

eMagazine

Bonus Issue

*Human
Brands*

**“Act”
to prevent
Sexual Harassment
of women
at
workplace**





Mysore Chapter

**eMagazine from
The Institute of Company
Secretaries of India,
Mysore Chapter**

15th February 2014

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Message from Chairman



Dear Readers,

It is a great pleasure to extend my heartfelt greetings.

I recall our Chief Guest Colonel (Rtd.) G M Devaya's words on the day of republic day last month, "A company secretary holds office based on the concept of independence and trust, reflecting the confidentiality of the role. Company Secretary is key to the application of best practice in corporate governance which is increasingly critical to an organisation's reputation and success." He advised students to get prepared to take up such role successfully.

Mysore Chapter has planned to organize a two days' seminar on 1st and 2nd March 2014. We invite all members to attend this 2 days seminar and make it a success. Students at Mysore chapter have started their preparation for the Annual event of the chapter on 16th March, 2014, *Umang 2014*. I request students to volunteer and participate in various competitions & activities and enhance their organising and management skills.

For the students awaiting results this month, I wish all success and good luck.

Yours in CS fraternity,
Ajay Madaiah B.B.

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Inside

Letters from Readers!



The article “Worries of a Compliance Officer” is a nice article. Compliance has many perspectives. Some are as follows in my opinion.

- Knowing the law and non compliance.
- Not knowing the law
- Not worried about non compliance
- Aiming 100 per cent compliance

Any organisation operating in more than one place of business has a real compliance problem and company secretary has a tough job unless he virtually manages and risks are identified, mitigated or insured.

As regards US embassy case they should have informed those working in embassy Re minimum wages which are notified State wise, year wise and varies from dollar seven upwards per hour. in USA. Malabar cement Case, militant trade union seems to be the culprit.

**CA Ramachandran Mahadevan, M.Com.,F.C.A.,
Bangalore**

I have, as usual, read the latest edition of the e magazine of the Mysore Chapter with interest. I recall that I had written to the Chapter after reading the first issue, that the presentation and contents vie for a permanent popularity as Chartered Secretary, and I find that the issues have retained that position.

I only find the type setting to be of a very low font and find it difficult to read (of course, I am now a senior citizen and so it is accentuated to me).

I have a special place for Mysore in my heart and always recall with pleasure my living in this historical city as the first CS of Automotive Axles Ltd, Hootagalli. Pl keep up the good work and all the best to you and the team.

**CS PB Madhavan
Chennai**

I happen to read your Article "Worries of a Compliance officer" published in the ICSI Mysore e magazine You have really very well articulated the hazards of a Company Secretary's job. I may add that the new legislation on the Companies casts onerous obligation on the Company Secretary by making him a KMP and responsible , interalia, for compliance of all applicable laws related to a company. While entrusting lot of responsibility, the Act does not give him any authority to execute compliances there by leaving him at the mercy of the Promoters/Directors. There are certainly tough days ahead for the compliance officer.
regards

**CS. G.P. Sahi
New Delhi**

Makar Sankranti Greetings!

Your team continues to be on time always. Hearty congratulations for completing 1 decade in the service to our noble profession through this e-Magazine which is immensely beneficial for our professional colleagues. Please keep up the good work.

**CS Amar Kakaria
Mumbai**

The overall design of the magazine is impeccable with quality contents from the Professionals. Maintaining high quality month after month is really a challenging task and your team is able to surpass your own standards at all times by all means.

Your “Passing Thoughts” will not be a failing one. “Where do we start?” You have already started. Every thought has its own power and such collective thoughts will bring some positive results soon.

**CS N.A. Srinivasan, M.Com., B.L., FCS
Chennai**

Bonus Issue

under the Companies Act, 2013

Companies Act, 1956, does not prescribe any specific procedure or conditions for issue of bonus shares except that Table A contains provision relating to capitalization of profits. Companies Act, 2013 has detailed the conditions under Sec.63 read with relevant (draft) rules issued there under for issue of bonus shares and also the sources from which bonus issue can be made.



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Bonus issue refers to a further issue of shares made by a company having share capital to its existing share holders without receipt of any consideration from the shareholders for issuance of the shares. It is an offer of free additional shares to existing shareholders in proportion to their holdings. For example, the company may give one bonus share for every five shares held. These are company's accumulated earnings which are not given out in the form of dividends, but are converted into free shares.

While the issue of bonus shares increases the total number of shares issued and owned, it does not change the value of the company. Also the ratio of shares held by each shareholder remains constant.

Companies issue bonus shares to encourage retail participation and increase their equity base. When price per share of a company is high, it becomes difficult for new investors to buy shares of that particular company.

Conditions for Bonus Issue

- Only fully paid up bonus shares can be issued to the members of the company.
- Articles to provide for issue of bonus shares
- Bonus issue must be authorised by the members of the company on recommendation of Board.
- Company should not have defaulted in payment of interest or principal in respect of fixed deposits or debt securities issued by it.
- Company should not have defaulted in respect of the payment of statutory dues of the employees, such as, contribution to provident fund, gratuity and bonus.

- Partly paid-up shares, if any outstanding on the date of allotment, should be made fully paid-up.
- The bonus shares shall not be issued in lieu of dividend.

Sources for issue of bonus shares

- Free reserves
- Securities Premium Account
- Capital Redemption Reserve Account
- No issue of bonus shares shall be made capitalizing reserves created by the revaluation of assets.

Checklist for issue of Bonus Shares

- Check availability of resources for issue of Bonus shares.
- Check eligibility of the company for issuing bonus shares like provision in AOA, no default in payment of dues, no partly paid up shares etc.
- Check whether the authorized capital is sufficient for issue of bonus shares
- Decide on the quantum of issue
- Convene Board Meeting to seek Board's approval for issue of bonus shares and to schedule the general meeting for seeking member's approval.
- Convene general meeting and seek member's approval for issue of bonus shares.
- Convene Board meeting to allot shares
- File return of allotment with Registrar of Companies within 30 days of making allotment.
- Issue share certificates, update registers and minutes book.





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Recent judgment in China on IP rights

For some reason, it is a common notion that the importance of IPR is more relevant for knowledge based industries – like Information Technology, Pharmaceuticals, Telecom, Media, Entertainment or the like, while, in case of other industries, IPR is not a critical issue to worry about. This is not only untrue but also misleading. With technology advancing in almost every sphere of activity, monitoring and management of IPR is important even in traditional industries like automobiles, machine tools, precision engineering or manufacturing. The very mention of IPR with manufacturing leads many to point out, probably rightly so, that China, the world leader in manufacturing, has an IPR regime which leaves much to be desired.

With increasing number of multinational companies entering China, there is lot of activity in China around IPR, in particular, in trademark prosecution and enforcement. It can be highly demotivating and frustrating if a genuine owner of a trademark discovers that its famous trademark has been applied for, or worse, already registered by an unrelated third party in China.

How then, can they recapture their trademarks? How can a multinational deal with the continuous supply of fakes / counterfeit products in China?

In this light, let us examine a recent development in China.

