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Update on India's Quick Service Restaurant Sector

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Promotion Opportunities

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Report Highlights:

The first foreign quick service and casual dining restaurant brands entered the Indian market nearly 20 years ago. At the time, Indians rarely ate out and many wondered how the restaurants would overcome supply chain challenges and opposition to foreign investment. There are now an estimated 52 foreign restaurant brands (up from 43 a year ago) operating 2,500 outlets across India. The number of home-grown chains is also rising as Indian firms adopt franchising or chain models to meet growing consumer demand for the dining-out experience. The rising number of restaurants does not present a significant opportunity for imported food products given relatively high tariffs and import restrictions on key products, but restaurants are introducing new cuisines and changing consumer tastes and preferences, a trend that could result in long-term opportunities for exporters. This report provides an updated estimated census of foreign and domestic casual and quick service restaurant brands operating in India.

Things Have Changed Over the Past 20 Years

It has been nearly 20 years since the first foreign quick service and casual dining restaurant chains and franchises opened in India. The initial opening was met with a mixture of anti-globalization opposition and consumer curiosity regarding how the restaurants would adapt their menus and operations to the Indian market where many consumers are vegetarians or do not eat beef. At the time, imports of food products were effectively banned and restaurants had to develop supply chains, processing facilities and supplies of suitable ingredients. One large chain took nearly 20 years to fully develop its local supplies but is now sourcing all of its ingredients in India.

Foreign restaurant chains were also entering a market where consumers rarely ate out and few comparable Indian restaurant chains existed. There were no shopping malls and airport restaurants were few and far between. Some questioned whether restaurants would be able to deliver products that were sufficiently suited to the Indian palate and wallet to convince consumers to occasionally skip their “home-cooked” Indian food. Consumers also believed their home-cooked meals to be tastier and more hygienic than restaurant food. A number of foreign restaurants have made significant changes in their menus to cater to Indian tastes, developing a range of vegetarian products and Indian flavors at very competitive prices; while others have made only a few concessions to the Indian market in terms of flavors, menu items and pricing.

20 years on, the improved logistics management, supply chains and sourcing options that the pioneering restaurants spurred have helped others in the industry to enter the market and/or expand. At an estimated 2,500 outlets, the number of foreign brand quick service and casual dining restaurants is still relatively small and a few chains account for the bulk of restaurants. However, a number of new foreign quick service restaurant chains have established a presence over the past few years bringing the total to 52, an increase from 43 restaurants a year ago. Real estate costs are a major hurdle in India’s larger cities and restaurants still face challenges in sourcing adequate supplies of ingredients. Food inflation in India has also been persistently high for several years, squeezing margins in a price-sensitive market as GDP growth has slowed of late.

Indian firms are also opening multiple restaurants, establishing franchise business models, and designing food court formats to adapt to malls and airports. While these firms face some of the same logistical challenges that foreign firms face in terms of sourcing and real estate costs, they generally have the benefit of experience in the market and lower cost structures. Some Indian firms are even taking their brands abroad, establishing outlets in Europe, Asia and the Middle East.

With rising income levels and growth in the number of nuclear families, younger consumers are proving to be much more accepting of eating out and foreign brands, when compared to their elders. An estimated 65 percent of Indians are under the age of 35 and India is slowly becoming a more urban society. Younger consumers and a growing emphasis on socializing, eating out, and convenience are fundamentals that suggest future growth in this sector. Multinational chains are slowly gaining a firmer foothold.

High tariffs and import requirements that effectively prohibit or severely limit imports of several key

products typically lead new restaurants to develop supplies locally rather than import food products from abroad. In general, expansion of this sector is not expected to lead to a significant increase in opportunities for imported foods over the next few years. Restaurants may have to import certain specialty items that are not available in India, at least until they can develop local supplies. Over the longer term, persistent inflation and continued economic growth may eventually lead to a relaxation of import requirements, resulting in improved opportunities for imported products in this sector. Despite the limited short-term opportunities for imported foods, restaurants are changing consumers' consumption patterns and exposing them to new products and cuisines, a trend that is expected to have broader effects on consumption habits and patterns and may lead to new opportunities for importers in the food retail sector.

