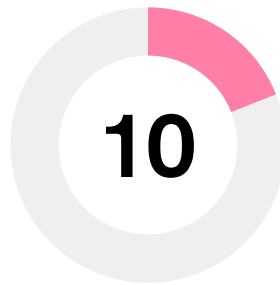


KMF Nandini ¹

Product Profile Categories

Dairy; Ice Cream and Frozen Desserts



Rank 10 / Score 1.9



Product Profile

Rank 14 / Score 3.5

Headquarters

India

Retail sales (INR – millions)

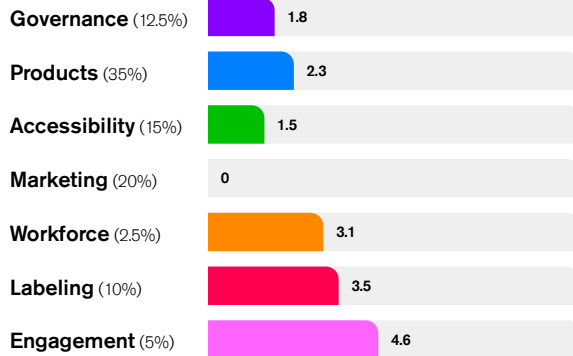
²
14522

Number of employees

4970

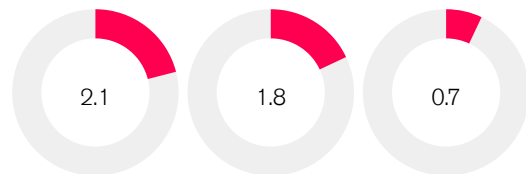
Company Profile

Rank 10 Score 1.9



(%) Figure in brackets is the weighting of the category. All category, commitment, performance and disclosure scores are out of 10

Commitment Performance Disclosure



The bar graph to the left shows company performance across the seven Index categories, which are key topic areas of assessment, and scores are shown for each category. The circles above provide an alternate view on the company's overall results, showing the score per indicator type.

Main areas of strength

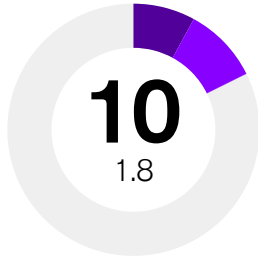
- KMF Nandini is assessed in full for the first time in the India Index 2020. ATNI welcomes KMF Nandini's interest in the Index methodology, participation in stakeholder meetings and its active engagement with ATNI during the Index research phase.
- In 2016, the company was interviewed regarding its approach to address undernutrition. In this second Index iteration, KMF Nandini continues to make a commitment to micronutrient fortification and makes reference to reaching groups experiencing or at high risk of malnutrition in its nutrition strategy.
- KMF Nandini voluntarily fortifies milk products according to the Food Safety and Standards Authority of India (FSSAI)'s Food Safety and Standards (Fortification of Foods) Regulation, 2018. With support from Tata Trust and the National Dairy Development Board, Nandini milk fortified with vitamin A and D was launched in 2019 to markets across Karnataka.
- KMF Nandini aims to help address issues related to obesity and diet-related diseases by releasing products designed to meet specific consumer needs. Examples include the introduction of low-fat milk and millet-based high-fiber products.
- KMF Nandini has supported the Indian Government's Support to Training and Employment Programme for Women since 1997, by implementing a health and nutrition program for women in the rural areas of India. The company has also initiated its Ksheera Bhagya (milky way) program in partnership with the Government of Karnataka to provide children between the ages of 4 and 14 with milk in schools and anganwadis (childcare centers).
- KMF Nandini demonstrates its focus on increasing the nutritional status of its employees by providing them with one liter of milk per day for free for all employees. The company also helps employees in accessing periodic health check-ups. The company could further improve their approach by implementing a more comprehensive health and wellness program that encourages healthy diets and lifestyles among employees.

