TAX CONNECT
104th Issue: 22 Jan 2017 - 28 Jan 2017

TAX CONNECT

Knowledge Partner:

The Bengal Chamber of Commerce & Industry

BCC&I
THE BENGAL CHAMBER

INCOME TAX

CUSTOMS

CENTRAL EXCISE

SERVICE TAX

STATE TAXES

TAX CONNECT ACADEMY
Kolkata: 1, Old Court House Corner, "Tobacco House" 1st Floor, R.No.-13 (North), Kolkata-700001
Gujarat: Quarter no. 3/174, Gujarat Refinery Township, Jawaharnagar, Vadodara-391320

Contact: +919331042424; +919831594980; +913322625203
Email: tb.chatterjee@yahoo.co.in; cavivekjalan@gmail.com

EDITORIAL

Friends,

Although GST is a gleam in Finance Minister Arun Jaitley's eye, to meet up the technology challenges, Prakash Kumar, CEO of Goods and Service Tax Network (GSTN) begun to assemble a team of 60 which is expected to be majorly comprised of technology private sector.

GSTN has unveiled secure application programming interfacesto 34 selected GST Suvidha Providers which will make it second of its kind "platform" for applications in India, after Aadhaar.

Now coming to the present taxes,

In Service Tax, the abatement for tour operator services has been rationalized to 60%.

Further, exemption has been withdrawn for services provided by transportation of goods by a vessel from a place outside India up to the customs station in India;

And, exemption has been provided to services provided to a banking company with respect to accounts in its rural area branch.

In Income Tax, with reference to submission of statement of f1inancial transactions (SFT) as per section 285BA of Income-Tax Act, the following procedures have been provided for:

a. Registration and Generation of Income Tax Department Reporting Entity Identification Number (ITDREIN)
b. Registration of designated director and principal officer
c. Submission of Form No. 61A
d. Submission of correction statement
e. Security, archival and retrieval policies

In Central Excise, it has been held that merely because a service is not expressly mentioned in the definition of input service it cannot be said that it does not constitute input service and the assessee is not entitled to the benefit of CENVAT credit.

In Customs, exchange rate of foreign currencies into Rupee & vice versa w.e.f. 20.01.2017 has been provided for.

Just to reiterate that we remain available over a telecom or e-mail.

Truly Yours

Timir Baran Chatterjee

M.Com, FCS, MBA (International Business)-IIFT, ACMA

Vivek Jalan

FCA, CIDT (ICAI), B. Com

SYNOPSIS

GOODS & SERVICE TAX (GST)

REVISED DRAFT MODEL GST LAW (NOVEMBER 2016): KEY CHANGES IN CONCEPTS OF SUPPLY

- **<u>Exempt Supply</u>: As per the new law Sec 2(44): "**exempt supply" means supply of any goods and/or services which are not taxable under this Act and includes such supply of goods and/or services which attract nil rate of tax or which may be exempt from tax under section 11 ;

  An important change has been made in the Revised November 2016 Law wherein **even Zero Rated Supplies would be covered under exempt supply.** Generally ITC is not available for the exempt supplies but are available for zero rated supplies.

  Exports and supplies to SEZ would also fall under exempt supply vide this definition. However, ITC would be available on them vide Sec 16 of IGST Law.

- **<u>Principal supply</u> Sec 2(78): As per the new law**: "principal supply" means the supply of goods or services which has the predominant element of a composite supply and all other supplies in that composite supply should be ancillary to such principal supply and shall be just a means for better enjoyment of the principal supply.

- **<u>Composite supply:</u>** The definition of Composite supply has been dramatically changed in the Revised November 2016 Law by bringing in the concept of "principal supply".

  As per the new law Sec 2(27): "composite supply" means a supply made by a taxable person to a recipient comprising two or more supplies of goods or services, or any combination thereof, which are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is a **principal supply;**

  Illustration: Where goods are packed and transported with insurance, the supply of goods, packing materials, transport and insurance is a composite supply and supply of goods is the principal supply.