In December 2010, a reputed Indian entity having significant business interest in manufacturing in China decided to register its brand in China, but was shocked to note that its reputed brand, in use since 1960s, was the subject matter of an application filed by a local company in China, who had no right whatsoever in the business name or trademark of the said Indian entity. The Indian Company filed its own application and also opposed the application filed by the local Chinese company. Amongst others, the issues raised by the Indian company were:

IP Now!

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Human Brands

The term “Mark” is defined under the Trade Marks Act, 1999 as an inclusive definition, which provides an illustrative list of items like device, brand, label, ticket, name etc which can be termed as Mark. A “Trade Mark” is defined inter alia to mean a Mark which is capable of graphical representation and which is capable of distinguishing goods or services of one person from those of others and may include shape of goods, packaging and combination of colours. Hence, every Trade Mark needs to be a Mark whereas every Mark need not be a Trade Mark.

Ever since the advent of the concept “Brand Ambassadors” endorsing various products or services, the world of advertising has taken a big leap. Today you will find that every major product or service is endorsed by a Brand Ambassador be it an actor, sports person or any other celebrity. Such Brand Ambassadors are paid crores of rupees for endorsing products or services and at times the total production cost of an ad film casting a celebrity would be more than the budget of a full length movie! The impacts of such advertisements are well known and the linkage of the celebrity with that of the brand he or she endorses becomes seamless and inseparable.

1. The said Chinese company was habitually involved in applying for and obtaining registrations for brands which in reality were unrelated to it, just to block the genuine brand owners or interested parties or to wrongfully gain by exploitation, by taking advantage of the 'first-to-file' priority in the registration policy.
2. The local company had not only infringed the name but also the logo of the Indian company.
3. The Indian company provided proof of having attended various exhibitions, seminars and international fairs in China, in particular the famous 'Canton fair' which proves its genuine rights and interests and longevity of use of the trademark in question.
4. The Indian company also filed various declarations and supporting documents showing that it had various manufacturing facilities in China and also exported to China from Hong Kong.

The decision of the China Trademark Review and Adjudication Board (TRAB) was not only a victory but also a relief to the Indian Company. Accordingly, the trademark application filed by the local company stands refused and the Indian company awaits registration of its trademark.

While this has averted a great risk for the Indian company, had the TRAB decided otherwise, it is not an easy task to oppose a trademark application in China, even though the Opponent is able to produce considerable evidence of prior substantial use and reputation of the mark. The onus of proof is always on the Opponent and the evidence should not only be huge in quantity but also be relevant to mainland China. All such evidence should be translated to Chinese language and this is a costly affair.

The identity of certain celebrity Brand Ambassadors vis-a-vis the product or service that they endorse has become so inter-wined and seamless that the product assimilates the positive attributes of such celebrity thereby increasing in turn the brand value and good will of the product or the service and the brand associated with it. So much so that certain Brand Ambassadors like Amithabh Bachchan, Shah Rukh Kahn, Kajol, Sachin Tendulkar, Sunny Leone, Baba Ramdev, Yuvraj Singh to name a few have their names trademarked in almost all classes under Schedule IV of the said Act. In fact Amitabh Bachchan went a step ahead and has applied for registration of his famous baritone voice. The reason behind such registrations is to protect against misuse of the celebrity's name in connection with a product or service through advertisements thereby misleading the general public that such a celebrity is endorsing such a product or service. Since brand endorsements by celebrity Brand Ambassadors are directly proportional to the saleability of such products or services, it has become necessary to seek registration under the said Act. It should be understood that protection against misuse of a celebrity name is available even if such a celebrity has not trademarked his or her name, however, registration enables enhanced protection and claim of remedies under the said Act.

Hence in celebrity endorsements the stakes are high and any tarnishment to the name of the celebrity due to the acts of such celebrity will have a major impact on the products or services he or she is endorsing. A recent illustration of tainted cricketers being pulled out of brand endorsements substantiates this fact. The recent controversy of Mr. Amitabh Bachchan citing that he had stopped endorsing Pepsi since a young girl questioned him as to why he is endorsing a product which is labelled as 'poison' by her teacher.

Thus, when a celebrity known for his utmost professionalism and ethical behaviour associates with a product or service which is not considered so 'ethical' such endorsements in turn can depreciate his brand image! This concept is called reverse endorsement.



It is as though the product or service so good to be endorsed by such a celebrated celebrity! Hence the celebrities need to be careful in choosing endorsements to retain their 'brand value'.

The same is the case of even well known corporate captains. In *Ratan Tata v. Ramadasoft* (Case No.D2000-1713), Mr.Ratan Tata and Tata Sons Ltd in the year 2001 had to seek remedy before WIPO Arbitration and Mediation Centre under UNDRP (Uniform Disputes Resolution Policy) of the ICANN (Internet Corporation of Assigned Names and Numbers) against a cyber squatter for having registered of domain names like *ratantata.com*, *tatasons.com*, *jrdtata.com* etc.

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GOI web directory

Friends, it is very hard to know and remember websites of Government in India including Central, State, Judicial and other Authorities due to the high number it runs into. I was wondering is there a site which provides link to all Government of India and State Government sites? My search ended at <http://goidirectory.gov.in/>

GOI Web Directory <http://goidirectory.gov.in/> is a one point source to access all Indian Government Websites at all Levels and from all Sectors including State Governments and Regulatory/Judicial Authorities. A web directory is not a search engine and does not display lists of web pages based on keywords, instead, it lists web sites by category and subcategory and provides link to that website. <http://goidirectory.gov.in/> is primarily indexed in following categories:

- Union Government
- States & Union Territory Government
- District Administration
- Judiciary
- International
- Legislature,

This Site provides a flexible option for us to search the web page which we are looking for by visiting concerned State page, Department/Sector and also by arranging them in alphabetical order. This site facilitates the listing site in the directory by clicking on [Suggest-A-Site](#) if we find any government site is missing in the GOI web dictionary. We can also subscribe to Email Updates to receive periodic notification from this site. Do visit this web directory and share with us the site which you found very helpful from this dictionary.



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Tech News

Making Android seamless

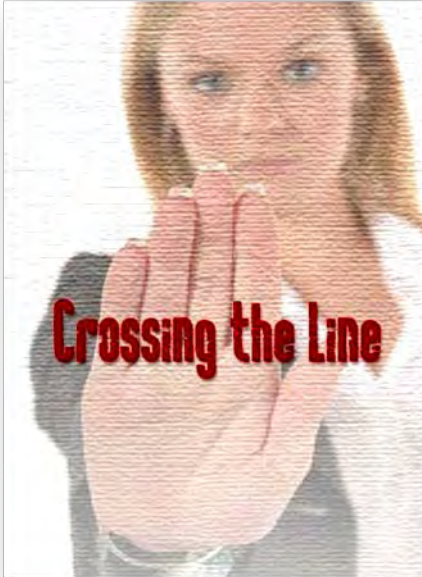
Google's Android operating system is the most widely used smart phone operating system all around the world. Besides that it is considered as the most user-friendly OS by the Android users. Now Google has decided to power consumer home appliances, wearables like smart watches, Google glass, cameras, media players, TVs, monitors and projectors with its android based software.

