



UNLEASHING THE POWER OF HERBS

Amit Sharma, Business Head & Director of Sanat Products Ltd and Hindustan Herbals Ltd (part of Burman family of Dabur Group), discusses about citizens inclination towards a natural way of getting healed. He opens up regarding the rising use of natural extracts and botanicals in almost every product from cosmetics to food to medicines and predicts how Ayurveda has the potential to be the next IT of the country

BY DEBARATI DAS

Outreach of herbal extract industry globally.

Phyto-pharmaceuticals and herbal extracts are segments that are coming up in a big way because consumers are demanding for natural and organic alternatives to allopathic medicines and products made out of synthetic ingredients. The market is coming up in a major way in the form of food supplements, nutraceuticals and other functional food products. Across the globe, the trend is to go natural and reduce the dependence on chemicals is picking up. And hence, people are inclined towards using products made out of herbal extracts.

Herbal extracts have a wide array of application and can be utilised in cosmetics, food, flavour, nutrition, food supplement, personal care and dairy. Globally, the nutraceutical segment is dominant in the US. In India, the market size is about \$1.5 billion which is small at the moment. But the scenario is changing as people are becoming conscious about their health. Lifestyle diseases like diabetes, blood pressure, arthritis etc are on a rise in

the country. Citizens are looking to address these issues by natural means. As a result, the herbal extract industry is growing very fast in India as well.

Hurdles in this growth path.

The knowledge of Ayurveda has been there in the country for the past 5000 years. However, with the rise of modern allopathy, the genuine efficacy of ayurvedic products is still questioned. Globally, pharmaceutical industry demands proper clinical trials and documentation of every product. Although we have traditional scriptures, what Ayurveda lacks is the scientific database depriving it of the much-deserved recognition in the rest of the world.

Primarily, lack of capital for such clinical trials, validation and documentation has curbed the growth of the industry. Also, this industry needs to get proper recognition and a legal framework from the government. It was only in 2014 that the Drug and Cosmetic Act was amended to incorporate phytopharmaceuticals in it. In the land of Ayurveda itself, these systems

are questioned by the medical fraternity and are not extensively practiced. On the other hand, in China, the government have given a great boost to the Chinese traditional medicines (TCM). We too need the government to envisage the potential of this industry and take series of measures to promote Ayurveda globally.

Global industry dynamics of herbal extracts.

Today, all the multinational companies have come up with natural alternatives of various products from soap to toothpaste. The 'going natural' trend is everywhere and the consumer demand for health and wellness, dietary supplement products too have gone up. While this demand has grown across all categories, the demand is more from the metropolitan side mainly due to more access, better education and awareness towards such products.

There is also an awareness and need for cognitive growth for kids and addressing growing concerns like dementia in elderly people. Consumers are nowadays looking for additional supplements with vitamins,

DHA, omega acids in their health products for a wholistic growth. Hence, natural extracts have a bigger role to play in health & wellness products and dietary supplements.

Worldwide outreach of the company.

The company currently exports products to 48 countries across the globe. While we have seen few common trends across all geographies, there are also trends which are specific to different continents. The US by far is the largest market in the industry and this region is very conscious about the weight management issues because of the obesity problems that the country faces. Hence, weight management, anti oxidants and natural sweeteners are in high demand. Even beverages companies are looking for natural sugar alternatives instead of synthetic sugars. We manufacture natural sweeteners from stevia, mono ammonium glycyrrhizate (MAG) and agave. We are seeing a rampant paradigm shift towards natural energy drinks. These products are further getting a boost in US and Europe due to the obesity and calorie management trends.

The Asian market however is quite different. While obesity is not a huge concern there, problems related to liver, psoriasis, diabetes, cardiovascular issues and dementia are rising. In certain health segments allopathy does not have a solution yet. The only solution is to start using natural products to mitigate the health issues.

In the US, we have various distributors in different corners of the country to cater to the demands from this geography. We recently tied up with Charkit Chemical Company which is one of our leading distributors in US. We are also associated with the American International Chemical Corporation who take forward our products to many industries like cosmetics, flavours, food and dietary supplements etc. We also have a presence in Canada, Mexico, Brazil, Argentina, Australia, Korea and Japan. The company wants to ensure that the benefits of Ayurveda reaches every nook and corner of the world.

