

THE ARTICLED

Let us sacrifice our today so that our children can have a better tomorrow.

Happy Independence Day.



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Difficulties in your life do not come to destroy you, but to help you realize your hidden potential and power. Let difficulties know that you too are difficult.

EDITORIAL

August 15th is the day we have achieved our Independence from the Britishers. Many of the people who were alive then were very happy that we have been liberated from foreign arch.

But today of about 7 decades of Independence every citizen of the country has to question themselves whether we are really independent. Is this the reason thousands of people laid their life to see the present India?

We need to be Independent of Corruption, Violence, Poverty, Poor health and Illiteracy. Our country men need a minimum of two meals a day, good and hygiene sanitary facilities across the country as well as every Indian becomes a Literate. In addition to this we need to protect our women from violence & harassments and also harmony irrespective to the caste or religion. Many things to achieve! A desire to get more and more which always increase! Can we Indians take a pledge that from today we work towards a better India?

The quotes used in the newsletter are a tribute to our beloved **Dr. A.P.J. Abdul Kalam**

We wish each & everyone a very Happy Independence day

Regards,

Sanjay Dhariwal

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If you salute your duty, you no need to salute anybody, but if you pollute your duty, you have to salute everybody.

Taxability On Export Of Services



CA Rajni Agarwal

APPLICABILITY OF TAXES ON EXPORT OF SERVICES

The objective of this article is to know the applicability of service tax on Export of Services (Business Auxiliary services, Business support services, Management Consultancy etc) and benefits and exemptions that are available to the Exporter of services. We will understand this step by step as under.

1. Meaning of Export of Services

- Export of services means providing of services outside the taxable territories of India. To determine whether a service provided or agreed to be provided is export, the following conditions shall be satisfied as per **Rule 6A of the Service Tax Rules, 1994:-**

- a) The provider of taxable service is located in the taxable territory,
- b) The recipient of service is located outside India,
- c) The service is not a service specified in the negative list (Sec 66D),
- d) The place of provision of service is outside India,
- e) The payment for such service has been received by the provider of service in convertible foreign exchange and
- f) The provider of service and recipient of service are not merely establishments of a distinct person in accordance with item (b) of Explanation 2 of clause (44) of Section 65B of the Act

Place of provision of services for the purpose of above (d) shall be determined as per Rule 3 to 14 of Place of Provision of Services Rules, 2012. However Rule 3 of the said rule provides that the place of provision of service shall be outside India, if the

location of recipient of services is outside India.

Therefore, when the service provider is located in India and the service receiver is located outside India and with the other conditions above, provision of such service shall be treated as 'Export of Services' and the provider of such services shall be referred to as 'Exporter of Services'.

2. Benefits and Exemptions available to the Exporter of Services

- Following are the benefits and exemptions available to the exporter of services.

- (1) The exporter of services is not liable to service tax on the services exported by him. The non-taxability of export of services is based on the principle that 'taxes are not to be exported'. Service tax can be levied only if services is received, provided or consumed in India.
- (2) The exporter has following options with respect to input services used in export of services :-
 - i) He can export services without payment of tax and utilize CENVAT credit for payment of service tax on services provided in India.
 - ii) He can claim Rebate of service tax paid on Input Services under **Rule 6A of Service Tax Rules** and **Notification No. – 39/2012 ST dated 20-06-2012**.
 - iii) He can claim Refund of service tax paid on Input Services as per **Rule 5 of the CENVAT Credit Rules** and **Notification No. 27/2012-CE (NT) dated 18-06-2012**.
 - iv) He has benefit of exemption from payment of service tax to export incentive scrip holders.

Life and time are the world's best teachers. Life teaches us to make good use of time and Time teaches us the value of life.

Here we will discuss on Rebate and Refund of CENVAT credit as under:-

3. Rebate of Service tax paid on Input services

- Rule 6A (2) empowers the Central Government to grant rebate of service tax paid on input services used in providing such services. The said rebate shall be granted subject to the conditions, limitations and procedures as per Notification No. 39/2012-ST dated 20-06-2012.

Conditions and Limitations

The main conditions for claiming rebate are as follows:-

- a) Service must be exported as per Rule 6A of Service tax Rules, 1994.
- b) Export to Nepal & Bhutan are not eligible for rebate.
- c) Payment for service exported should be received in free foreign exchange.
- d) Amount of rebate shall not be less than Rs. 1000
- e) The service tax on input services on which rebate is claimed has been paid to input service provider. If exporter is liable to pay service tax for input service under reverse charge, he should have paid the tax to the Central Government.
- f) CENVAT credit should not have been availed.