Google has already introduced the Android platform such as Android@Home, which will allow Android devices to detect and communicate with household appliances via WiFi. Built into home appliances and running off small household networks, the technology could allow users to program automate and take new levels of control of various devices used around the house.

Google is tied up with automobile giants like GM, Audi, Honda, Hyundai to introduce Android system in car. In case of wearable, Samsung's Galaxy gear, Sony's smart watch-2 are few best examples of android platform based smart watches. Philips has launched a TV with built in Android which is not required to be connected through a dongle or media box. Both ZTE and Philips have announced projectors with built in Android. Samsung has released its Galaxy camera which is powered by Android.

POSH Act, 2013

A Brief Analysis



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In 1997, the Supreme Court of India in the landmark case of *Visakha vs State of Rajasthan and Others (JT 1997 (7) SC 384)* laid down mandatory guidelines to be adopted by all employers in

India for the protection of women from sexual harassment at workplaces. These guidelines were to remain in force until the enactment by the Parliament of laws governing sexual harassment.

Given the importance of the issue, a new section was also added to the Indian Penal Code, 1860 through the Criminal Law (Amendment) Act, 2013, which enlists the acts which constitute the offence of sexual harassment and further envisages penalty / punishment for such acts. A man committing an offence under this section is punishable with imprisonment, the term of which may range between 1 and 3 years or with fine or both. Since the amendment criminalizes all acts of sexual harassment, employers shall be required to report any offences of sexual harassment to the appropriate authorities.

The concept of Sexual Harassment at Workplace gains importance as any such act is treated as violation of rights guaranteed under Articles 14 and 15 of the Constitution viz., the fundamental right of a woman to equality and also her right to life and to live with dignity as per Article 21 of the Constitution. Sexual Harassment also attracts the violation of a right to practice or to carry out any occupation, trade or business under Article 19 of the Constitution.

After a long wait i.e., after 16 years of the said judgement, Parliament passed "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" (POSH Act, 2013) and Rules there under. These were notified on December 9, 2013.

The new law lays down a comprehensive code to deal with all the aspects regarding prevention, prohibition and redressal of sexual harassment. The Act provides for the constitution of an Internal Complaints Committee (ICC) by every employer. An aggrieved woman can file a complaint with the ICC which is duty bound to complete the inquiry into the complaint within 90 days. The Act also prescribes punishment for non-compliance with its provisions as well as for filing frivolous complaints.

The Policy adopted by every company shall provide healthy working environment that enables employees to work without fear of prejudice, gender bias, sexual harassment and all forms of intimidation or exploitation. This policy shall seek to provide protection against sexual harassment at workplace and for the prevention and redressal of complaints of sexual harassment. The Policy shall be displayed at all conspicuous places of workplace, to make every employee aware of the penal consequences of sexual harassment and also enable employees the mode of making complaints/ seek redressal.

The ICC shall also involve a member from non-government organization or association committed to the cause of women or who have had experience in social work or has legal knowledge. The sitting fee to such member can be paid at the rate of Rs 250/- per day. The ICC shall be chaired by a female employee posted at senior level in the company.

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Column on
Industrial and Employment laws

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The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 – An Analysis

Sexual harassment is an act that creates a hostile working environment which may be by way of cracking lewd jokes, verbal or physical abuse, circulating lewd rumors etc. Though, India had signed and ratified Convention on the Elimination of all Forms of Discrimination against Women (CEDAW) way back in 1993, we did not have a specific legislation to address the issue of sexual harassment at Workplace. Till 1997, facing victim of sexual harassment at the workplace had to lodge a complaint under Section 354¹ and 509² of the Indian Penal Code 1860. However, scenario changed when Supreme Court stipulated the famous Vishaka Guidelines through its landmark judgment in *Vishaka and others v State of Rajasthan*³.

Further, Court observed that, the consideration of "CEDAW and norms are significant for the purpose of interpretation of the guarantee of gender equality, right to work with human dignity in Articles 14, 15, 19(1) (g) and 21 of the Constitution and the safeguards against sexual harassment implicit therein." Vishaka guidelines defined sexual harassment and codified preventive measures and redressal mechanisms to be undertaken by employers. Accordingly, Government of India passed the Sexual Harassment of Women at Workplace (Prevention, prohibition & Redressal) Act⁴, to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for matters connected therewith or

incidental thereto, and the same has been made effective on December 9, 2013⁵.

The Act will ensure that women are protected against sexual harassment at all the Workplaces, be it in public or private. This will contribute to realisation of their right to gender equality, life and liberty and equality in working conditions. The sense of security at the workplace will improve women's participation in work, resulting in their economic empowerment and inclusive growth⁶.

Key Features of the Act

Sexual harassment at Workplace

The Act defines *sexual harassment* to include unwelcome sexually determined behavior such as physical contact, request for sexual favours, sexually coloured remarks, screening of pornography, or any other conduct of sexual nature (Sec 2(n)). It may further include any promise of preferential treatment, threat of detrimental treatment, hostile work environment, or humiliating conduct constituting health and safety problems (Sec 3(2)).

Workplace, Employer, Employee

Workplace is defined to include all organizations, and any other places visited by an employee during the course of work (Sec 2(o)) and it covers every woman at the work

¹ Criminal assault of women to outrage women's modesty

² Assault or criminal force to woman with intent to outrage her modesty

³ Word, gesture or act intended to insult the modesty of a woman

⁴ Hereinafter the Act

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⁵ Gazette Notification dated December 9, 2013

⁶ Press Information Bureau, Government of India (Dated November 4, 2010). Protection of Women against Sexual Harassment at Workplace Bill, 2010, last accessed on December 12, 2013.

place whether employed or not (Sec 2(f)). Further, the Act defines employer as the person responsible for the management, supervision and control of the work place (Sec 2 (g)).

Internal Complaints Committee & Other Local Committees

The Act insists upon the formation of an Internal Complaints Committee in every workplace, as per the provisions of Section 4. It further provides that, where the offices or administrative units of the workplace are located in various places, Internal Complaints Committee shall be constituted in all such units.

The Act empowers the District Officer to constitute district wise Local Compliant Committees. Such Local Committee shall include an eminent woman who is working in the area of Social Work and committed towards the cause of women, as the Chairperson, and two members from an NGO committed to the cause of women (Sec 9).

Duties of Employer

Under Chapter VI, Section 19, every employer has to;

- a. Provide a safe working environment at workplace;
- b. Constitute an Internal Complaints Committee and conspicuously display the order constituting the Committee;
- c. Organize workshops and other training programmes at regular intervals for sensitizing employees;
- d. Provide assistance during any inquiry;
- e. Initiate actions against the perpetrator; and
- f. Provide assistance to the women if, she prefers to file complaint under the provisions of Indian Penal Code.