Priority areas for improvement

- KMF Nandini ranks tenth in the India Spotlight Index 2020 with a score of 1.9 out of 10.
- The company should consider adopting and publishing a formal nutrition policy to address malnutrition challenges in India, observing the health and nutrition priorities set out in the National Nutrition Strategy and Vision 2022 (Kuposhan Mukh Bharat – free from malnutrition, across the life cycle), and POSHAN Abhiyaan, in its commercial strategy. KMF Nandini should also fortify all relevant products as per the FSSAI's fortification guidelines.
- KMF Nandini ranks fourteenth in the Product Profile and is estimated to have derived 30% of its 2018 sales from products that achieve a Health Star Rating (HSR) of 3.5 or more out of 5, i.e. the 'healthy' threshold. The company's Dairy products are, on average, healthier than its Ice Cream and Frozen Desserts products. However, within both categories, product healthiness does not compare well when compared to other companies. KMF Nandini should therefore increase its efforts to reformulate its products, develop new healthy products, and assess opportunities to increase performance relative to its peers.
- The company is encouraged to adopt a Nutrient Profiling System to define its healthy products and to implement policies to improve the affordability and accessibility of its healthy products, with attention to reaching low-income, rural or urban populations that lack regular access to nutritious food.
- KMF Nandini is advised to adopt and publish a responsible marketing policy that covers all consumer groups, with specific commitments regarding children and teenagers. The company should further consider committing to only marketing products to children that meet the World Health Organization (WHO) South-East Asia Region (SEAR) regional standard. This is especially relevant for its ice cream products as the Product Profile found that none currently meet the standard.
- The company should also commit to providing nutrition information on all products according to Codex Alimentarius guidelines and in compliance with Indian regulations. Further, it is encouraged to implement an interpretive front-of-pack labeling system as soon as possible that aligns with other companies or industry associations, and is developed in partnership with the Government and other relevant stakeholders.

Category Analysis

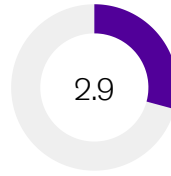
Governance



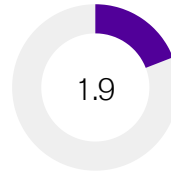
- A1** Nutrition strategy
- A2** Nutrition management
- A3** Reporting quality

All category, criteria, commitment, performance and disclosure scores are out of 10

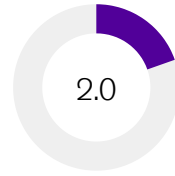
Commitment



Performance



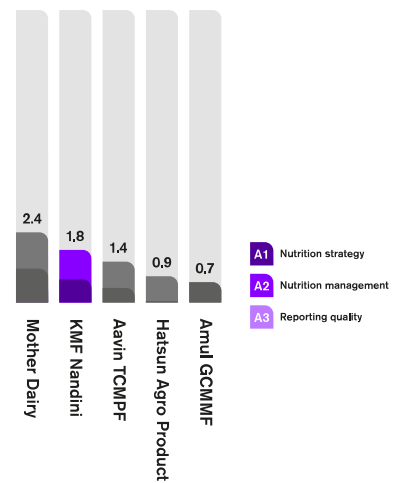
Disclosure



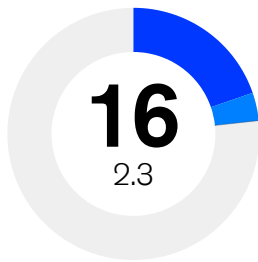
The circle on the left represents the company result for this Index category, showing the rank out of 16 and the score below it. The colored segments represent the respective criteria contributions to the overall category score. The above circles indicate how the company performs on the three types of indicators within this category.

Companies are grouped into three different industry segments in this Index based on the type of products they predominantly sell (i.e. contributing 80% or more to their total food and beverage sales) – dairy, edible oil or mixed portfolio. The graph on the right shows how the company's result within this Index category compares to that of its peers within the same industry segment.

