

NUTRACEUTICAL MARKET

Firms rolling out bioactive-based products for chronic diseases

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Crackers that can moderate your blood sugar level, fruit juice that can lower your cholesterol and grain bars that can promote bone growth may sound straight out of a science fiction novel, but they are here.

Welcome to the world of nutraceuticals (as they are called), which are finally entering Indian homes.

The quest for nutraceuticals has reached some maturity, with the global market for these rising to \$120 billion (Rs4.81 trillion) in 2007 (by revenues), according to research firm Research and Markets. However, Indian companies are just beginning to roll out niche products in a market that was worth Rs1,875 crore in 2007.

Last week, Bangalore-based biotech companies **Avestha Grain Technologies Ltd** (Avesthagen) and **British Biologicals** announced the launch of bioactive-based products that could manage chronic diseases. Bioactives are naturally occurring compounds derived from plants or animals that have distinct physiological functions for improving health and preventing diseases, much beyond everyday nutrition derived from foods.

Seven bioactives from Av-

esthagen's portfolio will hit the shelves mid-March. Delivered through bars, crackers or even sachets to be mixed in water or fruit juice, they are meant for managing conditions such as diabetes, arthritis and cardiovascular diseases.

British Biologicals has licensed its bioactive—plant stanol esters—meant to naturally reduce cholesterol, from the Finnish nutraceutical company **Raisio Nutrition Ltd**, and is the first to launch this product in Asia. "Its reduction of the bad cholesterol or low-density lipoprotein (LDL) is one of the biggest attractions as the American Heart Association keeps lowering the desired level of LDL," says Raveendra K.R., professor of medicine at Bangalore Medical College, who conducted a randomized trial on stanol esters.

Also in the business is Pune's Indus Biotech, which plans to launch a range of seven "exercise physiology and sports nutrition" products in the US market in the second half of this year. Indus has a suite of bioactives, largely derived from plants used in traditional Indian medicine.

According to Research and Markets, the Indian nutraceutical market is growing at 20% against the global growth rate of 7%. As the race for food for wellness and lifestyle requirements heats up, experts say the

FOOD FOR THOUGHT

Three widely known/used bioactives.

Polyphenols

Largely found in foods such as tea, grapes/wine, nuts, fruit and vegetables

Plant sterols

Largely found in cereals, vegetables and fruits such as berries

Polyunsaturated fatty acids

Found in foods such as vegetable oils, sunflower, soya bean and corn

Source: British Biologicals, Mint research

AHMED RAZA KHAN/MINT

important thing to remember is that nutraceuticals are neither food nor medicine.

"Somebody cannot pick up a medicine from the market and put it in the food to claim it has made a functional food," says V. Prakash, director of the Central Food Technology Research Institute in Mysore. Since it requires special processes and technologies to extract bioactives and integrate them into edible things, Prakash believes companies have to be driven by science and ethics.

This is particularly important as even though nutraceuticals claim health benefits, they do not need any "validation" of their claims in India if they are labelled foods. Currently, the sector is loosely governed by three laws—the Prevention of Food Adulteration Act, the Food Products Order, and the



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Health benefits: Most bioactives today are derived from plants.

Drugs and Cosmetics Act—with no mandatory requirements for clinical trials.

However, to address inefficiencies in the above laws, the Indian Food and Safety Standards Bill, 2005, was cleared by the Lok Sabha in August 2006. Experts say that the new rules will define what health or nutritional claims manufacturers can make.

The rules will create new categories: food supplements, functional foods and food for special dietary purposes.

Currently, however, the business is unregulated. "Rules cannot come up over night," argues Prakash, who strongly advocates "self-regulation" and "ethical marketing" as that is what will sustain a company in the long run.

However, serious nutraceutical players seem to be operat-

ing according to the rules despite the missing Food and Safety Standards Authority. This is driven by economic reasons and some of the companies are eyeing a large export market. "We have taken preemptive action and have already prepared the necessary documents to be submitted to the regulatory authorities," says Viloo Morawala-Patell, founder and chairman and managing director of Avesthagen.

The company claims to have tested its bioactives using biochemical, cell-based, and physiological systems in pre-clinical and animal studies. It intends to launch its branded bioactives in the US market later this year through **Renaisance Herbs Inc.**, a herbal products company it acquired in July 2007.

British Biologicals, which is the only Indian company to exclusively focus on nutraceuticals, is also submitting clinical data to the regulatory authorities in India through its partner Raisio. "Even though it is not required, we are submitting the documents for our own safety and conviction," says its executive director V. Sridhar.

The privately-held company, with a turnover of about Rs120 crore, currently exports nutraceuticals to 15 countries and is preparing up to enter the regulated markets of Europe and the US. It will soon enter into a partnership in Russia for exclusive licensing of a "nucleotide-based" nutraceutical for cancer. Later in the year it intends to launch a range of specialty bioactive nutraceuticals for arthritis, nephrology, and cancer.

Small as these nutraceutical players are, they face a challenge in building consumer awareness. While British Biologicals wants to reach people through doctors, not resorting to everyday advertising, Avesthagen is gearing up for a nationwide brand building.

"It's a huge marketing and consumer awareness building exercise," says Rajan Srinivasan, executive director of Indus Biotech, citing this as a reason why his research-focused company is concentrating on sports nutrition.

"This (sports) is a specialized market where consumers seek out products, we won't have to spend much on marketing," he adds. Besides, sports nutrition has specific biofeedback mechanisms that objectively measure the benefits of nutraceutical intake.