Procedures for claiming Rebate

The procedures to claim rebate of Input tax contains 2 stages:-

- A) Action prior to the Export of services
- B) Action after the Export of services

A) Action prior to the export of services

- i) Before export of services, the exporter must file a declaration with jurisdictional Assistant Commissioner or Deputy Commissioner of Central Excise.

- ii) Declaration shall contain – description of services to be exported, description, value and amount of service tax payable on input services to be used for the providing services to be exported.
- iii) After receiving the declaration, the AC/DC shall verify the correctness of declaration before the export of service, and if satisfied, he may accept the same.
- iv) There is no time limit prescribed for verification process.
- v) In respect of input services, the exporter should ensure that they are received against invoice/ bill/challan.

B) Action after the export of services

Once the declaration is accepted by the Commissioner, exporter can proceed to export the services and follow the procedures as under:-

- i) After export of services, the exporter must file claim of rebate with jurisdictional AC/DC in Form ASTR-2.
- ii) The application for the claim shall be accompanied by the invoices issued for input & input services.
- iii) He shall also submit the documentary evidence for -
 - receipt of payment of services exported i.e. FIRCs (Foreign Inward Remittance Certificates) and
 - Payment of service tax on input services.
- iv) He shall also submit a declaration that the service is exported as per Rule 6A.
- v) The Commissioner will sanction rebate either whole or in part if he satisfied that the claim made by exporter is in order.
- vi) No time limit in mentioned for such sanction. However, if claim is not processed within 15 days, the officer has to give reason for delay in brief.



Confidence and Hard work is the Best Medicine to kill the disease called Failure. It will make you Successful Person.

4. Refund of CENVAT credit

- The exporter can claim refund under Rule 5 of CENVAT Credit Rules and Notification No. 27/2012-CE (N.T) dated 18-6-2012. However no refund shall be allowed if the exporter of service avails of drawback allowed under Service Tax Drawback Rules, 1995 or claim refund of duty under Central Excise Rules, 2002.

The amount of Refund can be determined as per the formula laid down **in Rule 5 of Cenvat Credit Rules** as under:-

Refund amount = (Export turnover of Goods + Export turnover of Services) * Net CENVAT Credit

Total Turnover

Export Turnover of Service shall be calculated as follows:-

Payments received during the relevant period for export services	*****
(+) Export services whose provision has been completed for which payment had been received in advance in any period prior to the relevant period	*****
(-) Advances received for export services for which the provision of service has not been completed during the relevant period	*****
Export Turnover of Service	*****

Conditions, Limitations and Procedures for claiming Refund

Notification no. 27/2012-CE (NT) provides for safeguards, conditions, limitations and procedure for grant of refund of CENVAT credit as follows:-

- i) The refund application shall be filed in Form A with the Assistant/Deputy Commissioner of Central Excise and should be signed by the authorized signatory.
- ii) The application shall be made once in every quarter. Quarter means April-June, July-September, October-December and January-March of every financial year.
- iii) For the purpose of Form A, the amount of export turnover shall be computed as per Rule 5(1) (D) of CENVAT Credit Rules, 2004 as mentioned above.
- iv) The amount of refund claimed calculated above shall not be more than the following:
 - a) CENVAT balance as at the end of quarter for which refund is claimed; or
 - b) CENVAT balance at the time of filing the refund claim, whichever is less.

The amount that is claimed as refund shall be debited by the exporter from his CENVAT credit account at the time of making the claim.
- v) The application shall be filed along with the documents specified therein and enclosures relating to the quarter for which refund is being claimed.
- vi) As per the New Refund Notification, the only enclosures required are:
 - a) Copy of FIRC's (Foreign Inward Remittance Certificate)/ BRC's (Bank Realization Certificate) issued by Bank in support of export realizations
 - b) Certificate from Chartered Accountant (Statutory Auditor or any other Auditor) in form Annexure -1 duly signed by the auditor certifying the correctness of refund claimed in respect of export of services



You cannot change your future but you can change your habits and surely your habits will change your future.

- i) Other documents required to be submitted along with the application are:
 - a) Copies of Invoices for services exported
 - b) Copies of Invoices issued by Input Service Provider
 - c) Correlation between FIRC and Export Invoices
 - d) Form ST-3 (Half yearly Return)
 - e) Rebate and Duty drawback declaration duly signed by exporter to declare that duty drawback has not been obtained & rebate has not been claimed.
- ii) After filing of refund claim application, the Commissioner may call for the additional documents or information that he may deemed necessary for sanctioning the refund.
- iii) The Commissioner will allow the refund either whole or in part if he satisfied with the correctness of the claim and the export of services.

