

CAVEAT EMPTOR

The price we pay

It is time the consumers and the Government pulled up those charging the public above the Maximum Retail Price for products

When Anu questioned why she was asked to pay Rs. 3 above the Maximum Retail Price (MRP) when she purchased a pack of flavoured milk, she was surprised when the shop owner told her that it was towards 'cooling charges'. It is this kind of excuses that everyone who charges above MRP often give. Cinema halls and multiplexes particularly sell regularly above MRP and offer no reasons.

But as we all know, there can be no charges beyond the MRP that a shop keeper can demand for. Nevertheless, how many of us actually notice and complain against such practices? If there are complaints of overcharging, one should approach the Legal Metrology Department.

At the same time, we are all aware that the restaurants / hotels charge more than the MRP for a bottle of drinking water or soft drinks. Well, this is because

of judicial pronouncements supporting this. The Supreme Court Order in State of Himachal Pradesh Vs Associated Hotels of India, given in 1972, stated that such food and drinks cannot be considered retail sales since they are always accompanied by service. Later, in a petition moved by the Federation of Hotels and Restaurants of India and others, urging the Court to make ineffectual the application of the provisions of the Standards of Weights and Measures Act, 1976 and the Packaged Commodities Rules, 1977, to the hotel and restaurant industry in Delhi, the Delhi High Court observed that charging prices for drinking water in excess of MRP on the packaging during the services of customers in hotels and restaurants does not violate any of the provisions of the Act.

However, the National Commission, in its judgement on a

similar matter, upheld the order of the Bharuch (Gujarat) District Forum imposing a fine of Rs. 1.56 lakh on Hotel Nyay Mandir for charging more than MRP on soft drinks.

When consumers are required to pay VAT, service tax and also service charge on the bill, why should they pay more than MRP on bottled water? Also, the MRP for products, including water, is fixed at double or three times the actual price in flights. When there is a passenger service fee collected by the airlines while the consumer books a flight, and the consumers anyway pay an exorbitant charge for the food / tea / coffee. So, where is the need for fixing the price of packed products at a much higher price?

It is high time that the Government took cognisance of this issue with the interest of consumers in the forefront and made sure that price mentioned on the package is charged for water / soft drinks.

S. SAROJA

(The writer works with CAG, which offers free advice on consumer complaints to its members. For membership details / queries contact 2491 4358 / 2446 0387 or helpdesk@cag.org.in)

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