

# **The Consumer Protection (Consumer Goods) (Maximum Mark-Up) Regulations 1998**

**GN 150/1998**

## **Regulations made by the Minister under section 35 of the Consumer Protection (Price and Supplies Control) Act 1998**

1. These regulations may be cited as the **Consumer Protection (Consumer Goods) (Maximum Mark-Up) Regulations 1998**.

2. In these regulations —

“Act” means the Consumer Protection (Price and Supplies Control) Act 1998;

“bill of entry” means a declaration, whether written or electronic, made by or on behalf of an importer under the Customs Act 1998;

“consumer goods” means any goods specified in the First Schedule;

“cost price” means the price of a consumer goods as determined in the manner specified in the Second Schedule;

“H.S. Code” means the H.S. Code referred to in the Customs Tariff Act;

“import” has the same meaning as in the Customs Act 1988;

“importer”, in relation to any consumer goods at the time of import, includes the owner of the consumer goods or his agent or any other person for the time being possessed of or beneficially interested in the consumer goods;

“manufacture” includes make, prepare, produce, put in a container, label or pack, or cause to be made, prepared, produced, put into a container, labelled or packed;

"manufacturer" means a person engaged in the manufacture of any consumer goods for sale;

"maximum mark-up" means the percentage determined by the Minister under regulation 5;

"maximum retail price", in relation to a consumer goods, means the aggregate of the cost price and the mark-up;

"pharmaceutical product" has the same meaning as in the Pharmacy Act 1983;

"return" means the return as to the details of cost specified in the Second Schedule;

"simple drug" means such medicine or drug, the sale by retail of which is authorised in any place other than a pharmacy as specified in the Pharmacy Act;

"special allowance", in relation to a consumer goods, means the allowance determined by the Minister under regulation 5; "type", in relation to any consumer goods, includes —

(a) make, brand and grade; and

(b) where the consumer goods are canned, tinned, packed or bottled, a can, tin, package or bottle, of any kind, weight or volume;

"wholesaler" in relation to any consumer goods, means a person who purchases the consumer goods from an importer or manufacturer for purposes of resale to a retailer.

**Amended by [\[GN No. 158 of 2022\]](#)**

3. (1) Every importer of any consumer goods shall, before selling or supplying the consumer goods, and not later than 10 working days from the date of passing of the first bill of entry inwards of the consumer goods, submit to the Minister, electronically through the Price Fixing Information System or, in exceptional or unforeseen circumstances, in such manner as the Permanent Secretary may determine —

- (a) a return in the form specified in the Second Schedule in respect of the consumer goods;
- (b) every invoice, bill of lading, bill of parcel, bill of entry, letter of credit and other bank document, freight and insurance voucher relating to the importation of the consumer goods;
- (c) a separate return for each type of consumer goods in accordance with the Third Schedule;
- (d) such other particulars or documents as the Minister may require.

(2) No person shall, in respect of any consignment of any consumer goods, sell or supply the consumer goods unless he has submitted the return specified in paragraph (1).

**Amended by [IGN No. 225 of 2012](#); [IGN No. 145 of 2017](#)**

**4.** Every manufacturer of any consumer goods shall before selling or supplying the consumer goods, submit to the Minister —

- (a) certified copies of audited final accounts for the preceding financial year and, where the accounts of the preceding financial year have not yet been audited, a return of the cost of production duly certified by an auditor pending the submission of audited final accounts; and
- (b) such other information as the Minister may require.

**5.** (1) The Minister shall determine the maximum mark-up and the special allowance applicable to any consumer goods.

(2) The maximum mark-up determined by the Minister under paragraph (1) shall be such percentage of the cost price which may be added to the cost price of a consumer goods and specified in the second column of the First Schedule.

(3) The special allowance determined by the Minister under paragraph (1) shall —

- (a) be such allowance to cover any local charges borne by the importer or manufacturer of consumer goods; and
- (b) not exceed the percentage of the CIF value of the consumer goods; and
- (c) be as specified in the third column of the First Schedule.

**6.** (1) Where, on the date of submission of the return under regulation 3 or 4, any importer or manufacturer has any existing stock of the same type of consumer goods, the Minister may direct that the weighted average cost price of the new consignment and of the existing stock shall, for the purposes of these regulations, be the cost price for the new consignment and the existing stock.

(2) Paragraph (1) shall not apply to pharmaceutical products.

**7.** (1) Where any importer, manufacturer or wholesaler of consumer goods makes a sale of the consumer goods, he shall forthwith-

- (a) draw up the bill of sale in his book of sales;
- (b) sign the bill of sale drawn up under paragraph (a); and
- (c) issue the original of the bill of sale to the retailer.

