



McDonald's™ India (North & East Region)

FACT BOOK

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- **Grand Opening;** McDonald's opened its doors in India, the 95th country, in 1996 and was the first country to serve non-beef and non-pork items. Its authority on non-beef and non-pork products still remains unchallenged
- **Ownership;** McDonald's India is a **locally owned** company managed by Indians
- McDonald's is managed in India by
 - Vikram Bakshi, under Connaught Plaza Restaurants Pvt. Ltd in Northern and Eastern Region (Headquartered in New Delhi) through a joint venture
 - Smita Jatia, under Hardcastle Restaurants Pvt. Ltd. in the Western and Southern Region(Headquartered in Mumbai) which is a DL (Development Licensee)
- **McDonald's Philosophy;** McDonald's philosophy of QSCV (Quality, Service, Cleanliness and Value) is the guiding force behind it's service to the customers in India
- **Vendor Development;** McDonald's spent more than 5 years (from 1990 onwards) on developing the first **beef-less** and **pork-less** menu in McDonald's history.
- McDonald's pioneered the establishment of **Cold Chain** across India which helps maintain freshness and nutrition in every product
- **The Scorecard;** The first McDonald's restaurant in India opened on October 13, 1996 at Basant Lok, New Delhi
- **Today,** McDonald's has **242** restaurants operating in India serving over 5, 00,000 customers' everyday and has completed more than 10 years of unparalleled in the country.
- Every McDonald's burger has **nine different ingredients**, which are sourced, from 35 suppliers across the country before it reaches the consumer
- McDonald's practices **Vegetarian** and **Non-Vegetarian Segregation** right from processing to serving and uses 100 per cent vegetable cooking oil
- The **Happy Price Menu** competitively priced at Rs.20 was unveiled in April 2004
- **McDelivery™**, McDonald's **Home Delivery Service** was successfully launched in April, 2004
- **McAloo™ Tikki, Veg Surprise and Pizza McPuff™** developed in India are now being exported to the countries in the Middle East

- McDonald's introduced Coke's Georgia Gold range of hot beverages which was developed especially for the Indian market in 2002
- As a leader in **QSR** segment (Quick Service Restaurant) McDonald's has pioneered various industry benchmark practices over the past decade of serving Indian customers, including new concepts such as...
 - Oil Alliances in India by inking with petroleum giants BPCL and HPCL. The two such alliances with BPCL outlets are in Mathura (2000) (UP) and Doraha (2002) (Punjab)
 - Novel menu formats such as an Express Model with a limited menu and Kiosks with a variety of dessert offerings
 - Home Delivery (McDelivery™): Providing even more convenience to our customers. In Oct 2006, McDelivery on bicycle at Chandni Chowk was launched and in March '07 an all India single delivery number (66 000 666) was introduced
 - First Drive Thru Restaurant at NOIDA (UP) in 1997
 - First Restaurant with operational Kitchen at Delhi Domestic Airport

Key Landmarks - McDonald's India Journey

1996 ...the first McDonald's restaurant opened on Oct. 13, at Basant Lok, Vasant Vihar, New Delhi. It was also the first McDonald's restaurant in the world not serving beef on its menu

1997...

- the first Drive –Thru restaurant at Noida (UP)
- the first disabled friendly store at Noida (UP)

1999...the first Mall location restaurant at Ansal Plaza (New Delhi)

2000...the first highway restaurant at Mathura (UP)

2001...the first thematic restaurant at Connaught Place (New Delhi)

2002...

- The first restaurant in a food court at 3C's, Lajpat Nagar (New Delhi)
- The first restaurant at the Delhi Metro Station at Inter State Bus Terminus
- The first fundraiser in association with ORBIS and Dr. Shroff's Charity Eye hospital.(Delhi)

2003... The first Dessert Kiosk – Faridabad (Haryana)

2004... McDonald's Delivery Service (McDelivery) introduced in New Delhi

2003-04... Indigenous products like McAloo Tikki, McVeggie and Pizza McPuff exported to Middle East countries

2006

- McDelivery on Bicycles flagged off at Chandni Chowk (Delhi)- another first initiative by McDonald's India
- 100th McDonald's Restaurant in India
- 10th Year Anniversary

2007

- The first McDonald's open in Eastern Region at Park Street, Kolkata
- The first restaurant opened at Airport (Domestic Airport, New Delhi)
- The first MFY restaurant opened at Greater Noida, Uttar Pradesh

2008...

- The First restaurant to start extended hours procedure at Cyber Greens, Gurgaon and Saket, New Delhi
- The first restaurant to start Breakfast Menu at Janpath, New Delhi

2009...The first McDonald's Restaurant opens at Old Delhi Railway Station

2010...The first reimaged new look restaurant opened at Ambiance mall, Vasant Kunj

2011...

- Introduces premium products in its menu – McSpicy range of products
- Introduces Mcflurry (premium desserts) in Oreo and chocolate crispy flavors
- Wi-Fi services in its restaurants

2012...

- Spicy Fest – Introducing new spicy variants for a limited time period
- New product launch in the Happy Price Menu – McEgg – Rs 25
- Launch of employee engagement programme – Voice of McDonald's & Olympic Crew Championship
- MDS through web in Delhi

McDonald's currently has 300 restaurants in India of which 145 are in North & East India and 155 in West & South India.

McDonald's India (North & East India) has 145 restaurants: with **51 in Delhi**, **21 in Haryana** - Faridabad (4), Manesar (2) (Highway and Drive - Thru), Gurgaon (11), Karnal (1) (Highway and Drive - Thru), Panipat (1), Ambala (1), Sonapat (1) **8 in Rajasthan**- Jaipur (4), Jodhpur (1), Kota (1), Udaipur (1), Ajmer (1), **2 in Uttaranchal**– Hardwar (1), Dehradun (1), **34 in Uttar Pradesh** – Noida (6), Greater Noida [1], Ghaziabad (8), Mathura (1) (Highway and Drive Thru), Kanpur (2), Meerut (2), Lucknow (6), Agra (2), Allahabad (1), Varanasi (2), Gajraula (1) (Highway and Drive - Thru), Khatauli (1), Bareilly (1) **20 in Punjab** - Chandigarh (4), Ludhiana (3), Doraha (1) (Highway and Drive - Thru), Ldh-Chd Highway (1) (Drive Thru), Jalandhar (3), Patarsi (1) (Highway and Drive - Thru), Amritsar (1), Patiala (1), Zirakpur (2), Khanna (1), Bhatinda (1) (Highway and Drive Thru) Dasuya (1) **5 in West Bengal** – Kolkata (4), Howrah (1), **1 in Himachal Pradesh**- Jabli [1] and **2 in Madhya Pradesh**- Gwalior (1), Bhopal (1), **1 in J & K** – Jammu (1)

