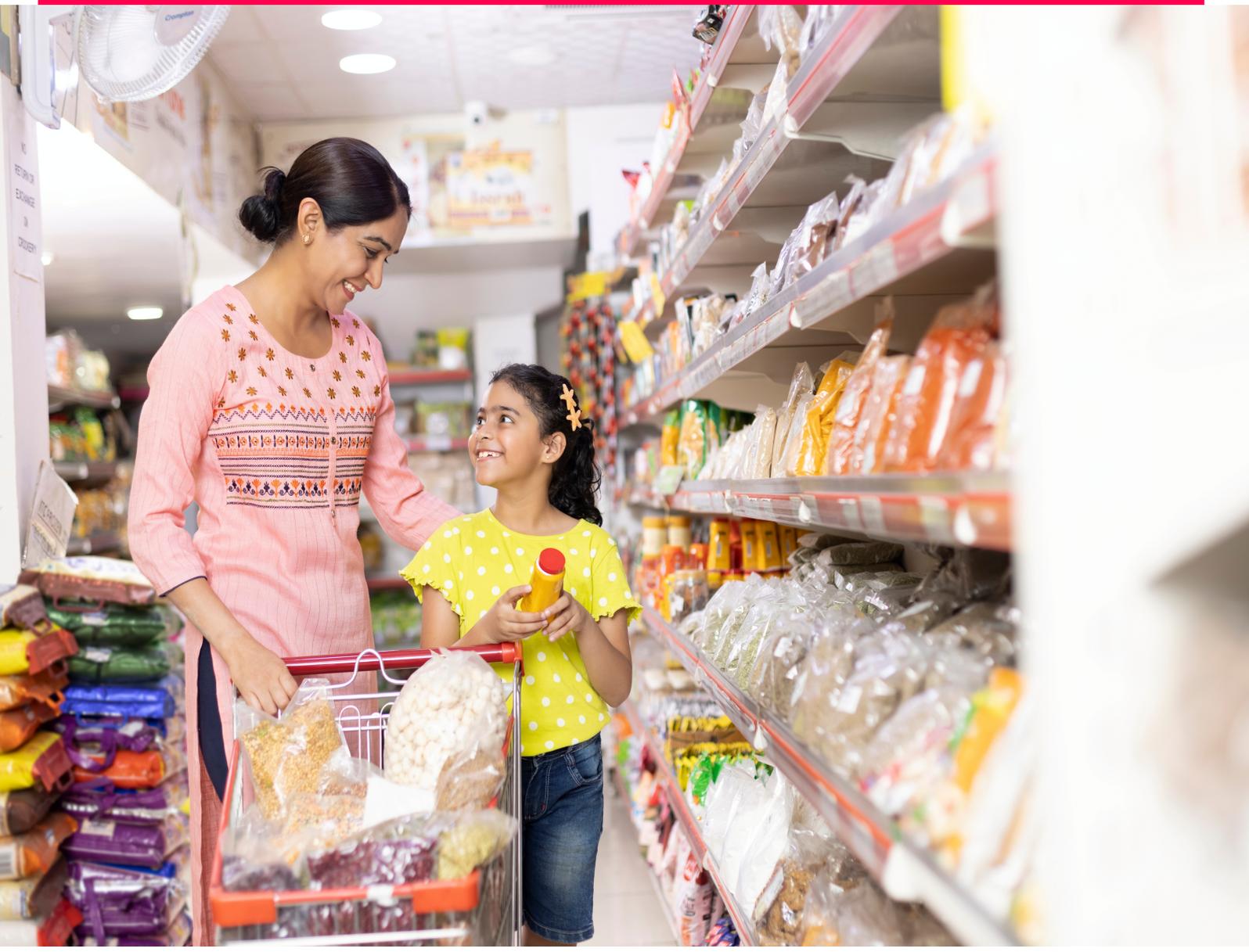


India Index 2023

Full report

November 2023



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Abbreviations

| | | | |
|------------------|--|--------------------------|--|
| AIFPA | All India Food Processors' Association | FVNL | Fruits, Vegetables, Nuts and Legumes |
| GCMMF | Gujarat Cooperative Milk Marketing Federation | FY | Financial Year |
| ASCI | Advertising Standards Council of India | g/ml | Gram per milliliter |
| ASSO-CHAM | Associated Chambers of Commerce and Industry of India | GAIN | Global Alliance for Improved Nutrition |
| ATNI | Access to Nutrition Initiative | GHG | Greenhouse Gas |
| BMI | Body Mass Index | GtCO₂e | Carbon dioxide equivalent |
| BOP | Back-of-Pack | GVA | Gross Value Added |
| BRR | Business Responsibility Reporting | HAP | Hatsun Agro Products |
| BRSR | Business Responsibility & Sustainability Reporting | HFSS | High in Fats, Sugar and Salt |
| CCPA | Central Consumer Protection Authority | HHL | Healthy Heritage League |
| CEO | Chief Executive Officer | HNS | Unilever's Highest Nutrition Standards |
| CGF | Consumer Goods Organization | HQ | Headquarters |
| CII | Confederation of Indian Industry | IBA | Indian Beverage Association |
| ERM | Enterprise Risk Management | ICC | International Chamber of Commerce |
| ESG | Environmental, Social, Governance | IFBA | International Food & Beverage Alliance |
| ETP | Ethical Tea Partnership | ILO | International Labour Organization |
| FAO | Food and Agriculture Organization | INR | Indian Nutrition Rating |
| FICCI | Federation of Indian Chambers of Commerce and Industry | iTFA | Industrial Trans Fat |
| FLW | Food Loss and Waste | KMF Nandini | Karnataka Milk Federation Nandini Milk |
| FOP | Front-of-Pack | KPI | Key Performance Indicators |
| FOPL | Front-of-Pack Label | LSM | Living Standards Measure |
| FSSAI | Food Safety and Standards Authority of India | MRP | Maximum Retail Price |

| | | | |
|-----------------|--|-----------------|--|
| NCCS | New Consumer Classification System | Rs | Rupees |
| NCD | Non-communicable Disease | SDG | Sustainable Development Goals |
| NFHS-5 | 2019 National Family Health Survey | SBTI | Science Based Target Initiative |
| NGO | Non-governmental Organization | SEBI | Securities Exchange Board of India |
| NIN | National Institute of Nutrition | SEC | Socio-economic Classification |
| NIN-ICMR | National Institute of Nutrition - Indian Council of Medical Research | TGI | The George Institute |
| NPM | Nutrient Profiling Model | UL | Tolerable Upper Intake Level |
| NPS | Nutrient Profiling System | UN | United Nations |
| OSH | Occupational Safety Health | UNICEF | United Nations Children's Fund |
| OSHW | Occupational Safety Health and Working | UPF | Ultra-processed Food |
| PAFI | Public Affairs Forum of India | UPNS | Unilever's Positive Nutrition Standards |
| PET | Polyethylene terephthalate | US | United States |
| PFNDAI | Protein Foods and Nutrition Development Association of India | USNC | Unilever Science-based Nutrition Criteria |
| PNC | PepsiCo Nutrition Criteria | WHO | World Health Organization |
| PVC | Polyvinyl chloride | WHO SEAR | World Health Organization South-east Asia Region |
| RDA | Recommended Dietary Allowance | WNA | Workforce Nutrition Alliance |
| | | WWF | World Wildlife Fund |

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About the Access to Nutrition Initiative

The Access to Nutrition Initiative (ATNI) is pleased to present the 2023 India Index, building on the 2016 and 2020 editions. The 2023 India Index assesses the performance of the 20 largest Indian F&B manufacturers which together comprise 36% of total sales of processed foods in the country.

The findings of the 2023 India Index show that the influence of the F&B industry is growing. It has both the responsibility and the opportunity to further embed nutrition into its core business improving product offerings for consumers. Actioning the Index recommendations is critical in the current context and will facilitate F&B manufacturers to play a more vital part in addressing pressing nutrition-related concerns and ensuring that a healthy, affordable diet is available to all. ATNI and its partners hope that the India Index 2023 provides useful data and analyses that support companies, investors, civil society and policymakers make informed steps towards improving nutrition in India. ATNI invites you to share the 2023 India Index across your networks and hopes to work with you to improve access to nutritious foods for all in India.

About ATNI: ATNI is a global nonprofit established in 2013 to transform markets so they provide more nutritious, affordable and sustainable foods for all. ATNI, in partnership with investors, civil society organizations, intergovernmental agencies, and supporting policymakers, aims to see at least 50% of all food & beverage sales globally derived from healthy products by 2030. ATNI empowers key actors in the global food system and at national levels – starting with industry – to accelerate access to nutritious, affordable and sustainable foods for all. Working through ATNI's Investors in Nutrition and Health to achieve more responsible investing – and engaging with policymakers towards the establishment of improved food policies – ATNI deploys accountability tools, smart data and analyses on nutrition and the private sector. ATNI is funded by governments and philanthropies, remaining independent of any undue influence.



Executive Summary

What is the India Index?

Sales of packaged food and beverages in India have surged by 15% year-on-year since 2011, outperforming total sales of food. Meanwhile sales of highly processed foods typically high in fat, salt or sugar (HFSS) are projected to double by 2030. Amid these trends India has managed to make progress on reducing stunting among children, while levels of micronutrient deficiencies and obesity are rising.

ATNI's analysis of the healthiness of 20 of the country's largest F&B manufacturers' products shows there have been incremental improvements since its first analysis in 2016. These trends stress the urgency, opportunity and responsibility for food companies, investors and public health and food authorities in India to ensure processed packaged foods meet healthiness standards. Doing so would enable consumers to follow dietary guidelines and eat better while simultaneously preventing millions of cases of obesity and micronutrient deficiency.

The F&B industry plays an ever-growing role in determining what consumers in India eat, the quality of their diets, and the resulting health impacts.

Key messages

- The 2023 India Index measures the performance of 20 of the largest Indian F&B manufacturers which, together, comprise 36% of total sales of processed foods in the country.
- Between 2016-2021, the food processing sector in India grew at an average annual rate of around eight per cent and emerged as an important segment of the Indian economy in terms of its contribution to gross domestic product (GDP), employment, and investment.¹
- Sales of packaged F&B in India have surged by 15% every year since 2011, outperforming total food sales. Spending on F&B increased at a rate of 9% per year between 2011 to 2021.²
- Rates of micronutrient deficiencies in India remain a significant public health issue. Meanwhile overweight now affects over 23% of adults and while 35.5% of children under five are stunted, 3.4% are overweight.³
- Based on 1,901 products analysed from the 20 indexed companies, 76% of sales are derived from less healthy products.^a Nineteen of the 20 companies derive most of their sales revenue from less healthy products.
- There is no agreed definition of what constitutes a healthy food so companies resort to using their own definitions that are not necessarily aligned with each other or with (inter) nationally-recognized standards.
- Seven out of 20 indexed companies report having at least one (re) formulation target in place to reduce nutrients of concern (e.g. sodium, saturated fat, sugar) in their portfolio and half of the companies have a nutrition strategy in place.
- Five companies show evidence of having clearly defined workforce nutrition programs in place, of which two companies clearly include measurable targets.
- Seven out of 20 companies were found to have a responsible advocacy policy in place.
- Five institutional investors and shareholders of food companies in India have now signed up to nutrition frameworks such as the Investor Expectations on Nutrition, Diets and Health as part of their responsible investment strategies.

^a 'Healthy products' refers to products meeting the 'healthy' threshold of 3.5 Health Stars



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- Seven companies have a publicly available policy on responsible marketing to children.
- The findings of the 2023 India Index show that the F&B industry has significant opportunity to improve its product offerings making them healthier and more affordable for all consumers in India.

Main Findings

There is considerable variation in the performance of companies. A summary finding for each category is provided here with more detailed category-specific findings presented in the chapters, full report can be found at www.accessstonutrition.org/index/india-index-2023/index/.

Figure 1. Overall Scores

| | Products** (45%) | | Governance (10%) | Accessibility (15%) | Marketing (15%) | Workforce Nutrition (5%) | Labelling (5%) | Policy Engagement (5%) | Overall Score (100%) |
|----------------------|------------------|------------|------------------|---------------------|-----------------|--------------------------|----------------|------------------------|----------------------|
| | B1 | B2+B3 | | | | | | | |
| Adani Wilmar* | 4,0 | 0 | 0,6 | 0 | 0 | 0,7 | 0 | 4,6 | 1,5 |
| Agro Tech Foods | 4,0 | 0 | 0,8 | 0 | 1,4 | 0,7 | 1,7 | 1,3 | 1,7 |
| Amul GCMMF* | 4,6 | 0 | 0,6 | 0 | 0 | 0 | 3,3 | 0 | 1,6 |
| Britannia Industries | 1,4 | 3,1 | 3,3 | 0 | 4,6 | 1,0 | 3,3 | 0,6 | 2,1 |
| Coca-Cola India | 2,5 | 0 | 1,4 | 0 | 5,8 | 1,6 | 7,5 | 0,6 | 2,2 |
| Dabur | 1,7 | 1,1 | 0,8 | 0 | 1,4 | 0,7 | 0 | 0,6 | 1,0 |
| Haldiram's* | 2,5 | 0 | 0 | 0 | 0 | 0 | 3,3 | 0 | 0,9 |
| Hatsun Agro* | 4,8 | 0 | 0 | 0 | 0 | 0 | 0 | 2,5 | 1,6 |
| Heritage Foods | 5,8 | 0 | 1,9 | 0 | 0 | 0,7 | 0 | 2,5 | 2,1 |
| Hindustan Unilever | 2,0 | 7,3 | 6,9 | 3,6 | 8,0 | 7,0 | 5,8 | 6,5 | 5,1 |
| ITC | 4,4 | 6,6 | 9,4 | 6,6 | 5,7 | 7,4 | 6,7 | 8,5 | 6,2 |
| KMF Nandini | 4,5 | 0 | 0 | 0 | 0 | 0,9 | 0 | 0 | 1,4 |
| Lactalis India | 5,0 | 0 | 0 | 0 | 0 | 0 | 0,8 | 0 | 1,5 |
| Marico | 2,9 | 1,3 | 1,7 | 0 | 1,4 | 1,5 | 3,3 | 1,3 | 1,7 |
| Mondelez India | 1,1 | 1,8 | 1,9 | 0 | 4,3 | 2,2 | 3,3 | 2,7 | 1,8 |
| Mother Dairy | 5,1 | 0,4 | 0,9 | 0 | 0 | 0,4 | 0 | 0 | 1,7 |
| Nestlé India | 2,6 | 4,6 | 1,9 | 2,1 | 7,1 | 2,7 | 5,0 | 5,4 | 3,7 |
| Parle Products* | 1,5 | 0 | 0 | 0 | 1,4 | 0 | 0 | 0 | 0,6 |
| Patanjali* | 3,6 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,1 |
| PepsiCo India | 1,5 | 5,7 | 2,2 | 0,9 | 5,3 | 3,0 | 7,5 | 4,6 | 3,2 |
| Average Score | 3,3 | 1,6 | 1,7 | 0,7 | 2,3 | 1,5 | 2,6 | 2,1 | 2,1 |

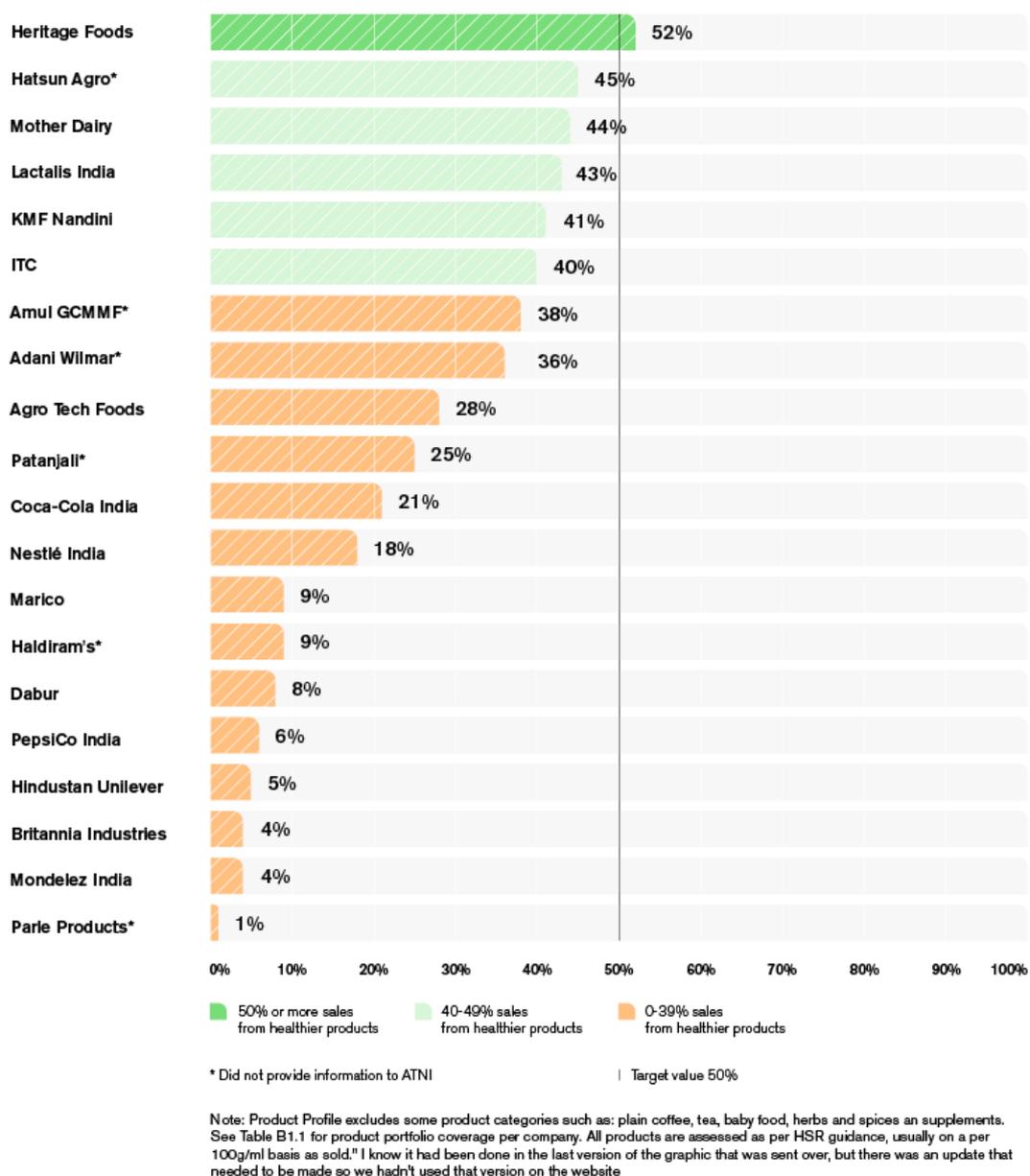
* Did not provide information to ATNI. Assessment is based on publicly-available information only.

** Combined score for B1 Product Profile (30%), B2 Product Reformulation (7.5%) and B3 Nutrient Profiling (7.5%)

Note: A company scores 0 when insufficient information or evidence is found on its policies and practices across the nutrition topics assessed in this Index



Figure 2. Product Profile Results



Based on 1,901 products analysed from the 20 indexed companies, 76% of sales are derived from less healthy products.⁴ 19 of the 20 companies derive most of their sales revenue from less healthy products. The mean healthiness of companies' products was found to be 1.9 stars out of 5.0 (the same as in 2020), with substantial variation observed between companies. Over half (55.6%) of all products on the market scored 1.5 out of 5 stars or below. Overall, 12% of products were eligible to be marketed to children according to the World Health Organization South-East Region (WHO SEAR) criteria (21% after sales weighting was applied).^b There is no recognized definition of healthy, and there is a lack of alignment between company definitions of 'healthier' with (inter)nationally-recognized standards. Seven companies were found to have at least one (re)formulation target in place to reduce nutrients of concern (e.g., sodium, saturated fat, and sugar) in their portfolio.^c Ten companies reported they are currently voluntarily fortifying or enriching processed standardized food and beverage food products.

^b In 2020 ATNI also found 12% of products eligible, but the sales weighted then was 29%.

^c In many cases, these are new since 2020, replacing those made as part of their 2018 Eat Right Pledges



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This includes products that could classify for placing the F+ logo front of pack (cereal products, bakery wares or fruit juices).

Many of these foods have low healthiness scores. Popular products that fall into this category include for example, fortified energy drinks and sweet dairy drinks with high sugar content.

Several companies have taken important steps, including the adoption of a nutrient profiling model (NPM) to guide reformulation and classify products as 'healthier'. However, different definitions and thresholds used for 'healthier' undermines many aspects of companies' activities for which it can be used — such as target-setting, defining 'affordable nutrition', and responsible marketing — both in terms of their credibility and positive impact on public health.



Corporate nutrition strategy and governance

Companies continue to publicly acknowledge the need to improve the healthiness of their products and their role in consumers' diets. However, this recognition is not always translated into healthier products (see above), and clear definitions coupled with ambitious targets and action required to drive meaningful progress.

There is a dearth of specific, measurable, and timebound targets to drive progress on companies' strategies, especially for 'healthy' sales; along with a lack of consistent and systematic reporting on implementing strategies. Further, few companies in India assign formal accountability for their nutrition goals to the highest levels of the company.



Delivering affordable and accessible healthy products

Four companies showed evidence of having a formal affordability approach or strategy to make 'healthier' foods (according to the company's definition of healthy) more available coupled with a definition of 'lower income consumers' in India. However, apart from one company, transparency regarding these initiatives was limited, none had disclosed targets, and evidence of implementation was unclear.



Responsible marketing

Seven companies were found to have a publicly available responsible marketing policy for all audiences including children. Four more companies have made commitments to market their products in a responsible manner to all audiences through their membership with ASCI, but have not published their own responsible marketing policies.

Seven companies report that compliance with their marketing to children policies is audited. Two companies commit not to market any products to children below 13 years of age, while other companies use company- or industry-defined nutrition criteria for marketing to children, rather than the WHO SEAR criteria. Two companies have set an age threshold of 16 for marketing to children, while one company has aligned their age threshold for marketing to children with the WHO- and UNICEF recommended 18 years of age, also in line with the latest mandatory Central Consumer Protection Authority (CCPA) guidelines.



Supporting healthy diets and nutrition programs in the workforce

Five companies showed evidence of having clearly defined workforce nutrition programs in place, of which two companies include measurable targets. Nine companies show some evidence of making healthy food available at work or provide their employees with nutrition-focused health checks. Four companies provide evidence of providing breastfeeding support at work through private hygiene rooms, refrigerators, and other flexible working arrangements (such as flexible working hours or creche facilities). Three additional companies clearly offer flexible working arrangements for breastfeeding mothers.



Product labelling

Six companies go beyond compliance with existing labelling regulation and provide nutritional information on front of pack (FOP) in a numerical format for key nutrients. Companies are waiting for a decision on the proposed Indian Nutrition Rating (INR) FOP labelling system before introducing any new FOP labelling, to avoid confusing consumers and potentially wasting resources changing packaging designs. Companies show nutritional information online in a range of forms, to varying degrees of comprehensiveness.



Engaging with policymakers

Seven companies were found to have a responsible advocacy policy in place in India — although in most cases these articulated only high-level principles. Six companies state that they have systems in place to authorise and track advocacy engagements with policymakers in India. Twelve companies disclose comprehensive lists of trade association memberships in India, four of which also indicating the associations in which they hold Board seats (or equivalent).



Sustainability

Reductions of scope 1, 2, & 3 emissions — along with food loss waste (FLW) — are generally not yet reported by Indian food companies. Reducing plastic use and transitioning to sustainable forms of packaging appears to be the most frequent sustainability action for companies, with almost all companies demonstrating evidence of targets or activities in this space.



Recommendations

For companies

There is significant opportunity to improve performance, even among the companies that score higher in each category. Each category within the India Index 2023 includes general recommendations for F&B manufacturers. These have been specifically tailored for each company in the scorecards that are published in conjunction with this report. To better support nutrition outcomes in India, it is recommended that all companies consider taking the following actions:

- 1. Companies can improve their product portfolios so that at least half of their portfolio (sales and products) meet healthy thresholds by 2030.**^d This 2030 target is in line with various global initiatives including the forthcoming 2030 CEO Compact on Healthy and Sustainable Diets, investor coalition expectations, and ATNI's strategic objective for the F&B sector.

Companies can decrease their reliance on sales of unhealthy foods by accelerating product (re)formulation, redirecting marketing to healthier products and brands, and consider nutrition as part of their merger and acquisition strategies.

Companies are encouraged to adopt specific, measurable, and time-bound targets to both reduce nutrients of concern and increase positive ingredients across their applicable portfolio.

Targets should apply to the entire India product portfolio (where relevant) and should be aligned with Indian dietary recommendations or standards.

Further, following global good practice, companies are encouraged to use an internationally recognized NPM (and where applicable the India government endorsed NPM) to measure, define and report on the healthiness of products in their portfolio. Companies should publicly disclose on an annual basis the percentage of their product portfolio that meets these healthiness criteria.

- 2. To improve nutrition governance, companies are encouraged to fully integrate nutrition considerations into their commercial business functions.**

This can be done by: a) assigning formal responsibility for the success of their nutrition strategy to the highest levels of seniority within the company in India; b) developing specific strategies to increase sales of 'healthier' products at a greater rate than unhealthy products, through pricing, distribution, and marketing investments, for example; and c) setting and reporting against a target to increase sales of products defined as 'healthier' relative to overall sales.

- 3. To deliver more affordable, and accessible products and improve lower-income consumers' diets in India, all companies should adopt and publish an affordability strategy.**

This strategy should contain rigorous criteria for 'healthy', aligned with an (inter)nationally recognized/government-endorsed definition, as well as ensure comprehensive definitions and approaches are taken to define 'affordable' and 'low-income consumer'.

^d This 2030 target is in line with forthcoming 2030 CEO Compact on Healthy and Sustainable Diets and ATNI's strategic objective.



- 4. Companies are encouraged to develop and publish a comprehensive responsible marketing policy that covers all media channels and audiences, including for children under the age of 18.^e**

Companies should commit to not promote unhealthy products to children of any age. If companies have a small number of products suitable to be marketed to children, it is important that they implement responsible marketing policies to ensure these products are not undermining children's health.

- 5. Companies are encouraged to ensure they develop workforce nutrition programs, including healthy food at work, nutrition education, nutrition-related health check ups and breastfeeding support.**

Companies should also define meaningful and quantifiable expected outcomes for their workforce nutrition programs including those related to health-related behaviours, health related outcomes, or outcomes related to employee participation.

For example, companies could join the Workforce Nutrition Alliance (WNA) and utilize its self-assessment scorecards as a first step. If all 20 companies in this Index started a workforce nutrition program, an estimated 385.869 employees could be reached on access to and knowledge about healthy nutrition.

- 6. Companies are encouraged to adopt and publish a comprehensive nutrition labelling policy in alignment with regulations including FOP information, back-of-pack information and how label information is comprehensively addressed online.**

- 7. As per global guidance, companies should adopt a responsible advocacy policy.**

This should extend to cover any third parties advocating on behalf of the company. Through this policy a company should commit to: conduct themselves responsibly; be transparent about their identity and intentions; only present valid, independent, and representative evidence; and consider the wider public interest and public health in their efforts.

For investors

As shareholders, investors play a significant role in shaping food companies' governance, strategy and disclosure practices.

- 1. Investors can make use of existing nutrition frameworks such as ATNI's Investor Expectations on Nutrition, Diets and Health using this to integrate nutrition into responsible investment strategies.**

Three Indian institutional investors have signed ATNI's expectations framework in 2023 and more are set to do so in the coming months.

- 2. Investors can use the findings of this Index to drive companies' progress on nutrition in India through various investment strategies.**

^e This marketing target is in line with the mandatory CCPA 'Guidelines on the Prevention of Misleading Advertisements and Necessary Due Diligence for Endorsement of Advertisements' under the India Consumer Protection Act of 2019, WHO, and ATNI's strategic objective as well as the forthcoming 2030 CEO Compact on Healthy and Sustainable Diets.



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This may include for example stewardship activities such as formal resolutions calling for transparency and standardization of companies' reporting across nutrition metrics.

For policymakers

1. A transparent definition of processed foods and NPM would help align the sector.

The government, in consultation with other stakeholders, can finalize the establishment of a clear and transparent definition of processed foods (that includes thresholds for salt, sugar and fat), and nutrient profiling system. Related, guidelines on the fortification of processed foods should be clarified and strengthened ensuring that only appropriate processed foods are fortified with micronutrients.

2. Global evidence on the effectiveness of fiscal incentives and health tax models is growing and could be deployed in India.

Once the definitions and NPM for processed foods are better defined by the government, a tax structure which is in line with these definitions can be defined. A health tax model can help focus on lower taxes for the healthier options and higher taxes for products which contain sugar, salt and/or fat beyond recommended levels.

These can help to make healthy products more affordable, deter the production of unhealthy products and help incentivize F&B manufacturers to reformulate products. Related, subsidies and other fiscal incentives can drive production, exports and consumption of healthier foods.

3. Clear and transparent labelling guidelines that incorporate the definition of highly processed foods and FOP labelling should be established.

Effective monitoring of these labelling guidelines should also be established to ensure compliance.

4. Environmental, social and governance (ESG) investing policies should integrate nutrition where appropriate.

In early 2023, the Security and Exchange Board of India (SEBI) introduced a new regulatory framework for ESG Disclosures which is part of the Business Responsibility and Sustainability Reporting mandates for India's largest publicly listed companies. Indicators relating to the social component of the framework include workforce disclosures.

To improve human capital in India, a required mandate related to workforce nutrition, including in supply chains should be added and universally applied to all companies including F&B manufacturers.



Conclusion

The F&B industry plays an increasingly pivotal role in determining what consumers in India eat, the quality of their diets, and resulting health impacts. The 2023 India Index provides an overview of the performance of 20 of the largest Indian F&B manufacturers which together comprise 36% of total sales of packaged processed foods in the country. The findings of the 2023 India Index show that the F&B industry has the responsibility and a significant opportunity to further embed nutrition into their core business and to improve product offerings, making them healthier and more affordable for all consumers.

Actioning the Index recommendations is critical in the current national context and will allow major F&B manufacturers to play a more vital part in addressing pressing nutrition-related concerns and ensuring that a healthy, affordable diet is available to all. ATNI and its partners hope that the India Index 2023 provides useful data and analyses that support companies, investors, civil society and policymakers to make informed steps towards improving nutrition for all.





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¹ Ministry of Food Processing Industries, Government of India, Annual Report 2022-23 , available at; https://www.mofpi.gov.in/sites/default/files/mofpi_annual_report_2023_eng_5-6-2023_new.pdf

² "The Growth of Ultra-Processed Foods in India: An Analysis of Trends, Issues and Policy Recommendations" (New Delhi: World Health Organization Country Office for India, 2023), <https://www.who.int/publications/i/item/9789290210672>

³ NFHS-5, 2019-2021, Ministry of Health and Family Welfare Government of India, available at; https://main.mohfw.gov.in/sites/default/files/NFHS-5_Phase-II_0.pdf

⁴ If the product has an Health Star Rating (HSR) of 3.5 or more out of 5 it meets the healthy threshold. ATNI/TGI use the internationally recognized and government endorsed HSR NPM. Products with a score of 3.5 stars out of 5 or above (≥ 3.5 HSR) can be confidently promoted in public settings as healthier choices. Reference: Dunford, E., Cobcroft, M., Thomas, M., Wu, J.H. (2015). Technical Report: Alignment of the NSW Healthy Food Provision Policy with the Health Star Rating System. Available at: <http://www.health.nsw.gov.au/health/Publications/health-star-rating-system.pdf>



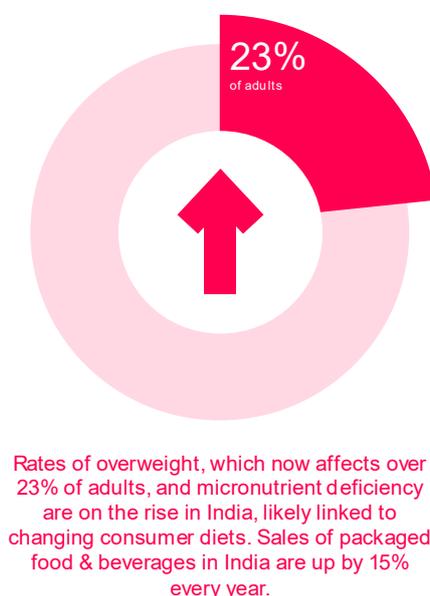
Context

Food and nutrition trends in India

India's food processing industry is now the world's sixth largest and is expected to reach INR 40.1 trillion by 2026.¹ Between 2016 and 2021, it grew at an average annual rate of around eight per cent and has emerged as an important segment of the Indian economy in terms of its contribution to gross domestic product (GDP), employment, and investment.¹ Spending on F&B increased at a rate of 9% per year between 2011 to 2021.²

Amidst these important trends, there is a changing nutritional landscape. With a growing population which in 2023 became the largest in the world, India has managed to make progress on to reduce stunting.^a The percentage of children under five suffering from stunting decreased from 38.4% to 35.5% (NFHS-4 to NFHS-5). However, the triple burden of malnutrition remains a significant public health challenge in India. According to the FAO, in 2022 approximately 16.6% of India's population were undernourished (down from 21.4% in 2004-06).³ Deficiencies in key micronutrients contribute to a range of non-communicable diseases. For instance, iron deficiency causes anaemia which affects 57% of adult women in India (NFHS-5). Such micronutrient related NCDs have implications for the wider economy: anaemia alone is estimated to cost India \$20.5 billion per year through lost worker productivity, equivalent to 0.7% of GDP.⁴

Figure 1: Rates of overweight and obesity are on the rise in India



At the same time, rates of overweight and obesity are increasing in India (see Figure 1). Overweight (BMI $\geq 25\text{kg}/\text{m}^2$) and obesity (BMI $\geq 30\text{kg}/\text{m}^2$) now affects over 23% of adults in India⁵, and 3.4% of children under five are overweight.⁶ Meanwhile an estimated 74 million adults in India are affected by diabetes, the second largest number worldwide. The causes of diabetes are multifactorial, and

^a The WHO defines stunting as "the impaired growth and development that children experience from poor nutrition, repeated infection, and inadequate psychosocial stimulation" [Stunting in a nutshell \(who.int\)](https://www.who.int/news-room/fact-sheets/stunting-in-a-nutshell)



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overweight and obesity are recognized as leading risk factors. According to the Indian Council of Medical Research (ICMR), the share of deaths due to NCDs in India increased from 38% in 1990 to 61.8% in 2016, with unhealthy diets as one of the major factors in this increase.⁷ The number of deaths due to NCDs further increased to 66% in 2019, according to the WHO.^{8,9} The World Obesity Atlas estimates the economic impact of the prevalence of overweight costs the India economy 1.2% of its GDP through healthcare costs, premature death, absenteeism and presenteeism.¹⁰

Changing diets in India: the rise of processed foods

The causes of these high rates of both micronutrient deficiencies and overweight and obesity are multifactorial. Changes in consumers' diets in India play a significant role in both, especially overweight and obesity. A key feature of these dietary changes is the substantial increase in the consumption of highly processed foods in recent decades, which in turn often displaces more traditional foods which involve less industrial processing, such as staple products (e.g., whole grains, and fruits, vegetables, nuts, and legumes). Multiple studies find an association between high consumption of highly processed foods and both low dietary diversity and inadequate intake of micronutrients.^{11,12,13,14}

WHO India's 2023 report on the 'Growth of ultra-processed foods in India' describes how between 2011 and 2021, India's Ultra-Processed Food (UPF) sector grew at a compound annual growth rate of 13.37% in retail sales value, and represents 37% share of the overall processed food market (2023).¹⁵ While UPF retail sales saw a temporary decline during the COVID-19 pandemic, sales have recovered since with an 11.29% growth between 2020 and 2021.¹⁶ This increased consumption of processed packaged foods is prevalent throughout the Indian population, including economically poor and rural Indian consumers. For example, low-income families on average spend more than 90% of their earnings on food items, of which 10-15% is on highly-processed and packaged food, including chocolates, carbonated drinks, jellies, biscuits, and chips.¹⁷

Figure 2: Growth of the food processing sector in India



The food processing sector in India will grow to INR 40.1 trillion by 2026 – a sizable and growing contribution to GDP, employment, investment and diets.



