

BACK COVER

FRONT COVER



Global gateway for  
**Nutraceuticals**  
from India

Contact: DR. DEBJANI ROY, Executive Director, Mob: +91 9831131268  
Tel: +91 33 22834417, Email: shefexil@gmail.com, Web: www.shefexil.org

Designated EPC for  
India's Nutraceuticals



**NUTRACEUTICALS**

**VEG. SAPS & EXTRACTS**

**HERBS**

**LAC & SHELLAC**

**OTHER VEG. MATERIALS**

**FIXED VEG. OIL CAKES & OTHERS**

**NORTH EASTERN REGION**

**SHEEFEXIL is the Nodal EPC for 8 unique Product Panels**

# Namaste!

A World of Opportunities Await

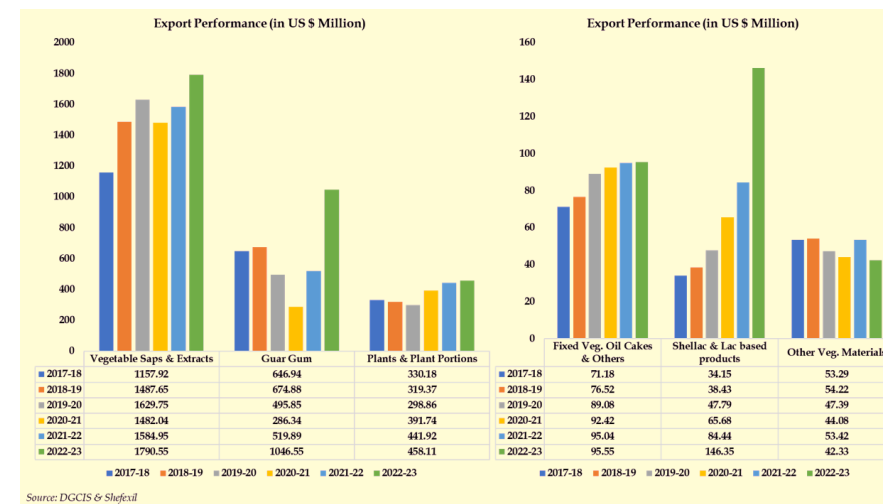


Shellac and Forest Products Export Promotion Council (SHEEFEXIL) is an Export Promotion Council (EPC) Sponsored by Ministry of Commerce & Industry, Government of India since 1957. SHEEFEXIL is the designated Nodal EPC for India's export promotion of 8 unique product panels:

1. Nutraceuticals
2. Vegetable Saps & Extracts
3. Plant and Plant Portion (Herbs)
4. Guar Gum and Guar Based Products
5. Shellac & Lac Based Products
6. Other Vegetable Materials
7. Fixed Vegetable Oil, Cakes & Others
8. Products of North East Region of India

SHEEFEXIL is the Nodal EPC for the North Eastern Region of India, to facilitate exports from the states of Assam, Arunachal Pradesh, Manipur, Nagaland, Meghalaya, Tripura, Mizoram & Sikkim.

SHEEFEXIL's exports are a direct contributor to weaker sections of society – tribal women, marginal cultivators, economically challenged population from the North East, arid areas, etc. The products bring vast socio-economic benefits to an estimated 100+ millions of resource poor farmers and tribal households in India who depend on products under SHEEFEXIL purview for their subsistence or income.



## Nutraceuticals

The various categories of products that fall under the panel include Nutraceuticals and its allied categories:



Health Supplements



Nutraceuticals



Food for Special Dietary Use (FSDU)



Food for Special Medical Purpose (FSMP)



Food with added Probiotic ingredients

### Growing Demand



- Up to 80% of people in developing countries are dependent on herbal drugs for their primary healthcare, and over 25 % of prescribed medicines in developed countries are derived from wild plant species.
- Rising healthcare costs, modern lifestyles and increasing health consciousness is driving the global demand for food supplements in the form of nutraceuticals, probiotics and food for special dietary or medicinal use.
- In the USA, herbs and botanicals are consistently outpacing overall supplement growth. In fact, Turmeric, Isabgol and Ashwagandha supplements are amongst the top 10 selling botanical items in the USA as per an annual survey being conducted by the Nutrition Business Journal.

### Growth Drivers for Nutraceuticals

Prevalence of lifestyle diseases.

Geriatric population increasingly dominating developed countries.

Rise in birth complications and special infant dietary needs.

