Keeros taps Indian health-conscious market through roasted super snacks

The trend of consumers growing more health-conscious means trouble for some companies but a new opportunity for others. Nowhere is this clearer than food where consumers are <u>shifting</u> their dietary patterns from basic subsistence foods to food categories that are good for them.

It is estimated that there are more than 1,000 snack products and more than 300 varieties of savories (an Indian snack category) available across India. A Research and Market report estimates the Indian snack market size to reach USD 1 billion by 2024. However, not many snack companies are targeting the growing segment of health conscious Indian consumers - especially those that want an Indian flavor to their snacks.

To take advantage of this growing market, Keeros was launched in 2017. The company <u>sells</u> multi-seed and multi-grain super snacks. The focus of the company is to provide healthy snacks by incorporating superfoods into its products, keeping them diabetic-friendly and free of preservatives, additives and harmful processing. Due to its unique recipe and premium packaging, its products have gained massive traction across both online and offline channels.

Lucknow-based Keeros was <u>founded</u> by Sachin Sahni and Simran Sahni. While Sachin is an FMCG & Health-Fitness industry veteran, Simran is a certified nutritionist with more than 15 years of experience in the health and wellness industry. Krishna Awatar Singh, who joined Keeros in October 2018, brings rich experience in FMCG distribution from his earlier experience from Shell India, Eveready Industries, and BD.

The idea of Keeros came to Sachin and Simran from diet and nutrition counselling for almost 1500 members of their fitness centers in Lucknow, which they have been running for more than a decade. Both of them realized the gap in mid-meal management, where people had limited options with most of them being unhealthy. The healthy snacks that were available were copied from Western markets and didn't have Indian flavors.

This prompted the duo to develop something which is healthy with an Indian taste. After initial trials incorporating feedback from the members of their fitness centers, Keeros was launched to make its mark in this segment.

While the roasting of its supersnacks is outsourced, Keeros does blending, flavouring and packaging themselves. According to Sachin, Keeros products are minimally processed and don't have any preservatives or artificial additives. The products are also low in Glycemic Index, and therefore are diabetic friendly.

Keeros products are available in about 230 retail outlets in Lucknow and Kanpur. The company launched its products in Delhi region in April 2019. It has <u>partnered</u> with leading retailers in these markets, including Big Bazaar, 24X7, Modern Bazaar and Le Marche. In an interview with

the BUIDL, Sachin said, "Our products are available in 105 outlets in Delhi, and we plan to touch 1,200 outlets in Delhi region by March 2020."

Keeros is also available across all major Indian e-commerce marketplaces including Amazon, Flipkart and HealthifyMe. Its products came under "Best Seller" and "Amazon Choice" within six months of its launch on Amazon. According to Sachin, Keeros has dedicated employees for improving its eCommerce performance. Currently, the online channels account for approximately 40% of the company's total revenues. The company has a total of 17 employees.

Keeros has also tied up with Boxy-Bites, a corporate snacks supplier which is associated with more than 100 organisations in India. The company won the "Startup of the Year" title in February 2018 from Lucknow Management Association (An AIIMA body) and also received the UP Brand Leadership award in September 2018.

In January 2019, Keeros raised an undisclosed amount in seed funding from Venture Catalysts. Crunchbase, however, estimates this funding amount to be USD 437,700. The key individual investors in this round included H.S. Saberwal, Global IT Head - Quantitative Hedge Fund, New York; Ravinder Singh - National IT head for NETS AS, Norway; Saurav Dasgupta, Global Head of Treasury & Liquidity, Trans-Fast Remittance, Dubai; Sandeep Jain, President - Gemcolorz Group, New York; Sandeep Zutshi – Former CEO, Sri Lanka & Ex-India Sales head, Britannia Foods; Rekha Singh, Co-Founder - Divine Life Ayurveda, Lucknow.

"Our vision is to be the leading health food company providing superfoods, supersnacks and superdrinks," Sachin said, "We are working on revamping the product packaging to make it appealing to the target market. We have also shortlisted new grains to be included in our superfoods category." Keeros is aiming to planning to expand in other major markets of India in the coming months.

The Indian healthy snacks market has witnessed the rise of several other <u>start-ups</u>. Snackible, (founded in 2015) has raised angel funding of USD 175,000 from multiple angel investors. Snackible's snacks include Whole Wheat Waffles, Himalayan Black Salt Apple Chips, Seedy Trail Mix, Hot Wasabi Peanuts, Cream and Onion Wholewheat Thins, Seedy Crunchers, Herbs and Cheese Makhana, and Baked Bhakarwadi.

Gurugram-based Supa Star Foods (founded in 2015) manufactures healthy snacks from corn. It has raised an undisclosed amount in funding. Karnataka-based Orgtree was founded in 2014, and manufactures millet snacks under the brand Kiru. Bengaluru-based Snackit rents out vending machines stacked with healthy snack options and beverages to corporations. Snackit registers over 4,000 transactions daily from regular snacks, as well as healthier options like oat cookies, jalapeno peanuts, fruit medleys and granola bars. Poshtick, another startup founded in 2016, manufactures and sells subscription based product called Finge Box with three snacks and a healthy drink. Bengaluru-based WIMWI Foods (founded in 2014) in Ahmedabad launched branded Shiitake mushrooms, which it claims are rich in protein, B-complex vitamins, and

dietary fiber. WIMWI Foods has raised seed funding from CIIE and and other individual investors. The other <u>startups</u> in the space of healthy snacks include Rev Snacks, The Mumum Co., Evolve Snacks, True Elements, and Wholesome Habits.