/call-papers-journal-campus-law-centre-jclc/>*

**RGNUL's Seminar on Global Consumerism [Feb 21];**

**Submit by Dec 30**

*Source: <http://www.lawctopus.com/call-papers-rgnul-seminar-global-consumerism/>*

**RMLNLU's National Seminar on Social Media, IT and IPR [Feb 27-28];**

**Submit by Jan 5**

*Source: <http://www.lawctopus.com/call-papers-rmlnlus-national-seminar-social-media-ipr-feb-27-28-submit-jan-5/>*

### **Model United Nations**

**School of Law, Christ University's Model United Nations SLCUMUN**

*Source: <http://law.christuniversity.in/slcumun/>*