The Western Region has 155 restaurants across the following states and cities –

Maharashtra - Mumbai, Pune, Nasik, Kolhapur -

Gujarat - Ahmedabad, Vadodara, Surat, Indore, Vapi

Madhya Pradesh – Indore

Andhra Pradesh - Hyderabad

Karnataka - Bangalore

Tamil Nadu - Chennai

Accolades

McDonald's India has received many prestigious awards for its service and performance including:

- The **'Most Respected Company'** for four consecutive years (2003-2006) in the Food Services sector, by Businessworld
- The **'Most Preferred Fast Food Outlet'** 2006 & 2007 by Awaaz Consumer Award hosted by CNBC
- Star Retailer – the **'Consumer Way, Food Services Retailer'** of the Year 2006 & 2007, 2008 by Franchise India
- **'Retailer of the Year'** Award for catering services (2004-2006) at the Images Retail Awards
- The **'Amity Corporate Excellence Award'** –in 2007 & 2008
- The **'Most Wanted Brand of the Year'** Award 2003 & 2004 by Franchising Holdings India Ltd.
- The **'Most Admired F & B Retailer of the Year: QSRs Foreign Origin'** – The Golden Spoon Awards by Images Retail
- The **Company with the Best Corporate Conscience – 2008** by Business & Economy
- **'Value for Money' brand – 2010** by Pitch Magazine
- **The most trusted family restaurant brand in the country award in 2009, 2010, 2011** by Reader's Digest
- **Food service retailer of the year, 2011 – Star Retailer Awards**
- **Food Service Retailer of the year, 2012 – Star Retailer Awards**



McDonald's International

- McDonald's has over 32,000 local restaurants in more than 100 countries
- 70 percent of our restaurants worldwide are owned and operated by independent, local businessmen and businesswomen
- McDonald's serves nearly 50 million customers each day
- McDonald's first franchised restaurant opened at Des Plaines, Illinois in 1955 by the founder Ray Kroc
- McDonald's has its own Hamburger University in Illinois, and the first batch graduated in 1961
- 12 classes offered at Hamburger University are college accredited
- In 1963, McDonald's sold its one billionth hamburger
- McDonald's is listed on the New York, Frankfurt, Munich, Paris and Tokyo stock exchanges
- McDonald's aired its first network TV advertisement "McDonald's - Where Quality Starts Fresh Everyday", in 1965
- The first McDonald's Drive-Thru opened in Sierra Vista, Arizona in 1975
- Happy Meals were added to McDonald's menu in 1979
- McDonald's launched the new worldwide Balanced Active Lifestyles public awareness campaign in 2005
- McDonald's celebrated its 50th Anniversary on April 15, 2005

McDonald's Role in the Indian Economic Growth

In 1990, six years before the opening of the first McDonald's restaurant in India, McDonald's and its international supplier partners worked together with local Indian companies to develop products that meet McDonald's vigorous quality standards. These standards also strictly adhere to Indian Government regulations on food, health and hygiene. Part of this development has involved the transfer of state-of-the-art food processing technology, which has enabled Indian businesses to grow by improving their ability to compete in today's international markets.

Prior to McDonald's arrival in India, the concept of a Cold Chain for the distribution of food and dairy products from the farm to the end supplier in predetermined and stringently enforced climactic and hygienic conditions was at a very nascent stage of development. For five years prior to opening the first restaurant, McDonald's pioneered the effort to develop this aforementioned Cold Chain so that trademarked high standards would be assured. This concept has today been adopted by various Indian and International players to deliver quality produce to consumers.

For instance, Cremica Industries worked with another McDonald's supplier from Europe to develop technology and expertise, which allowed Cremica to expand its business from baking to also providing breadings and batters to McDonald's India and other companies. Another benefit is expertise in the areas of agriculture, which allowed McDonald's, and its suppliers to work with farmers in Ooty, Pune, Dehradun and other regions to cultivate high quality Iceberg lettuce. This includes sharing advanced agricultural technology and expertise like utilization of drip irrigation systems, which reduce overall water consumption, better seeds & agricultural management practices, which result in greater yields.

In some cases, these Indian suppliers had the technology - but no market for the products they produced. For example, Dynamix Dairies - through its relationship with McDonald's - was introduced to a large customer of milk casein and other milk derivatives. McDonald's local supply networks through Radhakrishna Foodland, to get products from the various suppliers to restaurants across India.

McDonald's North India alone contributes more than Rs.30 crore (**USD 7 million+**)/annum approximately as sales tax to different State Governments where we have our operations.

People ... McDonald's # 1 Resource in India

McDonald's India is an employer of opportunity, providing quality employment and long-term careers to the Indian people. A McDonald's restaurant employs around 50 people on an average, performing 25 different job responsibilities - from the counter crew to the restaurant manager. Starting with 50 employees in 1996, McDonald's world-class training inputs to its employees can today be seen in close to 10.000+ employees currently employed directly with McDonald's restaurants across India. Additional indirect employment contributes to over 2000 people (Suppliers /service agents etc.)

The training centers at Delhi & Mumbai provide world-class training to every employee. It is ensured that each employee who has undergone an extensive training program is judged at the end of every course involving assessment at regular intervals. Some of the courses are the Basic Shift Management Course (BSM), Advance Shift Management Course (ASM), Effective Management Practices Course (EMP) and candidates who were till now attending the Restaurant Leadership Practices Course (RLP) in Australia can now do the same, here in India with the support of McDonalds Hamburger University.



The McDonald's Promise

QUALITY, SERVICE, CLEANLINESS & VALUE

When asked to explain McDonald's success, founder Ray Kroc used to say, "We take the hamburger business more seriously than anyone else."

Kroc was a perfectionist. From the day he opened his first restaurant, he vowed to give his customers high quality products, served quickly --and with a smile, in a clean and pleasant environment, and all at a fair price. Quality, Service, Cleanliness and Value (QSC&V) became the philosophy that drove McDonald's business.