5. Time Limit for filing Application Form of Rebate or Refund

- The application for the refund and rebate shall be file within **9 months from the end of the quarter**. The time limit for filing refund and rebate claim specified in section **11B of the Central Excise Act,**

1944, is one year from the date of exports of goods. So, practically, refund claim should be filed within 9 months from the end of the quarter (and not one year from the end of the quarter, as in such cases, refund claim will become time barred).

6. Conclusion

- Exporter of service is outside the purview of service tax and he can export services without payment of service tax. He can enjoy the benefit of utilizing CENVAT credit for payment of service tax on services provided in India. Also he has option of claiming either rebate or refund of input service tax as referred to the conditions mentioned above.

Claiming of rebate is relevant to the exporter who have not availed Cenvat credit on Input services and claiming of refund is relevant to the exporter who have availed Cenvat credit on input services. The same exporter cannot claim both rebate and refund of Cenvat credit.

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Dream is not what you see in sleep, Dream is something which doesn't let you SLEEP.

From our mail box:

How Strong Is Your Foundation?



Buildings built with a strong foundation have a higher chance of withstanding environmental factors, even earthquakes. Those built without a great foundation or much planning end up like the leaning Tower of Pisa at best (well, at least it's famous) and perish completely at worst. For example, there are the leaky condo projects of Vancouver which were built with the right kind of planning but for the wrong kind of climate. People are the same - those with a strong foundation do better than the ones with a weak foundation.

Just like with houses, you often cannot tell by looking at a person if the foundation is strong. You can only tell when the hurricane blows by or the earthquake strikes - and then it's too late to do something about it. The time to build a foundation is BEFORE you build the house. Often, you will spend more time on the foundation than the house itself - that isn't good news for impatient people who want to see results yesterday! If you build the house

and notice later that you should have built a stronger foundation, you may need to tear everything down and start over again. Even patchwork will be tricky and very costly.

As people, we need a strong foundation with strong pillars which, in my mind, are made up of health, relationships, finances, and work. These, in turn, must be strong.

Strong health means strong physical, emotional, and mental health. It means being in that state now and it means working on maintaining that state. Everyone may come in contact with disease, but generally those with a stronger foundation of health will combat the disease faster, often even before you know you are sick. Building strong health includes working on a positive mental attitude, working out regularly, positive eating habits, regular time off work, and some form of spiritual work. This may include going to church, meditating or volunteer work to benefit others.

It is very Easy to Defeat someone. But it is very Hard to Win Someone.

Strong finances don't only mean a lot of immediate cash flow. It means good cash flow and the knowledge that if the cash flow stopped (due to injury, divorce, downsizing, changes in market conditions), there would be a cushion made up of insurance and income from various sources like businesses and investments. Strong finances are built for the short term as well as the long term.

Strong relationships mean clean and happy, satisfying relationships with others. It has been proven that people with social interactions and married people, on average, live longer than those who are alone. Strong relationships mean that there are no outstanding issues with the people in your life.

All family secrets have been dealt with; all the times that your spouse has left the toilet seat up have been forgiven and forgotten. Of course, it wouldn't be

human to never have any disagreements, but it is human and possible to have such disagreements cleaned up quickly. Strong relationships feel great and provide an incredible opportunity for support when needed.

Strong work environment, to me, includes a number of things. Relationships with coworkers, owners or partners, and clients need to be good. There needs to be a sense of purpose, meaning, and appreciation for the work being done. The work needs to "fit" your particular personality and nourish you financially and otherwise.

How strong does the foundation need to be? That depends on the kind of house you want to build. A doghouse doesn't need much of a foundation. A tall apartment building does! What kind of a foundation does YOUR dream life need?



Climbing to the top demands Strength, whether it is to the top of Mount Everest or to the top of Your Career.

Disallowance Of Expenditure



Rahul Ramnani

Section 40(a)(ia) was introduced by Finance (No.2) Act, 2004 w.e.f assessment year 2005-06 to provide for disallowance of certain payments made to residents if tax on such payments was not deducted, or after deduction, was not paid within the time prescribed under section 200(1) of the Act, in computing Profits and Gains of Business or Profession. The Section provided for complete disallowance until it was amended by Finance Act 2014 restricting the disallowance for non-deduction or non-remittance of TDS to 30% of the sum payable to a resident.

