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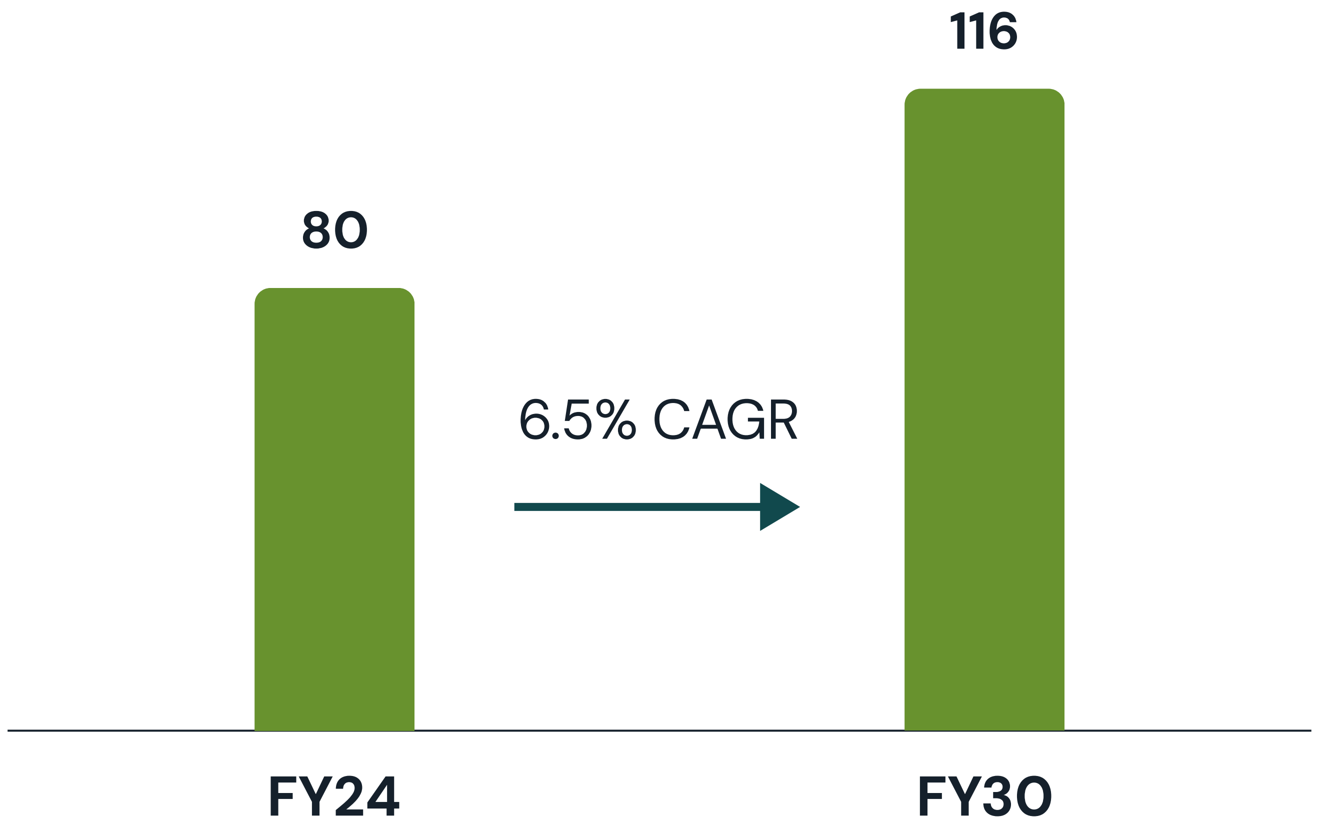
The Clean Eating Revolution India's Next Big Wellness Wave

