

NRAI Visit to Food Forum India

The second edition of Food Forum India was held on 19th & 20th March 2009 at Renaissance Hotel, Mumbai. It was a two-day magnum opus of the Indian food industry with conferences, exhibition and awards. The forum was organized with an objective of building stronger business networks within the industry and for gaining valuable insight into restaurants, retail distribution, marketing and merchandising.

NRAI has partnered once again with Images for the Food Forum. The forum was also supported by Ministry of Food Processing, APEDA, Food Bazar, Technopak, IRIS and others. NRAI had a special 4 hours programme titled "Annual Conclave of the National Restaurant Association of India" which was anchored by Mr. Vikram Bakshi and Mr. Samir Kuckreja.

The conclave was divided into two broad sessions Food Space and CEOs Meet. The first session was

a panel discussion on "*How to sustain a restaurant's brand appeal*" in which Rahul Akerkar (Indigo), A D Singh (Olive Bar & Kitchen) and Jay Singh (JSM Corporation Hard Rock Café & Shiro) were the panelists. They debated the different models used food appeal, events and entertainment. Second session on "*How to scale up in India*" was discussed by Joseph Cherian (Global Franchise Pizza Corner), Dheeraj Gupta (Jumbo King Vada Pav) and Kabir Advani (Berco's). There were many questions from the audience about the expansion of their brands in India. "*Home Delivery What does it take to deliver on the promise*" was the third session which had Mr. Ajay Kaul (Domino's), Monish Gujral (Moti Mahal) & Amit Jatia (McDonald's). There was discussion on important aspects of delivery and challenges in the business. Last session was on "*Foods Courts Mix, Differentiation and new Spaces*" in which



(L - R) Vikram Bakshi, Jay Singh, Rahul Akerkar, A.D. Singh and Samir Kuckreja at the NRAI conclave



Tej Pavan Singh CEO Lite Bite Food, interacting with the panelists during conclave; While Vikram Bakshi and Samir Kuckreja hosting the session.

panelists were Tej Pavan Singh (Lite Bite Food), Dhiren K. (Future Capital Real Estate), Omer Bin Jung (Prestige Leisure Resorts) & Sunil Kapur (Blue Foods). There was an in-depth debate on the current formats and financial models to make food courts viable.

In the second part of the conclave, there was a CEOs meet where industry's leading people came together to share their insights on how they are combating the down turn. Hosted by Jayant Kochar and Ashish Trivedi, the participants included - Vikram Bakshi (McDonalds North & East India), Samir Kuckreja (Nirula's), A D Singh (Olive Bar & Kitchen), Joseph Cherian (Global Franchise Pizza Corner), Dheeraj Gupta (Jumbo King Vada Pav), Kabir Advani (Berco's), Roger Narula (Dish Hospitality), Ajay Kaul (Domino's), Monish Gujral (Moti Mahal), Amit Jatia (McDonald's), Tej Pavan Singh (Lite Bite Food), Dhiren Kanwar (Future Capital Real Estate), Omer Bin Jung (Prestige Leisure Resorts) and Sunil Kapur (Blue Foods).

The session was then followed by the Coca Cola Golden Spoon Awards for the excellence in food retailing.

NRAI had a large lounge at the entrance of the convention area. The NRAI banner with member's logos was placed at the entrance of the lounge. Another backdrop with NRAI logo was placed inside the lounge with a registration desk and membership kits. The overall visibility factor was very good as many potential members came to find out more about the association. The NRAI kits were handed over to them by Parveen Tara Marketing Manager, NRAI with information about the association and relevant membership form. The other exhibition areas were designed to facilitate display of all kinds of food products, software systems and other items used by restaurants and grocery industries.



Vikram Bakshi cheering up with the audience at the NRAI conclave, Mumbai.



NRAI lounge at Food Forum India, Mumbai.

IMPORTANT INFORMATION...

Update On Court Cases

Queries are being received from a number of restaurants with regard to the position for charging price for mineral water in excess of MRP printed on mineral water bottles and beverages being served in restaurants and also with regard to the Phonographic Performance Limited and India Performing Rights Society Limited.