  Further, <u>the definition of Supply (Section 3)</u> has been simultaneously amended to state that the tax liability on a composite supply shall be determined whereby a composite supply comprising two or more supplies, one of which is a principal supply, shall be treated as a supply of such principal supply.

- **<u>Intra-State supply of goods and services:</u>** The intra-State supply of goods and services not defined earlier, have been defined in the new law as follows:

  As per the new law Sec 2(57): "intra-State supply of goods" means the supply of goods in the course of intra-State trade or commerce in terms of sub-section (1) of section 4 of IGST

  As per the new law Sec 2(58): "intra-State supply of services " means the supply of services in the course of intra-State trade or commerce in terms of sub-section (2) of section 4 of IGST Act, 2016.

- **<u>Mixed supply</u> As per the new law Sec 2(66)** : "mixed supply" means two or more individual supplies of goods or services, or any combination thereof, made in conjunction with each other by a taxable person for a single price where such supply does not constitute a composite supply;

  - Whatever is not a composite supply but consists of two or more individual supplies of goods or services, or any combination thereof shall be construed as mixed supply
  - These supplies should be made in conjunction with each other
  - Each of the items of a mixed supply can be supplied separately and should not be dependent on any other.
  - These supplies should be made by a taxable person
  - Such supply should be made for a single price

TAX CALENDAR

Due date	COMPLIANCES FROM 22nd Jan , 2017 to 28th Jan, 2017	STATUTE
22nd Jan, 2017	Deposit of VAT of previous month (VAT Act)	Gujarat
	Deposit of WCT of previous month (VAT Act)	Gujarat
	Issuance of WCT certificate (VAT Act)	Delhi
	Deposit of Entry tax of previous month (Entry Tax Act)	Gujarat
25th Jan, 2017	Filing of monthly/quarterly VAT return (VAT Act)	Delhi (Quarterly, if filed online) Jharkhand (Monthly)
	Issuance of WCT certificate (VAT Act)	West Bengal (Monthly) Mizoram (Monthly)
28th Jan, 2017	Deposit of VAT of previous month	Arunachal Pradesh
	Filing of monthly/quarterly/annual VAT return (VAT Act)	Arunachal Pradesh (Monthly, if annual turnover>Rs. 1 crore), Arunachal Pradesh (Quarterly, if annual turnover<Rs. 1 crore) Delhi (Quarterly, if filed manually)
	Filing of monthly/quarterly WCT return (VAT Act)	Delhi (Quarterly)

SERVICE TAX

NOTIFICATIONS/CIRCULARS

EXEMPTION WITHDRWAN FOR SERVICES PROVIDED BY TRANSPORTATION OF GOODS BY A VESSEL FROM A PLACE OUTSIDE INDIA UP TO THE CUSTOMS STATION IN INDIA; EXEMPTION PROVIDED TO SERVICES PROVIDED TO A BANKING COMPANY WITH RESPECT TO ACCOUNTS IN ITS RURAL AREA BRANCH

OUR COMMENTS: The Dept. of Revenue, Ministry of Finance, Government of India vide **Notification No. 01/2017-Service Tax dated 12.01.2017** has amended notification No. 25/2012-ST dated 20.06.2012 and

(i) withdrawn the exemption from service tax for services provided or agreed to be provided by a person located in non-taxable territory to a person located in non-taxable territory by way of transportation of goods by a vessel from a place outside India up to the customs station of clearance in India;

(ii) exempted services provided by a business facilitator or a business correspondent to a banking company with respect to accounts in its rural area branch.

AMENDMENT IN SERVICE TAX RULES, 1994

OUR COMMENTS: The Dept. of Revenue, Ministry of Finance, Government of India vide **Notification No. 02/2017-Service Tax dated 12.01.2017** has amended Service Tax Rules, 1994 and

(i) excluded persons from the definition of aggregator who enable a potential customer to connect with persons providing services by way of renting of hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes subject to fulfillment of certain conditions,

(ii) Specified the person complying with the sections 29, 30 or 38 read with section 148 of the Customs Act, 1962 as the person liable for paying service tax in case of services provided or agreed to be provided by a person located in non-taxable territory to a person located in non-taxable territory by way of transportation of goods by a vessel from a place outside India up to the customs station of clearance in India.

