

**SURYA SENTHIL & LAKSHMIDEVI**

**MANUAL OF  
CYBER LAWS**

**Including the latest IT Amendment Act, 2008**

**Foreword by :  
Hon'ble Justice Mr. K.N. Basha  
Judge, Madras High Court**



**ADITYA BOOK COMPANY  
CHENNAI**

# MANUAL OF CYBER LAWS

## TABLE OF CONTENTS

**Preface**

**Table of International Instruments and Statutes**

**Table of Cases**

**Case Summary**

**Glossary**

### **CHAPTER 1 ORIGINS OF THE LAW OF CYBERSPACE**

- 1.1 THE INTERNET, INFORMATION HIGHWAY AND CYBER LAWS
- 1.2 TECHNOLOGY ORIGINS
- 1.3 NUCLEAR CONCERNS & NEED FOR CENTRALIZED COMMUNICATION SYSTEMS
- 1.4 ANALOG AND DIGITAL SIGNALS
- 1.5 THE FIRST INTERNETWORKS
- 1.6 NETWORK'S POTENTIAL ROLE IN MASS COMMUNICATION
- 1.7 SCOPE OF INTERNET
- 1.8 THE BIRTH OF THE WORLD WIDE WEB
- 1.9 NEW USES OF THE INTERNET
- 1.10 THE INTERNET AND DIFFERENTLY ABLED USERS
- 1.11 NEW LAW FOR NEW TECHNOLOGY
- 1.12 INTERNET AND ITS RELEVANT COMPONENTS

### **CHAPTER 2 JURISDICTIONAL ISSUES IN CYBER SPACE**

- 2.1. APPLICABILITY OF MINIMUM CONTACT RULE
- 2.2. WHERE CONTACTS ARE SUFFICIENT FOR JURISDICTION
- 2.3. WHERE CONTACTS ARE NOT SUFFICIENT FOR JURISDICTION
- 2.4. EFFECTS TEST
- 2.5. DELIBERATE AND CONTINUOUS DISSEMINATION APPROACH
- 2.6. RECONCILING JURISDICTION AND INTERNATIONAL LAW
- 2.7. FRENCH EXPERIENCE
- 2.8. GERMAN EXPERIENCE
- 2.9. CANADIAN EXPERIENCE
- 2.10. AUSTRALIAN EXPERIENCE
- 2.11. FORUM SELECTION CLAUSES
- 2.12. EUROPEAN UNION E-COMMERCE DIRECTIVE
- 2.13. JURISDICTIONAL IMMUNITY
- 2.14. WHO IS LIABLE?
- 2.15. WHAT THEORY SHOULD BE USED?
- 2.16. CONFLICTS OF LAW
- 2.17. WHO SHOULD BE THE ULTIMATE DECISION-MAKER

### **CHAPTER 3 ELECTRONIC CONTRACTS**

- 3.1. INTRODUCTION
- 3.2. CONTRACT FORMATION
- 3.3. MODES OF ELECTRONIC FORMAT
- 3.4. ONLINE OFFERS AND ACCEPTANCES
- 3.5. OFFERS
- 3.6. ACCEPTANCES - E-MAIL, MOUSE CLICKS, AND OTHER METHODS
- 3.7. OFFERS AND ACCEPTANCES BY COMPUTERS
- 3.8. TIMING OF ACCEPTANCES - THE MAILBOX RULE

#### **CHAPTER 4 DIGITAL SIGNATURES**

- 4.1. DIGITAL SIGNATURES
- 4.2. THE PROCESS OF DIGITAL SIGNING
- 4.3. VERIFYING A DIGITAL SIGNATURE
- 4.4. PREREQUISITES FOR USE OF DIGITAL SIGNATURES
- 4.5. PARTIES INVOLVED IN DIGITAL SIGNATURE
- 4.6. OBLIGATIONS OF SIGNER
- 4.7. NEW PARADIGM SHIFT

#### **CHAPTER 5 ELECTRONIC COMMERCE**

- 5.1. UNDERSTANDING THE ELECTRONIC COMMERCE ENVIRONMENT
- 5.2. DEFINITION OF E-COMMERCE
- 5.3. TRANSACTIONS IN E-COMMERCE
- 5.4. TYPES OF ELECTRONIC COMMERCE
- 5.5. GROWTH OF ELECTRONIC COMMERCE
- 5.6. LEGAL REQUIREMENTS FOR ELECTRONIC COMMUNICATIONS
- 5.7. AUTHENTICITY
- 5.8. INTEGRITY
- 5.9. NONREPUDIATION
- 5.10. WRITING AND SIGNATURE
- 5.11. ISSUES WITH ELECTRONIC DOCUMENTS
- 5.12. SOLUTION OFFERED BY INFORMATION SECURITY
- 5.13. SYSTEM SECURITY
- 5.14. INFORMATION SECURITY

