

## First India Access to Nutrition Spotlight Index launched today

### *Ranking 10 largest food and beverage companies on their contributions to tackle India's double burden of malnutrition*

#### Key Highlights of the report:

- ✚ Mother Dairy's number 1 ranking in the Product Profile of the 2016 India Spotlight Index, indicates that its product portfolio is the healthiest of the nine companies assessed.
- ✚ Nestlé India tops the Corporate Profile ranking with its strongest policies, practices and disclosure on nutrition and undernutrition.
- ✚ Despite certain good practices, the largest food and beverage manufacturers have much to do to help fight the mounting double burden of malnutrition in India.
- ✚ Only around 12% of beverages sold by the Index companies and 16% of foods were of high nutritional quality.
- ✚ Local Indian companies need to adopt and disclose their nutrition strategies and policies, while particularly the multinationals operating in India need to improve the nutritional quality of their portfolios.
- ✚ Nine of the companies assessed have a commitment to combat undernutrition but most companies do not produce or produce very few fortified packaged foods.
- ✚ India's strict regulation of marketing of breast-milk substitutes (BMS) and vigilant monitoring mean that the 8 BMS companies assessed were found broadly to comply with the IMS Act. Nevertheless, several worrying examples of marketing were found that must be addressed, such as promotions by online retailers and product labels that include promotional wording.

**New Delhi, 14 December 2016:** The Access to Nutrition Foundation (ATNF) launched the first India Access to Nutrition Spotlight Index in New Delhi today. The principal finding, following months of in-depth research, is that the largest F&B manufacturers in India are falling far short of what they need to do to help fight the enduring and mounting double burden of malnutrition in India.

Commenting on the occasion Mrs. Inge Kauer, Executive Director of the Access to Nutrition Foundation said "India faces the serious and escalating double burden of malnutrition, with a large undernourished population as well as growing numbers of overweight and obese people who are developing chronic diseases. Food and Beverage (F&B) manufacturers in India have the potential, and the responsibility, to be part of the solution to this double burden of malnutrition."

The 2016 Access to Nutrition India Spotlight Index is published by ATNF, an independent not-for-profit organization based in The Netherlands, which develops and publishes a range of such Indexes. The purpose of the 2016 India Index is to provide stakeholders with an independent, objective assessment of the extent to which the country's largest F&B manufacturers are addressing the double burden of malnutrition in India. ATNF hopes that this first India Spotlight Index will encourage F&B manufacturers to increase consumers' access to nutritious products and to responsibly exercise their substantial influence on consumer choice and behavior, thereby improving the diets of millions of Indians and contributing to reducing the serious health and economic consequences of both obesity and undernutrition.

Ten of India's largest corporates in the F&B sector were assessed for the first India Index, most of which participated actively in the research, thereby demonstrating that they see value in the Index.

India is described as facing a double burden of malnutrition because it has a large undernourished population while the number of overweight and obese people is growing rapidly. In real terms: India is home to the largest number of stunted children in the world – 48 million under the age of 5 years old are wasted – while at the same time, childhood obesity is reaching alarming proportions. The obesity prevalence rate reached 22% in children and adolescents aged between 5-19 years over the last five years.

**Key findings of the first India Spotlight Index** are that most of India's largest F&B manufacturers make strategic commitments to grow their businesses by focusing on health and nutrition and demonstrate some good practice. However, the aggregate picture is that the sector has a long way to go if it is to make a significant difference to India's nutrition challenges. The translation of words into actions will require clear and ambitious strategies in all areas of their businesses underpinned by specific, measurable and time-bound commitments to contribute to fighting all forms of malnutrition.

Companies have been scored out of a maximum of ten. The leading companies on the Corporate Profile – Nestlé India and Hindustan Unilever – with scores of 7.1 and 6.7 respectively – have done more than the other seven companies assessed to integrate nutrition into their business models.

Mother Dairy, Hindustan Unilever and Amul, on the other hand, sell the largest proportion of healthy products among the Index companies. Mother Dairy scored 5.6 out of 10 on the Product Profile, Hindustan Unilever scored 4.6 and Amul scored 4.4.

