

A Maximum Retail Price is a maximum price which can be charged from the consumers in India as specified by the authority figures. Under the Consumer Goods (mandatory printing of cost of Production and Maximum Retail Price) Act, 2006, consumers cannot be charged more than the **MRP mentioned on the packing of the products.**

After the implementation of GST, prices of many products just got some changes from the previously followed structure. The government has revised the MRP rules for the businesses and Consumer Ministry has directed the businesses to paste the new stickers with fresh pricing.

MRP Rules after Implementation of GST

- If the price of the product has increased after GST imposition, the manufacturer of the said product needs to release an advertisement in at least two newspapers regarding the updated price
- Only the stocked products with the manufacturer are required to put on the advertisement. The new products coming after 1st July are not covered under the advertisement rule
- The advertisement rule is applicable for three months(1st July to 30th September) of implementation of GST
- If the price of the product has decreased after GST implementation, the manufacturer doesn't need to advertise regarding the reduced price on newspaper.
- In both the cases, if price of product has increased or decreased, manufacturer is required to put the new sticker along with old sticker for the stocked products till 30th September and for new products, the manufacturer will put only the revised price.

Complaint against the MRP If Seller Charges More

Latest guidelines issued by the CBEC states that if any retailer asks for GST above the MRP of a product then the consumer can be clearly denied and the complaint must be lodged against him at the ministry and various anti-profiteering commissions setup in India.

MRP includes all the taxes and sellers are not liable to charge more over and above the mentioned price on the products. Manufacturers and sellers are only allowed to sell at the lesser price than MRP and offer a discount on MRP for particular products.

After implementation of GST, at some places, consumers are asked to pay more over MRP saying GST has increased the cost of the products. It is clearly defined

in the directives that if the price has increased, the manufacturer has to put an advertisement for the same in at least two newspapers and it is required to put the old and new both price stickers for the old stocks until 30th September.

The consumer needs to be more aware of the prevailing conspiracies and if sellers ask them to pay more than the MRP, they can lodge a complaint regarding the same to the consumer ministry.

Disclaimer:

1. These notes are only for the students.
2. These notes are prepared after referring various books and websites.