This report attempts to catalogue the current foreign and Indian restaurant chains operating in India.

Two lists follow, the first is a listing of international chains operating in India and the second is a listing of Indian restaurant chains. It is likely that certain restaurants have been overlooked, especially among the Indian restaurants, but the intent is to give readers a general overview of scale and breadth of the expansion in the quick service and casual dining sectors over the past 20 years.

1. INTERNATIONAL RESTAURANTS

McDonalds (USA)

<http://www.mcdonaldsindia.com/>

With over 270 outlets all across India, Hardcastle Restaurants runs McDonalds' operations in western and southern India, while McDonalds' restaurants in north and eastern India are managed by Connaught Plaza Restaurants Private Limited. McDonalds India has also announced to implement its McCafe brand in certain existing restaurants.

Kentucky Fried Chicken (USA), Pizza Hut (USA), Costa Coffee (UK), Swensen's (USA)

<http://kfc.co.in/>

<http://www.pizzahut.co.in/>

<http://www.costacoffee.co.in/>

<http://www.swensens.com/>

<http://dil-rjcorp.com/>

Devyani International is the largest franchisee for Pizza Hut and KFC in India. It also has franchisee rights for Costa Coffee and Swensen's ice cream.

Kentucky Fried Chicken (USA), Tacobell (USA), Pizza Hut (USA)

<http://www.tacobell.com/>

<http://www.yum.com/>

Yum Restaurants directly operates KFC, Pizza Hut and Taco Bell in India. There are about 340 KFCs, more than 184 Pizza Hut restaurants and four Taco Bell outlets in India.

Burger King (USA)

<http://www.bk.com/>

Everstone Group has taken franchise rights for Burger King in India and is expected to open its first outlets in 2014.

Dominos (USA), Dunkin Donuts (USA)

<http://www.dominosin.com/>

<http://www.dunkindonuts.com/>

Jubilant Foodworks owns the exclusive franchise rights for Domino's Pizza in India, Nepal, Bangladesh and Sri Lanka and franchise rights for Dunkin' Donuts in India. The company runs 700 Domino's Pizza outlets in 142 cities of India, (as of March 19, 2014). Currently it has 29 Dunkin' Donuts outlet in India (as of May 9, 2014).

Papa John's (USA), Chili's (USA)

<http://papajohnspizza.in/>

<http://www.chilis.com/>

Om Pizzas and Eats India has exclusive franchise for Papa John's Pizza in India with 20 pizza outlets in the country. They are also franchisees for Chili's in western and southern India.

Subway (USA)

<http://www.subway.co.in/>

Subway Systems India opened its first restaurant in 2001 in New Delhi and has 428 restaurants in 68 cities across India.

Quiznos (USA)

<http://www.quiznosindia.com/>

<http://www.subone.in/>

Sub-One Hospitality Services has the master franchisees rights for Quiznos in the Northern and Western parts of India and currently has 20 outlets.

Yogurberry (USA)

<http://www.yogurberry.in/>

Synergy Group is the master franchisee of Yogurberry in India. Currently it has seven outlets in India.

TGI Friday's (USA)

<http://www.tgifindia.com/>

Bistro Hospitality owns and operates TGI Friday's franchisees in India. Currently they have 12 outlets across India.

Starbucks (USA)

<http://www.starbucks.in/>

The American coffee chain entered the Indian market in October 2012 in a joint venture with Tata Global Beverages. Currently the chain has 40 outlets in New Delhi, Mumbai, Pune, and Bangalore.

Sbarro (USA)

<http://sbarroindia.com/>

Upper Crust Foods has the master franchise rights to develop and operate Sbarro restaurants in Maharashtra. They currently have four outlets in Mumbai.