Provisions of Section 40(a) (ia)

The provisions of section 40(a) (ia) read as under:

Notwithstanding anything to the contrary in sections 30 to 38, the following amounts shall not be deducted in computing the income chargeable under the head "Profits and gains of business or profession",—

In the case of any assessee—

(ia) thirty per cent of any sum payable to a resident, on which tax is deductible

at source under Chapter XVII-B and such tax has not been deducted or, after deduction, has not been paid on or before the due date specified in sub-section (1) of section 139 :

Provided that where in respect of any such sum, tax has been deducted in any subsequent year, or has been deducted during the previous year but paid after the due date specified in sub-section (1) of section 139, thirty per cent of such sum shall be allowed as a deduction in computing the income of the previous year in which such tax has been paid:

Provided further that where an assessee fails to deduct the whole or any part of the tax in accordance with the provisions of Chapter XVII-B on any such sum but is not deemed to be an assessee in default under the first proviso to sub-section (1) of section 201, then, for the purpose of this sub-clause, it shall be deemed that the assessee has deducted and paid the tax on such sum on the date of furnishing of return of income by the resident payee referred to in the said provision.



Don't take rest after your first victory, because if you fail in second, more lips are waiting to say that your first victory was just Luck.

Use of the words “any sum payable”

The disallowance u/s 40(a)(ia) has attracted fierce opposition from tax payers and has resulted in an endless spate of litigation involving innovative contentions. One such argument that has found favor is that the disallowance u/s. 40(a)(ia) be restricted to the amount that remained unpaid or payable at the end of the year on which tax is not deducted or is deducted but has not been deposited with the Government. Under this argument any amounts that have been paid during the year on which tax has been deducted or deposited shall not attract disallowance under this section. There are several case laws expressing contrary views, some of which are given

Merilyn Shipping & Transports v. ACIT [2012] 20 taxmann.com 244(Vis)

The special bench of the tribunal held that the provisions of section 40(a) (ia) were not applicable in respect of such expenditure, the payment of which was made during the year without deducting tax at source. It held that the disallowance was possible only in respect of such expenditure, the payment for which was outstanding at the end of the year.

CIT v. Crescent Export Syndicate [2013] 216 Taxmann 258 (Cal)

According to the Calcutta High Court the key words used in section 40 (a) (ia), were “on which tax is deductible at source under Chapter XVII-B”. Unless any amount was payable, it could neither be paid nor credited. If an amount had neither been paid nor credited, there could be no occasion for claiming any deduction. A similar view below was also expressed by the Gujarat High Court in CIT v. Sikandarkhan N. Tuvar [2013] 33 taxmann.com 133 (Guj).

CIT v/ Vector Shipping Services (P) Ltd. [2013] 262 CTR 545 (All)

The issue again came up for discussion before the Allahabad High Court wherein the court held that when expenditures incurred by the taxpayer were totally paid and did not remain payable at the end of the relevant accounting period, the provisions of Section 40(a)(ia) of the Act are not applicable. Subsequently, the Supreme Court dismissed the department’s petition for a special leave to appeal. However, the special leave petition was dismissed in limine, without giving any reason, and therefore, the dismissal did not confirm the view of the Allahabad High Court.



All birds find shelter during a rain. But Eagle avoids rain by flying above the Clouds. Problems are common, but Attitude makes the difference.!!

Conclusion:

As is seen above there are contrasting and diverse views on the use of the word “payable” in the section. Under such circumstances it has become difficult for courts and tribunals to decide between the

Calcutta and Allahabad High Court verdicts. This issue remains wide open and needs to be addressed by the Apex Court so as to provide clarity on the matter.

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“Black’ Color is Sentimentally Bad” but “Every Black Board Makes The Students Life Bright”.

From our mail box:

Jokes



Office memo

Dear Staff,

It is advised that you come to work dressed according to your salary.

If we see you wearing Prada sneakers and carrying a Gucci bag we assume that you are doing well financially and therefore you do not need a raise.

If you dress poorly, you need to learn to manage your money better, so that you may buy nicer clothes and therefore you do not need a raise.

If you dress in-between, you are right where you need to be and therefore you do not need a raise.

Restroom use:

Entirely too much time is being spent in the restroom. There is now a strict 3 minute time limit in the stalls. At the end of 3 minutes, an alarm will sound, the toilet paper roll will retract, the stall door will open and a picture will be taken. After your second offence, your picture will be posted on the company bulletin board under the "Chronic Offender" category.

Why is it that in all marriages the bride sits on the left side and the groom on the right?"

Reply – "Have u ever seen a Profit & Loss Statement?"