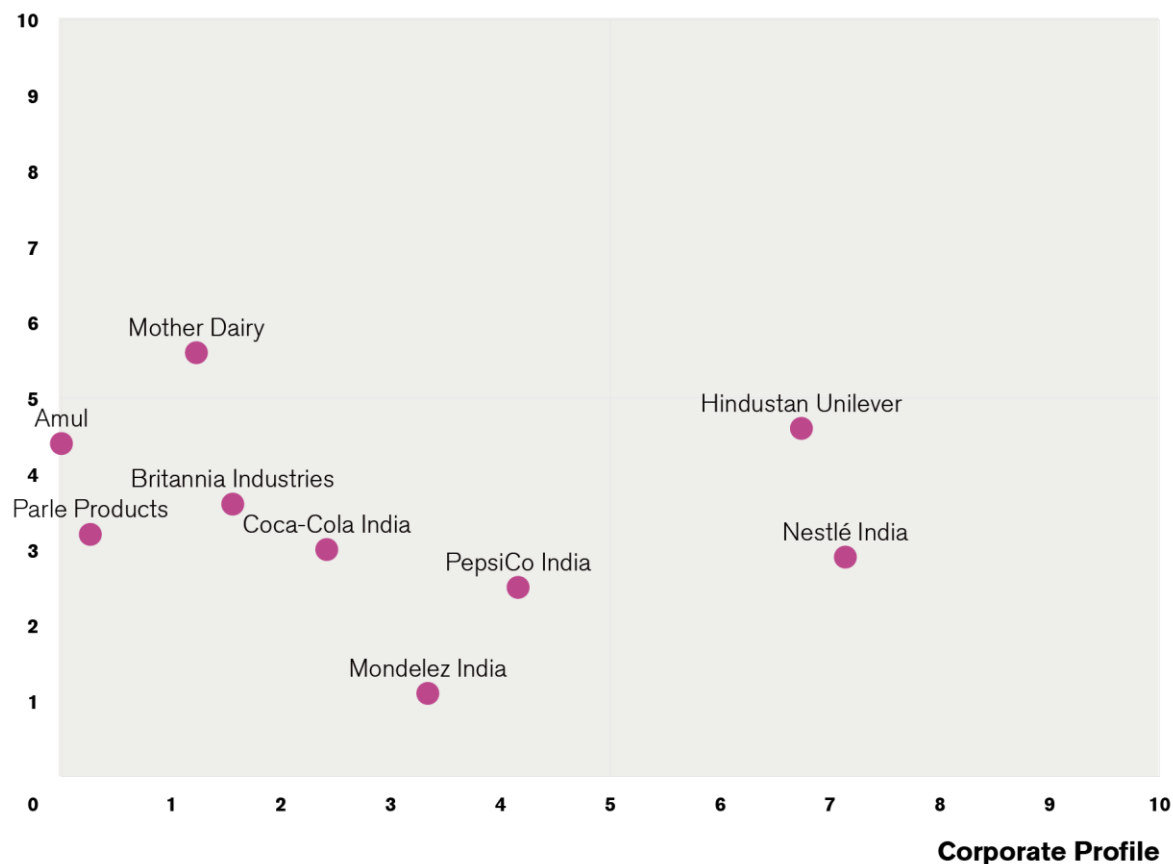
Using the same methodology to assess BMS marketing as in Vietnam and Indonesia in 2015, the research found only one company of the eight assessed in Mumbai - Raptakos Brett - to be in complete compliance with the IMS Act. While some incidences of non-compliance were identified related to the other seven companies assessed, overall they were found broadly to comply with the IMS Act - a testament to its strength and vigilant monitoring by local stakeholders.

Nevertheless, several types of marketing were identified, like those found by the Breastfeeding Promotion Network India (BPNI) which do not comply with the letter or the spirit of the IMS Act, such as promotions by online retailers and promotional wording on product labels.

The final scores of the two BMS companies included in the 2016 India Spotlight Index - Nestlé India and Amul - were adjusted to reflect the findings of the BMS assessment.

## INDIA SPOTLIGHT INDEX RANKINGS

### Product Profile



### Key Index recommendations:

The India Spotlight Index calls for action by F&B manufacturers in India to integrate nutrition into their core business strategies, and to set and deliver on a wide range of commitments, essential if they are to have substantial, measurable effects on the nutritional status and health of the millions of Indians suffering from the serious health effects of poor nutrition. These include:

- Investing in improving the nutritional quality of their portfolios and developing new healthier products
- Committing to using fortified staple foods as ingredients in their products
- Producing more fortified products to rectify specific micronutrient deficiencies among priority populations in India i.e. children under 5 and women of childbearing age
- Adopting and delivering formal policies to ensure the affordability and accessibility of healthy and fortified products
- Adopting and abiding by strict responsible marketing policies, committing only to market healthy foods to children
- Adopting formal commitments to disclose more nutrition information on product labels in line with Codex guidelines

ATNF calls on BMS companies, online retailers and marketing sites to take steps to address all of the issues raised by its research. ATNF hopes to be able to report that all BMS companies fully comply with the letter and the spirit of the IMS Act in the next India Index. It also encourages the Government of India and other stakeholders to continue their vigilant monitoring and investigation of BMS marketing.

At the same time, the report calls on the Government of India to redouble its efforts to support companies to scale up their efforts to solve the country's severe nutrition challenges and provide a level playing field in which they can operate. Moreover, civil society organizations and research institutes are encouraged to engage more with F&B manufacturers, as well as with policymakers and standard-setting organizations, to support the implementation of the Index recommendations.

ATNF hopes that when the second India Spotlight Index is published in 2018, the scores of F&B manufacturers in India will have increased significantly, reflecting their acceptance that they have a central role to play in tackling the double burden of malnutrition in India.