Box 1: WHO India reports on Ultra processed foods landscape in India

The World Health Organization Country Office for India in 2023 published an analysis of the sales trends of HFSS foods and beverages over the last decade and a landscape analysis of the regulatory environment governing sales of processed foods and beverages: “The Growth of Ultra-Processed Foods in India: An Analysis of Trends, Issues and Policy Recommendations”^a. The food manufacturing industry typically utilizes HFSS ingredients in their processed packaged food products, which is a major determinant of the nutritional quality of the final product. The production of Ultra-Processed Foods (UPF) further involves modification of whole foods into substances to be used as additives e.g., stabilizers and emulsifiers to prolong shelf life, enhance taste among other factors^a. In India the rise in the production and availability of UPF foods in correlation with a shift in consumption patterns has led to a nutrition transition resulting in a rise of NCDs in India. It is therefore imperative that stricter regulations for the salt, sugar and fats prevalent in packaged foods are implemented at category level.

FSSAI considered using specific cut off values for these nutrients to underpin a proposed front-of-pack labelling (FOPL) system in 2018. It has since revised these in the form of a draft Indian Nutrition Rating (INR), released in 2022. Pending further deliberation, this has not yet passed. Thus, as of November 2023, no definition of high fat salt, and sugar (HFSS) has been officially established in India^a.





Box 2: The changing Indian food environment

- Sales of packaged food and beverages in India have surged by 15% every year since 2011, outperforming total food sales.¹⁸
- Small grocers (kirana stores) continue to dominate the food retail market and hold the majority of retail sales of highly processed foods. For instance, 71.4% of retail sales of chocolate and sugar confectionery are through these stores (2021), marking an increase from 41% in 2011. Likewise, 72% of retail sales channel for salty snacks are through Kiranas (2021), compared to only 14% through other grocery retailers, 7% through hypermarkets, 4% through supermarkets, and 3% through convenience stores.¹⁹ At the same time, there are signs of a shift towards organized retail formats, and also e-commerce.²⁰
- Snacking can be a useful contribution to nutrient requirements, however with increasingly sedentary lifestyles, and influence of advertising of energy dense foods, is also now associated in India with unhealthy weight gain and overweight and obesity.²¹ The dietary guidelines for Indians advise on minimising use of snacks rich in salt, sugar and fat, snacking. However, it has seen significant growth in recent years, with increased consumption frequency in daily life, and the majority of Indians now eating a snack at least twice a day.²²
- Revenue in the snack food market totalled US\$66.92bn in 2023, and is expected to grow annually by 9.01% (CAGR 2023-2028).²³
- Increasing affluence of India's working middle class, in addition to expanding tourism and international travel has led to increased demand for convenience foods and international food products. Increases in disposable income, plus changing lifestyles and shift towards nuclear dual-income families, means less time available to prepare meals. In turn this contributes to increased consumption of food from out-of-home.²⁴
- Between 2018 and 2022, revenue for the Indian online food delivery market has increased five-fold, from \$5.01 billion to \$25.12 billion.²⁵

The role of industry: responsibility and opportunity

As (ultra-)processed foods make up an increasing proportion of Indians' diets,²⁶ the food and beverage industry plays a key and ever-growing part in determining what Indian consumers eat. This applies not only to the development of products, but also in how they are marketed, labelled, and priced. The growing role companies play in shaping consumers' food environments and diets, comes with business opportunities but also responsibilities to help reduce and prevent excessive consumption of calories and nutrients of concern, which contribute to increasing rates of obesity and diet-related diseases, as well as the displacement of healthier food groups in consumers' diets.

F&B manufacturers can adapt their product portfolios with more affordable and nutritious food to help achieve and maintain healthy diets that are aligned with the dietary guidelines for Indians. Using (inter-)nationally recognized and scientifically sound systems to assess the healthiness of their products and categorize them is key to doing this effectively and credibly.



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Formulating nutritious and affordable products is one important step towards ensuring a healthier food environment; but driving sales of these healthier products relative to the less healthy products through responsible pricing, marketing, and labelling is another important factor. This will cater for the needs of all Indian consumers, including those groups at greater risk of experiencing malnutrition, such as those on lower-incomes and children.

Shifting towards healthier portfolios also makes business sense. With increasing interest in utilizing True Cost Accounting for food systems, including as an investment screening tool,²⁷ and for assisting policymakers²⁸, companies with unhealthy portfolios face growing risks to their business. Companies who are instead proactive in measuring the full externalities of their products, and accordingly shifting towards a healthier portfolio, should see commercial benefits over time.

- The 20 companies assessed in ATNI's 2023 India Index are responsible for an estimated 36% of the total sales (in FY2021) of packaged food and beverage in India.
- Together the estimated sales of packaged food and beverages^b by the companies assessed in this Index totalled INR 2610.343,48 million (FY 2021).²⁹

Role of investors

Malnutrition presents a significant challenge for India's economic growth, with overweight/obesity, undernutrition and micronutrient deficiency all impacting employee wellbeing, productivity, and absenteeism. According to some estimates, poor nutrition is costing the Indian economy up to 4% of GDP annually. In recognition of this, responsible investors globally and in India are beginning to recognize nutrition as a material issue and are becoming a driving force for companies to take action. Additionally, companies can benefit from demonstrating to investors that they are constructive and proactive on addressing nutrition-related risks (such as regulation for marketing, labelling, and fortification) and opportunities (including increasing consumer demand for healthier products) through implementing robust growth strategies and governance systems for nutrition.

ATNI's Investor Expectations on Nutrition, Diets and Health is a framework used by 84 institutional investors to integrate nutrition concerns into their responsible investment approaches. The Expectations derive key nutrition metrics across material nutrition topics, and are serviced by the data provided by ATNI's Indexes, including the 2023 India Index. Such metrics include the percentage of sales derived from healthy products; executive remuneration linked to nutrition objectives; implementation of responsible marketing to children policies; and transparency around lobbying to name a few. The 84 investors in ATNI's Investors in Nutrition and Health, manage roughly USD 20 trillion in assets, have signed up to these Investor Expectations. For the first time, in 2023 a group of investors in AINH representing USD 3.6 trillion in AUM have signed on to actively use the Expectations to drive company progress on nutrition in India through their stewardship practices.

Additionally, there is an opportunity in India to introduce nutrition into the new regulatory framework for ESG disclosures being implemented by the Securities and Exchange Board of India (SEBI). Indicators relating to the Social component in this framework include several which are employee-related (e.g. disclosures on gender and social diversity, median wages, welfare benefits, health and safety, trainings etc.). While nutrition is not yet featured, workforce nutrition is a sector-agnostic theme that all large

^b Only including F&B product categories that were in scope for the Index Product Profile Assessment



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companies could implement. Requiring reporting on workforce nutrition in India would ensure that the private sector invests in safe and healthy food choices at work which, in turn will feeds into higher returns over the long term by reducing the risk of poor nutrition and diet-related diseases and boosting employee productivity in the workplace.

Government Action

Responsibility for food and nutrition policy at the national level is divided across a range of Indian governmental ministries:

| Ministry of Health and Family Welfare (MoHFW) | The Food Safety and Standards Authority of India (FSSAI) | Responsible for food sector regulation |
|--|--|---|
| The Ministry of Food Processing Industries (MoFPI) | The Indian Council of Medical Research (ICMR)- National Institute of Nutrition (NIN) | Plays a key role in designing dietary guidelines |
| | - | Has the School Health Programme for screening for malnutrition and builds awareness about health and nutrition |
| | - | Responsible for developing the food processing sector |
| The Ministry of Finance (along with GST Council) | - | Plays a key role in taxation, customs duties, and cess |
| The Ministry of Commerce and Industry (MoCI) | - | Main body for trade in processed food, including ultra-processed food, and is responsible for promoting exports |
| The Ministry of Women and Child Development (MoWCD) | - | Plays key role in addressing diet sustainability and malnourishment/undernourishment, especially in children, adolescent girls, pregnant women and lactating mothers under Saksham Anganwadi and Poshan 2.0 schemes |
| The Ministry of Consumer Affairs, Food and Public Distribution | - | Plays key role in implementing the public distribution system (PDS) system in the country, and for providing subsidized nutritious foods to the population. It also regulates weight, measures and thereby package size, and certain labelling requirements for packaged commodities. |
| The Ministry of Education (MoE) | - | Implements the Pradhan Mantri (PM) Poshan Shakti Nirman (POSHAN) Scheme, which aims to address hunger and malnutrition among school children. |
| Ministry of Agriculture and Farmers Welfare | Indian Council of Agricultural Research | Autonomous organisation responsible for co-ordinating, guiding and managing agricultural research and education in India. |
| Ministry of Health and Family Welfare (MoHFW) | The Food Safety and Standards Authority of India (FSSAI) | Responsible for food sector regulation. |

Government action on improving nutrition includes programmes that both directly collaborate with the private sector, as well as others that run in parallel, where the government may or may not choose to engage with the private sector for procurement.

In 2021, the Ministry of Women and Child Development launched POSHAN 2.0, following on from the National Nutrition Mission (NNM), also known as POSHAN Abhiyaan.³⁰ This includes a focus on



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addressing malnutrition in children, adolescent girls, pregnant women and lactating mothers, setting targets to: prevent and reduce child stunting and under nutrition (0-6 years) by 2% per year, reduce prevalence of anaemia among young children by 3% per year, and among women and adolescent girls aged 15-49 years by 3% per year, and reduce Low Birth Weight (LBW) by 2% every year.³¹

The government has also taken further steps to ensure food is available to vulnerable populations. From 1st January 2023 (until December 2023), the Indian government rolled out its new integrated food security scheme Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY), which would extend COVID-19 relief measures introduced in 2020 to provide free food to low-income groups, as well as building on longer-term food subsidy programs such as those set out in the National Food Security Act.³² Under the PMGKAY scheme, five kg per person, and thirty-five kg per household, of foodgrains are provided per month to 80 crore (800 million) poor and poorest of poor people in the country.^{33, 34}

In regards to acting on the growth of the HFSS food market, the FSSAI's Food Safety and Standards (Safe Food and balanced diets for Children in School) Regulations, 2020 restricts food business operators (FBOs) manufacturing HFSS food from advertising and marketing such products on school premises or within 50 meters of school gates.³⁵ The FSSAI is also currently finalising a definition of HFSS, which will inform its approach to displaying sugar, salt and fat information on front-of-pack, in its India Nutrition Labelling proposed regulation.³⁶

In 2018, FSSAI launched 'Eat Right India', a program intended to take a coordinated approach to the public health, nutrition and environmental issues associated with food. This included convening, engaging, and partnering with multi-sectoral stakeholders, including: government bodies, food companies, consumers, academics, and professionals.³⁷ One such partnership with the private sector was through the Confederation of Indian Industry Food and Agriculture Centre of Excellence (CII-FACE), which sought to make food companies be joint stakeholders in providing safe and nutritious food, leading to 12 companies making voluntary pledges not to advertise HFSS foods to children.³⁸ Similarly, a 2020 World Bank report identified the Eat Right India food fortification initiative resulting in 82 companies (large and MSME) producing 122 fortified products.³⁹

The central Indian government and state governments jointly manage the Public Distribution System, a food security network that procures, stores, transports and distributes supplemental food grains and non-food goods to low-income populations at subsidised rates. These food commodities are wheat, rice, and sugar, and some states/UTs distribute additional goods such as pulses, edible oils, iodized salt, and spices, among others.⁴⁰

In light of such activities by government on increasing access to nutritious food, and the persistent issue of malnutrition, companies can benefit from also taking action in this space. This can involve not only supporting voluntary government programs, but also being proactive by aligning with international recommendations, where regulation is not currently in place.

The relevant trends in India outlined in this chapter summarize how the food and beverage (F&B) industry is playing an ever growing and pivotal role in determining what consumers in India eat, the quality of their diets, and resulting health impacts. While the trends do not seem to be heading in a good direction in terms of access to nutritious food products, there remains ample opportunity for companies, investors and policymakers to accelerate progress and deploy various strategies which will improve the production of healthier food options for the Indian population.



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Category Report

Product Profile

Product Profile holds 30% of the overall Index score.

The Product Profile is an objective assessment of the nutritional quality of the packaged foods and beverage market in India. The Product Profile analyses the 'healthiness' of food manufacturers' products using the Australian Health Star Rating (HSR) model. Products are rated between 0.5 stars (least healthy) to five stars (most healthy), and any product that scores 3.5 or above is considered 'healthier'.

This Category report is based on the full assessment by ATNI's research partner, The George Institute for Global Health, and the full report can be found [here](#).

To perform well in this category, companies should:

- Derive at least 50% from "healthier" sales (HSR of 3.5 or higher);
- Achieve a high average sales-weighted nutritional quality of the company's product portfolio (using the Health Star Rating model);
- Show a high proportion of the company's products are eligible to be marketed to children using the WHO SEAR criteria for marketing to children;
- Show improvements in product portfolio healthiness over time and best healthiness performance in a specific product category compared to peers.





Product Profile

ATNI commissioned an independent organization – The George Institute for Global Health (TGI) – to execute the nutrient profiling element of the Product Profile.

To select the packaged foods and beverages for analysis, ATNI identified a maximum of five best-selling product categories for each company based on their estimated Indian retail sales in 2021 using Euromonitor International 2021 sales estimates. Nutrition information for a total 1,901 packaged foods and beverages products sold by 20 of the largest companies in India were selected to be included in the Product Profile assessment. The sales of these companies combined accounted for an estimated over 36% of all Indian packaged food and beverage sales.

The Product Profile captures the majority of the 2021 estimated retail sales for most companies, see Table B1.1. It is important to point out that for Hindustan Unilever, an estimated 50-60% of the company's 2021 retail sales in India is covered in the Product Profile; the company derived a significant proportion of its sales from products excluded from the assessment, for example, packaged tea and coffee products. Similarly, for Nestlé India, the Product Profile covers approximately 60-70% of the company's estimated 2021 retail sales, as the HSR system does not apply to packaged baby foods and coffee.

After selecting the top five product categories for each company, all products in these categories are assessed using the HSR. The HSR system has been used by manufacturers and retailers voluntarily in Australia and New Zealand since 2014 and is applicable in any market. It is designed to compare similar products within food categories. The HSR system analyzes the level of several “positive” nutrients (e.g. from fruits, vegetables and fiber) and several “negative” nutrients (e.g., salt, added sugar and saturated fat) in products, to generate a score of their nutritional quality.

Nutrient information was obtained either from The George Institute's FoodSwitch India database or directly from the manufacturer. More details on the methods, results, and limitations of the Product Profile study are available in the report by ATNI's research partner, TGI [here](#).⁴¹

The percentage of each company's 2021 sales covered in the Product Profile, the categories selected, and the total number of products assessed for each company are shown in Table B1.1. The total number of products assessed ranged from 15 products (for Marico) to 233 products (for ITC).



India Index 2023 | Product Profile

Table B1.1. Percentage of India sales and product categories included in the Product Profile

| Company | No. of products assessed | Categories included | Examples of brands included | % India 2021 retail sales values represented |
|-----------------------------|--------------------------|--|---|--|
| Adani Wilmar | 18 | Edible Oil; Rice, Pasta and Noodles; Flour; Processed Meat, Seafood and Alternatives to Meat | Fortune Foods | 90-100% |
| Agro Tech Foods | 81 | Edible Oil; Savoury Snacks; Sweet Spreads | Sundrop, Duo, Act II | 90-100% |
| Amul GCMF | 75 | Dairy; Ice cream | Amul | 90-100% |
| Britannia Industries | 193 | Sweet Biscuits, Snack Bars and Fruit Snacks; Baked Goods; Savoury Snacks; Dairy | Britannia | 90-100% |
| Coca-Cola India | 55 | Carbonates; Juice; Bottled Water | Coca-Cola, Sprite, Fanta, Thums up, Schweppes, Kinley, Maaza, Minute Maid | 90-100% |
| Dabur | 59 | Juice; Sweet Spreads; Sauces, Dips and Condiments | Real Fruit Power, Hommade, Dabur | 90-100% |
| Haldiram's | 68 | Savoury Snacks | Haldiram's | 90-100% |
| Hatsun Agro | 113 | Dairy; Ice Cream | Hatsun, HAP, Arun | 90-100% |
| Heritage Foods | 44 | Dairy | Heritage | 90-100% |
| Hindustan Unilever | 210 | Other Hot Drinks; Ice Cream; Sauces, Dips and Condiments; Soup; Sweet Spreads | Horlicks, Knorr, Kissan, Kwality Walls | 50-60% |
| ITC | 233 | Flour; Sweet Biscuits, Snack Bars and Fruit Snacks; Savoury Snacks; Rice, Pasta and Noodles; Confectionery | Aashirvaad, Sunfeast, Sunfeast Yippee, Bingo, Candiman, Jelimals, Fabelle | 90-100% |
| KMF Nandini | 74 | Dairy | Nandini | 90-100% |
| Lactalis India | 65 | Dairy | Anik, Lactel, Prabhat, Tirumala, President | 90-100% |
| Marico | 15 | Edible Oils; Breakfast Cereals; Processed Meat, Seafood and Alternatives to Meat | Saffola | 90-100% |
| Mondelēz India | 63 | Confectionery; Other Hot Drinks; Sweet Biscuits, Snack Bars and Fruit Snacks; Concentrates | Cadbury, Bournville, Bournvita, Oreo, Tang | 90-100% |
| Mother Dairy | 196 | Dairy; Edible Oil; Processed Fruit and Vegetables; Ice Cream | Mother Dairy, Dhara, Safal | 90-100% |
| Nestle India | 159 | Rice, Pasta and Noodles; Dairy; Confectionery; Sauces, Dips and Condiments | Nestlé a+, Milkmaid, Maggi, Milkybar, Munch, Kit Kat, Nestle La'telier | 60-70% |
| Parle Products | 85 | Sweet Biscuits, Snack Bars and Fruit Snacks; Savoury Snacks; Confectionery | Parle's, Parle-G, Hide&Seek, HappyHappy, Chatkeens | 90-100% |
| Patanjali | 25 | Edible Oils; Dairy; Sweet Spreads; Processed Meats, Seafood and Alternatives to Meat; Flour | Patanjali, Ruchi, Nutrela | 90-100% |
| PepsiCo India | 70 | Savoury Snacks; Carbonates; Breakfast Cereals; Energy Drinks; Juice | Doritos, Lays, Kurkure, Pepsi, 7UP, Miranda, Tropicana, Quaker | 90-100% |



Box B1.1. Changes to the methodology

The India Index 2023 Product Profile looks at 2 indicators:

- Assessment of the overall healthiness of the product portfolio, measured as the sales weighted mean HSR: [the 0-5 mean HSR is converted to get a value between 0-100%]
- Assessment of the percentage of sales from products with HSR of 3.5 or higher. % [value between 0-100%]

The mean healthiness is a representation of the nutritional quality of a company's overall product portfolio. Sales-weighting is applied to both assessments to ensure that the companies' highest and lowest selling product categories contribute proportionally to the end result.

Finally, the two indicators are averaged to obtain the final Product Profile score. Relative category scores have been taken out of the assessment.

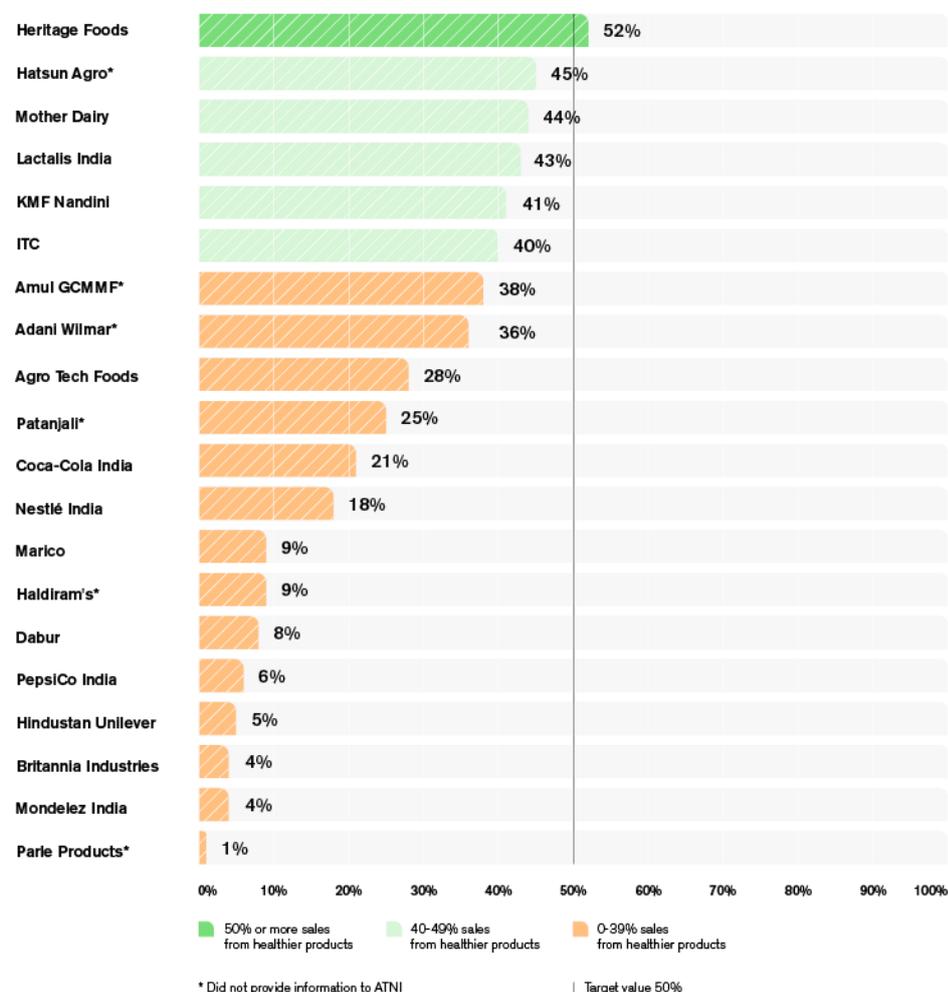
For the 2023 India Product Profile, the most current HSR algorithm was used. As the original HSR algorithm was used in the 2020 India Product Profile, the new HSR algorithm was applied to the 2020 data for the [change analysis report](#). See also the full ATNI/TGI [Product Profile Report](#) for more details on the methodology.⁴²





Company Ranking Product Profile

Figure B1.1. Proportion of companies' sales derived from 'healthy' products in India



Note: Product Profile excludes some product categories such as: plain coffee, tea, baby food, herbs and spices and supplements. See Table B1.1 for product portfolio coverage per company. All products are assessed as per HSR guidance, usually on a per 100g/ml basis as sold.

Key Findings

- Of all products assessed from all companies in the India Index, 17% met the 'healthy' threshold, (having an HSR of 3.5 or more), corresponding to 24% companies' combined sales in 2021.
- One company (Heritage) has over 50% of sales from 'healthy' products (52% of 44 products total).
- Five other companies, mostly with Dairy portfolio or selling staple products like edible oil and flour, derive between 40-45% of sales from 'healthy' products.
- The proportion of sales-weighted products considered 'healthy' changed slightly overall between 2020 and 2023 (27% to 24%)
- The average HSR for all companies' products combined was low (1.9 out of 5), with substantial variation observed between companies. The overall sales-weighted mean HSR remained at 2.0 out of 5 in 2023, the same as in the 2020 India Index.



India Index 2023 | Product Profile

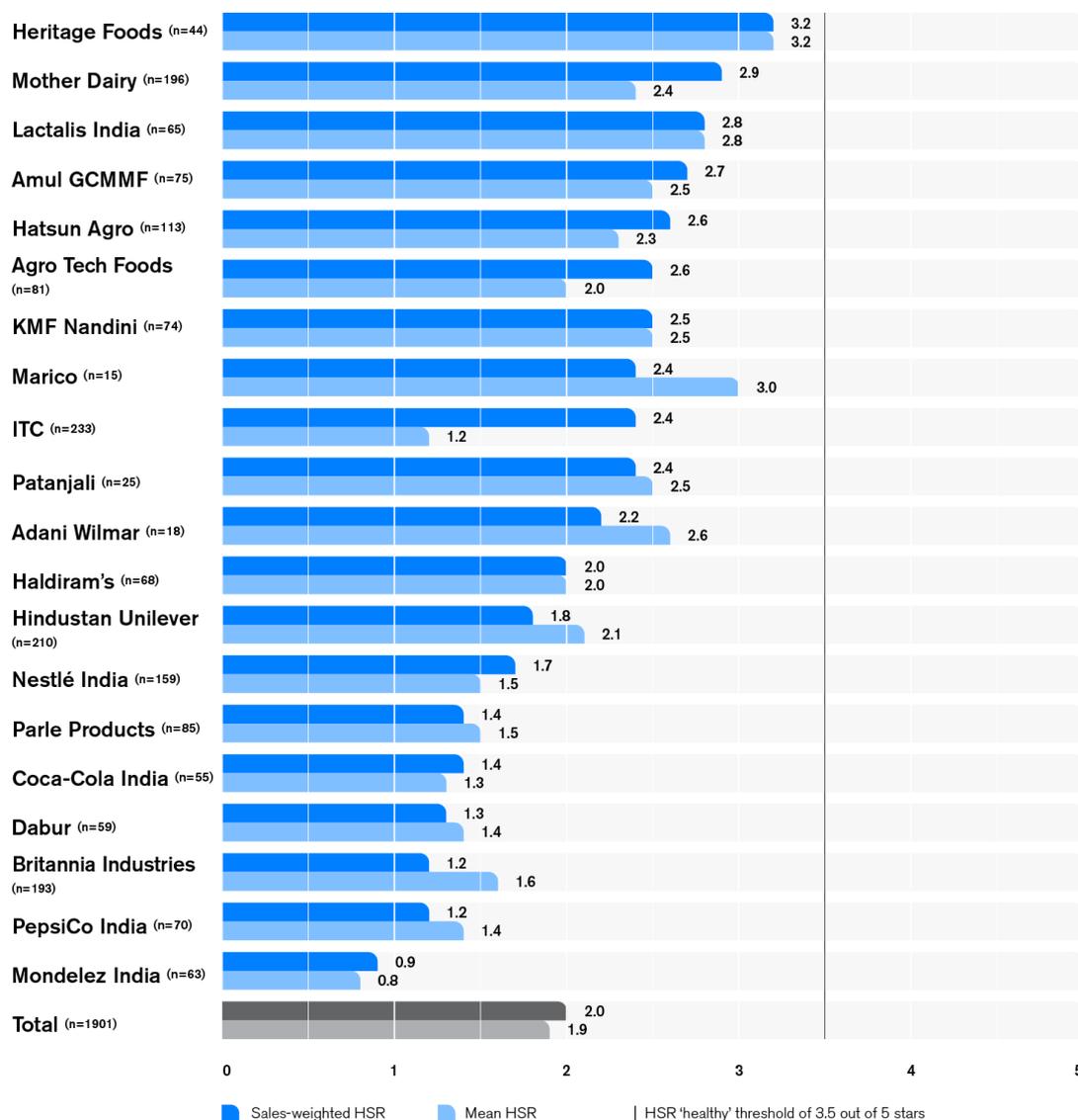
- A low proportion of food and beverage products (12%) offered by the companies were eligible for marketing to children using the WHO SEAR criteria, (same as in 2020), increasing to 21% following sales-weighting (29% in 2020).

Detailed Findings

How 'healthy' are companies' portfolios, using the HSR model?

Of all products analyzed from the 20 companies (in total 1,901 products), 17% met the "healthy" threshold^c (total 313 products), corresponding to 24% companies' combined sales in 2021. The average HSR for all companies' products combined was low (1.9 out of 5), with substantial variation observed between companies. Just over half (55.6%) of all products scored 1.5 stars or below.

Figure B1.2. Mean health star rating and sales-weighted mean health star rating by company



^c having an HSR of 3.5 or more



India Index 2023 | Product Profile

Overall, companies with dairy portfolios performed better in the Product Profile, compared to those that derive most sales from less healthy categories – e.g. Mondelez India from Confectionery, and PepsiCo India from Savoury Snacks and Carbonates. The mean HSR was higher for foods at 1.9 than for beverages at 1.4 out of 5.

Marico was the second-ranked company on mean Health Star Rating before sales-weighting was applied, after which it dropped to eighth place. Other companies with notable changes before and after sales-weighting was applied include Britannia (which dropped four places following sales-weighting). Adani, Mother Dairy, ITC and Hatsun all have higher rankings following sales-weighting using HSR assessment.

Heritage had the highest mean HSR for the Product Profile, with a sales-weighted mean HSR of 3.2 out of 5, followed by Mother Dairy (2.9), Lactalis (2.8), and Amul (2.7). These companies have a dairy portfolio (including products such as fresh and flavored milk, yoghurts, cheeses, milkshakes, some of them also sell Ice Creams). The mean sales-weighted healthiness of product portfolios varied substantially between companies (0.9 for Mondelez India to 3.2 for Heritage).

To what extent do companies generate their India sales from 'healthy' products?

ATNI estimates that Heritage (44 Dairy products) generated 52% of its 2021 India retail sales^d from products meeting the 'healthy' threshold – the highest proportion among companies assessed (see Figure B1.3).

As can be seen in figure B1.1, five other Indian HQ based companies, mostly with dairy-based portfolios or selling staple products like edible oil and flour, derive between 40-45% of sales from healthy products. Hatsun was close behind Heritage with 45% of products receiving 3.5 HSR or above - although interestingly, Hatsun had a much lower proportion of unweighted products considered healthy, showing that its sales are primarily from healthier product categories (Dairy versus Ice Cream). The proportion of products defined as healthy varied greatly between companies (2% for Parle to 52% for Heritage).

Some companies derived quite different proportions of their sales from healthy versus unhealthy products^e. For example, eight companies' rankings decreased when sales-weighting of results was applied, indicating that a larger proportion of their product sales come from less healthy products. On the other hand, seven companies' rankings increased following sales-weighting, indicating that a larger proportion of their portfolio's sales are of 'healthier' products. ITC ranked 16th before sales-weighting was considered jumped to 6th rank following sales-weighting - illustrating that their healthier product category (Flour) accounted for a larger proportion of product sales. Find more details in the full ATNI/TGI Product Profile report [here](#).

This illustrates the opportunity for companies to increase the proportion of sales deriving from healthy foods and decrease their reliance on sales of less healthy foods. Apart from accelerating product (re)formulation, companies can achieve this by redirecting marketing to healthier products and brands, along with considering nutrition as part of merger and acquisition strategies.

^d This estimate excludes the Ice Cream products from Heritage, as at the time of research these comprised a too small proportion of their estimated sales (below 1%).

^e ATNI uses sales estimates from Euromonitor International on a product category level



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How 'healthy' are companies' products within a category compared to those of their peers?

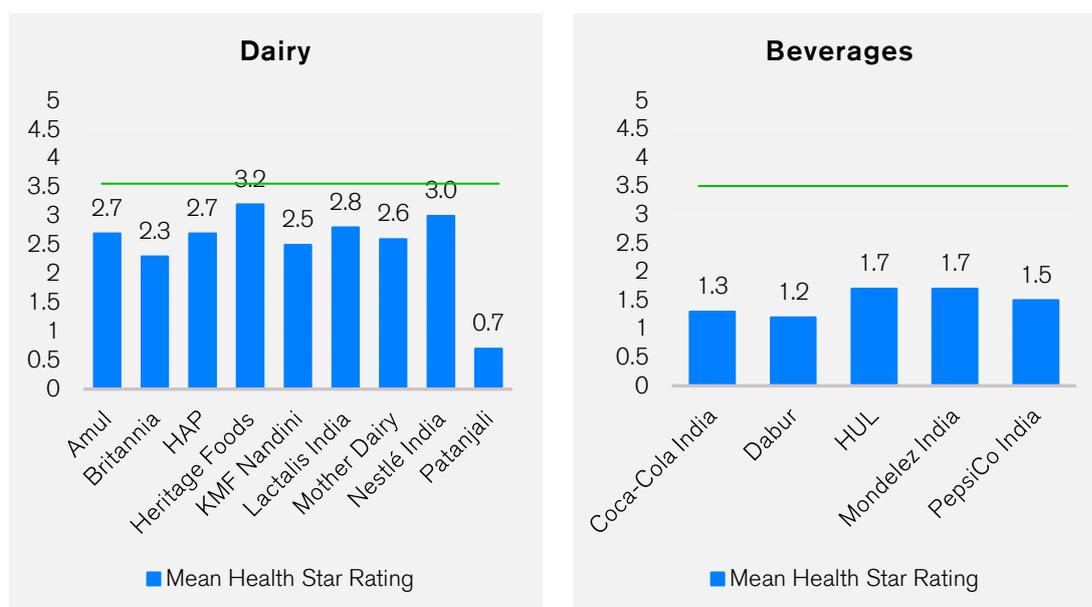
There is considerable variation in the mean HSR values of different companies within the same product categories. For example, in Dairy, mean HSR differs between 0.7 (Patanjali with butter and spreads) to 3.2 (Heritage, with milk and milk products such as milkshakes and cheese). In the savoury snacks category, the mean HSR differs between 0.5 (Britannia) and 2.0 (Haldiram's).

Staple products like Edible oil, Flour and Processed Meat and alternatives (e.g. soya chunks), are the highest performing categories. Overall, Marico performs lower than competitors in both edible oil and Processed Meat and Alternatives (e.g., soya chunks).

Very few beverages were considered 'healthy' and ratings for beverages were lower than for foods. For beverages, PepsiCo India had the highest mean HSR of 1.5, and Hindustan Unilever the lowest with 0.5 (Other Hot Drinks category).