It follows the same logic;

All income is posted on the right and expenses are on the left! "

Love VS CA Exam:

LOVE: Many thoughts in mind but no guts 2 express it.....

CA Exam: Dying 2 express but no thoughts in the mind!!

Joke on CA Articleship -

Two friends died. One is a CA and another Doctor. They reached Yamaloka.

Yamraj: You both have committed same sins and both seem to have same merits. So doctor will get 5 year in hell and CA 2 years hell term.

Doctor asked Yamraj: Why I got 3 years more when our sins are equal

Yamraj: CA has already served 3 years hell in Articleship. So he got less term.



The Best Brains of the Nation may be found on the last benches of the classroom.

Restructuring Of Finances



Abhishek Kothari

Facts of the case: Mr. X stays invested in equity and debt market for over a decade now. Apart from the equity markets he has invested in real estate project in the year 2011 by advancing money to builder. On completion of the project Mr. X would receive a constructed property.

The builder has agreed to compensate Mr. X at the rate of 15% p.a for the advances made until the completion of property. His return on investment from equity and debt is around 15-20% P.A post tax and returns on advances to builders is 15% pre tax so effective returns on real estate investment 10.37 %.(pays tax at MMR)

Mr. X is toying with the idea of borrowing funds at 12% effective rate 9.27%(after tax break) and investing them with the builder thereby leveraging. The free funds that would now be available with Mr. X can also be invested in Equity/debt instruments which are capable of generating post tax return of 15-20 %.

Points for consideration:

1. Funds borrowed are in the nature of housing loan or commercial loan or

personal loan. Interest paid on such borrowed funds - Can such interest paid be deducted from interest income earned from the investment in real estate project??

2. Since the money would change hands in the current date from Mr. X to builder, would section 194IA of the income tax act, 1961 operate?

3. Will the interest paid be allowed as a deduction U/s24 of the IT act when the property is completed?

4. If the above observations do not cause any hindrance in the structuring, is it a profitable re structure??

Nature of Funds Borrowed:

Section 56 and 57 of the IT Act deal with the income and expenses that can be charged under the head income from other sources.

In the instant case interest that is earned from advancing the money to the builder will be liable to tax under section 56 while the interest paid to the financier may be deducted under section 57. "The moot point is whether the loan borrowed is a housing loan, commercial loan or personal loan"



When Surrounded by Day-to-Day Issues. There is a Tendency to Forge the Good Things we are Bestowed with.

In case of a "Housing loan" the interest paid shall not be allowed as deduction until the completion of property. In that case interest paid up to date of completion of construction will be allowed as deduction at the rate of 1/5th P.A once the property is completed

The deduction U/s 24 will be restricted to Rs.2,00,000/- p.a if the same is self occupied, however if the property is let out on rent the entire interest paid will be available as deduction under section 24 of the income tax act. In this case the entire restructuring would be futile as no leverage is gained by Mr. X.

In case of a commercial loan or personal loan the interest paid on such finance may be allowed as a deduction u/s Section 57(iii) of the Act. **The income chargeable under the head 'income from other sources' is to be computed making the deduction, any expenditure (not being in the nature of capital expenditure) laid out or expended wholly and exclusively for the purpose of making or earning such income. In this case the restructuring would be beneficial to Mr. X**

The other point of contention:

Section 194IA is reproduced for reference:

Payment on transfer of certain immovable property other than agricultural land

194-IA. (1) Any person, being a transferee, responsible for paying (other than the person referred to in section 194LA) to a resident transferor any sum by way of consideration for transfer of any immovable property (other than agricultural land), shall, at the time of credit of such sum to the account of the transferor or at the time of payment of such sum in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct an amount equal to one per cent of such sum as income-tax thereon.

(2) No deduction under sub-section (1) shall be made where the consideration for the transfer of an immovable property is less than fifty lakh rupees.

(3) The provisions of section 203A shall not apply to a person required to deduct tax in accordance with the provisions of this section.



When our Signature changes to Autograph, this marks the Success.

Explanation.—For the purposes of this section,—

(a) "agricultural land" means agricultural land in India, not being a land situate in any area referred to in items (a) and (b) of sub-clause (iii) of clause (14) of section 2;

(b) "Immovable property" means any land (other than agricultural land) or any building or part of a building.

It is clear from section 194IA that TDS needs to be withheld only in case of payment for acquisition of immovable property. In the instant case Mr. X has already entered into an agreement to acquire the property in the year 2011. Section 194IA was introduced in the year June 2013. In the instant case he has restructured the financial transaction to leverage his position.