Redressal mechanisms: Complaint filing & Inquiry

Chapter IV of the Act prescribes the procedures to be followed in filing complaint. Under the provisions of this Act, aggrieved women shall make a complaint in writing to the Internal Complaint Committee within *three months* of the last incident. In case the women is not in a position to file complaint due to her physical or mental incapacity, death or otherwise, her legal heir shall file the complaint. In the absence of Internal Complaint Committee, complaint shall be filed with the Local Committee (Sec 9).

The Committee is required to complete the inquiry within a time period of three months. On completion of the inquiry, the report will be sent to the employer or the District Officer, as the case may be. They are mandated to take action on the report within two months. On request from the complainant, the committee shall provide for

conciliation (Sec 10). Complainant may also seek other remedies, including initiating criminal proceedings under the provisions of any other laws in existence.

Penalty & Appeal

The Committee shall recommend penalties for sexual harassment as per service rules applicable or the Rules under the Act, in case the allegations are proved. Besides, the Committee may provide for monetary compensation to the complainant. Further, whoever contravenes the provisions of Section 16⁷, shall be punished with a fine of Rs. 5000/- (Sec 17). Any person aggrieved by the recommendations of the Committee, shall appeal within 90 days of the recommendations. All such appeal shall be preferred to a Court/Tribunal (Sec 18).

Analysis & Major Issues

1. Act insists upon the employer to constitute an Internal Complaints Committee at every unit. Practically, it may be impossible for big employers.
2. Definition of employee is in its wider sense. Hence, it could be interpreted that, even a “domestic worker” who is working at home shall come under the protection of this Act.
3. Each Internal Committee requires membership from an NGO or association committed to the cause of women. This implies that every unit in the country needs to have one such person in the Committee. There is no public data on the number of NGO personnel ‘committed to the cause of women’. There could be difficulties in implementation if sufficient number of such NGO personnel is not available⁸.
4. Act doesn’t provide the maximum number of members which shall form part of the Committee.
5. The Internal Complaints Committee has been given powers of a civil court for summoning, discovery and production of documents etc. however, the composition of the Internal Committee does not require any member to have a legal background. Moreover, the Act does not specify any requirement of legal training to the Committee for fulfilling these duties. This provision differs from that of the Local Complaints Committee, in which at least one member has to ‘preferably’ have a background in law or legal knowledge.

⁷ Prohibition of Publication or making known contents of complaint and inquiry proceedings

⁸ PRS Legislative Brief, The Protection of Women against Sexual Harassment at Work Place Bill, 2010 available at <http://www.prsindia.org/uploads/media/Sexual%20Harassment/Legislative%20Brief%20-%20Sexual%20Harassment%20-%2020May11.pdf> last accessed on December 12, 2013.

6. Act provides that every District Officer shall constitute a Local Complaints Committee in the district. However, jurisdiction and functions of these committees have not been detailed. It is also unclear whether the block or taluk level committees are permanent committees or temporary ad hoc committees constituted for dealing with specific cases only.
7. Act provides that in case a committee is of the opinion that the allegation was false or malicious, it

may recommend that action be taken against the woman who made the complaint. However, the provision also provides that mere inability to substantiate a complaint or provide adequate proof need not attract action against the complainant. Though there may be merit in providing safeguards against malicious complaints, this provision penalises every false complaints, which may not be malicious. This could deter women from filing complaints.

POSH Act 2013 – A brief Analysis

Continued from page 8

The contents of the complaint made; the identity and addresses of the Complainant, Respondent and witnesses, any information relating to conciliation and inquiry proceedings, recommendations of the ICC and the action taken on the Respondent shall not be published, communicated or made known to the public, press and media in any manner. If the same is violated, the employer shall recover a sum of Rupees five thousand as penalty from such person or take action as per the provisions of the service rules. Upon conclusion of inquiry, based on the recommendations of the ICC, the punishment can include written apology, reduction in increments and for repetitive behavior, the punishment can also extend to termination of services.

The POSH Act 2013 is a much awaited development and a significant step towards ensuring women a safe and healthy work environment. However listed below are some issues:

- The POSH Act 2013 is gender specific and not “gender neutral”. Male employees cannot claim protection or relief under the law.
- The definition of the 'sexual harassment' does not cover the words 'verbal, textual, physical, graphic or electronic actions' which would have covered some of the technological developments.
- Constitution of ICC at "all administrative units or offices" poses a big challenge especially having regard to training the Committee members.
- The POSH Act, 2013 allows the ICC to recommend to the employer to deduct from the respondent's salary such sums it may consider appropriate to be paid to the aggrieved woman. However, corresponding changes to the Payment of Wages Act, 1936, which restricts the nature of deductions that may be made from an employee's salary is awaited.

IP Now! Human Brands

Continued from page...6

The Tatas' could prove that the name “Tata” is well known brand and that the name stood for various positive attributes and legacy epitomised both by the respective Chairmen who headed the conglomerate over a long period of time has widely enhanced the business track record of the group. Based on the submission it was ruled that the domain name registration was done in bad faith and was ordered to be transferred to Tatas'.

Hence registration of celebrity names as trademarks establishes the ownership as against any mischief against cyber squatting, wrong and misleading association with products or services.

The concept of seeking protection to Human Brands in the realm of celebrity endorsements and public performances throws up lots of challenges under different fields of Intellectual Property. The celebrity's name, voice could be protected under the Trade Marks Act, 1999, the celebrity's well known attribute, style, performance can be protected under the Performers Rights within the meaning of the Copyright Act, 1957, a celebrity's unique garment design known for a character role or public appearance etc can be protected under the Designs Act, 2000.

Scattered Paper pieces & Bag of Nails...!

Living Room

Once upon a time an old man spread rumors that his neighbor was a thief. As a result, the young man was arrested. Days later the young man was proven innocent. After being released he sued the old man for wrongly accusing him.

In court the old man told the Judge: 'They were just comments, it didn't harm anyone..'

The judge, before passing sentence on the case, told the old man: 'Write all the things you said about him on a piece of paper. Cut them up and on the way home, throw the pieces of paper out. Tomorrow, come back to hear the sentence.'

The next day, the judge told the old man: 'Before receiving the sentence, you will have to go out and gather all the pieces of paper that you threw out yesterday.' The old man said: 'I can't do that! The wind spread them and I won't know where to find them.'

The judge then replied: 'The same way, simple comments may destroy the honor of a man to such an extent that one is not able to fix it. "If you can't speak well of someone, rather don't say anything"

'Let's all be masters of our mouths, so that we won't be slaves of our words.'

There was once a young boy with a very bad temper. The boy's father wanted to teach him a lesson, so he gave him a bag of nails and told him that every time he lost his temper he must hammer a nail into their wooden fence.

On the first day of this lesson, the little boy had driven 37 nails into the fence. He was really mad! Over the course of the next few weeks, the little boy began to control his temper, so the number of nails that were hammered into the fence dramatically decreased.

It wasn't long before the little boy discovered it was easier to hold his temper than to drive those nails into the fence.

Then, the day finally came when the little boy didn't lose his temper even once, and he became so proud of himself, he couldn't wait to tell his father.

Pleased, his father suggested that he now pull out one nail for each day that he could hold his temper.

Several weeks went by and the day finally came when the young boy was able to tell his father that all the nails were gone.