For the information of the members a brief report giving present status of both the cases are published in the newsletter. Members are requested to keep the copy of the newsletter handy so that as and when any guest raises any objection or any query with regard to the matter the restaurants should be able to satisfy the guest.

1.Charging by the restaurant more price than the MRP printed on the mineral water bottles etc.: - As the members are aware the National

Restaurant Association of India had filed a petition in the High Court some years ago and a favorable decision was given by the Hon'ble High Court on 5th March 2007. The Operative part of the judgment is reproduced below for information of the members.

" 16. In the above analysis I hold that charging prices for mineral water in excess of MRP printed on the packaging, during the service of customer in hotel and restaurants does not violate any of the provision of the SWM Act as this does not constitute a sale or transfer of these commodities by the hotelier or restaurateur to its customer. The customer does not enter a hotel or a restaurant to make a simple purchase of these commodities. It may well be that a client would order nothing beyond a bottle of water or a beverage, but his direct purpose in doing so would clearly travel to enjoying the ambience

available therein and incidentally to the ordering of any article for consumption. Can there be any justifiable reason for the court or commission to interdict the sale of bottled mineral water other than at a certain price, and ignore the relatively exorbitant charge for a cup of tea or coffee. The response to this rhetorical query cannot but be in the negative. Although the vires of Rule 23 have been assailed, I do not find it necessary to answer that challenge since the provision relates to sales between dealers and neither the hotels and restaurants of the one part and customers of the other falls within this categorization."

Against the above order the Union of India and others have filed LPA and also application u/s 151 CPC for stay. In this connection we reproduce below orders dt. 4th August 2008 issued by the Chief Justice S. Murlidhar.

LPA 334/2007

Admit.

Hearing of the matter be expedited.

C.M. No. 7005 of 2007 (stay)

Right from 20th January 2004 there was an interim injection in favour of the respondent writ petitioners who ultimately succeeded before the learned Single Judge. The appellant is by this application seeking restoration of the status quo ante the said interim injunction. Such a prayer cannot obviously be granted. The application is rejected.

From the above it is clear that the High Court orders dt. 5th March 2007 are still valid.

1. PPL / IPRS Case: - As the members are aware National Restaurant Association of India has filed a Writ Petition in the High Court against Phonographic Performance Ltd. / Indian Performing Rights Society Ltd. & Union of India challenging provisions of the Copyright Act and the arbitrariness on the part of PPL & IPRS in fixing the license fee to be charged from the restaurants for playing music in the restaurants on which these societies have copyrights. The matter is still pending in the High

Court and there is no "stay orders". However interim orders have been passed with regard to the special events conducted by the restaurants when they play the copyright music of the societies. For such events the court has ordered that the said music societies would charge license fee as prevailing prior to the year 2005 rates subject to 15% increase thereof.

-Inder Jit, Executive Secretary NRAI

Service Tax Notification

-Copy of -

NOTIFICATION

No. 8/2009 - Service Tax

Dated 24th February 2009

In exercise of the powers conferred by sub section (1) of section 93 of the Finance Act, 1994 (32 of 1994) (hereinafter referred to as the Finance Act), the Central Government, on being satisfied that is necessary in the public interest so to do, hereby exempts all the taxable services specified in sub section 105 of section 56 of the Finance Act from so much of service tax leviable there on under section 66 of the Finance Act, as is in excess of the rate of ten cent of the value of taxable services.

Sd/-

(Unmesh Sharad Wagh)

Under Secretary to the Government of India

F.No. 354 / 210 / 2008 TRU (part)
Issued by:
Ministry of Finance
(Department of Revenue)
(Central Board of Excise and Customs)
New Delhi

Prevention of Food Adulteration Rules Amended



The Ministry of Health and Family Welfare has issued a summary announcement incorporating a number of rules for amending the Prevention of Food Adulteration Rules, 1955. The regulations, titled the "Prevention of Food Adulteration (2nd Amendment) Rules, 2009", will be applicable from the date when it will be finally made public in the official gazette.