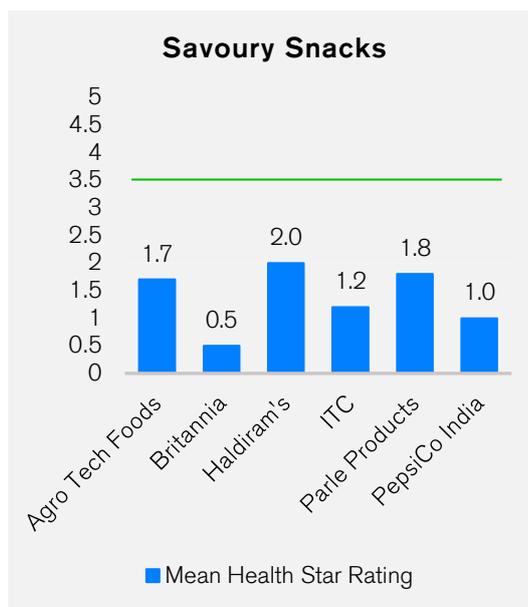
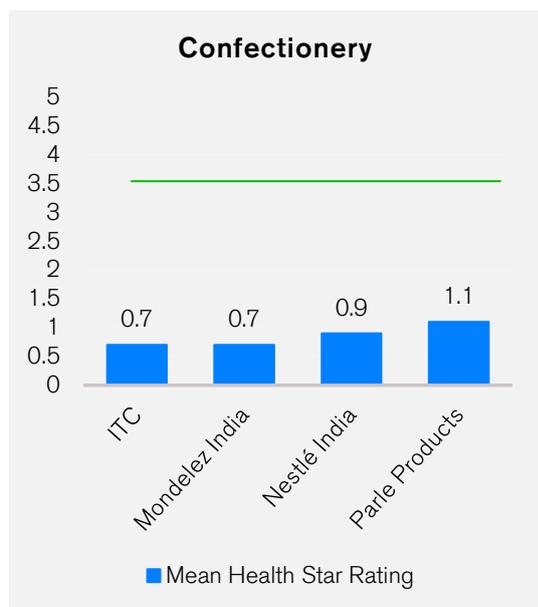
Large HSR differences could also be observed within product categories, such as for Sweet Spreads (0.5 to 5.0) and Savoury Snacks (0.5 to 4.5). This suggests that healthier formulations of these products can be made.

Figure B1.4. Within-category comparison of the healthiness of companies' products





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Note: Green line indicates the 'healthy' threshold of 3.5 out of 5 stars

Table B1.1. Category specific comparison of mean HSR values between companies, in product categories with two or more competing companies for foods

| | Breakfast Cereals | Confectionery | Dairy | Edible Oils | Flour | Ice Cream | Processed Meat & Alternatives | Rice, Pasta & Noodles | Sauces, Dips & Condiments | Savoury Snacks | Sweet Biscuits | Sweet Spreads |
|----------------------|-------------------|---------------|-------------|-------------|-------------|--------------|-------------------------------|-----------------------|---------------------------|----------------|----------------|---------------|
| Adani Wilmar | - | - | - | 2.1 (9) | 5.0 (1) | - | 5.0 (1) | 2.5 (7) | - | - | - | - |
| Agro Tech Foods | - | - | - | 3.0 (12) | - | - | - | - | - | 1.7 (57) | - | 2.9 (12) |
| Amul GCMFF | - | - | 2.7 (55) | - | - | 1.9 (20) | - | - | - | - | - | - |
| Britannia Industries | - | - | 2.3 (37) | - | - | - | - | - | - | 0.5 (10) | 1.0 (76) | - |
| Dabur | - | - | - | - | - | - | - | - | 2.2 (15) | - | - | 1.0 (4) |
| Haldiram's | - | - | - | - | - | - | - | - | - | 2.0 (68) | - | - |
| Hatsun Agro | - | - | 2.7 (29) | - | - | 2.2 (84) | - | - | - | - | - | - |
| Heritage | - | - | 3.2 (44) | - | - | - | - | - | - | - | - | - |
| Hindustan Unilever | - | - | - | - | - | 2.1 (140) | - | - | 1.3 (26) | - | - | 2.2 (7) |
| ITC | - | 0.7 (100) | - | - | 4.8 (15) | - | - | 2.0 (12) | - | 1.2 (46) | 1.0 (60) | - |
| KMF Nandini | - | - | 2.5 (74) | - | - | - | - | - | - | - | - | - |



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| | | | | | | | | | | | | |
|----------------|-------------------|--------------------|--------------------|--------------------|-------------------|---------------------|-------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Lactalis India | - | - | 2.8 (65) | - | - | - | - | - | - | - | - | - |
| Marico | 2.6 (8) | - | | 2.3 (3) | - | - | 4.4 (4) | - | - | - | - | - |
| Mondelēz India | - | 0.7 (43) | - | - | - | - | - | - | - | - | 0.8 (11) | - |
| Mother Dairy | - | - | 2.6 (61) | 3.6 (8) | - | 1.7 (104) | - | - | - | - | - | - |
| Nestlé India | - | 0.9 (67) | 3.0 (31) | - | - | - | - | 1.4 (37) | 1.4 (24) | - | - | - |
| Parle Products | - | 1.1 (17) | - | - | - | - | - | - | - | 1.8 (28) | 1.4 (40) | - |
| Patanjali | - | - | 0.7 (3) | 2.5 (12) | 5.0 (2) | - | 5.0 (3) | - | - | - | - | 1.0 (5) |
| PepsiCo India | 3.9 (4) | - | - | - | - | - | - | - | - | 1.0 (39) | - | - |
| Mean HSR | 3.0 | 0.8 | 2.7 | 2.8 | 4.9 | 2.0 | 4.7 | 1.7 | 1.6 | 1.5 | 1.1 | 2.1 |

Table B1.2. Category specific comparison of mean HSR values between companies, in product categories with two or more competing companies for beverages

| Company | Carbonates | Juice | Other Hot Drinks |
|--------------------|--------------------|--------------------|--------------------|
| Coca-Cola India | 1.2 (23) | 0.6 (26) | - |
| Dabur | - | 1.2 (40) | - |
| Hindustan Unilever | - | - | 1.7 (18) |
| Mondelēz India | - | - | 2.3 (6) |
| PepsiCo India | 2.0 (13) | 1.0 (13) | - |
| Mean HSR | 1.5 | 1.0 | 1.9 |

Companies with a lower average 'healthiness' score in a given category are encouraged to step up their efforts to reformulate these products and develop new healthy products. Detailed results can be accessed in Table B1.1 and B1.2 as well as the in full ATNI/TGI Product Profile Report [here](#).⁴³

How do ATNI's Product Profile results compare?

Compared to Product Profile work from ATNI's Global Index (27% sales from "healthy" products) and the US Index (29% sales from 'healthy' products), performance on healthiness is lower from the top 20 companies researched in India (24% sales from 'healthy' products).

Between the 2020 and 2023 India Index, the proportion of sales from 'healthier' products dropped slightly overall (27% to 24%). The mean HSR has stayed the same since the 2016 India Index, with 1.9 out of 5 stars.



Table B1.3. Product Profile results of India Indexes and latest US and Global Indexes^f

| | India Index 2016 | India Index 2020 | India Index 2023 | US Index 2022 | Global Index 2021 |
|---|------------------|------------------|------------------|---------------|-------------------|
| No. companies assessed | 11 | 16 | 20 | 11 | 25 |
| Market share of combined companies assessed | 31% | 31% | 36% | 30-35% | 20-25% |
| No. products analyzed | 943 | 1,495 | 1,901 | 11,041 | 38,176 |
| Mean HSR | 1.9 | 1.9 | 1.9 | 2.3 | 2.4 |
| Sales-weighted mean HSR | 1.8 | 2.0 | 2.0 | 2.2 | 2.4 |
| % distinct 'healthy' products | 16% | 16% | 17% | 31% | 31% |
| % sales from 'healthy' products | 17% | 27% | 24% | 29% | 27% |

Among the companies assessed in both the 2020 and 2023 Index, 14 companies, the estimated sales from healthy products decreased slightly from 24% in 2020 to 21% in 2023. A full change analysis in the nutritional profile of the packaged food and beverage products from the same 14 companies in 2020 and 2023 Index over a three-year period can be found [here](#).⁴⁴

What proportion of companies' products would meet the WHO SEAR criteria for marketing to children?

Only 12% of products overall were eligible to be marketed to children according to the WHO SEAR criteria (same as in 2020) – increasing to 21% after sales-weighting was applied (29% in 2020). Sales-weighting changed the rankings of the companies in relation to healthiness and generally increased the disparities observed between companies. Adani is the only company for which more than half of products in their portfolio meet WHO SEAR criteria. Four companies – Adani, Marico, Patanjali and Agro Tech, have more than half of products meet the criteria when sales-weighted. These companies all have Edible Oils in their portfolios.

This assessment did not investigate whether these products are in practice marketed to children and teens by the companies in scope. Instead, it provides an extra indication of the healthiness of the company's portfolios by checking whether the products, in theory, would be eligible to be marketed to children using WHO SEAR criteria. This lower result (12% instead of 17% using HSR) reflects the more stringent criteria applied for eligibility to market to children. If companies are found to have a small number of products suitable to be marketed to children, it is important that they implement responsible marketing policies to ensure these products are not undermining children's health.

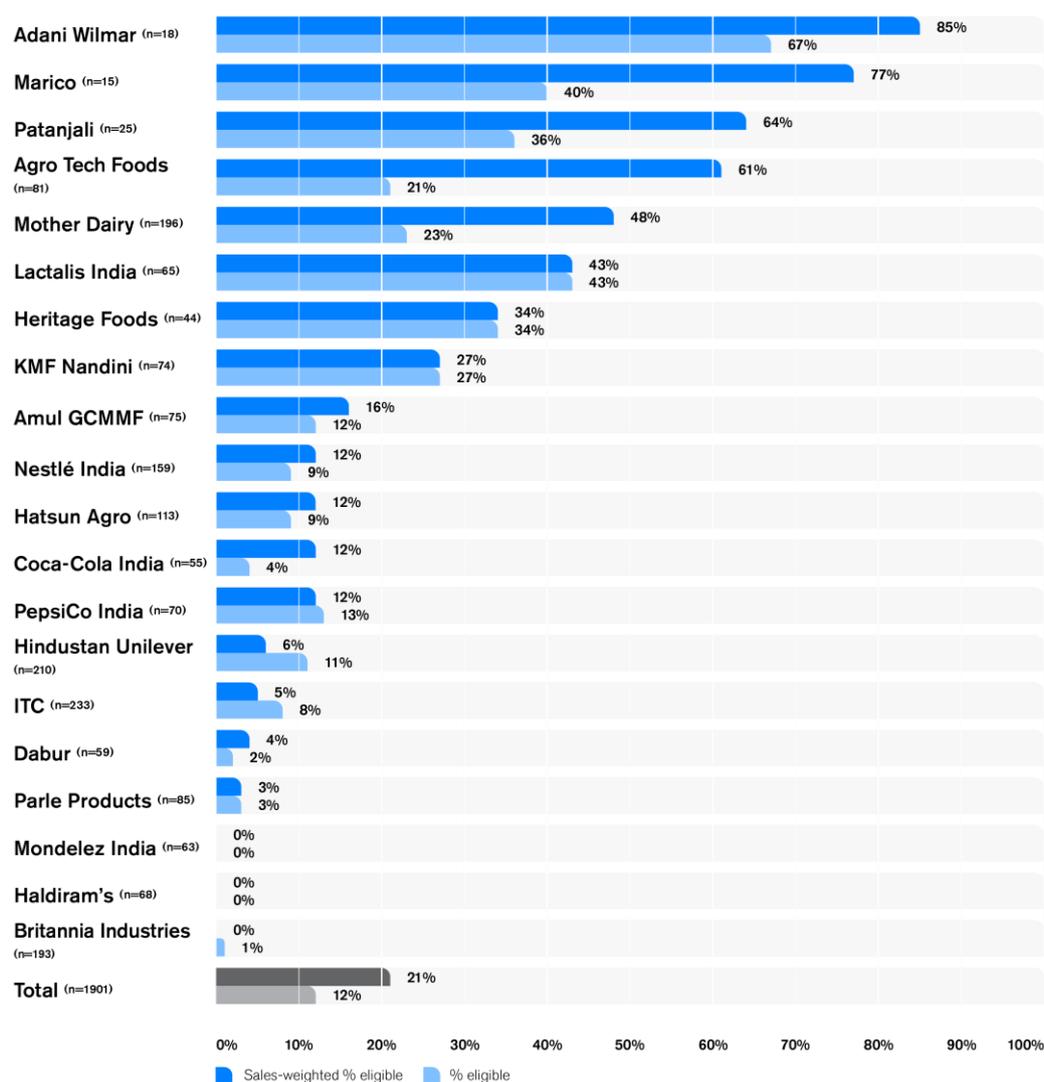
Detailed Product Profile results for each company, including category performance, can be found on the company scorecards. More information on the Product Profile is included in the full ATNI/TGI Product Profile report [here](#).⁴⁵

^f It is important to note that in this table there is a comparison shown which includes new versus older HSR algorithm, so the differences are not fully like for like differences'



India Index 2023 | Product Profile

Figure B1.5. Proportion of products that meet the WHO SEAR criteria for marketing to children



Recommendations for companies

To improve performance on portfolio healthiness:

- Companies have the opportunity to improve their product portfolios through innovation and product reformulation and ensure that at least half of their portfolio (sales and products) meet healthy thresholds by 2030.
- Companies can also accelerate progress by considering nutrition in their merger and acquisition decisions, e.g. by acquiring healthier brands, and discontinuing or reducing sales of less healthy food and beverage products.
- Companies are encouraged to publicly disclose on an annual basis the percentage of their product portfolio that meets criteria for healthy products in India, as well as changes over time, using an internationally recognized nutrient profiling model.



Product Profile References

⁴¹ Elizabeth Dunford, "Report on the Comparative Nutritional Profile of 1,901 Food and Beverage Products Marketed by 20 Large Global Companies Operating in India" (Access to Nutrition Initiative and The George Institute, November 2023), <https://accesstonutrition.org/app/uploads/2023/11/ATNI-TGI-India-Product-Profile-2023.pdf>.

⁴² Dunford.

⁴³ Dunford, "Report on the Comparative Nutritional Profile of 1,901 Food and Beverage Products Marketed by 20 Large Global Companies Operating in India."Dunford.

⁴⁴ Dunford, "Report on the Comparative Nutritional Profile of 1,901 Food and Beverage Products Marketed by 20 Large Global Companies Operating in India."Dunford.

⁴⁵ Dunford, "Report on the Comparative Nutritional Profile of 1,901 Food and Beverage Products Marketed by 20 Large Global Companies Operating in India."Dunford.

Category Report

Product (Reformulation)

This category holds 7.5% of the overall Index score.

This category assesses the extent to which companies have set targets and report progress on their efforts to improve the healthiness of their portfolios. These include targets to reduce levels of nutrients of concern and increase positive ingredients in their products. In addition, it looks into companies' approaches to fortification or enrichment of their products, and the extent to which they refrain from fortifying products of low underlying nutritional quality.

To perform well in this category, companies should:

- Have a clear public approach that the national Dietary Guidelines for Indians and RDA's play a role in guiding the company's product (re)formulations;
- Set and disclose specific, measurable and time-bound product (re)formulation targets with a baseline for both nutrients of concern (sodium, saturated fat, and sugar) and positive nutrients/ingredients (fruits, vegetables, nuts and legumes (FVNL) and whole grains);
- Adopt a transparent and consistent approach to micronutrient fortification in line with FSSAI standards, when fortifying and have policies and practices in place to prevent the fortification or enrichment of unhealthy products.





Product (Re)formulation

Category context

To address the triple burden of malnutrition in India, in 2018 the food and beverage industry was encouraged as part of the FSSAI Eat Right Movement to establish voluntary reformulation targets to reduce high levels of sugar, salt, and unhealthy fats (HFSS) in food and beverage products, and to implement interventions like food fortification to address the population's micronutrient deficiencies. Ten companies published their pledges and were encouraged to report on progress toward the 2020 goal. Almost all participating companies reported progress toward or achievement of their target.⁴⁶

Over the last three years, the government has made further efforts to curb the prevalence of diet-related heart diseases. In 2021, the FSSAI introduced a new policy mandating the reduction of industrial trans fats (iTFA) to <2% in all fats and oils, effective from January 2021.⁴⁷

That same year, FSSAI released the amended version of the 2018 Food Safety and Standards (Fortification of Foods) Regulations. Box B2.2 shows in more detail the developments of food standards in India.

Apart from fortification with micronutrients following the FSSAI regulation, there is also an FSSAI directive published on (voluntary) enriching products with micronutrients.

Box B2.1. Changes to the methodology

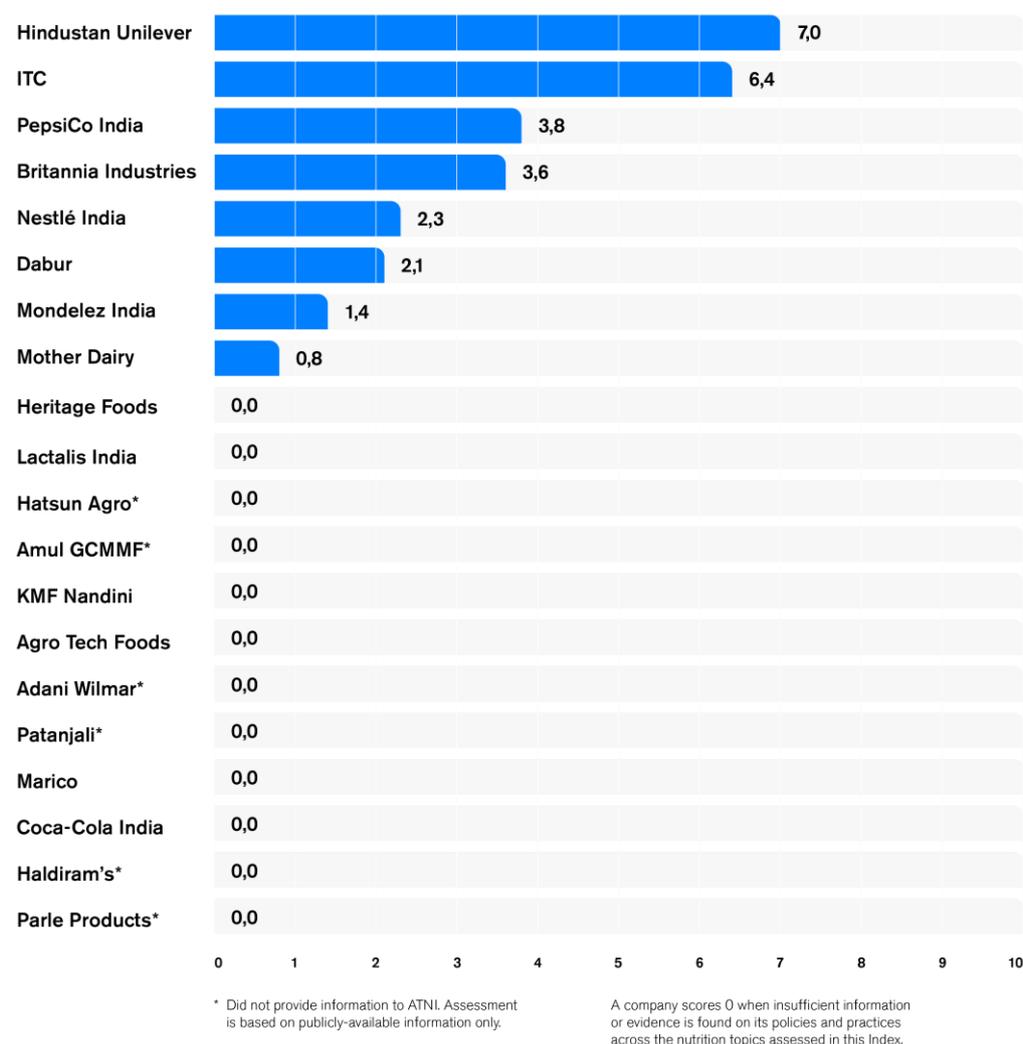
The category of product (re)formulation has been revised from the 2020 ATNI India Index, with a reduction in the number of indicators. The indicators now almost exclusively focus on setting specific, measurable and timebound targets for relevant nutrients and fortification approaches. This means that indicators on broad commitments regarding reformulation and research and development investment in healthy products have been deleted. New indicators were added regarding targets to increase levels of FVNL and wholegrains, while the indicator assessing iTFA targets was removed, given the new FSSAI regulations effective from January 2021. Some indicators were removed to avoid duplication with other categories in the index, such as targets for and reporting of the sales of products defined as 'healthy'. Fortification indicators were added and adjusted based on updated FSSAI guidelines.

The full methodology can be found [here](#).



Company ranking

Figure B2.1. Category ranking for Product (Re)formulation



Key findings

Nutrient targets

- Seven companies were found to have at least one (re)formulation target in place to reduce nutrients of concern (e.g., sodium, saturated fat, sugar) in their portfolio. Each of these companies had previously set targets as part of [FSSAI's 'Eat Right Pledge'](#) initiative in 2018-2020, and, in many cases, have introduced new targets since the previous targets expired. However, many of these newly introduced targets are more restricted in scope than those set in 2018, and a number of them were neither specific nor timebound.
- Hindustan Unilever, ITC, and PepsiCo India stand out for having set targets to reduce all three nutrients of concern (salt, sugar, and saturated fat) for at least part of their product portfolio.
- Two companies — Hindustan Unilever and ITC — were found to have targets in place to increase levels of beneficial ingredients like FVNL and wholegrains in their relevant product categories.



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- All companies who made Eat Right Pledges in 2018 have reported on progress toward or the achievement of these targets (although this information is often challenging to find). Two of the seven companies with new targets in place — Dabur and Hindustan Unilever — report against all of the targets they have set. Others do so either partially, or not at all.

Fortification

- Ten companies assessed are voluntarily fortifying or enriching staple food products covered by different FSSAI standards. Most of these are fortifying edible oil and using premix as their chosen method of fortification. Seven companies are currently choosing ingredients with naturally high levels of micronutrients, though public reporting on this is limited. One company, Hindustan Unilever, is using fortified staples as ingredients in product formulations.
- Six companies are currently, voluntarily fortifying/enriching processed food products in at least one of the categories listed in the amended Food Safety and Standards (Fortification of Foods) Regulations 2021, with added guidelines for the voluntary fortification of processed foods.
- 11 companies reported on fortified or enriched products not necessarily covered in these guidelines but in the Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011. Many of these foods have low healthiness scores. For example, additional vitamins and minerals to energy drinks and sweet dairy drinks with high sugar content.
- The vitamins and minerals most used by companies to fortify or enrich products include Calcium, Iron, Vitamin A, Zinc, Vitamin D, Magnesium, B Vitamins and Vitamin C.
- Three companies, Hindustan Unilever, Nestlé India, and PepsiCo India were found to have global policies or processes in place (applicable to the Indian market) to guide the fortification of food products. Products must meet companies' internal nutrition criteria prior to fortification, with some exceptions clearly outlined.

Detailed findings

How many companies have set portfolio (re)formulation targets for nutrients of concern and positive ingredients, and to what extent are they specific, measurable and timebound?

Table B2.1 below shows an overview of the companies' (re)formulation targets in place during the research. Seven of the 20 companies assessed were found to have at least one nutrient of concern reduction target in place. Each of these companies had previously set targets in 2018, as part of the Eat Right Pledge that expired in 2020 and have since either enhanced or extended these pledge targets or introduced brand new targets. Marico and Mother Dairy have not done so. Five companies — Hindustan Unilever, ITC, Mondelez India, Nestlé India, and PepsiCo India — stand out for having targets to reduce all three nutrients of concern (salt, sugar, and saturated fat) in of their product portfolio.

However, the application scope of many of these new targets is now less comprehensive than the Eat Right Pledge targets set in 2018— often only applying to specific product categories, rather than to the entire portfolio. Hindustan Unilever and ITC are the only two companies found to report on targets to increase beneficial nutrients (such as FNVL and wholegrains) across their entire product portfolios.



Table B2.1. Overview of companies' product (re)formulation targets

| Company | 2018-2020 | 2023 | | | | |
|----------------------|--------------------------------|-------------|---------------|-------|------------------------------------|-------------|
| | Commitment to Eat Right Pledge | Salt/sodium | Saturated fat | Sugar | Fruits, nuts, vegetables & legumes | Wholegrains |
| Amul GCMMF* | - | N/A | - | - | - | - |
| Britannia Industries | ✓ | ● | - | ● | - | - |
| Coca-Cola India | - | N/A | N/A | - | - | N/A |
| Dabur | ✓ | - | N/A | ○ | - | - |
| Hindustan Unilever | ✓ | ○ | ○ | ○ | ● | ● |
| ITC | ✓ | ○ | ○ | ○ | ● | ● |
| KMF Nandini | - | N/A | - | - | - | - |
| Lactalis India* | - | N/A | - | - | - | N/A |
| Marico | ✓ | - | - | - | N/A | N/A |
| Mondelēz India | ✓ | ○ | - | ○ | - | - |
| Mother Dairy | ✓ | N/A | - | - | - | - |
| Nestlé India | ✓ | ○ | - | - | - | - |
| Patanjali* | ✓ | - | - | - | - | - |
| PepsiCo India | ✓ | ○ | ○ | ○ | - | - |

✓ Yes

● Target applicable for companies' full product portfolio

○ Target applicable only for specific categories in companies' product portfolio

N/A Some reformulation targets are not relevant to each companies' product portfolio. For example, companies with portfolios mostly consisting of dairy are generally not expected to have a salt reduction target.

- No/no information

* Did not provide information to ATNI

Note: Information on companies' (re)formulation targets was not found for Adani Wilmar, Agro Tech Foods, Haldiram's, Hatsun Agro, Heritage Foods, and Parle Products.

Sodium targets

Six companies (out of 15 with applicable portfolios) —Britannia, Hindustan Unilever, ITC, Mondelēz India, Nestlé India, and PepsiCo India —were found to have a measurable and timebound sodium reduction target in place for at least part of their product portfolios. Only Britannia's target is applicable for the full scope of its relevant product portfolio. Britannia's and ITC's targets are specific. Each of these companies had previously set targets as part of the Eat Right Pledge in 2018, which expired in 2020, but have since formulated new ones. Britannia for example, has strengthened its 2018 3% sodium reduction target in selected products throughout the year 2021- 2022,⁴⁸ and reports on a new target of a 6% reduction in sodium in other products by the financial year 2023-24 with respect to the 2018-19 baseline.⁴⁹

The parent companies of Hindustan Unilever, Mondelēz India, Nestlé India, and PepsiCo India have introduced new sodium reduction targets at the global level as part of their membership of the International Food and Beverage Alliance (IFBA),⁵⁰ with standardized, stepwise voluntary targets for



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key product categories to be achieved incrementally by 2025 and 2030. However, none of the company's India-specific websites or documents report on the IFBA salt reformulation target for products developed specifically for the Indian market.⁵¹ While Nestlé is no longer a member of the IFBA, they shared with ATNI that their IFBA sodium target still stands.

Saturated fats targets

Three companies (out of 18 with relevant portfolios) — Hindustan Unilever, ITC, and PepsiCo India — were found to have a specific measurable and timebound saturated fat reduction target in place, applicable to at least part of their product portfolios. Mondelēz India, Nestlé India and PepsiCo India had targets as part of the EAT Right Pledge that expired in 2020. After 2020, only PepsiCo reported setting new targets against their internal nutrient criteria (see the [chapter on Nutrient Profiling](#)). Hindustan Unilever (based on its global policy) and ITC stand out for developing new reformulation targets for saturated fats since the 2018 Index.

Interesting example: ITC's new target committed to a 5% reduction in saturated fat in three quarters of its snack portfolio by 2022, and a further 5% reduction by 2023.

Sugar targets

Six companies —Britannia, Dabur, Hindustan Unilever, ITC, Mondelēz India, and PepsiCo India —were found to have adopted sugar target(s) for at least part of their product portfolios. Only Britannia's targets showed evidence of covering the entirety of its applicable portfolio. Mondelēz India's target is not specific and measurable. Each of the six companies also developed a target as part of their 2018 EAT Right Pledges and have since introduced new targets, apart from Nestlé India. Mother Dairy also introduced such a target in 2018 but has not reported a new one since this expired in 2020.

Interesting example: Britannia provided evidence which builds on its 2018 Eat Right pledge to reduce sugar by 5% per serve across its product portfolio over a period of three years. The company reports in its 2021-22 [sustainability report](#) that it achieved a 0.32% sugar reduction per serving of product, and that their new aim is “to achieve an 8% reduction in sugar in our products by FY 2023-24 with respect to the 2018-19 baseline.”

FNVL and wholegrain targets

The National Institute of Nutrition in India (NIN) recommends energy sources in the diet to come from complex carbohydrates like FVNL and whole grains, rather than refined grains or highly processed foods. Diets high in FNVL and wholegrains are associated with a reduced risk of non-communicable diseases such as diabetes, hypertension, and cardiovascular disease, and increased overall health.

Two companies (out of 17 with applicable portfolios) —Hindustan Unilever and ITC —were found to have set targets to increase levels of wholegrains and FNVL in their relevant product portfolios.

Interesting example: Hindustan Unilever shared evidence that it must also meet Unilever's 'Positive Nutrition' target to “double the number of products sold that deliver positive nutrition by 2025”. The company defines positive nutrients for each of the product groups (e.g., fruit and vegetables, wholegrains) as per [Unilever's Nutrition standards booklet](#).

Interesting example: ITC Foods Division has committed to working on achieving higher levels of FNVL for some of its products through its Enhanced Nutrition Commitments available on its



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website. The company's target is "to increase its product portfolio with goodness of wholegrains, nuts, legumes, fruits & vegetable by 50% from the baseline of FY 2021-22".⁵². The term 'goodness of' is based on reference values provided in the ITC Foods Division's Nutrition Profiling System.⁵³

Disclosure of progress toward current reformulation targets

In addition to setting specific, measurable and timebound reformulation targets, it is important that companies disclose progress. Out of the seven companies with at least one target in place, only Hindustan Unilever reports progress against each of its targets (with the exception of the IFBA sodium reduction target). ITC reports against their sugar and saturated fat reduction targets respectively, although they also have other relevant targets in place that they do not report against. Mondelez reports against its sugar reduction target. Dabur reports against the company's sugar reduction target. Britannia, Nestlé India, and PepsiCo India did not provide evidence of reporting against any of the targets they have set.

Fortification

What processes and policies do companies have in place to prevent the fortification of unhealthy products (HFSS)?

Companies are encouraged to only fortify or enrich foods in accordance with relevant national guidance (FSSAI) (see Box B2.2) and select products or product categories with higher underlying nutritional quality, or which are defined as 'healthy', or with low levels of fat, salt, and sugar as described in the Dietary Guidelines for Indians. The company should have a clear definition of what constitutes a 'healthy' product based on an (inter-)nationally recognized—or where relevant- a government endorsed NPM, or specific nutrition criteria which it uses to determine the products to fortify or enrich.

Three companies —Nestlé India, Hindustan Unilever and PepsiCo India — were found to have global policies in place to guide the fortification of food products, all of which are applicable to the Indian market. For example, Nestlé's public '[Policy on Micronutrient Fortification](#)' and Unilever's '[Public Position on Fortification](#)' both outline the companies' approaches on fortification vehicles, nutrient reference value/daily nutrient intake, and Tolerable Upper Intake Level (UL). However, the majority of the evidence provided by the three companies was shared confidentially.

Box B2.2. FSSAI guidance on fortification or enrichment of foods with relevant micronutrients in India

The [FSSAI](#) encourages industry to utilize food fortification as a means of addressing micronutrient deficiencies, which are a major public health concern in India. The most common micro-nutrient deficiencies in India include vitamin A, vitamin B12, vitamin D, iron, folic acid, zinc, and iodine. The fortification of packaged food in India is currently voluntary, except for salt, for which fortification with iodine has been mandatory in India since 1962, and rice used in the public distribution systems is mandatorily fortified with iron.⁶



For companies that choose to voluntarily fortify products, FSSAI has set standards for the type of food vehicle which can be used and thresholds for the level of fortificant to be added. More specifically:

1. Under the FSSAI Food Safety and Standards (Food Product Standards and Food Additives) [Regulation, 2011](#), it states that product formulations may include the use of fortified staples (for example fortified wheat flour in instant noodles) as raw materials and/or fortified with permitted micronutrients and additives as specified. Standards cover:
 - a) Salt must be fortified with iodine and may also be fortified with iron
 - b) Edible oil when fortified must be fortified with Vitamin A and D
 - c) Milk when fortified must be fortified with Vitamin A and D
 - d) Wheat flour including Atta and Maida when fortified must be fortified with iron, folic acid, and Vitamin B12
 - e) Rice when fortified must be fortified with iron, folic acid, and Vitamin B12
2. In October 2022, the FSSAI issued a direction regarding the addition of vitamins and minerals in standardized food products, which outlines that companies can add vitamins and minerals to the maximum of one RDA for any standardized food product as outlined in the Food Safety and Standards (Food Product Standards and Additives) Regulations, 2011.
3. The FSSAI Food Safety and Standards (Fortification of Foods) [Regulations, 2018](#) outlines mandatory thresholds for vitamins and minerals that must be adhered to if companies place the F+ logo on the packaging of voluntary fortified staples. This includes; Vitamin A, Vitamin B12, Vitamin D, Iron, Folate (folic acid), Zinc, Iodine, Thiamine (B1), Niacin (B3), Pyridoxine (B6), Vitamin C and Riboflavin (B2).
4. The [Food Safety and Standards \(Fortification of Foods\) Regulations, amended in 2021](#), outline standards and regulations set forth by the FSSAI regarding the appropriate addition of micronutrients to **packaged food and beverage products** under the following categories; bakery, cereals, fruit juices. Companies must adhere to voluntary standards should they wish to make use of the front of the pack F+ logo.
 - a) Cereal products include Breakfast cereals, Pasta and Noodles. When fortified, THEY shall contain added iron, folic acid and Vitamin B12
 - b) Bakery wares include bread, biscuits, rusks and buns, and when fortified, shall contain added iron, folic acid and Vitamin B12
 - c) Fruit juices, when fortified, shall contain Vitamin C
5. The FSSAI Food Safety and Standards (Labelling and Display) Regulations draft [mandate 2022](#) published online, aims to enforce a mandatory symbol-based front-of-pack nutrition labelling, based on nutrient-level cut-offs derived using the RDAs for Indians (described by the ICMR). WHO recommendations are being considered when Indian-specific nutrient cut-off levels are not available. The draft mandate includes set thresholds and definitions for HFSS food products. However, the draft has not passed.
6. The FSSAI Food Safety and Standards (Advertising and Claims) Regulations, 2018 outline mandatory standards to be followed for manufacturers making a front-of-pack health claim for fortified food articles.⁵⁴



India Index 2023 | Product (Re)formulation

Are companies addressing micronutrient deficiencies in India by fortifying staple foods or packaged and processed food products?

This index found that ten companies are currently voluntarily fortifying or enriching processed standardized food and beverage food products. Including standardized products that could classify for placing the F+ logo front of pack i.e., cereal products, bakery wares or fruit juices. (see box 3 for more information on standards pertaining to the addition of micronutrients to standardized foods and fortification of processed food products).

An overview of companies and their fortification and enrichment practices can be found in Table B2.2.