September 2025 | BRC Bytes

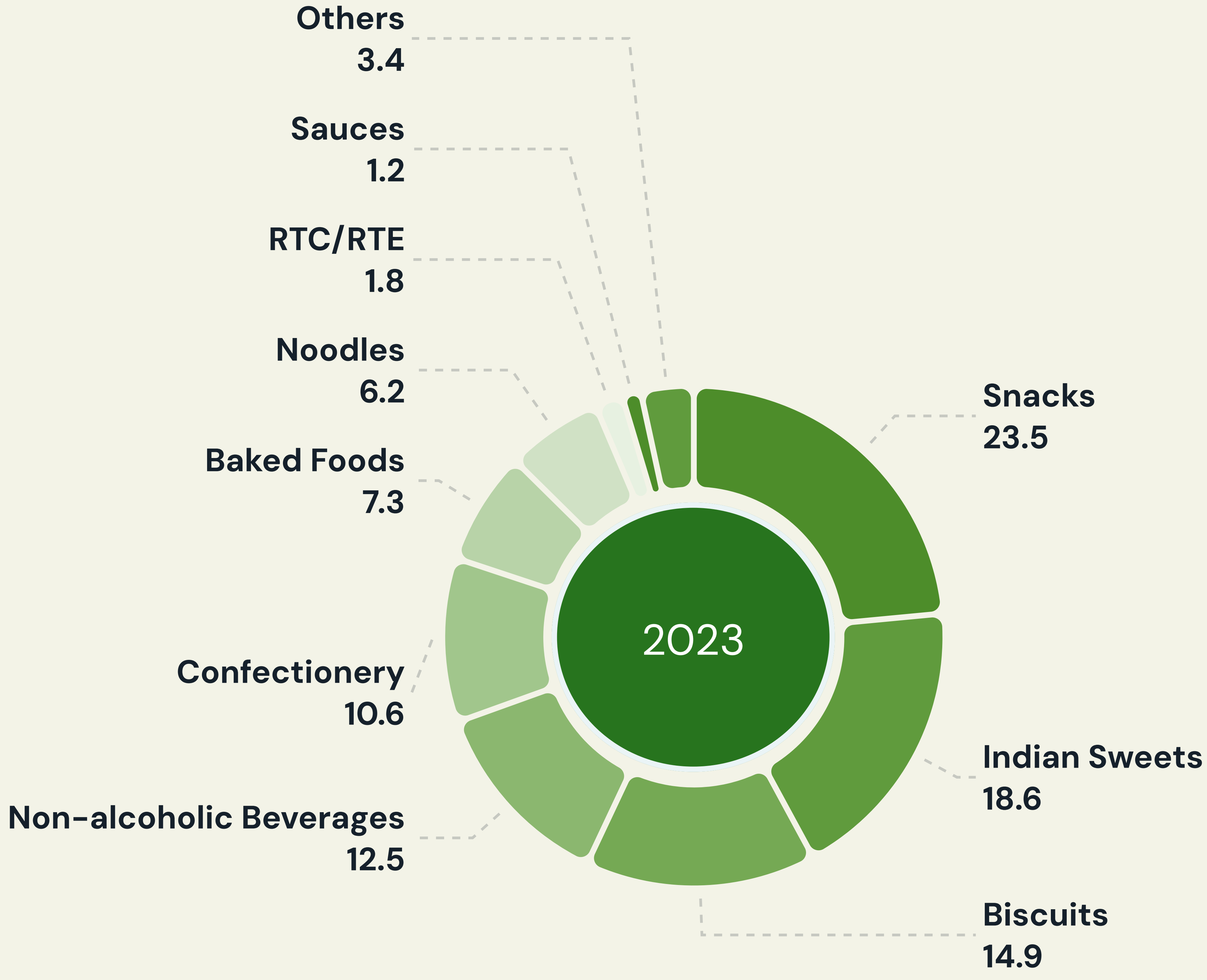
Food Dominates India's Consumption Basket

The food segment contributes ~46% to India's total consumption basket, making it a key pillar of the country's overall consumption growth story



Indian Packaged Convenience Food Industry (Rs. Bn)

Snacks & Sweets Dominate Packaged Foods



Source: Packaging India's Evolving Food Consumption report-2023

What Defines Clean Eating

Minimally processed, free from *undesirable additives*, and made from natural, transparent ingredients

No Refined Sugar | Gluten-Free | Vegan | Soy-Free | No MSG | Non-GMO | No Preservatives

Three Key Segments of Clean Eating

Segment	Definition	Example Brands
Naturally Healthy & Organic	Organically grown, minimally processed, chemical-free	Two Brothers, Farmley, Organic India
Functional / Better-for-You	Fortified with protein, vitamins, probiotics; low sugar, high nutrients	The Whole Truth, Yoga Bar, SuperYou
Plant-Based Alternatives	Dairy & meat substitutes from plants; for vegan/flexitarian diets	Goodmylk, Sofit, Alt Co.

Winning brands don't just "remove bad stuff" they also **educate consumers** on ingredient benefits (turmeric as adaptogen, pea protein for gut health)

Source: Agron food processing, Symega, Imarcgroup, Data bridge market research, Vegconomist,

Driving Forces Behind the Conscious Eating Surge

Severe Protein Deficiency

73% Indians face protein, vitamin & mineral deficiencies, functional foods essential for Indians.

