



# Newsletter - 59

December 2008

For Private Circulation only

## “National Emergency Plan”

Can Professional bodies  
take initiative?



# From Readers' desk...

Very impressive newsletter indeed. Mysore is doing many good things and I am proud of it. In the column "Learning from..." Mr C K Sabareeshan has shared his views which is a very good sharing especially to the youngsters who are aspiring to reach the topmost position and want to be a successful player.

- CS. R Balakrishnan, HiTs Africa Ltd, Manama Bahrain

Congratulations on bringing out yet another beautiful edition of news letter. It has a fresh look and personal feel. It exhibits the enthusiasm, creativity, dedication and passion to reach to new heights. Surely this will be eye opener for many chapters who are attempting for news letter. This is surely a model newsletter.

- CS Makarand Lele, Pune

Heartiest Congratulations on this achievement of "Best ICSI Chapter Award". This proves that the team driving force with a passion can bring people together and attain excellence. You people are doing wonderful things !!! Let the ICSI Mysore Chapter's flag be high always.

- Lokesh V. L&T Limited, Mysore

eNewsletter concept is very good. Model for other chapters.

- CS Yoganand

eNewsletter is very informative and enhances all-round development.

- M V Sreenivas, New Delhi

I really appreciate the efforts of Mysore Chapter and congratulate you for receiving the best chapter award (Truly, you deserve it). Your approach and working model will definitely be an inspiration to all the chapters.

- CS. S. Senthilnathan, Multivista Global Ltd

The News letter is wonderful. I am really happy to note that mysore chapter is doing well. Congrats and keep it up.

- CA. Loknath, Mysore

The M & A article is quite useful and interesting. The experience shared by CS & CFO of M/s. Axles Automotive, Mysore is brainstorming for a younger generation to achieve what they desire.

- CS. Gowri Shankar, Bangalore



## Mail from A R Vishwanathan

Past Secretary, Mysore Chapter  
Company Secretary,  
Premier Spg & Wvg Mills Pvt. Ltd., Coimbatore

Heartly congratulations to the Chapter, the members and the students for the stupendous achievement of obtaining the Best Chapter Award for 2007. Without the consistent efforts of you all, the Chapter cannot be what it is now.

Whatever efforts I had put in at the Chapter, it was possible only with the co-operation of all the members and the students. But, yes, sincere efforts those were, without an iota of self-centeredness. It was pure motive of student welfare, which prompted the shifting of chapter premises to SBRR Mahajana College. In this context, I cannot forget the invaluable efforts which our respected members Sri. C. K. Sabareeshan, Sri. M. C. Bhansali, Sri. Lakshminarasimha and Sri. H. M. Dattatri had taken during those initial turbulent days and helped us to lay the foundation for the current success story. *I had dreams that our Chapter should be a temple of learning and a model for other institutions to emulate. Indeed my dreams have been fulfilled.* I can only wish you all the best for the future to come.

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Listing Agreement Compliance for

January 2009

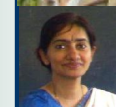
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CS. Dattatri H M

CS. Sarina C H

CS. Omkar N. G. &

'Spectrum' Team





# Activities at Mysore Chapter during November 2008

## Investors Awareness Programs

Vidyodaya Auditorium, T. Narasipura Town of Mysore District by the Chapter on 19<sup>th</sup> November 2008 on overview of capital markets, IPO and book building. More than 150 persons attended the program.



Srimangala, Kodagu District, Karnataka. The program was conducted by the chapter on 22<sup>nd</sup> November 2008 on overview of capital markets, IPO and book building. The

program evoked good interest from the participants.

The Chief guest and speaker for both of the above programs was Ex-Chairman, CS. C. K. Sabareeshan, Company Secretary, Automotive Axles Ltd. Mysore.

## Talk On Foreign Direct Investment:

The Chapter organized a two hour program Foreign Direct Investment on 23<sup>rd</sup> November 2008 at 11.30 AM at Rotary Centre, JLB Road, Mysore.

Ex-Chairman of Bangalore Chapter, CS. G. V. Srinivasamurthy was the speaker who made the complex subject of FDI seem very simple in his talk.

The program was attended by about 50 delegates.

## Best Chapter Award Commemoration:



The Chapter organized a simple program to acknowledge the contributions of the members, students and past office bearers of the chapter which has culminated in the chapter getting the Best Chapter Award from ICSI. In his acceptance speech, CS. D.D. Bhat, Best Chapter Chairman 2007, stressed the fact that the chapter has been actively pursuing its goals all the 27 years since it was formed.

## Company Law Quiz:

Conducted on 2<sup>nd</sup> November 2008. Two teams each consisting 4 participants contested. The team consisting of Mr. Girisha, Mr. Bopanna K.M., Mr. Onyancha Rodgers Motanya, and Mr. Abhilash U. won the quiz.

## Elocution Competition:

Topic: "Responsibilities of Professionals towards Natural Environment". Date: 9<sup>th</sup> November 2008. 12 students took part. Mr. Onyancha Rodgers Motanya an Inter Student from Kenya won owing to his all round performance.

## Pick And Speak Competition :

13 students participated in the Pick and Speak competition held on 16<sup>th</sup> November 2008 at the Chapter premises. CS Shrinivas M.D., CS Dattatri H.M and CA Prakash N were the members present at the occasion. Ms. Kushboo Prakash Jain, Executive Program student won the competition.