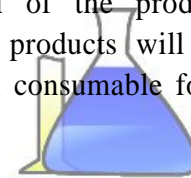
Some amendments incorporated include the inclusion of sub rules to rule 42 which states that all packages of food containing polyols should display label, "Polyols may have laxative effect." The draft revisions also consist of limitations on the use of polyols in foods, which includes, "adding only those polyols to the food which are specified in these rules." Polyols are basically sugar alcohols, and a particular class of polyols is normally added to foods since they have low caloric content.

Additionally, the draft permits the use of polydextrose only in select food articles such as ice cream, frozen dessert, cakes, biscuits, yoghurt, whip topping, sugar boiled confectionery, lozenges, jam, fruit jelly, traditional sweets (carbohydrates based and milk

products based) like *halwa*, *mysore pak*, *boondi laddoo*, *jalebi*, *khoya burfi*, *peda*, *gulab jamun*, *rasogolla* and similar milk products. However, this will be dependent on adherence to maximum level as per good manufacturing practice (GMP) and proper label declaration as provided in sub-rule 42.

Section 61 - G that refers to the "Use of Acid Treated Starch in Sugar Confectionery" states that acid treated starch can be used in sugar confectionery if it does not exceed GMP level.

The draft rules also take into account a few improvements concerning carbonated water. Rule 47 of the amended rule declares that the "Maximum limit of artificial sweetener in soft drink concentrate" shall be according to the reconstituted beverage or food, or the final food or beverage fit for consumption. Further, the label of the product should clearly instruct how the products will be reconstituted for making the final consumable food or beverage.



- Excerpted from www.tfbjonline.com

Payment of Annual Membership Subscription for the year 2009-10

Bills for payment of subscription for the year 1st April 2009 - 31st March 2010 have been sent to all the members of the Association. In these bills the Association has included Service Tax @ 10.3% on the basis of orders and clarifications received from the Delhi Service Tax Department. All the members are requested to make the payment of the bills at the earliest, so that the Association can arrange to issue discount cards to the entitled members as early as possible. The expiry date of the present discount cards already issued is 31st March 2009.

SPOTLIGHT...

Marketing after the Economic Downturn

At this point of time everyone is surviving on the edge, the recession has broken down the glory of the market and industry. But restaurant industry stands out with its special strategies and still thinking of survival despite of negative sentiments in the market.

Few food chains have come up with new promotional activities during this period to exist in the industry, with the dropping marketing budget; they are trying to turn adversity into advantage. Have seen McDonald's still on its price tag i.e. "happy price menu at Rs. 20"

from the last few years and consumers lov'in it. "At McDonald's we keep customer in the center of everything we do, this helps us achieve great efficiencies across our system which drives our continued and sustained success in the market place" said Vikram Bakshi, MD of McDonald's India (North & East),

According to him, the strategy to deal with the current difficult times has to go beyond marketing message. Though, Marketing is one of important elements of the strategy. The current times demand that we look within, and find ways to achieve success. "We have not cut down on our marketing budget in view of current difficult times, and continue to be aggressive with our marketing strategy, though we are calibrating a lot on our marketing spends to get the maximum return on the investment" he added. To strengthen the competitive advantage hospitality industry are using sufficiently the under-utilized resources. Restaurateurs are aggressively working on their promotions and publicity campaigns at this time. Should restaurateur

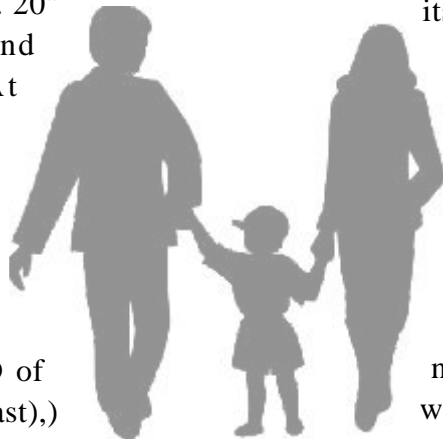
change their strategies during a recession? Does it mean that they have to work even harder to find ways to do more with less? "It's time to get smarter about the marketing rupee and spend it to bring results" said Mr. Monish Gujral MD Moti Mahal.

