ACCESS TO NUTRITION INITIATIVE

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).

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 GCMMF	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%]

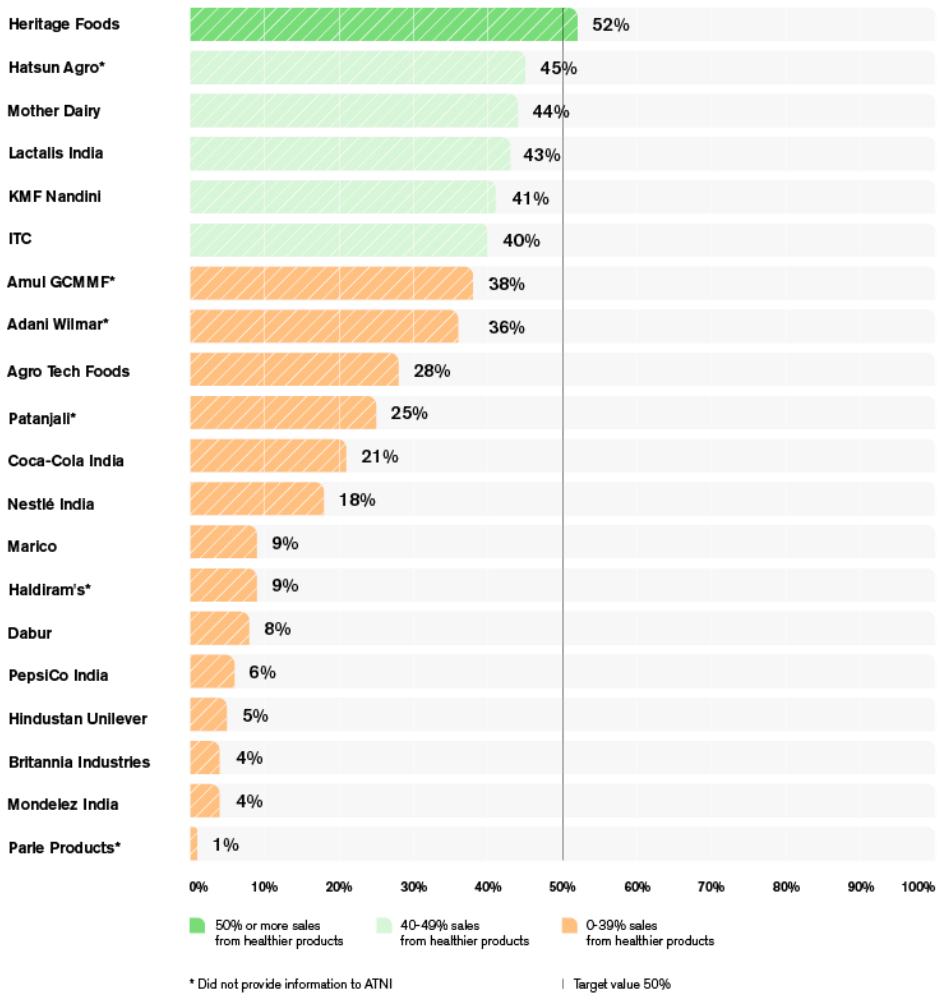
The mean healthiness is a representation of the nutritional quality of a company's overall product portfolio. Sales-weighting is applied to both assessments to ensure that the companies' highest and lowest selling product categories contribute proportionally to the end result.

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.

