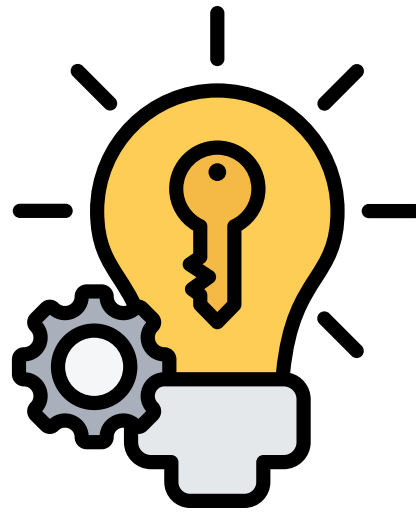


Are You Worried About

How to show Revised
MRP on Products?

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Is revised-MRP stickering compulsory after the GST rate cut?

No. Passing on the benefit of the GST rate reduction to consumers is mandatory, but re-labelling/re-stickering of existing stock is permitted, not compulsory.

Guide to Revising MRP on Packaged Goods After a GST Change

When there's a change in the Goods and Services Tax (GST) rate, companies must update the Maximum Retail Price (MRP) on their products. According to the **Legal Metrology (Packaged Commodities) Rules, 2011** and a specific circular issued on September 9, 2025, which allowed Manufacturer or importer or packers of pre-packaged commodity to declare a revised MRP on unsold stock. This guide will explain how to handle these changes, especially for products with both an outer package and smaller inner packages.



What is Permitted?

Permission to Manufacturer or Importer or Packers of Pre-packaged commodities to declare a new, revised MRP on unsold stock that was manufactured, packed, or imported before the GST rate change

- **How to revise:** use a stamp, a sticker, or online printing to add the new MRP
- **Don't hide the old price:** The new MRP must be an additional declaration. You cannot overwrite or obscure the original MRP.
- **Time limit:** This permission is valid until December 31, 2025, or until your stock is exhausted, whichever comes first



Applying Revisions to Multi-Piece Packages

This process can be a bit more complex when you have a main package that contains multiple smaller packages, especially if both have an MRP printed on them?

Scenario 1: Both Outer and Inner Packages Have MRPs

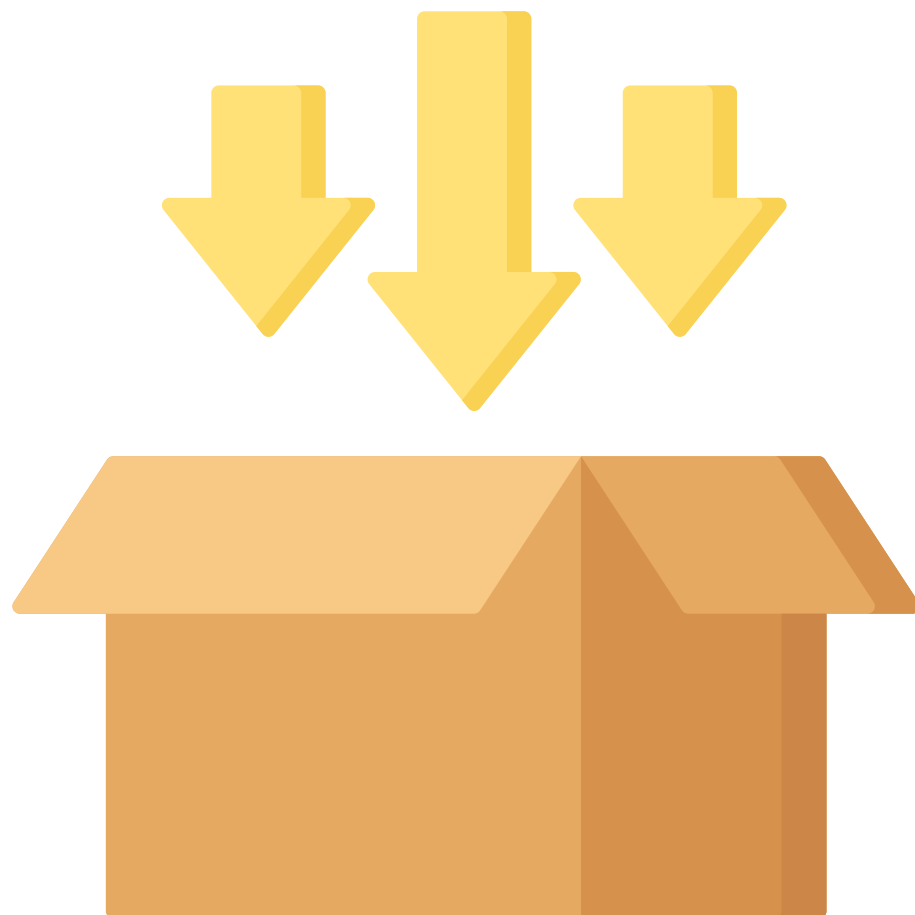
If the main outer package is sold as a retail unit and each of the 10 inner packages also has its own MRP and is intended for individual retail sale, then both must be updated

- **Main Outer Pack:** Place a clear revised MRP declaration near the existing one. It's a good idea to label it "Revised MRP" and include the effective date if needed



Each Inner Pack: Apply a similar revised MRP declaration on each of the 10 inner packs. You cannot just rely on the revision made to the outer pack

Example: A wholesaler has a large box of 10 individual snack bags. The box has a price, and each small bag also has a price. Because both are intended for retail sale, a revised MRP sticker must be applied to the box and to each of the 10 snack bags inside.