Hard Rock Café (USA), California Pizza Kitchen (USA), Trader Vic's (USA), Pinkberry (USA)

<http://www.hardrock.com/>

<http://www.cpk.com/>

<http://www.tradervics.com/>

<http://www.pinkberry.com/>

<http://www.jsmcorg.in/>

JSM Corporation through its subsidiaries is the exclusive master franchisee for Hard Rock Café, California Pizza Kitchen, Trader Vic's and Pinkberry across India.

Great American Cookies (USA)

Forever Yogurt (USA)

Quiznos (USA)

<http://www.polofoods.com/>

Polo Foods is the master franchisee for the three US-based brands for East India and has plans to open both company owned and franchisee stores this year in Kolkata.

The Coffee Bean & Tea Leaf (USA)

<http://www.coffeebean.com/>

Franchised by Blue Foods, the Coffee Bean & Tea Leaf has 17 outlets across India.

Qwiky's Coffee (USA)

<http://www.qwikys.com>

Qwiky's Coffee has 22 company-owned outlets concentrated in southern India

Baskin Robbins (USA)

<http://www.baskinrobbinsindia.com/>

<http://www.gravissgroup.com/>

Baskin Robbins is operated by the Graviss Group.

Cinnabon (USA)

<http://www.cinnabon.com>

Franchised by SNZ Concepts, they currently have one outlet in New Delhi.

Manhattan Pizza and Luv'nberry Frozen Yogurt (USA)

www.manhattannypizza.com/

Kottam Foods of Hyderabad is the master franchisee and recently opened the first outlet in Bangalore.

Wetzel's Pretzels (USA)

<http://www.wetzelsindia.com/>

Wetzel's Pretzels, unit of Apis India Limited, has one outlet in Bangalore, one in Delhi and one in Pune.

Au Bon Pain (USA)

www.spencersretail.com/au-bon-pain.php

Spencer's Retail has master franchise rights for Au Bon Pain which launched in Bangalore and currently had five outlets.

Smoothie Factory (USA)

<http://smoothiefactoryindia.com/>

Smoothie Factory currently has one outlet in Delhi.

Lemp Brewpub & Kitchen (USA)

<http://lempbrewpub.com/>

Kaviar Hospitality has opened its first microbrewery franchise in Gurgaon outside of New Delhi.

Krispy Kreme (USA)

<http://www.krispykremeindia.in/>

Franchised by Citymax Hotels India, Krispy Kreme currently has eight stores in Bangalore.

Pizza Metro Pizza (UK)

<http://pizzametropizza.com/>

Franchised by Good Karma Hospitality in India, Pizza Metro Pizza was launched in Mumbai in November 2012.

Costa Coffee (UK)

<http://www.costa.co.uk/>

Devyani International is the franchisee with 100 locations.

Gloria Jean's (Australia)

<http://www.gloriajeanscoffees.com/>

Citymax India is part of the Dubai-based Landmark Group. It launched Australia-based Gloria Jean's Coffees in India in 2008 and now has 16 outlets.

Di Bella Coffee (Australia)

<http://www.dibellacoffee.in/>

The company has 10 outlets in Mumbai and two in Hyderabad.

Eagle Boys Pizza (Australia)

<http://www.eagleboys.co.in/>

Franchised by Krsna Foods, Eagle Boys Pizza has five outlets in New Delhi and two in Pune.

Café Pascucci (Italy)

<http://www.pascucci.in/>

Madhura Beverages is the exclusive master franchisee for Café Pascucci in India and currently has one outlet in Bangalore with reported plans to set up 60 outlets across the country.

Barista Lavazza (Italy)

<http://www.barista.co.in/users/index.aspx>

Barista Lavazza is a chain of espresso coffee bars that operates around 160 outlets across India.

Ci Gusta! (Italy)

<http://www.cigusta.com/>

Italy-based Happy Times Solutions, owner of Ci Gusta! in a joint agreement with Franchise India operates five outlets in India.

Mad Over Donuts (Singapore)

<http://www.madoverdonuts.com/>

Mad Over Donuts has 49 stores across India.