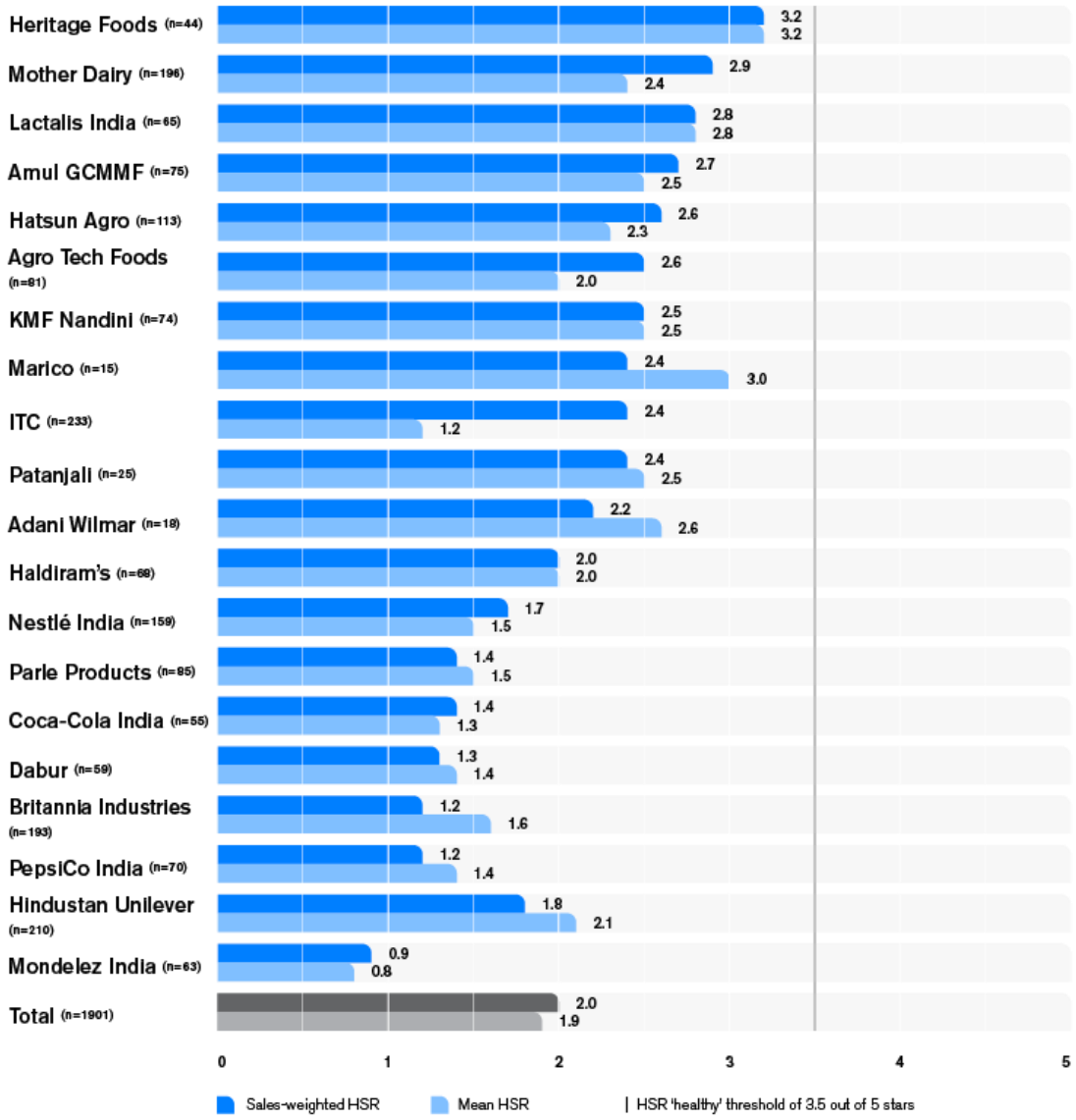
- A low proportion of food and beverage products (12%) offered by the companies were eligible for marketing to children using the WHO SEAR criteria, (same as in 2020), increasing to 21% following sales-weighting (29% in 2020).

