

CA Vasudev Mehta In today's business environment, discount is the sharpest weapon for promoting a product or brand. Even a school going kid knows the concept of "Buy one get one" or "Get up to 70% discount" type marketing taglines. Interestingly, even today our tax laws (including GST laws) do not have a definition of the term "Discount". This has resulted in litigations in the past, which in my view did not add any value to any of the stake holders. This article will try to discuss the legal position on discount based on judicial precedence and provision of GST Law. Meaning of Discount Dictionary meaning of discount is "a reduction in the usual price". Main purpose of discount is to increase the sale. However, discount alone cannot increase the sale but it can surely influence customer behaviour assuming that the other factors such as quality, customer perception about