Table B2.2. Companies selling fortified or enriched food or beverage products

| Company | Staple foods covered by FSSAI's Food Safety and Standards (Fortification of Foods) Regulation 2021 | Processed packaged cereal products, bakery wares, fruit juices | Other processed packaged foods, or beverages |
|----------------------|--|--|--|
| Adani Wilmar* | Edible oil | - | - |
| Agro Tech Foods | Edible Oil | - | Snacks, Peanut butter |
| Britannia Industries | Milk | Bakery wares | - |
| Coca-Cola India | - | - | Non-carbonated beverages |
| Dabur India | - | - | Honey |
| Heritage Foods | Milk | - | - |
| Hindustan Unilever | - | - | Hot drinks, Sweet spreads, Ice cream |
| ITC | Milk Edible oil Wheat flour | Cereal Products, Bakery wares, Fruit juices | Confectionery, Sweet dairy, |
| KMF Nandini | Milk | - | - |
| Marico | Edible oil | - | - |
| Mondelēz India | - | Bakery wares | Concentrates, hot drinks |
| Mother Dairy | Milk Edible oil | Bakery wares | - |
| Nestlé India | Milk | Cereal products | - |
| Patanjali* | Edible oil | - | - |
| PepsiCo India | - | Cereal products, Fruit juices | Energy drinks |
| - No/no information | | | |

* Did not provide information to ATNI

Three companies—ITC, Nestlé India and PepsiCo India—are fortifying/enriching products under the 'cereal' category. This includes flours, millet products, breakfast cereals and noodles with the addition of e.g. iron, iodine and vitamin A.



India Index 2023 | Product (Re)formulation

Four companies, Britianna, ITC, and Mondelez India and Mother Dairy are adding vitamins and minerals to 'Bakery ware' products, such as biscuits. Mother Dairy is fortifying some of its portfolio under brands live lite, super-T and Fullyo and making use of the F+ logo.

Two companies, ITC and PepsiCo, are adding vitamins and/or minerals to 'Fruit juice' products. This includes orange flavored beverages with added vitamin C. More examples are shown in Table B2.2.

Fortification or enriching products by adding a vitamin and mineral premix was the most reported method of increasing the micronutrient content of products for ten of the 14 companies currently adding micronutrients to products. This is followed by choosing ingredients with naturally high levels of micronutrients (seven companies), and one company, Hindustan Unilever, reported using fortified staples as ingredients in their product formulation. No company reported using biofortified crops ingredients or micronutrient sachets to increase the micronutrient content of products.

What do micronutrient data that companies shared for the ATNI/TGI Product Profile assessment show?

As part of the Product Profile assessment companies were asked to share micronutrient data for the products assessed and to indicate if the products were fortified (Table B2.3). Twelve out of 20 companies shared micronutrient data for 342 products (18% of the total of 1901 products assessed).

Thirteen companies shared information on the fortification status of 910 products or 48% of all the products assessed. For (664 products (out of 910) the fortification status was provided but not the micronutrient levels. For 246 products (13%) companies provided both the fortification status and data for at least one micronutrient.

Nine companies shared micronutrient data for all or most of the products included in the assessment. Five companies shared micronutrient data for part of the products. Eleven companies reported part of these products were fortified or enriched with micronutrients (ranging from 5% to almost 100%). At an aggregate level this showed 142/910 (15,6%) of products were reportedly fortified or enriched. For most of these products (75%) one-five micronutrients are added (mostly calcium, iron, vitamin A, zinc, vitamin D, magnesium, B vitamins and vitamin C). The remaining 25% of the products are fortified or enriched with up to 28 different micronutrients.

An analysis of fortified products at the product category and company level shows that fortification or enrichment of packaged processed foods with micronutrients is common in India (including baked goods, dairy, edible oils, pasta, noodles, biscuits, snacks and hot drinks, Table B2.2). Looking at the Health Star Rating (HSR) values of fortified or enriched products it appears that products healthiness rating vary, and include those with a very low HSR score. It was found that 70% of the fortified products if health star label would be applied in India, such products would receive a HSR of below 3.5 and almost 50% of products below 2 stars. These are typically products with HFSS levels.

Note that these results are based on products included in the overall product portfolio analysis for this Index. See also the [chapter on Product Profile](#) and the ATNI/TGI Product Profile Report [here](#).



Recommendations for companies

To drive more systematic progress on improving the healthiness of their portfolios and addressing micronutrient deficiencies in India, and thereby improving consumers' diets, companies are strongly encouraged to:

- Adopt specific, measurable, and timebound targets to reduce nutrients of concern (sodium, sugar, and saturated fat) and increase positive ingredients (including whole grains and FVNL) across its portfolio. These targets should ideally be aligned with the ICMR/NIN Dietary Guidelines and RDAs for Indians, and/or WHO guidelines, and are recommended to be published on the public domain.
- Report on the company's progress against all reformulation targets on an annual basis, in a consistent and easily accessible manner.
- Produce more products which are fortified following government standards– or use fortified staple foods as ingredients – to contribute to addressing specific micronutrient deficiencies in India according to government priorities, while ensuring that there are strict internal policies and procedures in place to prevent the fortification or enrichment of less healthy products.



Annex: Product (Re)formulation

Table B2.3. Micronutrient data and fortification status provided by companies

| Companies | Total # products assessed | Micronutrient info provided for part of products | Fortification status provided for part of the products | |
|-------------------------------------|---------------------------|--|--|----------------------------------|
| Adani Wilmar* | 18 | - | - | |
| AgroTech Foods | 81 | ● | ● | |
| Amul GCMMF* | 75 | - | - | |
| Britannia | 193 | ● | ● | |
| Coca-Cola India | 55 | ● | ● | |
| Dabur | 59 | - | ● | |
| Haldiram's* | 68 | - | - | |
| HAP* | 113 | - | - | |
| Heritage Foods | 44 | ● | ● | |
| Hindustan Unilever | 210 | ● | ● | |
| ITC | 233 | ● | ● | |
| KMF Nandini | 74 | ● | ● | |
| Lactalis India | 65 | - | ● | |
| Marico | 15 | ● | ● | |
| Mondelēz India | 63 | ● | ● | |
| Mother Dairy | 196 | ● | ● | |
| Nestlé India | 159 | ● | ● | |
| Parle Products* | 85 | - | - | |
| Patanjali* | 25 | - | - | |
| PepsiCo India | 70 | ● | - | |
| Total no. products | 1901 | 342 (18%) | 910 (48%) | |
| | | | 142 fortified (15.6%) | 768 not fortified (84.4%) |
| No. companies providing data | 14 | 12 | 13 | |
| ● | Yes | | | |
| - | No | | | |

* Did not provide information to ATNI

Note: ATNI during the research for this India Index was made aware of different approaches and interpretations by companies of what is strictly called fortification versus what could be called enrichment by adding micronutrients. We have tried throughout this report to use the appropriate terminology depending on the context. ATNI's word choice for using fortified or enriched does not imply making a judgement on which regulation or standard would be applicable



Table B2.4. Number of fortified/enriched products per Health Star Rating per product category

| Health Star Rating | Baked goods | Concentrates | Dairy | Edible Oils | Flour | Ice Cream | Juice | Other Hot Drinks | Rice, Pasta & Noodles | Sauces, Dips & Condiments | Savoury Snacks | Sweet Biscuits, Snack Bars & Fruit Snacks | Sweet Spreads | Total |
|--------------------|-------------|--------------|-----------|-------------|----------|-----------|----------|------------------|-----------------------|---------------------------|----------------|---|---------------|------------|
| 0.5 | 0 | 3 | 1 | 0 | 0 | 0 | 4 | 21 | 0 | 4 | 0 | 1 | 0 | 34 |
| 1.0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 8 | 1 | 0 | 6 | 0 | 17 |
| 1.5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6 | 0 | 3 | 6 | 1 | 16 |
| 2.0 | 0 | 0 | 0 | 5 | 0 | 1 | 0 | 0 | 4 | 0 | 1 | 1 | 1 | 13 |
| 2.5 | 0 | 0 | 2 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 2 | 0 | 8 |
| 3.0 | 5 | 0 | 2 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12 |
| 3.5 | 5 | 0 | 4 | 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 15 |
| 4.0 | 0 | 0 | 8 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 9 |
| 4.5 | 0 | 0 | 7 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 11 |
| 5.0 | 0 | 0 | 4 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 7 |
| Total | 10 | 3 | 28 | 23 | 1 | 1 | 4 | 24 | 18 | 5 | 5 | 16 | 4 | 142 |



Product (Re)formulation References

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Category Report

Nutrient Profiling Models

This category holds 7.5% of the overall Index score.

In order to guide reformulation, improve the healthiness of their portfolios, and identify which products are suitable for a range of actions, it is important that companies use a system to clearly distinguish 'healthier' products in their portfolios using objective nutrition criteria, ideally aligned with national standards like the dietary guidelines for Indians by the National Institute of Nutrition. This Category assesses the characteristics of the Nutrient Profile Models (NPMs) used by companies in their operations, and the degree to which companies are transparent about these systems.



To perform well in this category, companies should:

- Adopt an (inter-)nationally recognized (endorsed by one or more governments) NPM to assess the nutritional quality of their portfolio.
- If developing its own NPM, ensure that it applies stringent nutrient thresholds that are aligned with dietary guidelines from health authorities (such as the National Institute of Nutrition, India, or the World Health Organization (WHO));
- Disclose all details of the company NPM, including its scope (such as any exempted products); product category criteria with illustrative examples; nutrient thresholds with reference to (inter-)nationally dietary guidelines; and the underpinning algorithm to define what is considered 'healthy', to ensure full transparency and comparability.
- Benchmark their NPMs against internationally recognized models and publish the results specifically for the India market.



Nutrient Profiling

Category Context

Nutrient profiling is the classification or ranking of foods according to their nutritional composition with the aim of preventing disease and promoting health.⁵⁵ This is operationalized through NPMs, which are used to evaluate the nutritional quality of food products based on a specific set of nutrient criteria and rules (an algorithm), from which a consolidated score regarding the product's healthiness is derived. By assigning scores and/or categorizations to food products in terms of healthiness, companies can help to facilitate healthier food and beverage choices by consumers.

NPMs are therefore an important tool for food manufacturers to guide product (re)formulation decisions and thereby improve the healthiness of their portfolio. Moreover, NPMs enable companies to classify which products are 'healthier' and which are not, which is crucial for informing nutrition strategies, setting targets, KPIs, and performance metrics (for example, on the proportion of sales derived from products classified as 'healthy'). NPMs also help determine which products are appropriate to market to children, can qualify to add micronutrients, boost marketing spends, and/or include in strategies to improve the affordability of nutritious foods.

Given the importance of the definition of 'healthy' to its many possible applications, it is essential that companies are fully transparent about all NPM aspects that they use and how it is applied. This allows scrutiny by public health experts and other key stakeholders, which enables them to draw conclusions about the robustness of a company's definition of 'healthy' and the extent to which their product ranges and portfolios can contribute to healthier diets. The strength of a model is primarily based on the rigor of its underlying thresholds, which should align with (inter-) national nutrition guidelines.

Most nutrition and public health experts therefore advise that companies make use of internationally recognized, and where available, government-endorsed NPMs to define 'healthier' products. These models are based on robust scientific evidence related to public health, undergo a thorough and extended peer-review process, and include comprehensive documentation of the governance, food-category criteria, and nutrient thresholds in the public domain.

In India, there is currently no government-endorsed NPM. A draft of an 'Indian Nutrition Rating' was published by FSSAI in 2022 and a consultation and review process is underway.⁵⁶ Initial discussions revolved around using it for a 'Warning label', as first adopted by Chile,⁵⁷ to identify packaged foods and beverages with high levels of sugar, saturated fats, sodium, and/or calories. A new proposal focuses on adapting the HSR model to the Indian dietary guidelines (for example, by including millets in the model's scope). ATNI acknowledges that some companies are awaiting the Indian government's guidance regarding the endorsement and utilization of this new NPM.



Box B3.1. NPM alignment initiative by ATNI

Many different NPMs have been developed in recent decades, but, to date, there is unfortunately no universal 'gold standard', neither in India nor globally. As a result, there is no universally agreed definition as to what constitutes a 'healthy' product. To help facilitate moving towards a standard, ATNI launched an initiative to align stakeholders on the use of existing NPMs for reporting purposes in August 2023.⁵⁸

A Delphi approach — an established research method that offers a structured iterative approach to gather consensus among experts on complex topics — including online surveys and roundtable discussions — is used to reach consensus among different stakeholder groups, such as investors, industry, academia, and other international organizations.

The NPM alignment initiative is currently separate from ATNI's Index and is not directly related to this indicator of the India Index. The information gathered through the Delphi approach in 2023-2024 will guide the future development of a proposed reporting framework, outlining principles for utilizing NPMs for reporting by companies in order to enhance transparency and comparability in assessing the healthiness of portfolios.

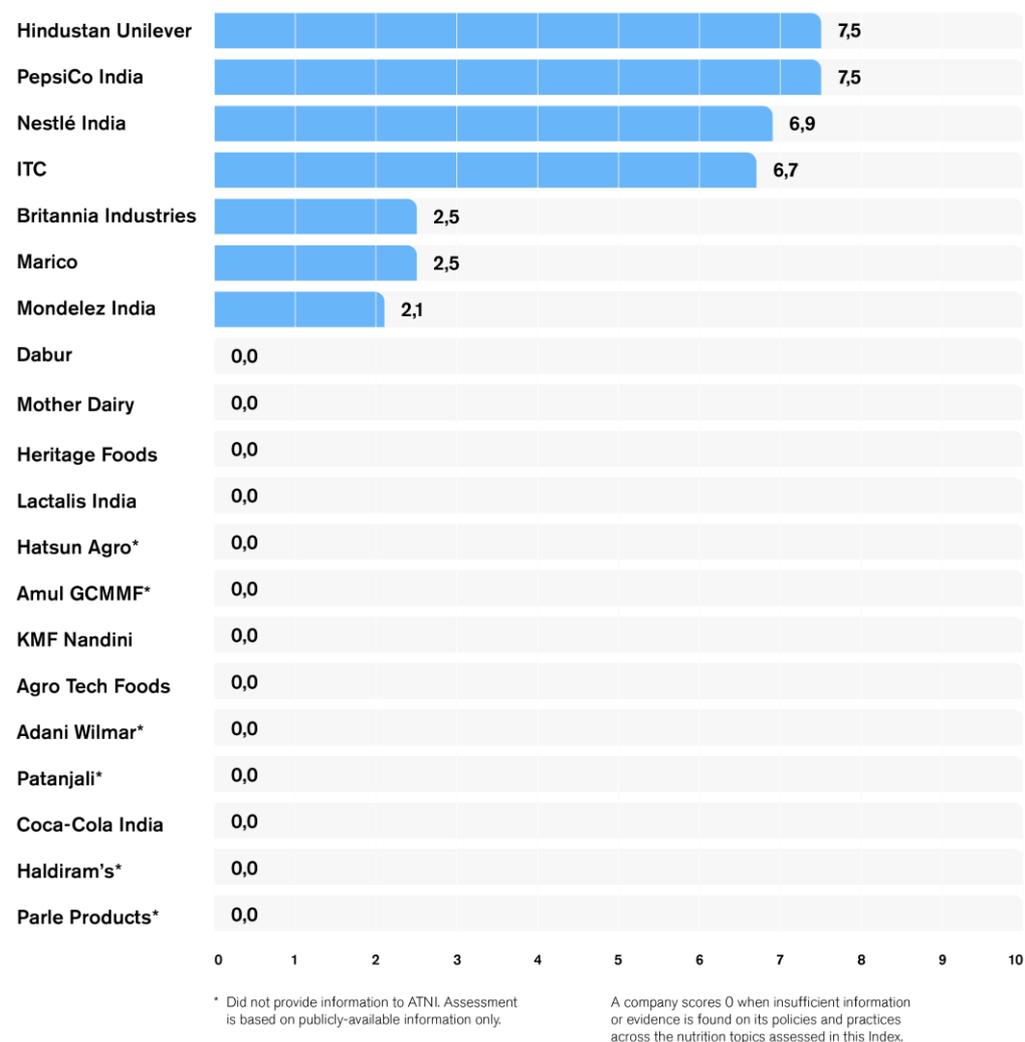
Box B3.2. Changes to the methodology

The methodology for B3 has been simplified to assess whether an NPM (or similar tool to define 'healthy') for products is in place, whether it is peer reviewed, benchmarked against other models, whether all details (thresholds and criteria) are shared comprehensively, and to what part of the portfolio it applies. The focus here is on the use of an NPM or similar tool for the purpose of product (re)formulation only.



Company Ranking

Figure B3.1. Category ranking for Nutrient Profiling



The average score for this Indicator is 0.2 out of 10. This is because the majority of companies assessed do not report or show evidence of using an NPM. Seven companies have a NPM or other nutrition criteria, and only four companies provide details of their company-developed models - Hindustan Unilever, ITC, Nestlé India, and PepsiCo India.



Key Findings

- Seven companies were found to have adopted a company developed NPM or other set of nutrition criteria to guide reformulation and/or classify products as 'healthier', of which four companies publish sufficient detail to enable some degree of public scrutiny, showing evidence of having comprehensive⁹ NPMs in place.
- No companies were found to use an internationally recognized or government-endorsed NPM to guide reformulation.
- Hindustan Unilever and PepsiCo India are noteworthy for publishing details on their NPM on their company websites for India, as well as in a peer-reviewed scientific journal (indexed in major academic databases) at a global level.
- The NPMs used by Hindustan Unilever, ITC, and Nestlé India have been benchmarked against other internationally recognized government-endorsed models such as the HSR, although considerable caution is needed in interpreting the results. Only Hindustan Unilever publishes these results specifically for the India market on their public domain.
- Since the India Index 2020, ITC and Marico have adopted their own NPM, although Marico does not disclose specific details, which prevents ATNI and others from assessing its quality.

Detailed Findings

Which companies use an NPM to define 'healthy' products and how robust are these systems?

Only four out of the 20 companies assessed — Hindustan Unilever, ITC, Nestlé India, and PepsiCo India — showed evidence of using a comprehensive NPM to define healthy products for *all* products in their portfolio. Three additional companies — Britannia, Marico, and Mondelez India — indicated that they use an NPM or other nutrition criteria developed by the company for product (re)formulation for some product categories, but without providing any specific details, thereby preventing an assessment of the quality of these systems.

Both ITC and Marico have introduced new NPMs since the publication of the 2020 India Index, although in Marico's case it is not clear whether this can be considered a comprehensive NPM. Meanwhile Unilever at the global level announced the replacement of its 'Highest Nutrition Standards' (HNS) with the 'Unilever Science-based Nutrition Criteria' (USNC) from 2023 onwards (this assessment is therefore based on the HNS still).

Inclusion of nutrients and food components

An NPM can assess both 'negative' nutrients (such as calories, saturated fat, sugar, and salt/sodium) and 'positive' nutrients or food components (such as fiber, protein, fruit, vegetables, legumes, and nuts), or focus only on one group. ITC, Nestlé India and PepsiCo India demonstrate that their NPMs assess both negative and positive nutrients, while Britannia and Marico indicate that this is also the case for their systems without showing further supporting evidence. Hindustan Unilever employs two discrete

⁹ A comprehensive NPM for the purpose of this Index is a model that is transparent about its criteria and thresholds used: whether it includes nutrients/food components to limit, or also nutrients to promote; whether it is food category-specific or not (and how food categories are defined, including product examples); what reference unit for the nutrient thresholds are used; whether and how a score is generated in terms of 'healthy', resulting in either a continuous or dichotomous score.



India Index 2023 | Nutrient Profiling

sets of standards that assess these separately: the HNS (currently in the process of being changed to the USNC), which sets thresholds for nutrients of concern (calories, sugar, salt, and saturated fat) only; and the 'Positive Nutrition Standards' (UPNS), which sets a range of minimum thresholds for various positive nutrients and ingredients, for which a product must meet at least one to qualify.

In terms of 'positive nutrients/ingredients', companies' models vary significantly in terms of which specific nutrients and ingredients they include: ITC, for example, includes 14 different nutrients/food components, compared to between four and six for Hindustan Unilever, Nestlé India, and PepsiCo India; while whole grains is the only common ingredient to all four companies. This emphasizes the differences between the NPMs and the approach of companies on what is covered to define 'healthy'.

Nutrient standards

The four companies that disclose details about their NPMs each state that they refer to recommendations for dietary intakes issued by health authorities (such as the WHO, the US National Academy of Medicine, and the European Food Safety Authority) as the basis of their nutrient threshold values (e.g. for sugar, saturated fat, and sodium) per product group. However, as each company has defined different product categories, threshold values, and reference units, it presents a real challenge to compare these nutrient threshold values with international standards and assess the credibility of the values used by the company. Nutrient threshold values defined by health authorities are often stringent, aligned with scientific evidence regarding the impact on health. Caution is required when companies apply less stringent threshold values to allow more products to be defined as 'healthy'.

References units

A robust NPM will use 'per 100g/ml' as the reference unit for its nutrient thresholds, which is a standardized and objective measure to ensure comparability between different products and company NPMs, and is the basis for all internationally recognized models. However, each of the models assessed in this Index were found to use a combination of different reference units, including per serving or per 100 kcal (or % of energy), as well as per 100g/ml, depending on the product category and/or nutrient in question.

While companies stress the importance of serving sizes and the role of individual products in the overall diet, arguing that less 'healthy' products can still be consumed as part of a healthy diet if consumed in smaller portions and less frequently, using a 'per serving' approach can present several challenges. Serving sizes tend not to be standardized and are often defined by the company itself; standardization is difficult due to the unique characteristics of many products, as well as the fact that consumption patterns vary for individual consumers and across eating occasions, cultures, and traditions. Theoretically, portion sizes can be set by the companies so that products can be defined as 'healthy' while the ingredients remain unchanged.⁵⁹

Benchmarking

By applying internationally recognized, government-endorsed NPMs (as they were intended) to their portfolios, companies can compare the percentage of its products that meet the respective 'healthy' definitions with the percentage of products that meet the definition of 'healthy' according to its own NPM. By benchmarking in this way, companies can further assess the robustness of their NPMs and the degree of alignment with recommended dietary intakes.



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Only Hindustan Unilever and ITC were found to have conducted benchmarking exercises specifically for their India portfolios: while a step in the right direction, there are notable issues with their approaches. For example, whereas Unilever's global team presented a benchmark of their model against six internationally recognized NPMs.⁶⁰ in 2022, the benchmark against HSR was not applied according to the model's intentions. For example, the company applied the HSR model to coffee and tea, which are 'non-intended' products in the HSR guidelines, and assessed 'other hot drinks' products "as prepared" rather than "as sold". Together, this results in a significantly higher number of products meeting the HSR 'healthy' threshold of 3.5 stars than if the company had strictly followed HSR guidelines.

Meanwhile ITC shared evidence that it benchmarked its NPM against HSR, Nutri-Score, and the Healthier Choice Symbol, although it does not publish the results. However, ATNI found a substantially lower percentage of products that meet the HSR ≥ 3.5 star healthy definition in its product profile assessment, which shows only 40% is HSR sales-weighted 'healthy', than that found by the company.

Nestlé's global team also published a scientific article describing a comparative analysis of its model.⁶¹ and publishes the results of its benchmarking against HSR on its website;⁶² however, the company does not provide results for its India portfolio.

Table B3.1. Overview of differences between company-estimated percentages of healthy products and the results of the ATNI Product Profile assessment

| Company* | Company's NPM or nutrition criteria | Company reported % healthy sales | Company reported HSR benchmark | ATNI Product Profile % healthy sales (HSR \geq 3.5) | ATNI Product Profile coverage | Publicly disclosed |
|----------------------|--|----------------------------------|--------------------------------|---|-------------------------------|--------------------|
| Britannia Industries | Britannia Nutrition Policy ¹ | - | - | 4% | 90-100% | No |
| Hindustan Unilever | (1) Highest Nutritional Standards (HNS)) ² | 82% | 79% | 5% | 50-60% | Yes |
| | (2) the Positive Nutrition Standards (UPNS) ² | 43% | | | | Yes |
| ITC | ITC Nutrition Profiling System ³ | 88% | (under NDA) | 40% | 90-100% | Yes |
| Marico | Marico Nutrition Policy ⁴ | - | - | 9% | 90-100% | No |
| Mondelēz India | Mondelēz Nutrient Profiling Model ⁵ | - | - | 4% | 90-100% | No |
| Nestlé India | Nestlé Nutritional Profiling System ⁶ | - | - | 18% | 60-70% | Yes |
| PepsiCo India | PepsiCo Nutrition Criteria (PNC) ⁷ | - | - | 6% | 90-100% | Yes |



To what extent is it clear how a company NPM defines 'healthy'?

The underpinning algorithm of an NPM combines thresholds for nutrients and food components into a final assessment. This can be either a continuous value or score of healthiness (i.e. a sliding scale, such as a score from 1-100, 0-5, or letter grades from A-E) or a dichotomous classification of a food product as 'healthy' (for example, meeting a specific threshold that is defined as 'healthy') or 'unhealthy' — also referred to as a pass/fail system.

Of the four companies that disclose details about their NPMs, each was found to use a pass/fail system to determine whether a product meets its criteria or not; none use a continuous score (in other words: a sliding scale) to define product healthiness.

As an example, PepsiCo India, through the PepsiCo Nutrition Criteria (PNC), uses ratings in terms of 'Classes I – IV' to classify the relative healthiness of its products the outcomes in terms of thresholds for nutrients of concern, while all products must contain at least one positive nutrient/ingredient according to certain thresholds. However, it is not clear which 'Class' the company considers as being 'healthy'.

Other companies were also unclear how 'healthy' is defined, for example, by not disclosing the algorithm used to define healthy, or, in the case of Unilever, having two discrete sets of nutrition criteria that define 'healthy' in very different ways.

Because there is a lack of transparency on this matter, every company utilizing a comprehensive NPM has an opportunity to enhance transparency by clearly explaining how the algorithm classifies or scores products in terms of 'healthiness' in simple, accessible, and unambiguous language on the public domain.

To what extent do companies publicly disclose information about their NPMs?

Of the seven companies that indicate that they have an NPM or similar in place, only Hindustan Unilever, ITC, Nestlé India, and PepsiCo India have published details of their models in the public domain.

All four companies published their NPM in a scientific journal: the advantage of publishing in a scientific journal is that the content undergoes peer review, increasing the accuracy of the presented information before being made available to the scientific community and the public. However, the journal in which ITC published its NPM is not indexed in Scopus, PubMed, or Web of Science, which are scientific databases recognized for their rigorous indexing standards and wide acceptance in the scientific community.

In each case, information on 'serving' sizes is required to replicate classification process, but are not always clearly provided by the companies (except on the product pages/packages themselves).

Britannia, Marico, and Mondelez India all report that they use an NPM, but do not publish any details of their product specific criteria, nutrients thresholds and reference units, nor any benchmarking against other NPMs.



Recommendations for companies

To improve the healthiness of their product portfolios, facilitate transparency and comparability, and enhance the positive public health impact of their nutrition strategies, all companies are encouraged to:

- Either adopt (or align theirs closely with) an internationally recognized (or, when applicable, government-endorsed) NPM to determine the relative healthiness of all products in their portfolio;
- If using their own, company-developed NPMs and definitions of 'healthier', apply stringent thresholds for nutrients of concern that align with international standards, and use 'per 100g/ml' as the reference unit;
- Disclose all details of the NPM and definition of 'healthier' in full, including the algorithm used to define 'healthier', on the company's India website and, ideally, in a scientific journal that is peer-reviewed and indexed;
- Benchmark the definition of 'healthier' derived from their NPM against internationally recognized (and/or government-endorsed) NPMs, strictly adhering to the guidelines of these models, and annually disclose the percentage of its India portfolio 'healthy' sales in the public domain.

Recommendations for policymakers

- A transparent definition of processed foods, standards for HFSS, and a government-endorsed NPM would help align the sector. The government, in consultation with other stakeholders, can finalize the establishment of a clear and transparent definition of processed foods (including thresholds for salt, sugar and fat), and an NPM system. Related, guidelines on the fortification of processed foods should be clarified and strengthened ensuring that only appropriate processed foods are fortified with micronutrients.



References for Nutrient Profiling

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Category Report

Nutrition Governance

This category holds 10% of the overall Index score.

This category assesses the extent to which companies have developed nutrition strategies that are embedded in their commercial operations, as well as the governance and liability mechanisms to drive progress on these, such as target-setting, reporting, Board-review, accountability and incentive arrangements, and stakeholder engagement.

To perform well in this category, companies should:

- Have a clear strategy in place to address malnutrition, including the needs of priority populations specifically, through its commercial operations in India, setting targets to drive performance, and report on its progress;
- Set an India-specific, timebound target to increase sales of its 'healthier' products (as defined by a clear set of nutrition criteria) relative to overall sales in India, and/or, at a minimum, report on the company's sales of healthier products;
- Formally recognize in its enterprise risk assessment (or equivalent) risks explicitly linked to nutrition and rising rates of malnutrition and diet-related diseases in India;
- Ensure regular discussion at Board (or equivalent)-level of the company's nutrition strategy in India;
- Assign ultimate responsibility for the implementation and success of the nutrition strategy in India to the CEO or other Senior Executive (or equivalent), and link their remuneration arrangements to nutrition targets/ KPIs/objectives;
- Provide evidence of its nutrition strategy in India being informed and influenced by engagement with relevant external experts/stakeholders and disclose information about this.





Nutrition Governance

Category Context

Amid rising rates of obesity and micronutrient deficiencies in India, there is growing evidence linking the consumption of unhealthy packaged foods and beverages with these trends. Malnutrition impacts both current and future generations, extending beyond public health to also affect the health of the wider economy, while exacerbating social inequality.

This concern is being recognized by an increasing number of stakeholders, including policymakers, consumers, public health advocates, and investors. Consequently, companies with commercial business models that rely on growing sales of such products are coming under increasing pressure to decouple their future growth from these, and adapt their business models to have a stronger focus on healthier products.

Failing to do so poses a wide range of risks, such as the introduction of new taxes and regulations; reduced market share as a result of changing consumer preferences; and reputational risks. In addition, the long-term costs to productivity and economic performance of increasing rates of malnutrition can not be ignored.

Therefore, it is vital that companies carefully consider all aspects of their commercial business that can have positive or negative impacts for public health, and develop a cohesive strategic plan to improve its operations in relation to nutrition (i.e., a 'nutrition strategy'). While improving the healthiness of their product portfolios is the obvious starting point, it is crucial that companies consider the *sales* of these products, for which pricing, marketing, and labelling are important.

To drive progress and increase their robustness, companies' nutrition strategies should be underpinned by strong governance and accountability mechanisms. Setting specific, measurable, and timebound targets and KPIs is an important first step, in addition to systematic and quantitative reporting on each aspect of the strategy and its results.

Moreover, assigning accountability for the success of the strategy and high-level targets at the highest levels in the company, linked to clear incentives, while also ensuring that the strategy and progress against it is reviewed by the Board, are also key to enable effective prioritization and allocation of resources. Engaging with external stakeholders, especially those independent from industry with established expertise in public health and/or groups representing those particularly affected by the companies' products and practices, can enhance the alignment of the company's strategy with the public health interest.



Box A1. Changes to methodology

This category was substantially revised from the previous (2020) Index: the three sub-categories (criteria A1 (Corporate nutrition strategy), A2 (Nutrition governance and management systems), and A3 (Quality of reporting)) have been merged and the number of indicators reduced from 20 to 9. This is partly the result of streamlining the methodology with a reduced emphasis on commitments (and a greater emphasis on strategy and performance) and 'Quality of reporting' and 'Disclosure' indicators being replaced by the 'Disclosure' multiplier.

Indicators assessing the company's commitment to delivering more 'healthy products' and reporting on the financial performance of its healthy products have been made more concrete, to assess whether companies have specific, measurable, and timebound targets in place for growing sales of 'healthier' products (according to a formal definition), and reporting on its sales of 'healthier' products.

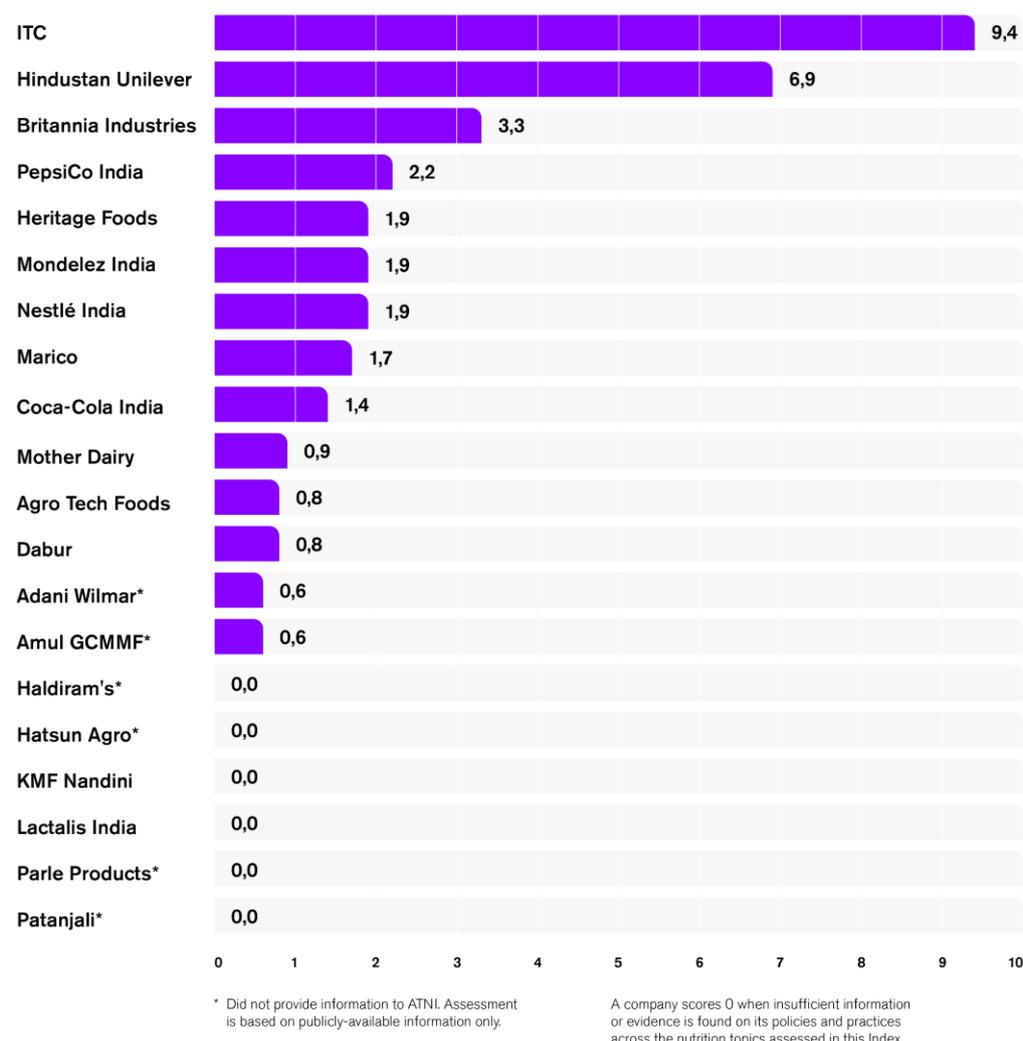
Meanwhile, the indicators on priority populations have been consolidated into one indicator, and indicators on mergers & acquisitions, strategic reviews, strategy audits, and food safety have been removed. The indicator on food loss and waste (FLW) has been moved to the section on Sustainability, and an indicator on stakeholder engagement on the nutrition strategy has been moved from the category on Policy Engagement to this section.