Very gently, the father took his son by the hand and led him to the fence.

"You have done very well, my son," he smiled, "but look at the holes in the fence. The fence will never be the same."

The little boy listened carefully as his father continued to speak.

"When you say things in anger, they leave permanent scars just like these. And no matter how many times you say you're sorry, the wounds will still be there."

LIFE
is the most difficult
EXAM.

**Many people fail because they try to copy others -
Not realising that everyone has a different question
paper!**



Kyoto Protocol & Carbon Credits Trading



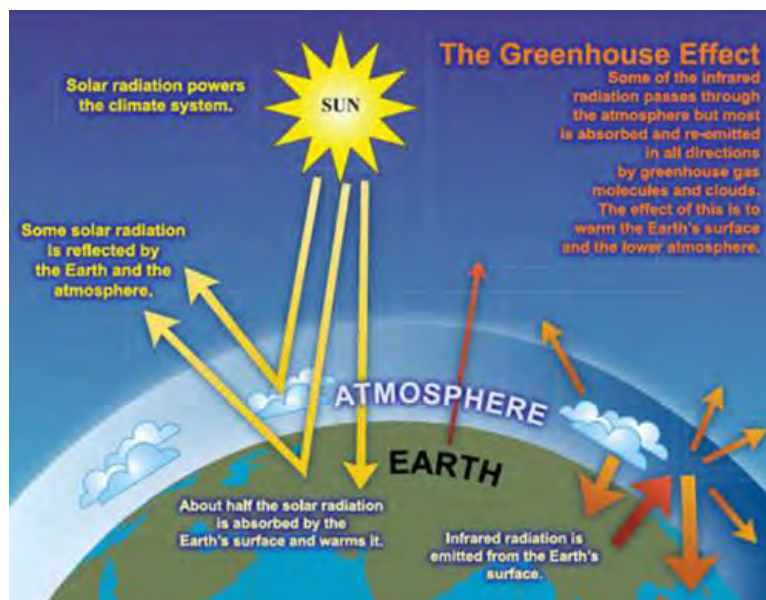
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Kyoto Protocol is an international treaty agreed to by industrialized/industrializing countries to reduce emissions of greenhouse gases, under which, many developed countries have agreed to legally binding limitations/reductions in their emissions of greenhouse gases. Kyoto Protocol sets the upper/maximum limit of Greenhouse gases which any developed country to the agreement can emit in the atmosphere. A concept of achievable and measureable gains by trading (Selling) the greenhouse gases saved as compared to the upper limit set to a Company/industry of the saving country to another country which needs to buy for compensating the excess emission above the standard was evolved by name "Trading of Carbon Credits". Thus this trading enables limiting overall emission of Carbon fixed for all the countries together.

The trading is not only between countries, but also between entities (registered with UNFCC) within the same country. To illustrate, if Green House Gas emission standard set for two developed countries was 10 and 20 Million Tons of permissible carbon emission, as per Kyoto protocol treaty for a year respectively, and if one country achieves 8 Million Tons emission due to advance technology in place, whereas the other country exceeds the limit and emits 22 Million Tons the other country has to buy 2 Million tons of savings from first country. Hence the country saving on its maximum emission parameters gets incentivized as it gets revenue

by selling 2 million tons of carbon gas emission saved to excess emitting country. UNFCCC also achieves its overall purpose of retaining the GHG emission within 30 Million Tons between the two countries.

The value at which a country buys or sells a carbon credit depends on the natural phenomenon of demand and supply of Carbon Credits available in the market. Thus companies and industries began increasing their bottom line profits, by substituting their main source of income (business Income) with income from selling of carbon credits. One Carbon Credit is equal to one million ton of Carbon emission.



Process of quantifying Carbon Credits: The process of assessing the Carbon Credits for any company/factory or farm owner in India is as follows:

1. Know the extent or standard level of carbon emission allowed for its outfit or activity.
2. Identify the extent or level of carbon emission actually emitted.
3. If the 2nd is less than 1st then, there is a credit, if otherwise, measures for reducing the extent of carbon gas emissions has to be undertaken.

In case of Carbon Credits available in developing countries they are bought over by the entities established in

developed countries -- mostly Europeans -- because the United States has not signed the Kyoto Protocol.

Thus the organizations which knew about the possibility of earning profits, adopted new technologies, saved emissions generating credits and sold it to improve their bottom line. Many companies due to ignorance, did not apply to get registered with UNFCC and save emissions to get credits for selling even though they had new technologies..

Price for selling Carbon Credits: The price to sell carbon credits, was not available on a public platform. The price is purely based on demand and supply requirements. The price range people were getting was about Euro 15–22 or maybe less per ton of carbon. Therefore, if a company/industry of a country being a party to Kyoto agreement, emits one ton less and an amount of Euro 15–22 is received. Emit less and increase/add to your profit was the objective to increase the companies Economic Value Add.

Alternate way to earn Credits: Apart from the carbon credit trading as above, a developed country can invest in “emissions-saving” projects in other developing countries through establishment of enhanced technology. Through the establishment of enhanced technology, the carbon emissions savings obtained is taken as credit for the country which has done the investments. All the credits/permits as aforesaid, to be valid has to be certified by UNFCCC.

Multi Commodity Exchange of India (MCX) trades in carbon credits as part of their futures trading. In futures trading, the individual parties holding credits decide to hold or sell the credits depending on the speculation of prices. Parties trading on this exchange here get price signals for the carbon for the delivery in next five years. MCX is only for trading between Indian entities. The contract of Carbon Credit is delivered by year end (i.e., by December). During this time, the contract expires and people who have bought or sold carbon will have to give or take delivery. They can fulfill the deal prior to December too if the circumstances are favorable. MCX also permits retail buyers to trade on carbon credits like any other commodity (gold or silver).

Like in any other commodity market, if the carbon credits buyer considers, that the price is too high in the present he may wait for prices to fall to buy. Similarly if a seller of carbon credit feels the current market price for selling the carbon credit is less, he will wait for prices to raise before selling.

There are absolute parameters set followed by detailed audit both technically and financially, before the entity gets the entitlement to sell the credit. In India, already 300 to 400 companies have carbon credits after meeting UNFCCC norms. Till MCX came along, these companies were not getting best-suited price. Some were getting Euro 15 and some were getting Euro 18 through bilateral agreements. In MCX power, energy and metal companies are trading in carbon credits. These companies are high-energy consuming companies. They need better technology to emit less carbon.

India and China are likely to emerge as the biggest sellers and Europe is going to be the biggest buyers of carbon credits among the Kyoto protocol countries. In the year 2007 global carbon credit trading was estimated at \$5 billion, with India's contribution at around \$1 billion. India is one of the countries that have 'credits' for emitting less carbon. India has generated some 30 million carbon credits and has roughly another 140 million to push into the world market. Waste disposal units, plantation companies, chemical plants and municipal corporations can sell the carbon credits and make money.

Source: <http://www.rediff.com/money/2008/feb/05inter1.htm>

Limiting Factors: It is not so that the over emitting countries can get away with it by purchasing credits from under emitting countries. As per the Kyoto treaty only 25% of the excess carbon emissions can be purchased and balance 75% have to be compensated within their countries by various other means.