## **Annex to the press release**

### **About the Access to Nutrition Index**

The Access to Nutrition Index (ATNI) is published by the Access To Nutrition Foundation (ATNF), an independent non-profit organization based in the Netherlands. ATNF is dedicated to objectively assessing and improving the contribution the private food and beverage sector makes to addressing global nutrition challenges. ATNF's primary activity is to publish, on a regular basis, a set of Indexes that assess and rate major F&B manufacturers' nutrition policies, practices, and disclosure, using a comprehensive methodology.

The first Global Index was launched in 2013 and the second in 2016. It gained a positive response from stakeholders, including F&B manufacturers, NGOs and investors. Following the publication of the first Global Index, ATNF conducted research to explore the feasibility of launching Spotlight Indexes to assess companies in markets with a high double burden of malnutrition – India, Mexico and South Africa. The purpose of such Spotlight Indexes was to gather and publish empirical evidence of companies' performance on nutrition, to strengthen the basis for national dialogue and action to address the double burden. The conclusion of this research was that it would be valuable to launch an India Access to Nutrition Index.

The Index methodology was developed with input from a wide range of global stakeholders including the WHO, academia, civil society organizations, industry and investors.

### **How the India Index works**

The India Index methodology comprises three components:

- Corporate Profile – assesses companies' nutrition and undernutrition-related commitments and policies, practices and disclosure in seven areas of their business – called 'Categories' in the methodology.
- Product Profile – assesses the nutritional quality of the products of all companies included in the India Index.
- Breast-milk substitutes (BMS) marketing assessment – assesses the marketing practices of eight baby food companies whose products were found in stores in Mumbai in the study period.

In the India Index, all companies have been given two separate scores and ranks – one for the Corporate Profile and one for the Product Profile. The maximum score on each element is 10. As in the Global Index, the Corporate Profile score of any companies that manufacture BMS is adjusted to reflect their score on the BMS assessment. The maximum adjustment is -0.75 out of 10. Two companies included in the India Index make BMS: Nestlé India and Amul. Their final Index Corporate Profile scores reflect this BMS adjustment.

The Corporate Profile methodology assessed ten of the largest F&B manufacturers in India (selected based on their total food and beverage revenues generated in India in 2014) against international and national guidelines, norms and accepted good practices. Suggestions from extensive stakeholder consultations held in India between 2013 and 2016 strengthened the methodology and made sure it was adapted to the Indian context.

Research for the Corporate Profile was conducted by the global responsible investment research firm Sustainalytics, a leading global environmental, social and governance research and ratings firm. It combines publicly available company information with its own analysis and information provided by the companies.

Research for the Product Profile, which assesses the nutritional quality of products sold by the ten companies in the Index, was done by The George Institute for Global Health, based in Sydney, Australia, with offices and extensive experience working in India. Products were assessed using the Health Star Rating system and the WHO EURO Nutrient Profiling model.

The BMS marketing assessment was carried out by specialist research organization Westat, based in Rockville, Maryland (U.S.), using the Interagency Group on Breastfeeding Monitoring (IGBM) Protocol as the methodology, working closely with The Centre For Media Studies (CMS) Research House, based in New Delhi, which undertook the in-country data collection.

Since its launch in 2013, more than 50 investment firms with nearly \$4 trillion assets under management have become signatories to the ATNI Investor Statement, thereby showing their support for the Index and their hope that the companies will cooperate with ATNF and make changes to their businesses based on Index findings.

The first India Index, was funded by the Bill & Melinda Gates Foundation, the Wellcome Trust and the Children's Investment Fund Foundation. ATNF does not receive any funding from the F&B industry.

### **Key nutrition statistics in India**

- According to the latest 2013-14 national survey of the Ministry of Women and Child Development (2015), the prevalence of stunting in children below 5 years is 39%.
- This translates to around 48 million children – or two in every five children under the age of 5 years – making India home to the largest number of stunted children in the world.
- Among the same age group more than 70% are iron deficient, 65% vitamin A deficient and 45% zinc deficient.
- India now ranks third, after the US and China, in terms of the absolute number of obese people.
- More than 20% of children and adolescents are overweight.
- The proportion of infants that are exclusively breastfed for six months has increased to 65% in India, significantly above the global average of 38%.
- The Indian food sector has emerged as a high-growth and high-profit sector due to its immense potential for value addition. The food industry, which is currently valued at \$ 39.71 billion is expected to grow at a Compound Annual Growth Rate of 11% to \$65.4 billion by 2018.
- Currently, studies report that Indian households with working parents and children turn to packaged foods 10 to 12 times a month and it is estimated that the numbers will increase in the coming years.

### **Notes to Editors**

- To view the full report, please visit <http://www.accesstonutrition.org>
- Contact: 2020-MSL – Shubhangi Chaturvedi – +91 9619821154 –  
Shubhangi.chaturvedi@2020msl.com