Find the full methodology document [here](#).



Company Ranking

Figure A1. Category ranking for Nutrition Governance



Key Findings

- Fourteen of the twenty companies displayed a clear acknowledgement of their role in the quality of consumers' diets and in addressing malnutrition in India, ten of which showed evidence^h of having a multifaceted nutrition strategy embedded in their commercial operations – this number is consistent with 2020.
- While product (re)formulation features across each of the ten companies' nutrition strategies, few companies were found in their strategies to also consider how their 'healthier' products reach consumers relative to their less healthy options (for example, via relative pricing strategies and/or increasing investments in marketing of healthier products).

^h As described in the [methodology](#), ATNI for its assessment relies on information about strategies, policies, commitments and programs that either are available and published by the company in the public domain, or that companies voluntarily share with ATNI with supporting evidence.



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- Four companies demonstrated that their nutrition strategies include an approach to addressing the needs of priority populations at higher risk of malnutrition in India.
- Two companies were found to have a target in place to increase sales of products meeting 'healthier' criteria (according to the company's definition) in India. Both of these companies report against this target; no other companies report on their sales of 'healthier' products in India.
- Seven companies showed evidence of identifying nutrition-related risks in their enterprise risk assessments in India; only three identified more than two nutrition-related risks.
- Three companies were found to assign ultimate responsibility for the implementation and success of their nutrition strategies in India to the CEO or other Senior Executive (at India market-level), and two explicitly link their remuneration arrangements to success on nutrition-related targets/KPIs/objectives.
- Three companies showed evidence of engaging with independent stakeholders and/or experts in developing their commercial nutrition strategies in India.

Detailed Findings

How comprehensive are companies' commercial nutrition strategies in India?

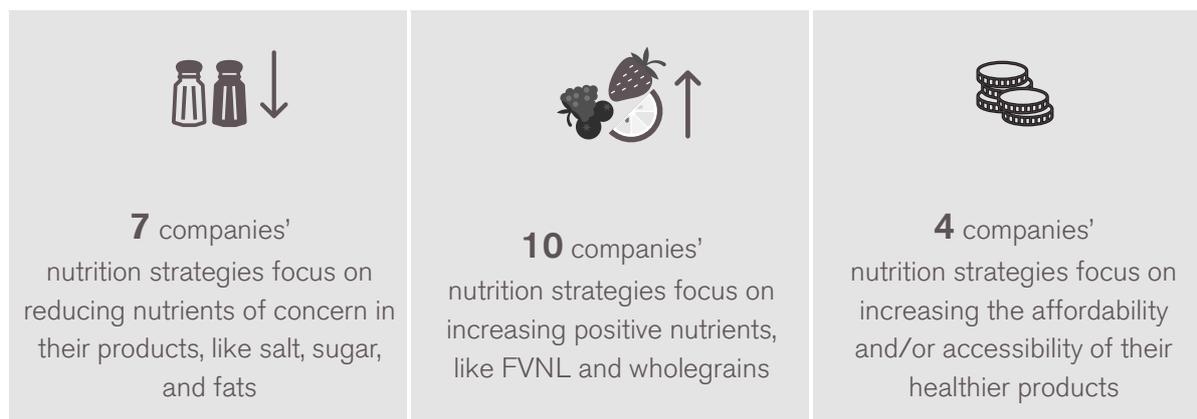
Ten out of the 20 companies assessed were found to have a formal nutrition strategy in place to address malnutrition in India through their commercial operations; this number is consistent with findings from the 2020 Index. To be considered a 'nutrition strategy', these companies must show that they seek to address malnutrition through multiple different approaches, encompassing a significant proportion of its portfolio (rather than a narrow selection of specific product ranges), and present this cohesively in one place (such as a document, report section, or webpage).

Five other companies – Adani Wilmar, Amul, Agro Tech Foods, Dabur, and KMF Nandini – also report a commitment to grow with a focus on nutrition. However, they either did not show how this commitment is translated into planned actions going forward, or only have highly specific approaches for limited parts of their portfolios. No relevant information was found for Lactalis India, Haldiram's, Hatsun Agro, Parle Products, and Patanjali.

Increasing positive ingredients (such as whole grains/fiber, fruits, vegetables, nuts, and legumes (FVNL), and/or protein) and fortification featured prominently in each of the nutrition strategies, followed by reducing nutrients of concern (such as sugar, saturated fat, trans fat, and/or sodium). This demonstrates that companies acknowledge that improving the healthiness of their products is one of the most important ways they can contribute to healthier diets and addressing malnutrition; although, as the [category on Product \(Re\)formulation](#) shows, the quality of these reformulation approaches taken by companies varies significantly.



Figure A1. Approaches featured in food and beverage companies' nutrition strategies in India



While this focus on product formulation is positive, companies could pay more attention to how their 'healthier' products *reach* consumers (relative to less healthy products), through, for example, affordable pricing, accessibility strategies, and/or proportionately increasing their marketing resources for 'healthier' products. As the category on Accessibility and Affordability shows, only four companies address the affordability and/or accessibility of their products defined as 'healthier'. While seven companies have 'responsible marketing' policies to limit the marketing of unhealthy products to children, as detailed in the category on Responsible Marketing, a commitment or approach to proportionately increase the resources devoted to marketing its 'healthier' products (relative to its less healthy products) was not found in any of the companies' nutrition strategies, as reported on the public domain.

To what extent do companies' commercial nutrition strategies specifically address the needs of priority populations at higher risk of malnutrition in India?

Only three companies – Hindustan Unilever, ITC, and Nestlé India– demonstrated an approach to addressing the needs of priority populations at higher risk of malnutrition in India as part of their nutrition strategy. These companies showed evidence of identifying the unmet needs priority populations in India, based on government sources or other authoritative sources, before mapping or developing products in their portfolio that could be appropriate for meeting these needs, such as addressing micronutrient deficiencies. Most importantly, the companies showed evidence of an approach to ensuring that these products reach these groups, mostly through a combination of fortification or enriching and affordability, although they were not always transparent about this.

Interesting example: ITC highlights its efforts to support the government's 'Anaemia Mukht Bharat' initiative to address anemia in India – identified as a major issue in the 2019 National Family Health Survey (NFHS-5) – through products containing or fortified/enriched with "goodness of iron". In addition, the company reports that it sells and uses iodized salt to help combat iodine deficiency in India.

Two other companies – Britannia and Heritage – expressed a commitment to addressing the needs of priority populations and indicated to ATNI that a range of their products could be appropriate for addressing the unmet needs of priority populations (such as deficiencies in Iron, and Vitamins A and D), explicitly referencing government data sources and initiatives. However, they did not show evidence of a deliberate strategy for ensuring that these products reach these groups, nor, in Britannia's case, that the products in question meet 'healthier' criteria.



To what extent do companies publicly report on making progress on their nutrition strategies and activities beyond compliance?

In addition to clearly outlining what they intend to do to address malnutrition, it is essential that companies report on the implementation of each part of their strategies. Doing so publicly will enhance the credibility of their efforts, enabling stakeholders to hold them accountable if progress is slow, and ensure that companies are meeting their goals. Ideally, the company will track progress systematically and quantifiably through KPIs, especially if it has set targets. Companies should also aim to report at the outcome level, i.e., showing the strategy's impact and effectiveness.

Thirteen companies publicly report on their nutrition-related activities in some manner. Three companies exhibited more advanced levels of reporting with quantitative metrics covering the greater part of the nutrition strategies. These include changes in the percentage of products meeting 'healthier' definitions (Hindustan Unilever and ITC), and portfolio-level progress on product (re)formulation efforts, such as reductions in sugar and sodium or increases in whole grain ingredients and fortified or enriched products (ITC and Britannia). Each also provided a range of qualitative explanations and specific examples for each element of their strategy.

Interesting example: Britannia reports quantitatively on two elements of its nutrition strategy: increasing positive ingredients (reporting that it increased whole grains by 20% and dietary fibres by 15% per serving across its portfolio last year). It also quantitatively reports its sugar and sodium reductions across its portfolio, showing relatively limited progress in the previous financial year (reduction of 0.32% and 0.24% respectively). Further, in its 2021 Annual Report (p.26), the company provides an example of launching a product to address anemia in women, which aligns with the 'Address Country Specific Malnutrition' pillar of its Nutrition Policy.

Coca-Cola India, and PepsiCo India showed evidence of output-level reporting, disclosing a range of specific examples of their nutrition strategies in action over the past three years, covering most parts of their strategy, including reformulation, new product launches, and rolling out labelling commitments. Dabur, meanwhile, provides detailed reporting on its sugar reduction efforts at portfolio level until 2022, although it is unclear what the company's nutrition strategy will be going forwards. The other eight companies showed some evidence of reporting on their nutrition strategy and commitments, although their reporting was far more limited; usually confined to highly specific examples covering just part of their nutrition strategies.

Have companies set targets to increase (the relative proportion of) sales of 'healthier' products in India, and report on this metric?

To make their commitment to improving public health through its products more accountable, companies are encouraged to set targets to increase the sales of their 'healthier' products relative to the standard and/or less healthy products in their portfolio (typically defined by a formal set of criteria in a Nutrient Profiling Model (NPM)) relative to overall sales. This kind of target makes the company's commitment to selling healthier products more concrete, since it covers acquisition and divestment strategies, product (re)formulation, and promotion (including marketing and pricing). Moreover, it helps to drive performance within the company and enhances accountability (both internally and externally) for achieving it.

Only two companies were found to have such a target in place in India, as shown in Table A1.



Table A1: Companies' targets to increase the relative proportion of sales of 'healthier' products* in India

| Company | Target | Relative to overall Sales | Baseline level | Baseline year |
|---|---|---------------------------|----------------|---------------|
| Hindustan Unilever | By 2028, we want 85% of our servings [sold] to meet our new Unilever Science-based Nutrition Criteria (USNC) [in India]. | ● | - | 2022 |
| | Double the number of products sold that deliver positive nutrition* [in India] by 2025. | - | - | 2020 |
| ITC | ITC Foods Division commits to achieve 90% of its sales (relative to overall sales) from healthier portfolio basis ITC's Food Division Nutrition Profiling System by 2025. | ● | 88% | 2023 |
| <p>● Yes</p> <p>- No/no information</p> | | | | |

* According to Unilever's 'Positive Nutrition Standards'.

Note: No relevant targets were found for the 18 companies not included in the table.

The target set by ITC is relative to overall sales; provides a baseline level; and has a baseline and target year. However, it should be noted that a substantial difference was found between the percentage of product sales that the company reports meets its 'Nutrition Profiling System' criteria (88%) and that which meets the Health Star Rating (HSR) criteria on sales from healthy products (40%). Find the full ATNI/TGI Product Profile Report [here](#).⁶³

ITC and Hindustan Unilever are the only companies to report on their sales of 'healthier' products, using company defined metrics. Hindustan Unilever, for example, discloses that "At the end of 2022, in India currently, 43% of our portfolio is in line with our Positive Nutrition Standards", while its parent company, Unilever, discloses the percentage of sales of products in India meeting various recognized definitions. The company is yet to disclose the proportion of products/sales meeting its new Unilever Science-based Nutrition Criteria (USNC) in India, however, which is the metric of its current healthy sales target. It should be noted that there is also a significant discrepancy between HSR findings in the India Index Product Profile findings for Hindustan Unilever and those reported by Unilever. The company has indicated that it assessed the totality of their portfolio, including plain coffee and tea, while products with inherently low nutritional contribution and that are exempt from mandatory nutrition labeling in India, are not intended for HSR and therefore excluded from the Product Profile assessment.

For more information about the product healthiness, see the [Product Profile assessment chapter](#) and full [ATNI/TGI Product Profile Report](#).⁶⁴ and for how companies define 'healthy', see the [category on Nutrient Profiling](#).

Does the company identify nutrition- or malnutrition-related risks in its enterprise risk assessment (or equivalent)?

Identification of risks and opportunities that could affect the financial performance and strategic success of a company is an essential process for any business, especially (but not limited to) those that are publicly listed. Clear identification of the wide range of nutrition-related risks in a company's Enterprise Risk Management (ERM) system indicates that the company acknowledges the potential cost of failing to address malnutrition in its commercial strategy and operations, and should clearly be



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conveyed to its shareholders (if applicable) and other stakeholders. This could also result in this issue being prioritized to a greater extent within the company.

Three companies – Hindustan Unilever, ITC, and Mondelēz – showed evidence of identifying a range (three or more) of relevant nutrition-related risks and reported on these risks. Four additional companies – Agro Tech Foods, Heritage, Marico and Nestlé India, – identified one relevant risk. In all cases, companies identified changing consumer preferences as a risk – either in terms of changing buying habits towards healthier purchases, or loss of market share due to consumer concerns related to nutrition. Other risks identified by Hindustan Unilever, ITC, and Mondelēz include regulatory risks and reputational risk.

What governance arrangements do companies have in place for their nutrition strategies in India, and at what level is responsibility assigned?

Boards play a central role in aligning Environmental, Social, and Corporate Governance (ESG) initiatives with the strategic direction of the company, developing a plan to avoid fragmentation and duplication, and assessing the company's performance at a company-wide level,^{65,66} and this is no different for nutrition. Regularly discussing and reviewing the nutrition strategy at Board-level is a clear indication that the company considers it a priority. As Table A2 shows, of the 16 companies with Boards in India, only two – Hindustan Unilever and ITC – indicate that the company's nutrition strategy is reviewed at this level. In addition, of the four companies without India-specific Boards (PepsiCo India, Coca-Cola India, Mondelēz India, and Lactalis India), PepsiCo India and Coca-Cola India provided evidence of its regional leadership teams reviewing their India-specific nutrition strategies (which was taken as functionally similar to 'Board-level' for the India market). Meanwhile, Mondelēz's global Board review its 'Mindful Snacking' strategy, which is implemented in India.

Assigning direct responsibility for the successful implementation of the nutrition strategy to the CEO or other senior executives not only further demonstrates the commitment to nutrition, but also increases the chance of sustained success of the strategy. This is because senior personnel have greater ability to prioritize the strategy, coordinate different business units, and allocate necessary resources for the strategy's success. To make accountability for the nutrition strategy more concrete, the responsible person's compensation should be linked to success of the nutrition strategy, meaning they are directly incentivized to act in the best interests of the nutrition strategy and prioritize its objectives.^{67,68,69}

Three companies - Britannia, Hindustan Unilever, and ITC– showed evidence of assigning ultimate responsibility for the implementation and success of their nutrition strategies in India to the CEO, Director, or other Senior Executive (at India market-level), as shown in Table A2. ITC states on its website that, for the “annual review for ratings & remunerations” is linked to the “outcomes of the [Help India eat Better] strategy” for its Chief Operating Officer and Head of Nutrition of the ITC Foods Division.⁷⁰ Meanwhile, PepsiCo India provided evidence that a broad nutrition-related KPI is included in the remuneration arrangements of its leadership team.



Table A2: Governance arrangements for companies' nutrition strategies in India

| Company | Board review (or equivalent) of nutrition strategy | Responsibility of nutrition strategy assigned to Executive | Remuneration linked to nutrition objectives |
|----------------------|--|--|---|
| ITC | ● | ● | ● |
| Hindustan Unilever | ● | ● | - |
| PepsiCo India | ● | - | ● |
| Coca-Cola India | ● | - | - |
| Mondelēz India | ● | - | - |
| Britannia Industries | - | ● | - |

● Yes
- No/no information

Note: No relevant information was found for the companies not included in the table.

To what extent were companies' nutrition strategies in India informed and influenced by engagement with independent experts/stakeholders?

It is essential that companies - when designing, reviewing, and/or updating their nutrition strategies – engage with independent external stakeholders that have established expertise in public health and/or groups representing those particularly affected by the companies' products and practices (especially vulnerable groups). This not only enhances the company's accountability to such stakeholders, but stakeholders' insights can ensure that nutrition-related activities are sufficiently aligned with the public health interest and more effective in achieving stated goals.

Three – Hindustan Unilever, ITC, and Marico – of the 20 companies assessed showed evidence of engaging with such stakeholders in this way. In each case, specific information is not disclosed on the public domain, thereby preventing public scrutiny of these engagements.

Recommendations for companies

In order to more positively contribute to consumers' diets in India through their commercial operations and drive more sustained and systemic progress on this, companies are strongly encouraged to:

- Ensure they embed cohesive and multifaceted nutrition strategies into their commercial operations, which not only include improving the healthiness of their portfolios, but also consider how 'healthier' products reach consumers relative to less healthy products, for example through relative pricing strategies and/or increasing marketing investments. Ideally, this should also include specific attention to addressing the unmet needs of priority populations (identified according to government sources).
- Develop specific, measurable, and timebound targets to increase sales of 'healthier' products (defined according to formal nutrition criteria closely aligned with internationally recognized



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standards) relative to overall sales. Targets for other parts of the companies' nutrition strategies should also be set.

- Report quantitatively on all elements of their approaches and against all targets that have been set, showing what has been achieved year-on-year across their portfolio or key product categories. Ideally reporting should relate to sales or other quantifiable outcomes (rather than only outputs), and progress documented systematically.
- Ensure that their India-specific nutrition strategies are subject to regular review at Board-level in India. This includes when new plans are developed, and also to review progress on implementation.
- Assign formal responsibility for the success of their nutrition strategy to the highest levels of seniority within the company in India, who shall take ownership of any high-level targets and/or KPIs by which success or failure can be measured. Linked this accountability to remuneration arrangements (or other performance incentives) would make this more concrete and further incentivize progress.

Companies are recommended to engage with independent experts and stakeholders, such as independent public health-oriented civil society organizations, academic institutions, and (inter-)national organizations to inform their nutrition strategy. These engagements, including the impact they had on the company's strategy, should ideally be disclosed on the public domain. The Accountability AA1000 Stakeholder Engagement Standard offers a best practice framework for assessing, designing, and implementing stakeholder engagement activities, as well as how to communicate this to the wider stakeholder community.



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⁶³ Dunford."

⁶⁴ Dunford, "Report on the Comparative Nutritional Profile of 1,901 Food and Beverage Products Marketed by 20 Large Global Companies Operating in India."Dunford.

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⁶⁹ Phillippa O'Connor, Lawrence Harris, and Tom Gosling, "Linking Executive Pay to ESG Goals," *The Leadership Agenda, PwC* (blog), June 29, 2021, <https://www.pwc.com/gx/en/issues/esg/exec-pay-and-esg.html>.

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Category Report

Accessible and Affordable Healthy Products

This category holds 15% of the overall Index score.

This category assess whether and how companies ensure that their 'healthier' products are affordable and/or accessible to lower-income consumers in India. To drive population-level improvements in diets, companies need to ensure not only that their products are healthy, but are also able to be purchased by consumers across all income levels. Companies therefore need to develop well-defined affordable nutrition strategies.

To perform well in this category, companies should:

- Have a clear commercial affordability / accessibility strategy specifically for products across its portfolio that are defined as 'healthier', which also considers nutrition challenges in India around micronutrient deficiencies;
- Have a clear approach to defining 'affordability' and lower-income consumers as part of this strategy;
- Have specific and measurable quantitative targets to drive performance and enhance accountability;
- how evidence of implementing its affordable nutrition strategy or approach within the last three years;
- Disclose information about its strategy, definitions, targets, and activities.





Affordability and Accessibility

Category context

According to the Pew Research Center's global definition,⁷¹ 84.3% of people in India can be classified as 'low income' in 2021,⁷² the vast majority being in rural areas.⁷³ The Food and Agriculture Organization (FAO) calculates the cost of a healthy diet in India at 3.066 dollars per person per day, which is beyond the reach of 74.1% of people in India.⁷⁴ With limited disposable incomes, food represents the largest share of lower-income consumers' spending, meaning that price is a significant determinant of food choice for many consumers in India. To improve their diet quality, lower-income consumers must therefore have access to nutritious products at affordable prices.

Food and beverage companies in India not only have a responsibility, but also a significant opportunity to improve diets by offering healthy products at affordable prices for lower-income consumers. For example, the Indian rural market has been estimated to be worth USD 1.5 trillion,⁷⁵ consisting of 833 million consumers typically served by smaller, traditional 'kirana' stores, rather than supermarkets.⁷⁶ Evidence shows that this market is increasingly penetrated by branded products, including foods and beverages.⁷⁷ Companies must therefore adopt innovative approaches to ensure that their healthy products are provided at an appropriate price to lower-income consumers, while also being physically accessible to them.

Box C1. Changes to the methodology

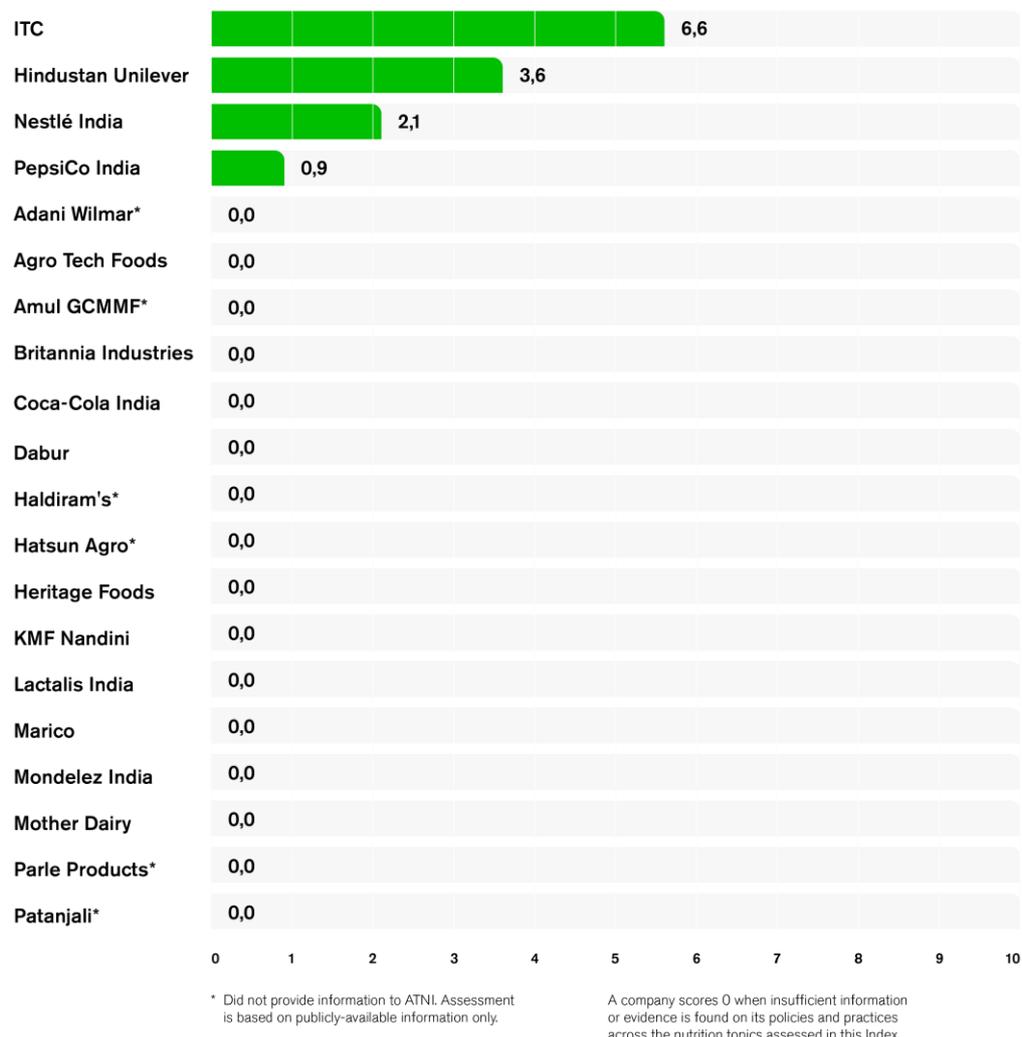
This category was substantially revised from the previous (2020) Index. The number of indicators was reduced from 16 to 4, plus a category-specific multiplier. This reduction in indicators is because of streamlining efforts in our methodology and is partially explained by the separate indicators on affordability and accessibility, which were previously assessed in separate 'criteria' (C1 and C2 respectively), being merged. This was due to the recognition, based on previous findings, that the two are highly interlinked and often go hand-in-hand in companies' activities. Moreover, indicators crediting 'commitments' and non-commercial activities (i.e. corporate social responsibility, philanthropy) have been removed, in order to focus attention on the companies' commercial activities in practice. The multiplier considers whether there is a clear approach or strategy in place that considers determining the healthiness of the products in question as well as defining low-income consumers (based on (inter-)nationally recognized standards and definitions).

The full methodology can be found [here](#).



Company ranking

Figure C1. Category ranking for Accessibility and Affordability



Only Hindustan Unilever, ITC, PepsiCo India and Nestlé India, showed clear evidence of having a deliberate affordable nutrition strategy in India, and were therefore the only companies to receive credit. ITC demonstrated the greatest improvement by far: whereas no relevant information was found during the previous Index, the company has recently introduced an affordable nutrition strategy with outcome-level reporting, available on the public domain, and is the only company found to have set quantitative targets for its strategy.



Key findings

- Four companies — Hindustan Unilever, ITC, PepsiCo India and Nestlé India — out of the 20 assessed showed evidence of having a formal approach or strategy for making healthier products affordable in India, by which they could clearly show that it applied to products considered to be 'healthier' according to a formal definition, and had an approach for defining 'affordability'.
- While several other companies provided some evidence of general affordability strategies or approaches, they were unable to show how they related to products formally defined as 'healthy' specifically, nor how 'affordability' was determined.
- Fortification or enriching with micronutrients featured prominently in each of the four company's affordable nutrition strategies as a means of addressing micronutrient deficiencies in lower-income groups in India.
- The four companies indicated that they use a range of different approaches to achieve 'affordable nutrition' through their strategies, the most common being offering smaller serving-sized packages at low price points (between Rs. 2 and Rs. 20), and reformulating affordable products to make them healthier without increasing price, among others.
- Only one company (ITC) had quantitative targets relating to its affordable nutrition strategy in India to drive performance and enhance accountability for its implementation.
- ITC was the most transparent about its affordable nutrition strategy and its progress in implementing it; most of the information provided by Hindustan Unilever, PepsiCo India and Nestlé India was not in the public domain, and limited implementation evidence was provided.

Detailed findings

Which companies showed evidence of having an affordability strategy in place specifically for 'healthy' products?

Only four companies – Hindustan Unilever, ITC, PepsiCo India and Nestlé India – were found to have a formalized approach to offering affordable nutrition across their portfolio in India. For example, ITC shared its new 'Strategy for Affordable & Accessible Products', which was launched in 2023.⁷⁸ Meanwhile in 2020 Nestlé introduced its global 'Affordable Nutrition' strategy, which builds upon its long-running 'Popularly-Positioned Products' strategy, showing evidence of this strategy being applied in India. In addition, Hindustan Unilever continues its 'Project Shakti' for distribution in rural areas and PepsiCo shared evidence of offering reformulated products at reduced price points. Both companies confidentially shared further evidence of formal strategies being in place, but this information is not publicly available.

Of the companies who stated that they have affordability strategies for their products, seven were unable to demonstrate that this applied to 'healthy' products specifically. Similarly, some companies showed examples of products that they considered 'healthy' and/or 'affordable', but did not explain how they defined them as such when requested.



Table C1. Features of companies' accessibility/affordability strategies

| Company | Linked to company's nutrition criteria | Focus on addressing micronutrient deficiency | Specific, measurable, timebound targets | Disclosure |
|-------------------------|--|--|---|------------|
| Hindustan Unilever | ● | ● | - | ○ |
| ITC | ● | ● | ● | ● |
| Nestlé India | ● | ● | - | ○ |
| PepsiCo India | ● | ● | - | ○ |
| ● Yes ○ Partial - | | | | |

Note: information on companies' accessibility/affordability strategies was not found for Adani Wilmar, Agro Tech Foods, Amul GCMMF, Britannia Industries, Coca-Cola India, Dabur, Haldiram's, Hatsun Agro, Heritage Foods, KMF Nandini, Lactalis India, Marico, Mondeléz India, Mother Dairy, Parle Products and Patanjali.

How do companies define 'healthy' as part of their affordable nutrition strategies, and do they address micronutrient deficiencies?

The nutritious quality of products included in the company's affordable nutrition strategy/approach is critical if it is to be beneficial for public health: products that are affordable but unhealthy risk exacerbating malnutrition, especially among more price-sensitive consumers. Since lower-income consumers are disproportionately more likely to experience micronutrient deficiencies,^{79,80} companies have the potential to play a positive role by aiming to address these through their affordable nutrition strategies. Companies must therefore ensure that these products meet a formal definition of healthy, i.e. ideally one that is aligned with the dietary guidelines for Indians⁸¹ and an internationally recognized/government-endorsed NPM, in order to have a positive impact on lower-income consumers' diets.

Each of the four companies state that the products in question meet their own internal definition of 'healthy'. Hindustan Unilever's affordable nutrition strategy meets the Unilever's Science-based Nutrition Criteria (USNC); ITC's meet its Nutrition Profiling System 'healthy' thresholds; and Nestlé India's meet the 'Nutritional Foundation' Nutrition Profiling System; while PepsiCo India has developed a new set of 'healthy' criteria as part of its global 'Affordable Nutrition' strategy. In the [Chapter on Nutrient Profiling](#), more details can be found on each of the company's criteria for defining healthy.

For some of the examples shared by companies as being part of 'healthy' and affordable strategies, it was either not clear these meet any particular 'healthy' definition, - or affordable products contained high levels of salt, sugar or fat, and are thereby not aligned with the dietary guidelines for Indians to minimize the use of processed foods rich in salt, sugar and fats. Examples included products such as high sodium noodles, high sugar gummies, chocolate drinks, and high fat potato crisps. Reasons given by companies for these examples of affordable products included that the products were enriched with micronutrients, products were sodium-reduced (even if remaining high in fat) or they represented examples of portion-controlled snacking.

In [Chapter Product Profile](#), and in this [ATNI/TGI Product Profile Report](#), a full analysis of these companies' product portfolios using the Health Star Rating Model can be found.

Addressing micronutrient deficiencies featured as a major element of each of the four companies' affordable nutrition strategies in India. Nestlé India, for example, states that it fortifies its 'affordable



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nutrition' products with vitamin A, zinc, iron and/or iodine. Meanwhile, ITC features “fortification of healthier portfolio at affordable pricing” in its strategy document, and provides a range of examples in its Sustainability Report 2022. Further findings on micronutrient data and efforts to fortify or enrich products with micronutrients from ATNI's Product Profile assessment can be found in the [chapter on Product \(Re\)formulation](#).

How do companies define 'affordability' and 'lower-income consumers' in their affordable nutrition strategies?

The success of an affordable nutrition strategy in meeting the needs of lower-income consumers relies heavily on the product pricing being appropriate and realistic to allow regular purchase by those with limited disposable income. However, there are currently no standard or best practice approaches for defining 'affordability' of packaged foods/beverages. Therefore, it is important that companies are able to show they use a clear process to ensure that their 'affordable nutrition' products are actually affordable, to avoid a situation whereby it is claimed that they are 'affordable' without this being so. To reinforce this approach for determining affordability, companies should also use a clear, recognized definition of a 'lower-income consumer', such as a government definition or a more general, globally applicable measure, in order to ensure that the strategy/approach is actually reaching the groups at higher risk of experiencing nutrition insecurity.

Three of the companies use recognized market research categorization systems, such as the Living Standards Measure (LSM) and the India-specific 'New Consumer Classification System' (NCCS) or SEC Classification,¹ while another company states that they use other local income/expenditure standards. These standards enable the companies to more effectively determine appropriate pricing levels and purchasing patterns of lower-income consumers in India. Furthermore, companies used these tools to identify low unit or 'magic' price points for lower-income groups, such as between Rs. 1 and Rs. 20 per unit, by offering 'healthy' products in smaller packages or single servings, based on an observed 'buy as you need' behavior (rather than bulk-buying). ITC showed the clearest definition of 'affordable', in that the Maximum Retail Price (MRP) must be Rs. 10 or below.⁸²

One company showed evidence of conducting extensive consumer research into the purchasing habits of lower-income consumers in peri-urban areas and their perceptions of healthy foods. This insight, which helped to ensure that their enhanced nutrition products are priced in relation to total household disposable cash and consumption priorities, relative to the price of other available food products. Another company states that it commissioned third-party research agencies to examine consumers' consumption profiles and purchase/usage behavior of lower-income segments in India. Two companies also provided evidence that they actively monitored the penetration of specific 'healthy' products in lower-income market segments.

Is there any evidence that Indian companies have set targets for their 'affordable healthy' products in India?

To make the company's affordable nutrition strategy more concrete and to enhance accountability (both internally and externally) for its success, a company should set specific, measurable, and timebound targets. Only one company — ITC — was found to have such targets in place specifically for India. While

¹ The SEC classification is used as a tool for identifying Indian consumer market segmentation. The tool uses data on education levels, occupation, and housing type, with differentiation between urban and rural consumers.



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Hindustan Unilever also shared evidence of targets relating to distribution, they were either not relating to 'healthy' products specifically or had already expired.

Interesting example: ITC has set the target “To increase [overall sales of] the affordable healthier product portfolio by 20% by 2025”, with both ‘affordable’ and ‘healthier’ being clearly defined concepts. The company states in a document titled ‘ITC Limited Foods Division’s Strategy For Affordable & Accessible Products’ that currently “20% of its “healthier product portfolio is affordable”. That said, the company does not provide an absolute figure of current sales of “affordable healthier products” as a baseline. As noted in the [chapter on Product Profile](#), there are discrepancies between how ITC defines ‘healthier’ and ATNI’s assessment using HSR.

Is there evidence that Indian companies have implemented their affordability/accessibility strategy, and to what extent is this disclosed?

One of the areas where the four companies diverged most considerably was in the quality of implementation of their affordable nutrition strategies in India and public reporting of their progress. For accountability purposes, it is important that the company can show that it is following through on its affordable nutrition strategy and taking relevant actions to achieve its aims. Ideally, the company will measure (and report on) outcome-level results of its activities, to demonstrate the impact of its strategy, and if the company has a target in place, it is important that the company tracks progress against this.

In terms of quality of implementation, only Hindustan Unilever demonstrated clear outcome-level evidence of its strategy success, tracking the level of market penetration for various key ‘affordable nutrition’ products in their portfolio for different LSM groups as a result of its strategy. However, this information is not reported in the public domain. ITC is the most transparent about its strategy, although only at output level. For example, in addition to publishing its affordable nutrition strategy in full, the company publishes a dedicated document with a range of “Case studies & Examples” of affordable products introduced in the last three years that meet its healthy criteria which are, categorized by affordability & accessibility approach.⁸³ A range of examples of ‘affordable’ fortified or enriched products are also provided in its Sustainability Integrated Report 2022. PepsiCo India and Nestlé India only provided confidential evidence of affordable nutrition strategies in place that were applicable to India. Neither company provided many implementation examples that directly related to these strategies, although this could be because of these strategies are relatively new.