Breadtalk (Singapore)

<http://www.breadtalkindia.com/>

Crustum Products is the master franchisee of Breadtalk. The company is running five outlets in malls in Mumbai, Bangalore and Hyderabad.

Le Pain Quotidien (Belgium)

<http://www.lepainquotidien.in/>

Franchised by Ahimsa Brands in India, Le Pain Quotidien has five outlets in Mumbai.

Leonidas Chocolates (Belgium)

<http://www.leonidasindia.com/contact.html>

Owned by Premium Pralines Mumbai, Leonidas has two boutiques in Mumbai.

Chicking (UAE)

<http://www.chickingindia.in/>

Owned and operated by the UAE-based Al Bayan Group of Companies, Chicking has 26 outlets across southern India.

Japengo Café (UAE)

www.binhendi.com

Owned by Bin Hendi Hospitality of Dubai, Japengo has one franchised outlet in Mumbai.

Marrybrown (Malaysia)

<http://www.marrybrownindia.com/>

Marrybrown and has 46 outlets across southern India.

Mango Tree Bistro (Thailand)

Mango Tree Worldwide Group owns and operates Mango Tree Bistro franchise which opened its first outlet in Bangalore this year.

Patchi (Lebanese)

<http://www.patchi.com>

Patchi India has two outlets in Mumbai and one in Delhi.

2. INDIAN RESTAURANTS**Javagreen**

<http://java-green.com/about.htm>

Javagreen is an Indian chain of in-store cafes started by the Reliance Group in 2003. It is now operational across eight cities with 40 locations in India.

Café Mocha

<http://www.mocha.co.in/>

Café Mocha started in Mumbai in December 2001 and now has 20 outlets.

Brewberrys Café

<http://www.brewberrys.com/>

Opened in 2008 in Vadodara, Gujarat and presently has 37 stores across India.

Coffee N U

<http://www.coffeenu.com/>

The first Coffee N U outlet opened in 2008 in Bangalore, they now have a presence in 35 locations all over India.

BRU World Café

Hindustan Unilever has extended its only coffee brand BRU to a café chain, the BRU World Café. The chain currently has six outlets across Mumbai.

Cuppa Joe

Cuppa Joe is an independent café launched by Umbrella Hospitality in April 2012 in Mumbai. The company is reportedly considering expanding.

Barista

<http://www.barista.co.in/>

The Barista Lavazza is a chain of espresso coffee bars that operates around 160 outlets across India. Established in 2000 under the name Barista, the Indian chain was taken over by Italian coffee products manufacturer Lavazza in 2008. Barista offers menu items like espresso, lattes, cappuccino and various pastries, in addition to basic coffee.

Café Coffee Day

<http://www.cafecoffeeday.com/>

Café Coffee Day offers nearly everything coffee-related, from take-home products and equipment to fully operational stores. Since the opening of the first store in Bangalore in 1996, Café Coffee Day has grown to become India's largest coffee retailer and is now exporting coffee to Europe and the Middle

East. Café Coffee Day currently has over 1,500 outlets in 200 cities.

Bangs Fried Chicken

<http://www.bangsindia.com/>

Established in Chennai in 2009, Bangs India operates over 40 outlets across 13 states in India.

Coffee World, Cream & Fudge Ice Cream, Pizza Corner, The Donut Baker

<http://www.coffeeworld.com/>

<http://www.creamandfudge.com/>

<http://www.pizzacorner.com/>

<http://www.thedonutbaker.com/>

<http://www.gfacorp.com/>

In India the GFA Corporation operates four specialty food brands - Pizza Corner, Coffee World, The Donut Baker & The Cream & Fudge Factory. The first Pizza Corner outlet was started in 1997 at Chennai and the brand currently has 68 stores across India. Coffee World has 7 outlets and The Cream & Fudge Factory has 16 outlets across Bangalore, Hyderabad, Chennai and West Bengal while The Donut Baker has 13 outlets across Bangalore and West Bengal.