Scenario 2: Inner Packages Are Not for Separate Retail Sale

If the inner packages are not meant to be sold individually, they should not have an MRP printed on them and should clearly state "not to be sold separately".

What to do: In this case, you only need to revise the MRP on the main outer package

Example: A box of 10 small packets of salt is clearly marked "not for separate sale" on each inner packet. The wholesaler only needs to apply the revised MRP sticker to the main outer box



Rules for Pricing and Communication

There are specific rules about how the new price is determined and how you must communicate the changes.

Pricing Constraints:

- If **GST increased**, the difference between the original and revised MRP cannot be more than the amount of the tax increase
- If **GST decreased**, the revised MRP must reflect the tax reduction. You must pass the reduction on to the consumer



Communication Requirements: The manufacturer or packer must issue at least two advertisements in one or more newspapers and send notices to dealers. These notices must also be sent to the Director of Legal Metrology (Central) and the Controllers of Legal Metrology in the States/Union Territories



Practical Steps for a Wholesaler

As a wholesaler, you can take these steps to ensure compliance

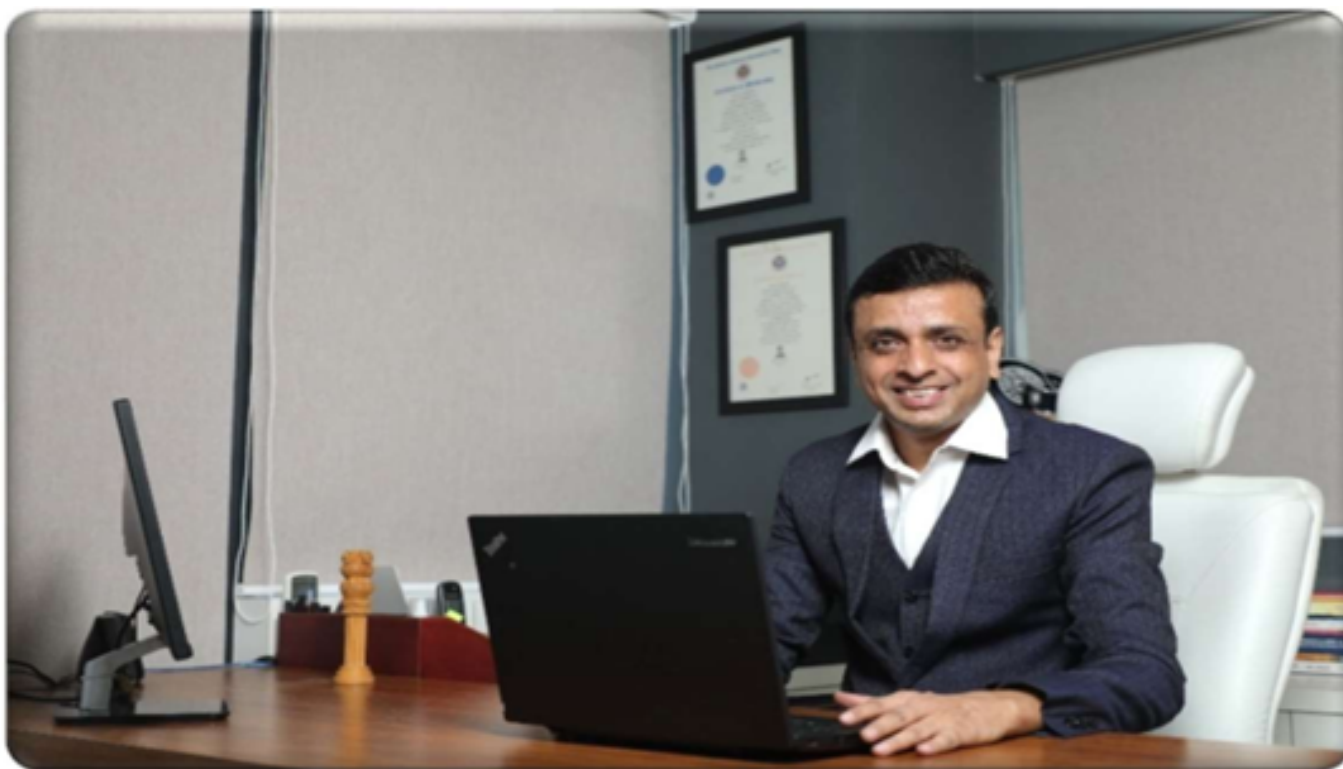


- **Identify Affected Products:** Check which of your products have an MRP on both the outer and inner packages

- **Apply Stickers:** Apply non-removable stickers or use stamps to add the new MRP to both the main pack and each inner pack. Make sure the new declaration is legible and does not cover the original MRP
- **Keep Records:** Maintain records of your tax change calculations for each product to show that the revised price is justified
- **Stay Updated:** Wholesalers must rely on the manufacturer's or packer's official notices and revised prices
- **Audit Readiness:** Keep copies of all required newspaper advertisements and notices from the manufacturer. Maintain a register of the relabeling efforts, including the SKU, batch, old MRP, and revised MRP

- This temporary permission allows for a smooth transition for stock already in the supply chain, like with unsold stock with a wholesaler or retailer. This avoids the need for a costly product recall and allows for on-site corrections





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