Rising healthcare costs, higher life expectancy

Novel product research into medical foods

Greater consumer acceptance of food vs. drugs



## Nutraceuticals

The global market for dietary or food or health supplements is widely reported as over 100 USD Bn, of which botanicals account for USD 30 Bn, vitamins made up for around USD 50 Bn and the fast-growing probiotics are estimated at USD 4 Bn.

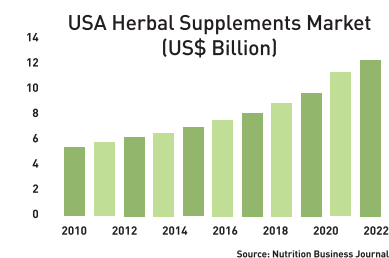
USA imports vitamins worth USD **1.7 Bn.**

With its ageing population, Italy is the leading market within Europe worth over USD 3 Bn of which ~ USD 0.5 Bn is botanical based supplements. Italy is followed by Germany and France worth over USD 2 Bn each.

### Global Market Potential



USA is the largest botanical market with its ~USD 12 Bn Herbal Supplement sales in 2021, having grown at 9% CAGR between 2011-2021. Elderberry, psyllium, apple cider, turmeric and ashwagandha are the most popular amongst botanicals.

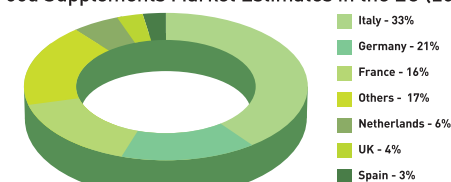


Vitamins and minerals, digestive health products and probiotics are the most important categories.

Vitamins and minerals make up for 50% of the German market.

According to Synadiet, 64% of food supplements sold in France include at least 1 plant.

### Food Supplements Market Estimates in the EU (2022)



The European market potential for immune-boosting botanicals | CBI

## Nutraceuticals

### Nutraceuticals



#### Product

Nutraceuticals is a category of foods which consists of extracts, isolates and purified chemical compounds having a physiological benefit and which help to maintain health. The products covered under the Indian regulations may be in the form of powders, granules, tablets, capsules, liquids, semi solids, drops, pills, gummies, jelly, chewable and mouth dissolving strips, bars, biscuits and candies that are intended to be consumed orally in defined quantities and duration.

#### Market

- Nutraceuticals in ingredients form (ANI), equivalent of API in pharmaceuticals) are exported from India in bulk and the end formulation is manufactured in the importing countries. These ingredients are then used by importers for manufacturing formulations and eventually sold as end-use capsules, gummies and tablets. These end-use formulations are termed as dietary supplements or food supplements or nutraceuticals in importing destinations, with each country having their own nomenclature and legal terminology.
- Majority of the export markets are in developed countries such as the USA, EU, Japan etc. This demand is mainly increasing in developed regions of North America and Europe as consumers are spending more on natural products compared to consumers in other regions.
- Global Botanical based supplements market is estimated at USD 30 Bn, of which the USA constitutes USD 12 Bn. The EU and Japanese markets together account for USD 12 Bn. India exports over USD 1 Bn of nutraceutical in ingredients form.

#### Examples

Curcumin  
Supplements

Boswellia  
Serrata  
Capsules

Ashwagandha  
Gummies



Source: ITC, Industry discussions, YES Bank analysis

## Nutraceuticals

### Health Supplements



#### Product

- Health supplement is a category of foods, which consists of a concentrated source of nutrients (like proteins, minerals, vitamins, amino acids) and/or other ingredients with nutritional or physiological effects, singly or in combination, whose purpose is to supplement the normal diet. "Ingredient" means plant or botanicals and their extracts, probiotics, prebiotics, and molecules/isolates.

#### Market

- Global vitamins and minerals market is estimated at over USD 50 Bn. Global trade in vitamins is ~USD 13.5 Bn. USA and Germany are leading importing markets worth ~USD 1.7 Bn and ~USD 0.9 Bn respectively.

#### Leading Health Supplements across the globe

- Vitamin A ■ Vitamin B ■ Vitamin C ■ Vitamin D ■ MultiVitamins ■ Calcium ■ Iron ■ Magnesium ■ Zinc

#### Examples

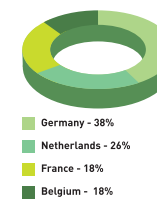
Vitamin C  
Chews

Calcium  
Tablets

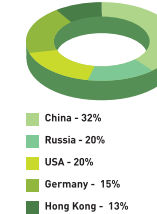
Multivitamins  
Capsules

Protein  
Gummies

Top 5 Importers Vitamins under  
HS Code: 2936



Top 5 Importers Medicaments with Vitamins under  
HS Code: 300450



Source: ITC, Industry discussions, YES Bank analysis

## Nutraceuticals

### FSMP and FSDU



#### Food for special dietary use (FSDU)

Food for special dietary use (FSDU) is a category of foods, which are specially processed or formulated to satisfy particular dietary requirements which exist because of a particular physical or physiological condition and/or specific diseases and disorders.