AMENDMENT IN NOTIFICATION NO. 30/2012-ST DATED 20.06.2012

OUR COMMENTS: The Dept. of Revenue, Ministry of Finance, Government of India vide **Notification No. 03/2017-Service Tax dated 12.01.2017** has amended notification No. 30/2012-ST dated 20.06.2012 and specified the person complying with the sections 29, 30 or 38 read with section 148 of the Customs Act, 1962 (as the person liable for paying service tax in case of services provided or agreed to be provided by a person located in non-taxable territory to a person located in non-taxable territory by way of transportation of goods by a vessel from a place outside India up to the customs station of clearance in India.

RATIONALIZATION OF THE ABATEMENT FOR TOUR OPERATOR SERVICES

OUR COMMENTS: The Dept. of Revenue, Ministry of Finance, Government of India vide **Notification No. 04/2017-Service Tax dated 12.01.2017** has rationalized the abatement for tour operator services to 60% provided:

(i) CENVAT credit on inputs and capital goods used for providing the taxable service, has not been taken under the provisions of the CENVAT Credit Rules, 2004.

(ii) The bill issued for this purpose indicates that it is inclusive of charges of accommodation and transportation required for such a tour and the amount charged in the bill is the gross amount charged for such a tour including the charges of accommodation and transportation required for such a tour.

CENTRAL EXCISE

COURT DECISIONS

M/S. VALSPAR (INDIA) COATINGS CORPORATION PRIVATE LTD. VERSUS COMMISSIONER OF CENTRAL EXCISE, CUSTOMS AND SERVICE TAX [CESTAT BANGALORE]

Brief: Merely because a service is not expressly mentioned in the definition of input service it cannot be said that it does not constitute input service and the assessee is not entitled to the benefit of CENVAT credit.

OUR COMMENTS: In the above case, the assessee is a manufacturer of paint and varnishes falling under Chapter heading 32 and 38 of Central Excise Tariff Act (CETA), 1985 and is availing the CENVAT credit on input and input services.

The Revenue issued a show-cause notice alleging that the input service credit availed on certain insurance services like public liability insurance, money insurance, group personal accident insurance, workman compensation insurance, standard fire and special perils insurance, consequential loss policy insurance, etc., is irregular and should be paid along with interest and penalty.

They contended that the activities carried out by the assessee fall within the category of welfare activities and insurance services broadly cover the companies property against exigencies such as fire and the said services are not input services used in or in relation to the manufacture or for furtherance of business.

The **Hon'ble CESTAT** noted that:

- The disputed input services are activities relating to the business and have a direct nexus with the manufacturing activity. All the services are necessary/essential for the smooth running of the business.

- The definition of input services as contained in Rule 2(l) of CCR, 2004 is very wide and it includes within its ambit of services which are used in or in relation to the business.

- The narrow approach of restricting the scope of input service to such services which are required for production alone is contrary to the provisions of CCR, 2004.

- The assessee manufacture chemicals of hazardous and volatile nature and it is mandatory for them to insure their employee/staff/machinery and equipment to mitigate any risk that may occur. Therefore the insurance service being mandatory for them, falls within the scope of input service .

Ref:

i. CCE, Bangalore-III vs. Stanzen Toyotetsu India (P) Ltd.: 2011 (23) STR 444 (Kar.)

ii. Coca Cola India (P) Ltd. vs. CCE, Pune-II: 2009 (242) ELT 168 (Bom.)

iii. CCE, Hyderabad-IV vs. Deloitte Tax Services India (P) Ltd.: 2008 (11) STR 266 (Tri.-Bang.)

Therefore, it was held that merely because these services are not expressly mentioned in the definition of input service, it cannot be said that they do not constitute input service and the assessee is not entitled to the benefit of CENVAT credit. In fact, Rule 3 of the Cenvat Credit Rules, 2004, specifically provides that the manufacturer of final products shall be allowed to take credit, the service tax leviable under Section 66 of the Finance Act and paid on any input service received by the manufacturer of the final product.

The impugned order was accordingly set aside.