QUALITY

McDonald's India serves only the highest quality products. The attention to food quality started long before the first restaurant opened. McDonald's India has established close relationships with local suppliers who provide McDonald's with the highest quality, freshest ingredients to make its products.

All suppliers adhere to Indian government regulations on food, health and hygiene while continuously maintaining McDonald's own recognized standards. McDonald's has established an extensive "cold chain" distribution system in India to ensure that the products, which arrive at the restaurant from suppliers all over India, are absolutely fresh. In the restaurants, products and supplies are used on a "**first-in, first-out**" basis to ensure freshness. All McDonald's products are prepared using modern, state-of-the-art cooking equipment to ensure quality and safety.

SERVICE

McDonald's India provides fast, friendly service -- the hallmark of McDonald's, which sets its restaurants apart from others. At McDonald's, the customer always comes first. Every employee strives to provide 100 percent customer satisfaction -- for every customer -- every visit. This includes friendly and attentive service, accuracy in order taking, and anticipation of customer's needs -- such as napkins or straws. The McDonald's promise is "**With a sense of fun and youthful spirit, we will proudly serve an exceptional McDonald's eating experience that makes all people feel special and makes them smile – every customer, every time.**"

CLEANLINESS

McDonald's restaurants provide a clean, comfortable environment especially suited for families. McDonald's stringent cleaning standards ensure that all tables, seating, highchairs and trays are sanitized several times each hour. The attention to cleanliness extends from the lobby to the kitchen to the sidewalk and immediate areas outside the restaurant.

In addition to urging customers to dispose of their litter properly and offering a number of trash bins (both inside and outside the restaurants) for their convenience, McDonald's "Litter Patrols" walk around the restaurants several times each day picking up litter -- even if it isn't from McDonald's.

Restaurant managers walk through the dining areas each hour, to ensure that it is clean and well stocked. All restaurants provide a variety of comfortable seating arrangements to accommodate anyone -- from a single individual to a large family. The environment is warm, inviting, and well lit.

VALUE

McDonald's menu is priced at a value that the largest segment of Indian consumers can afford. McDonald's does not sacrifice quality for value -- rather McDonald's leverages economies of scale to minimize costs while maximizing value to customers.

McDonald's definition of value is broader than most restaurants of its kind -- it is more than price. **Value at McDonald's is the sum of the total McDonald's experience: quality food; fast, friendly service; a clean and pleasant environment, and products priced at very affordable prices for the largest segment of Indian consumers possible. That is value at McDonald's.**

McDonald's India... Culturally Sensitive

Indianisation of Menu

With the opening of the first McDonald's restaurants in India- there is much that is consistent with other McDonald's restaurants around the world, such as the quality of the food and the attention to service.

The dedication to local cultures is not new for McDonald's. For the past 50 years, McDonald's has opened restaurants in more than 120 distinctly different countries and cultures. With guidance from its local partners, McDonald's is able to adapt- where necessary-its menu and restaurant operations to complement existing eating-out options. McDonald's local owners understand what their customer's want perhaps more importantly, what is acceptable within local customs and values.

There is much, too, that is very different- such as the **first beef-less and pork-less menu in the world** and special product formulations to cater to Indian culture and palate. Vikram Bakshi, the joint venture partner for McDonald's India, says **"We know the Indian culture, because we were born in it, inherited its richness, and respect it greatly. It is the respect for this culture and the sentiments of many of our customers', that we do not serve any beef and pork items in our restaurants."**

McDonald's commitment to its Indian customers is evident even in development of special sauces that use local spices and chillies. **The mayonnaise and all other sauces are egg-less.**

In India, vegetarianism is in many cases more than a lifestyle choice. Many people are vegetarians due to religious reasons, and in some cases even the vegetarian product that has come into contact with a non-vegetarian product is unacceptable. Hence, McDonald's India has also changed its operations to address the special requirements of our vegetarian customers by having processes that ensure that a physical separation of veg and non-veg products is maintained right from farm to the customer. Vegetable products are prepared separately, using dedicated equipment and utensils. Also in India, McDonald's uses only vegetable oil as a medium for cooking.

Every Day Great Value at McDonald's

McDonald's worldwide stands for QSC&V, where the 'V' stands for value and therefore the value propositions assumes special significance. Explaining this, Mr. Vikram Bakshi Managing Director and JVP, McDonald's India, (North and East) says "McDonald's success has been built on commitment to the delivery of QSC&V (quality, service, cleanliness and value) to customers, the expansion of restaurant numbers to improve convenience and large scale investment in supplier development, training and people. Getting QSC&V right consistently and overwhelming appreciation of value keeps our customers satisfied and maintains our competitive edge."

Value as the Corner Stone of McDonald's Strategy

The value initiative at McDonald's is all pervasive. "Our strategy is to achieve best value by enhancing experience (offering best quality), while keeping prices reasonable. This applies to products we serve to our customers and to every other aspect of the way we do business". At McDonald's, costs are kept low by increasing efficiency and cutting wastage at all levels. This is possible by advanced operations, management and human behaviour skills tested over time in 120 countries across the world.

It is important to understand that delivering highest quality doesn't come easily. Customers, who walk into a McDonald's restaurant, expect to be served food that is hot and fresh, made from high quality ingredients, served within minutes of placing their order and at a price which is affordable. Such is the strength of the brand that they rely on McDonald's to do all this, without thinking about how it is actually achieved "every day every time".

McDonald's has always believed in providing value to the customer. McDonald's menu has always been priced at a value that the largest segment of the Indian



consumers can afford. McDonald's does not sacrifice quality for value – rather McDonald's leverages economies to minimize costs while maximizing value to customers

McDonald's embarked on a '**Branded Affordability**' programme - a special value offer, for the customer, with the objective of offering consumers products at an attractive price point. The Branded Affordability programme is not a discount or a price promotion. It is more on the lines of providing products to the customer that are very affordable.

McDonald's Value Offerings

Though all McDonald's food products offer tremendous value, we continually review and improve our menu offerings to make sure that we not only meet our customers' expectations, but also exceed them. Being affordable to the largest number of customers is a driving force in our value strategy.

Branded Affordability

The branded affordability programme was rolled out with the introduction of the soft serve cone, a product with universal appeal, was offered to the customer at an unbeatable price of Rs 7/-, starting May' 1998. Soon after, McDonald's India introduced the Economeals at an attractive price point of Rs. 29/-, Rs. 39/- & Rs. 49/- to add to basket of offerings.

