INTERVIEWS | INTERVIEW

"From demand forecasting to inventory management, we use data to reduce waste and ensure near-zero expiry losses"

India’s packaged food landscape is witnessing a shift as agritech firms explore downstream integration to tap into growing demand for safe, traceable staples. In this interview with NuFFooDS Spectrum, Rohit Pajni, Head of Consumer Packaged Goods and Value

By **Mansi Jamsudkar** | May 16, 2025



> WordPress post #35834

India’s packaged food landscape is witnessing a shift as agritech firms explore downstream integration to tap into growing demand for safe, traceable staples. In this interview with NuFFooDS Spectrum, Rohit Pajni, Head of Consumer Packaged Goods and Value-Added Services at FarMart, discusses emerging trends shaping the sector—from the role of quick commerce in driving staple consumption to the

challenges of ensuring quality and compliance across a fragmented agri value chain. He also shares insights into how technology, strategic partnerships, and phased market entry are being leveraged to navigate competitive pressures and unlock growth in both domestic and international markets. Edited excerpts;

How does the packaged foods vertical complement or transform FarMart's existing agritech and supply chain business?

The FarMart Pantry initiative is a natural extension of our core agritech platform. Over the past decade, FarMart has built a tech-enabled global supply chain that connects farmers to food processors and retailers across Asia, the Middle East, and Africa. We've powered the sourcing and distribution of raw staples for some of the largest food companies—and now, we're using that same backbone to deliver branded pantry staples directly to consumers.

In essence, we're closing the loop from farm to table. By launching our own consumer packaged foods brand, we're creating a new and efficient outlet for the farm produce and ingredients we already source—while unlocking real value for consumers through authenticity, food safety, and transparency.

This move downstream also strengthens our upstream capabilities. Direct insight into consumer preferences helps us make smarter, demand-driven sourcing decisions. It's a flywheel where every part of the chain informs and strengthens the other.

What market gap or opportunity did FarMart identify that prompted the move into packaged foods?

We identified two interconnected opportunities—one upstream, the other downstream.

Upstream, our deep-rooted agri network across India enables us to tap into regional sourcing preferences, ensure food safety at the farm level, and bring consistency to a highly variable value chain. With boots on the ground and tech in the hands of farmers and FPOs, we have the ability to trace quality right from the source—something most food brands can't claim.

Downstream, we saw a market dominated either by loose, unbranded staples with no accountability, or by big brands charging a premium simply for their name. In contrast, FarMart Pantry is built on a promise of proof—we control the entire value chain and provide transparency at every step. From lab-tested purity to origin traceability, consumers don't have to take our word for it—they can see it for themselves.

There’s also a massive shift underway in how people buy staples. Urban consumers are increasingly turning to quick-commerce platforms like Zepto and Blinkit for daily essentials. By entering packaged foods now, we are meeting modern shoppers where they are—offering trusted, traceable staples delivered fast, without the markup of legacy brands.
In short, we saw an opportunity to turn our supply chain strength into a consumer promise—one built on transparency, control, and credibility.

Are there dedicated processing, packaging, or warehousing facilities being set up for CPG operations?

Right now we are largely leveraging and optimizing our existing network rather than building everything in-house from day one. We have already vetted and partnered with 80+ food processors and co-packers around the country Many of these facilities handle commodities like flours, rice, spices, and lentils at scale. For the Pantry business, we engage select partners in that network who meet our quality standards, and we can customize their production lines as needed. We may add dedicated storage in the future, but currently we optimize space in our existing supply chain. In essence, we “pulled forward” our infrastructure. Instead of duplicating everything, we use the same mills, packers and logistics hubs, and then add the consumer-brand layer (branding, retail packaging) on top. This approach minimizes upfront capital while we scale.

What kinds of products are currently being offered through quick commerce platforms like Zepto and Blinkit, and how are they curated?

We launched FarMart Pantry with **27 essential kitchen staples** selected for high everyday demand. These include stone-milled (chakki) atta, various millet flours, premium basmati rice, and whole pulses (moong, arhar, etc.) – all products that are purchased routinely in Indian households. The curation was intentional: we picked staples where quality, purity and farming practice matter most to consumers. For example, offering atta from a trusted source or 100 per cent whole masoor dal gives us a story to tell. We also started introducing nutritional variants – like multigrain or high-fiber atta – to tap into the health-conscious segment. On quick-commerce apps, these items are presented alongside private-label offerings, but our differentiation is full traceability and testing.