Recommendations for companies

In order to more positively contribute to lower-income consumers’ diets in India and play a role in systematically addressing micronutrient deficiencies experienced by these groups, companies are strongly encouraged to:

- Develop and implement a strategy for ensuring that at least part of their ‘healthier’ (and, ideally, micronutrient-rich) product portfolios are priced affordably for lower-income consumers, and continually explore new opportunities for delivering ‘affordable nutrition’ through their portfolios. Examples of approaches can be found in the methodology and this chapter.
- To ensure that products that are considered by the company to be ‘healthier’ are being priced affordably for lower-income consumers, companies are recommended to:



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- ensure that such products are defined as 'healthy' through the use of a nutrient profiling model (NPM) (ideally one that is closely aligned with an internationally recognized and/or government-endorsed definition), or other clear nutrition criteria, such that less healthy products (HFSS) are specifically excluded;
- have a clear approach to determining whether a product is 'affordably priced'; and
- use government standards of 'low income consumers' for targeting of 'lower-income consumers' that the company is trying to reach.
- Publicly disclose information about their affordable nutrition strategies/approaches, including specific definitions, the approaches taken to ensure affordability, and the progress made on implementation in India, at both an output- and outcome-level.
- Set specific, measurable, and timebound targets, examples of which can be found in the methodology document, to further drive performance and enhance accountability.

Recommendations for policymakers

- Complementing standards for healthy foods and a government endorsed nutrient profiling model (described in the [chapter on Nutrient Profiling](#)) a health tax model can help focus on lower taxes for the healthier options and higher taxes for products which contain sugar, salt and/or fat beyond recommended levels. These can help to make healthy products more affordable, deter the production of unhealthy products and help incentivize F&B manufacturers to reformulate products. Related, subsidies and other fiscal incentives can drive production, exports and consumption of healthier foods.



References for Accessibility and Affordability

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⁷² World Bank, "Poverty and Inequality Platform: India Country Profile," October 2, 2023, <https://pip.worldbank.org/country-profiles/IND>.

⁷³ Elif Arbatli-Saxegaard et al., "Inequality and Poverty in India: Impact of COVID-19 Pandemic and Policy Response," Working Paper, IMF Working Papers (International Monetary Fund (IMF), July 2023).

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⁷⁵ Atwal G, Bryson D, Parameswaran A (2015) Decrypting the aspiring Indian low-income consumer. <http://www.worldfinancialreview.com/?p=3648>. Accessed 28 Oct 2020

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⁷⁷ "The Growth of Ultra-Processed Foods in India: An Analysis of Trends, Issues and Policy Recommendations" (New Delhi: World Health Organization Country Office for India, 2023), <https://iris.who.int/bitstream/handle/10665/372414/9789290210672-eng.pdf?sequence=1>.

⁷⁸ "ITC LIMITED FOODS DIVISION'S STRATEGY FOR AFFORDABLE & ACCESSIBLE PRODUCTS" (ITC), accessed November 19, 2023, <https://nutrition.itcportal.com/helpindiaeatbetter/pdf/ITC%20Limited%20Foods%20Divisions%20Strategy%20for%20Affordable%20Accessible%20Products.pdf>.

⁷⁹ Socio-economic inequality in malnutrition among children in India: an analysis of 640 districts from National Family Health Survey (2015–16) | *International Journal for Equity in Health* | Full Text (biomedcentral.com)

⁸⁰ Praveen Kumar Pathak, "Socioeconomic Inequality in Malnutrition in India, 1992-2005," 2009, <https://paa2009.populationassociation.org/papers/90307>.

⁸¹ "Dietary Guidelines for Indians - A Manual" (National Institute of Nutrition, Indian Council of Medical Research, 2011), <https://www.nin.res.in/downloads/DietaryGuidelinesforNINwebsite.pdf>.

⁸² <https://lawbhoomi.com/maximum-retail-price-and-its-laws-in-india/#:~:text=MRP%20is%20the%20maximum%20price,the%20price%20of%20a%20product>.

⁸³ "Help India Eat Better."

Category Report

Responsible Marketing

This category holds 15% of the overall Index score.

Consumers' choices regarding what to eat and drink are influenced in part by how manufacturers market their products. Companies can support consumers in making healthy choices by marketing their products responsibly, prioritizing the marketing of healthier products and protecting children from the harmful effects of food marketing. This category assesses the scope and strength of companies' corporate marketing policies for both general audiences and children – specifically how they align to best practice marketing guidance and standards – and their systems for auditing compliance with their policies.

To perform well in this category, companies should:

- Develop and publish a comprehensive responsible marketing policy in India that applies to all audiences, including children under the age of 18, and all media platforms;
- Adopt and disclose robust commitments for responsible marketing to children under 18, including an audience threshold of 25% for measured media, and a comprehensive set of commitments on the techniques and materials used to limit children's exposure to advertisements that go beyond India's mandatory CCPA Guidelines;
- Annually commission an independent third-party audit of compliance with its responsible marketing to children policy in India, and adopt a robust response mechanism to address instances of non-compliance.





Responsible Marketing

Category context

Focus on the commercial determinants of health has risen in the past decade, including the impact of food marketing on dietary choices.⁸⁴ Globally, the majority of advertisements for food depict foods high in fats, sugar and salt,⁸⁵ and in India, there is mounting evidence linking exposure to food advertisements to higher consumption of unhealthy, processed foods, particularly for children.^{86, 87} As the food and beverage industry looks to capitalize on the continued growth of India's processed foods market,⁸⁸ it is crucial that companies support consumers in making healthy choices by driving sales of healthy products over less healthy products, including through marketing efforts.

The World Health Organization (WHO) recognizes a link between exposure to advertisements of unhealthy foods and beverages and increased rates of overweight and obesity, particularly in children. As such, it has long advocated for policy responses to restrict the marketing of unhealthy products to children under the age of 18.⁸⁹ The Indian government has made some strides in this area since ATNI's India Index 2020:

- In 2020, the Food Safety and Standards Authority of India (FSSAI) introduced a regulation to restrict the marketing of foods considered to be high in fats, sugar and salt on and within 50 meters of school premises;⁹⁰
- In 2022, India's CCPA introduced mandatory 'Guidelines on the Prevention of Misleading Advertisements and Necessary Due Diligence for Endorsement of Advertisements' under the Consumer Protection Act of 2019. The guidelines acknowledge that "an advertisement for junk foods, including chips, carbonated beverages and such other snacks and drinks shall not be advertised during a program meant for children [under 18] or on a channel meant exclusively for children" and that advertisements shall not "claim any health or nutritional claims or benefits without being adequately and scientifically substantiated by a recognized body." They do not include further specific instructions on the marketing of food and beverage products.⁹¹

Industry efforts have also been made to market food and beverage products in a more responsible manner in India. In 2022, the Advertising Standard Council of India (ASCI), voluntary self-regulatory initiative, established the 'Code for Self-Regulation of Advertising Content in India', which includes specific guidelines on the advertisement of foods and beverages.⁹² The code is applicable to the council's 25 corporate members, which includes 12 of the companies assessed in this Index. While the code includes many of the principles of the International Chamber of Commerce's (ICC) Framework for Responsible Food & Beverage Marketing Communications,⁹³ it does not include the ICC commitment to not use consumer taste or preference tests in a way that might imply statistical validity if there is none (see Table D1). It also does not include specific recommendations on marketing to children.



Table D1. Mapping of responsible marketing commitments in ASCI Guidelines and ICC Framework

| Commitments on the representation of products | ASCI Guidelines | ICC Framework |
|---|-----------------|---------------|
| All nutritional and health-benefit information and claims for marketing of food and beverage products should have a sound scientific basis | ✓ | Article 9 |
| Not to undermine the concept of healthy balanced diets | ✓ | Article 1 |
| Presenting products in the appropriate portion size and context | ✓ | Article 1 |
| Not to undermine the role of parental care and guidance in ensuring proper food choices | ✓ | Article 18 |
| Not to represent food products not intended to be substitutes for meals as such | ✓ | Article 5 |
| Copy, sound and visual presentations should accurately represent the material characteristics of the product featured | ✓ | Article 5 |
| Not to claim or imply endorsement by any government agency, professional body, and independent agency or individual in a particular profession in India | ✓ | – |
| Not to use consumer taste or preference tests in a way that might imply statistical validity if there is none | – | Article 9 |



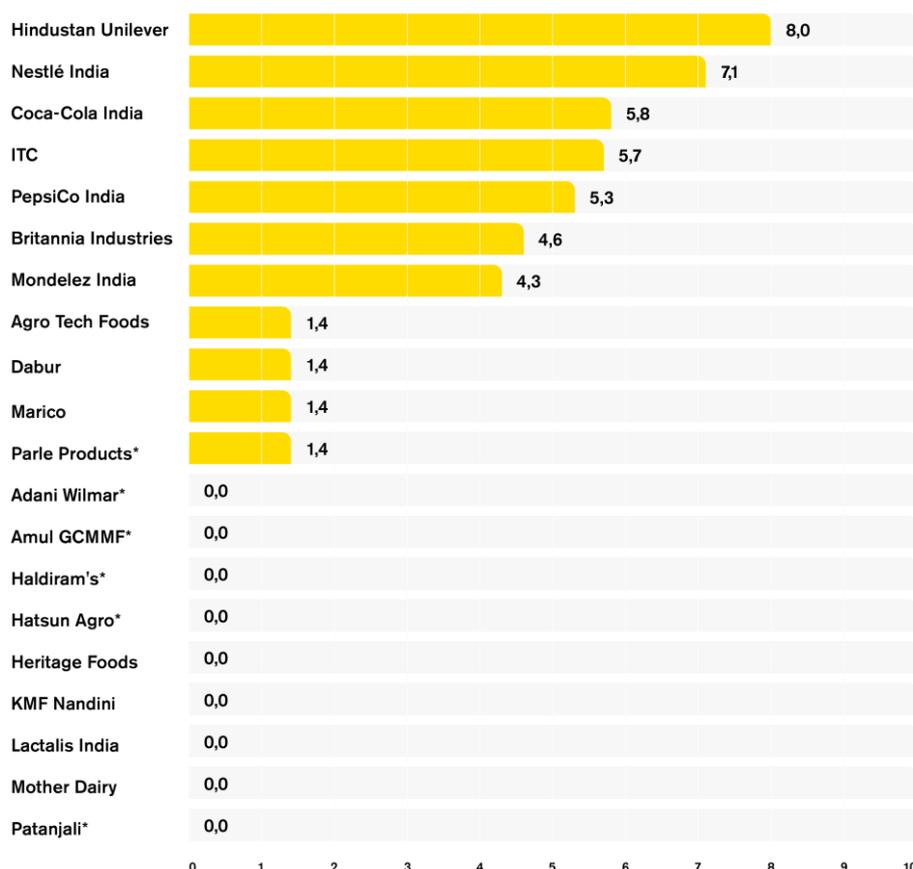
Box D1. Changes to methodology

This category was substantially revised from the previous Index: the three sub-categories (criteria D1 (Marketing to general audiences), D2 (Marketing to children), and D3 (Auditing and compliance) have been merged and the total number of indicators reduced from 21 to eight, with a greater proportion addressing marketing to children policy commitments. The indicators have been updated to include the most recent guidance from WHO and the United Nations Children’s Fund (UNICEF) on responsible marketing to children, and advances in regulations issued by Indian government agencies, including FSSAI and the CCPA, and self-regulatory guidance from the ASCI. In addition, disclosure indicators were removed: now only publicly available information is credited, to allow external stakeholders to hold companies accountable for enforcing their responsible marketing policies.

The full methodology can be found [here](#).

Company ranking

Figure D1. Category ranking for Responsible Marketing



* Did not provide information to ATNL. Assessment is based on publicly-available information only.

A company scores 0 when insufficient information or evidence is found on its policies and practices across the nutrition topics assessed in this Index.



Key findings

- Seven companies out of the 20 assessed have published responsible marketing policies in India that apply to all audiences, including children, and all media channels.
- An additional four companies have made commitments to market their products in a responsible manner to all audiences through their membership with ASCI, but have not published their own responsible marketing policies.
- Only ITC has explicitly disclosed that it sets the age threshold for marketing to children to the WHO- and UNICEF-recommended 18 years of age, which is in line with the latest CCPA mandatory guidelines. Two companies - Hindustan Unilever and Nestlé India - have disclosed that they use an age threshold of 16.
- All companies can do more to strengthen their responsible marketing to children, including not using marketing techniques (including digital) that are appealing to children and young audiences to limit children's exposure to advertisements and the power of these advertisements to persuade them.
- Seven companies report that they audit compliance with their responsible marketing to children policies to some extent, but only one company showed evidence of commissioning an independent third-party audit of its responsible marketing policy.
- Only Nestlé India reports to have embedded a response mechanism in its auditing processes to address instances of non-compliance in a standardized way.

Detailed Findings

Have food and beverage manufacturers in India adopted responsible marketing policies?

Seven of the 20 companies in this assessment publish a responsible marketing policy (PepsiCo India, Hindustan Unilever, Coca-Cola India, ITC, Britannia, Mondelez India, and Nestlé India). Each of these companies' policies outlined their approach to responsible marketing across all audiences, including children, and the media channels covered in their policies.

Four companies' policies state that their responsible marketing practices apply to "all media channels", with some specific examples listed; and three disclose a comprehensive list of media channels to which their policies apply (see Table D2).

In addition to publishing their responsible marketing commitments in comprehensive policies, all seven of these companies are members of the ASCI,⁹⁴ and voluntarily adhere to the Self-Regulation Guidelines on Advertising of Foods & Beverages (see Table D1).⁹⁵ Instances of members' non-compliance with these guidelines are monitored through an online public platform.⁹⁶

Four other companies (Dabur, Parle Products, Agro Tech, and Marico) have committed to marketing their products responsibly through their membership to ASCI, but have not yet developed their own responsible marketing policies specific to their businesses.[†] This would be an important next step, because developing and publishing a responsible marketing policy would ensure that such commitments are embedded within companies' own strategies and operations.

[†] The following companies are not listed as members on ASCI's website: Adani Wilmar, Amul GCMMF, Haldiram's, Hatsun Agro, Heritage Foods, KMF Nandini, Lactalis India, Mother Dairy, and Patanjali



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Interesting example: ITC's responsible marketing policy is the only policy to include commitments that go beyond the ASCI Guidelines explicitly stating a commitment not to use consumer taste or preference tests in a way that might imply statistical validity if there is none, in line with Article 9 of ICC Framework (Table D1).

Table D2. Media channels covered by companies' responsible marketing policies in India

| Company | Policy states "all media" | Policy specifically references | | | | |
|--------------------|---------------------------|--------------------------------|-----------------|-------------------------------|--------------------------------------|-------------------------------|
| | | Print media | Broadcast media | Non-broadcast & digital media | In-store or point-of-sales marketing | Additional forms of marketing |
| Britannia | ● | - | - | ● | - | - |
| Coca Cola India | ● | ● | ● | ● | - | - |
| Hindustan Unilever | ● | ● | ● | ● | - | ● |
| ITC | - | ● | ● | ● | ● | ● |
| Mondelēz India | - | ● | ● | ● | - | ● |
| Nestlé India | - | ● | ● | ● | ● | ● |
| PepsiCo India | ● | ● | ● | ● | - | ● |

● Yes
- No/no information

Note: No evidence was found that the following companies have publicly-available responsible marketing policies: Adani Wilmar, Agro Tech, Amul GCMF, Dabur, Haldiram's, Hatsun Agro, Heritage Foods, KMF Nandini, Marico, Parle Products, and Patanjali. Mother Dairy and Lactalis confirmed that they do not have responsible marketing policies.

How comprehensive are companies' commitments to market their products responsibly to children?

The seven companies that have a public responsible marketing to children policy have all implemented specific measures to limit their marketing to children.

The CCPA 'Guidelines on the Prevention of Misleading Advertisements and Necessary Due Diligence for Endorsement of Advertisements', introduced in June 2022, mandates that companies adopt the age threshold of 18 for defining children. This is consistent with the definition of a child as per the UN Convention on the Rights of a Child, the basis for the WHO- and UNICEF-recommended age threshold for marketing to children. Six of the seven companies with a public responsible marketing to children policy were still to update their publicly-available policies with this new threshold at the time the research was carried out. ITC is the only company to have disclosed in their policy that they use the age threshold for marketing to children to 18 years of age.

Hindustan Unilever and Nestlé India both specify in their policies that they use the age threshold of 16 years to define marketing to children. Unilever's commitment is slightly stronger, as the company states it will not target *any* advertisements to children under 16, whereas Nestlé states it will only advertise products according to certain nutrition criteria to children under 16 (see Box D2). Members of the International Food and Beverage Alliance (IFBA) PepsiCo, Coca-Cola, and Mondelēz all disclose that



they use an age threshold of 13, as per IFBA's responsible marketing commitments.^k One company – Britannia – was found to specify an age threshold of 12.

Box D2. Which products are in scope for marketing to children?

Mondelēz India and Coca-Cola India have publicly state they do not directly market *any* products to children under the age of 13 across all media (while industry best practice and international standards define a child as under 18).

Some companies use their own nutrition criteria to determine which products are appropriate for marketing to children. ITC only markets products to children under 18 that comply with its Food Division's internal Nutritional Profiling System (NPS) for children. Britannia markets products to children under 12 that it considers as having "requisite nutritional content which is good for consumption by children". The company cites products that are fortified/ enriched with vitamins and minerals as examples, but does not clarify the overall healthiness of these products. Nestlé India's updated policy prohibits certain product categories, including confectionery, ice-cream and water-based beverages with added sugars, from being marketed to children under the age of 16. For the rest of its products, it states that it uses IFBA's 'India Pledge' nutrition criteria, although no information about these criteria can be found in the public domain. For further information on the quality of companies' nutrition criteria, please refer to the [chapter on Nutrient Profiling Models](#).

WHO has created specific regional nutrition criteria for the South-East Asia region (WHO SEAR NPM) that determines which products are suitable to be marketed to children. From the independent product profile assessment prepared by ATNI/TGI for this Index, only 12% of products (21% of sales) across the 20 companies' portfolios are suitable to be marketed to children using the WHO SEAR criteria. A full breakdown of the proportion of each companies' portfolios that is suitable to be marketed to children can be found in Table 3, below. This assessment did not investigate whether these products are in practice marketed to children and teens by the companies in scope. Instead, it provides an extra indication of the healthiness of the company's portfolios by checking whether the products, in theory, would be suitable to be marketed to children using the WHO SEAR criteria.

That said, all companies in this assessment can do more to ensure that – at a minimum – their responsible marketing policies stipulate that only 'healthy' products are marketed to children (as defined by an external, government-endorsed nutrient profiling model (NPM), and ideally the WHO SEAR criteria on marketing to children).

^k Nestlé and Unilever were IFBA members at the time the research for this Index started, but have since stopped their IFBA membership. At the time of research, both companies had raised their age threshold for marketing to children to 16, beyond the IFBA-required age threshold of 13.



Table D3. Companies' products found suitable to be marketed to children according to WHO SEAR criteria

| Company | 2023 | | 2020 | |
|----------------------|--|---|--|---|
| | % products suitable to be marketed to children | % sales from products suitable to be marketed to children | % products suitable to be marketed to children | % sales from products suitable to be marketed to children |
| Adani Wilmar* | 67% | 85% | 92% | 92% |
| Agro Tech Foods | 21% | 61% | - | - |
| Amul GCMMF* | 12% | 16% | 10% | 15% |
| Britannia Industries | 1% | 0% | 6% | 3% |
| Coca-Cola India | 13% | 12% | 11% | 16% |
| Dabur | 3% | 3% | - | - |
| Hatsun Agro | 4% | 12% | 8% | 26% |
| Haldiram's* | 0% | 0% | - | - |
| Heritage | 34% | 34% | - | - |
| Hindustan Unilever | 8% | 5% | 17% | 12% |
| ITC | 2% | 4% | 4% | 6% |
| KMF Nandini | 27% | 27% | 19% | 36% |
| Lactalis India* | 43% | 43% | - | - |
| Marico | 40% | 77% | 44% | 76% |
| Mondelēz India | 0% | 0% | 0% | 0% |
| Mother Dairy | 23% | 48% | 35% | 44% |
| Nestlé India | 9% | 12% | 25% | 40% |
| Parle Products* | 0% | 0% | 0% | 0% |
| Patanjali* | 36% | 64% | - | - |
| PepsiCo India | 11% | 6% | 15% | 32% |
| Total | 12% | 21% | 12% | 29% |

- Not assessed in India Index 2020

* Did not provide information to ATNI

Five companies have implemented audience thresholds for measured media (such as TV and radio) to further ensure their advertising does not target children; however, the strictness of these thresholds varies between companies. ITC and Britannia were found to have set an audience threshold of 25% and 35% respectively; however, they apply this only to select advertisements and “media mixes”,¹ meaning there is a risk that some advertisements not meeting their responsible marketing to children criteria may still be reaching children across measured media. For example, Britannia’s responsible marketing policy states “Media channels wherein 35% or more of the audience are children < 12 years, are to be restricted to around 20% of the overall media mix.” The three IFBA members in this

¹ A combination of media channels used by the company for advertising and other marketing



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assessment – PepsiCo, Coca-Cola and Mondelēz – set their audience threshold to 30%, consistent with IFBA’s responsible marketing commitments.⁹⁷

Interesting example: Hindustan Unilever and Nestlé apply their audience threshold to channels where children make up more than 25% of the audience, representing industry best practice globally and in India.

Table D4. Companies’ policies on marketing to children in India

| Company | Age threshold | Audience threshold |
|--------------------|---------------|--------------------|
| Britannia | 12 | 35%* |
| Coca Cola India | 13 | 30% |
| Hindustan Unilever | 16 | 25% |
| ITC | 18 | 25%* |
| Mondelēz India | 13 | 30% |
| Nestlé India | 16 | 25% |
| PepsiCo India | 13 | 30% |

* Audience threshold includes exceptions

Note: No evidence was found that the following companies have publicly-available responsible marketing policies: Adani Wilmar, Agro Tech, Amul GCMF, Dabur, Haldiram’s, Hatsun Agro, Heritage Foods, KMF Nandini, Marico, Parle Products, and Patanjali. Mother Dairy and Lactalis confirmed that they do not have responsible marketing policies.

Of the seven companies that were found to have policies on responsible marketing to children, four go beyond the mandatory CCPA Guidelines to some extent – by committing not to use a range of specific techniques and materials to ensure their marketing does not inappropriately reach children, as recommended by WHO and UNICEF (see Table D5).

Interesting example: Coca-Cola aligns its commitments on the techniques and materials it uses to market to children with four out of five of the WHO and UNICEF recommendations included in this assessment. In its marketing directed at children, the company commits: not to sponsor activities and materials popular with children; not to use celebrities and influencers; not to depict children on packaging; and not to use promotional games, toys, vouchers, and competitions.



Table D5. Companies’ commitments not to use specific materials and techniques popular with children in their marketing

| Company | Sponsorship of activities and materials | Use of celebrities and influencers | Use of third-party/own fantasy and animation characters | Depiction of children on packaging | Use of promotional games, toys, vouchers, and competitions |
|--------------------|---|------------------------------------|---|------------------------------------|--|
| Britannia | - | - | - | - | - |
| Coca Cola India | ● | ● | - | ● | ● |
| Hindustan Unilever | - | ● | ● | - | ● |
| ITC | - | - | - | - | - |
| Mondelēz India | - | - | - | - | - |
| Nestlé India | - | ● | - | - | - |
| PepsiCo | - | ● | - | - | - |
| ● | Yes | | | | |
| - | No/no information | | | | |

Note: No evidence was found that the following companies have publicly-available responsible marketing policies: Adani Wilmar, Agro Tech, Amul GCMF, Dabur, Haldiram’s, Hatsun Agro, Heritage Foods, KMF Nandini, Marico, Parle Products, and Patanjali. Mother Dairy and Lactalis confirmed that they do not have responsible marketing policies.

Do companies audit compliance with their responsible marketing to children policies in India?

The seven companies found to have a responsible marketing to children policy in India all audit compliance with their policy to some extent; however, transparency around the results of these audits is very limited. One company (ITC) was found to commission a third-party audit of its responsible marketing activities in India unrelated to a trade or industry association audit. Three companies – PepsiCo India, Hindustan Unilever, and Mondelēz India – reported that they underwent an audit conducted by an IFBA-appointed third party in India in 2022 (see results of this audit in Box D3, below). While Coca-Cola and Nestlé were also IFBA members,^m less information was found during this assessment on the individual results of their audit by IFBA. Coca-Cola India, Britannia and Nestlé India were all found to conduct internal audits of their responsible marketing to children policies in India.

The frequency of these audits varies between companies, with only two (Britannia and ITC) stating that they are conducted on an annual basis. No other company specifically states in their policy how often an audit is undertaken of their responsible marketing to children commitments in India. In addition, it is unclear how often IFBA commissions a third party to audit compliance with members’ responsible marketing policies in India.

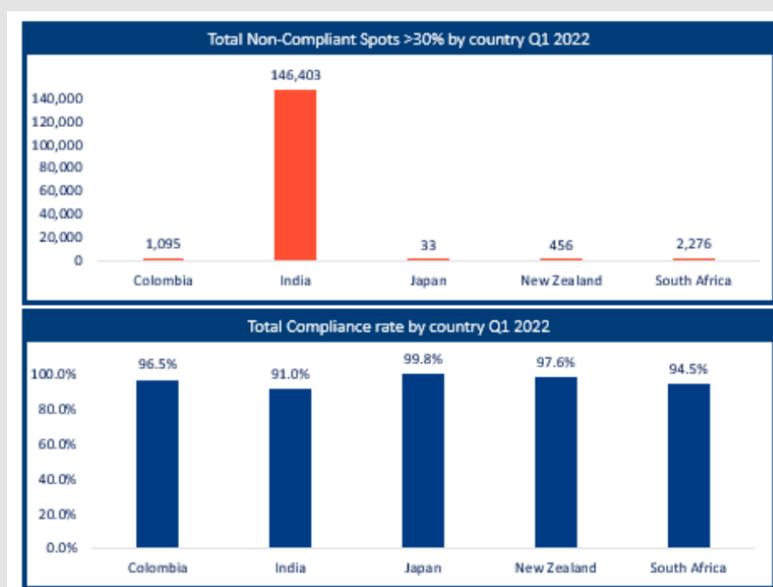
Interesting example: Only one company (Nestlé) was found to have a clear response mechanism to address instances of non-compliance, by issuing regular training to its employees on the company’s responsible marketing to children policy to ensure compliance.

^m Nestlé and Unilever were IFBA members at the time the research for this Index started, but have since stopped their IFBA membership.



Box D3. IFBA audit of members' responsible marketing activities in India in 2022

In 2022, IFBA audited members' compliance with their responsible marketing to children policies on TV platforms across five sample countries, including India. The IFBA report concluded that the rate of compliance with IFBA's responsible marketing to children commitments in India was 91% in 2022, with 146,403 instances of non-compliance being found. Of the five sample countries, rates of non-compliance were highest in India, signaling the need for companies to implement stronger mechanisms to ensure compliance with their responsible marketing to children policies in the country.



Recommendations for companies

- Companies are encouraged to develop and publish a comprehensive responsible marketing policy in India that covers all media channels and audiences, including children under the age of 18. At minimum, they should go beyond the CCPA Guidelines and align their public policies with ICC Principles and/or ASCI Guidelines.
- Companies are recommended to strengthen their commitments on responsible marketing to children, including by adopting:
 - An agreement to either not market any products to children, or only products meeting the WHO SEAR NPM thresholds or local equivalent;
 - An audience threshold of 25% for limiting children's exposure to advertisements on all media;
 - Specific commitments not to use certain materials and techniques to market their products to children, including celebrities, licensed characters, promotional toys and games, and depicting children on packaging.



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- Companies are advised to commission regular third-party audits of compliance to their responsible marketing policies in India. They are recommended to disclose the results of these audits, as well as the response mechanisms they have in place to address instances of non-compliance.



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- ⁸⁷ Brijesh Sivathanu, "Food Marketing and Its Impact on Adolescents' Food Choices," *Indian Journal of Marketing* 47, no. 8 (2017): 46–60.
- ⁸⁸ "The Growth of Ultra-Processed Foods in India: An Analysis of Trends, Issues and Policy Recommendations."
- ⁸⁹ "Food Marketing Exposure and Power and Their Associations with Food-Related Attitudes, Beliefs and Behaviours: A Narrative Review."
- ⁹⁰ PTI, "Healthy Diet: FSSAI Bans Sales, Ads of Junk Foods in School Canteens, within 50 Metres of Campus," *Financial Express*, September 8, 2020, https://fssai.gov.in/upload/media/FSSAI_News_Healthy_Financial_09_09_2020.pdf.
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- ⁹² "The ASCI Code," *The Advertising Standards Council of India* (blog), accessed November 19, 2023, <https://www.ascionline.in/the-asci-code-guidelines/>.
- ⁹³ <https://iccwbo.org/wp-content/uploads/sites/3/2019/08/icc-framework-for-responsible-food-and-beverage-marketing-communications-2019.pdf>
- ⁹⁴ "The Work We Do," *The Advertising Standards Council of India* (blog), 2022, <https://www.ascionline.in/>.
- ⁹⁵ "The ASCI Code."
- ⁹⁶ <https://www.ascionline.in/non-compliances/>
- ⁹⁷ "Responsible Marketing Commitments" (International Food and Beverage Alliance, June 6, 2021), <https://ifballiance.org/publications/responsible-marketing-commitments/>.

Category Report

Workforce Nutrition

This category holds 5% of the overall Index score.

This category assesses the extent to which companies support the nutritional wellbeing of their staff and supply chain workers by implementing workforce nutrition programs; and support parent-friendly working practices, including support for breastfeeding mothers at work and offering adequate parental leave.

To perform well in this category, companies should:

- Have programs in place with specific targets that support workforce nutrition for all employees (both office and production site) in India and includes: healthy food at work, nutrition education, nutrition-focused health checks, and breastfeeding support;
- These workforce nutrition programs are regularly evaluated on the health impact for the company's workforce, measured at outcome-level, and through a third-party assessment.
- Offer paid paternity leave for a minimum of 15 days or more;
- Offer arrangements to support breastfeeding mothers at work including providing private, hygienic, safe rooms to express breastmilk; refrigerators to store breastmilk; and other flexible working arrangements to support breastfeeding mothers (such as daycare arrangements or flexible working arrangements);
- Have workforce nutrition program(s) in place to improve the health and nutrition of workers at risk of experiencing malnutrition in their supply chains.





Workforce Nutrition

Category Context

Given that 58% of the global population spends at least one-third of their adult lives at work,⁹⁸ workforce nutrition programs have been identified by the World Health Organization (WHO) as a key means of addressing malnutrition at scale.⁹⁹ Studies have found returns on investment of 6:1 for workforce health programs that include nutrition – finding positive associations with productivity and cognitive ability, along with reduced absenteeism, medical costs, and rates of accidents/mistakes.¹⁰⁰ Workforce nutrition programs can also increase employee morale and motivation, improve employer/employee relations, and reduce staff turnover. In addition, such programs can help facilitate a company culture with a greater focus on nutrition in its business practices.

The Workforce Nutrition Alliance (WNA, see Box E1) has identified four main types of effective workforce nutrition interventions for companies' employees:¹⁰¹

- **Healthy food at work.** Programs that focus on increasing employees' access to healthy and safe foods at work – either through direct provision or subsidy, or by increasing the availability of healthy food options in the setting.
- **Nutrition education.** Programs aiming to change the nutrition and/or lifestyle behaviors of employees by increasing employees' knowledge of healthy nutrition.
- **Nutrition-focused health check-ups.** Periodic, one-to-one meetings with a health or nutrition professional to assess, and usually discuss, the employee's nutritional health.
- **Breastfeeding support.** Programs or company policies that enable working mothers to breastfeed exclusively for six months and continually for up to two years.

Box E1. The Workforce Nutrition Alliance

The WNA was launched by the Global Alliance for Improved Nutrition (GAIN) and the Consumer Goods Forum (CGF) in 2019 to drive momentum on the topic of workforce nutrition and support organizations in assessing, enhancing, and implementing their workforce nutrition programs. It has developed a range of [guidebooks and technical support programs](#), covering various aspects of workforce nutrition and advising how to develop such programs. The WNA also helps to facilitate partnerships with nutritionists and other technical partners.

To help organizations monitor, evaluate, and report on the rollout of their workforce nutrition programs and commitments, the Alliance recently launched a self-assessment scorecard, [available free online](#).



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Workforce nutrition in India

In recent years, the Government of India has taken several critical steps to facilitate the responsibility of employers in enabling better nutrition for their workers.¹⁰² For example, through the Occupational Safety Health and Working Conditions Code (2020), business sites with more than 100 workers must provide one or more canteens on-site; although this currently does not require offering nutritious food.

Further, as part of the Food Safety and Standards Authority of India (FSSAI) Eat Right India Initiative, a special Eat Right Campus.¹⁰³ (voluntary) initiative has been launched, aiming to promote safe, healthy, and sustainable food in campuses such as in the workplaces. In order to receive the certification, four different parameters are tested including safe food, healthy food, sustainable food, and building awareness. If a campus scores three or more stars, it is certified as an 'Eat Right Campus'.

Further, the IMPAct4Nutrition (Initiative to Mobilize Private Action for Nutrition – I4N) platform was incubated by UNICEF India to encourage greater participation from businesses and other partners towards improved nutrition literacy and dietary habits in the work ecosystem.¹⁰⁴

Supporting breastfeeding mothers

Breastmilk is the ideal food for infants and one of the most effective ways to ensure child health and survival, while breastfeeding is also associated with health benefits for the mother.¹⁰⁵ WHO and UNICEF recommend that children be exclusively breastfed for the first six months of life, after which children should receive complementary foods with continued breastfeeding up to two years of age or beyond.¹⁰⁶ Given that longer parental leave is associated with a longer duration of breastfeeding,¹⁰⁷ it is crucial employers play a supporting role. In India, employers are required by law to offer 26 weeks of maternity leave, which reduces to 12 weeks for adoption/surrogacy cases and for those with two or more children. Further, eligible male government employees are entitled to a leave of 15 days within six months of the birth or adoption of a child.¹⁰⁸ However, there is no formal paternity or second care giver policy in place for private sector employees.

Aside from parental leave, breastfeeding can be supported in the workplace through the facilitation of flexible working arrangements, as well as by providing appropriate workplace lactation facilities so mothers can continue breastfeeding upon returning to work. The Indian Social Security Code 2020 specifies that mothers are allowed two nursing breaks per day until a child reaches 15 months in age. Further, the Occupational Safety Health and Working Conditions Code (OSHW) 2020 specifies that an employer shall allow women with children under five years of age four visits a day to the creche/ childcare facility.