(2) No retailer shall take delivery of any consumer goods which he has purchased from any importer or wholesaler of the consumer goods, unless the importer or the wholesaler, as the case may be, has issued to him a bill of sale under paragraph (1).

**8.** For the purpose of determining the cost price of a consumer good, the importer shall use the currency conversion rate specified in the bill of entry referred to in regulation 3.

**Amended by [\[GN No. 49 of 2001\]](#); [\[GN No. 45 of 2007\]](#)**

**9.** (1) Every importer shall, prior to making a sale or supply of a medicine, affix a label to every pack, packet or container of the medicine, indicating legibly his name and the maximum retail price at which the medicine is to be dispensed, exposed, offered for sale or sold to consumers.

(2) No retailer or wholesaler shall take delivery of a medicine which he has purchased unless the price label mentioned in paragraph (1) has been affixed to the medicine.

(3) No person shall sell any free sample of a pharmaceutical product.

(4) No person shall, without the approval of the Minister, alter, erase, obliterate, remove, or in any way tamper with the price label to be affixed under paragraph (1).

**Amended by [\[GN No. 62 of 2000\]](#)**

**10.** Every retailer who sells or supplies imported fresh fruits shall affix a label indicating conspicuously —

(a) the country of origin of the fresh fruit; and

(b) the maximum retail price per half kilo at which the fresh fruit shall be sold.

**11.** Any person who —

(a) contravenes these regulations;

(b) for the purposes of, or in connection with these regulations—

(i) furnishes any information or produces any document which he knows or ought to have known to be false or misleading in a material particular;

(ii) makes or causes to be made, or without reasonable excuse has in his possession, any writing which so closely resembles a document as to be likely

to deceive;

- (iii) fraudulently alters a document;
- (iv) with intent to deceive, produces or makes use of a document which is false or misleading in a material particular or has been fraudulently altered:
- (v) delivers, produces, furnishes, sends or otherwise makes use of, for the purpose of determining the price of any goods, any document required under this Act which is false or misleading in a material particular or which has been fraudulently altered,

shall commit an offence and shall, on conviction, be liable to a fine not exceeding 100,000 rupees and to imprisonment for a term not exceeding 3 years.

**12.** The following enactments are revoked

- (a) the Imported Commodities (Maximum Mark-Up) Regulations 1980;
- (b) the Medicines (Maximum Mark-Up) Regulations 1981;
- (c) the Locally Manufactured Goods (Price and Supply Control) Regulations 1983;
- (d) the Imported Fresh Fruits (Maximum Mark-Up) Regulations 1994.

**13.** These regulations shall be deemed to have come into operation on 07 September 1998.

Made by the Minister on 08 September 1998.

**FIRST SCHEDULE**  
[Regulations 2 and 5]

H.S. Code	Products	Maximum mark-up (%)	Special allowance (%)
9619.00.20 } 9619.00.30 }	Adult diapers	25	2
9619.00.11 } 9619.00.12 } 9619.00.13 } 9619.00.19 }	Baby diapers	23	2
1006.10.10 } 1006.20.10 } 1006.30.10 }	Basmati rice	20	6
3822.19.10	Blood glucose strips	35	2
1604.13.00 } 1604.15.00 }	Canned fish (pilchards, mackerel, sardines)	20	2
2002.10.00	Canned tomatoes	20	2
1602.50.00	Corned beef	19 (including 8% retailer's mark-up on wholesale price)	1
1602.90.10	Corned mutton (imported)	19 (including 8% retailer's mark-up on wholesale price)	1
	Corned mutton (locally manufactured) (ex-factory)	19 (including 8% retailer's mark-up on wholesale price)	-

	Edible oil (Soya bean oil, Sunflower oil, Vegetable oil) (locally manufactured) (ex-factory)	22	2
1507.90.00 } 1512.19.00 }	Edible oil (Soya bean oil, Sunflower oil, Vegetable oil) (imported)	22	2

0803.10.00			
803.90.00			
0804.10.00			
0804.20.00			
0804.30.00			
0804.40.00			
0804.50.00			
0805.10.00			
0805.21.00			
0805.22.00			
0805.29.00			
0805.40.00			
0805.50.00			
0805.90.00			
0806.10.00			
0807.11.00			
0807.19.00			
0807.20.00	Imported fresh fruits	45	5
0808.10.00			
0808.30.00			
0808.40.00			
0809.10.00			
0809.21.00			
0809.29.00			
0809.30.00			
0809.40.00			
0810.10.00			
0810.20.00			
0810.30.00			
0810.40.00			
0810.50.00			
0810.60.00			
0810.70.00			
0810.90.10			
0810.90.20			
0810.90.30			