Beyond staples, we plan to quickly broaden the assortment. We're adding fortified and functional foods (such as fortified flours, khapli wheat flour, flours rich in millets) to match rising health trends. We're also exploring ready-to-cook traditional mixes (like besan upma mix) that suit the q-commerce convenience consumer. In each case, the curation criteria are twofold: 1) Is this a core daily staple or emerging "better-for-you" food where we can stand out? 2) Can we source it under the Farmart quality system? If yes, we include it. These products are then rolled out on Zepto/Blinkit and on premium chains like Nature's Basket first, and eventually we'll expand to general trade.

How is traceability and transparency ensured in FarMart's packaged food products?

Traceability and transparency are non-negotiable promises for the Pantry brand. We utilize the same digital tracking systems that power our agritech platform. At the point of arrival from the farm or aggregator, each consignment is digitally tagged enabling consumers to know sourcing related critical information. As grains and pulses are processed (e.g. wheat ground, rice measured), each lot receives a unique QR code. When a customer scans a FarMart Pantry product, they can view the full "farm to pack" journey — from the village it came from, to the facility where it was processed, to the tests it passed.

On the operations side, we enforce best-in-class SOPs at every step. Items undergo AI-powered sorting and grading, followed by third-party lab testing for 250+ safety and quality parameters, including pesticides, mycotoxins, heavy metals, and more. These test results are integrated into our supply-chain software — any issue flags the entire lot automatically. In effect, traceability is real-time and digitally logged, and transparency is complete and customer-facing.

We also ensure full compliance with FSSAI labeling — nutritional and ingredient details are documented and printed on every pack. For any organic or specialty claims, we maintain full certification and traceable documentation. Our customers get visibility down to the last grain we packed — far more transparency than most brands offer.

How is FarMart leveraging its tech capabilities to optimize operations in the CPG division – from sourcing to delivery?

We treat FarMart Pantry as an extension of our SaaS platform, so technology permeates every link in the chain. For sourcing, we use data analytics and our procurement portal to forecast

demand by SKU and region. This avoids over-ordering from farmers – we match input crops to predicted off-taker needs, which reduces food spoilage and carries cost. All procurement is done via our network, so price discovery and farmer payment can be managed transparently.

During processing and packaging, we use real-time software to track yields, downtimes, and yields at each plant. This lets us continuously improve efficiency. For example, if a particular mill is producing slightly low flour extraction, we can detect and rectify it quickly. We also apply advanced, cutting-edge technology to provide consumers with data points on origin and quality, further bolstering trust.

On distribution and last-mile, our tech helps optimize routing. FarMart Pantry products often go out through quick-commerce riders; we integrate with Blinkit/Zepto APIs to update inventory in real time. This means if a batch sells out at the warehouse, we immediately reorder or redirect stock. Internally, we deploy IoT sensors in select warehouse zones (like humidity sensors for ragi flour storage) to ensure the product stays in prime condition. In short, FarMart's decades of supply-chain tech – the same systems that now serve 2,000+ food businesses globally – are being applied end-to-end in our CPG arm.

How does FarMart ensure profitability at scale in the packaged foods vertical, given the typically thin margins?

Today, margins are increasingly a function of the value delivered to the consumer. At FarMart Pantry, we focus on offering world-class quality and pricing that reflects both global standards and local relevance. By controlling the full value chain — from farm procurement to retail — we eliminate multiple layers of middlemen, allowing us to pass value to the consumer while still protecting our margins.

Our SKU selection is deliberate: we focus on high-velocity and premium items where product differentiation allows better pricing.

Technology also plays a big role in maintaining profitability. From demand forecasting to inventory management, we use data to reduce waste and ensure near-zero expiry losses.

What are the biggest challenges in scaling the packaged foods business?

One of the biggest challenges is navigating the fragmented and inconsistent agri value chain in India. Quality can vary significantly due to weather, soil, post-harvest handling, and other moving parts. Delivering consistent quality at scale is a real challenge—but it's also where we

have a distinct edge. Thanks to our deep-rooted network of farmer partners and FPOs, along with our tech-enabled procurement and traceability systems, we've built the ability to standardize quality from the ground up.

Another key challenge is customer education. Most consumers rarely ask for proof of what they consume. We believe that will change. That's why we're building transparency into our product journey—lab results, origin traceability, and clean-label practices—so that trust isn't just claimed, it's demonstrated.