[Decided in favour of assessee]

CUSTOMS

NOTIFICATIONS/CIRCULARS

REVISION OF EXCHANGE RATE OF FOREIGN CURRENCIES INTO RUPEE & VICE VERSA

OUR COMMENTS: The CBEC (Dept. of Revenue), Ministry of Finance, Government of India vide **Notification No. 05/2017-Customs (N.T.) dated 19.01.2017 & in supersession of Notification No. 01/2017-Customs (N.T.) dated 05.1.2017** has **revised the exchange rate of foreign currencies** specified in col.(2) of each of **Schedule I** and **Schedule II** annexed hereto, into Indian currency or vice versa, w.e.f. **20.01.2017** to be the rate mentioned against it in the corresponding entry in column (3) thereof, for the purpose of the said section, relating to imported and export goods.

SCHEDULE-I

Sl. No	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
1.	Australian Dollar	52.35	50.40
2.	Bahrain Dinar	187.35	174.90
3.	Canadian Dollar	52.25	50.70
4.	Danish Kroner	9.95	9.60
5.	EURO	73.75	71.45
6.	Hong Kong Dollar	8.90	8.70
7.	Kuwait Dinar	230.85	216.20
8.	New Zealand Dollar	49.55	47.85
9.	Norwegian Kroner	8.20	7.90
10.	Pound Sterling	85.15	82.40
11.	Singapore Dollar	48.55	47.05
12.	South African Rand	5.20	4.85
13.	Saudi Arabian Riyal	18.80	17.60
14.	Swedish Kroner	7.75	7.50
15.	Swiss Franc	68.90	66.55
16.	UAE Dirham	19.20	18.00
17.	US Dollar	69.10	67.40
18.	Chinese Yuan	10.10	9.80
19.	Qatari Riyal	19.20	18.15

SCHEDULE-II

Sl. No	Foreign Currency	Rate of exchange of 100 units of foreign currency equv. to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
1.	Japanese Yen	60.55	58.60
2.	Kenya Shilling	67.90	63.55

FIXATION OF TV OF EDIBLE OIL, BRASS, POPPY SEED, ARECA NUT, GOLD AND SLIVER

OUR COMMENTS: The CBEC (Dept. of Revenue), Ministry of Finance, Government of India vide **Notification No. 04/2017-Customs (N.T.) dated 13.01.2017** has amended **Notification No.36/2001-Customs, dated 03.08.2001** and fixed tariff value of edible oil, brass, poppy seed, areca nut, gold and silver by substituting tables, TABLE – 1, TABLE – 2 and TABLE – 3.

AMENDMENT W.R.T AIR OF DUTY DRAWBACK

OUR COMMENTS: The CBEC (Dept. of Revenue), Ministry of Finance, Government of India vide **Notification No. 03/2017-Customs (N.T.) dated 12.01.2017** has amended **Notification No. 131/2016-Customs (N.T.) dated 31.10.2016** relating to AIR of duty drawback **.**

The readers may refer the notification for details.

INCOME TAXES

NOTIFICATIONS & CIRCULARS

AGREEMENT BETWEEN INDIA AND CYPRUS FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION

OUR COMMENTS: The Department of Revenue, Ministry of Finance, Government of India vide **Notification No. 3 of 2017 dated 10.01.2017** has notified that all the provisions of the Agreement and Protocol between the Government of Republic of India and the Government of Republic of Cyprus for the avoidance of double taxation and the Prevention of Fiscal evasion with respect to taxes on income as set out, shall be given effect to in the Union of India with effect from the 1st day of April, 2017 being the First day of Fiscal year next following the year in which the said Agreement and Protocol entered into force.

The readers may refer the notification for the details.

PROCEDURE FOR REGISTRATION AND SUBMISSION OF STATEMENT OF FINANCIAL TRANSACTIONS (SFT) AS PER SECTION 285BA OF INCOME-TAX ACT

OUR COMMENTS: Rule 114E of the Income Tax Rules, 1962 specifies that the statement of financial transaction required to be furnished under sub-section (1) of section 285BA of the Act shall be furnished in Form No. 61A.

