

STATE CONSUMER DISPUTES REDRESSAL COMMISSION
UNION TERRITORY, CHANDIGARH
Plot No.5B, Sector 19B, Madhya Marg, Chandigarh 160019
Phone No.0172 - 2700183
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chdconsumercourt.gov.in

No.SC/AB/CP/2025/1534

Dated: 09.09.2025

To,

Ishita Khanna
D/o Sh. Nitin Khanna,
Resident of #203, Omaxe Silver Birch,
New Chandigarh, Mullanpur,
Punjab - 160901

Subject : Issue of certified copy of order dated 14.08.2025 and extra 2nd set of file of Appeal No. 142 of 2025.

Sir,

Enclosed please find herewith a certified copy of order dated 14.08.2025 passed in Appeal No. 142 of 2025 decided by the Chandigarh State Commission (AB), UT., Chandigarh, for information and necessary action.

2. Further as per provision of Regulation 20(3), (4) & (5) of the Consumer Protection (Consumer Commission Procedure) Regulations, 2020, you are requested to arrange to collect the extra set of file of Appeal No. 142 of 2025 within one month, failing which this extra set shall be weeded out. This set can be used for filing the Revision Petition and also necessity if any, to summon the record from the Commission below can be dispensed with.

For Secretary/Office Incharge,
State Consumer Disputes
Redressal Commission
(Additional Bench)
Chandigarh



1532

**STATE CONSUMER DISPUTES REDRESSAL COMMISSION,
U.T. CHANDIGARH
[Additional Bench]**
=====

Appeal No.	:	A/142/2025
Date of Institution	:	02/04/2025
Date of Decision	:	14/08/2025

Ishita Khanna D/o Sh. Nitin Khanna, Resident of
#203, Omaxe Silver Birch, New Chandigarh, Mullanpur,
Punjab - 160901.

....Appellant

Versus

Ghazal Restaurant through its Manager, SCO 189-90-91,
Sector 17-C, Chandigarh - 160017.

.... Respondent

**BEFORE: MRS. PADMA PANDEY PRESIDING MEMBER
 PREETINDER SINGH MEMBER**

*PRESENT : Appellant in person.
 Sh. Rajesh Verma, Advocate for the Respondent (on V.C).*

PER PADMA PANDEY, PRESIDING MEMBER

1. The Appellant has moved misc. application bearing no. MA/328/2025 for condoning the delay of 35 days (as per office 32 days) in filing the Appeal. The cause shown is sufficient. The delay is condoned and the appeal shall be treated to be within time. Accordingly, misc. application bearing no. MA/328/2025 stands disposed of.



2. The present appeal has been filed by the Appellant impugning the order dated 03.12.2024 vide which the Learned District Consumer Disputes Redressal Commission-I, U.T. Chandigarh (for brevity hereinafter to be referred as "the Ld. District Commission"), dismissed the Consumer Complaint bearing no.CC/62/2024 filed by the Complainant - Ms. Ishita Khanna, in the following terms:-

"4] In the light of the aforesaid discussion, the present consumer complaint, being devoid of any merit, is hereby dismissed leaving the parties to bear their own costs."

3. For the convenience, the parties are being referred to, in the instant Appeal, as position held in Consumer Complaint before the Ld. District Commission.

4. Before the Ld. District Commission, it was the case of the Complainant that on 12.12.2023 at around 8.30 PM she visited the Opposite Party-Restaurant and after having dinner, requested for the invoice and on seeing the same, she was shocked to see that the Opposite Party had charged an amount of ₹55/- for the water bottle branded as Aquafina priced at ₹20/- mentioned on the label of the bottle. In addition to that, the Opposite Party



had also charged Goods and Service Tax on ₹55/- and in this manner the aforesaid act of the Opposite Party amounts to unfair trade practice and the Opposite Party had charged more than MRP quoted on the label of the water bottle and also charged Goods and Service Tax on the said bottle. Hence, the aforesaid Consumer Complaint was filed before the Ld. District Commission, alleging deficiency in service and unfair trade practice on the part of the Opposite Parties.

