

## **Hospitality sector seek parity on service fee**

The hospitality sector has sought parity with other sectors where service charges are being imposed and wants the government to come up with laws not mere guidelines on such charges.

“No hospitality establishment coaxes a consumer to pay it if for any reason they choose not to. But the industry is being painted as the black sheep in the eyes of the consumer for no reason. Ironically, there are several online websites and apps that charge convenience fees, including the government-run IRCTC.

“These do not even explain what the charge is for nor is the consumer given a choice to opt out of it. We ask the government to introduce a law that is uniform to all businesses and that the hospitality industry is not discriminated against,” Mr. Gurbaxish Singh Kohli, vice-president, Federation of Hotel & Restaurant Associations of India (FHRAI), said.

“The industry was expecting the enactment of a comprehensive law that would put curbs on levying charges over and above the cost of a product or service and which would be applicable across all industries. However, it appears that the curbs imposed are applicable only to the hospitality industry,” Mr. Pradeep Shetty, joint honorary secretary, FHRAI, said.

The Central Consumer Protection Authority (CCPA) barred hotels and restaurants from levying service charges automatically or by default on food bills. It allowed customers to file complaints in case of violation.

However, analysts said the guidelines are only advisory in nature and not mandatory. Hence, in the absence of legislation, the ministry cannot take stringent action against any violation by hotels/restaurants or impose fines.