



NATIONAL RESTAURANT ASSOCIATION OF INDIA

NRAI/26-1

18 June 2020

To,
Ms Valsa Nair-Singh, IAS,
The Principal Secretary, State Excise,
Govt of Maharashtra,
Mantralaya,
Mumbai

Subject: Relief in FL-III Renewal in view of COVID-19 pandemic

Respected Madam,

Greetings from National Restaurant Association of India. NRAI is the Indian Restaurant Industry's leading Association. Founded in 1982 and headquartered in Delhi, we are the voice of the restaurant industry representing the interests of 5,00,000+ restaurants pan India. The restaurant industry, with an annual turnover of ~ INR 4 Lakh Crore is the third largest after retail and insurance in the service segment, providing direct employment to over 7 million Indians.

Ma'am, we are fully aware of the current difficulties being faced by the Govt of Maharashtra due to the ongoing pandemic, especially in cities like Mumbai, Thane and Pune. We truly appreciate the massive efforts being made by the State Govt in not only controlling the spread of the Coronavirus but also for effectively managing the active cases in the state. ***We also understand the huge financial strain being caused to the state exchequer due to this.***

Ma'am, unfortunately, we are also suffering from an unprecedented and a back-breaking financial strain right now. We have been completely shut for last three months, our revenues are zero and we have exhausted all our resources in taking care of our expenses in the interim.

We now understand that the reopening of Bars is planned in the third phase of Unlock, date of which is totally unknown. In view of this uncertainty, we humbly seek the following concessions from the Govt of Maharashtra through your good office.

1. License fees

Madam, we have already lost a quarter of the year and the lifting of restrictions on Bars is still not in sight. Even the business post-resumption is likely to be very subdued. We reckon that many operators may not survive this and will prefer to surrender their licenses to never open again.

In view of this, I have a suggestion for you. ***Kindly waive off the license fee for the current financial year completely*** by extending the current term of the license by another year. This will help both the Government and the sector to some extent in larger analysis.

ANURAG KATRIAR
Executive Director & CEO
deGustibus Hospitality
Pvt. Ltd.
President

KABIR SURI
Co-Founder & Director
Azure Hospitality Pvt. Ltd.
Vice President

PRATIK POTA
CEO
Jubilant FoodWorks Ltd.
Hony. Secretary

NITIN SALUJA
Founder Chaayos
Sunshine Teahouse
Pvt. Ltd.
Hony. Jt. Secretary

MANPREET SINGH
Director
K S Hotels Pvt. Ltd.
Hony. Treasurer

PRAKUL KUMAR
Secretary General



NATIONAL RESTAURANT ASSOCIATION OF INDIA

While this may cause some short-term dent to the license renewal fee collections but ***it will also give an opportunity to the state to earn more through enhanced consumption from outlets that may otherwise shut down.***

I reiterate that this is just a suggestion based purely on an assumption that ***liquor license renewal fee constitutes a very small ratio of the overall excise revenue*** of the state and bulk of the revenue comes from transaction and consumption.

If this is not possible, ***we request you to charge us the license fee prorated for the period of permitted operation*** during the financial year. I am sure you will agree that this is a fair thing to do.

In the same vein, I also request you to ***kindly take back the earlier proposal to enhance the license renewal fee by 15%***. Our stressed sector will not be able to absorb that.

2. Extension of time for license renewal

Request you to ***kindly extend the date of renewal of the FL-III licenses in abeyance till such time that the MHA and the State Govt announces the date for opening of the Bars.*** We are currently not even in a position to honour our past liabilities with most vendors and employees and therefore paying Excise license renewal fee in advance for the current financial year 2020-2021 is almost impossible for us.

We also request you to continue the option of paying the ***license fee in three instalments*** as announced earlier by you. We further request you to give some incentive to those who are willing to pay the license fee at one go.

Ma'am, I am confident that you will consider our above request favourably in these extraordinary troubled times and helping us survive this pandemic.

Thanking you,

Yours sincerely,

Anurag Katriar
President

Email – ak@nrai.org

Mob – +918976050601

ANURAG KATRIAR

Executive Director & CEO
deGustibus Hospitality
Pvt. Ltd.
President

KABIR SURI

Co-Founder & Director
Azure Hospitality Pvt. Ltd.
Vice President

PRATIK POTA

CEO
Jubilant FoodWorks Ltd.
Hony. Secretary

NITIN SALUJA

Founder Chaayos
Sunshine Teahouse
Pvt. Ltd.
Hony. Jt. Secretary

MANPREET SINGH

Director
K S Hotels Pvt. Ltd.
Hony. Treasurer

PRAKUL KUMAR

Secretary General