From Processed to Clean

71% Indians base their purchases on ingredients, driving demand for clean, natural products.

Explosive Market Growth

20% India's wellness food market is growing at 20% CAGR, projected to hit **$30Bn by 2026**, led by clean-label snacking

Willing to Pay for Wellness

60% Urban Indians are willing to pay more for healthy, natural foods, Gen Z drives more than half of all spend in this category

Source: Reuters, India Today, Economic Times, Avendus

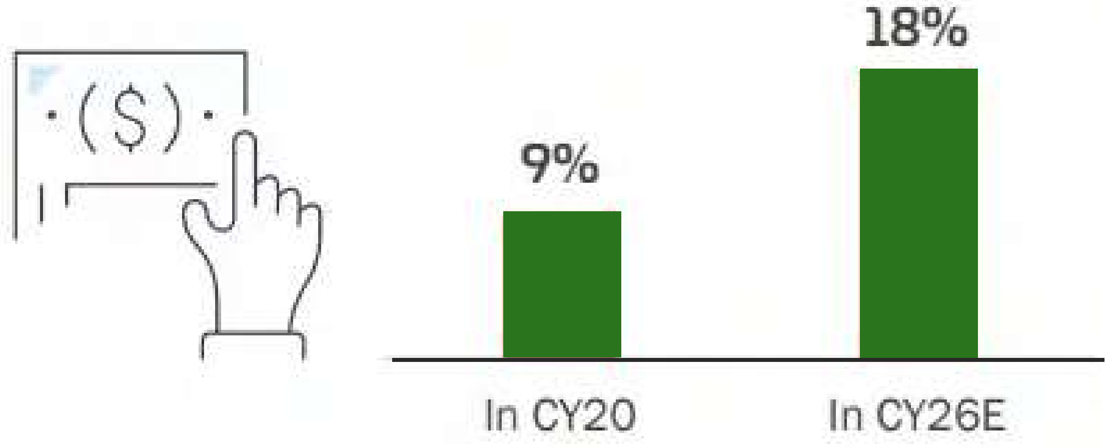
Meet the New Consumer: Young, Wealthy, Snack-Obsessed

Gen Z & Millennials Drive Demand

- **GenZ** contributes **40–43%** of **clean eating spend** (vs. 27% of population)
- Snacking is now craving-led, consumed multiple times a week

Increased Spending Capacity

% of households with disposable income higher than $15000



- Metro cities (Mumbai, Delhi, Bangalore) lead demand
- **South, East India & Tier 2/3 cities** show **90% YoY growth** in healthy snacking

The Smart Snacking Shift

- **Smart snacks** growing **1.2x faster than traditional** chips & biscuits
- **Small packs = 60% faster growth,** fueled by Gen Z & convenience shoppers

Source: Avendus, The Economic Times, Market Research Future

Market Landscape

Snacks

Snackible, Yoga Bar, Two Brothers Organic Farms, MuscleBlaze, The Health Factory, Tata Soulfull, naturally yours, The Healthy Binge, Mr Makhana, nourish you, Sweet Karam Coffee, Wild Date, Mille, whole Truth, Lo! Foods, evolve, natch, Superyou, Green Snack Co., Max Protein, Goat Life, Healthy Treat, Beyond Snack, True Elements, Sattviko, Farmley, Healthy Master, Let's Try

Beverages

Raw Pressery, phab, beyondwater, Sbooch, Glow Glossary, GoodBug, Tea Fit, OZiva

Kid Snacking

Slurrp Farm, Gladful, troovy, timios, gud mom, bebe burp, Troo Good, Hungry Koala

Desserts

Eat Better Co, Get-A-Way, epigamia, Go Zero, NOTO, The Cinnamon Kitchen, Yummy Bee, Ditch the Guilt, Kocoatrait

What the Winners Did Right?

- Taste + Accessibility = Adoption
- Q-comm = Fast Trial
- Functional foods = Premium pricing

Is This a Nutritional Revolution or Just Hype?

Clean eating in India has evolved from a niche trend into a foundational megatrend, driven by irreversible shifts in culture, economy, and policy

The Social Shift: A New Value System

1. **From Cure to Prevention:**
Post-pandemic, Indians now use food as proactive healthcare, not just a cure for illness.

2. **The Conscious Consumer:**
Purchase decisions are now driven by both personal health and sustainability - clean labels & eco-friendly packaging.

The Economic Engine: New Money, New Models

1. **Rising Incomes, Premium Tastes:**
As incomes rise, consumers are now willing to pay a premium for wellness and transparency.