## Group Discussion Competition:

As a part of Skill Development Program, the chapter conducted Group Discussion on 23.11.2008. It was attended by 15 students. The Discussion was filled with abundant enthusiasm and energy.

Ms. Maduri was adjudged as the winner of the event. The event was judged by CS Anshuman A.S and CS Pracheta M. It was well co-ordinated by Mr.Kiran.T., Ms Shwetha Nadig and Ms Veena Devaru Bhat.

## Half-Day Seminar:

The first session was on 'Secretarial Standards 2 and 3'. The speakers for the first technical session were Mr. Basavaraj and Mr. Abhilash U. They discussed in detail about the two secretarial standards viz SS-2 on General Meetings and SS-3 on Dividend.

The second session was on 'Role of Central Bank in Indian Economy'. Dr. K. Balu, DGM, RBI, Mumbai was the speaker for the Second Technical Session. Dr. K. Balu spoke about various roles the Central Bank plays in the Indian Economy. He engaged the audience spell bound for more than one and half hours discussing about various macro and micro economic issues.

## Study Circle Meetings:

On 2<sup>nd</sup> November 2008, Mr. Shekhar Nayak spoke eloquently on the demand and supply theories relevant to foundation students.

On 9<sup>th</sup> November 2008, the Foundation course students had a session on Contract Act by Mr. Rakesh.

On 9<sup>th</sup> November 2008, the Intermediate students had a session on FBT and TDS by Mr. Kiran T.

On 16<sup>th</sup> November 2008, the Study Circle for Foundation Student was held at 2 PM. Ms Pragati spoke on Elasticity of Demand.



# "National Emergency Plan"

## Can Professional bodies take initiative?

*It has never been worse than this!* A mere 10 gunmen shaking the whole country!! No, I do not want to repeat narrations of what happened in Mumbai on 26/11. All of us are so furious that we do not know if our anguish will ever calm down – a massacre of the worst sort!

During such trying times, what have we, the professionals, been doing? We were only giving expression to our anger in the toughest possible words in our communications. There was a flood of angry mails on the E Groups.

The same time round, there were concerns of an exasperating kind from some of our friends, whose dilemma was "can we bring these issues to professionals eGroups dedicated for professional discussions?", "We should not bring these political issues in to the group for discussion", "Are we not wasting time and resource in these discussions?"

While another friend chipped in with "This is the question of national security – not that of politics".

Why are we suffering from this dilemma? Let us cut the issue straight. When our hut is burning, can one afford a statement as "I don't want to waste time in countering that... my report is pending for submission, monthly financials should go tomorrow.....blah blah,"

This Country is our home. It is under attack – bomb blasts, gun firings, grenade launching, burning trains... all inside our home! The horror that it left on the impressionable minds of those toddlers, who have seen parents being shot, can bring nightmares in them until the very end. The very security of the commoners - out on the roads, in café's, in theatres, in restaurants are under threat. If Security is not of paramount importance now, when would it be ?

*Our Country is in a delirium today. What can we, the professionals, do to help get over this situation, and ensure that we never face it again?*

Contribution towards funding the relief work for the family of those including security personnel killed in the mishap is the first thing that crosses our mind. However, this would only be a post mortem.

Is there something better that we could to ensure a safe future? Given the political leadership we have imposed on ourselves, it may not be the last attack. It was Mumbai yesterday, tomorrow could once again be Mumbai or Delhi,

Kolkata, Chennai, Bangalore, Hyderabad.... No single place in India is safe and secure. Remember, armed forces cannot be deployed in every nook and corner of this big nation. What next? How to secure our motherland?

While under the British Rule, every Indian dreamt of a liberated India, to be unshackled, to breathe the air of freedom. This dream was accomplished after long years of struggle and bloodshed.

When there was a knowledge explosion in the world, few countries in the west; Russia & Japan in the east, were ahead in the race. They developed much faster than us. By the time we opened our eyes to the independence, world was getting reformed. We decided to catch up with the reformation. We went ahead with industrialization, liberalization and computerization. Millions of families dreamt one dream. To make their progenies a professional at technology, commerce or medicine. You may say that it was lucrative, therefore, the chase. But a situation was created in the country, which made every one think in a common direction.

Today, not only at home but also in many countries overseas, our engineers and doctors have excelled and earned a fine reputation. We may call ourselves the masters of computer technology. We have a repertoire of inventions, discoveries and satellite launches – Param, Chandrayaan, et al. Once ridiculed for our space mission, we are being consulted at ISRO now. Canada could get their nuclear reactors rectified from Indian engineers.

Indian lawyers, Secretaries, accountants, professors, teachers... every other professional is going great guns all over. This is a possibility today because we, Indians, nurtured this in our children, from cradle.

I think, we have an answer in here. **We cannot expect these corrupt and good for nothing politicians to take initiative of protecting the country and us. To make the country secure from terror, every Indian should be made a part of the country's security force. Just like in schools and colleges we learn history, environment, we need to have compulsory learning of:**

- *Techniques of self-protection against physical and armed attacks*
- *First aid, basic medicines & home medicines*
- *Fire safety & Extinguishing*
- *Safety precautions against chemicals and electric hazards*

# "National Emergency Plan" Can Professional bodies take initiative?

There is a need that every government and non government organisations, educational institutions, professionals institutions like ICSI, ICAI, ICWAI, Bar Council etc., impart training to their staff and members in a big way in all these subjects. The country, from the Centre to the Panchayat, shall prepare *emergency plans* and as a part of this plan, every citizen should be made aware of dos and don'ts in an emergency. Without war footing measures and ambitious plans of curbing terrorism, we may become just another laughing stock for

the ingenious ways of the terrorists and the Country that is preparing them.