McDonald's had further reinforced the branded affordability mantra via the introduction of the **Happy Price Menu** attractively priced starting at Rs. 20/-. Happy Price Menu includes the **McAloo Tikki Burger**, **Veg Pizza McPuff**, **Chicken McGrill**, **Ice-Tea** and **Small Soft Serve**.



McDonald's Cold Chain in India

McDonald's India is characterized by a unique sense of dedication and commitment –**'to be driven by the leadership of local owners.'** This commitment has translated into enduring benefits to the businesses at the grass root level, in the areas of introduction of new crops, new agricultural practices and food processing methods and procedures.

McDonald's unique 'cold chain', on which the QSR major has spent more than six years setting up in India, has brought about a veritable revolution, immensely benefiting the farmers at one end and enabling customers at retail counters get the highest quality food products, absolutely fresh and at great value.

Setting up this extensive cold chain distribution system has involved the transfer of state-of-the-art food processing technology by McDonald's and its international suppliers to pioneering Indian enterprises, which are today an integral part of the McDonald's cold chain.

From Field to -2°C in 90 Minutes

Trikaya Agriculture, a major supplier of iceberg lettuce to McDonald's India, is one such enterprise that is an intrinsic part of the cold chain. Initially lettuce could only be grown during the winter months but with McDonald's expertise in the area of agriculture they are now able to grow this crop through the year.

Post harvest facilities at Trikaya include a cold chain consisting of a pre-cooling room to remove field heat, a large cold room and a refrigerated van for transportation where the temperature and the relative humidity of the crop is maintained between 1° C and 4° C and 95 per cent respectively. Vegetables are moved into the pre-cooling room within half an hour of harvesting. The pre-cooling room ensures rapid vacuum cooling to 2° C within 90 minutes. The pack house, pre-cooling and cold room are located at the farms itself, ensuring no delay between harvesting, pre-cooling, packaging and cold storage.

Trikaya is not associated with us any longer and iceberg lettuce is now locally sourced from our partners Vista Processed Foods Pvt. Ltd

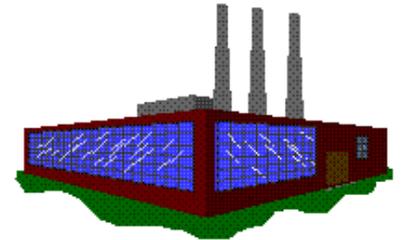
Flavor and Freshness locked in at - 35°C

Vista Processed Foods Pvt. Ltd., McDonald's suppliers for the chicken and vegetable range of products, is another important player in this cold chain. This includes hi-tech refrigeration plants for manufacture of frozen food at temperatures as low as - 35° C. This is vital to ensure that the frozen food retains its freshness for a long time and the 'cold chain' is maintained. The frozen product is immediately moved to cold storage rooms.

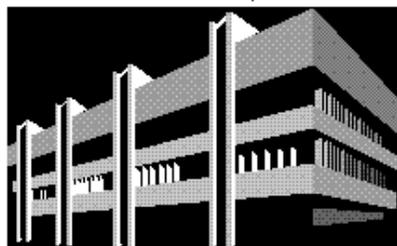
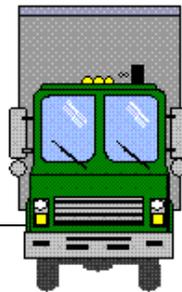
Our Backbone: Cold Chain & Suppliers

McDonald's Cold Chain In India

McDonald's India sources its ingredients from local suppliers who are integral part of the cold chain



Refrigerated trucks with multi temperature facility divided into three zones - Freezer, Chiller and ambient - to ferry products demanding varying temperatures from supplier locations to the distribution center.



Distribution Centre is also divided into similar zones as the trucks for storing products. With Freezer at 0°F to -10°F, Chiller at 33°F to 40°F and Ambient at room temperature

Restaurants have in-built cold storage units subdivided into the aforementioned zones



From Farm to Bulk Cooler in less than 90 Minutes

McDonald's suppliers of cheese, Dynamix Dairy, too, recognizing the need for quality milk to make quality cheese, has set up a dedicated quality program for milk procurement. They have made significant investments in setting up bulk coolers at all milk collection centres in the Baramati area, where they are based. On receipt, the milk is immediately stored in the bulk coolers at the collection centres, to prevent growth of bacteria in the milk and preserve its freshness - thus, maintaining the 'cold chain'.

All leading to the Consumer

McDonald's local supply networks through Radhakrishna Foodland, which operates distribution centres (DCs) for McDonald's restaurants across India. The DCs have focused all their resources to meet McDonald's expectation of 'Cold, Clean, and On-Time Delivery' and plays a vital role in maintaining the integrity of the products throughout the entire 'cold chain'.

Ranging from liquid products coming from Punjab to lettuce from Pune, the DC receives items from different parts of the country. These items are stored in rooms with different temperature zones and are finally dispatched to the McDonald's restaurants on the basis of their requirements. The company has both cold and dry storage facilities with capability to store products up to -22° C as well as delivery trucks to transport products at temperatures ranging from room temperature to frozen state.

All these suppliers share McDonald's commitment and dedication to satisfying customers by supplying them the highest quality products. They are working cohesively to ensure that the final product reaches the customer consistently each time and every time. At their level, every care is taken to guard against any interruptions in the cold chain, which can break the link and have a detrimental effect on the quality of the product. And more products reaching the market fresher and quicker not only benefit the economy but also help the farmer earn more.

McDonald's... A Socially Responsible Organization

Corporate responsibility is a core value at McDonald's. It is a deep-seated tradition dating back to our founder, Ray Kroc, and a key element in our business strategy today. We know that our continuing success depends on our customers' trust—in the quality and safety of our food, in our business practices, and in our commitment to making a difference on issues they care about.

In McDonald's being a good corporate citizen means

- Doing what is right
- Being a good neighbor and partner in the community
- Conducting business with the environment in mind

What we do is because 'we care'...