2. **The D2C Disruption:**
D2C, E-comm, and Quick-comm are cutting out the middleman, bringing healthier food choices directly to the modern Indian consume

The Regulatory Push: Policy as a Tailwind

1. **Government as an Enabler:**
Proactive policies like new labeling laws are legitimizing the sector and building consumer trust.

The Protein Dilemma

The Market Chaos

The protein market is booming, but confusing. Products charge 2–3x more for a “protein” tag, often with little nutritional value or poor taste. Consumers want protein, but don’t know whom to trust.

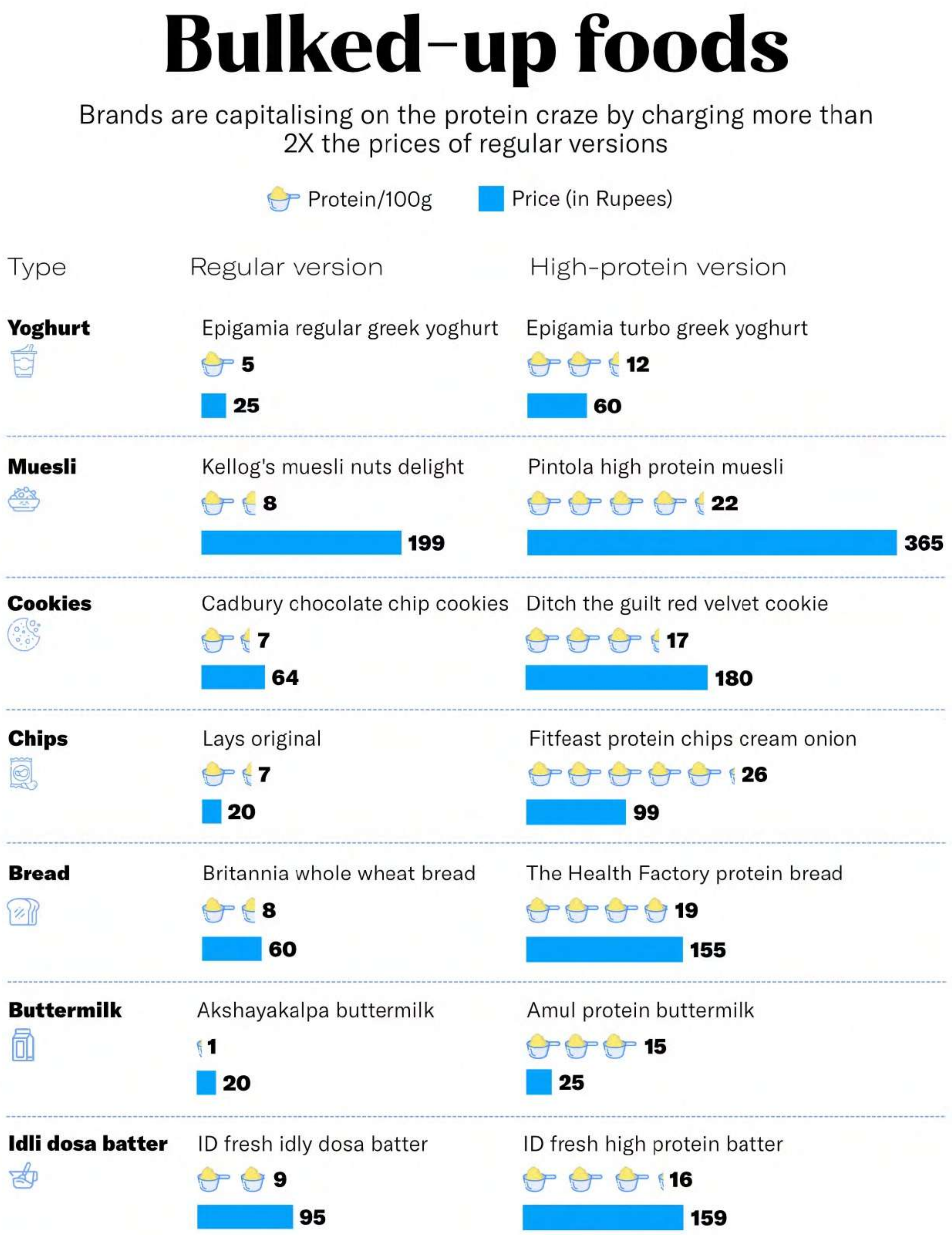
The $65M Opportunity

The next unicorn won't just sell protein; it will sell clarity, trust, and flavor. The race is not to the loudest brand, but to the most honest.

