



NATIONAL RESTAURANT ASSOCIATION OF INDIA

NRAI/26-1

27 May 2020

To,
The Principal Secretary to the Prime Minister
Prime Minister's Office
New Delhi
India

Kind Attention: Shri P.K. Mishra

Respected Sir,

Sub: Request for a meeting to discuss issues concerning Restaurant Industry

I write this letter to you on behalf of the Restaurant Industry in India, which is the second largest employer of human capital in India after Agriculture, providing direct employment to 73 Lakh Indians.

Sir, at the outset, let me congratulate and thank your Government for the herculean efforts it has undertaken to control and manage the effects of COVID-19. It has also made a crippling impact in our sector, threatening our existence. We therefore seek some policy and liquidity support from the Govt to fight this unprecedented crisis.

Sir, we are fully aware of your busy schedule and understand your extreme preoccupation with larger and more important national issues. However, we would be highly obliged if you can **give us a small window for a meeting with you** to express our concerns.

Here is a gist of the issues where we need this support currently.

1. We seek an **unemployment pay cover to the employees covered under the ESIC Act** as we don't have resources to support them. This is a state insurance and may be used during this crisis.
2. We request you to **declare this pandemic as an incident of force majeure** as was done in the case of real estate recently. Our cash-strapped Industry has already exhausted all its resources and is left with no ability to pay dead rents. Banks have already given a moratorium to the malls towards their loans which addresses their cash flow issues. With no revenues, every industry is managing its expenses through use of reserves or fresh capital infusion and the same principle applies to the malls as well.
3. We need some **fresh working capital with lowest-possible interest rates, lower collateral and a clear moratorium** for six months. This will enable us to procure fresh stocks (our stocks are largely perishable), make ourselves compliant to the new hygiene safety norms and fund our anticipated cash loss in the immediate aftermath of the lockdown.

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



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4. **Please restore input tax credit on GST for our sector.** With expected subdued business volumes, bringing down costs and cutting expenses is the most natural thing for us to do for our survival and lack of ITC adds substantially to our expenses on things like rentals and host of other products and services. **We propose a slab-based system** wherein smaller companies with annual turnover up to Six crores (Rupees Fifty Lakhs per month) can continue with 5% GST without Input tax credit while those with higher sales can move to a 12% GST bracket with ITC.
5. We also seek a more **equitable and stronger e-commerce policy for our sector**, bringing the food service aggregator under the ambit of Press Note-2 issued by the DPIIT on 26th of December, 2018. Currently, **a handful of aggregators command an unfair advantage over lakhs of small and large business owners.**

Sir, while we are geared up to face this uphill battle with all our might, we will not succeed without the support of the Government. Most of **our requests don't put any strain on the exchequer**; they are largely around policy and liquidity support.

I look forward to an opportunity to meet you at your earliest convenience please.

Thanking you,

Yours faithfully

Anurag Katriar
President

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