- According to a study conducted by **ORBIS international** indicates that India shoulders the largest burden of global blindness, with almost **52 million** blind people. Of these, more than **320,000** are **children**, making India home to one of the largest populations of visually challenged children in the world. However, it is important to note that more than half of all childhood blindness is avoidable if trained paediatric eye care personnel and adequate facilities are available. Acknowledging the fact that Paediatric ophthalmology is one of the least commonly accessed speciality in India, **McDonald's India (North and East)** teamed up with prominent sight saving NGO, **ORBIS International** and reputed **Dr. Shroff's Charity Eye Hospital (SCEH)** for their sight saving programs. Over 430 children economically and visually challenged children have benefited from vision correction surgeries through funds collected from this endeavor. Many more are likely to benefit from the refurbished paediatric ward at SCEH. Another sizeable amount was recently donated towards procuring paediatric state of the art eye care equipments for children OPD at SCEH
- Keeping up the efforts, McDonald's India spearheaded the visit of **DC-10, the Flying Eye Hospital** in New Delhi. In response to the persistent requests, ORBIS DC-10 landed in capital in the month of March, 2005, for a 12 days training programme. The ORBIS DC-10 Flying Eye Hospital is a fully equipped eye surgery hospital that travels to developing countries. The aircraft is a true symbol of strong cross-cultural humanitarian partnership and affirms the life-saving possibilities of aviation. During the Delhi program 95 surgeries were conducted in all (on board the plane, at the host hospitals and during the off plane outreach programs at Chitrakoot and Dahod)

Over 21 doctors were imparted hands on training during this program. 320 doctors were trained through observerships during the program (300 within Delhi, on plane and at the host hospitals and 20 from the Sadguru Nethra Chikitsalaya, Chitrakoot and Drashti Nethralaya, Dahod where the off plane programs were conducted)

- **Ronald McDonald House Charities (RMHC)** in association with ORBIS International inaugurated a state-of-the-art ophthalmologic and pediatric wing at Dr Shroff's Charity Eye Hospital (SCEH), in Daryaganj, New Delhi in June, 2002
- **Through the Hand in Hand Saving Sight Programme**, McDonald's is also supporting an outreach programme in partnership with ORBIS and SCEH, whereby satellite clinics were established in remote villages of Alwar to treat villagers with eye problems
- The Managing Director continues to play a pivotal role in raising funds for the **Hospital-cum Elders Home** to help the elderly lead a life with dignity



Commitment to Children

- In 1999-2000, McDonald's in association with UNESCO, Readers Digest, and Ministry of Human Resource Development and Walt Disney, organized "**Millennium Dreamers**" – a nationwide search for child achievers who have contributed to the community, humanitarianism and education for young people aged 8-15 years. The objective was to highlight the achievements of children who have made a difference and dare to dream for the future. The achievers represented India at the International Millennium Dreamers Summit at Orlando in May 2000

- The social message “**Light up your life, Adopt a child**” was promoted as a part of the National Adoption Week along with CVARA, a Delhi based NGO. On similar grounds, underprivileged children from **Palna**, a Delhi based NGO are invited for a day out at the restaurants on a quarterly basis
- **Educational workshops** in collaboration with the Delhi Government on bus, road, fire safety, fun and fitness etc. are conducted regularly in schools to keep kids abreast of day-to-day safety measures
- McDonald’s provides the **Orange Bowl**, which is a large drink dispenser that mixes, chills, and dispenses a refreshing orange drink made with orange beverage, free of charge for events such as sports days, Annual Days, PTA meetings and the like

Care for Environment

- We are an eco-friendly company constantly striving to conserve energy and save environment

The company has some of the finest firsts to its credit;

- ‘**Litter Patrols**’ were introduced, wherein McDonald’s employees virtually comb the garbage spilled in immediate vicinity of the restaurant for a cleaner neighbourhood
- Garbage Collection; Heavy-duty garbage bags are used to collect garbage and given only to an authorized garbage collector for proper disposal
- Pioneered the concept of ‘**Grease Traps**’ for zero oil contamination in residual wastewater. The Delhi Government overwhelmed with this initiative used McDonald’s as an example to educate other QSR’s (Quick Serving restaurants) on this
- Well ahead of the government stipulations, McDonald’s voluntarily withdrew the use of polythene bags. Recyclable paper bags have since replaced them
- In order to generate greater awareness on the abandoning use of plastic, McDonald’s in association with the **Government of Delhi** (Department of Environment) as a part of their Bhagidari Yojna, had organised a contest among school children across Delhi to eradicate the use of plastic bags

- Ronald McDonald, McDonald's brand icon was chosen the ambassador for this drive by the Delhi Government. The month-long Extinct Plastic Bags Contest encouraged school children to collect plastic bags littered in their neighbourhood and deposit them with Eco-Club collection centres in their respective schools. These bags were weighed at the end of the month and the top 120 collectors were provided with awards
- Yamuna Cleaning Campaign; As an active partner of Delhi Government's Bhagidari Scheme, McDonald's India teamed up with the Government of Delhi in the "Clean the Yamuna" project. Employees of McDonald's have lent a helping hand in cleaning up the river from where Delhiites source their drinking water on two different occasions
- Visualizing that recycling and rainwater harvesting is the need of the hour commenced wastewater treatments at Manesar - Haryana (Zero drain facility)
- Initiated Trash Segregation in our outlets in December 2004

Energy Saving Initiatives

Our approach to energy management involves tools and training in energy saving procedures, like proper equipment maintenance and promoting and using energy saving technologies. At McDonald's we strive to reduce energy use, as we see this as the top environmental priority for our restaurants...

- Installation of compact florescence Fixtures (CFLs) energy saver lamps to conserve electricity
- Encouraging usage of T5 lamps in outlets to ensure that it appears well illuminated with less number of lighting fixtures. Thus another step towards power saving.
- Installation of capacitor banks in the electrical panels to improve the power factor.

Initiatives for Water Conservation

- Use of 5-liter flush water capacity in Water Closet's instead of 10 liter.
- Use of optical/ UV sensor based taps and urinal flush systems.
- Use of non corrosive- non-ferrous plumbing materials to avoid dissolving of metallic ions in the water.

National Social Responsibility

- Rising to the need of hour, has been another significant competency of company. Though the list is long and impressive but it is important to mention a few such as;
- Contribution towards the Prime Minister's relief fund during the Kargil war in 1997.
- Generous contribution of Rs.25, 00,000 (USD 56, 818) along with a day's salary of every employee to the Gujarat earthquake relief fund to rebuild an orphanage for the children who lost their parents in the tragedy.
- The company also recently donated Rs. 30,00,000 (USD 68181) towards Tsunami Relief Fund

A Greener Neighborhood

- McDonald's maintains public parks in Jor Bagh and Basant Lok in collaboration with the MCD.