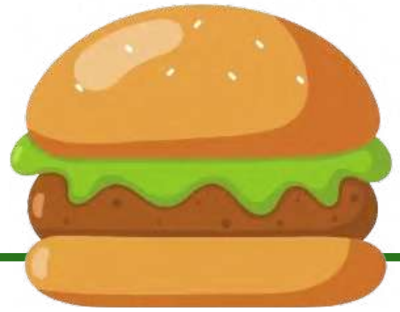
The Winning Formula

Radical Honesty: Win with a clean label and transparent education.
Taste is Everything: Solve for the Indian palate.
Innovate Beyond Whey: Tap into the plant-based demand.

Source: The Ken



Protein Halo: How the Bigger Brands are responding to India’s nutritional needs



What they did?

- Launched a Protein Plus slice, 15g slice = 5g protein
- Add-on to any burger for just ₹25 extra
- Targets India’s growing protein-obsessed consumers

Why It Works?

- **Taps health trend** without changing the core product
- **Low barrier**: affordable, easy add-on
- **Operationally simple**: minimal menu disruption

Analyst Take?

- Creating a **“health halo”** → illusion of healthier eating
- Protein boost without lifestyle overhaul
- Early proof – fast **food giants are entering clean eating space**

It’s Not Just McDonald’s – Other Mainstream Indian Brands Are Riding the Protein Wave

Launched high-protein Kulfi, reinventing a traditional dessert (previously low-protein) with nutritional upgrade

Entered the protein bar segment under its premium dairy brand, targeting health-conscious urban consumers

Re-engineering Indian Staples into Functional Everyday Eating

2018

What they did?

- **Bridged lifestyle + health**: made everyday Indian foods (rotis, snacks) in low-carb / high-protein formats
- Pioneered **DiabeSmart range**, clinically validated for sugar control.
- Expanded via **packaged goods + cloud kitchens** across 5 cities

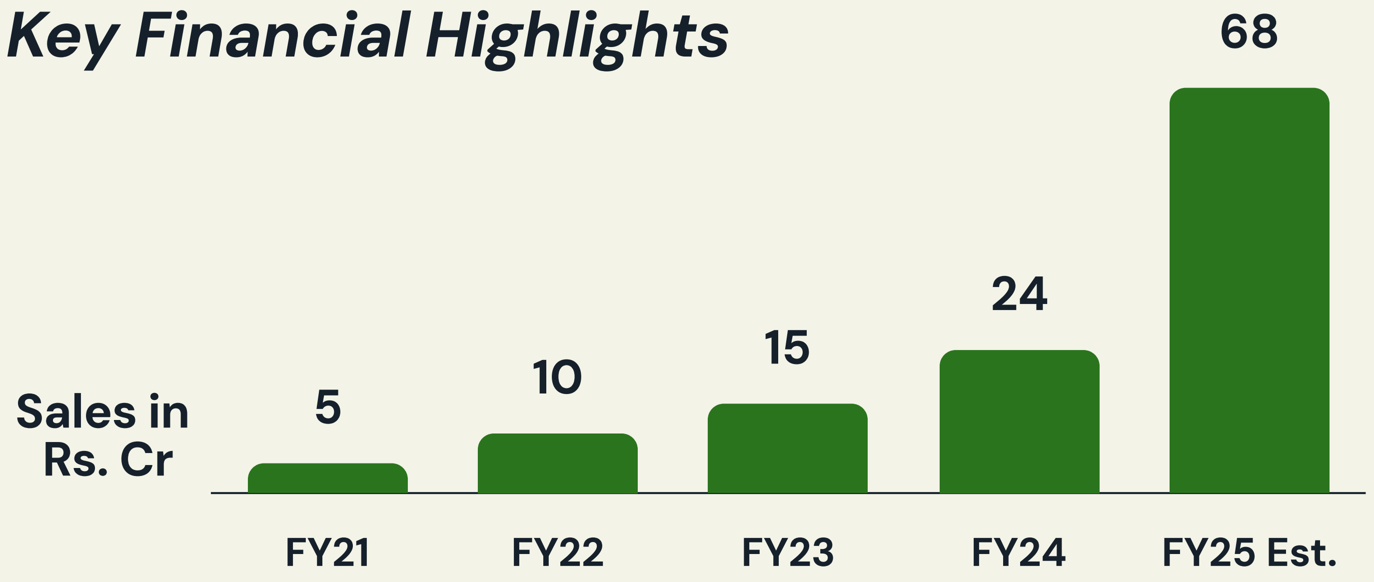
Why It Works?