We took decades to understand that the computers shall form part of professional curriculum. Let us take a leaf out of our earlier lessons. Without wasting much time, let us introduce and create awareness of building a strong National Vigilance. Can we make this our mission? Jihadis, Terror strikes, Bomb blasts, Cross border firings, lootings, killings- all in the name of holy war....Enough is Enough!



## 'Mile Sur Mera Tumhara' - Synchronise self with Profession

Learning proposed By Anand Wadadekar, Tabalist



Swara Bhaskara Pandit Bhimsen Joshi, 86 years young legendary vocalist who gave his first live performance at the age of 19 is now awarded "Bharata Ratna". The 'Bharat Ratna' Bhimsen Joshi can be credited with adding his divergent magic to the Indian music and further enriching it by adapting discreet styles and amalgamating them to produce what is called 'music to ears'. Joshi, an exponent of the *khayal* style, has not limited himself and also rendered splendid *thumris* and *bhajans* as well. The multi-talented singer has also been a recipient of the esteemed 'Padma Shri', 'Sangeet Natak Academy Award', Padma Bhushan and Padma Vibhushan awards.

However, the Panditji's humility will always stand out. His oft-repeated statement: "*I am always a shagird (student). I have a long way to go.*"

"In dry Kundagol, it was Bhimsen Joshi's duty to fetch unending pitchers of water for his guru's house from a distant water tank. 'Poor fellow, in the scorching heat, he would carry water on his shoulders... *but as he walked he would constantly sing. How many times I've heard him practising the taans of Multani, Shankara...!*" recalls Gangubai Hangal. He was constantly a learner and learning never stopped.

Music is life and not livelihood for him. When he was 11, he ran away from home, angry with his father who insisted that his son also concentrate on other subjects besides music. Joshi's deepest belief has always been that he is meant to sing. He knew that as a child, and he knows it now. "A few years ago, I fell seriously ill and I was told I may not be able to sing again. But I was sure I would. If one has sincerity, genuine *guru bhakti* and an unalloyed affection for one's work, God sees you through in any situation."

"I don't think there is any formula for happiness," says Joshi. "*It is my continuous evolution over the years as an artiste that has brought me tremendous joy.* You can believe in God or some *shakti* or destiny or whatever, but if your intentions are sound, you will always feel fine from within."

*A professional turns distinguished for he says with his profession "Mile Sur mera tumhara" Can we do it!?!?*

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Words worth Millions...

***"This is going to be really hard." Not true. Going through whatever you have to go through is almost never as difficult as you imagined it to be".***



## Software Piracy

Ravishankar Kandhi CS Final  
Bangalore



The rights of authors over literary and artistic works such as books and other writings, musical compositions, paintings, sculpture, **computer programs (software)** and cinematographs are protected under Copyright Act, 1957. The act provides for registration of creative works and grant rights to the author/s or creator/s to print, publish, distribute and sell, lease copies of his/their work and also other corresponding rights.

### IPR News

CS. Madhwesh, Company  
Secretary, Kurlon B'lore

#### McDonald's Puts Patent on Sandwiches 21 Nov 2008

McDonald's wants to own the rights to how a sandwich is made. The burger company wants to cut down on the time needed to put together a sandwich, thought to have been dreamt up by the Earl of Sandwich in 1762.

<http://www.metro.co.uk/>

#### Rambus Shares Rise After Patent Ruling 26 Nov 2008

Rambus Inc. shares surged after the chip maker received a positive pre-trial ruling in California in its patent case against some of the largest semiconductor companies in the world.

<http://online.wsj.com>

#### Vietnam lagging behind in IPR registration

25/11/2008 VietNamNet Bridge

Vietnam is lagging behind other regional countries in the number of internationally-registered inventions and trademarks, according to an official from the Ministry of Science and Technology

<http://english.vietnamnet.vn>

#### Patent suit over iPhone Web browsing 24 Nov 2008

<http://news.cnet.com/>

The main purpose of protection of copyright and related rights is to encourage and reward creative work of an author/creator. Creators should be able to enjoy the fruits of their labor for a specified period of time by way of monetary and other related awards after which the material becomes available for public use.

#### What is software Piracy ?

All software comes with a license agreement that specifically states the terms and conditions under which the software may be legally used. Licenses vary from program to program and may authorize as few as one computer or individual to use the software or as many as several hundred network users to share the application across the system. Unfortunately, there are many people who, either ignorantly or deliberately, engage in software piracy. Whenever you use a piece of software that is unlicensed, you are depriving software companies of their earnings. More importantly, you are depriving the creative teams who have developed the software (e.g., programmers, writers, graphic artists) of compensation for the thousands of hours they have spent working on a particular

program. In a very real sense, software piracy adversely affects the world economy by diverting money that stimulates further product development. Piracy particularly affects the United States, which currently provides approximately 80 percent of the world's software.

The recent statistics discloses the fact that piracy has taking away about 80 percent of revenue of the software developers. During 2007-08 it has crossed a mark of USD 40 billion. Though the global piracy rate has drastically increased from 70% to 80%, the Indian rating shows some decline in the immediate preceding two years.

