

Cultivation of medicinal plants is essential for nutraceutical business: Dr. Muhammed Majeed

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Shahid Akhter | ETHealthWorld | Updated: May 25, 2018, 11:08 IST



Shahid Akhter, editor, ETHealthworld spoke to **Dr. Muhammed Majeed**, Founder & Chairman, **Sami-Sabinsa Group of Companies**, to know more about the trends and challenges in [nutraceutical market](#).

Tell us about the trends in nutraceutical market?

The market for nutraceuticals has a great demand, from other parts of the world as well as India. In the recent years, we have seen a good demand from the Indian Market as well. The global nutraceutical [industry](#), valued at US\$ 182 bn in 2015, is one of the fastest growing industries today and is expected to grow at 7-8 % by 2022 and India market share is approximately 4 billion and I expect that to grow up to 10 billion by 2022.

How big is the [Indian nutraceutical](#) market?

Indian Scenario is a mixed scenario, there is a big market here both locally and for exports as well. People are interested in both, the Indian segment as well as the international segment. Despite the continued growth here, there are many problems

which are associated with it. First and foremost is a good percentage of raw material that is used to make the nutraceutical products are either available in scares or prohibited by the government from exporting. We are producers and exporters of standardized nutraceuticals, mostly derived from medicinal plants. In view of the increased demand, many of the medicinal plants were becoming extinct in India. We wanted to arrest and reverse this trend to the extent possible. Hence the continued cultivation of medicinal plants is extremely essential for the sustainability of the nutraceutical business.

It's been more than 25 years ever since I started the export of raw materials, there was plenty of raw materials then but along with me came many other nutraceutical companies and have taken from the wild resources but as we all know that wild resources are not sustainable therefore in the coming years we will see difficulties in sourcing raw materials for export and for Indian use also.

Your interest in Nutraceuticals

Essentially I am from a pharmaceutical background. In 1988 I started out by creating a generic drug division but due to some issues it didn't work out well hence I looked at other opportunities available. At the same time, I also observed that China sells a lot of materials to the US in a non-standardized and poor quality manner. I looked at the export opportunities available from the Indian market, there were plenty of herbs which are very relevant in Ayurveda and pharmacologically very effective which can be exported. Hence I went deep into the science of herbs, used cutting-edge technology to convert them into modern drug form to go into the US market in a better standardized clinically tested fashion. This idea and approach helped me to build the basic business and also helped me open up the market for Indian nutraceutical products.

Your journey so far?

My journey so far has been very interesting one, I immigrated to the USA in 1975, completed my Ph.D. in Industrial Pharmacy from St. John's University, New York. I worked in the R&D Divisions of well-known pharma companies like Pfizer Inc, Carter Wallace and Paco Research, New Jersey, USA. In 1988, I established Sabinsa Corporation in the state of New Jersey, USA with the objective of importing and marketing generic drugs into the US for the drug molecules coming off patent. In 1991, I returned to India and established Sami Labs in Bengaluru as a research and development facility, with an objective to develop nutraceutical ingredients utilizing modern research into ancient Ayurvedic traditional herbs. After setting up the research facility in India I moved to other countries for business expansion in the US, Australia, China, Europe, Indonesia, Japan, Malaysia, Philippines, South Africa, South Korea, UAE, Vietnam, and India. In 1999, I established Organica Aromatics, a company dedicated to serving the requirements of the flavour and fragrance industry by developing high-quality aromatic chemicals and perfumery compounds. In 2003, I set up a clinical research company called ClinWorld which adds exceptional value by enabling us to accelerate the product development cycle. In 2010, I founded a direct selling arm called Sami Direct directly offering unique clinically relevant nutraceutical and cosmeceutical products inspired by Ayurveda.

Very soon I am planning to introduce a new animal testing facility here in India for conducting basic research in accord with the scientific and ethical principles for some of our herbal products.

What is the USP of your company?

The USP of our company is basically consistent and non-compromising quality standards at all stages and production cycles, beginning from choosing high quality, pesticide-free medicinal plant material till the final product. When it comes to adulteration of natural products we are always ready to fight against it.

For Example curcumin, the Americans call it a nutraceutical rock star and which was pioneered by me to the US market. Some of the manufacturers are moving towards the synthetic curcumin. This is very cheap and economical. Some of the reason behind for the movement of synthetic curcumin is raw material scarcity and low quality of the raw material. The end customer is not getting any benefit from this adulterated curcumin but the fellow who is making the mixture he has the benefit of saving some money.

What are the challenges you find in the nutraceuticals market?

In the early stages of my business development the believability in Ayurveda was a major one, but over the years, Americans, Europeans have started accepting that Ayurveda can be a source of tremendous quality material. The trend still continues in some corners of the world for eg. in India most of the allopathic doctors are absolutely blissfully unaware of the benefits of Ayurveda and trying to educate them is very difficult because they want the documentation to prove and even if I give the documentation they are not much convinced as compared to allopathic products. They also don't take into account that some allopathic products have very serious side effects whereas nutraceutical products have no side effects.

Another key challenge which we are facing in this industry is having right quality people with you and although in India there are so many well-educated people but finding a right team has always been a challenge.

What are your Future Plans?

We will continue in both nutraceutical and cosmeceutical segments and add more quality natural products into our product portfolio. We have two main objectives

- Backward integration – Going back to cultivation and reach out to the market with more science.
- The research will always be the backbone of our business to bring quality products can be brought to the market.