1602.10.00	}	Infant food/Infant food preparation	25	1
1901.10.00				
2005.10.00				
2007.10.10				
2007.10.90				
2104.20.00				
1901.10.00		Infant milk powder	17	-
1006.10.10	}	Long grain rice	20	6
1006.10.90				
1006.20.10				
1006.20.90				
1006.30.10				
1006.30.90				
0402.10.00	}	Milk powder	24	2
0402.21.00				
0402.29.00				
1902.11.90	}	Pasta (macaroni, spaghetti, lasagna, farfalle) (imported)	25	2
1902.19.20				
1902.19.90				
1902.20.00				
1902.30.00				
0406.30.00		Processed Cheese (excluding sliced cheese)	20	1
0713.40.00		Pulses (black lentils)	24	2
0713.50.00		Pulses (broad beans)		
0713.20.00		Pulses (chickpea dal)		
0713.40.00		Pulses (red lentils)		
0713.10.10		Pulses (split peas)		

9619.00.40	}	Sanitary pads	20	-
		Sanitary tampons	20	-
		Sanitary towels	20	-
1104.19.10	}	Wheat cereals (breakfast cereals)	25	1
1104.29.10				
1904.10.10				
1904.10.90				
1904.20.10				
1904.20.90	}			

Amended by [\[GN No. 41 of 2000\]](#); [\[GN No. 82 of 2004\]](#); [\[GN No. 174 of 2004\]](#); [\[GN No. 123 of 2005\]](#); [\[GN No. 173 of 2005\]](#); [\[GN No. 201 of 2005\]](#); [\[GN No. 180 of 2008\]](#); [\[GN No. 91 of 2016\]](#); [\[GN No. 238 of 2017\]](#); Amended by [\[GN No. 83 of 2018\]](#); [\[GN No. 59 of 2020\]](#); [\[GN No. 80 of 2020\]](#); [\[GN No. 95 of 2020\]](#); [\[GN No. 124 of 2020\]](#); [\[GN No. 155 of 2020\]](#); [\[GN No. 94 of 2021\]](#); [\[GN No. 156 of 2021\]](#); [\[GN No. 158 of 2022\]](#); [\[GN No. 26 of 2023\]](#); [\[GN No. 76 of 2023\]](#); [\[GN No. 64 of 2024\]](#); [\[GN No. 132 of 2024\]](#)

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**SECOND SCHEDULE**

[Regulations 2, 3 and 5]

**RETURN**

**PART I**

Name of importer .....

Address of importer .....

Trade name .....

Contact details.....

Telephone number .....

Fax number .....

Email address .....

Business Registration Number .....

Value Added Tax Registration Number (VAT number) (if any).....

.....

Consumer goods (Give description) .....

Brand name .....

Manufacturer/name of laboratory (for pharmaceutical products).....

.....

European Article Number (EAN) .....

Country of origin .....

Invoice number .....

Invoice date.....

CIF value as per invoice.....

Free On Board (FOB) .....

Insurance .....

Freight .....

Rate of exchange (as per Bill of Entry) .....

Quantity invoiced and landed .....

Date of importation — passing of first entry in wards .....

Bill of Entry number .....

Stock from previous consignment's —

- (a) in bonded warehouses .....
- (b) on trading premises .....

**PART II**

		<b>To be filled by applicant (Rs)</b>	<b>Office Use (Rs)</b>
	C.I.F value		
	Customs duty		
	Special allowance		
	Cost price		
	Importer's price*		
	Wholesale price/ctn*		
	Retail price/ctn*		
	Retail price/kg*		
	Conversion ratio Cost Price CIF/FOB		

Note — items 5 to 8 shall apply only to importers of fresh fruits.

I/we, .....

*(name of signatory)*

of.....

*(address)*

importer/authorised agent of the importer of the consumer goods mentioned above do hereby certify that -

- (a) all the particulars given above are true and correct; and
- (b) no arrangement or understanding affecting the purchase price of the consumer goods specified in this return has been or will be made or entered into between the importer and the exporter or by anyone on behalf of either of them by way of discount,

commission, rebate, compensation, or in any other manner whatever other than as fully shown on the invoice and as follows —

- (i) no application for refund of duty has been made; and
- (ii) the Ministry will be notified in ease such application is made and refund of duty obtained.

.....  
Name

.....  
Signature

.....  
Date

.....  
NIC number