I Care for Eye Care

I Care for Eye Care – is a unique social initiative managed by McDonald's and Dr. Shroff Charitable Eye Hospital that has made positive impact where it mattered the most. Since its introduction, this campaign has not only build awareness about the pediatric eye care issues that affect children in underprivileged communities across India, but also has been instrumental in raising funds that are being used to save and correct the vision of the affected children.

In 2011-12, significant funds were raised through the sale of an I Care for Eye Care collectible that was sold through all the McDonald's restaurants as well as donations collected through donations boxes placed by SCEH across all the McDonald's restaurants in North & East.

So far, the campaign has benefitted more than 35000 children in communities that are most affected in Delhi NCR; Haryana; UP; Rajasthan and West Bengal. This was managed by organizing eye screening camps in these regions; and providing spectacles and conducting sight saving surgeries.

McDonald's Suppliers in India

McDonald's is globally committed to sourcing almost all of its products and ingredients locally in its country of operations. In keeping with this commitment, it has contributed to the development of local Indian businesses, who supply them with the highest quality products required for McDonald's Indian operations.

Today, majority of its suppliers are big businesses in their own right and have been contributing significantly to the growth of Indian Agro & Food Processing industry. **Vista Processed Foods Pvt. Ltd.**– is the suppliers of Chicken, Vegetable patties and Fresh Produce; **Schreiber Dynamix Dairies Ltd.**– supplier of Cheese; **Mrs. Bector Food Specialties** – suppliers of Buns and sauces, and **Radhakrishna Foodland (P) Ltd.** – is the logistics and distribution partner.

Respect for local sensitivities

McDonald's India and all its suppliers have relentless commitment to local sensitivities. In keeping with this commitment, the vegetarian products are completely and physically segregated from the non-vegetarian products. This sanctity is strictly maintained right from the food processing plants through the supply chain right till the McDonald's kitchens. At no level or instance there is any scope of contamination. This has helped the brand to drive trust in the market place, and helped us in achieving the highest customer satisfaction with the highest quality products, consistently.

Health and Safety

McDonald's India has an unparalleled leadership in the area of Food Safety, Cleanliness and Hygiene. In fact, McDonald's has pioneered, or was an early adopter, of many of the stringent food safety and sanitation practices that have become benchmarks in the industry today. Our entire supply chain including the front end follows one of the most comprehensive and rigorous norms that are there. **Most of our suppliers are HACCP and ISO 22000, certified—They are also certified by McDonald's for SQMS(all of them) (our own specific standard for Quality and food safety which includes, PAS 220, ISO 22K, ISO 9k, HACCP, Global GAP etc.)**

HACCP – McDonald’s is the leader in implementing **Hazard Analysis Critical Control Points** throughout the supply chain and in its restaurants, in India. Suppliers not only adhere with stringent Indian government regulations on Food safety, health and hygiene, but consistently meet McDonald's recognized standards.

ServSafe – More than 125000 McDonald’s employees across the world have been certified in food safety through ServSafe – a state-of-the-art curriculum developed by the National Restaurant Association (USA). McDonald’s Crew in India is regularly and extensively trained on Food Safety, and Food handling processes and procedures, which are most stringent in the country.

Daily Food Safety Checks –McDonald’s restaurant managers and crew employees use a most detailed and comprehensive Food Safety Daily Checklist to monitor food safety norms and procedures.

Adherence to these norms does not end there, but extends to our dine-in (or customer areas). All tables, chairs, highchairs and trays are sanitized several times each hour. McDonald’s follows the **CAYG - (“Clean-As-You-Go”)** system whereby the food preparation area as well as other areas is cleaned the moment there is clutter, thus providing a clean and hygiene environment to the customers at all times.

Restaurant Operations Improvement Process – Multiple time, exhaustive restaurant inspections – announced and unannounced, by both internal and external experts – help us in identifying opportunities areas and rigorous monitoring of restaurant operations on a continuing basis – which also includes food safety and sanitation.

Amrit Food - Dairy Mixes

Amrit Food, (A division of Amrit Corp Ltd.) has been associated with McDonald's India as a supplier of Dairy based products (Soft Serve Mix and Milk Shake Mix) for over a decade now.

McDonald's India team and EBI Company Limited worked with Amrit Food for two years, before the opening of the McDonald's 1st store in India, to develop formulations using local ingredients and took trial productions etc...Today, Amrit Food has a state-of-the-art dairy processing facility with equipments from Denmark, France and Sweden. The plant deploys first of its kind of technology, in India, of Ultra Heat Treatment with direct steam Infusion which ensures zero bacteria products with unmatched quality and flavor.

Amrit Food has also deployed an automatic bottle filling line and superheated water spray sterilizer (Retort), for long shelf life bottled milk drinks.

Amrit Food has benefitted a lot from its long association with McDonald's. It has earned many awards and recognitions along this journey....

- Amrit Food achieved outstanding Supplier Award from McDonald's Corporation in 1997,
- Amrit food again achieved outstanding Supplier Award from McDonald's Corporation in 1999,
- Amrit Food achieved ISO 9002 (later referred to as ISO 9001:2000) certification from BSI (UK) in 1997 and followed it up with HACCP certification from NSF-ISR, USA in December, 1999 (the first dairy plant to achieve both ISO 9002 and HACCP certification in India).
- Amrit food achieved Sensory Evaluation Certificate for Milk Shake Mix and Soft Serve Mix from McDonald's Corporation for the year January 2004 - December 2004.
- Amrit Food upgraded to and achieved ISO 9001: 2008 version and ISO 22000: 2005 (Food Safety Management Systems) certification from SGS India in Jan, 2009.
- Amrit Food has also achieved McDonald's SQMS (Supplier Quality Management System) certification with the score of above 91% (audited by SGS India in Jan, 2009).

Mrs. Bectors Food Specialities Ltd. – Liquid Condiments, Batter & Breeding

Mrs. Bectors Food Specialities Ltd. is a fast growing food company based in North India. It was started in 1980 as small ice-cream unit run by Mrs. Bector's out of her backyard in Ludhiana, Punjab. However after its initial success Mrs. Bectors Food Specialities Ltd. added buns and biscuits to their product line and In 1996 McDonald's selected Mrs. Bectors Food Specialities Ltd supplying buns, liquid condiments, batter & breeding. To achieve the standards and stringent norms adhered at McDonald's; it received technical expertise and guidance from McDonald's global partners, who helped in setting of the most modern state-of-the-art production facilities.