Supply chain workforce nutrition

Food and beverage companies have both the responsibility and opportunity to address malnutrition in their supply chains, which is often prevalent among producers of the commodities on which the company's products depend. In India, for example, 21% of agricultural workers are estimated to be underweight, which in turn costs the sector 2.2% of its Gross Value Added (GVA); one of the highest costs to a sector's production value caused by undernutrition in the world.¹⁰⁹ Consequently, there is also a clear business case for doing so, as shown in ATNI's [2021 Action Research on Workforce Nutrition in Supply Chains](#).



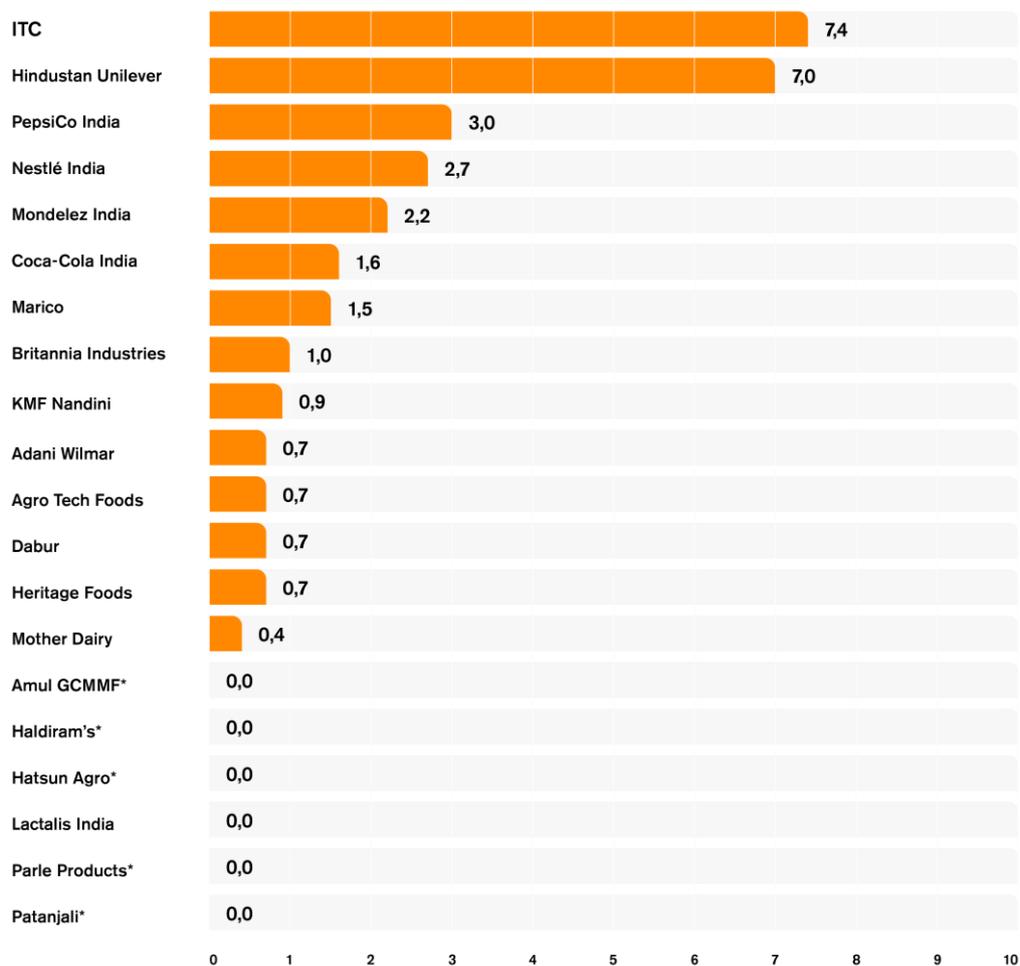
Box 3: Changes to methodology

Since the last India Index, changes have been made to the methodology to ensure greater alignment with the 'four pillars' of WNA: healthy food at work, nutrition education, nutrition-focused health checkups, and breastfeeding mothers at work. Further, since the last India Index, more regulation around workforce nutrition is in place, and since ATNI does not test a company's compliance with law, some indicators have been taken out, such as on asking on maternity leave (26 weeks required by law for first two children). Lastly, an indicator on the wider workforce nutrition has been added, following ATNI's work on workforce nutrition in supply chains.

Please find the full methodology [here](#).

Company ranking

Figure E1. Category ranking for Workforce Nutrition



* Did not provide information to ATNI. Assessment is based on publicly-available information only.

A company scores 0 when insufficient information or evidence is found on its policies and practices across the nutrition topics assessed in this Index.



Key Findings

- Half of 20 companies showed evidence of attention to workforce nutrition. Five of these showed evidence of having clearly defined workforce nutrition programs in place, of which Hindustan Unilever and ITC are the only two companies to include measurable targets. If all 20 companies in this Index started a workforce nutrition program, a total of 385,869 employees could be reached through access to and knowledge about healthy nutrition.
- In total, nine companies showed some evidence of making healthy food available at work, 10 companies showed evidence of offering nutrition education to their employees, and nine provide their employees with nutrition-focused health checks.
- In most cases, the scope of these interventions was not made clear, or appeared to be skewed towards office employees relative to those working at manufacturing sites.
- Only four companies demonstrated that they provide breastfeeding support at work through private hygiene rooms, refrigerators, and other flexible working arrangements (such as flexible working hours or creche facilities). Three additional companies only clearly offer flexible working arrangements.
- Eight companies offer 15 days or more of paternity or second caregiver leave, which is in line with (or more than) that offered to Indian government employees. Three of these companies provide at least double this amount.
- Only one company, Hindustan Unilever, was found to have a workforce nutrition program in place to improve the health and nutrition of some of its supply chain workers. ITC also showed some evidence of providing nutrition education for some of its value chain partners.

Detailed Findings

Do companies have a workforce nutrition program for employees in India that includes a focus on:

Healthy food at work

Nine out of 20 companies show some evidence of making healthy food available at work. Five companies (Hindustan Unilever, ITC, Marico, Nestlé India, and PepsiCo India) have a clearly defined program in place, of which Hindustan Unilever and ITC are the only two companies to include measurable targets. Four other companies (Britannia, Coca-Cola India, KMF Nandini and Mother Dairy) show some evidence of making healthy food available at work, but this is not part of a clear policy or program. There are differences in how companies ensure access to healthy food at work for their employees, such as some providing healthy and diverse meal options in the cafeteria, providing fresh fruit (like PepsiCo India), or providing a discount rate on nutritious food (such as on milk for KMF Nandini employees). Portion control and nutrition information were other approaches shared.

There are several companies that have shown evidence of all or most of their office and production sites having obtained the Eat Right Campus Certificate from FSSAI: Nestlé India, Marico, Mother Dairy and ITC.



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Interesting example: Hindustan Unilever provided evidence of using the Workforce Nutrition Alliance self-assessment scorecard to inform on their “Healthier U” program, applied at all 35 of their sites in India. The Healthier U program includes all 4 pillars: 1) Healthy food at work 2) Nutrition education 3) Nutrition-focused health checks 4) Breastfeeding support.

Companies were not transparent on how ‘healthy’ was defined for their canteen menu offerings or how affordable healthy options are compared to less healthy options – therefore companies in this Index have scope to improve by increasing employees’ access to nutritious meals at work.¹¹⁰ Ideally this would be combined with nutrition education campaigns, nudging workforces to healthier towards making choices.¹¹¹

Nutrition education

Half of the companies (10 out of 20) show evidence of offering nutrition education to their employees. Only Hindustan Unilever and ITC have clear targets in place for this activity.

Nutrition education can have many components, ranging from disseminating information on nutrition through materials such as posters or blogs, to full communication campaigns for behavior change, to individual nutrition counseling. Companies in the Index also take different approaches to informing their employees on nutrition. For example, most use their internal intranet to share information, offer courses on healthy diets, provide employees with a subscription to a third-party nutrition wellness app, or offer their employees access to consultations with a dietitian or nutritionist. Companies have also shared examples of hosting monthly webinars or training courses on nutrition-related topics. Often, nutrition education is offered through an online environment such as intranet or phone app, meaning that both office and production workers can access it – though the extent to which all employees are reached and use these services is often unclear.

Interesting example: The “Healthy Heritage League” (HHL) program by Heritage is a 100-day transformation program aimed at improving employee health and nutrition. It includes health check-ups, expert recommendations, one-on-one sessions with nutritionists, and access to a specific app to track fitness and daily nutrition intake.

From the examples shared by companies, it is unclear how their nutrition education materials are developed, nor the extent to which the interventions are strategically designed to achieve long-term behavioral change towards improved nutrition among their employees. The evidence brief from the WNA.¹¹² clearly highlights that, even though nutrition education is a necessary part of programs aiming to support positive change, non-personalized and short-term educational campaigns may not translate into eating behavior improvements. Therefore, it is evident that companies in this Index can do more to ensure that employees’ nutrition attitudes, beliefs, and relational dynamics are understood, in order to promote lasting change. Ideally this should be linked to program elements that focus on access to healthy food at work.¹¹³

Nutrition-focused health checks

Nine companies were found to offer nutrition-focused health checks for their employees on a yearly, or bi-annual basis. These tended to be free-of-charge for their employees – and also sometimes for their spouses – and include a nutrition focus, such as measuring their Body Mass Index (BMI) or cholesterol levels.



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Interesting example: Only ITC shared a broad target in place: "100% workforce to be provided free health checks including (not limited to) nutrition focused indicators such as weight, BMI, BCA, Blood pressure etc." and "100% of workforce to have access to healthcare experts and nutritionist (24*7) via a dedicated and free app." It is not clear what the current participation levels are.

Interesting example: The Nestlé "Know your numbers" program includes a health check program focused on the assessing overall health profile of employees, combined with tailored advice on focus and attention for eating, nutrition and exercise.

Other companies showed evidence of health checks being in place for employees, but without specific attention to *nutrition*. As the health checks are already in place, companies can make the next step to ensure nutrition-focused checks are also included for employees. Studies show that when nutrition-focused health checks are coupled with individual and confidential counseling, this can further enhance positive nutrition-related outcomes.¹¹⁴ Further, aggregated data from nutrition-focused health checks can be used to evaluate the effectiveness of workforce nutrition programs in place.

Table E1. Workforce nutrition elements in place by company

| Company | Workforce nutrition program for employees | | | Supply chain workforce nutrition program |
|----------------------|---|---------------------|---------------------------------|--|
| | Healthy food | Nutrition education | Nutrition-focused health checks | |
| Britannia Industries | ○ | ○ | ○ | - |
| Coca-Cola India | ○ | ◐ | ○ | - |
| Heritage Foods | - | ◐ | ◐ | - |
| Hindustan Unilever | ● | ● | ◐ | ◆ |
| ITC | ● | ● | ● | ◇ |
| KMF Nandini | ○ | - | - | - |
| Marico | ◐ | ○ | ◐ | - |
| Mondelēz India | - | ◐ | ◐ | - |
| Mother Dairy | ○ | ◐ | - | - |
| Nestlé India | ◐ | ◐ | ◐ | - |
| PepsiCo India | ◐ | ◐ | ◐ | - |

- Yes, clearly defined program including measurable targets
- ◐ Yes, clearly defined program without measurable targets
- Yes, some evidence of making healthy food available at work, but not part of a clear policy/ program
- ◆ Yes, for more than three sites
- ◇ Yes, for one or two sites only
- No/no information

Note: ATNI's assessment of companies' workforce nutrition programs aligns with the four pillars defined by the WNA, including Healthy Food, Nutrition Education, Nutrition-focused Health Checks, and Breastfeeding Support. Information on Breastfeeding Support can be found in Table E2 below. Information on the company's workforce nutrition programs was not found for Adani Wilmar*, Agro Tech Foods, Amul*, Dabur, Haldiram's*, Hatsun Agro*, Lactalis India, Parle Products* and Patanjali*. *Company did not provide information to ATNI



Breastfeeding support

Four companies – Hindustan Unilever, ITC, Nestlé India, and PepsiCo India – showed evidence of offering breastfeeding support at work through the provision of private hygiene rooms, refrigerators, and other flexible working arrangements (such as flexible working hours or creche facilities). Three additional companies - Britannia, Marico, and Mondelez India – only demonstrated offering flexible working arrangements or creche facilities.

Interesting examples: Hindustan Unilever has a “Maternity Transition Policy”, which ensures a transition to and from maternity, including attention to role and performance, flexible working options, offering on-site daycare facilities for children between six months and six years old (only in offices in Mumbai and Bangalore), and a travel policy for new parents. Nestlé India has something similar in place with “pre & post maternity benefits”.

The level of breastfeeding support offered to women working in the companies’ headquarters appears to be different to those in their production sites, as some companies indicated various facilities are only available in their headquarters or office spaces. Further, some companies indicated that they only offer breastfeeding facilities (private, hygienic room and refrigerators) in facilities with over 50 employees.

Some other companies indicated that breastfeeding space is available, but this was combined with creche facilities and therefore did not offer a private hygienic space. Evidence shows that having a dedicated breastfeeding space at work can significantly increase the period of exclusive breastfeeding and the period of breastfeeding with complementary feeding.¹¹⁵ Furthermore, the return on investment can be high, with studies showing benefits beyond the nutritional advantages for the child - including improved productivity and reduced sick days in working mothers, and decreased healthcare costs.¹¹⁶ With 16 of the companies assessed providing less than comprehensive arrangements, food and beverage companies in India can do more to ensure breastfeeding support for their staff and disclose efforts publicly.

Do companies in India offer paid paternity leave?

Eight companies offer at least 15 days of paternity or second caregiver leave, in line with that offered to Indian government employees. Several companies offer arrangements that far exceed this, such as Hindustan Unilever (three weeks), Mondelez (28 days), Coca-Cola (30 days), Nestlé (four weeks), and PepsiCo (12 weeks).

Interesting example: PepsiCo India has a gender agnostic leave policy. A distinction is made between primary caregiver and secondary caregiver leave, and for second caregivers a period of 12 weeks of fully paid leave is offered for up to two deliveries.



Table E2. Breastfeeding support elements in place by company

| Company | Workforce nutrition program: breastfeeding support | | | Second caregiver leave |
|----------------------|---|-----------------------------------|-------------------------------------|------------------------|
| | Private, hygienic, safe rooms to express breastmilk | Refrigerators to store breastmilk | Other flexible working arrangements | |
| Adani Wilmar* | - | - | - | ◇ |
| Agro Tech Foods | - | - | - | ◇ |
| Britannia Industries | - | - | ● | ◇ |
| Coca-Cola India | - | - | - | ◇ |
| Dabur India | - | - | - | ◇ |
| Heritage Foods | - | - | - | ◇ |
| Hindustan Unilever | ● | ● | ● | ◇ |
| ITC | ● | ● | ● | ◇ |
| KMF Nandini | - | - | - | ◇ |
| Marico | - | - | ● | ◇ |
| Mondelēz India | - | - | ● | ◇ |
| Nestlé India | ● | ● | ● | ◇ |
| PepsiCo India | ● | ● | ● | ◇ |

● Yes
 ◇ Yes, 15 days or more
 ◇ Yes, less than 15 days/number of days is not disclosed
 - No/no information

Information on the company's workforce nutrition programs was not found for Adani Wilmar*, Agro Tech Foods, Amul*, Dabur, Haldiram's*, Hatsun Agro*, Lactalis India, Parle Products* and Patanjali*.

* Did not provide information to ATNI

Has the company evaluated the health impact of the workforce nutrition program(s) in India in the last three years?

Three companies showed evidence of evaluating the health impacts of their workforce nutrition program(s) in India: Hindustan Unilever, ITC and PepsiCo India. Hindustan Unilever is the only company to show evidence of having measured impact at outcome-level. ITC shares in its Food Division Workforce Wellness Program document¹¹⁷ that employee feedback is sought through a biennial employee survey "iEngage", and refers to employee perception on for example how well wellness needs are addressed, number of employees using the "Doctor 24/7 application" and likelihood of recommending the "Body Composition Analysis camp" to family & friends. No evidence was found on workforce nutrition programs impact evaluations measured at outcome levels through third-party assessments.

How well do companies disclose information on their workforce nutrition programs?

For most of the companies assessed, disclosure on workforce nutrition programs in the public domain is very limited and it is often unclear if programs apply to all or some office and/or production site workers. Only some companies could show evidence of making programs available to their entire



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workforce, and it is not clear often how different workforces are reached. More than half of the companies did not show at all if or what measures are in place in terms of workforce nutrition support.

Do companies have a workforce nutrition program for supply chain workers in India?

Evidence of food and beverage manufacturers in India addressing malnutrition in their supply chains remains limited. Only two companies (Hindustan Unilever and ITC) showed some evidence of seeking to improve the health and nutrition of workers across the food value chains in which it is involved, but are not directly employed by the company.

Interesting example: “Healthy Diets for Tea Communities” is a coalition led by the GAIN and the Ethical Tea Partnership (ETP).¹¹⁸ - with funding from leading tea companies in India including Hindustan Unilever, as well as the Dutch government - to address malnutrition in tea supply chains, including Unilever’s sourcing estates in Assam. The program focuses on improving dietary diversification and improving nutrition through nutrition education, increasing access to nutritious food, and improving the enabling environment for healthy diets.¹¹⁹

ITC states on their website “*Workforce including direct employees and extended workforce (procurement, supply chain partners, vendors etc.,) are one of the most important assets of any organization and supporting them in leading a healthy balanced life is essential for sustainable growth of the organization*” – and showed evidence of organizing webinars and health checks for its value chain partners.¹²⁰

Other companies have programs in place seeking to address poverty and/or improve livelihoods for their supply chain workers, such as coconut farmers for Marico,¹²¹ or dairy farmers for Nestlé India.¹²² However, no clear nutrition component (such as access to healthy food, nutrition education, nutrition-related health checks, and/or breastfeeding support) could be identified. These existing programs could be leveraged to specifically improve nutrition pathways and outcomes for these workers, which can, in turn, further support farmer income generation and resilience.¹²³

Other companies showed evidence of their corporate social responsibility budgets being used to improve nutrition outcomes in communities surrounding their company-owned manufacturing sites. Such programs could be scaled up to also address malnutrition in communities that supply their raw materials, which in turn can increase supply chain resilience and deepen the relationships with their suppliers.

Recommendations for companies

In order to support the nutrition and health of its employees, thereby improving productivity and employee relations while fostering a culture of health consciousness within the company, companies are recommended to:

- Develop workforce nutrition programs that include providing access to healthy food at work, nutrition education, nutrition-related health checks, and breastfeeding support, being available to all employees, including those at manufacturing sites.
- Define quantifiable and meaningful expected outcomes for their workforce nutrition programs and evaluate accordingly - for example related to health-related behaviors, health-related outcomes, outcomes related to employee participation, or benefits to the company. Becoming a



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signatory of the Workforce Nutrition Alliance and utilizing its self-assessment scorecards is a good first step in this regard.

- Develop a clear policy on support extended to breastfeeding mothers at work in order to aid their maternal health; and this should apply equally to all office and production site employees. Support should, at a minimum, include i) Private, hygienic, safe rooms for expressing breastmilk; ii) Refrigerators in place to store milk; and iii) Other flexible working arrangements to support breastfeeding mothers, such as flexible working hours or on-site creche facilities. Furthermore, it is important to foster a workplace culture that is supportive of breastfeeding, for example through awareness campaigns.
- Offer maternity and paternity or second caregiver leave, extending parental leave policies to go beyond current national regulations, and remove limitations based on the number of children born.
- In addition, companies are encouraged to develop workforce nutrition programs for their supply chain workers in India, starting with a needs assessment to identify those groups at highest risk of experiencing malnutrition. They can then engage with their supply chain partners and relevant civil society organizations to help reach these groups, further study the underlying causes of malnutrition in that specific context, and develop a tailored program to address their nutritional needs in a targeted manner. For more guidance, see the [ATNI 2021 Action Research report](#) and/or engage with the WNA.

Recommendations for policymakers

- Policy makers are advised to apply minimal nutritional standards to food provisioning in canteens based on National Dietary Guidelines and incentivize employers to roll out EatRight campaigns through existing work structures.¹²⁴
- Further, policy makers could ensure inclusion of diet-related diseases in health checks within Occupational Safety Health (OSH) requirements at the state government level.¹²⁵
- Policy makers could consider regulating parental leave for supporting spouses, suggested to be for at least two weeks as per International Labour Organization (ILO) recommendations.
- Lastly, workforce nutrition efforts could be included as standard reporting on environmental, social and governance efforts by companies.



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Category Report

Labelling

This category holds 5% of the overall Index score.

By providing comprehensive and easily understandable information about the nutritional composition and potential health impact of their products through labelling – both on-pack and online – companies can help consumers choose the right products to contribute to healthy diets. As many back-of-pack (BOP) label elements and health and nutrition claims are regulated in India, Category F assesses practices on front-of-pack (FOP) labels, online information, and other ways of providing reliable and clear information to consumers.

To perform well in this category, companies should:

- Provide clear nutritional information for key nutrients on the front of pack (FOP); at a minimum showing % Recommended Dietary Allowance (RDA, or similar measure) for key nutrients;
- Display online nutrition information for products sold online to an equal or greater extent than that found on the physical product., ideally for all products in their portfolio, and through both product images and nutritional information tables;
- Support consumers in finding healthier varieties (as defined by an internationally-recognized or -aligned NPM, government endorsed when available and applicable) of their products through use of a dedicated section, webpage or filter function on their online domain.





Labelling

Category context

Considering the rapidly increasing consumption of processed foods in India, especially those high in fat, salt, and sugar (HFSS),^{126, 127} providing clear nutritional information on packs is crucial for helping consumers make informed and health-conscious purchasing decisions, thereby improving diets and reducing the prevalence of obesity and diet-related diseases.

On-pack labelling

In recent years, the Indian government has taken important steps towards developing a system for clear and standardized nutritional information on packs. The 2011 Food Safety and Standards (Packaging and Labelling) Regulations, and the subsequent Food Safety and Standards (Labelling and Display) Regulations, 2020, by Food Safety Standards Authority of India,¹²⁸ include mandatory requirements for BOP labelling: listing nutrients per 100g/ml of the product and listing the percentage contribution to RDA, as well as the requirement to provide information on energy value (kcal), amounts of: protein, carbohydrate, total sugars, added sugars, total fat, saturated fat, trans fat, and cholesterol. There is currently no requirement for fibre or sodium levels.

In addition, in 2018 the FSSAI published draft regulations for FOP nutrition labelling.¹²⁹ After thorough consultation and revisions, in 2022, a subsequent amendment to the regulations proposed the 'Indian Nutrition Rating' (INR) for FOP nutritional labelling. Based on the Health Star Rating System (HSR), the INR system calculates a score for the overall nutritional profile of a product (based on compensatory levels of both negative and positive nutrients), which is then displayed in an interpretive format from ½ star (least healthy) to 5 stars (healthiest). This regulation is expected to be voluntary for 48-months from the date of final notification of the regulation, after which it would move to a mandatory footing.¹³⁰ However, at the time of writing, the regulation is yet to come into effect, and is in part dependent on the FSSAI finalizing a definition for HFSS foods.

The proposed INR amendment for the INR follows successful implementation of other FOP labels by at least 32 governments worldwide since 1989, including: the HSR System in New Zealand and Australia (2014), Warning Labels in Chile (2016) the Traffic Light label in the UK (2017), the Dutch Wheel of Five (2017), the Nutri-Score in France (2017, and subsequently by other EU countries), among others. The adoption of FOP labelling reflects studies showing that BOP nutrient declarations only play a minor role in consumer's purchasing decisions, as they are often difficult to understand.¹³¹ In contrast, FOP labelling allows for the delivery of simplified and immediately visible nutritional information, especially those referred to as 'interpretive' labels, which use symbols, color coding, or words to convey an evaluative judgement on the nutritional quality of a product. When such systems are mandatory, it further stimulates competition between companies on the basis of product healthiness, which can therefore accelerate the rate of reformulation and improve the healthiness of the overall supply of packaged foods and beverages.

Nutrition and health claims and on-pack logos

The Food Safety and Standards (Advertising and Claims) Regulations, 2018, sets out that all products fortified according to these regulations must use the +F logo on their labels. The F+ logo is intended to help consumers easily identify fortified products, thereby helping improve the overall nutrition of the



population in India. For regulation on health claims, the FSSAI regulation Food Safety and Standards (Advertising and Claims) Regulations, 2018 sets guidelines to ensure that health claims are truthful, based on scientific evidence, and are not misleading.

Box F1. Changes to the methodology

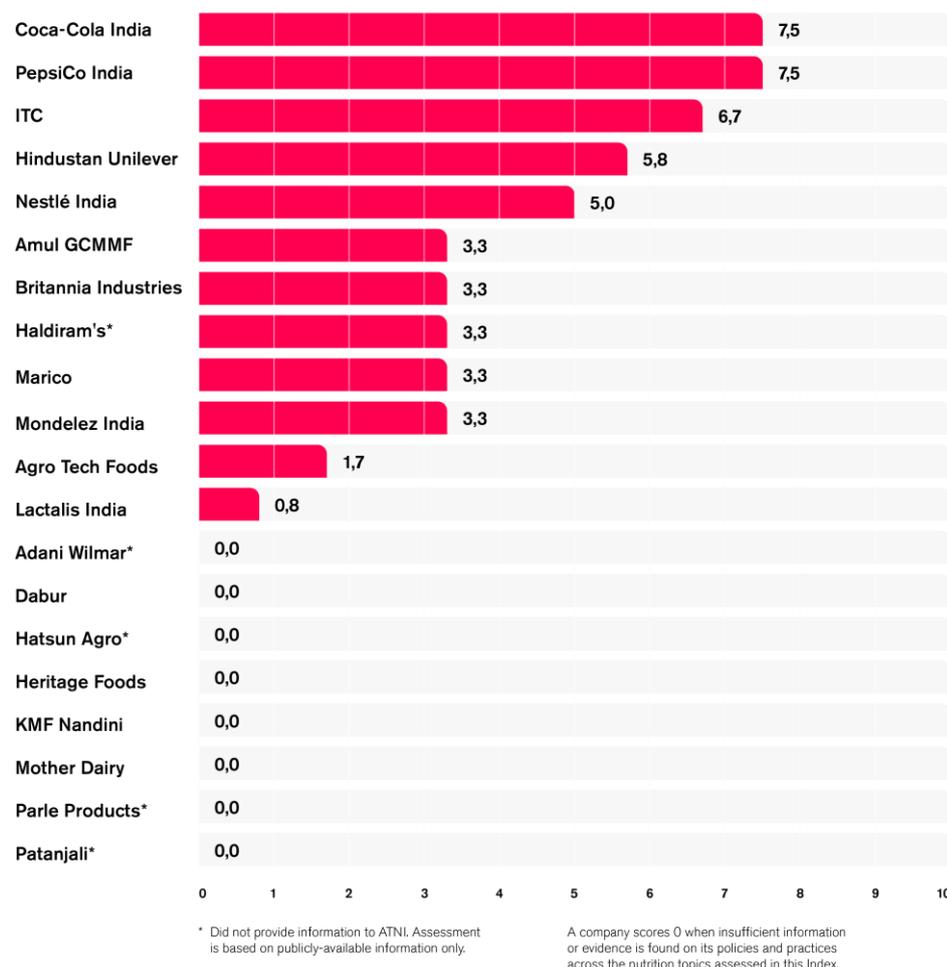
This category was substantially revised from the previous 2020 India Index, with the number of indicators reduced from 10 to 3 — mostly because of the new regulations in place as ATNI does not test compliance with regulation (such as for nutrition and health claims). Indicators crediting broad ‘commitments’ to provide nutritional information labelling have been removed, and replaced with a simplified focus on what labelling the company has currently in place, and whether this is consistent to what is displayed on their web domain. A new indicator has been added to assess whether companies makes it easier to find ‘healthier’ varieties on their website.

See full methodology [here](#).



Company ranking

Figure F1. Category ranking on Labelling



Coca-Cola India and PepsiCo India are the joint highest-scoring companies for this category with a total score of 7.5 out of 10, followed by ITC with a score of 6.7.

Key findings

- Only six companies were found to currently provide nutritional information on FOP: Coca-Cola India, Hindustan Unilever, ITC, Mondelez India, Nestlé India, PepsiCo India, with all doing so in a numerical format for key nutrients.
- Companies made clear that they are waiting for the FSSAI to finalize and approve the INR FOP labelling system before introducing any new FOP labelling, to avoid confusing consumers and wasting resources changing packaging designs.
- Twelve companies display nutritional information online on their public domain, although there is significant variation as to how this information is displayed, how comprehensive and clear the information is, and how widespread across their portfolio the information is.
- Few companies generally have features in place on their website to guide external parties to find healthier varieties on their website. Of the five that have some kind of feature, four use their internal NPM to determine what products were considered 'healthy' for this purpose, however none of these were aligned with an internationally recognized NPM.



Detailed findings

Do companies provide nutritional information on their front-of-pack label?

In total, six companies state that they provide nutritional information on their front-of-pack (FOP) label: : Coca-Cola India, Hindustan Unilever, ITC, Mondelēz India, Nestlé India and PepsiCo India. Each company displays numeric information only, including the percentage of RDA for their whole portfolio, with the exception of Nestlé India and ITC, which only do so for select product ranges. ITC stated that they provide FOP info for 'select products like Farmlite oats almond, Aashirvaad vermicelli, Aashirvaad multigrain flour, and Ready-To-Cook chapatti', and Nestlé state that they only currently provide FOP guidance for 'children (4-12 years) and family products'

No assessed companies use an interpretative FOP labelling system. It is clear that many companies are waiting for a regulatory decision to inform them how they should proceed. Stated reasons given by companies for delaying action on FOP interpretative labelling until after an FSSAI decision include wanting to avoid confusing consumers, and to avoid incurring extra costs from changing packaging designs twice. This situation highlights the importance of policymakers being proactive in driving progress through clear and timely regulation – as companies are waiting for government action.

Hindustan Unilever drew attention to its 'Responsibly Made for Kids' logo found on their 'Kwality Wall's' kids range of ice cream, which the company stated was underpinned by their internal nutrient profiling system –the Unilever Science-based Nutrition Criteria (USNC). ATNI's product portfolio assessment applying the WHO SEAR criteria on marketing to children found the ice cream products included were not found eligible for marketing to children. It is important that companies ensure that their responsible marketing policies also apply to product labelling to ensure these products are not undermining children's health.

Do companies display nutritional information on their public web domain, and in what form?

With over 50% of the Indian population now having internet access,¹³² companies can utilize their websites to be transparent about the nutritional information available online for their products, and to help consumers identify healthier food and drinks options. Companies can show their product label data comprehensive online by showing high resolution images of FOP and BOP packaging, to ensure label information is as clearly available as in-store. In addition to, or as an alternative to displaying BOP images, companies could also display relevant nutritional information in tabular form, which may include showing information per 100g, per serving size, and % RDA.

Our findings indicate that 12 companies display nutritional information online, although the extent of this information, and the form it takes, varies considerably. Nevertheless, it is encouraging that many companies chose to display both FOP and BOP images, and/or with accompanying tables, which offers consumers and other stakeholders the most comprehensive range of information, as shown in Table F1.



Table F1. How nutritional information is displayed on the companies' web domains

| Company | Images of FOP packaging | Images of BOP packaging | Nutritional information table |
|--------------------------|-------------------------|-------------------------|-------------------------------|
| Agro Tech Foods | - | - | ● |
| Amul GCMMF* | ● | - | ● |
| Britannia Industries Ltd | ● | - | ● |
| Coca-Cola India | - | - | ● |
| Haldiram's* | ● | ● | - |
| Hindustan Unilever | ○ | ○ | ● |
| ITC | ● | ● | ● |
| Lactalis India* | ○ | - | ○ |
| Marico | ● | ● | ● |
| Mondelēz India | ○ | - | ○ |
| Nestlé India | ● | ● | ● |
| PepsiCo Inda | ● | ● | - |

● Yes, for all products
 ○ Yes, for some products
 - No/no information

* Did not provide information to ATNI

Note: Information on companies' display of nutritional information online was not found for Adani Wilmar, Dabur, Hatsun Agro, Heritage Foods, KMF Nandini, Mother Dairy, Parle Products, and Patanjali.

Three companies displayed only limited nutritional information online for their whole product portfolios (Agro Tech Foods, Haldiram Foods, and Hindustan Unilever), such as not including ingredients lists as part of information displayed online, product images being too low resolution lacking 'zoom' features to easily read nutritional label information, or the nutritional information not being clearly located on the company's website. For Coca-Cola India, nutritional information is displayed as tables beneath each product, while product packaging images do not appear to show FOP labels on them, despite being shown on the physical products. Furthermore, four companies displayed information via their brand-specific websites. However, nutritional information was often not consistently available across their brand sites. This was the case for Lactalis, for example, with different brand sites Tirumala, Anik, and Prabhat showing varying levels of nutritional information online. For other companies where nutritional information was not directly available on their corporate web domain, this was found on the company's own e-commerce site, as was the case for ITC and their ITC Store site. For direct-to-consumer channels such as the ITC Store site, displaying nutritional information online is a valuable way for companies to enable consumers to make informed purchasing decisions.



Table F2. Where nutritional information is found on company’s web domain

| Company | On main company website | On brand-specific sites | On company e-commerce platform |
|--|-------------------------|-------------------------|--------------------------------|
| Agro Tech Foods | ● | - | - |
| Amul GCMMF* | ● | - | - |
| Britannia Industries | ● | - | - |
| Coca-Cola India | ● | - | - |
| Haldiram’s* | ● | - | - |
| Hindustan Unilever | ● | ○ | ○ |
| ITC | - | - | ● |
| Lactalis India* | - | ● | - |
| Marico | - | ● | - |
| Mondelēz India | - | ● | - |
| Nestlé India | - | - | ● |
| PepsiCo India | ● | - | - |
| ● Yes, for all products ○ Yes, for some products - No/no information | | | |

* Did not provide information to ATNI

Note: Information on companies’ display of nutritional information online was not found for Adani Wilmar, Dabur, Hatsun Agro, Heritage Foods, KMF Nandini, Mother Dairy, Parle Products, and Patanjali.

Do companies assist stakeholders with finding healthier products on their website?

Few companies’ websites have options to assist visitors with finding healthier varieties. Four companies — Coca-Cola India, Hindustan Unilever, ITC, and PepsiCo India, — used their own, company-developed NPMs to define “healthier” options (see the [chapter on Nutrient Profiling](#) for more information on company’s NPM’s). Haldiram’s, offers specific product webpages for its ‘healthy snacking’ and ‘sugar free/no added sugar’ ranges, although it is not clear whether these categories are defined by any formal nutrient profiling criteria.

Coca-Cola India was the only company to offer a ‘filter’ function (for ‘Nutrition & Hydration’). Haldiram’s, Hindustan Unilever, and PepsiCo India each had distinct webpages spotlighting examples of ‘healthier’ choices (according to company internal definitions) — though with no way to search or filter across the whole portfolio. ITC referred to the example of the Nutricorner section of its e-retail site, stating that it ‘has product listings based on different nutritional benefits — proteins, micronutrients, immunity & fibre’. However, at the time of writing, this webpage also included products such as chocolate truffles and chocolate milkshakes, which are generally not considered fit for a healthy diet.