"Due to recession we are mainly hit at the corporate segment, we are now offering special discounts such as buy-one get-one free; 50% off on second menu". On the same grounds Nirula's is also pushing lot of pocket friendly combos to its customers and thriving

It is quite difficult to sustain in the market with such a reaction of the consumers. Even though govt has reduced the service tax by 2% , consumers need to pay little less amount on their food bills, nevertheless people are not turning up to the bars or lounges with heavy prices menu.

Conversely, some restaurateurs believe that better served by not increasing marketing spending until conditions improve. So does it mean that we should wait when the bear turns into a bull again?

On a positive note, we would say that at least we are still in business. Everyone needs to make the necessary adjustments, weeded out under-performing distributors, shed unprofitable or unreliable customers, deleted poor-selling products from the portfolio, and concentrated their marketing rupee on media and channels that they could prove delivered a strong return on investment.



We have excerpted from a business blog some top recommendations for marketers looking to plan ahead:

Focus on high-potential customers. Make sure you focus on [building relationships with ambitious customers](#) in growth industries where pent-up demand is going to be unleashed once

the economy turns the corner. If you're running a B2C business, focus on cash-rich or long-term-oriented consumers to lead you into recovery. But don't forget to stock up to take advantage of the pent-up demand that will be unleashed once other consumers get their confidence back.

Don't assume a return to normal. The longer and deeper the recession, the more likely consumers will adjust their attitudes and behaviors permanently. Their coping mechanisms may become ingrained and define a new normal. In addition, the competitive landscape will have changed. A competitive shakeout along with new product launches may mean consumers are looking at your products and services through new lenses. Listen closely to your customers and revise your market segmentation assumptions.

Assess your target customers' trust in your brand. Confirm that your target customers still trust you but plan to add service support and hold their hand more firmly in the short term, even though your service quality, measured objectively, has remained constant.

Stay focused on costs. Many manufacturing industries (as opposed to services industries) are plagued by global overcapacity, relative even to pre-recession demand. Combined with excess inventories in the supply chain, especially in consumer durables, the result will be continuing downward pressure on prices. Economic recovery will not allow producers to let up on tightening cost controls and improving productivity



Know your lead indicators. Every good marketer knows the specific indicators, macro or micro, that predict demand for his or her product in the next period. Use common sense.

Develop scenarios. How long the current recession will last is widely debated. And whether the eventual economic recovery will be gradual or dramatic is equally unknown. Marketers planning for 2009 and 2010 should bear in mind that "A strategy is a sense of direction around which to improvise." Know how you can source supplies and expand distribution in a hurry if demand suddenly spikes.

Don't wait for permission. Most companies will not begin reinvesting until it's been officially declared the recovery underway. Get ahead of the crowd. Craft your recovery plan now, and pull the trigger when your lead indicators say go.

The current recession has not been kind to marketers. In many multinationals, the positive financial impacts of recession-busting marketing plans have been obliterated by commodity price volatility and weaker-than-expected overseas earnings. **Smart hedging has outweighed smart marketing.** Economic recovery will bring greater commodity price and exchange rate predictability. Marketing will again come to the fore as a differentiator between successful businesses and also-rans.

- Parveen Tara & recommendation section taken from www.blogs.bnet.com

How Associate Membership Is Beneficial To You?

This year we are striving on the associate membership that is meant for any business concern, which is directly engaged in the supply of goods and services to the food industry. Restaurateurs, Suppliers and Food Consultant who wants to expand their knowledge of the industry and develop new skills should join our association. In fact, there are several reasons that how the associate membership proves to be beneficial for the associates.

- Members of associations can often take advantages of mentoring relationships with more experienced business people who provide guidance and useful insights. Even on an informal basis, such relationships can be a source of answers and solutions when you're facing a challenging situation in your business. At the very least, the feeling that you have a support network behind you can boost your confidence when problems arise.
- Another advantage of the group meeting format is the possibility that you might link up with potential clientele' which might gives you more business. This will allow you to both pick their collective brains, and perhaps set up some sort of a mutual referral system and the potential for both parties to expand their respective bases
- Another overlooked advantage of joining the association is that in some cases it will help you emerge as a community leader. For example, as a representative of a NRAI you may have the opportunity to speak about retailing, merchandising at institutions, seminars, training workshops. In any case, this type of publicity and willingness to educate and interact with the public could help you familiarize the community with your name.