#### **CHAPTER 6 CYBER ISSUES IN THE BANKING INDUSTRY**

- 6.1. INTRODUCTION
- 6.2. AUTOMATED TELLER MACHINES
- 6.3. THE SMART CARD
- 6.4. ELECTRONIC MONEY
- 6.5. DIGITAL CHEQUES
- 6.6. VIRTUAL BANKS
- 6.7. IMPEDIMENTS TO VIRTUAL BANKING
- 6.8. INTERNATIONAL DEVELOPMENTS IN ELECTRONIC BANKING
- 6.9. LEGAL AND REGULATORY ISSUES
- 6.10. RANGARAJAN COMMITTEE, 1984
- 6.11. SARAF COMMITTEE, 1993
- 6.12. SHERE COMMITTEE, 1995
- 6.13. WORKING GROUP ON INTERNET BANKING, 1998

## **CHAPTER 7 COPYRIGHT INTERPHASE WITH INFORMATION TECHNOLOGY**

- 7.1. GENERAL COPYRIGHT ISSUES
- 7.2. MUSIC SHARING VIOLATION
- 7.3. PEER TO PEER SHARING
- 7.4. THE NAPSTER CASE AND SUBSEQUENT DEVELOPMENTS
- 7.5. LIABILITY OF SERVICE PROVIDERS
- 7.6. SECONDARY LIABILITY FOR INFRINGEMENT IN CYBERSPACE
- 7.7. COPYRIGHT PROTECTION IN INDIA
- 7.8. INDUSTRY INITIATIVES

## **CHAPTER 8 TRADEMARK INTERPHASE WITH INFORMATION TECHNOLOGY**

- 8.1. TRADEMARKS AND THE INTERNET
- 8.2. TRADEMARKS AS METATAGS
- 8.3. LINKING AND TRADEMARK INFRINGEMENT
- 8.4. FRAMING AND TRADEMARK INFRINGEMENT
- 8.5. SEARCH ENGINES AND KEYWORD ADVERTISING

## **CHAPTER 9 CYBER SQUATTING**

- 9.1. CYBERSQUATTING
- 9.2. PASSING OFF ACTION IN CYBERSQUATTING
- 9.3. META TAG LITIGATION
- 9.4. INVERSE DOMAIN NAME HIJACKING
- 9.5. TYPOSQUATTING
- 9.6. TARNISHMENT AND BLURRING
- 9.7. WIPO'S UNIFORM DISPUTE RESOLUTION POLICY
- 9.8. DOMAIN NAMES ARE INTELLECTUAL PROPERTY

## **CHAPTER 10 PATENT INTERPHASE WITH INFORMATION TECHNOLOGY**

- 10.1. SOFTWARE PATENTS
- 10.2. BUSINESS METHOD PATENTS

## **CHAPTER 11 CYBER CRIMES**

- 11.1. PHISHING
- 11.2. INTERNET FRAUD
- 11.3. CYBER LAUNDERING
- 11.4. CYBER MARAUDING
- 11.5. CYBER MURDER
- 11.6. CYBER STALKING
- 11.7. MALWARES

- 11.8 CYBER VOYEURISM
- 11.9 DATA DIDDLING
- 11.10 EMAIL SECURITY DESTRUCTION
- 11.11 PHREAKING
- 11.12 USAGE OF VIRUSES
- 11.13 HACKING
- 11.14 SOFTWARE PIRACY
- 11.15 INFORMATION THEFT
- 11.16 IDENTITY THEFT
- 11.17 PORNOGRAPHY
- 11.18 CHILD PORNOGRAPHY
- 11.19 CYBER TERRORISM
- 11.20 TRADITIONAL OFFENCES THROUGH THE CYBER MEDIUM

## **CHAPTER 12 ECOMMERCE AND TAXATION**

- 12.1. SHOULD E-COMMERCE BE TAXED?
- 12.2. INTERNATIONAL TAX PRINCIPLES
- 12.3. CANONS OF TAXATION - NEUTRALITY, EFFICIENCY AND CERTAINTY
- 12.4. EFFECTIVENESS, FAIRNESS AND FLEXIBILITY
- 12.5. IDENTIFICATION OF JURISDICTION
- 12.6. RESIDENCE BASED TAXATION
- 12.7. SOURCE CONCEPT
- 12.8. BROAD ISSUES AND DIFFICULTIES INVOLVED
- 12.9. NON- APPLICABILITY OF SOURCE RULE TAXATION
- 12.10. CONCEPT OF PERMANENT ESTABLISHMENT (P.E.)
- 12.11. P.E. PROBLEMS-SERVER ON HOST SOIL
- 12.12. ALTERNATIVE TO THE CONCEPT OF P.E
- 12.13. INTERNATIONAL REACTIONS TO E-COMMERCE TAXATION
- 12.14. OECD MODEL
- 12.15. U.S TREASURY GUIDELINES
- 12.16. EUROPEAN UNION'S RESPONSE
- 12.17. THE WTO'S REACTION INDIAN POSITION
- 12.18. DOUBLE TAXATION AVOIDANCE TREATIES (DTA'S)
- 12.19. TAXATIONS OF TRANSACTIONS INVOLVING SOFTWARE