5. In the reply filed before the Ld. District Commission, the Opposite Party while admitting the factual matrix of the case, pleaded that there was no deficiency of service on the part of the Opposite Party being one of the oldest restaurant in the city of Chandigarh, fully air conditioned, having dining capacity of large number of persons and is known for its food quality ambience and customer service. It was submitted that the Hon'ble Supreme Court has already ruled that the restaurants can sell the mineral water bottle above the MRP. The people come and enjoy food and pays to the Opposite Party for its service. On merits, it was alleged that it is not a simple case of selling of mineral water,



rather, the Opposite Party has been providing comfort and ambience to the customers and as such also incurred extra cost over the infrastructure. Denying all other allegations and pleading no deficiency in service or unfair trade practice on its part, Opposite Party prayed for dismissal of the complaint.

6. On appraisal of the pleadings of the parties and the evidence adduced on the record, Ld. District Commission dismissed the Consumer Complaint of the Complainant as noticed in the opening para of this order.

7. Aggrieved against the aforesaid order passed by the Ld. District Commission, the instant Appeal has been filed by the Appellant/Complainant.

8. We have heard the Appellant in person and Learned Counsel for the Respondent and have gone through the evidence and record of the case with utmost care, along with the written arguments advanced.

9. The only issue which arises for consideration of this Commission is as to whether the respondent could charge over and above the maximum retail price (MRP) of



the water bottle? Our answer to this question is in the negative.

10. It is relevant to reproduced Rule 2(m) of Legal Metrology (Packaged Commodities Rules, 2011 as under:-

"(m) "retail sale price" means the maximum price at which the commodity in packaged form may be sold to the consumer and the price shall be printed on the package in the manner given below; Maximum or Max. retail price Rs/inclusive of all taxes or in the form MRP Rs/incl., of all taxes after taking into account the fraction of less than fifty paise to be rounded off to the preceding rupees and fraction of above 50 paise and up to 95 paise to the rounded off to fifty paise;"

From the reading of above definition, it is clear that the maximum retail price (MRP) includes all taxes, which does not permit any retailer or seller to sell the good(s) over and above its MRP.

11. Further, Rule 18(2) of the aforesaid Rules of 2011 prohibits any retail dealer or other person (including manufacturer, packer, importer or wholesale dealer) from making any sale of a packaged commodity at a price exceeding the retail sale price.



12. The water supplied was a sealed, pre-packaged commodity bearing an MRP of ₹20. Its delivery to the consumer, against a stated consideration, is a sale of a packaged commodity within the meaning of the Legal Metrology (Packaged Commodities Rules, 2011. The Respondent, qua the water bottle, acts as a retail dealer selling a packaged commodity to the end consumer. The fact that the sale occurs on restaurant premises does not denude the transaction of its essential character as a retail sale of a packaged good.

13. In our view, the Maximum Retail Price (MRP) is the highest price at which a product can be sold to the end consumer and it includes all taxes, packaging costs and the profit margin for the retailer. The inclusion of taxes in the MRP is designed to provide transparency to consumers, which also ensures that the price consumer sees on the product is the total amount which they are required to pay, and there are no hidden charges. This practice helps prevent unfair business practices and protects consumers from being charged additional amounts beyond the displayed MRP. The MRP is a maximum and retailers are



allowed to sell products at lower prices if they choose to do so but they cannot charge more than the MRP.

14. Further as per the provisions of Section 2(47) of Consumer Protection Act, 2019, 'unfair trade practice' means a trade practice which, for the purpose of promoting the sale, use or supply of any goods or for the provision of any service, adopts any unfair method or unfair or deceptive practice including any of the following practices, namely:--

xxxx xxxx xxxx xxxx xxxx

(i) materially misleads the public concerning the price at which a product or like products or goods or services, have been or are, ordinarily sold or provided, and, for this purpose, a representation as to price shall be deemed to refer to the price at which the product or goods or services has or have been sold by sellers or provided by suppliers generally in the relevant market unless it is clearly specified to be the price at which the product has been sold or services have been provided by the person by whom or on whose behalf the representation is made;"

15. In the instant case, perusal of Invoice, Annexure C-1, shows that admittedly, for one mineral water bottle, the respondent charged an amount of ₹55/- instead of mentioned on the label of the bottle and for rest of the food items, the appellant was charged as per the rates



reflected in the Menu and this act of the respondent definitely amounted to unfair trade practice on its part.