- **Rides functional food wave**, consumers want problem-solving foods (protein oats, keto bread)
- **Omnichannel reach** - packaged foods + cloud kitchens in 5 cities
- Brand with clinical trial–backed results

Analyst Take?

- Positioned at the inflection point of India's functional foods market
- Its **dual model** (packaged goods + cloud kitchens) provides both **scale and margin resilience**

Key Financial Highlights

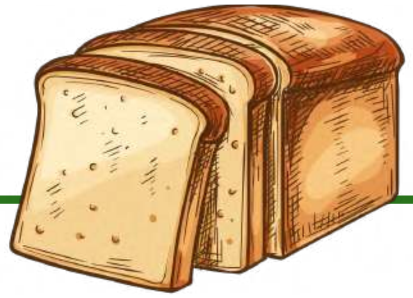


- **$11.6Mn raised** (Rainmatter , Capital Code) → Lo! is emerging as the category-defining functional food brand
- **Balanced model: 65% packaged foods, 35% cloud kitchens**; cloud kitchens already EBITDA-positive

Source: Tracxn, Company deck

Winning with Taste and Transparent Packaging

2016



What they did?

- **Clean-label bakery range**: zero-maida, no preservatives, high-protein
- Positioned bread (a daily staple) as a **functional upgrade**
- Cracked the **taste** and **marketing** code

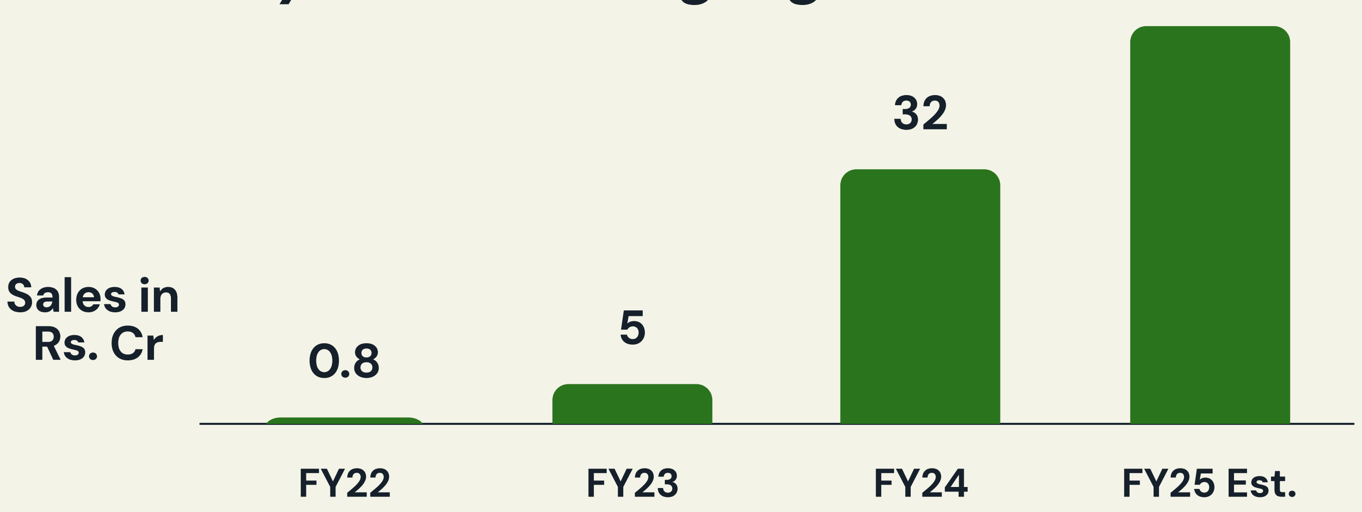
Why It Works?

- **Staple-first approach:** attacks a daily-consumed item → higher repeat frequency
- **Nutritional differentiation**: breads with 3–4x more protein than regular variant

Analyst Take?

- Proof that **clean eating isn't just snacks** — staples too are ripe for disruption
- Signals **consumer readiness to pay premium** for "better-for-you" versions of everyday foods

Key Financial Highlights



- **$4.4Mn raised** (Peak XV Partners, Surge Ventures)
- Recent marketing initiatives have focused on **promoting the brand "The Health Factory"**, as most **consumer only recognised "Zero Maida Bread"**
- Leveraged Q-Comm aggressively to ramp up sales rapidly

Source: Tracxn

TBOF: Turning Grandfather's Farming and Grandmother's Recipes into a Global Brand

2012

What they did?