Another major disadvantage is that income gets recognized and credited only when there is disparity in emission of carbon gases within developed countries which have signed the Kyoto treaty. In case all the countries meet their targets accurately as per standard set in the treaty or if all the countries emit less than the fixed standard then there is no question of deficiency and hence buying.

Conclusion: The target agreed upon at Kyoto convention was an average reduction in emission of GHG gases of 5.2% from 1990 levels by the year 2012. The first commitment period (2005-2012) has closed in December 2012. The second commitment period is set to commence from January 2013. However the legal enforcement of second commitment period has not happened and a gap of about 11 months has occurred between the first and second commitment period currently. Hence it is to be seen how the ratification of the targets emissions happen amidst the UNFCC Countries post December 2012.



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WIPO Green



WIPO GREEN is an interactive marketplace that promotes innovation and diffusion of green technologies by connecting technology and service providers with those seeking innovative solutions. It is the latest initiative taken by the World Intellectual Property Organization (WIPO) to facilitate exchange of environment-friendly technologies. The need for such a mechanism had been felt for a long time. As early as December 2010, United Nations had adopted a bunch of agreements (Cancun Agreements) at The United Nations Climate Change Conference (held in Cancun, Mexico) which called for the creation of a Technology Executive Committee consisting of twenty experts as members in order to create a mechanism for transfer and development of technology, and thus implement the framework of the climate change Convention.

The WIPO Green program was officially launched on 28th November, 2013. The purpose behind this concept is to create an online database, with information about the different green technologies available. WIPO Green's definition of green technologies corresponds to that of *environmentally sound technologies* given in Chapter 34 of Agenda 21 (The United Nations Program of Action from Rio, 1992), which reads as follows: Green technologies "*protect the environment, are less polluting, use all resources in a more sustainable manner, recycle more of their wastes and products, and handle residual waste in a more acceptable manner than the technologies for which they were substitutes.*"

WIPO Green caters to a large market by creating business opportunities for large well-established corporations that can hope to find new development opportunities as well as helping small or medium-sized enterprises (SME) find new business partners or opportunities in different regions for growth. By aiming to help in accelerating innovation and diffusion of green technologies in developing countries, this project promises to lead the world to a greener future.
Source: spicityip.com

Did you know?

HONEYPOT

In computer terminology, a honeypot is a trap set to detect, deflect, or, in some manner, counteract attempts at unauthorized use of information systems. Generally, a honeypot consists of a computer, data, or a network site that appears to be part of a network, but is actually isolated and monitored, and which seems to contain information or a resource of value to attackers.

This is similar to the police baiting a criminal and then conducting undercover surveillance.



Pick of the month

If an Indian exporter has products, which are branded with the trademark that is registered in India and bears the ® symbol can it be exported with same symbol to Europe?

No, In a recent case, the German Federal Supreme Court held that the use of ® symbol could be misleading, if the mark is not registered in Germany. This particular judgment can be applied uniformly to all countries in Europe. Exporters must take note that before exporting their products to a particular country, the trademark used by them must be at least applied for registration in that country before using marks.



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Service Tax Updates
CA. Ashit Shah,
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FEMA Updates
Team Genicon,
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CUSTOMS & FTP

Notifications/ Circulars

Clarifies that 'human embryo' is classifiable under Tariff Item 0511 99 99 of the Customs Tariff Act, 1975 ("the Customs Tariff"), import of which will be allowed subject to a NOC from Indian Council of Medical Research.

No. 1/2014-Cus.dated January 09, 2014

Clarifies that transmission shafts/power takeoff shafts are classifiable under Tariff Item 8483 10 99 of the Customs Tariff.

No. 2/2014-Cus. Dated January 9, 2014

Seeks to levy definitive anti-dumping duty on imports of '4, 4 Diamino Stilbene 2, 2 Disulphonic Acid (DASDA)', originating in, or exported from, the People's Republic of China, for a period of five years

09/2014-Cus (ADD), dt. 23-01-2014

Seeks to levy definitive anti-dumping duty on imports of 'Hexamine, originating in, or exported from, the Saudi Arabia and Russia for a further period of five years

08/2014-Cus (ADD), dt. 23-01-2014

Seeks to extend the validity of notification No.95/2011-Customs dated the 3rd October, 2011 for a period of one year i.e. upto and inclusive of 25th December, 2014

04/2014-Cus (ADD), dt. 16-01-2014

Case Law

The Tribunal held that difference in description of goods in sale invoice and bill of entry cannot disentitle a claimant from refund of SAD in terms of Notification No. 102/2007-Cus. dated September 14, 2009 ("Notification 102/2007") if both descriptions are similar in nature. Further, the Tribunal also observed that there is no condition under Notification 102/2007-Cus. which prescribes that bill of entry number should be mentioned in sale invoice. Therefore, benefit of refund of SAD cannot be denied on this ground too.

Commissioner of Customs (Sea - Export) Vs. Shri Ram Impex India Pvt. Ltd. [2014-TIOL-01-CESTAT-MAD]

Additional customs duty to be paid by actual importers, under contract with assessee, held as 'contingent liability'; Unless & until importers called to pay disputed duty, assessee had no obligation to pay under agreement with importers; Such disputed custom duty is a statutory liability of importers and not that of assessee, hence not hit by Sec 43B disallowance; Rejects assessee's contention that bank guarantee to pay custom duty amounts to actual payment of liability, if Sec. 43B was applicable: Delhi HC

Oswal Agro Mills Ltd. [TS-67-HC-2014(DEL)]

Regulatory Development

Notifications/Circulars/News

Section 394A of the Companies Act, 1956 requires service of a notice on the Central Government whereas cases involving arrangements/compromise or reconstruction/amalgamation come up before the court of competent jurisdiction. The said powers of the Central Government has been delegated to Regional Director. In addition to the said requirement the Regional Director while filing reports has to take into consideration comments/inputs from Income Tax Department and other sectoral regulators.

MCA General Circular No. 1/2014 dated 15-01-2014

FEMA/RBI/SEBI

Notifications/Circulars/News

The guarantee offered by the Indian Company on behalf of its JV / WoS abroad is part of total financial commitment. The RBI vide its circular clarified that rollover of existing guarantee will not be considered as fresh financial commitment of the Indian Company, subject to the fulfillment of terms and conditions. If the conditions are not met, then prior approval of RBI is required for roll-over of guarantee.

A.P. (DIR Series) Circular No.83 dated 3rd January, 2014

Prior approval of RBI is required for the Companies situated at Hong Kong and Macau for establishing a branch office or a liaison office or a project office or any other place of business by whatever name called, in India.

A.P. (DIR Series) Circular No.93 dated January 15, 2014

The exchange rate prevailing on the date of agreement between the parties for such conversion or any rate below such prevailing rate shall be taken as the rate at which equity shares are to be issued, in case where ECB or any payables/liability by an Indian company such as, lump sum fees/royalties, etc. which is sought to be converted is denoted in foreign currency.