16. This matter can be viewed from another angle - the angle showing the intention of legislature to enact the Food Safety and Standards Act, 2006 and the Legal Metrology (Packaged Commodities) Rules, 2011 (in short the Rules). These Rules came into effect on 01.04.2011. Its Rule 18 Sub-Rule (2) makes it very clear that no retail dealer or any other person including manufacturer, packer, importer and whole-sale dealer shall make any sale of any commodity in packed form at a price exceeding the retail sale price thereof. Under this Rule also, the respondent has no right to sell any commodity including the bottle in question on a price exceeding retail price (MRP) thereof. Moreover, water is indeed a fundamental and essential necessity for life and access to clean and safe drinking water is a basic human right. Thus, recognizing the importance of water as a basic necessity, the respondent should not have charged the appellant over and above the MRP of water bottle i.e. ₹20/-, which, as stated above, amounted to indulging into unfair trade practice by the respondent.



17. It may be stated here that the appellant was also charged on the total billed amount of ₹1922/-, CGST & UTGST @2.5% to the tune of ₹45.75 each, meaning thereby that the respondent also charged both State and UT GST on the amount of ₹55/- which it charged from the appellant for the water bottle despite the fact that the MRP itself includes the tax component. Moreover, one cannot charge more than four times the price of a water bottle as the respondent did in the present case. Central Consumer Protection Authority vide its Guidelines bearing F.No. J-25/57/2022-CCPA dated 21.04.2017 in Para No.4 has observed that:-

".....that a component of service is inherent in price of food and beverages offered by the restaurant or hotel. Pricing of the product thus covers both the goods and services component. There is no restriction on hotels or restaurants to set the prices at which they want to offer food or beverages to consumers. Thus, placing an order involves consent to pay the prices of food items displayed in the menu along with applicable taxes. Charging anything other than the said amount would amount to unfair trade practice under the Act."

18. The Respondent's contention that its ambience, air-conditioning, seating capacity, and service justify the higher pricing of the bottled water is misplaced. This



argument conflates two distinct categories: (i) food and beverages prepared and served by the restaurant, the prices of which may be freely determined and reflected in the menu, and (ii) pre-packaged commodities bearing an MRP, the sale of which is strictly regulated under the Legal Metrology (Packaged Commodities) Rules, 2011. In the former case, the establishment may fix prices and levy applicable taxes; in the latter, the MRP constitutes the statutory ceiling, inclusive of all taxes. Accepting the Respondent's plea would effectively nullify the statutory regime governing packaged commodities, opening the door to arbitrary, variable, and opaque pricing for standardized goods, precisely the mischief the Legal Metrology framework seeks to prevent.

19. As regards the reliance placed by the Respondent on the judgment of the Hon'ble Supreme Court in *Federation of Hotel and Restaurant Associations of India v. Union of India & Ors.*, 2018 AIR (SC) 72, we find the same to be clearly distinguishable on facts for the reasons recorded hereinabove. That decision primarily addressed the issue of regulatory competencies and the composite nature of services in certain contexts; it does not confer



any blanket authority upon restaurants to charge above the printed MRP for a separately billed, sealed, pre-packaged commodity supplied to a consumer. In the present case, the mineral water bottle was invoiced as a distinct line item, thereby evidencing a retail sale of a packaged commodity within the meaning of the Legal Metrology (Packaged Commodities) Rules, 2011. The statutory mandate is unequivocal, restaurants, like any other retail dealer, are prohibited from selling packaged goods at a price exceeding the MRP, regardless of claims relating to ambience, service, or infrastructure. While food and beverages prepared in-house may be priced freely and taxed as applicable, packaged commodities are bound by the MRP regime.

20. For the reasons recorded, the appeal is accepted. The impugned order is set aside. Consumer Complaint No.62 of 2024 is partly accepted with costs. The respondent/opposite party is directed as under:-



i) to refund the excess amount of ₹25/- to the appellant/complainant, which was charged over and above the MRP of water bottle;

(ii) pay compensation of Rs.3,000/- to the appellant/ complainant for causing mental agony and physical harassment to her on account of adoption of unfair trade practice within a period of 30 days, from the date of receipt of a certified copy of this order, failing which, the said amount shall carry interest @9% p.a. from the date of default i.e. after expiry of 30 days' period till realization.

(iii) No separate order on costs; the award under clause (ii) subsumes litigation costs in the facts of this case.

21. Certified copies of this order be provided to the parties, free of charge.

22. File be consigned to the Record Room after compliance.

Pronounced
14th August, 2025

Sd/-
[PADMA PANDEY]
PRESIDING MEMBER

Certified to be true copy

Secretary/Officer-In-charge
State Consumer Disputes Redressal Commission,
(Additional Bench)
Union Territory, Chandigarh

Sd/-
[PREETINDER SINGH]
MEMBER



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District No. 1532 Date 14/8/25
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