

Government of Jammu and Kashmir
Department of Food, Civil Supplies & Consumer Affairs
Civil Secretariat, Jammu

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Subject:- Service charges by Hotels and Restaurants- clarification thereof.

CIRCULAR No:- 02-FCS&CA OF 2017
D A T E D:- 12- 01 - 2017

It has time and again been brought to the notice of this Department and even highlighted in local Press that the Hotel and Restaurant owners are following the practice of charging "Service Charges" in the range of 5% to 20% in lieu of tips and consumers are forced to pay this charge irrespective of the service provided to them. Even the consumers are also required to pay service tax on this service charge so collected by the Hotel and Restaurant owners. This practice amounts to following of unfair trade practices by the Hotel and restaurant owners in terms of Consumer Protection Act, 1986.

It is as such impressed upon all the owners of Hotels/ Restaurants/Dhabas operating in the State to give up the practice of charging "Service Charges" forthwith. Any default on this account by any Hotel/ Restaurant/Dhaba owners shall be liable to legal action as warranted under rules.

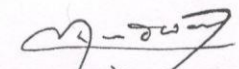
It is further impressed upon the concerned officers/field functionaries of Food, Civil Supplies & Consumer Affairs Department/Legal Metrology Department to check/ensure that such charges from the consumers are not charged anymore henceforth.

Sd/-
(Shafiq Ahmed Raina)IAS
Secretary to Government
Department of FCS&CA

Dated:- 12-01-2017

No.FCS&CA/Adm/01/2017

1. Secretary, Government of India, Ministry of Consumer Affairs, Food and Public Distribution, Department of Food and Public Distribution, Krishi Bhawan, New Delhi, 110001.
2. Principal Secretary to the Hon'ble Chief Minister.
3. Divisional Commissioner, Kashmir/ Jammu.
4. Controller, Legal Metrology Department, Jammu.
5. Director, Department of Food, Civil Supplies and Consumer Affairs, Jammu/Kashmir
6. All Deputy Commissioners.
7. Joint controller, Legal Metrology Department, Jammu/Kashmir.
8. Special Assistant to Hon'ble MOS, Food, Civil Supplies & Consumer Affairs for the information of Hon'ble MOS.
9. Pvt. Secretary to Hon'ble Minister for Department of Food, Civil Supplies and Consumer Affairs for information of Hon'ble Minister.
10. Private Secretary to the Chief Secretary for information of worthy Chief Secretary.
11. All Assistant Director of Department of Food, Civil Supplies and Consumer Affairs.
12. Incharge website, Department of Food, Civil Supplies and Consumer Affairs.
13. Government Order file/Stock file.


(Nisar Ahmad Wani)KAS

Special Secretary to Government
Department of FCS&CA