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

Overall, companies with dairy portfolios performed better in the Product Profile, compared to those that derive most sales from less healthy categories – e.g. Mondelēz 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 Mondelēz 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

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

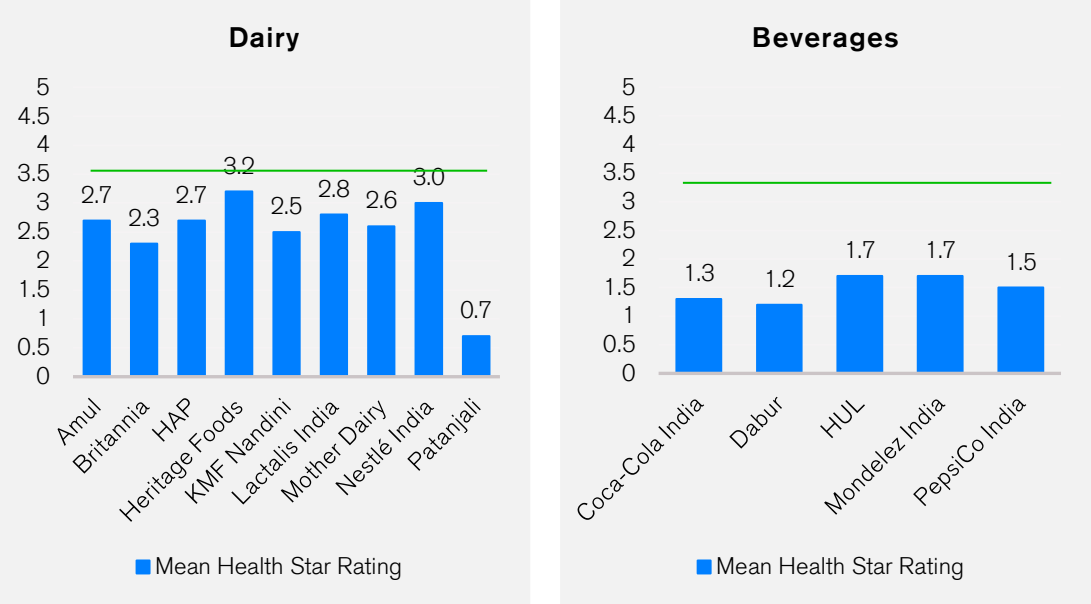
There is considerable variation in the mean HSR values of different companies within the same product categories. For example, in Dairy, mean HSR differs between 0.7 (Patanjali with butter and spreads) to 3.2 (Heritage, with milk and milk products such as milkshakes and cheese). In the savoury snacks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

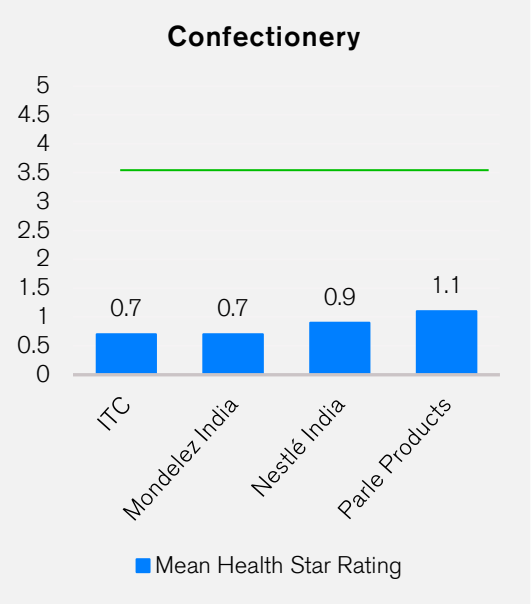
Staple products like Edible oil, Flour and Processed Meat and alternatives (e.g. soya chunks), are the highest performing categories. Overall, Marico performs lower than competitors in both edible oil and Processed Meat and Alternatives (e.g., soya chunks).

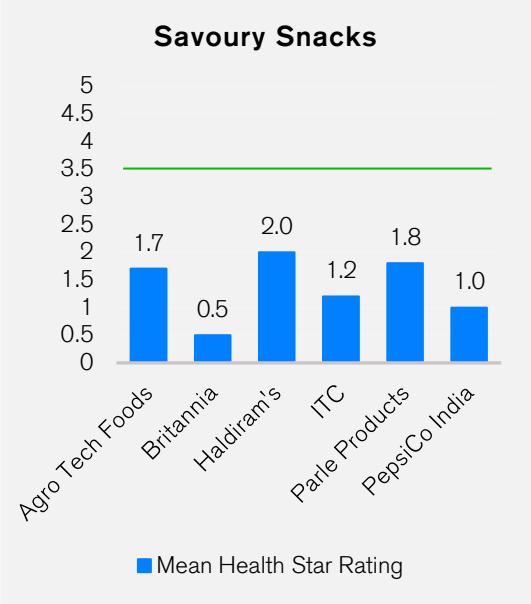
Very few beverages were considered 'healthy' and ratings for beverages were lower than for foods. For beverages, PepsiCo India had the highest mean HSR of 1.5, and Hindustan Unilever the lowest with 0.5 (Other Hot Drinks category).