There is no fresh acquisition of property nor has the earlier agreement been terminated, the present financial restructuring is only to improve the rate of return and to ensure a trail between the funds borrowed and advanced to the builder.

Conclusion:

The idea behind advancing the funds borrowed only is to ensure that only the borrowed funds are invested with the builder, thereby ensuring that interest claimed as deduction under section 57 of the IT act has a clear nexus with the interest income generated by advances made.

To sum it up the restructuring would be beneficial if the loan borrowed is on commercial or personal account as the same would enable deduction of interest paid on the finances borrowed.

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To succeed in your mission you must have Single-Minded devotion to your Goal.

From our mail box:

Current Affairs

Well!! We humans don't live an easy life and to be aware about everything happening around us is not so easy. But yeah, we have tried to make it easy for you. So just have a look at a few things which we ought to know!!

- + We Indians are a big fan of cricket. This is something we ought to know: The 'Champions League T20 of Cricket scrapped with immediate effect'**

Champions League Twenty 20 (CLT20) of Cricket has been scrapped with immediate effect. Decision in this regard was taken unanimously by Governing Council of CLT20, comprising Board of Control for Cricket in India (BCCI), Cricket South Africa and Cricket Australia. CLT20 was scrapped due to lack of interest or poor response of the fans and popularity of the tournament and difficulty in managing it. Its popularity was also poor in respect of other domestic T20 tournaments such as Indian Premier League (IPL), Big Bash League in Australia and South Africa's Ram Slam T20.

About Champions League Twenty 20: CLT20 was an international Twenty-20 cricket competition played between

major domestic teams from cricketing nations. It was established in 2009 and was annual sporting event. The League is jointly owned by BCCI, Cricket Australia and Cricket South Africa. 2014 edition of the league was won by Chennai Super Kings (CSK).

- + Here is the progress of our PM towards his initiative 'Make in India': Tata, Boeing ink Strategic framework Agreement in lines with Make in India'**

Tata Advanced Systems Limited (TASL) and US-based aircraft maker Boeing have signed a strategic framework agreement for aerospace and defense manufacturing. The agreement was signed by Sukaran Singh, MD & CEO of TASL and Shelley Lavender, President of Boeing Military Aircraft in lines with Make in India in Hyderabad, Telangana. As per agreement, both companies will collaborate in the sphere of aerospace and defense manufacturing along with exploring the potential of developing integrated systems, including unmanned aerial vehicles (UAV). With this Boeing for the first time will develop high-end aerospace and defense sector technology in India, which will cater to the global markets.



If you fail, never give up because F.A.I.L means "First Attempt In Learning".

Presently, TASL has a big aircraft manufacturing footprint in various companies like Adibatla Aerospace and Precision Engineering Park in Hyderabad. It has a couple of Joint Ventures (JV) including Tata Sikorsky Aerospace and Tata Lockheed Martin Aero structures.

✚ **Good News!! This is something that's going to change our railway experience :**

Union Cabinet gives nod to redevelop 400 major railway stations: Union Cabinet meeting chaired by Prime Minister Narendra Modi approved the redevelopment of 400 major railway stations. This approval will enable the Union Ministry of Railways to accelerate the redevelopment of 'A-1' and 'A' category railway stations across the country. These stations generally are located in major cities, metros, pilgrimage centers and important tourist destinations. These major railway stations will be redeveloped under a new and unique method which is form of public procurement of ideas called the Swiss Challenge. It will also encourage innovative ideas from interested parties without any additional extra cost from the Railways. Under this initiative, major stations will be redeveloped by leveraging real estate development of land and air space in and around the stations. It also includes permitting

commercial development of real estate by the Zonal Railways.

Swiss Challenge: In this method, government agencies are required to invite bids for a public project such as a port or railways. Under this method the bid is invited from third parties to match or exceed or improve the existing bid. Finally, the original bidder gets to lower the bid or accept the new bid.

Categorization of A-1 and A category railway stations:

At present, Indian Railway's based on earnings classify 7000 railway stations into seven categories. A-1 category railway stations are those non-suburban stations with 50 crore rupees and above annual passenger earnings. While, Category A railway stations comprises non-suburban stations with 6 crore to 50 crore rupees annual passenger earnings.

✚ **This is what the nature has in store : Volcanic eruptions slow down Global Warming: Study**

As per recently published study in the journal Nature Communications, Volcanic eruptions by injecting particulates into the atmosphere may have slowed down global warming. The study was based upon research of a team of international researchers including Karlsruhe Institute of Technology (KIT) scientists.

End is not the end, in fact E.N.D. means " Effort never Dies".