- Transitioned to **organic farming** after witnessing soil fertility decline
- Moved from raw produce → **value-added products**: moringa powder, Khapli wheat
- Built a **farmer network of 3,000+**, covering 4,000–5,000 acre

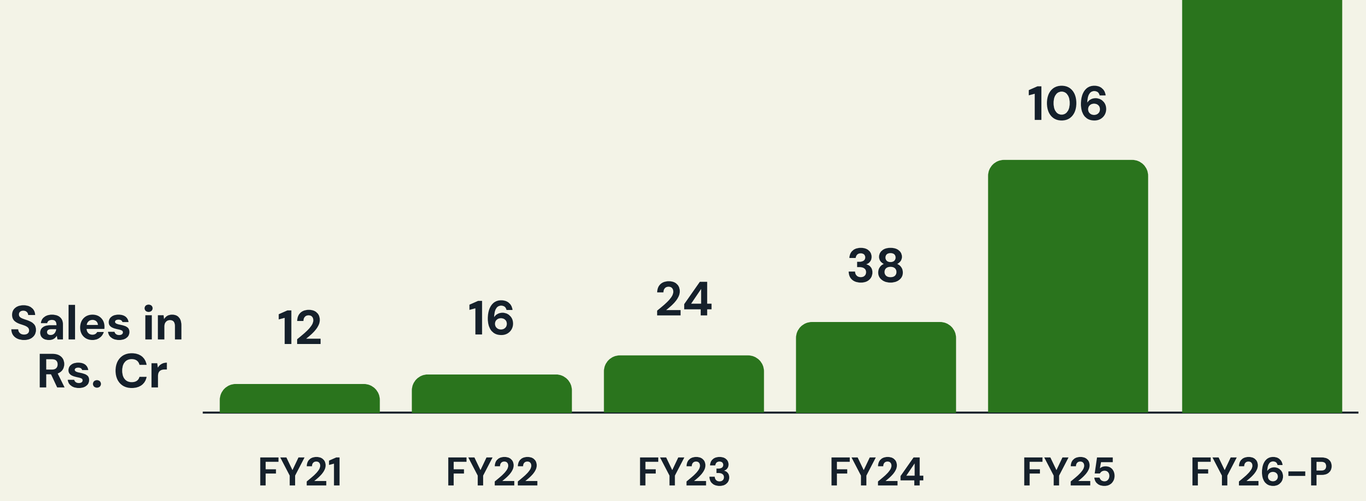
Why It Works?

- **Authentic brand story** rooted in "grandfather's farming, grandmother's recipes"
- **Consumer trust** through clean packaging, community-led marketing
- **Patient capital**, bootstrapped for first 8–9 years

Analyst Take?

- Proof that **authenticity + patience = scale**
- Farmer-led **innovation outpaces FMCG giants** (ITC copied their khapli wheat)
- **Export potential** of Indian-origin clean food brands

Key Financial Highlights



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- Expected to **break even in FY26**
- **$10Mn raised** till now from notable investors like Rainmatter, Crest Ventures
- Revenue Mix estimate: Website - 65%, Q-Comm - 15%, Marketplace - 15%, Offline Retail - 5%.

Source: Tracxn, Company call

India’s Untapped Clean Eating Categories

	Category	Opportunity	Total Current Market Size	Clean Label Penetration
	**Indian Sweets**	Clean-label, high-protein, low-sugar	₹80,000 crore	Negligible
	**Ready-to-Eat Meals**	Preservative-free, plant-based, millet	₹10,000 crore	Very Low
	**Indian Chaats**	Baked, probiotic, gut-focused	Mainly unorganised	<5%
	**Pickles, Sauces, Chutneys,**	Fermented, probiotic, non-oil	₹2600 crore	<5%
	**Frozen Snacks**	Additive-free, plant-based, air-fried	₹1300,000 crore	<7%

Clean eating disruption has largely skipped massive categories creating multi-thousand crore white space opportunities for first movers to build trusted, premium brands

Source: Data Bridge Market Research, Statista, Markets and Data, Grand View Inc, Market Research Future,

Future of Food: Personal, Transparent, Climate-Smart

India's healthy eating revolution → Balancing Taste & Nutrition + Convenience & Quality + Tradition & Innovation

Radical Transparency

Consumers demand **full visibility, origin, process, and impact of food.** Blockchain and farm-to-table traceability become key differentiators.

Functional convenience

Convenience meets **nutrition, quick, great-tasting meals with added benefits**: fortified foods, targeted probiotics, and mood-boosting ingredients.