The procedure for registration for statement of financial transactions (SFT) was specified in Notification No. 13 dated 30th December, 2016. The functionality for submission of statement of financial transactions has now been enabled and the earlier instruction is being updated.

As per sub rule (4)(a) of Rule 114E, the statement of financial transactions shall be furnished through online transmission of electronic data to a server designated for this purpose under the digital signature of the person specified in sub-rule (7) and in accordance with the data structure specified in this regard by the Principal Director General of Income-tax (Systems).

The statement of financial transaction in respect of Cash deposits during the period 1st April, 2016 to 8th November, 2016 and 9th November, 2016 to 30th December, 2016 shall be furnished on or before the 31st day of January, 2017.

Now, the Directorate of Income Tax (System), CBDT, Department of Revenue, Ministry of Finance, Government of India vide **Notification No. 01 of 2017 dated 17.01.2017** has specified the procedure for

a) Registration and Generation of Income Tax Department Reporting Entity Identification Number (ITDREIN)

b) Registration of designated director and principal officer

c) Submission of Form No. 61A

d) Submission of correction statement

e) Security, archival and retrieval policies

The readers may refer the notification for the detailed procedure.

.

DELHI

GRANT OF REGISTRATION UNDER DVAT AND CST

OUR COMMENTS: The Department Of Trade And Taxes, Government Of National Capital Territory Of Delhi **vide CIRCULAR No. 20 of 2016-17 dated 13.01.2017** has modified Circular No 06 of 2016-17 Dt 17-05-2016 and in keeping with the reforms being undertaken, under 'Ease of Doing Business' in Department of Trade and Taxes, GNCTD, and has further eased the procedure for grant of registration under DVAT & CST Act, as under:-

1. The applicant dealer, applying through DVAT M Sewa, would be granted registration preferably within 01 day, for which no VATI verification would be required.

2. The provision of providing Bank Account details, at the time of applying for registration under DVAT & CST Act, as envisaged in Form DVAT 04, Part (Column No 16) shall be optional, on the part of the applicant dealer. However, the dealer shall provide Bank Account details of the business, on or before the filing of first Return, in r/o the registered entity.

3. The digitally signed Registration Certificate (downloadable at the dealer's end) will be granted within one day, to the prospective applicant dealer, applying through M Sewa, replacing the old provision of granting 'Provisional' Certificate.

4. The rest of the contents of the Circular 6/2016 shall remain the same.

GUJARAT

EXEMPTION ON TECHNICAL GRADE UREA

OUR COMMENTS The Finance Department, Government of Gujarat, vide Notification **No. No. (GHN-01)VAT-2017-S.5 (2) (53)-TH dated 13.01.2017** has extended the exemption to technical grade urea from 14.01.2017 to 14.01.2018.

MADHYA PRADESH

ERECTION OF TEMPORARY CHECK POST AND BARRIER

OUR COMMENTS: The Commercial Tax Department, Government Of Madhya Prdesh, vide Notification No. F A 3-76-2014--1-V(1) dated 18.01.2017 has set up temporary check post and erects barrier at Village Jamalpura, District Mandsaur (Location : On Mandsaur-Pratapgarh State Highway No. 14, between 11-12 k.m. from Mandsaur towards Pratapgarh were the check post of the Transport Department is situated at Village Jamalpura).

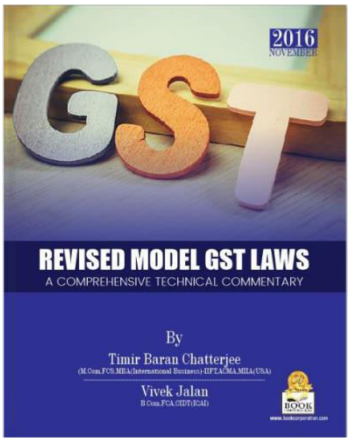
EXEMPTION TO P.O.S. MACHINE

OUR COMMENTS: The Commercial Tax Department, Government Of Madhya Prdesh, vide Notification No. F A 3-52-2016-1-V(2) dated 18.01.2017 has provided exemption to POS machines w.e.f. 18.01.2017.