A.P. (DIR Series) Circular No. 94 dated January 16, 2014

An Indian Company may issue non-convertible/redeemable preference shares or debentures to non-resident shareholders, by way of distribution as bonus from its general reserves, under the automatic route. However, the Company should obtain no-objection from the IT department.

A.P. (DIR Series) Circular No.84 dated January 6, 2014

FII's and other foreign investors, can effect remittances on cash/TOM /spot basis to a bank other than the designated AD Bank. The fund so remitted through other bank which will be transferred to the respective AD Bank of the Indian Company, through normal banking channel. It is further clarified that KYC in respect of the remitter, wherever required, is a joint responsibility of the bank that has received the remittance as well as the bank that ultimately receives the proceeds of the remittance. With respect to FIRC, the remittance receiving bank is required to issue FIRC to the bank receiving the proceeds to establish the fact the funds had been remitted in foreign currency.

A.P. (DIR Series) Circular No.96 dated January 20, 2014

The RBI vide circular has decided to allow optionality clause in equity shares and optionally convertible preference shares/debentures to be issued to a person resident outside India under FDI scheme.

The provision of optionality clause shall be subject to the following conditions;

After the minimum lock in period of one year or a minimum lock in period as prescribed by FDI Regulations, whichever is higher, the non-resident investor exercising option/right shall be eligible to exit without any assured return, as under;

Type of Company	Pricing Formula
Listed company	Prevailing market price at the recognized stock exchange
Unlisted Company	A price not exceeding the Return on Equity as per latest audited balance sheet
Investments in Compulsorily Convertible Debentures (CCDs) and Compulsorily Convertible Preference Shares (CCPS)	As per any internationally accepted pricing methodology at the time of exit duly certified by a Chartered Accountant or a SEBI registered Merchant Banker

A.P. (DIR Series) Circular No. 86 dated January 9, 2014

Changes in the FC-GPR Form

In order to capture the granular details of FDI as regards Brownfield/Greenfield investments and date of incorporation of Investee Company RBI has revised the Form FC-GPR with immediate effect, which needs to be filled by Indian companies within 30 days of allotment of shares / convertible debentures on FDI received.

RBI/2013-14/490 A.P. (DIR Series) Circular No. 102 Feb11, 2014

In consultation with Government of India RBI has enhanced the prevailing sub-limit of USD 5 billion to USD 10 billion within the total limit of USD 30 billion available for long term foreign investors in Government securities.

RBI/2013-14/473 A.P. (DIR Series) Circular No.99 Jan 29, 2014

Listing Agreement Amended

SEBI has amended Listing Agreement w.r.t. Corporate Governance Norms for listed companies to strengthen the corporate governance framework. These amendments will align the provisions of Clause 49 with the provisions of the Companies Act, 2013. Few important amendments are listed below:

1. Exclusion of nominee Director from the definition of Independent Director.
2. Expanded role of Audit Committee.
3. Separate meeting of Independent Directors.
4. Enhanced disclosure of remuneration policies.
5. Prior approval of Audit Committee for all material Related Party Transactions.
6. At least one woman director on the Board of the company.
7. Performance evaluation of Independent Directors and the Board of Directors.

CENVAT

Notifications/ Circulars

Amends Rule 3 of the Cenvat Credit Rules, 2004 ("the Credit Rules"), inter alia specifying dates by which amount payable under sub-rules (5), (5A), (5B) and (5C) thereof, shall be paid by debiting Cenvat credit or otherwise

No. 01/2014-CE (NT) dated January 8, 2014

Clarifies that an existing unit which has availed of excise duty exemption under Notification Nos.56/2002-CE and 57/2002-CE, both dated November 14, 2002 by way of substantial expansion can avail of excise duty exemption under Notification No.1/2010-CE, dated February 06, 2010 ("Notification 1/2010") again by way of second substantial expansion so long as it satisfies conditions stipulated under Notification 1/2010.

No. 977/01/2014 dated January 3, 2014

Clarifies that education Cess and secondary and higher education cess are not to be calculated on cesses which are levied under Acts administered by Department/Ministries other than Ministry of Finance (Department of Revenue) but are only collected by the Department of Revenue in terms of those Acts.

No. 978/2/2014-CX dated January 7, 2014

Case Law

The Tribunal held that loader, backhoe loader and road rollers are automobiles accordingly, parts, components and assemblies thereof are covered under "parts, components and assemblies of automobiles" mentioned in Third Schedule to the Excise Act, 1944 ("the Excise Act") Therefore, repacking of parts of loaders, backhoe loaders, road rollers packing material and affixing of MRP and then selling them brand name amounts to manufacture in terms of Section 2(f)(iii) of the Excise Act

CCE Vs. JCB India [2014-TIOL-09-CESTATMUM]

The Tribunal held that when goods are sold from different depots, for arriving at 'normal transaction value' of the "greatest aggregate quantity", what is to be taken is the value at

a particular depot from where the goods are ultimately going to be sold and not the values prevalent at other depots.

Hindustan Petroleum Corporation Ltd. Vs. CCE [2014-TIOL-20-CESTAT-MUM]

The Tribunal held that in case of GTA serves even if transporter has paid service tax, assessee is eligible to take Cenvat credit.

Rucha Engineers P Ltd. Vs. CCE [2014 54-CESTAT-MUM]

VAT, Sales Tax and Entry Tax

Case Law

The High Court of Andhra Pradesh held that when a notice is sent by registered post and is returned with a postal endorsement 'refused' or 'not available' in the house, it is presumed that notice is served in accordance with Rule 64 of the Andhra Pradesh Value Added Tax Rules, 2005.

Sri Venkateswara Trading Company Vs. Deputy Commercial Tax Officer [2014 08-AP]

The High Court of Punjab & Haryana held that when goods in question were transported from Greater Noida to Ludhiana whereas in the documents it was mentioned as Lucknow, penalty under Section 51(7)(b) of the Punjab Value Added Tax Act, 2005 cannot be imposed on account of such clerical mistake without establishing intent to evade payment of tax.

LG Electronics India Pvt. Limited Vs. State of Punjab [2014-VIL-01-P&H]

The High Court of Karnataka held that penalty under Section 12B(4) of the Karnataka Sales Tax Act, 1957 cannot be imposed merely because it is lawful to do so. Discretion is conferred on adjudicating authority while imposing penalty.

Xerox India Limited Vs. State of Karnataka [2014-VIL-05-KAR]

Service Tax

Notifications/ Circulars/News

Clarifies the following in respect of levy of service tax on services provided by Resident Welfare Association (RWA) to its own members:

If per month per member contribution of any member of RWA exceeds five thousand rupees, service tax would be leviable on aggregate amount of monthly contribution of such member.

Threshold exemption available under Notification No. 33/2012-ST dated June 10, 2012 is applicable to RWAs.

If RWA provides certain services such as payment of electricity bill issued by electricity distribution entity in the name of its members without charging any commission or a consideration by any other name, it would be acting as "pure agent" and exclusion thereof from value of such taxable service is available.

