

**Government of India  
Ministry of Consumer Affairs, Food and Public Distribution  
Department of Consumer Affairs**

**LOK SABHA  
UNSTARRED QUESTION NO. 355  
TO BE ANSWERED ON 05.02.2019**

**LEVYING OF SERVICE CHARGES DESPITE GST**

355. DR. A. SAMPATH:

**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:**

- (a) whether it has come to the notice of the Government that despite Goods and Services Tax (GST), service tax is still charged by many businessmen, especially in restaurants;
- (b) if so, the details thereof and the provision of law relating thereto;
- (c) whether the Government has any proposal for addressing customers' grievances on service charges; and
- (d) the concrete measures taken or proposed to be taken by the Government in this regard?

**ANSWER**

उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण राज्य मंत्री  
(श्री सी. आर. चौधरी)

**THE MINISTER OF STATE  
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
(SHRI C. R. CHAUDHARY)**

(a) to (d) : Charging of Service Tax is not valid. The Government in April 2017 issued guidelines on fair trade practices related to charging of Service Charge from consumer by hotel/restaurants. As per these guidelines, Service Charge is optional and payment of it depends entirely upon the discretion of the consumers. An aggrieved consumer can approach a consumer forum of appropriate jurisdiction for redressal of his grievance related to charging of service charges by hotels and restaurants.

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