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







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 GCMMF	-	-	**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)	-	-	-	-	-	-	-	-	-

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?

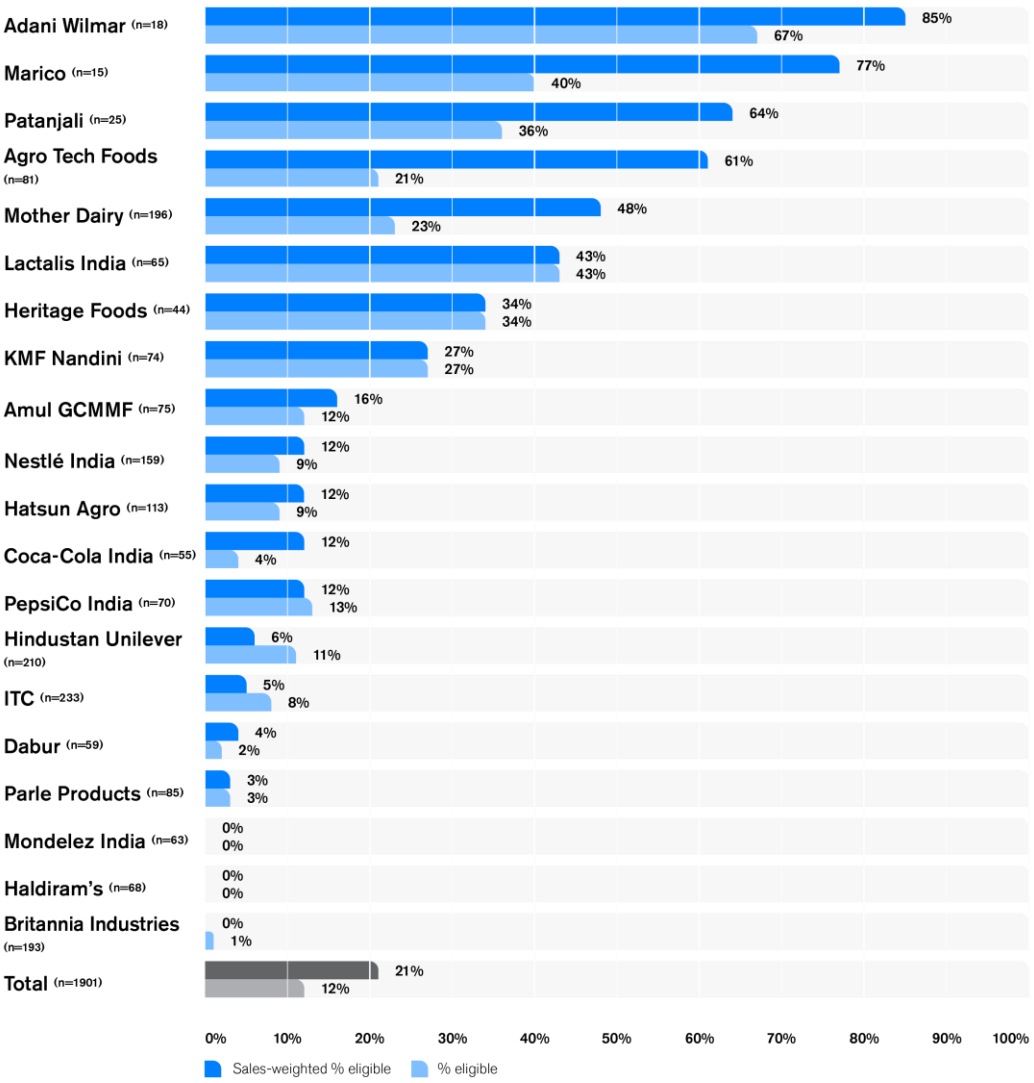
Only 12% of products overall were eligible to be marketed to children according to the WHO SEAR criteria (same as in 2020) – increasing to 21% after sales-weighting was applied (29% in 2020). Sales-weighting changed the rankings of the companies in relation to healthiness and generally increased the 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'

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.