Collective Health

Eating as a social experience, group meal planning, community farming, and wellness-focused food events build loyal communities.

Hyper-personalization

DNA-based diets, AI meal planning, and customised nutrition becoming mainstream; early adopters paying premiums for tailored health.

Sustainable Plates

Sustainability drives choices. **Carbon footprint labelling,** and **locally sourced**, seasonal ingredients gain traction.

India's Mad Rush for Conscious Eating has Attracted Investment

Investor Momentum: $65M raised by health-focused food brands in H1'25 vs $15M in all of 2024 and $20M in 2023 (Tracxn)

Healthy Snacking Boom: Market projected to grow 3.5x faster than traditional packaged snacks

Protein Surge: ~90% of protein startup funding happened in the last 2 years

Consumer Shift: Online orders for healthy staples & snacks grew 60% YoY in FY25, with Tier-III cities up 90%

Strategic Shift: Funding momentum is now matched by FMCG acquisitions, signaling mainstream acceptance

Investor Lens: Capital is flowing to brands that balance affordability with health positioning

**All the numbers are in Rs. Cr*

Company	FY24 Sales	Total Fundraise	Investors
Farmley	231	472	L Catterton, DSG Consumer Partners, Alkemi Growth Capital,
Happilo	331	398	A91 Partners, Motilal Oswal
The Whole Truth	71	312	Sofina, Peak XV Partners, Sauce, Z47
Go Zero	12	50	DSG Consumer Partners, Saama Capital, V3
nourish you	17	47	SIDBI Venture Capital, Gruhas
Let's Try	22	33	100Unicorns, Venture Catalysts, Wipro Consumer Care
Eat Better Co	15	25	Prath Ventures, Spring, C^2 Ventures

Company	Acquisition Price	Multiple	Acquirer	Year
Soulfull	444	5	Tata	2021
Yoga Bar	156	6	ITC	2023
True Elements	300	4	Marico	2025

Crunching the Numbers: Mass vs Clean

Listed Players	Sub-sector	Scale (Rs. Cr)	YoY sales growth	Gross margins	P/S Multiple
Vadilal	Icecream	1238	10%	51%	3.3x
Prataap Snacks	Snacks	1,708	6%	27%	1.4x
BRITANNIA	Sweets & Snacks	17,943	7%	41%	7.9x
BIKAJI	Sweets & Snacks	2,622	13%	32%	7.1x

D2C brands	Sub-sector	Scale (Rs. Cr) – P	YoY sales growth	Gross margins	P/S Multiples
Farmley	Snacks	370	61%	22%	2.5x
The whole Truth	Functional food	250	250%	45%	8.0x
Sweet Karam Coffee	Sweets & Snacks	50	350%	40%	4.6x
Let's Try	Sweets & Snacks	50	130%	55%	
GO ZERO	Icecream	33	186%	70%	5-6x

Market Lens

Growth Outpacing Legacy – D2C brands clock much higher growth vs listed peers, powered by Gen Z's shift to conscious consumption

Margins Tell a Story – Desserts & functional foods lead with 45–70% gross margins vs 30–40% for traditional snacks

Premium Multiples – D2C players trade at 4–8x sales multiples, far above incumbents, thanks to positioning + packaging

Scale Gap Still Huge–Incumbents still dominate scale, highlighting the headroom for D2C to expand

**Scale – FY25 actuals, P – projected, YoY sales growth – FY25 vs. FY24, Gross margins – FY25, Multiples – latest available*
***Source: Tracxn, news articles, LinkedIn*

Final Takeaways: Snacking Without Compromise

A fundamental shift in how consumers think about food between meals

1 Gen Z sets the pace

India's youngest consumers are driving the surge in on-the-go healthy snacking, ordering packaged snacks nearly **2x more often** than older generations

2 Loyalty is Being Rewritten

Once concentrated around legacy giants, consumer loyalty is now spreading across **D2C challengers, quick commerce, and niche brands**

3 No more trade-offs

Consumers expect snacks to deliver **flavour, functionality, and trust** — they're no longer willing to compromise

4 Functional is the New Normal

People increasingly want snacks that **support wellness goals** — from boosting energy and digestion to enhancing focus

5 The Next Chapter in Snacking

Challenger brands are leveraging **local innovation, quick commerce, and competitive pricing** to expand their reach and challenge incumbents

Health is now a lifestyle priority. From hydration to protein-rich foods, Indians are redefining snacks not just as indulgence, but as fuel for fitness, focus, and everyday well-being basic roots consulting

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Thank You!

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