#### Steps to combat piracy

Most of the Independent Software (ISVs) like Microsoft, Oracle, Adobe etc fight individually as well as through industry alliances such as the BSA & NASSCOM, to combat the problem of piracy but finding it too difficult. This situation is predominant in the areas of system level software, authoring applications, accounting and HR applications, office applications, anti-virus tools and utilities, etc.

In India, the major problem is that a large portion of the PC users are not aware of intellectual property laws and think it is legal to copy software. *Ultimately price of the software matters a lot.* The Copy Right Law was amended in 1995 to make it stronger than earlier. Despite having a strict legislation in place, piracy has continued unabated. The Indian laws on anti-piracy are well written but they need to be consistent, effective and properly implemented at all levels from both private and government agencies.

To reduce software piracy, continuous education and enforcement efforts from the various industry players and government is required. In a major move the World Trade Organisation's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), introduced intellectual property rules into the multilateral trading system to ensure that computer programs will be protected as literary works under the Berne Convention and outlines how databases should be protected.

Apart from the government's and the institutions' efforts, the determination of users not use pirated software can make a big difference to save the interest of IT Industry. Please question yourself if software used by you are licensed? If not, replace them with licensed versions. Analysts believes, if piracy is combated successfully, the prices of all software will come down many fold and will be within the reach of a common man.



# Learning from....

**CS. M C Bansali**  
Practicing Company Secretary  
Mysore



*Interacted by T. Kiran, Subodh M R, Khushboo Jain and Vijayalakshmi Karur*



Apart from being one of the renowned person in Mysore, having vast experience in primary and secondary market. He lead the activities of ICSI Mysore Chapter in various capacities from 1990 onwards. He has been highly supportive for all activities of the chapter. Here is a glimpse of his experiences and views.

...oOO

## **Sir, Could you share glimpses of your career & Association with Mysore Chapter?**

I was registered for CS in Bangalore and went to Madras for doing CA too. I did my CA inter and joined a company there for pre audit. I was in charge of SIRC for some time. I gave up CA and pursued CS, finally reaching Mysore, where I joined Bhoruka Aluminum in 1985 as CS cum Finance Manager and worked there up to 1994.

In 1996, Ganesh Rao was the Chairman of the Chapter. I was secretary at the time. I took over as the Chairman of the Chapter, following his death in a road accident. There was a suggestion to close the chapter. Only few students used to come. I took initiatives for conducting Career Counseling, getting together students etc. There was no examination centre in Mysore. We persuaded the Institute for it. A handful of students wrote the examination the first time. After a trial period of two sessions, the Institute, displeased with the turn out, indicated closure of both the examination centre and the Chapter. We appealed for one more chance. 35-40 students appeared and we had the Examination Centre here. We started oral coaching classes, members' meeting and other activities. The number of students coming to the chapter increased. In 1990-91, we organized the National Conference in Mysore for the first time. Subsequent to my taking up office as the Chairman, which lasted 7 years, I moved the Chapter to my office. It was later moved to Mahajana Premises.

## **Who was your inspiration?**

My eldest brother Shri P M Bhansali, who was the Chairman of SIRC, inspired me to pursue ACS and ACA.

## **What does the young CS improve upon?**

Effective Communication and organization skill.

## **What is to be done to equip them with the same?**

They should learn to take challenges, develop the analytical skill and try to gain knowledge of legal, finance etc to be an all rounder. Our responsibility is to bring a better link between top level and operational level. If we have the required ability, the management will always expect action from us.

## **What is Success and what is the secret of your success?**

Success means to be active always and to be more productive to the organization. I always think about the level of my contribution to the organization and society.

## **The role of ICSI in the development of our profession**

It has been providing best syllabus. Our Institute need to make MTP more effective. .

## **How can a trainee utilize MTP in a way beneficial to him?**

The most important thing is choosing a good company for MTP. Nobody offers work on a platter, the trainee has to volunteer to learn. Students are passing examination but lagging behind in practical aspects and handling situations. That should be gained in MTP period.

**Personal interests:** Helping the physically handicapped is my preferred social service. In addition to my professional life, I would like to give equal importance to the society.

## **Do you believe in Spirituality?**

Definitely. It gives peace and energy to your mind. Everyday in the morning, I spend 15 minutes for pooja and have started meditation recently.

“ *Mysore chapter being recognised as best chapter is really a matter of honour for all of us. The pass percentage in examination in recent days is astonishing comparatively. Student activities are more structured. This tempo should be maintained.* ”



“ During our times, Company secretary was meant to be a secretary to a Manager or something like that. Nowadays the importance of the company secretary has changed. Its scope has widened. There is big demand for efficient CS. Salary commensurate with the responsibilities handled. He is being involved in diversified activities as a corporate officer. ”

#### Unforgettable moment.

A major Car accident in 1994 near Bangalore, where all the family members and myself escaped miraculously. It catapulted me into Community service. *I have the privilege of being awarded for 'Best Service to Society' and the award is to be received by me from Shri Veerendra Heggade at the Jain Milan function at Kanakagiri on 21<sup>st</sup> December.*

#### Is handling both personal and professional life a difficult task?

No.. Proper planning and time management makes it easy. Spend at least half an hour with your family in a day and this will prevent any problems or misunderstandings. After a morning walk and pooja, I sit with the family for 15 minutes every day and chalk out the day's plan.

#### Opinion about Stress Buster

I take 3-5 hours rest on Sunday to keep me rejuvenated for the rest of the week.