US Pizza

<http://www.uspizza.in/>

Owned by United Restaurants, the company has 90 US Pizza outlets in 34 cities and 12 states.

Smokin' Joes

<http://www.smokinjoespizza.com/>

Smokin' Joes has 56 outlets across India.

Garcia's Famous Pizza

Established in 2004 in Mumbai, Garcia's has 20 outlets across India.

Slice of Italy

<http://www.sliceofitaly.com/>

Founded in 2001, Green House & Hestoft Foods has 13 Slice of Italy restaurants in the Delhi area.

Yo! China

<http://www.yo-china.com/>

Yo! China is a trademark owned and operated by Moods Hospitality. It has 50 restaurants and delivery outlets across 14 cities in India.

Dosa Plaza

<http://www.dosaplaza.com/>

Established in 1998, Dosa Plaza presently has 45 outlets in 12 states.

Jumboking

<http://www.jumboking.co.in/>

Established in 2001, Jumboking sells India's famous snack food -- vada pav. It has 15 outlets in Mumbai.

Kaati Zone

<http://www.kaatizone.com/>

The Kaati Zone is owned by East West Ethnic Foods and has 22 outlets across India.

Nirula's

<http://www.nirulas.com/>

Established in New Delhi in 1934, Nirula's Corner House operates 85 restaurants across northern and central India under the brand name Nirula's.

Kailash Parbat

<http://www.kailashparbatandheri.com/>

Established in 1952, Kailash Parbat Restaurants has restaurants in a number of countries including India.

Bikanervala & Bikano Chat Café

<http://www.bikanervala.com/>

Bikanervala has 25 outlets and Bikano Chat Café has 10 outlets in India with a major presence in New Delhi and Gujrat.

Sagar Ratna

<http://www.sagarratna.in/>

Established in New Delhi in 1986, Sagar Ratna has 70 outlets across North India.

Tibbs Frankie

Established during the 1970s in Mumbai, there are a number of Tibbs Frankie outlets in Mumbai and Pune.

Faaso's

<https://www.faasos.com/>

JS Hospitality Services operates the Faaso's chain and has 50 outlets across Mumbai and Pune.

Vaango

<http://vaango.in/>

<http://dil-rjcorp.com/>

Devyani International is the largest franchisee for Pizza Hut and KFC in India. It also has Pan India franchisee rights for Costa Coffee and Swensen's Ice creams. Vaango is its own brand of South Indian food.

Café Mangii; Khandani Rajdhani; Manchester United Café Bar and Restaurant; Falafel

<http://www.cafemangii.com/>

<http://www.rajdhani.co.in/>

<http://www.falafels.in/>

<http://www.mirahgroup.in/>

Mirah Group runs several restaurant brands such as Café Mangii (serving pizzas and pastas), Nouvelle (institutional catering services), Palette (food court brand serving all cuisines), Khandani Rajdhani an Indian restaurant with 30 outlets in 19 cities, Manchester United Café Bar and Restaurant (three outlets in Mumbai and one in Goa), and the Mediterranean-Lebanese chain Falafel (nine outlets in Mumbai).

Spaghetti Kitchen; Copper Chimney; Gelato Italiano; China Town by Noodle Bar; Bombay Blue

<http://www.blue-foods.com/>

Blue Foods operates over 100 outlets across the country through a mix of owned and franchise operations. Restaurants include Spaghetti Kitchen, Copper Chimney, Gelato Italiano, China Town by Noodle Bar, and Bombay Blue. It also operates the food court formats Food Talk and Spoon and The Coffee Bean & Tea Leaf.

Café Moshe's

<http://moshes.in/>

Mumbai-based and owned by Chef Moshe Chek, Café Moshe's has 13 outlets in Mumbai serving continental cuisine. The café also makes and sells its own brand of condiments, jams, breads, dips and desserts.

Moti Mahal

<http://motimahalandia.com/>

The Moti Mahal group has restaurants across India, the United Arab Emirates and United Kingdom.