Peer Comparison

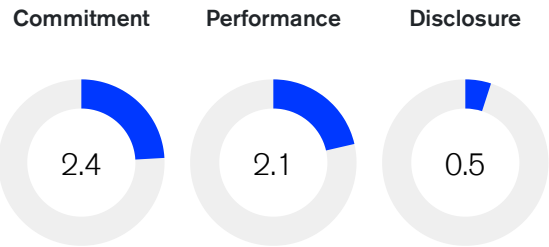


Products



- B1** Product Profile
- B2** Product formulation
- B3** Defining healthy products

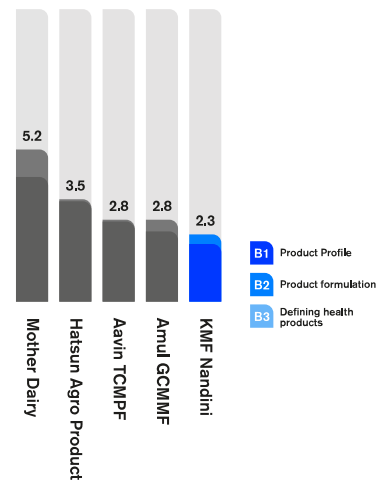
All category, criteria, commitment, performance and disclosure scores are out of 10



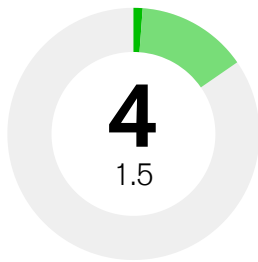
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Peer Comparison

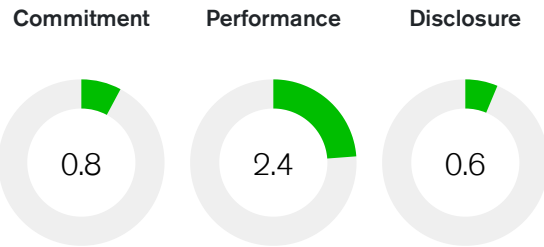


Accessibility



- C1 Product pricing
- C2 Product distribution

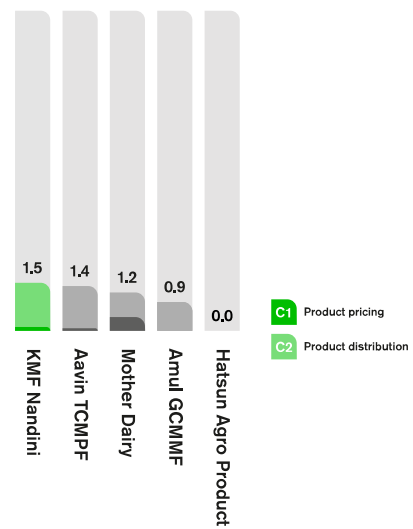
All category, criteria, commitment, performance and disclosure scores are out of 10



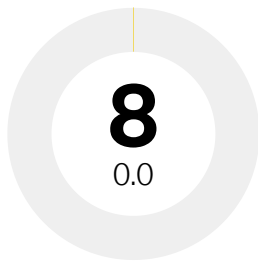
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Peer Comparison



Marketing



- D1 Marketing policy
- D2 Marketing to children
- D3 Auditing and compliance

All category, criteria, commitment, performance and disclosure scores are out of 10

Commitment



Performance



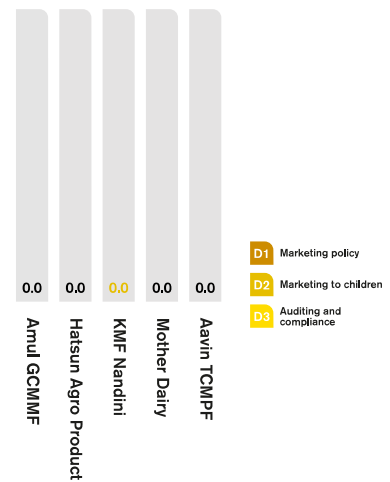
Disclosure



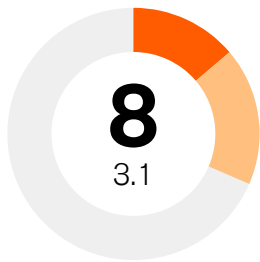
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Peer Comparison