RWAs may avail cenvat credit and use the same for payment of service tax, in accordance with the Credit Rules.

No. 175/01/2014 - ST dated January 10, 2014

Amends Notification No. 25/2012-ST dated June 20, 2012 to extend exemption from payment of service tax on services by way of sponsorship of sporting events organised by a national

sports federation, or its affiliated federations, where the participating teams or individuals represent any country.

No. 01/2014-ST dated January 10, 2014

Ministry of Finance has clarified that the service tax payable on the services rendered by a broker to the member of the registered association relating to Forward Contract need not be paid during the period from 10th September, 2002 to 30th June, 2012.

Notification No. 03/2014-Service Tax, dated 03-02-2014

Direct Tax

Case Law

HC upholds ITAT order that assessee-company (carrying share trading) not hit by Explanation to Sec. 73 (deeming fiction treating loss as 'speculative'); Assessee covered by exclusion clause of Explanation to Sec. 73 since its gross total income mainly consisted of 'income from other sources' and 'capital gain' and not 'business income'; Advancing loan to one party alone, on which interest income was earned & mistakenly classified as 'business income', would not mean that assessee is engaged in such business; Such interest income rightly treated as income from other sources and hence, Sec 73 explanation not applicable; Set-off its share trading loss, being non speculative, allowed against other income : Gujarat HC

Paranjay Mercantile Ltd. [TS-69-HC-2014(GUJ)]

Delhi HC reverses ITAT ruling on Permanent Establishment, comprehensively explains situations that create PE.

Subsidiary constitutes an independent legal entity for taxation purpose, hence holding or a subsidiary company by themselves not PE of each other;

To constitute Service PE, services must be performed in respect of the activities "within India", mere stewardship services performed by deputed employees to ensure quality, does not create PE;

Tribunal and Revenue erred in treating employees of e-Fund India as employees of assessee for determining whether service PE was created;

Subsidiary company will not become location PE under Article 5(1) of India-US DTAA merely because there is interaction or cross transactions between the Indian subsidiary and foreign Principal;

Manner and mode of payment of royalty or associated transactions not relevant test to determine Fixed Place PE; Submission made by an assessee should be accepted unless there are good grounds and reasons to reject statement of fact; Though MAP procedure and agreement relevant and had conceded that PE existed in current case, MAP cannot be determinative or primary basis to decide whether the assessee had PE in India; Concession on point of law not binding for other assessment years or a different assessee;

However, business connection did exist, since e-Funds India was providing information and details to assessee in USA for purpose of entering into contracts with third parties;

Method of apportionment has to be fair, rational and logical;

Assets and net income criteria applied must collate and refer to assets which have contributed to the earning of net income.

E Funds IT Solution [TS-63-HC-2014(DEL)]

NEWS ROOM

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Bullet News →

- *Hindustan Unilever promoters fined Rs. 50 lakh by SEBI for violating takeover norms*
- *RBI raises FII limit in Power Grid Corporation to 30%*
- *The Environment Appraisal Committee / Green Panel will shift from the ambit of the environment ministry to an autonomous regulator.*
- *India for opening skies for ASEAN for better air connectivity with them*
- *Vietnam, India Set Ambitious Trade Target of US\$7 billion in two-way trade by 2015*

Green Tribunal bans burning of tyres

The National Green Tribunal has banned the burning of tyres at public places, such as roads and areas surrounded by residential buildings and also during protests by political and religious groups as it is likely to cause health hazard. There has been a complete absence of any rule on environment protection when it comes to burning of tyres on the streets.

As per the tribunal's ad-interim order, the local police shall take immediate cognizance of burning of tyres. "Any dereliction in the directions given as above may entail penal consequences as enumerated in Sec 26 of the National Green tribunal Act, 2010," said the order. **Under Sec 26, a failure to follow the order can result in a penalty of up to Rs 10 crore, which may be extended to Rs 25 crore and/or imprisonment of 3 years.**

Improve maritime linkages with ASEAN

As India seeks to strengthen its bonds with ASEAN, including through free trade agreements, it is necessary to improve maritime linkages with the booming Southeast Asian region as well as boost India's own maritime sector to make the trade ties yield expected results. Direct shipping lines need to be identified, given economic feasibility and their policy related lacunae will need to be addressed.

14 WTO members plan to negotiate new environmental goods agreement

The United States and 13 other WTO members have announced their intention to negotiate a plurilateral agreement that would eliminate tariffs on an array of

environmental goods. Negotiators intend to build on and expand a list of 54 environmental goods on which Asia Pacific Economic Cooperation (APEC) countries agreed in 2011 to reduce tariffs to 5% or less by 2015. As a result, U.S. exporters of environmental goods could see substantial gains from trade if high tariffs are eliminated in major foreign markets.

India's wheat, rice exports raise hackles

The US, Canada and Pakistan have questioned India's export of wheat and rice, suggesting that subsidized grains have been shipped out providing gains to local traders. The government has denied the suggestions and said that India is complying with all international norms.

RBI liberalises rules for exporters and importers

The Reserve Bank of India liberalized rules for exporters and importers who are not able to meet the condition of "firm irrevocable order backed by a tripartite agreement" in case where documentary evidence for circumstances leading to third party payments / name of the third party in the irrevocable order/ invoice has been produced. Also with a view to liberalising the procedure, the limit of \$100,000 eligible for third party payment for import of goods has been withdrawn.

Project gets environment clearance despite SC order

Supreme Court order dated August 13, 2013, directed 'the MoEF as well as State of Uttarakhand not to grant any further environmental clearance or forest clearance for any hydroelectric power project in the State of Uttarakhand, until further orders. However Environmental clearance was granted to a 300-MW hydroelectric power project located in the Upper Yamuna River Basin in Dehradun on February 3, 2014.

Report on activities @ ICSI Mysore



Republic Day Celebrations

The 65th Republic Day was celebrated by the Mysore Chapter of ICSI at its premises. Chief Guest Colonel (Rtd.) G M Devaya hoisted the National Flag and addressed the Students & Members. CS. Ajay Madaiah, Chairman, CS. Raghavendra, Secretary, Members & Students participated in the ceremony.

Study Circle

On 12th January 2014 Mysore Chapter of ICSI conducted students Study Circle Meeting in the Company Law topic. CS. Ajay Madaiah B.B., Chairman discussed with the students on various topics in company law and clarified the doubts raised by the students.

12th Student Induction Programme

The Twelfth Student Induction Program was conducted by the Mysore Chapter from 20th January 2014 to 26th January 2014 at the chapter Premises. 70 students participated in this 7 Day training program which consisted of 28 Technical Sessions.



In the Valedictory session on 26th January 2014, Mr. Ameer Jaan and Ms. Ranjitha D were adjudged as Best Participant. CS Ajay Madaiah B.B., Chairman, CS Raghavendra, Secretary & Kavitha Rao D B., Member of Management committee Mysore Chapter of ICSI were present during the occasion.

UMANG Meeting: The Students Committee meeting for the "UMANG 2014" the students event, was held on 19th January 2014. Students are participated in this meeting and discussed about the preparations and arrangements to be done for the program.