.

.

IN STANDS: REVISED MODEL GST LAWS : A COMPREHENSIVE TECHNICAL COMMENTARY



ABOUT THE BOOK: While the Government is moving at a rapid pace, yet it is still a question whether the Corporates are GST Ready or not. It is high time that the law needs to be analysed and implemented into every facet of the business including sales and marketing, Logistics, procurement, HR, IT and of course Finance and Taxation. The book contains an exhaustive coverage of the Revised Model GST in the form of a Section wise technical commentary. It provides an insight into the following:

1. Brief about the major changes between the Revised law and the earlier law.
2. Revised Model GST Law November 2016
3. Revised Model IGST Law November 2016
4. GST Compensation Law
5. GST Return Rules
6. GST RefundRules
7. GST Registration Rules
8. GST Payment Rules
9. GST Invoice Rules

Authors:

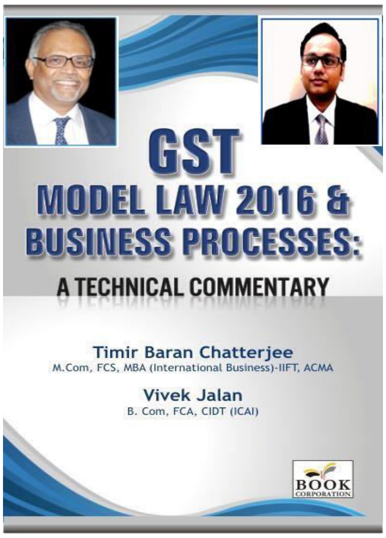
Timir Baran Chatterjee
M.Com, FCS, MBA (International Business)-IIFT, ACMA

Vivek Jalan
B. Com, FCA, LLb, CIDT (ICAI)

Knowledge Partner:
Bengal Chamber of Commerce and Industry (the first chamber of the Country)

Published by:
BOOK CORPORATION
4, R. N. Mukherjee Road
Kolkata 700001
Phones: (033) 64547999, 22306669, 22205367
Cell : 9830010297, 9331018333
Order by email:bookcorporation@gmail.com
Website :www.bookcorporation.com

IN STANDS - GST: MODEL LAW 2016 & BUSINESS PROCESSES : A TECHNICAL COMMENTARY



ABOUT THE BOOK: GST Bill is going to be passed in July 2016 and GST is expected to go live from 1st April 2017! In this backdrop, as our initiative to get GST READY, we have launched this publication. This books provides an insight into the following –

1. Procedural provisions under The Model GST Law 2016
2. Glimpse of the Model GST Law 2016
3. Model GST Law 2016
4. GST Valuation (Determination of The Value of Supply of Goods and Services) Rules, 2016
5. The Integrated Goods and Services Tax Act, 2016
6. GST Registration Process
7. GST Return Process
8. GST Payment Process
9. GST Refund Process
10. Eco system for GST and GST Suvidha Provider

FOR ONSITE DELIVERY CONTACT TAX CONNECT AT :

+91 33 2262 5203 ; +91 80173 87083; p3.javaa@gmail.com

Authors:

Timir Baran Chatterjee
M.Com, FCS, MBA (International Business)-IIFT, ACMA

Knowledge Partner:
Bengal Chamber of Commerce and Industry (the first chamber of the Country)

Published *by:*

BOOK CORPORATION
4, R. N. Mukherjee Road
Kolkata 700001
Phones: (033) 64547999, 22306669, 22205367
Cell : 9830010297, 9331018333
Order by email: bookcorporation@gmail.com
Website : www.bookcorporation.com

BOOK EXCLUSIVELY ON WORKS CONTRACT (SERVICE TAX AND VAT)

AVAILABLE IN ALL LEADING LEGAL BOOK SHOPS INCLUDING BOOK CORPORATION

Works Contract has been one of the most complex and litigation prone areas in Indirect Taxes. However with good understanding of all the provisions under Service Tax & VAT which hit Works Contracts & proper planning, Trade & Industry can not only avoid litigation but can also save around 5% - 10% on indirect taxes which by no means is an ordinary saving in the competitive market. For Trade & Industry, the problems on the subject have been many. Over the last few years we have received queries and replied to the issues at various forums.