## **CHAPTER 13 SALIENT FEATURES OF THE INFORMATION TECHNOLOGY ACT 2000 IN INDIA (AS AMENDED 2008)**

- 13.1. PURPOSE AND APPLICABILITY OF THE ACT
- 13.2. DIGITAL SIGNATURES
- 13.3. ELECTRONIC GOVERNANCE
- 13.4. ELECTRONIC RECORDS
- 13.5. SECURE ELECTRONIC RECORDS AND SECURE DIGITAL SIGNATURES
- 13.6. CERTIFYING AUTHORITIES
- 13.7. DIGITAL SIGNATURE CERTIFICATES
- 13.8. DUTIES OF SUBSCRIBERS

- 13.9. PENALTIES AND ADJUDICATION
- 13.10. CYBER REGULATIONS APPELLATE TRIBUNAL
- 13.11. CYBER OFFENCES
- 13.12. LIABILITY OF NETWORK SERVICE PROVIDERS
- 13.13. THE INFORMATION TECHNOLOGY (CERTIFYING AUTHORITIES) RULES, 2000
- 13.14. THE CYBER REGULATIONS APPELLATE TRIBUNAL (PROCEDURE) RULES, 2000
- 13.15. THE INFORMATION TECHNOLOGY (CERTIFYING AUTHORITY) REGULATIONS, 2001
- 13.16. THE CYBER REGULATIONS APPELLATE TRIBUNAL (PROCEDURE FOR INVESTIGATION OF MISBEHAVIOR OR INCAPACITY OF PRESIDING OFFICE) RULES, 2003
- 13.17. INFORMATION TECHNOLOGY (OTHER POWERS OF CIVIL COURT VESTED IN CYBER APPELLATE TRIBUNAL) RULES, 2003
- 13.18. INFORMATION TECHNOLOGY (OTHER STANDARDS) RULES, 2003
- 13.19. INFORMATION TECHNOLOGY (QUALIFICATION AND EXPERIENCE OF ADJUDICATING OFFICERS AND MANNER OF HOLDING ENQUIRY) RULES, 2003
- 13.20. CYBER REGULATIONS APPELLATE TRIBUNAL (SALARY, ALLOWANCES AND OTHER TERMS AND CONDITIONS OF SERVICE OF PRESIDING OFFICER) RULES, 2003
- 13.21. THE INFORMATION TECHNOLOGY (USE OF ELECTRONIC RECORDS AND DIGITAL SIGNATURES) RULES, 2004

#### **CHAPTER 14 BPO INDUSTRY CONCERNS AND EMERGING TRENDS**

- 14.1. HISTORY OF INDIAN OUTSOURCING INDUSTRY
- 14.2. SECURITY CONCERNS
- 14.3. THE EUROPEAN UNION DIRECTIVE ON DATA PRIVACY
- 14.4. SAFE-HARBOUR APPROACH
- 14.5. DATA PROTECTION AND DATA PRIVACY ISSUES
- 14.6. INFORMATION TECHNOLOGY AMENDMENT ACT 2008

#### **CHAPTER 15 AMENDMENT TO THE INFORMATION TECHNOLOGY ACT**

- 15.1. THE INFORMATION TECHNOLOGY (AMENDMENT) BILL, 2006
- 15.2. THE INFORMATION TECHNOLOGY (AMENDMENT) ACT 2008
- 15.3. CONCERNS AND SUGGESTIONS

#### **CHAPTER 16 CYBER FORENSIC EVIDENCE**

- 16.1. COMPUTER FORENSICS
- 16.2. COLLECTION OF COMPUTER EVIDENCE
- 16.3. PRESERVATION OF COMPUTER EVIDENCE
- 16.4. ACTIVE DATA AND ARCHIVAL DATA
- 16.5. LATENT DATA
- 16.6. EMAIL EXAMINATION
- 16.7. OTHER HIDDEN DATA

#### **APPENDICES**

- A. Information Technology Act, 2000 as amended 2008
- B. The Information Technology (Certifying Authorities) Rules, 2000
- C. The Cyber Regulations Appellate Tribunal (Procedure) Rules, 2000
- D. The Information Technology (Certifying Authority) Regulations, 2001
- E. The Cyber Regulations Appellate Tribunal (Procedure for Investigation of Misbehavior or Incapacity of Presiding Office) Rules, 2003

- F. Information Technology (Other Powers of Civil Court Vested in Cyber Appellate Tribunal) Rules, 2003
- G. Information Technology (Other Standards) Rules, 2003
- H. Information Technology (Qualification and Experience of Adjudicating Officers and Manner of Holding Enquiry) Rules, 2003
- I. Cyber Regulations Appellate Tribunal (Salary, Allowances and other Terms and Conditions of Service of Presiding Officer) Rules, 2003
- J. The Information Technology (Use of Electronic Records and Digital Signatures) Rules, 2004
- K. The Information Technology (Amendment) Act, 2008
- L. UNCITRAL Model Law on Electronic Commerce
- M. UNCITRAL Model Law on Digital Signatures
- N. EU Directive on Privacy and Electronic Communications

**Index**