Recommendations

In order to be transparent about their products' nutritional quality and support consumers in their dietary choices and guide them towards healthier products, companies are encouraged to:

- Once it is formally enacted by FSSAI, if the INR FOP labeling system is on a voluntary basis, adopt it across their entire portfolios in India.
- Ensure that nutritional information is available for all products on their websites *both* as high-definition images of the FOP and BOP images, and as accompanying tables showing comprehensive product-specific nutritional information.
- Implement features, such as portfolio-wide filter functions, on their websites and/or e-commerce sites to ensure that healthier varieties can be easily identified and located by consumers. These should be classified as 'healthy' according to a government endorsed and internationally recognized NPM.

Recommendation for policymakers

- Government could ensure clear and transparent labelling guidelines are in place that incorporate the definition of highly processed foods and criteria for HFSS thresholds.



¹²⁶ Xiaojia Chen et al, "Consumption of Ultra-Processed Foods and Health Outcomes: A Systematic Review of Epidemiological Studies," *Nutrition Journal* 19, no. 86 (August 20, 2020), <https://nutritionj.biomedcentral.com/articles/10.1186/s12937-020-00604-1>.

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Category Report

Policy Engagement

This category holds 5% of the overall Index score.

Through policy engagement and advocacy, companies can collectively influence policymaking decisions with regards to measures to address malnutrition that might affect their commercial activities. This Category assesses companies' approaches to policy engagement and advocacy in India, including via third-parties such as trade associations, including their advocacy policies, management systems, and transparency.

To perform well in this category, companies should:

- Have a clear policy or code of conduct setting out rules and expectations for individuals (including third-parties) engaging with policymakers/government officials on nutrition related policy decisions on behalf of the company;
- Establish effective management systems for governing lobbying activities, such as clear internal approval procedures for staff to engage with policymakers, or other tracking mechanisms;
- Assign to their Boards of Directors oversight over the company's advocacy activities, including in relation to nutrition-related policy measures;
- Publicly disclose its position on the important nutrition-related public health policies that are under consideration in India;
- Disclose a comprehensive list of trade association memberships in India, including seats held on Boards or committees;
- Have a clear approach for dealing with the hiring of former government officials/ policymakers, such as 'cooling-off periods'.





Policy Engagement

Category context

In recent years, an array of policy proposals to address the rapidly rising rates of obesity and diabetes in the country have been under consideration by the Government of India.¹³³ These policy measures include introducing mandatory front-of-pack (FOP) labelling, restrictions on marketing and health claims, and a nationwide 'fat tax', in order to stem the proliferation of products with high levels of fat, sugar and salt (HFSS).¹³⁴ These measures are aligned with the World Health Organization (WHO)'s policy recommendations on addressing obesity and diet-related non-communicable diseases (NCDs).¹³⁵ Since then, a nationwide tax on 'aerated beverages' of 40% (regardless of sugar content) was introduced in 2017,¹³⁶ for example, and a ban on the sale and marketing of HFSS foods in and near schools in 2020.¹³⁷

Various media and civil society sources have noted industry advocacy efforts regarding these policy measures, especially through trade associations, ^{138, 139, 140, 141} A prominent debate in recent years has been over the selection of a FOP labelling system, the nutrient profiling model (NPM) to underpin it, and the timeline of its implementation, in which some civil society and consumer organizations report disproportionate industry presence during the consultations, relative to public health advocates without commercial incentives.¹⁴²

These potential policy measures can have a positive impact on public health in India while creating a level playing field for industry. However, as new policy measures have the potential to impact companies' business, public health advocates point out that industry influence over these policies can raise a conflict of interest risk. It is therefore crucial that companies consider the wider public health interest and long-term value of these measures, and, at minimum, be transparent about their involvement in public health-related policy debates (including via trade associations) to enable them to be held accountable by its stakeholders.

While India has extensive regulations and mandatory requirements of companies to prohibit and manage the risk of bribery and corruption,¹⁴³ the regulatory framework around private interests influencing policy (or 'advocacy') is more limited, and lobbying is not formally recognised as a lawful or permissible practice.¹⁴⁴ That said, the top 1,000 largest companies listed in India are required to report against the Business Responsibility & Sustainability Reporting (BRSR) framework (designed by the Securities and Exchange Board of India (SEBI)), previously known as the Business Responsibility Reporting (BRR) framework), which includes Principle 7: "Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent".¹⁴⁵

As part of this, all listed companies are required to publicly disclose their 10 main trade associations (an 'Essential indicator') and, optionally, "Details of public policy positions advocated by the entity" (a Leadership indicator). This shows that industry influence over policymaking is recognized as an important issue, as well as the need for transparency and accountability. Table G1 shows the 10 companies assessed in this Index that are listed on the India Stock Exchange, and are therefore required to report on the BRSR indicators, and which companies report on the optional 'Leadership' indicators.



Table G1. List of companies assessed in this Index that are required to report on the ‘Essential’ BRSR indicators, and whether they report on ‘Leadership Indicators’

| Company name | Reports on Leadership Indicators |
|----------------------|----------------------------------|
| Adani Wilmar* | - |
| Agro Tech Foods | ● |
| Britannia Industries | - |
| Dabur | ● |
| Hatsun Agro | - |
| Heritage Foods* | ● |
| Hindustan Unilever | ● |
| ITC | ● |
| Marico | ● |
| Nestlé India | ● |
| ● Yes | |
| - No | |

* Did not provide information to ATNI

Box G1. Changes to the methodology

This category was substantially revised from the 2020 Index as part of ATNI's deliberate efforts to simplify the methodology and reduce the number of indicators. Firstly, the category now focuses exclusively on ‘advocacy’ and influencing policymakers; Criterion G2 on Stakeholder Engagement has been removed (with an indicator on this topic added to Nutrition Governance, since this is relevant for governance and nutrition strategy). New indicators have been added with greater alignment with the [Responsible Lobbying Framework](#) and findings of the [ATNI Spotlight on Lobbying Report 2022](#), while reflecting the realities of the India context.

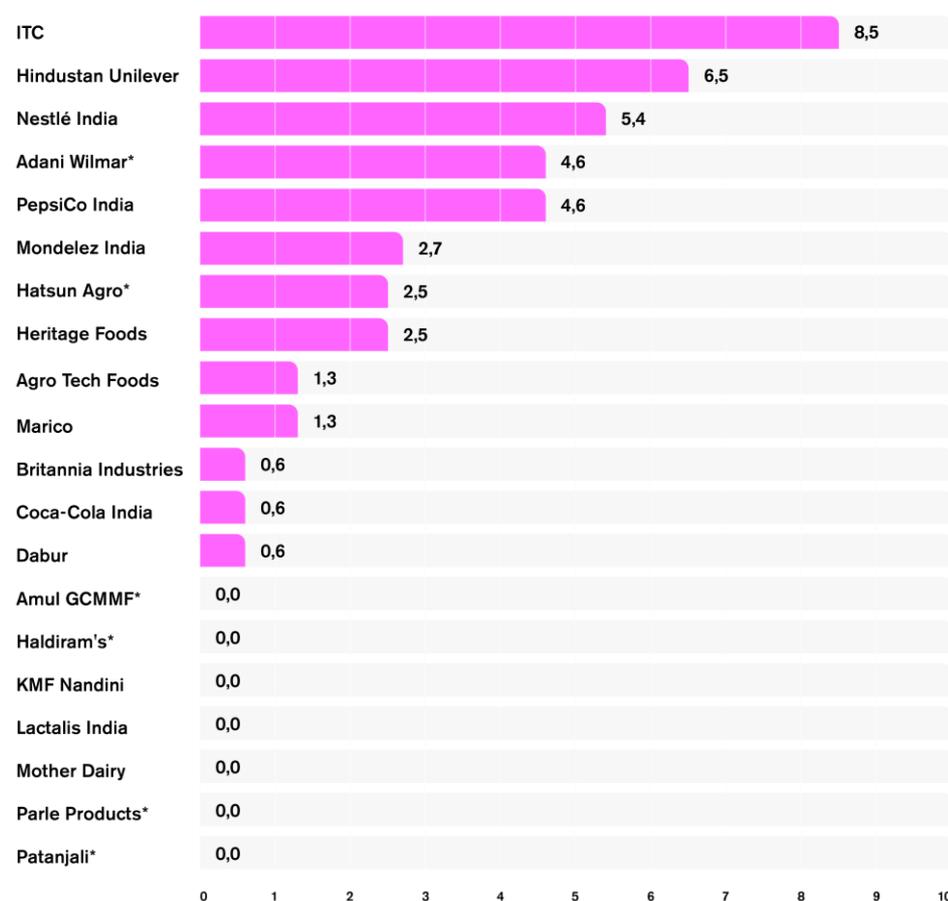
Meanwhile indicators assessing whether companies support government initiatives have also been removed, considering that participation in a number of these can be credited elsewhere in the methodology, and in light of ATNI's decision to no longer credit non-commercial activities. Moreover, commitment indicators have been removed, in order to focus more on what's in place.

The full methodology can be found [here](#).



Company ranking

Figure G1. Category ranking for Policy Engagement



* Did not provide information to ATNI. Assessment is based on publicly-available information only.

A company scores 0 when insufficient information or evidence is found on its policies and practices across the nutrition topics assessed in this Index.

Key findings

- Seven companies out of 20 were found to have a responsible advocacy policy in place in India, although in the majority of cases these articulated only high-level principles.
- Six companies state that they have systems in place to authorize and track advocacy engagements with policymakers in India.
- Of the companies with India-specific Boards, only Nestlé India indicated that advocacy activities are reviewed at Board-level in India.
- Only four companies disclose one or more positions on key nutrition-related public policy measures that have been under deliberation in India, none of which are comprehensive. This is despite this being a 'Leadership Indicator' of the new Business Responsibility and Sustainability Reporting (BRSR) framework (under Principle 7), which seven companies report on.
- Twelve companies disclose comprehensive lists of trade association memberships in India, four of which also indicate the associations on which they hold Board seats (or equivalent).



Detailed findings

Do companies have a clear policy or code of conduct setting out rules and expectations for individuals engaging with policymakers in India?

When representing the company's interests during interactions with policymakers to influence nutrition-related policy decisions, it is essential that individuals engage responsibly, identify themselves and their purposes clearly, and present honest, evidence-based, and valid information in order not to mislead policymakers. It is therefore important that companies have a clear code of conduct in place for staff who engage with policymakers and third-parties acting on the company's behalf. This should go beyond anti-bribery and corruption policies, which are a legal requirement to have in place for businesses in India.

Seven of the 20 companies assessed were found to have such a policy or code of conduct (Adani Wilmar, Hatsun Agro, Heritage Foods, Hindustan Unilever, ITC, Mondelēz India, and Nestlé India), five of which explicitly applied to third-parties also. In most cases, the policies articulated only high-level principles such as acting with “transparency”, “integrity”, and “ethics”, without being more specific.

Interesting example: Heritage Foods' ‘Business Responsibility Policy’ is notable due to its explicit reference to consider the wider national interest, acknowledging that its advocacy should “preserve and expand public good and thus shall never advocate any policy change to benefit itself alone or a select few in a partisan manner”.¹⁴⁶

Interesting example: ITC, meanwhile, is the only company to have a responsible advocacy policy specifically in relation to nutrition-related policy issues.¹⁴⁷

What management systems do companies have in place to control their advocacy activities in India?

While policy matters affect the entire business, misguided political engagement can also represent significant risks for the company, not only reputationally but also for the achievement of long-term goals, such as those relating to nutrition. This is especially the case if its staff and/or third-parties advocate for policy positions that are inconsistent with the company's position, which is an increasing concern for the company's key stakeholders, including shareholders, employees, and customers.¹⁴⁸ Consequently, it is important that companies have management systems in place to ensure greater consistency and accountability in relation to the company's political engagement.

Having responsible advocacy policies in place is an important first step in this regard, and most of the companies in this Index that possess them also state that employees (and, where applicable, third-parties) are trained in their adoption. However, beyond this, findings were more limited. Regarding direct control over engagements and tracking advocacy activities, only five companies - Hindustan Unilever, ITC, Mondelēz India, Nestlé India, and PepsiCo India – indicated that they have clear internal approval procedures for staff to engage with policymakers on policy matters.

Interesting example: Adani Wilmar's Responsible Advocacy Policy states that it implements “record management tools to record all advocacy interactions performed on behalf of AWL [Adani Wilmar Ltd] and its subsidiaries by employees and relevant contractors.”¹⁴⁹

Only Nestlé India indicates that its advocacy activities in India are reviewed by its Board of Directors, an important practice to ensure greater consistency in the company's advocacy positions, and which demonstrates the importance of this issue within the company. Meanwhile ITC was the only company



found to address the hiring of any former government officials/policymakers (i.e. the 'revolving door'), stating that it will map "internal potential conflict of interest" and identify "specific responsibilities for the individual amongst other critical requirements would also be undertaken, before engaging and hiring such employees".

To what extent do companies disclose their policy positions on important nutrition-related policy proposals that are (or recently have been) under consideration in India?

It is crucial that companies disclose information about their positions on key policy measures under consideration in India that may affect them, even if they do not engage in advocacy directly. Doing so not only signals the company's positions to stakeholders (both internal and external), but also enables scrutiny of their alignment with the public health interest (and the company's commitments in this regard), while further exhibiting a commitment to full transparency around advocacy. Moreover, it can help to maintain alignment across its political engagement activities, including via trade associations and other third parties, ensuring the company is only supporting one consistent position.

However, despite there being a number of clear policy deliberations in India over the last three years in which industry was clearly involved, very few companies disclosed clear positions on the measures that have been considered (and are recommended by the World Health Organization (WHO)). This is despite "Details of public policy positions advocated by the entity" being one of the 'Leadership indicators' for Principle 7 of the new BRSR framework. Of the seven companies assessed in this Index that report on the Leadership indicators of this framework (see Table G1), only Marico and Nestlé India indicate specific policies the company has engaged on in the past year, but they are not clear about their policy position.

Interesting example: In its 2022 Annual Report, Nestlé India states that it "works on public health agendas such as foods high in fat, salt and sugar (HFSS) and front of pack labelling (FOPL) with government/regulatory authorities taking into consideration interests of consumers" for the "development of balanced regulations", disclosing that it has engaged on the [draft regulation of FSSAI in question](#).¹⁵⁰

Interesting example: ITC publishes a document titled 'ITC Food Divisions Position on Public Health Engagement Topics', in which the company states that it "support[s] restrictions on marketing initiatives on products that are unhealthy (as defined in the current regulations) as long as they are [based on] the laws laid down by the regulator and aligned with applicable nutritional profiling systems based on India's dietary patterns and are towards consumer advantage". It also states that it supports regulations for health/nutrition claims and mandatory fortification of salt with iodine. It does not, however, address mandatory FOP labelling systems nor fiscal measures to address obesity.¹⁵¹

Hindustan Unilever and PepsiCo India, meanwhile, publish links on their web domains to the global policy position statements of their parent companies.

Several companies, including Agro Tech Foods, Dabur, Heritage Foods, indicate that they do not engage in *direct* advocacy activities. However, this does not preclude them from engaging indirectly via trade associations, by which they may take a position in the process. Moreover, it is not clear how they define 'direct advocacy', and what specific types of political engagement this includes and excludes.



How comprehensively do companies disclose their trade association memberships in India?

Disclosing trade association memberships is also essential for transparency, given the extent to which engagement on policy is often carried out by such groups, and the risk that they may support positions contradictory to, or in ways that go against, the company's advocacy policy. Recognizing this, reporting on trade association memberships in India is a requirement of Principle 7 of the BRSR framework, which 10 listed companies are required to report against (see Table 1). In addition, PepsiCo India and Coca-Cola India voluntarily disclose each of their trade association memberships. No other companies disclose information about their trade association memberships in India on their own public domain.

Companies can indicate the relative importance to the company of certain trade associations, and influence they hold within them, by disclosing which associations it holds Board or committee seats on. Only four companies – Hindustan Unilever, PepsiCo India, ITC, and Nestlé India – were found to do this comprehensively. Box G2 and Table G2 show the most frequently cited trade associations by the companies that disclosed information about their trade association memberships or are listed on these trade associations' websites as members.

Table G2. Mapping the food and beverage companies' memberships of key trade associations in India, according to disclosures by the companies and trade associations.ⁿ

| Company | FICCI | CII | ASSO-CHAM | AIFPA | IBA | PAFI | PHDCCI | PFNDAI |
|----------------------|-------|-----|-----------|-------|-----|------|--------|--------|
| Adani Wilmar | - | ● | - | - | - | - | - | ○ |
| Agro Tech Foods | ● | ● | - | - | - | - | - | - |
| Britannia Industries | ● | ● | ● | ○ | - | - | - | ○ ● |
| Coca-Cola India | ● | ● | - | ○ | ○ ● | ● | ○ | ○ |
| Dabur | ● | ● | - | ● | ○ ● | - | ● | ○ |
| Haldiram's | - | - | - | ○ ● | - | - | - | ○ |
| Hatsun Agro | - | - | - | - | - | - | - | - |
| Heritage Foods | - | ● | - | - | - | - | - | - |
| Hindustan Unilever | ● | ● | ● | ○ | - | ○ ● | - | ● |
| ITC | ● | ● | ● | ● | ● | - | ● | ● |
| Marico | ● | ● | ● | ● | - | - | - | ○ ● |
| Mondelēz India | ○ | ○ | - | ○ | - | ○ | - | ○ |
| Mother Dairy | - | ○ | - | ○ | - | - | - | ○ ● |
| Nestlé India | ● | ● | ● | ● | - | ○ | ● | ○ |
| Parle Products | - | - | - | ○ | ○ | - | - | ○ |
| Patanjali | - | - | - | ○ | - | - | - | - |
| PepsiCo India | ● | ● | ● | ● | ● | ● | - | ○ |

- Company holds Board, Committee, or other leadership seat
- Company discloses that it is a member
- Company is reported as a member or holding a leadership seat by the association, which is not disclosed by the company
- No/no information

* Did not provide information to ATNI

ⁿ Box G2 lists the full names of industry associations included in Table G2.



Note: Full membership lists are published by AIFPA, IBA, PAFI, PHDCCI, and PFNDAI, which were checked by ATNI.
Note: Information on trade association memberships was not found for Lactalis India, Amul GCMMF, and KMF Nandini.

Box G2: List of key trade associations relevant for food and beverage manufacturers in India

- **AIFPA** – All India Food Processors' Association.¹⁵²
- **ASSOCHAM** - The Associated Chambers of Commerce & Industry of India.¹⁵³
- **CII** – Confederation of Indian Industry.¹⁵⁴
- **FICCI** - Federation of Indian Chambers of Commerce & Industry.¹⁵⁵
- **IBA** - Indian Beverage Association.¹⁵⁶
- **PAFI** – Public Affairs Forum of India.¹⁵⁷
- **PFNDAI** – Protein Foods and Nutrition Development Association of India.¹⁵⁸
- **PHDCII** - Progress, Harmony, and Development (PHD) Chamber of Commerce and Industry.¹⁵⁹

Recommendations

In order to align their policy engagement activities on nutrition-related policy with the public health interest, and enhance transparency and therefore accountability for its engagement activities, including via third-parties, companies are recommended to:

- Adopt a responsible advocacy policy, which also applies to third-parties advocating on behalf of the company, in which they commit to conduct themselves responsibly; be transparent about their identity and intentions; include requirements to ensure that the evidence presented is as valid, independent, and representative as possible; and consider the wider public interest, including public health, in their efforts. All companies are also recommended to include clear definitions of how it defines 'advocacy interactions' (for example, whether or not this includes participation in policy-related multistakeholder meetings, responding to public consultations, and any other interactions with policymakers).
- Ensure that only approved personnel engage with policymakers on nutrition-related policy matters, and ensure that these interactions are tracked and disclosed on the public domain.
- Disclose their policy positions on key nutrition-related policy measures that are under debate or development in India that would likely affect the company (for example, what type of FOP labelling system it supports, and under what conditions, etc.), even if the company is not engaging directly. These disclosures should be either on its website or in its reporting, ensuring that they are as specific and unambiguous as possible. Policy positions should consider the wider public health interest and long-term material implications of rising levels of malnutrition in India.
- Where applicable, ensure that their advocacy activities and positions on nutrition-related policy measures are reviewed and approved at Board level.
- Disclose comprehensive lists of their trade association memberships in India, and clearly indicate which they hold leadership positions on, such as on their Boards, management committees, or thematic working groups or sub-committees, in order to signify to stakeholders which ones the company has greater stakes in. If no such positions are held, this can be publicly stated.



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Sustainability

Context

Considering the urgent need to act to prevent and limit global heating, there is increasing pressure on the food sector to play a role. The global food system is a significant contributor to annual greenhouse gas emissions (GHG), with estimates ranging from between 21-37%,¹⁶⁰ up to 23-42% of global GHG.¹⁶¹ Without swift and robust action, current trends indicate that planetary heating and its environmental impacts will worsen. Environmental health and human health are inextricably linked, with climate change posing a threat to crop yields, dietary diversity, and nutrient bioavailability, among other key [factors](#). It is therefore important for stakeholders to adopt a food system approach that can ensure positive outcomes for both nutrition and climate, to ensure sustainable solutions for the supply of healthy food.¹⁶²

Global heating is by definition an international issue, requiring comprehensive action by all stakeholders. Nonetheless, action at the national (and sub-national) level is crucial for driving concrete progress. In 2021, India emitted 3.9 billion MT of carbon dioxide equivalent (GtCO₂e), making it the world's third-largest emitter of greenhouse gases, behind China and the U.S.¹⁶³ The Indian agriculture sector alone is responsible for 741.9 million tonnes of GHG emissions, without considering the additional emissions created by processing, transport, and waste down the value chain.¹⁶⁴

Private sector actors have a key role to play in aligning with Paris Agreement goals of limiting climate change well below 2 degrees, preferably in line with a 1.5C trajectory. Additionally, proactive voluntary action by companies in this area sets them ahead of potential future regulatory action in this space, while helping to mitigate the risks that climate change poses to their own business. Companies can reduce their greenhouse gas emissions across multiple levels, which are commonly referred to as Scope 1, 2, and 3:

- Scope 1 emissions refers to the emissions produced from sources that an organization owns or controls directly, such as vehicles or processing plants;
- Scope 2 emissions are those caused indirectly by a company, relating to the energy used by the company for their operations, such as the energy to power warehouses or manufacturing processes;
- Scope 3 refers to emissions that the company is indirectly responsible for across its value chain, including waste disposal, transportation, investments, and commuting, among others. Due to covering the wider value chain, it is unsurprising that Scope 3 constitutes the vast majority of food manufacturers' emissions, with recent estimates calculating Scope 3 emissions being 90-95% of overall emissions.¹⁶⁵

Another area in which companies can drive more sustainable practices and improve access to nutrition is through reducing food loss and waste. The major contributors to this phenomenon include: processing waste, lack of cold-storage facilities, contamination, improper packaging, transportation losses, and excess inventory from poor forecasts.¹⁶⁶ Food that is discarded results in the processes involved in its production, including growing, transportation, processing and handling all being wasted. Food waste is responsible for about half of global GHG emissions from the food system, and 8-10% of total global GHGs.¹⁶⁷ Furthermore, FLW is detrimental to food security, and action by companies in this area can therefore support their efforts to drive greater accessibility of nutritious products across the population.^{168, 169}



In addition to acting on GHG (scope 1,2,3) emissions and FLW, a key area for companies to act is reducing plastic use, and transitioning to sustainable forms of packaging. On July 1, 2022, the Indian government enacted a ban on single-use plastics, which accounted for 43% of plastic waste generated in India. Each year, India generates 15 million tons of plastic waste, but at present only one fourth is recycled.¹⁷⁰ In addition to the ban on single-use plastics, in September 2021, the Confederation of Indian Industry (CII) and WWF India launched the India Plastics Pact, a collaborative initiative across business, government, and NGOs to reduce plastic waste. This includes ambitious 2030 targets to: identify and take measures to address unnecessary or problematic plastic packaging, make plastic packaging 100% reusable or recyclable, 50% of plastic packaging to be effectively recycled, and 25% average recycled content across all plastic packaging.¹⁷¹

Methodology

Indicators for this assessment are adapted from the World Benchmarking Alliance's (WBA) Food and Agriculture Benchmark. Further information can be found here: [Methodology for the 2023 Food and Agriculture Benchmark \(worldbenchmarkingalliance.org\)](https://worldbenchmarkingalliance.org). For the purposes of this Index, this category is unscored and for information only.

Key Findings

- Multinational companies often have data and targets at the global level, but in most cases not for India specifically.
- Scope 1, 2, and especially 3 emission reduction, and food loss & waste (FLW) do not appear to be on the radar of most food companies, and those that do show only limited activity in India.
- Plastic use reduction and transitioning to sustainable forms of packaging appears to be the most active area for companies, with almost all companies demonstrating evidence of targets or activities in this space. This likely reflects the need for companies to comply with Indian plastic waste regulations.
- There is considerable variation in how companies conceptualize and define 'more sustainable packaging'. More robust definitions and criteria are needed to ensure meaningful corporate progress in this area.

Detailed findings

Do companies have India-specific Scope 1,2, and 3 targets and reporting?

Seven companies (PepsiCo India, Hindustan Unilever, Coca-Cola India, Marico, ITC, Mondelēz India, Nestlé India) make reference to Scope emission targets. The form and scope of these targets provided by companies varied in a number of key ways:

- Some targets set percentage emission reductions from a baseline year, while others set a future commitment to achieve net zero.



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- Some targets commit to absolute emission reductions, while others commit to relative emission reductions.
- Some targets are set for scope 1 & 2, while others are set for scope 3. Some companies also use an end-to-end target covering all three scope levels. While end-to-end targets are useful for gaining a total view of the company's emissions, it would also be beneficial to have scope-specific targets, that offer a greater level of detail.
- Some targets are set at the global level, while others are India-specific.

Some multinational companies referred to targets at the global level, in some cases stating and reporting that these were also applicable to India specifically. Only ITC and Marico showed evidence of India-specific targets. While it is understandable that companies who operate in multiple countries may set targets that cover their global operations, for effective monitoring and progress, it is important that companies set targets and measure emissions at the national level, in each market they operate in. This is especially the case for major economies such as India.

Company scope emission targets

| Company name | Scope | Baseline year | Target year | Target level/% decrease | India specific/ Global |
|--------------------|-------|---------------|-------------|--|------------------------|
| PepsiCo India | 1,2 | 2015 | 2030 | Reduce by 75% from direct operations | Global |
| | 3 | 2015 | 2030 | Reduce by 40% across value chain | Global |
| | 1,2,3 | n/a | 2040 | Achieve net-zero | Global |
| Hindustan Unilever | 1,2 | 2015 | 2025 | Reduce scope 1 and 2 emissions by 70% | Global |
| | 1,2 | 2015 | 2030 | Reduce scope 1 and 2 emissions by 100% | Global |
| | 1,2,3 | n/a | 2039 | Achieve net zero emissions across scope 1,2,3 | Global |
| Coca-Cola India | 1,2,3 | 2015 | 2030 | Reduce absolute emissions by 25% | Global |
| | 1,2,3 | n/a | 2050 | Achieve net zero emissions | Global |
| Marico | 1,2 | 2013 | 2030 | Reduce scope 1 and 2 emissions by 93%, and offset remaining 7% through sequestration and carbon offset | India specific |
| | 1,2 | 2013 | 2022 | Reduce absolute GHG emission intensity by 75% | India Specific |
| | 1,2,3 | n/a | 2040 | Achieve net zero emissions in global operations | Global |
| | 1,2,3 | n/a | 2030 | Achieve net zero emissions in India operations | India specific |
| ITC | 1,2 | 2018-19 | 2030 | Achieve 50% reduction in specific GHG emissions | India specific |
| Mondelēz India | 1,2,3 | 2018 | 2025 | Reducing absolute end-to-end greenhouse gas emissions by 10% | Global |
| | 1,2,3 | n/a | 2050 | Achieve net zero across full value chain | Global |
| Nestlé India | 1,2,3 | 2018 | 2050 | Achieve net zero | Global |
| | 1,2,3 | 2018 | 2025 | Reduce emissions by 20% | Global |
| | 1,2,3 | 2018 | 2030 | Reduce emissions by 50% | Global |



Unilever, Adani Wilmar, ITC, and Nestlé reported India-specific changes in their scope 1 and 2 emissions. Of these, Hindustan Unilever, Adani Wilmar and Nestlé India showed evidence of quantitative reductions for its Scope 1 and/or 2 emissions from the previous year. However, some companies who did not show a reduction from the previous year did show a longer-term decrease in emissions.

While a number of companies provided evidence of Scope 3 emission targets and quantitative reductions at the global level, no companies demonstrated evidence of India-specific targets or quantitative reductions for Scope 3 emissions.

Are companies' scope 1,2 and 3 GHG emissions aligned with a 1.5°C trajectory?

To limit the effects of climate change, the Paris Agreement (adopted in 2015) set a long-term goal to keep mean global temperature increases to well below 2°C above pre-industrial levels, and preferably below 1.5°C. To stay below 1.5°C, a 50% reduction in emissions would be required by 2030. Given the outsize role companies play in contributing to global heating, it is important that they set 1.5°C targets for their operations. To track company action in this area, the Science Based Target initiative (SBTi) have a dashboard showing which companies have set science-based targets. For assessing companies following WBA's approach (see box on Methodology), only companies who were identified on this dashboard were eligible to be identified as in line with a 1.5°C trajectory.

While a number of companies provided evidence to prove their emissions reduction activity was in line with a 1.5C trajectory, only PepsiCo, Unilever, and Nestlé were found to be recognized by SBTi as aligned with a 1.5C trajectory, and these were only recognized at the global level, rather than specifically for the India-specific division. Some other companies, namely: Coca-Cola and Mondelez were found to be aligned with a less stringent 2.0C trajectory, or 'well below 2.0C'.

In what form do companies publicly report emission reductions?

It is important that companies provide clear evidence that they are reducing their Scope 1, 2, and 3 emissions from current levels. This should be quantitative evidence of absolute reductions, regardless of the company's plans for future business growth. However, a considerable number of companies reported on GHG reduction activity in terms of 'emissions intensity'. Emissions intensity targets should only be set if they clearly lead to an absolute emissions reduction. Companies should look to adopt stronger and more transparent metrics for measurement, that clearly demonstrate an absolute reduction in emissions relative to a baseline date and in line with 1.5C trajectory.

In addition to reporting on Scope 1, 2, and 3 emissions, it is also beneficial to have more granular data, including emissions data for sub-categories within these. This is especially relevant for Scope 3, and for listing the main categories of emissions sources. Marico and ITC were the only companies found to provide data on the emissions produced by various categories in its Scope 3 assessment, such as transportation of raw materials, products and wastes, employee commuting, business travel, third-party manufacturers, associate companies, etc.

Some companies also reported shifting to or investing in renewable energy sources. For instance, KMF Nandini, Mother Dairy, Agro Tech Foods, Coca Cola, Heritage Foods all stated that they have invested in solar energy technologies, such as to power parts of their manufacturing and production processes. In addition, companies mentioned supporting activities such as installing more energy efficient components in their manufacturing units. While these may indeed contribute to emissions reductions, companies should ensure that any such examples are also accompanied with quantitative data showing clear quantitative emission reductions over time, including from the previous year.



What approaches do companies have for preventing food loss and waste?

Companies provided a range of different approaches they are taking to reduce FLW. For example, Dabur stated that they introduced 'Waste Food Bio-Composters' and 'Vermicomposting' in manufacturing locations, Hindustan Unilever mentioned product innovation to extend shelf life and converting food waste into animal feed, and Coca Cola India and ITC mentioned partnering with farmers and suppliers to improve crop productivity and efficiency and reducing wastage at the distribution end. However, in a number of cases company approaches were lacking in concrete information on the extent of the activity, as well as quantitative information showing that they were measuring reductions in FLW.

The only companies to have India-specific targets to reduce FLW across their own operations were: PepsiCo, Hindustan Unilever, and ITC. Hindustan Unilever have a target to halve food waste generated in its operations by 2025 (versus 2019 baseline), and state that they use the Global Food Loss and Waste Standard to guide their methodology for accounting and reporting on food loss and waste in their manufacturing operations. Meanwhile, ITC state that they are aligned with the SDG 12.3 goal of reducing food loss and waste by 50% by 2030, and that they have an interim target to reduce food loss and waste intensity (waste per tonne of production) by 30% by 2027-28 (from 2018-19 baseline).

As with GHG emissions reporting, a number of multinationals only provided information at the global level, including data on total food waste generated in manufacturing sites, and percentage food waste reduction in manufacturing and distribution over time. While this is beneficial for providing an overview of the company's operations, India-specific information would have been preferable.

Do companies have clear, and consistent ways of defining more sustainable packaging?

Reducing plastic use and transitioning to sustainable alternatives are important actions companies should undertake to minimize their environmental impact, as well as reducing their reliance on non-renewable energy sources. However, there is no standard definition of 'sustainable packing', and companies provided a range of different ways of understanding and defining it.

This includes:

- Reducing quantity of plastic use
 - For instance, reducing the size or weight of packaging, removing trays or bags from packaging, using paper-based alternatives.
- Increased use of recycled and/or reusable packaging, and reduced use of virgin plastic
 - Some companies gave example of piloting reuse and refill stations, to support consumers in reusing packaging.
- Designing packaging to be recoverable, recyclable, or compostable/bio-degradable.
 - This may include: moving from PVC to PET for packaging
- Becoming 'plastic waste positive'/ 'plastic waste neutral' – collecting, processing and recycling more plastic than it sells each year.
 - Some companies mention to aiming for plastic waste neutrality or beyond, collecting and managing more waste than they produce (PepsiCO, Dabur, ITC, Coca Cola, Mother Sairy, Nestlé). For instance, Dabur states they are 'plastic waste positive', collecting processing recycling more plastic waste than it sells in its product packaging in a year.

In view of such wide variation in perceptions of what constitutes sustainable packaging practices, it is important that companies demonstrate that their packaging choices are evidence-based and



correspond with clear quantitative sustainability outcomes from such actions, such as reductions in metric tonnes of virgin plastic used per year.

Recommendations for companies

- Companies are strongly encouraged to track their emissions in India, not only in Scopes 1 and 2, but also across their wider value chain (Scope 3).
- Companies are recommended to set clear targets to reduce GHG emissions across each of these Scopes that are aligned with the Paris Agreement's 1.5°C trajectory, and report quantitatively on progress. These targets (and reporting) should be for absolute reductions against a baseline, rather than relative emissions (i.e. 'emissions intensity').
- Companies are encouraged to work with their value chain partners to reduce both FLW and plastic use. This should go beyond requirements set out in mandatory waste management regulations.
- Companies are encouraged to ensure that their efforts to transition to sustainable forms of packaging in India are evidence-based, and correspond with clear quantitative sustainability outcomes.



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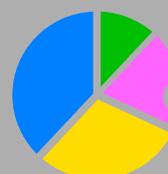
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