Vide this publication, we have made an attempt to cover in detail all issues related to **Service Tax:** Valuation, Point of Taxation, Place of Taxation, Abatement, Reverse Charge, Input Tax Credit Mechanism & **VAT**: Contractual Transfer Price, Modes of Valuation, WIP, STDS as well as **GST** . We have also focused on the issues faced by various sectors on account of Works Contract.

This book is divided into Seven Parts covering several broad areas. Each area has the provisions directly from the Statue in the beginning and detailed discussions on the provisions in the form of questions and answers thereafter. Since litigations on the subject have been manifold, we have also covered judicial pronouncements extensively.

Authors:

Timir Baran Chatterjee
M.Com, FCS, MBA (International Business)-IIFT, ACMA

Vivek Jalan
B. Com, FCA, CIDT (ICAI)

Published *by:*

BOOK CORPORATION

4, R. N. Mukherjee Road
Kolkata 700001
Phones: (033) 64547999, 22306669, 22205367
Cell : 9830010297, 9331018333

FROM SELLING TEA TO BEING A CHARTERED ACCOUNTANT

CONGRATULATION GAURAV! YOU HAVE DONE US PROUD. WISH YOU LOADS OF SUCCESS AHEAD.

Brewing hard work & luck, steel city vendor's son clears prestigious exam

CA is his cup of tea, says *chaiwala*'s boy

ANIMESH BISOEE

If there's a will, there's a way to smash any glass ceiling in the world. A tea vendor's son proved this by clearing the tough chartered accountancy (CA) exams.

Gaurav Pandit, 24, whose father Niranjan Kumar Pandit is a tea vendor in Azad Market, Telco, is ecstatic on clearing the CA exams, the nationwide results of which were declared on Tuesday. Scoring 53 per cent, Gaurav cleared the exam in his second attempt.

Luck and brains played a role in charting out this unique destiny, Gaurav, who grew up in an impoverished family among four siblings and yet studied in prestigious institutions like Little Flower School (LFS) in Jamshedpur and Goenka College of Commerce and Business Administration in Calcutta, admitted.

Niranjan Kumar Pandit prepares tea at his stall in Telco, Jamshedpur, on Wednesday, and (right) offers laddoo to son Gaurav. Pictures by Bhola Prasad

For kindergarten, father Niranjan, then a casual worker in Tata Motors, took Gaurav to LFS, mortgaging his wife's jewellery for school fees. When then principal Sister Helena learnt about the family's circumstances, she waived the boy's fees till Class VI.

Gaurav was bright and did well in school, holding his own among affluent classmates. Teachers loved him. "But had it not been for Sister Helena's generosity, I wouldn't have managed to study," Gaurav, who came to his hometown from Calcutta on Wednesday morning, said.

He's no less grateful to dad Niranjan, now 65, who had opened his tea stall while Gaurav was in school, and mother, homemaker Manju, 47. "After Plus Two from LFS, my father encouraged me to study in a good college. How else can a tea vendor's son dream of staying in a hostel in Calcutta?"

"Since Goenka College of Commerce and Business Administration is a government college and I also got a scholarship through merit test, I managed to study my BCom, tutoring school and college students to meet my expenses in Calcutta," he said, adding that once he graduated, he managed to find a job with a CA firm JAV and Associates at Lalbazar.

Gaurav's first priority now is to get a decent job and help his family, he stressed.

Birsanagar resident Niranjan, who earns about Rs 7,000, was almost speechless at his son's achievement. "*Main kya bolun, sabko aaj free main chai, biscuit aur laddoo khila raha hoon* (What can I can say, today I am offering tea, biscuits and sweets to all for free who are coming to my stall)," he said at his makeshift tea stall of bamboo and polythene.

"I will only thank God who made me see this day. I read about our country's Prime Minister Narendra Modiji was also once a tea-seller," said the elderly man, who was felicitated by district BJP president Dinesh Kumar Sahu in Telco in the afternoon.