

# SOS

## SAVE OUR SOUL

## SAVE OUR **STOMACH**

*-An Insight focussed on "Revival" of F&B Outlets  
In the #NewNormal*



*Pics courtesy Spice Mafia, Kharadi, Pune*



*Pics courtesy Spice Mafia, New Delhi*

## A Think Tank Featured Insight

In collaboration with

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# CHALLENGES FOR F&B OUTLETS



*Pics courtesy Spice Mafia, Powai, Mumbai*

## Pre March 2020

- High Aggregator Fee 24%
- GST
- Competition
- High Rentals
- Staff Turnover

## July 2020 and outlook till mid 2021

- High Aggregator Fee 24%
- 70% decrease in Footfall
- Higher Customer Discounts up to 40%
- 15% Higher Cost of Covid-19 Safety Compliance
- Non Availability of Staff
- Non availability of Raw Materials
- High Rentals
- GST

**Cost of Sales gone up by 35% and Top-line down by 60%  
a Recipe for Permanent lock-down of F&B Outlets**

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# LANDSCAPE OF INDIAN RESTAURANTS



- ❑ According to study done by Federation of hotels and restaurants association of India (FH&RA) there are approximately 2.2 millions hotel and restaurants in India. 7.3 millions people are registered restaurant workers.
- ❑ As 60-70% restaurants in Bombay, 40% restaurants in Delhi and 40-50% restaurants in other Tier1 cities have shut down due to lockdown\*,
- ❑ Additionally, restaurants are facing more issues like; Cleanliness cost has gone up, Limited number of people can eat at a time, additional devices like thermometer etc., insufficient or no labor.

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# STEPS TAKEN ACROSS GLOBE



- ❑ The EOHO Scheme is an economic recovery measure by the UK government
- ❑ This scheme will incentivize customers to eat in your restaurant or other eating establishment by giving them a discount which F&B Outlets can then claim back from the government.
- ❑ The UK-wide government promotion gives people up to 50% off when eating - or drinking soft drinks - in a participating restaurant or other food establishment.
- ❑ The maximum discount is £10 per person
- ❑ Food and drink appear on the menu at full price, but the restaurant takes the money off the bill before claiming it back from the government.

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# Re-boot F&B Outlets : Our Proposal



- GST Holiday for 2020-21 till Mid 2021
- EOHO Scheme of UK For India : cash incentive up to meals of Rs 1,000, 30% paid by State Government
- Take steps to get Migrant Labour back
- Ensure Supply-chain of Commodities
- Declare F&B Industry and Outlets as “Essential Commodities and Services”
- Encourage Self Regulation Food aggregators Commission ; currently 23.74%
- Income tax break or a Moratorium till mid 2021

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# A word about .....

## the Author



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