Getting The Most Out Of It

Introducing yourself to members will enable you to learn about new aspects of the business, such as (sales) closing techniques, and new products or services that may be available. Incidentally, you'll also get a better feel for what other firms are charging for particular services, which may give you a competitive advantage in your home territory.

- ? It allows you to network, both formally and informally with your clients and gives you valuable access to key decision-makers across the F&B industry.
- ? Associate members also have access to NRAI seminars, forum which connects all NRAI members.
- ? NRAI provides a full contact database of all the members' restaurants.
- ? The support and advice of associate members is also important for us. After all, this reflects what's happening in the industry countrywide.
- ? Marketing plays a pivotal role in developing a new business. Through NRAI, Associate members get a chance of promoting their products and services at their seminars, forums, advertise at NRAI newsletter, website and e-mailer at discounted rates
- ? Free access to NRAI Annual General Meeting (AGM) following with dinner.
- ? Free subscription to quarterly newsletter, notices and e-mailers. You are welcomed to write an article in our newsletter/website. The advantage here is not only to educate potential clients, but also to get your name in front of as many people/prospects as possible.

The Bottom Line

Make sure that you have some time to devote to the association. Your membership may not be of benefit to you if you are too busy to attend meetings regularly and interact with other members and the general public. It may also help to inspire ideas that in turn could grow your own business.

The NRAI Associate Membership fee for the first year is Rs. 5,515/-*, and for the successive years the amount is Rs.2,206/-*

(*including Service Tax 10.3%)

The Miracle of Green Tea

Is any other food or drink reported to have as many health benefits as green tea? The Chinese have known about the medicinal benefits of green tea since ancient times, using it to treat everything from headaches to depression.

Today, scientific research in both Asia and the west is providing hard evidence for the health benefits long associated with drinking green tea. For example, in 1994 the Journal of the National Cancer Institute published the results of an epidemiological study indicating that drinking green tea reduced the risk of esophageal cancer in Chinese men and women by nearly sixty percent. University of Purdue researchers recently concluded that a compound in green tea inhibits the growth of cancer cells. There is also research indicating that drinking green tea lowers total cholesterol levels, as well as improving the ratio of good (HDL) cholesterol to bad (LDL) cholesterol.

To sum up, here are just a few medical conditions in which drinking green tea is reputed to be helpful:

- ? cancer
- ? rheumatoid arthritis
- ? high cholesterol levels
- ? cardiovascular disease
- ? infection
- ? impaired immune function

What makes green tea so special?

The secret of green tea lies in the fact it is rich in catechin polyphenols, particularly epigallocatechin gallate (EGCG). EGCG is a powerful anti-oxidant: besides inhibiting the growth of cancer cells, it kills cancer cells without harming healthy tissue. It has also been effective in lowering LDL cholesterol levels, and inhibiting the abnormal formation of blood clots. The latter takes on added importance when you consider that thrombosis (the formation of abnormal blood clots) is the leading cause of heart attacks and stroke.

Links are being made between the effects of drinking green tea and the "French Paradox." For years, researchers were puzzled by the fact that, despite consuming a diet rich in fat, the French have a lower incidence of heart disease than Americans. The answer was found to lie in red wine, which contains resveratrol, a polyphenol that limits the negative effects of smoking and a fatty diet. In a 1997 study, researchers from the University of Kansas determined that EGCG is twice as powerful as resveratrol, which may explain why the rate of heart disease among Japanese men is quite low, even though approximately seventy-five percent are smokers.

Why don't other Chinese teas have similar health-giving properties? Green, oolong, and black teas all come from the leaves of the *Camellia sinensis* plant. What sets green tea apart is the way it is processed. Green tea leaves are steamed, which prevents the EGCG compound from being oxidized. By contrast, black and oolong tea leaves are made from fermented leaves, which results in the EGCG being converted into other compounds that are not nearly as effective in preventing and fighting various diseases.

Other Benefits

New evidence is emerging that green tea can even help dieters. In November, 1999, the *American Journal of Clinical Nutrition* published the results of a study at the University of Geneva in Switzerland. Researchers found that men who were given a combination of caffeine and green tea extract burned more calories than those given only caffeine or a placebo.