ACCESS TO NUTRITION INITIATIVE

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 202[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.

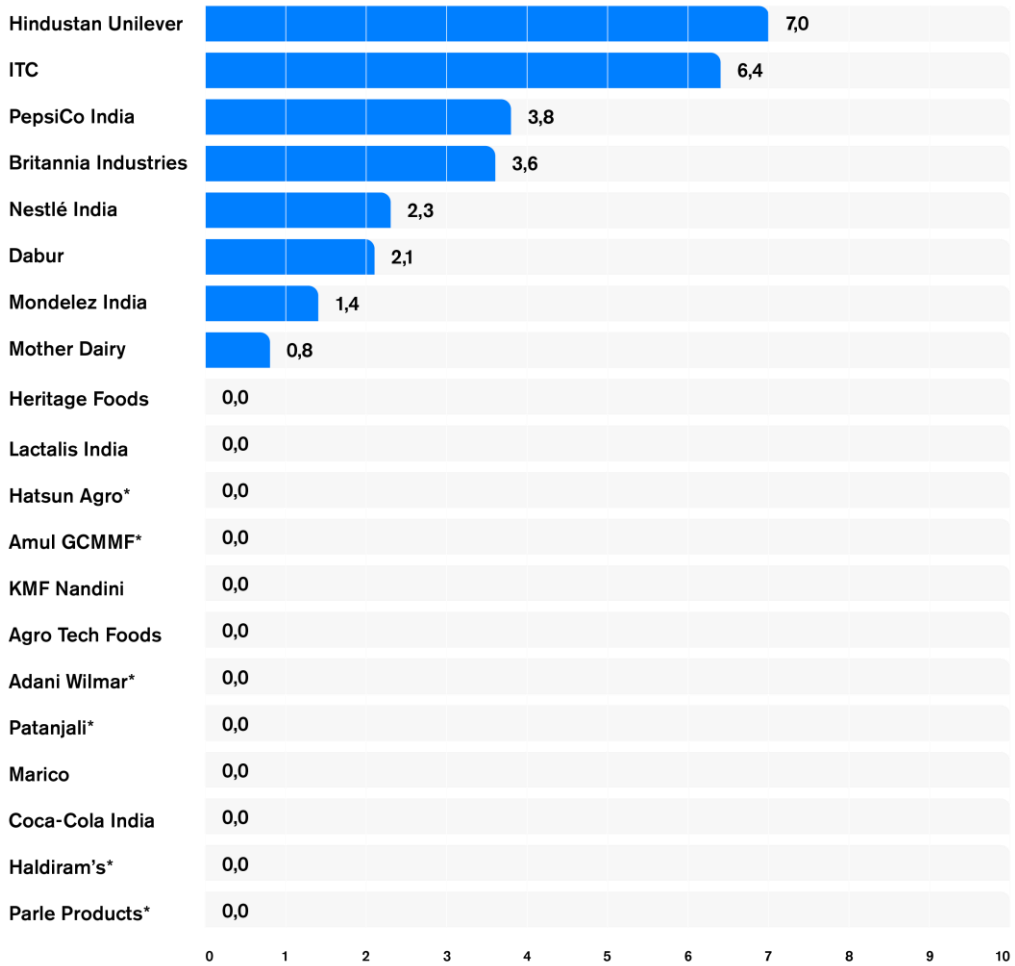
Box B2.1. Changes to the methodology

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.

- 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, Mondelēz 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 Britianna'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. Britanna 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

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 Britianna'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 FVNL for some of its products through its Enhanced Nutrition Commitments available on its

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]

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.