It received international expertise and technical support from: Quaker oats for liquid condiments & Kerry ingredients for batter & breeding and for buns North East Foods USA

The joint venture partners put Mrs. Bector's Food Specialities Ltd. through aggressive training programs for developing an understanding of McDonald's requirements on food safety, quality and consistency in all the aspects of supply chain management. McDonald's quality systems helped Mrs. Bector's Food Specialities to attain HACCP certifications on food safety for all its units and in fact they were probably the first bakery in the country (India) to meet and achieve the international standards.

It runs two facilities dedicated to its operations in Delhi and Mumbai with an investment of around INR 10 crores. Each facility has the capacity to produce over 250000 buns/ day. The liquid condiments, batter and breeding units are located in Phillaur, Punjab.

With support from McDonald's and its global partners through the years, Mrs. Bector's Food Specialities Ltd. has grown from INR 20 crores to over 500 crores. They now boast of partnerships with ITC, Cadbury Britannia and are also supplying to HLL, Vista, Venkys, Al Kabeer, Indian Army, Indian Railways etc.

Schreiber Dynamix Dairies Ltd.

Schreiber Dynamix Dairies Ltd is a Joint Venture between Schreiber Foods USA (51%) and K.M. Goenka group (49%). The JV has one of India's most integrated and automated dairy plants at Baramati near Mumbai in Western India, producing a wide range of dairy products that include Cheese (Cheddar, Mozzarella) and processed Butter, SMP, WMP, Dairy Whitener, Ghee, Non Dairy Creamer, Whey Protein Concentrates, Lactose, Casein (Rennet), UHT Plain and Flavored Milk and Juices, Yogurt etc.

The facility has the equipment and technology supplied by world leading firms like Green Bay Machinery Co (USA), Westfalia Separators (Germany), Damrow (USA), Tuchenhausen, Tetra Pak, APV, Corazza Italy. The overall plant engineering has been done by Valio of Finland. The company has been in operation since early 1996. In the short span of thirteen years it has established itself as the leading dairy producer in the country. Its main strengths are in milk development and sourcing; and processing milk into international quality dairy products.

To preserve the integrity and high quality of milk, and meet the McDonald's stringent food safety norms, the company has installed bulk coolers near the milk farms so that milk is cooled immediately after milking to 3 to 4°C to arrest the growth of bacteria. The milk is tested before acceptance, and then is pre-processed through Bactofuges which renders the milk almost 99% bacteria-free. The plant is currently processing nearly 100000 liters of cow milk every day. It is the only plant in India to export **100% cow milk** based products. The facility is **HACCP, GMP, ISO 14001, 18001 and OHSAS** certified indicating that it follows the most stringent norms. The facility is also US FDA certified.

SDD has marketing arrangements with global brands to market its products.

- Cheese, Dairy Whitener, Butter and Flavored Milk are marketed by **Britannia** - a JV with **Fonterra** in India.
- Long life plain milk in Tetra Pak, and Curd in plastic sealed cups are marketed by **Nestle**
- Sole supplier of Cheese (Slice on Slice) to **McDonald's** in India
- Fruit Juices are packed for **Tropicana (Pepsico)** & Dairy Mixes for **Hindustan Levers**.
- Supplier of Mozzarella Cheese to **Pizza Hut, Domino's, Papa John's, US Pizza, Pizza Corner, Subway** (cheese slices) in India and export to some of their nearby markets.

SDD is a recognized and regular exporter of Casein (Edible Grade) to USA. It is also exporting products to China, Algeria and GCC countries

Vista Processed Foods – Chicken and Vegetable Range of Products

Vista is McDonald's supplier for the chicken and vegetable and pie/puff range of products in India. It is a JV between OSI Industries (USA) which is one of its largest suppliers for the chicken range of products across the globe) and McDonald's Corporation. OSI, initially entered India through joint venture agreements with a local partner. Since 2001, it has been a joint venture between OSI and McDonald's Corporation.

Today, McDonald's India gets its chicken and vegetable products from Vista. Vista's contribution to development of some of McDonald's Iconic products in India like McAloo Tikki Patty and Chicken McGrill specifically for the Indian palate has been significant. Today it supplies McChicken patty, grilled chicken patty, chicken nuggets, chicken herb stick vegetable patty, McAloo tikki patty, paneer herb stick and Pizza Puff. Vista has also been supplying range of products for McDonald's Breakfast Menu, which is currently being piloted in select McDonald's restaurants in Delhi and Mumbai.

Vista operates from Taloja on the outskirts of Mumbai, in a state-of-the-art facility developed over an area of 2000 sq. Metres. It has also leased a facility in Pune for manufacturing Pizza McPuff. Technical and financial support extended by OSI has enabled Vista to set up world-class infrastructure and support services. This includes hi-tech refrigeration plants for storage of frozen food at temperatures as low as - 35° C. This is vital to ensure that the frozen food retains its freshness for a long time and the 'cold chain' is maintained. The frozen product is immediately moved to cold storage rooms.

For the vegetable range, the latest vegetable mixers and blenders are in operation. Also, keeping cultural sensitivities in mind, both processing lines are **physically segregated** and utmost care is taken to ensure that the vegetable products do not mix with the non-vegetarian products. **The vegetarian and the non-vegetarian lines have a separate work force too.** Pie line has the sophisticated, computerised Rondosheeter in operation.

At Vista, every person who comes in contact with the ingredients of the food, at various processing stages, is subjected to a disinfection drill. To reinforce quality and safety, periodic swab tests are undertaken for both personnel and equipment. Every item produced is passed through a highly sensitive metal detection unit before final packaging.

Vista works on the widely accepted international system - HACCP (Hazard Analysis and Critical Control Points), right from the stage of vendor development to the final distribution operation Vista has also gone one step ahead in getting ISO 22000 certification for excellence in food quality.

Ongoing R&D, done both locally and at the parent companies, work towards innovation in taste, nutritional value and convenience. Vista has also been exporting to McDonald's Middle East. These products, besides being supplied to McDonald's, are also offered to institutions like star-rated hotels, hospitals, project sites, caterers, corporate canteens, schools and colleges, restaurants, food service establishments and coffee Chains.

Vista Processed Foods: Fresh Produce Division

While Vista Processed Foods is supplying chicken & vegetable product range to McDonald's India and exports to McDonald's Middle East....it has also been supplying freshly produce in chilled form to McDonald's India.