Key facts from study: During the last 10 years volcanic aerosols have acted as a natural umbrella to slow down global warming from release of anthropogenic greenhouse gases (GHGs). The global concentration of GHGs in the atmosphere has continuously increased over the past decade but due to volcanic aerosols the mean global surface temperature has not increased indicating negative climate forcing effect.

In the years 2008-2011, volcanic aerosol particles have reflected the incoming solar radiation twice in the lowest part of the stratosphere than previously thought. However, the frequent volcanic eruptions and the subsequent cooling effect is only temporary phenomenon. Thus, the temperature rise will speed up again. The study had used the data from the tropopause region located up to 35 km altitude in the atmosphere.

Tropopause: It is region of transition layer between the wet weather layer with clouds (troposphere) at lower level and the dry and cloud-free layer (stratosphere) above it. In the Tropopause temperature is constant whereas in troposphere it decreases with increase in altitude and in stratosphere it increases with altitude.

✚ **Lost and not found? Lets GPS with GAGAN. Union Government launches GAGAN, aviation navigation system**

Union Government has launched GPS-Aided Geo Augmented Navigation (GAGAN) system, for aviation navigation. It was launched by Union Civil Aviation Minister Ashok Gajapathi Raju in New Delhi.

Facts about GAGAN system

It is jointly developed by Indian Space Research Organization (ISRO) and Airports Authority of India (AAI). It will provide augmentation service for GPS over the India, Bay of Bengal, South-east Asia and Middle East along with expansion up to Africa. The system with the help of reference and uplink station will provide corrections to the GPS signal in order to improve air traffic management. It is 10 times more precise compared to GPS and radio navigation aids used for precision landing. Presently, GAGAN Payload is already operational through GSAT-8 and GSAT-10 satellites.

Benefits: It will make airline operations more efficient by increasing fuel savings, direct routes, ease of search and rescue operations, reduced workload of flight crew and Air Traffic Controllers and cost savings due to withdrawal of ground aids. With this launch, India became the fourth nation in the world to have inter-operable Satellite Based Augmentation System (SBAS) after US, Europe and Japan. It should be noted that GAGAN is the first SBAS system in the world to serve the equatorial region.



If you get No as an answer, remember N.O. means "Next Opportunity".

So let's be positive.

✚ **Indians are not here to take the dump!!!**

India imposes anti-dumping duty on phenol imports from South Africa

India has imposed definitive anti-dumping duty of 342.76 dollars per tonne on all phenol imports on imports of Phenol from South Africa. This anti-dumping duty will be valid for a period of five years. The duty was imposed by Union Finance Ministry based on the recommendations of the Directorate General of Anti-Dumping Duty (DGAD) under the aegis of Union Commerce Ministry. This decision was taken by DGAD on the petition filed by Hindustan Organic Chemicals Limited and S I Group Limited seeking continuation of anti-dumping duty on Phenol imports from South Africa. It should be noted the above mentioned two companies are the only producers of Phenol in the country.

What is Anti-Dumping Duty? It is a trade duty imposed by any government on imported products which have prices less than their normal values in their domestic market. Usually countries initiate anti-dumping probes to check if domestic industry has been hurt because of a surge in below-cost imports. Anti-Dumping Duty is imposed under the multilateral WTO regime and varies from product to product and from country to country. In India, anti-dumping duty is recommended by the Union Ministry of Commerce (i.e. Directorate General of

Anti-Dumping Duty-DGAD), while the Union Finance Ministry imposes firm, Space Dynamics which already has installed it in Japan, Italy and US.

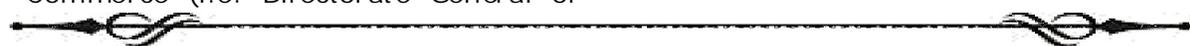
✚ **A step towards nature's harsh way of dealing with us :**

Uttarakhand gets India's first earthquake early warning system

Uttarakhand became first Indian state to install a system to detect earthquakes and disseminate warnings. The first system has been installed in its capital Dehradun which will issue warnings 1-40 seconds before earthquakes of magnitude 5 or more occur. The system is designed and manufactured by Italian

Features of earthquake early warning:

The system is incorporated with sensors which are capable to detect P (Primary) and S (Secondary) waves generated during an earthquake. It is capable to detect the harmless P wave, which travels faster than the S wave for advance warning. The system has the earliest detection among those currently in use worldwide. The second system will be established at Pithoragarh in the Kumaon region of Uttarakhand. According to the Bureau of Indian Standards (BIS), Uttarakhand falls under seismic zone V i.e. High-Risk Seismic Zone. Apart from it, Jammu and Kashmir, Himachal Pradesh, Rann of Kutch (Gujarat), Northern Bihar and Andaman & Nicobar Islands also fall under this seismic zone.