#### Your message to the new generation of CS:

To be highly active and accept new challenges .Be fully committed and reliable

#### Social Activities:

Installation of Jain Milan , Distribution of Jaipur Foot , Aids Awareness Rally with Lions Club of Mysore Mandya district. Distribution of Note books to the 400 students of Institute of Education and Sarvajanic Subbanna High School in Vidyanarayapuram Mysore, under the aegis of Jain Milan.



**वेब यात्रा**  
CS Shrinivas M.D., B.Com, ACS



If you want to know what's the hot topic proposed to be discussed at the Parliament; when would be the next session, what are the Bills pending at the parliament, the recent enactments, recent ordinance etc, please log on to <http://prsindia.org>

PRS Legislative Research is an independent research initiative on legislative debate. It produces 4-6 pages Legislative Briefs, which are sent to members of Both Houses of Parliament. It posts a) The Post Session Summary which is a synopsis of all the legislative business that has been transacted in a Parliament session and b) Pre-Session Alert which is a summary of the legislative business that is likely to be transacted in the forthcoming session of Parliament which are mind blowing and help us to know the discussions at the Parliament.

PRS, has a strong research team, it combines wide range of experts and other stake holders, The website also provides the details of Cabinet and State Ministers and their staff.

## IT for Corporate Professionals

Column by **Amitkumar Hegde** B Com, MCA(Final)



Did you ever happen to delete an important file just by mistake and prayed for a magic wand to recover it? Then read on... here is software which can come to your rescue. Log on to <http://www.pcinspector.de/> and download recent version of **PC INSPECTOR™ FILE RECOVERY** a freeware.

Before starting let us understand some basics behind file recovery technique. Disk partitions maintain a table called File Allocation Table (FAT.. sounds familiar?). This table lists all the files and folders in the particular disk partition (such as C:, D: etc.) . If a file is deleted, only the link in FAT will be erased and the memory occupied by that file will be added free space available. But the actual file on the disk remains intact until it is overwritten by some other file. The file can be recovered successfully only if it is intact on the disk.

Among other software available, I found "PC Inspector File Recovery" very simple for user interface. It is just similar to Windows Explorer. If you want to recover a file, select the partition from which you deleted that file. PC Inspector scans that partition and displays all deleted files in green colour. Select the file you are interested in from the right pan and click on the Save button. It is always advised to save the file to another partition of the disk to avoid overwriting of the deleted files.

PC inspector can recover files from many Storage Medias such as Hard-Disk, USB thumb drive, Memory card etc. Only important thing you need to remember is, recover the file before it is being overwritten by some other file.



# Rights of an Arrested Person



CS. A Rengarajan, Company Secretary, Resurgent Investments Private Ltd, Chennai

**A**s a professionals of corporate body, we are required to comply with various statutes viz, Environmental, Pollution control, labour laws, Companies Act, Foreign Exchange Management Act etc. Non compliance may result in fine, with or without imprisonment of various key managerial officials viz, Directors, Managing Director, Company Secretary and Manager. Whenever an arrest is taking place, we should know fundamental rights of citizen.

The Executive chairman, Legal aid services West Bengal has filed a writ petition due to frequent complaints regarding custodial violence and deaths in police lock up. (D. K. Basu Vs State of West Bengal 539 of 1986) The Hon'ble Supreme Court after hearing the writ petition, issued following mandates to be followed in all cases of arrest or detention till legal provisions are made in that behalf as preventive measures :

(1) The police personnel carrying out the arrest and handling the interrogation of the arrestee should bear accurate, visible and clear identification and name tags with their designations. The particulars of all such police personnel who handle interrogation of the arrestee must be recorded in a register.

(2) That the police officer carrying out the arrest shall prepare a memo of arrest at the time of arrest and such memo shall be attested by atleast one witness, who may be either a member of the family of the arrestee or a respectable person of the locality from where the arrest is made. It shall also be counter signed by the arrestee and shall contain the time and date of arrest.

(3) A detainee *shall be entitled to have one friend or relative or other person known to him or having interest in his welfare being informed, as soon as practicable, that he has been arrested* and is being detained at the particular place, unless the witness attesting the memo of arrest is himself such a friend or a relative of the arrestee.

(4) The time, place of arrest and venue of custody of an arrestee must be notified by the police where the next friend or relative of the arrestee lives outside the district or town through the Legal Aid Organisation in the District and the police station of the area concerned telegraphically *within a period of 8 to 12 hours after the arrest.*

(5) The person arrested must be made aware of this right to have someone informed of his arrest or detention as soon as he is put under arrest or is detained.

(6) An entry must be made in the diary at the place of detention regarding the arrest of the person which shall also

disclose the name of the next friend of the person who has been informed of the arrest and the names and particulars of the police officials in whose custody the arrestee is.

(7) The arrestee should, where he so requests, be also examined at the time of his arrest and major and minor injuries, if any present on his/her body, must be recorded at that time. The "Inspection Memo" must be signed both by the arrestee and the police officer effecting the arrest and its copy provided to the arrestee.

(8) *The arrestee should be subjected to medical examination by a trained doctor every 48 hours during his detention in custody by a doctor* on the panel of approved doctors appointed by Director, Health Services of the concerned State or Union Territory. Director, Health Services should prepare such a panel for all Tehsils and Districts as well.