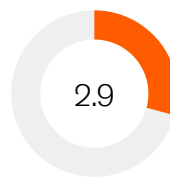
Workforce



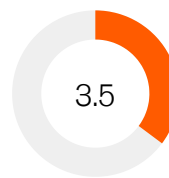
- E1 Employee health
- E2 Breastfeeding support
- E3 Consumer health

All category, criteria, commitment, performance and disclosure scores are out of 10

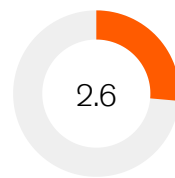
Commitment



Performance



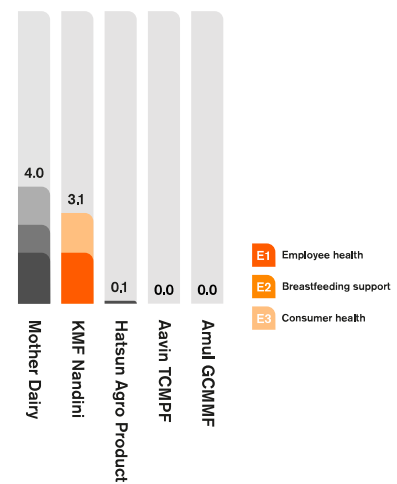
Disclosure



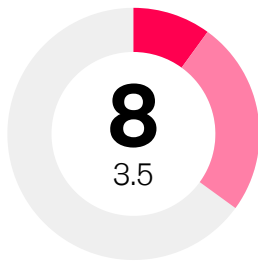
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Peer Comparison



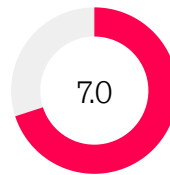
Labeling



- F1 Product labeling
- F2 Claims

All category, criteria, commitment, performance and disclosure scores are out of 10

Commitment



Performance



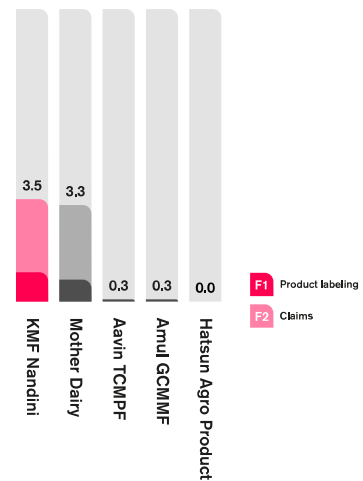
Disclosure



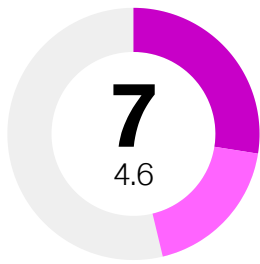
For this category performance indicators were not included. The circle on the left represents the company result for this Index category, showing the rank out of 16 and the score below it. The colored segments represent the respective criteria contributions to the overall category score. The above circles indicate how the company performs on the three types of indicators within this category.

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Peer Comparison

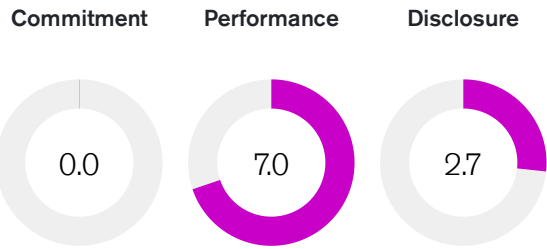


Engagement



- G1 Influencing policymakers
- G2 Stakeholder engagement

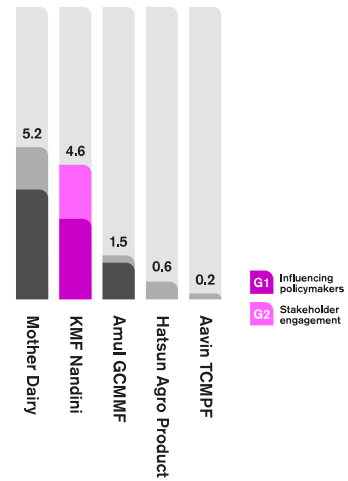
All category, criteria, commitment, performance and disclosure scores are out of 10