Failure will never overtake me if my definition to succeed is strong enough.

✚ The impact of technology in this growing world.

Microsoft to develop digital villages, cyber-security centre in Maharashtra.

Software giant Microsoft has agreed to develop 'digital villages' and a 'smart MIDC' (industrial colony) in Maharashtra under state's flagship 'Make In Maharashtra' initiative. It was announced by Chief Minister Devendra Fadnavis after he met Microsoft CEO Satya Nadella during his visit to company's office in Seattle, US. The location of the smart MIDC is yet to be decided. Microsoft will also set up cyber-security centre in Maharashtra's IT hub Pune and also agreed to adopt a tribal

village in Melghat district in order to provide 'tertiary health services'. Both sides also discussed application of cloud services to MSMEs and technological solutions for implementing Right to Service Act.

Microsoft will also help state government develop 'Safe Maharashtra' mobile application to provide security to vulnerable people by tracking them. Chief Minister Devendra Fadnavis also met Boeing CEO Raymond Conner and discussed expansion of MRO operations at its plant in the industrial facility of Multi-modal International Cargo Hub and Airport (MIHAN) in Nagpur.

Unless India stands up to the World, No one will Respect Us. In this World, Fear has no place. Only Strength Respects Strength".

From our mail box:

Mind Games

Word Puzzles

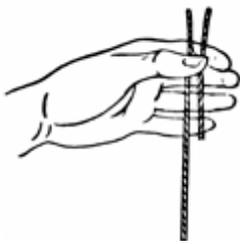
What is the partially revealed common 8 letter word below?



HINT: The third letter is an A:

M E A _ _ _ M E

Lateral Thinking



You have two strings of different lengths and a book of matches. If you place a lit match on the end of the longer string, it will burn for exactly 10 minutes. The shorter string on the other hand, will burn for exactly 1 minute.

How can you measure exactly 5 minutes 30 seconds using the matches and the strings?

A couple of rules/restrictions:

- ✓ You may not use scissors.
- ✓ The string is too rigid to be folded in half completely.
- ✓ You cannot tell by eye where the half way point of the string is.



HINT: Try to think of a way to get each string to burn in half the time.

Secret word

What word do you see here?



One of the very important characteristics of a student is to question. Let the students ask questions.

DNS NEWS

DNS Family wishing you a very "HAPPY BIRTHDAY"

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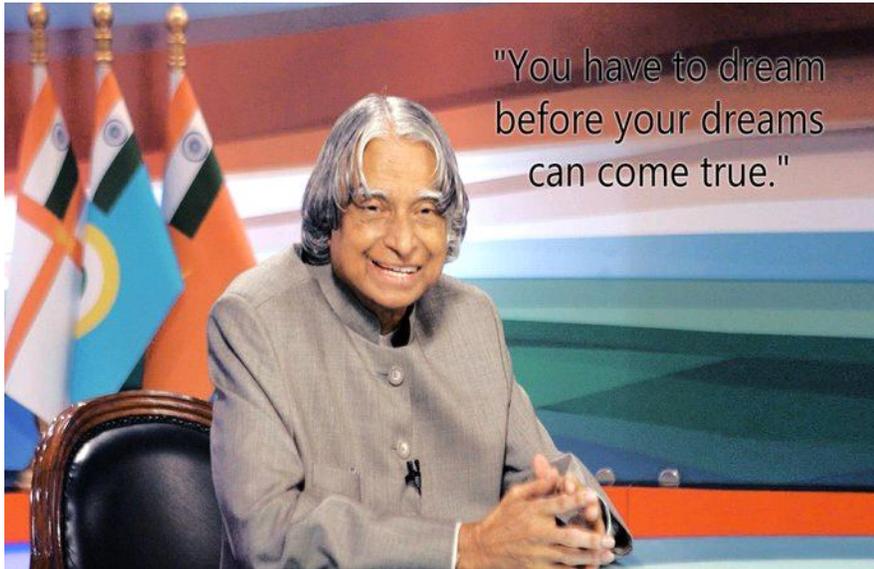
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"A Fool can Become a Genius when he understands he is a Fool" But.."A Genius can Become a Fool when he Understands he is a Genius"!

Tribute



My message, especially to young people is to have courage to think differently, courage to invent, to travel the unexplored path, courage to discover the impossible and to conquer the problems and succeed. These are great qualities that they must work towards.

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