Dynamics of the company.

As a company we are growing at a very good pace. We have three manufacturing units in India. Last year, we decided to have an inorganic way of growth and as a result, we took over Hindustan Herbals Ltd (HHL) which is a drug certified facility where we can manufacture drugs and phytochemicals made out of herbs, apart from regular extracts, food supplements and dietary products.

We are currently focusing more on weight management segment which is a global concern. We have a natural sweetener which is a liquorice product and is available in abundance in India. Its MAG derivative is used across industries like personal care, cosmetic, nutraceuticals and pharmaceuticals and at the same time in flavour and dairy industry as a sweetener for confectionaries and bakeries.

Natural sweetener is slowly becoming the norm of the industry globally. Certain markets demand that children's confectionary and other food items be devoid of any artificial or synthetic sweeteners. Hence, natural alternatives are picking up in the market. As a result, with HHL, we are introducing new set of products to the market and expanding our product line.

Our other products include Thiocolchicoside, Colchicine - which are all the derivatives of *Glorosia superba*. We are also working on *Moringa Oleifera* extracts, locally known as drumstick, which is a huge source of protein, vitamins and amino acids. The vitamins segment is currently controlled by synthetic chemical companies and hence there is a huge potential for natural vitamin extracts.

Even in food segment, the industry has been using synthetic preservatives. With growing awareness, natural preservatives have a huge growth potential. We are working on products from rosemary extract like corosolic acid, rosmarinic acid to be used as natural preservative and enhance the shelf-life of various food products.

Similar is the trend with natural colour used not only in food but also during Indian festivals like Holi. People are moving away from synthetic colours and are demanding for natural colours. Natural colours from turmeric and beetroot are increasingly being used. We are also one of the largest manufacturers of natural blue colour known as phycocyanin from *Spirulina*, which is a blue-green algae. Phycocyanin is a rich blue colour which is used in different confectionary like ice creams, candies and high end blue alcoholic beverages. *Spirulina* is also used as a protein supplement and there is a huge demand for it across the world. We are present in across all these segments including natural vitamins, natural preservatives, natural colours etc.

Government regulations for natural colouring and preservatives.

The rules are very loosely implemented in India. It was only from 2005, after the establishment and enactment of FSSAI Act, there are defined rules for imports

and manufactures. However, in segments such as preservatives, colours, vitamins etc, there are still no regulations to prohibit the use of synthetic solutions. At the same time, we would not say that synthetic solutions are bad as natural alternatives have their own limitations. For instance, the availability of natural raw materials cannot fulfil the global demand to make every product natural and organic. However, government can help promote natural and organic products to help the segment grow. Norms such as natural sweeteners for kids' products, etc, will not only address the health issues but will also bring in natural and healthy products to the forefront.

Stringent regulations are required as even in the Ayurveda segment, there are companies who are cutting corners to be price competitive in the market. The industry needs rules to eliminate sub-standard products and assure the quality and validation of ayurvedic products. This will not only strengthen the faith on Ayurveda globally but also truly capitalise the potential of the industry.

R&D efforts and innovations.

One of the important questions today is regarding the bio availability of products. Though we are using the product, is it absorbed by the human body? In our company, we have focused our research on this line. We are trying to make our products more bio available.

We are also working on safer means of extraction. Extraction requires water or solvents like acetone as a medium. However, there are safer extraction technologies using ethanol as a medium. Hence, the company is working on ethanol extracted products which has wider recognition and acceptability in European, Japanese and American markets.

We also have a plan to put up a small plant for CO₂ extraction. This process uses liquid carbon dioxide and pressure to extract the active. There is no solvent used and hence the original aroma, fragrance and colour of the products is maintained throughout the process with no solvent residue. We have a strong presence in the natural essential oil segment.

We are also working on better natural alternatives for vitamins and preservatives with longer shelf-life and have filed four patents recently. Further, we are working on natural ways of reducing tobacco consumption and mitigate the harmful effects of tobacco. Our other products include Turmix mouthwash, UPLAT (to address and boost platelets) and Diaonova (to treat diabetes). Our research is focused on addressing the unmet needs.

Note: Hindustan Herbals Limited is a 100 percent subsidiary of Sanat Products Limited.