(9) Copies of all the documents including the memo of arrest, referred to above, should be sent to the Magistrate for his record.

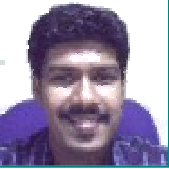
(10) The arrestee may be permitted to meet his lawyer during interrogation, though not throughout the interrogation.

(11) A police control room should be provided at all district and state headquarters, where information regarding the arrest and the place of custody of the arrestee shall be communicated by the officer causing the arrest, within 12 hours of effecting the arrest and at the police control room it should be displayed on a conspicuous notice board.

Failure to comply with these mandates shall subject the concerned police officials for departmental action and render them liable for contempt of court. Proceedings for contempt of court may be instituted in any High Court of the country, having territorial jurisdiction over the matter. These mandates flow from Articles 21 and 22(1) of the Constitution and Article 9(5) of the International Covenant on Civil and Political Rights, 1966 (ICCPR) which provides that "anyone who has been the victim of unlawful arrest or detention shall have enforceable right to compensation.

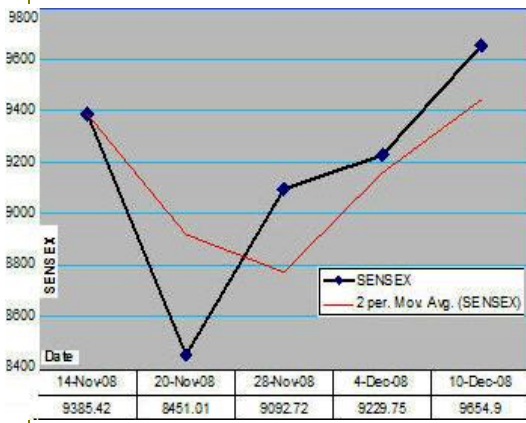
Supreme Court has mandated certain rights to all arrested persons. Failure to comply with these mandates amounts to contempt of court.

These mandates are in line with Articles 21 and 22(1) of the Constitution and Article 9(5) of the International Covenant on Civil and Political Rights, 1966 (ICCPR) which provides that "anyone who has been the victim of unlawful arrest or detention shall have enforceable right to compensation."



Dear All,

This is the time when the government and the RBI have announced multiple measures for stimulating the economic activity including Rs.20000 Crores for additional expenditure, which includes interest subsidy on borrowing by exporters and boosts to infrastructure investments. As on 10<sup>th</sup> December 2008 the SENSEX ended with 9654.9 points and the NIFTY with 2928.25 points. Also the terrorists tried to shake the financial capital, but it seems like the markets did not give much of a reason for them to cheer. I feel the dust is settled and a soothing rally may be expected which may help in adding another 800 to 900 points to the SENSEX.



### Some basic highlights of the stimulus package:

- The repo rate cut to 6.5% & the reverse repo rate cut to 5%.
- Banks are permitted by RBI for premature buy-back of foreign currency convertible bonds from their clients.
- RBI has announced exceptional concessional treatment for the commercial real estate (CRE) exposures that are restructured up to June 30, 2009.

- For exporters, the interest rate (not exceeding benchmark prime lending rate minus 250 basis points) on post-shipment rupee export credit has been extended to overdue bills up to 180 days from the date of advance.

### The possible impact on various sectors:

**Banking :** Cost of funds may come down for the banks, Liquidity will increase in the system

**FMCG (Fast Moving Consumer Goods):** Reduction in the excise duty might help this sector by increased higher margins

**Cement:** CENVAT rates cut on cement from 12% to 8% might bring down the prices of cement; Real estate and infrastructure sectors may be benefited.

**Infrastructure:** Rs 20000 Crores package might bring cheers; The Ad valorem CENVAT cut could bring down the input costs.

**Automobiles:** Cut in CENVAT might lower excise duty on vehicles

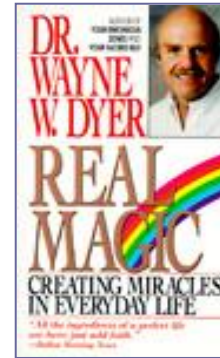
It seems like the fiscal measures at around 0.6% of GDP might not leave a major impact on the economy and the fiscal situation as of now do not seem charming for further growth and expansionary measures.

### Tan's Portfolio

Sl.	Name of the Stock	Purchase Price 08/05/08	Market Price 10/12/08	Returns (In %)
1.	Garware Wall Ropes	108.15	44.50↓	-58.85%
2.	Vimta Labs	82.20	23.35↓	-71.55%
3.	Neocure Therapeutics	22.65	9.85↓	-56.51%
4.	Sterling Tools	69.20	33↓	-52.31%
5.	Finolex Cables	69.90	20↓	-71.39%
6.	Prism Cement	41.70	18.50↓	-54.64%
7.	Assam Company	27.20	9.10↓	-66.54%
TOTAL RETURNS				-44.58%

# Real Magic

by Dr Wayne Dyer



Being a fan of Dr Wayne Dyer and having read most of his books, I naturally swooped on *Real Magic* when I saw it recently in a book store.

It is good as his other books, giving the reader a lot to think about and practice, to move into a magical life.

A life which is not filled with witchcraft or wizards or sorcerers, but a life which is full of the magical power to live the life of one's dreams.