Green tea can even help prevent tooth decay! Just as its bacteria-destroying abilities can help prevent food poisoning, it can also kill the bacteria that causes dental plaque. Meanwhile, skin preparations containing green tea - from deodorants to creams - are starting to appear on the market.

- www.chinesefood.about.com

NEW ENTRANTS...

NRAI welcomes the following new members who have joined in this quarter

Manre Restaurant

**4th Floor, MGF Metropolitan Mall,
Saket, New Delhi 110 017
Phone: 011 - 40668888, 9971717795
Website- www.manre.in**

With great ambience Manre serves European, Continental and Multi cuisines. A year old restaurant has a separate section for bar & lounges with capacity of 130 persons. Amenities and services for Manre include recorded & Live Music, special events at the occasions. Business hours for Manre are for lunch 12:30 3:30 p.m. & 7.30 p.m. to 12.30 a.m. Manre smoking policy: Separate Smoking & Non Smoking Areas. It accepts major credit cards.

Penne Restaurant

**14, Silver Beach Estate,
A.B. Nair Road, Near Guest Line Hotel,
Juhu, Mumbai - 400049
Phone : 022-26255713, 022-26255706**

Under the PAN India Food Solution Pvt Ltd, Penne is a one of the restaurant that serves Italian and multi cuisines. With amenities providing free home delivery and take away food, Penne has sitting capacity of 100 persons where one can enjoy recorded/live music. Timings of the restaurant is 12:00 noon till midnight. Penne serves liquor and accepts major credit cards

Bombay Blue Milan Restaurant

**10/11, Ground Floor, Milan Shopping Mall,
Milan Subway, Santacruz (West),
Mumbai 400054, Phone : 022-66752926**

Another multi cuisines restaurant of PAN India Food Solutions, Bombay Blue Milan has Indian, Italian, Lebanese, Mexican cuisines to serve. Centrally air conditioned restaurant with the sitting arrangements for 98 persons, Milan plays recorded/live music. Meals for two can be between Rs.500 to Rs.1000. Timings for the restaurant is from 11:00 am to 10:00 pm. It accepts all major credit cards.

Copper Chimney Restaurant

**Centre Mall 2, Victoria Embassy,
Bangalore - 560025
Phone: 080-66111800**

Copper Chimney an established brand and a chain of restaurants offers the most delicious Indian cuisines. A classy decor, the kitchen with the glass screen allows watching the chef preparing the delicacies. Copper chimney serves liquor, non-veg food and plays recorded music. Restaurant timings are 12:00 noon to 11:00 pm. Meals for two between Rs. 250 to Rs. 500.

Readers please write to us:

The contributing articles from our members are most desirable, we welcome them for the next issue. You can send your feedback about this issue and may send suggestions at nrai@vsnl.com

Here are some funny restaurant signs :



Our great food will never leave you!

Please leave a pet outside.

It will take about 1 minute to fix a hot drink please wait..

Big crap sale today! Rush yourself here!

We serve people like you as good food!

The shadiest cocktail bar in Bangkok.

The name of a Chinese Restaurant in Kuala Lumpur : Soon Go Fatt

Sign in a Taiwan cafeteria : Please keep chair on position and keep table cleaned after dying.

Sign advertising newly re-designed restaurant : "Colorful dining space surrounded by stained glasses."



Our Patrons

Rupa Dairy Farms Since 1952

Deals in : Fresh Creams and Ice Cream

Contact : Mr. Pradeep Kandhari

D-2/21, Krishna Nagar, Delhi - 110 051

Tel. : 011-2209 2967 / 5526 5511 Mobile : 9810043856

A mighty ocean we're not.

But we are the little drops that make one.

Because small things go a long way.

At Coca-Cola India,
we believe that there's more to a little sip.

It's the moment of truth.

A second of satisfaction.

An instant of happiness.

A bubble of hope.

Because we don't just quench your thirst.

We recharge your soul.

For one moment.

One drop at a time.

Coca-Cola India
little drops of joy

Coca-Cola India Pvt. Ltd.



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