Lastly, on the sales side, competition is stiff. From national brands to aggressive private labels, pricing pressure is real. Plus, selling across urban modern trade and rural kirana channels requires distinct strategies. That's why our scaling approach is phased—we test, learn, and adapt as we expand into new geographies and product lines.

What roadblocks exist in ensuring regulatory compliance (e.g., FSSAI, organic certifications)?

Regulatory compliance is a complex but essential task. Each FarMart Pantry SKU requires approvals and licenses under FSSAI. This means registering our processing facilities, submitting lab test results, and adhering to strict labeling norms—nutritional information, allergen declarations, and more. To tackle this, FarMart has set up a dedicated compliance team that works closely with authorities, and we pre-emptively design products to align with regulatory standards.

Importantly, our Pantry ethos is clear: the end consumer should never have to compromise on safety or quality. That's why we don't view FSSAI regulations as mere tickboxes to check, but as essential quality gates. Many of our products already meet clean-label norms—no artificial colors or preservatives—and we continue to invest in internal labs and AI-based inspection systems to go beyond the baseline safety requirements.

For us, compliance isn't a hurdle—it's a trust signal. We'd rather get it right the first time and use that assurance to build lasting credibility with consumers.

How does competition from private labels by platforms like Zepto and Blinkit affect FarMart's positioning?

Our positioning is orthogonal – we compete on traceability and quality rather than being the lowest-cost staple. We emphasize our farm-direct sourcing, our lab-tested purity, and our socio-

environmental story (supporting farmers). For example, a consumer can choose between generic atta vs. FarMart Chakki Atta – the latter might cost a little more, but they know exactly where it came from and that it was milled under strict hygiene. In practice, we list FarMart Pantry products on those same apps (Blinkit, Zepto), so customers have both choices side by side. Our bet is that a meaningful segment of the market is willing to pay a small premium for brand-backed trust, especially for items they use daily. We do, however, stay vigilant on price: we continually optimize costs so our products remain competitively priced.

Are there domestic or international expansion goals for the packaged food line in the next 12–18 months?

Yes – we have both domestic and international roadmap. Domestically, we're doubling down on quick commerce and modern retail in urban India. We've launched in Delhi-NCR, Bangalore and some parts of UP; over the next year we'll add other metros and key Tier-1 cities, using our distribution partnerships and the new ONDC network to reach smaller markets without building expensive infrastructure. We're also expanding in modern trade (supermarkets, premium grocery stores) and in 1,000+ kirana outlets through distributors.

Internationally, our first success was launching FarMart Pantry in the Middle East (e.g. UAE) last year. That market validated demand abroad, thanks largely to the South Asian diaspora. We plan to build on that by entering a few more Gulf countries (Saudi, Oman, etc.) via local partners. Meanwhile, we're evaluating select African and Southeast Asian markets where FarMart already has a presence on the B2B side. The existing relationships (FarMart sells commodities to many of these countries) mean we have supply lines set up. So, in summary: the next 12–18 months will see us spreading Pantries to more Indian cities and a handful of overseas markets with high latent demand. We're effectively leveraging FarMart's global network – as our CEO has noted, FarMart already sells to places like UAE, Saudi, Oman, even African markets, and we'll export Pantry goods to those as part of our plan.

Where is FarMart's CPG business projected to be in the next 3–5 years in terms of revenue?

The outlook is very strong. We plan for Pantry to be a major growth driver. Given the traction on quick commerce—where we're targeting roughly 50% of revenue this year—and the expansion into new channels, we expect exponential growth. In round terms, if we stay on this path,

FarMart Pantry could account for tens or even a couple of hundred crores in annual sales within five years. The key is that high-turnover staples at scale add up quickly. Crucially, as volumes rise, our unit economics improve—so the top-line gains will start translating into meaningful profit on the corporate P&L.

Looking ahead, we're expanding rapidly across India and UAE while also laying the groundwork to enter the GCC, European, and American markets. Our vision is that within 3–5 years, the Pantry business will be one of FarMart’s largest verticals, contributing a double-digit percentage of total revenue and delivering substantial ROIC, thanks to our asset-light, low-capex model.

Mansi Jamsudkar

mansi.jamsudkar@mmactiv.com

Read online: https://nuffoodsspectrum.in/interviews/23/22350/we-saw-a-market-dominated-either-by-loose-unbranded-staples-with-no-accountability-or-by-big-brands-charging-a-premium-simply-for-their-name.html

© 2026 NUFFOODS Spectrum. All rights reserved.