Goli Vada Pav No. 1

<http://www.golivadapav.com/>

Head quartered in Mumbai, Goli Vada Pav operates over 250 stores in 55 cities.

Cookie Man

<http://www.cookieமானindia.com/>

Cookie Man launched in India in January 2000 by Australian Foods and operates 70 outlets in 28 cities.

Daily Bread

<http://www.dailybread.co.in/>

Daily Bread has over 28 stores spread across four cities in India

Mr. Idli Red Curry Hospitality

<http://www.mridli.com/>

Mr. Idli has 15 outlets across India.

Juice Lounge

<http://www.juicelounge.in/>

Founded in 2005, Juice Lounge has several outlets spread over 34 cities in India

Panchavati Gaurav

<http://www.panchavatihotels.com/restaurant.html>

Panchavati Gaurav has nine restaurants across nine cities in India.

Mumbai Tawa – Just Tawalecious™

<http://www.mumbaitawa.com>

Mumbai Tawa has four outlets in Mumbai.

Tikka Town

<http://www.tikkatown.com/>

Owned by Old World Hospitality, Tikka Town has outlets in Delhi and Lavasa

Café Buddy's

<http://www.cafebuddys.com/>

Café Buddy's serves continental and Indian ethnic fast food and operates 77 outlets in Delhi.

Cream Center

<http://creamcentre.com/>

Owned by Prince Cuisines, Cream Center has 25 outlets spread across India.

Hokey Pokey

<http://www.hokeypokey.in/>

Owned by Drums Food International (DFIPL), has 24 company owned outlets in Mumbai, Pune, Ahmedabad, Surat and Bangalore.

Cuppa

<http://www.cuppastop.com>

Owned by Concorde Cuppa Bangalore, Cuppa has 11 owned outlets and 22 franchised outlets with a major presence in Bangalore.

The Pasta Bar Veneto

<http://www.thepastabarveneto.com/about.html>

The Pasta Bar Veneto is a chain of Italian Cafe Restaurants, belonging to Fifth Avenue Hotels & Resorts with three outlets in Chennai, one in Puducherry, one in Coimbatore and one in Ludhiana.

Crepeteria

<http://www.crepeteria.in/>

Owned by Altius Enterprises Crepeteria has six company-owned outlets and two franchised.

South Indies

<http://thesouthindies.com/>

South Indies has two restaurants in Bangalore and one in Pune.

Little Italy

<http://littleitaly.in/>

Little Italy has 26 outlets across 17 major cities in India.

Incy Wincy Spider

<http://incywincyspider.in/>

A unit of South Indian Food, Mr & Mrs Idly, has eight franchised outlets in India.

The Chocolate Heaven

<http://thechocolateheaven.com/>

The Chocolate Heaven has 10 franchised outlets in eight cities.

Maroosh**Da Vinci****Two one Two Café**

<http://www.ihmpl.in/>

Impresa Hospitality Management owns stand-alone restaurants Maroosh (Lebanese); Da Vinci (Italian) and Two one Two Cafes and Two one Two Bar & Grill (International) all in Mumbai.

Grillopolis

Grillopolis has two restaurants in Mumbai

Rain Forest Resto-Bar

Rain Forest Resto-Bar has three restaurants in Mumbai

Wraps & Rolls

<http://www.wrapsandrolls.com/>

Wraps and Rolls has several outlets spread across six cities in India.

Café Chokolade

<http://www.cafechokolade.com/>

Has both company-owned and franchised restaurants totaling 70 outlets across 9 states.

Zaffran Restaurant

<http://www.zaffranrestaurant.com/>

Zaffran has six branches across Mumbai and one in Bangalore.

New York Pizza and Fried Chicken (NYPFC)**American Fried Chicken (AFC)**

<http://venustradings.com>

Owned by Venus Trading, NYPFC has 16 operational outlets across India and two AFC outlets in southern India.

Momo Station

<http://momostation.com/>

Established in 2009, Momo Station has five outlets in Mumbai, two in Bangalore, two in Surat and three in Indore.