Four companies, Britianna, ITC, and Mondelēz 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. ATNIs 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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ACCESS TO NUTRITION INITIATIVE

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 FFSAI 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.

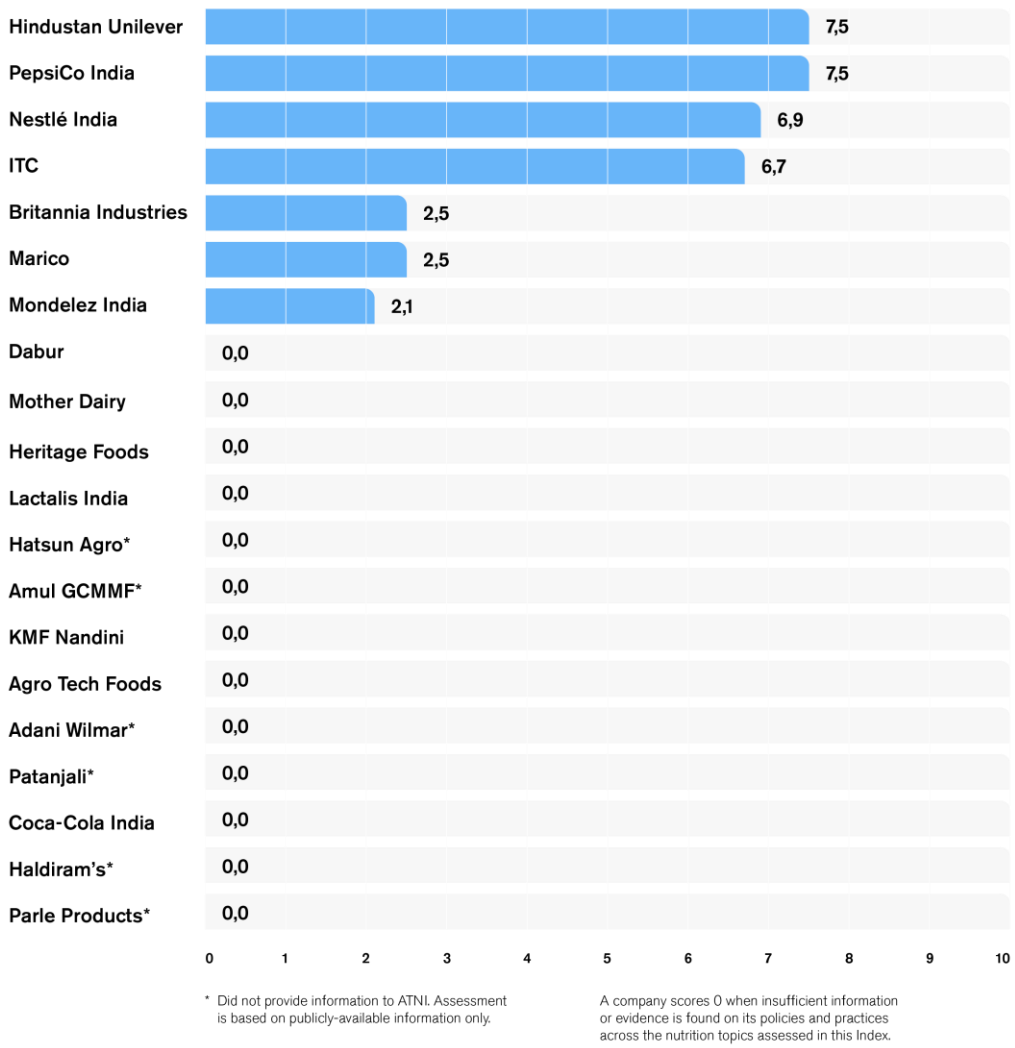
The NPM alignment initiative is currently separate from ATNI's Index and is not directly related to this indicator of the India Index. The information gathered through the Delphi approach in 2023-2024 will guide the future development of a proposed reporting framework, outlining principles for utilizing 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 comprehensive[g] 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 Mondelēz 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

[g] 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.

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.

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≥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 Mondelēz 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.

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