Deceptively simple yet breathtaking in its insights, "Real Magic" shows us how t we can align ourselves with 'purpose'(realizing that we are spiritual beings having a human experience). How we can live our lives based on cultivating 'Knowings' instead of fear and doubt. Magic occurs in our daily lives when we let go of negativity and self-limiting beliefs about ourselves and our circumstances and instead pursue " perfect equilibrium of the mind." Dr Wayne Dyer shows us how "get to purpose" through service to others and unconditional love, how to improve relationships and find prosperity, personal identity and even physical health. Finally, he explains how "real magic" can be plumbed on the global level to alleviate world problems.

This is a book, which I have been dipping into every day for the last two weeks and haven't still done with it!

	Stock Advise	Target	Analyst
1.	Reliance India Limited	Rs.1340- Rs.1350	Rajat K Bose
2.	Aban Offshore	Rs.999 - Rs.1299	Sharekhan
3.	Astra Microwave Products	Rs.100	Ranganathan - LKP Shares

## INCOME TAX

### Search and Seizure

Held by the Hon`ble Court that the Assessee should be given an opportunity of being heard following the Principles of natural justice and be furnished with copies of all statements and documents which the Income Tax Authorities would rely upon before passing the final order u/s 132(5) of The Income Tax Act

*Kishore Jagjivan Tanna Vs. K.Ranrajan and others, [2008] 306 ITR 121 (Bom)*

### SUBSIDY

Held by the Hon`ble court that it is the object for which subsidy is given determines nature of incentive subsidy. If the subsidy is to setup a new unit or expand existing unit then it is on capital account and if it is to run the business more profitably then it is on revenue account

*COMMISSIONER OF INCOME TAX Vs. Ponni Sugars & Chemicals Ltd. 16/09/2008 [2008] 174 TAXMAN 87 (SC)*

## Excise

**Reduction of basic excise duty from 4% to nil; 8% to 4% ; 12% to 8% and 14% to 10% w.e.f., 7th December 2008. For details please see Notification No. 58/2008-Central Excise dated 7.10.2008.**

*NT No. 43/2008-C.E (NT) dt. 6.10.2008*

### Case Law

#### Assembly of furniture - Not a manufacture

The High Court of Delhi has held that the activity of assembly of office furniture/work stations at site from duty paid goods brought in a knocked down condition does not result in the manufacture of a new product and hence no duty is payable.

*CCE Vs Blow Plast Ltd (2008 (89) RLT 127)*

#### Whether installation of computer parts amounts to manufacture?

The Tribunal has held that the activity of installation of various duty paid computer parts such as CPU, keyboard, etc., together at site does not amount to manufacture under excise law.

*CCE Vs Macro Tech Pvt. Ltd.(2008 (231) ELT 59)*

### Valuation

#### Value of goods intended for free distribution

The Tribunal has held that MRP based valuation is not applicable to goods intended for free distribution and in such cases valuation would be done on the basis of Section 4 of the Central Excise Act, 1944.

*CCE Vs Rallis India Ltd. (2008 (231) ELT 100)*

Expenses incurred by buyer for supervising quality at manufacturers premises not includible in the value of goods.

*Coromandel Paints Ltd. Vs CCE (2008 (230) ELT 651)*

## Service Tax

### Notification

Time for filing quarterly refund applications under Notification 41/2007-ST extended from 60 days to six months.

### ST by recipient of service

The Tribunal has held that the service recipient in India is not liable to pay service tax prior to 1.1.2005 on taxable services provided from outside India and received in India.

*JCB India Ltd Vs CST [2008 (89) RLT 205] & Samcor Glass Ltd Vs CCE [2008-TIOL-1879]*

### Services related to market development, marketing and sales

The Tribunal has held that the services related to market development, marketing and sales are taxable under the category of Business Auxiliary Services from 1/07/2003 and not under Management or Business Consultancy Services.

*CCE Vs Arvind Narayan Prasad Nopany [2008 (15) STJ 205]*

### Input tax credit on Rent-a-Cab services

The Tribunal has held that service tax paid on Rent-a-Cab services availed by the employees working in a factory is eligible as input credit.

*CCE Vs Cable Corporation of India [2008-15-STJ-110]*

### Service tax from from the date of introduction of new service

The Tribunal has held that once services have been brought under the service tax net from a particular date, it is presumed that they were not covered under the existing categories and are hence liable to be taxed only from the date of introduction of the new service.

*Sodexo Pass Services India Pvt Ltd Vs CCE (ADJ) [2008-TIOL- 1860]*

## Customs

### Rates of customs duty revised:

Rates of customs duty on import and export of various iron and steel products revised.

*Customs Notification Nos. 122/2008 dated 18/11/2008, 121/2008 dated 07/11/2008, 116/2008 dated 31/10/2008 and 115/2008 dated 31/10/2008*

### Clarifications from the Central Government to FIPB:

The Central Government has clarified that the approvals granted by the Foreign Investment Promotion Board (FIPB) are restricted to permissions for foreign investment and do not automatically confer a right on the license holder to open a duty free shop at any port of import. An importer is required to obtain a license for establishment of a duty free premise under the provisions of the Customs Act, 1962.

*Customs Circular No. 19/2008 dated 14/11/2008*

### Classification

#### Interpretation of words used in taxing statutes

The Tribunal has held that the wordings of a taxing statute must be construed in the sense in which they are understood in the common or trade parlance for the purpose of classification of imported goods.

