

Umang Talati

GST has been in our lives for well over 4 years now, and while it seems to have settled down, somewhat, notices and departmental audits have commenced keeping the taxpayers/ dealers as well as the consultants busy. The intention of GST was always to reduce the cascading effect of taxes and achieve the concept of “one nation one tax”. For this very reason, the scope of supply is very wide. Any activity/transaction undertaken by a person where consideration is charged (Exception Sch I), is perpetually covered under the umbrella of supply. 2 limbs of a transaction are paramount to determine applicability of the act – the supply and the consideration. For the purpose of this article, we are going to discuss a small element in consideration i.e. the minutiae with respect to deposits in different scenarios. Consideration is defined under Sec 2(31) of the CGST Act, 2017. The definition provides for a situation when an amount received as deposit, may not be consider.....