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Peer Comparison



Product Profile



14

Rank 14 / Score 3.5

Portfolio-level Results

Average HSR score products (sales-weighted)	Healthy products (HSR)			Products suitable to market to children (WHO SEAR)			Range of total India F&B sales included
	% products healthy	% sales healthy	No. products assessed	% products suitable	% sales suitable	No. products assessed	
2.2	16%	30%	62	19%	36%	62	90-100%

- A total of 62 products from two categories (Dairy and Ice Cream and Frozen Desserts), representing 90-100% of KMF Nandini's estimated 2018 sales, were included in the Product Profile. Ten products (16%) were found to meet the HSR healthy threshold and the company is estimated to have derived 30% of its 2018 sales from these healthy products.
- The company achieves an unweighted mean HSR of 1.8 out of 5. After sales-weighting the company's mean HSR improves to 2.2 out of 5, resulting in a mean healthiness score of 4.4 out of 10.
- A total of 62 products were assessed to determine their suitability to be marketed to children according to the WHO SEAR nutrient profile model. Twelve Dairy products, estimated to represent 36% of 2018 sales, were found to meet the WHO SEAR criteria

Product Category Results

Category	Dairy	Ice Cream and Frozen Desserts
Mean HSR	2.2	1.4
% products healthy	30	0
% products suitable to market to children	36	0

- KMF Nandini's performs best on the Dairy category in regards to healthiness, achieving a mean HSR of 2.2 out of 5. But whilst 10 (30%) of the company's Dairy products were found to meet the HSR healthy threshold, none of the company's products in the Ice Cream and Frozen Desserts category met this standard.

Relative nutritional quality of KMF Nandini's products by category compared to competitors

Mean HSR	Dairy	Ice Cream and Frozen Desserts
KMF Nandini	2.2	1.4
Aavin TCMPF	2.3	
Amul GCMMF	2.4	1.8
Arla	3.2	
BRF	2.7	
Britannia Industries	2.2	
Coca-Cola	3.6	
Coca-Cola India	3.5	
Conagra	2.1	
Danone	3.5	
Ferrero	0.7	
FrieslandCampina	3.4	
General Mills	3.5	1.8
Hatsun Agro Product	2.7	2.2
Hindustan Unilever		2.1
Kraft Heinz	2.7	
Lactalis	3.1	
Mars	2.8	
Meiji	3.2	2.2
Mengniu	3	2.3
Mondelēz	2.4	
Mother Dairy	3.0	2.0
Nestlé	2.4	
Nestlé India	3.0	
PepsiCo	3.1	
Suntory	3	
Tingyi	2.7	
Yili	3.1	2.1

- When compared to the seven other companies that sell products in the Dairy category in India (as part of their top-selling categories), KMF Nandini's products achieve the lowest mean HSR of 2.2 out of 5. The company ranks joint seventh in this category.
- Similarly, within the Ice Cream and Frozen Desserts, KMF Nandini ranks last out of five companies with a mean HSR of 1.4.
- Competing with companies in the two categories, KMF Nandini achieves a relative category score of 2.5 out of 10 based on its ranking within these categories.

Conclusion

- KMF Nandini's mean healthiness score of 4.4 and relative category score of 2.5 result in an overall Product Profile score of 3.5 out of 10, which means the company ranks fourteenth.
- The company is encouraged to continue its efforts toward improving the nutritional quality of its Dairy products by adopting relevant targets and goals. Further, KMF Nandini is encouraged to shift sales towards healthier products within its Dairy category.

Disclaimer

India Spotlight

Index 2020

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Footnotes

1. Because the company derives more than 80% of its sales from dairy products, it is assessed as part of the dairy industry segment. The product categories included in the Product Profile were limited to those products for which information and sales data were available. The full portfolio of the company encompasses a broader range of products, including Baked Goods.
2. Source: Derived from Euromonitor International's 2018 industry publications of: Packaged Food, Hot Drinks and Soft Drinks.