*CC Vs. D.L. Steels (2008 (231) ELT (648)*

### Valuation

#### Enhancement of TV based on price lists available on the website

The Tribunal has held that the transaction value (TV) of imported goods cannot be enhanced solely on the basis of price lists available on the website of an overseas manufacturer. The Tribunal has also held that the TV cannot be rejected without the department leading evidence of contemporaneous imports at higher values.

*Arrow Coated Products Ltd. Vs. CC (2008 (88) RLT 939)*

#### Include notional charges for computing the TV for customs duty

The Tribunal, in has held that in the absence of a determination of actual landing charges, the notional charges as prescribed in the CVR are to be included in the value of imported goods for the purposes of computing the TV for levy of customs duty.

*J.M. Industries Vs. CC (2008 (231) ELT 503)*

#### Royalty paid to overseas collaborator are not to be included in the TV

The Tribunal has held that royalties paid by an importer to his overseas collaborator for manufacture of finished goods in India are not to be included in the TV of imported components, since such payments are not in relation to and are not a condition of sale of the imported components.

*C.C. Vs. Internorman India Fab Filters P. Ltd (2008 (231) ELT 275)*

### Others: (Contd., in next page)



## Refund of duty if goods are short landed

The Tribunal has held that where the importer does not receive the consignment on which he has paid duty, he would be entitled for refund of duty paid on goods which are short landed.

*Saboo Ispat (P) Ltd. Vs. CC (2008 (89) RLT 296*

## Refund of cess paid erroneously

The Tribunal has held that a claim for refund of cess paid erroneously cannot be permitted through an amendment to the shipping bills where the assessment has not been challenged by way of an appeal.

*Jethabhai Haribhai & Sons Vs. CC (2008 (89) RLT 187*

## FTP

### Restrictions on FTP:

The Directorate General of Foreign Trade (DGFT) has imposed restrictions on the import of various products including

varieties of hot rolled and flat rolled iron and steel products used for production of auto grade steel, radial tyres for buses and lorries, and components of automobiles. These products can now be imported subject to an import license from the DGFT.

*DGFT Notification Nos. 63(RE-2008)/2004- 2009 dated 21/11/08 & 64(RE- 2008)/2004-2009 dated 24/11/08*

## Benefit extended to Cement and specified steel items:

The Central Government has extended the benefit of the Duty Entitlement Pass Book (DEPB) Scheme and the Focus Market Scheme to cement and specified steel items

*DGFT Notification Nos. 58 & 108 (RE- 2008)/ 2004-09 dated 14/11/2008*

### Case Law

## Bonafide purchaser not liable for forgery committed by the seller

The Tribunal has held that a bonafide purchaser of the the Duty Entitlement Passbook (DEPB) scrips cannot be made accountable for any acts of forgery committed by the seller to obtain the scrips.

*CC Vs. Dev Steel Forging Industry (2008 (88) RLT 937)*

## News of Use

### Foreign Trade (Development & Regulation) Amendment Bill, 2008

The Central Government will shortly be introducing a comprehensive bill in the form of the Foreign Trade (Development & Regulation) Amendment Bill, 2008 in Parliament. The objective of the Bill is to bring in tighter export controls and to improve the system of levying and realizing fiscal penalties concerning SEZ related transactions.

*www.financialexpress.com dt 23/10/2008*

## Listing Agreement Compliances for the Month of January

by Sunil, CS Final, Mysore

**BM: Board Meeting      SE: Stock Exchange      FR: Financial Results**

	Compliance	Time Limit	Clause
1.	Submission of Shareholding pattern	Within 21/01 of the month	35
2.	Press release for BM for the consideration of FR in at least one English & one vernacular daily newspaper.	7 days before the BM	41 III(b)
3.	Prior information to SE for BM for the consideration of the FR	7 clear calendar days before the BM	41 III(a)
4.	Intimation to SE for conclusion of BM for the consideration the FR.	By 15 minutes after BM concluded	41 I(f)
5.	Publication of FR in two papers (National English daily news paper & one regional language)	Within 48 hours of conclusion of the BM	41 VI(a)
6.	FR sent to Stock Exchange	Within 1 month from the close of the quarter	41 I(C)
7.	Publish only consolidated FR in the company's website	As soon as the results sent to the Ses.	41 VI b(iii)
8.	Corporate Governance Report (Quarterly)	Within 15/01 of the month	49 VI(ii)

## Other Compliances of Listed Companies

9.	Quarterly Secretarial Audit Report (Quarterly)	Within 31/01 of the month	SEBI Circular
10.	Compliance Certificate regarding dematerialization of Shares(Quarterly) to be sent by RTA	Within 07/01 of the month	As per Cdsl/Nsdl
11.	Free Float Statements	Within 31/01 of the month	BSE Circular

## Spectrum Space

*For better Corporate Governance, non-mandatory compliances:*

**EDIFAR Filing:** File the following information, statements and reports on the Electronic Data Information Filing and Retrieval website maintained by National Informatics Centre (NIC), online, in such manner and format and within such time as may be specified by SEBI:

- ❖ Full version of Annual Report including the Balance Sheet, Profit & Loss account, Directors Report and Auditors Report; Cash Flow statements; half yearly financial statements quarterly financial statements.
- ❖ Corporate Governance Report
- ❖ Shareholding Pattern statements
- ❖ Statement of action taken against the company by any regulatory agency
- ❖ Such other statements, information and report as may be specified by SEBI from time to time in this regard.

**Intimate approved DIN to your Companies:** Applicable only for existing directors appointed up to 30th June, 2007