

The logo for Corpbiz, featuring a stylized 'C' with a yellow and blue gradient, followed by the word 'orpbiz' in a dark blue sans-serif font. The logo is centered within a white circular background.

Corpbiz



## **The Impact of GST on Pre-Packaged Commodities**



Due to the recent decision of imposing 5% Goods and Service Taxes on pre-packaged commodities, the Weights and Measures Unit of the Department of Consumer Affairs, under the authorisation of the Ministry of Consumer Affairs, Food and Public Distribution, the Government of India issued a Letter on 1st August 2022 clarifying the Impact of GST on unsold stock of Pre-Packaged Commodities under the powers conferred by Rule 33 (1) of the Legal Metrology (Packaged Commodities) Rules 2011.

The Letter states that the producers, packagers, or importers are instructed to declare the revised MRP on unsold stock prior to 31st January 2023. The Department has addressed the Letter to the Controller of Legal Metrology, stating the declarations of the changed retail price (MRP) is to be stamped by applying a sticker on the online printed package along with complying with the following stated conditions -

The difference amount between the original retail price and the revised price is not to be higher than the extent of the increase in the tax and to be in accordance with the GST Act and Rules.

The Original MRP should be visible, and the revised price shall not be overwritten over the original price.

The producer, packager, or importer re to make a minimum of at least two advertisements in either one or two newspapers along with the circulation of notices to the dealers and the Director of the Legal Metrology Department under the authorisation of the Central Government and the Controller of the Legal Metrology Department under the authorisation of the States and Union Territories with a clear indication of the change of prices.

The Letter also states that the packaging material or wrapper cannot be exhausted by the producer, packager, or importer before the revision of GST, with the extension granted for packing the commodity until 31st January 2023.



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Official Circular attached - [here](#)