The fresh produce division was newly created in the year 2008 at the request of McDonald's India. Vista, through its parent, OSI Foods, has wide network & expertise in the field of fresh produce. To leverage this expertise a fully integrated fresh produce division (from farm to fork) was created to ensure better and consistent quality products and services for McDonald's India round the year. This division manages all the fresh produce requirements of McDonald's India.

The agriculture professionals at Vista are involved in implementation of best production practices at the farm to improve overall farm productivity and Good Agricultural Practices (GAP). This has involved working with farmer groups with the scope as...

- Identifying high yielding & disease and pest resistant seed varieties,
- Better irrigation techniques
- Crop protection training - Reducing farm wastage due to crop loss
- Harvesting practices
- Post harvest practices – packhouse, farm precooling & cold chain

State of the art regional processing centres have been created near the consumption hubs to take care of further processing of product so as to minimize the time gap between farm & fork. Farm produce is procured directly from the farms: Iceberg Lettuce, Onions, Tomatoes, Carrots, Red Cabbage, Celery, etc.

Fresh Iceberg Lettuce

Initially lettuce could only be grown during the winter months but with McDonald's expertise in the area of agriculture, Meena Agriculture Farms around Delhi and Nainital, Amar Agro farms in Ambala & Himachal Pradesh and Agriflora (Now, Green Earth Fresh Produce) farms in Ooty, Tamil Nadu are now able to grow this crop all the year round.

McDonald's has provided assistance in the selection of high quality seeds, exposed the farms to advanced drip-irrigation technology, helped develop a refrigerated transportation system and packhouse at the farm allowing a small agri-business venture to provide fresh, high-quality lettuce to McDonald's urban restaurant locations thousands of kilometres away. Today, Vista Foods with the help of their growers - Meena Agri, Amar Agro & Agriflora is a major supplier of iceberg lettuce to McDonald's India for their Indian operations.

Exposure to better agricultural management practices and sharing of advanced agricultural technology with Vista Foods has made all these suppliers extremely conscious of delivering its products with utmost care and quality. Its post harvest facilities (packhouse) include a cold chain consisting of

- A pre-cooling room to remove field heat
- A large cold room and a refrigerated van for transportation where the temperature and the relative humidity of this crop is maintained between 1° C and 4° C and 95% respectively.

Vegetables are in the pre-cooling room within half an hour of harvesting. The pre-cooling room ensures rapid cooling to 2° C within 90 minutes. The pack house, pre-cooling and cold room are located at the farms itself, ensuring no delay between harvesting, pre-cooling, packaging and cold storage. This ensures no spoilage of the product and guarantees freshness.

International & Domestic Market

Besides supplying to McDonald's, Vista Foods along with its growers (Agriflora) is also engaged in exporting this high value product to other international markets, especially to the McDonald's Middle East operations. Vista Foods expertise in packaging, handling and long-distance transportation has helped Agriflora to do trial shipments to the Gulf successfully. In addition to export, Vista Foods assistance has enabled all these companies to supply this crop to a number of star rated hotels, clubs, flight kitchens and offshore catering companies all over India.

Radhakrishna Foodland (P) Ltd. - The Distribution Centre (DC)

Radhakrishna Foodland (P) Ltd. (Foodland) is part of the Radhakrishna Group, which is engaged in food and related services business.

From July 1993, even before McDonald's India started its restaurant operations in India, RK Foodland was chosen to become McDonald's India's key partner in its Supply chain. It created facilities and infrastructures, and adopted systems to meet McDonald's stringent supply chain requirements. Today, it manages the Distribution Centers and logistics for McDonald's restaurants across India.

The Company's resources are totally focused to meet McDonald's expectation of 'Cold, Clean and On time delivery' with a mission that ensures that all McDonald's restaurants are supplied without interruption, products conforming to specified stringent standards at the best cost to the McDonald's system'.

The 'DC' as the distribution center is called in the McDonald's system is responsible for procurement, the quality inspection, storage, inventory management, deliveries to the restaurants and data collection (which includes recording and reporting). It also provides Value added services like, repacking of promotional items, distribution of uniforms, training material and other consumables. The DC plays a vital role in maintaining the integrity of the products throughout the entire 'cold chain' – a distribution system that ensures that products, which arrive at McDonald's restaurants from suppliers all over India, are absolutely fresh with little or negligible nutrition loss. This is completely transparent operation and is subject to regular audits by McDonald's.

The association started when McDonald's introduced RK Foodland to FJ Walkers of Australia, which helped it to develop the distribution set-up in India. The association has helped Radhakrishna Foodland to achieve the following: -

- Designing and establishing the distribution system to handle large volumes.
- Engineering the storage and delivery network to service the unique requirements of McDonald's
- Devising delivery schedules to minimize business interruption and maximize efficiency so the McDonald's store managers know exactly what to expect and when.
- Maintaining open communication lines with customers, suppliers and all business associates.
- Emerging as a key system player after recognizing the inter-dependence of all the associates in the McDonald's business system.
- Transferring some of the good distribution practices to other divisions of the group.

The company uses an ERP application for efficiency, speed and accuracy in the system. A typical McDonald's Distribution Centre is fully equipped with state-of-the-art equipment like refrigeration system (chillers and freezers) that maintains temperatures of -25° C. Ante rooms with temperatures of 10° C where the off loading of goods take place, dock levelers, dock shelters, pallet trucks, high reach fork lifts and the refrigerated trucks with multi temperature facility.

The refrigerated trucks are divided in into three zones – Frozen Zone, Chill Zone and Ambient zone – the patties and other frozen products are stored in the frozen zone which is maintained at -18°C to -20°C, the fresh vegetables and diary mixes are stored in the chill zone, temperature here varies between 0°C to 2°C and the dry foods including buns, packing material are ferried in ambient zone at room temperature to the distribution center from the suppliers factories.

Recognizing the DC's performance, McDonald's India conferred on them the 'Best Supplier Award' for 1997. As a sign of increasing confidence in Foodland's operations, McDonald's agreed to terminate the technical support till then provided to the company by FJ Walkers of Australia in 1998. Subsequently McDonald's awarded distribution in North, South and East regions also to Foodland.

Foodland's association with McDonald's India is a typical example of McDonald's support and commitment to its local partners, who are now growing as McDonald's grows in India.

