

INTERVIEW

Government should offer concessions to set up industries

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India is the most potential market for nutraceuticals and dietary supplement products. An increasing traction of internet across both the developed and developing countries has supported the trend towards self-medication. This has provided an impetus to the global nutraceuticals industry, which is experiencing an increasing shift towards the healthy food and beverages, visible across several nations.

In the coming years, the market for nutraceuticals is expected to be majorly influenced by the potential for increased industry regulation around the globe, encouraged by the growing concerns over product safety. Although this would pose challenges for the business environment, it would strengthen the confidence of consumers in these products.

The revenue of the global nutraceuticals industry is expected to reach \$424 billion by 2017. Considering the growth of the market in India, NuFFooDS Spectrum spoke to **Dr Muhammed Majeed, Founder & Managing Director, Sami Group**, about the need for infrastructure and capacity building for nutritional and nutraceuticals industry. Excerpts

Considering demand for nutrition and nutraceuticals/functional foods and beverages products in the recent years, what could be the future requirement (in terms of units/ capacity) in next five years in India?

According to our analysis and through market research firm, nutraceuticals industry in India is going to touch \$6.1 billion by 2020. This is mainly due to rising awareness about health and fitness and changing lifestyle. At present, the nutraceuticals industry in India is about \$2.2 billion and is mainly focused in the southern region, followed by the eastern region with three major states of Andhra Pradesh, Tamil Nadu and West Bengal. The nutraceuticals industry in India is one of the rapid growing markets in the Asia-Pacific region. Food Safety and Standards Authority of India (FSSAI) should play a significant role in defining standards to streamline the nutraceuticals market in India, which must include quality raw material, safe manufacturing of products, health claims, labelling and distribution, and storage.

In which areas of nutrition and nutraceuticals/functional foods and beverages investors will prefer to invest in the coming years?

Day-to-day activities and a busy lifestyle naturally drains our energy. There are consistent expectations at both professional and personal front. These factors further lead to a marked decrease in quality of life due to the physical and mental overload. This condition is known as metabolic stress and it affects the major body systems in different ways. Day-to-day stress can thus lead to a cascade of reactions such as anxiety, poor mood and sleeplessness. Not to mention the detrimental effects stress can have on one's health. Metabolic disorders that include obesity, hypercholesteremia and diabetes may also be off-shoots of stress. Very carried out by the Anxiety Disorders Association of America (ADAA), which examined the effects of anxiety disorders and everyday stress and anxiety on sleep.

Based on the above facts, one can see that nutraceuticals that can address and resolve day-to-day issues are the need of the hour.

What are the challenges before the companies in making investments for setting up new manufacturing facilities?

- Lack of awareness about nutraceuticals, especially amongst rural people in the country.
- Low per capita consumption of nutraceuticals in India as compared to the US, Japan and European countries.
- Concern amongst people about safety of nutraceuticals following lack of sufficient regulatory policies.
- Lack of regularised system for setting up manufacturing plants for nutraceuticals.
- High development costs.
- Expensive R&D facilities/ infrastructure.
- Lack of strong judicial system to protect Intellectual property.

What kind of support from the government will help make investments in these growing spaces?

The nutraceutical sector is fast growing, thanks to the increasing consumer knowledge. There is increasing awareness about benefits of plant based standardised phytoextracts which is creating a huge market for the same. It would be beneficial if the government offered subsidies and grants or loans to set up such industries especially if they bring along scientific concepts that are innovative and have commercial value. Regulatory bodies, that can define guidelines for safety of such products, will also give investors more clarity. And most importantly, government regulations in price control will be highly appreciated and carry tremendous value.

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