



# Sale of bottled water on same rate Post GST

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On account of implementation of GST there may be instances where the retail sale price of a pre-packaged commodity is required to be changed. Department of Consumer Affairs has therefore issued an advisory on the matter.

Further, vide this advisory it has been informed inter alia, that for reducing the Retail Sale Price (MRP), a sticker with the revised lower MRP (inclusive of all taxes) may be affixed and the same shall not cover the MRP declaration made by the manufacturer or the packer or importer, as the case may be, on the label of the package, which includes the packed water bottles also.

The said information has already been disseminated to all the Controllers of Legal Metrology of all States/ UTs for immediate necessary action.

Further, Section 171 of the GST Act provides that:

(1) Any reduction in rate of tax on any supply of goods or services or the benefit of input tax credit shall be passed on to the recipient by way of commensurate reduction in prices.

(2) The Central Government may, on recommendations of the Council, by notification, constitute an Authority, or empower an existing Authority constituted under any law for the time being in force, to examine whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by him.

This information was given by Shri C. R. Chaudhary, the Minister of State for Consumer Affairs, Food and Public Distribution, in a written reply to a question in Rajya Sabha, today.

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