

UPFRONT**NRAI releases white paper on the Indian Restaurant Industry 2010**

The National Restaurant Association of India (NRAI) has released a white paper titled, "Indian Restaurant Industry 2010" which highlights the importance of restaurant industry in terms of the employment it provides, the revenue it generates for the government and society and its role in promoting the tourism. It also captures the opportunities and challenges faced by the industry and explores solutions to overcome these issues. According to the white paper, the Indian restaurant industry is growing at a rate of five per cent to six per cent per annum with revenues amounting to sizeable Rs 43,000 crores (organised and unorganised industry). The relatively new organised segment of the industry is estimated at between Rs 7,000 crores and Rs 8,500 crores. The white paper also noted that the industry does not get its share of support and encouragement either by way of legislation or by way of enabling infrastructure. The organised segment is growing much faster than the total restaurant industry, at 20 - 25 per cent per annum. The restaurant industry is a large source of tax revenue to the government. An additional tax of upto Rs 4,200 crores can be generated by converting unorganised to organised players. Other points which emerged from the white paper include:

- The organised segment of the restaurant industry, at 16 - 20 per cent of the total industry, is more than the organised segment of the retail industry, which currently stands at between seven-eight per cent, and is growing faster.
- Shopping malls, office complexes and medical institutions are some of the new emerging locations that are a good opportunity for the organised segment.
- The number of food courts is poised to grow at a rate of around 35-40 per cent.
- Expansion into Tier II and Tier III cities and newer locations such as Kanpur, Vadodara, Kochi and Lucknow. ■