#### Food for special medical purpose (FSMP)

Food for special medical purpose (FSMP) is a category of foods for special medical uses, which are specially processed or formulated and presented for the dietary management of patients and may be used only under medical supervision.

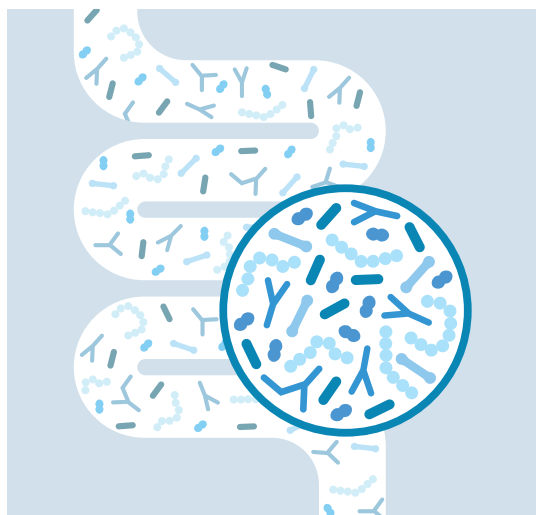
They are intended for the exclusive or partial feeding of patients with limited or impaired capacity to take, digest, absorb or metabolize ordinary foodstuffs or certain nutrients contained therein, or who have other special medically determined nutrient requirements, whose dietary management cannot be achieved only by modification of the normal diet, by other foods for special dietary uses, or by a combination of the two.

#### Market

- Market assessment is difficult given the varied definitions of FSMP / FSDU across the globe. However, the global FSMP market was estimated at over USD 8 Bn in 2021, of which China accounts for about USD 84 Mn.

#### Examples

- Meal replacement for weight control and diabetes, specialist infant food and sport supplements.



Source: ITC, Industry discussions, YES Bank analysis.

## Nutraceuticals

### Prebiotics



#### Prebiotics

Prebiotic food means food that contains added ingredients which are non-viable food components that confer health benefits to the consumer by modulation of gut microbiota. Scientific studies are increasingly pointing to the digestive system and overall mental and physical well-being. Prebiotics pass through the digestive system slower and remain in the gut longer, reducing hunger pangs and preventing overeating. Increasing consciousness around gut health, digestive health and increasing use of commercial feed are driving growth of prebiotics as ingredients across fortified food, dietary supplements and animal feed.

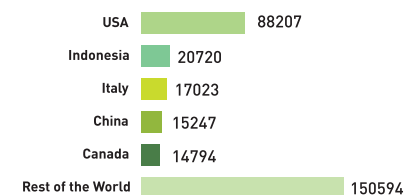


Inulin and Oligosaccharides are key prebiotic categories globally. Inulin is a starchy prebiotic fiber found in various fruits, vegetables, and herbs, including wheat, onions, bananas, chicory, artichokes, and asparagus. This is used in processed food and beverages, dietary supplements, and animal feed to replace sugar, fat, and flour.

Global imports of Inulin in 2022 were estimated at over USD 300 Mn, with USA, Indonesia and Italy being the largest importers. Oligosaccharides are commercially used as feed supplements in poultry. The growing livestock sector and the usage of prebiotics in poultry feed as an alternative to antibiotics are key factors driving growth.

- The global market for prebiotic ingredients is estimated at over USD 5 Bn and industry estimates suggest China and Japan together account for USD 300 Mn market.
- Rising functional food & beverages consumption in India is giving rise to the domestic market for prebiotic ingredients in the country which is estimated at INR 150 crores (expected to grow in single digits over the next decade). Dietary supplement use amongst the young gym-going, health conscious population is an important factor at play.

#### Global Importers of Inulin, 2022 (HS code: 110820)



(Values in '000 USD)

Source: ITC Trademap

## Nutraceuticals

### Probiotics



#### Product

- Probiotic food refers to food with live micro-organisms beneficial to human health, which when ingested in adequate numbers as a single strain or as a combination of cultures, confer one or more specified or demonstrated health benefits in human beings. Probiotics are either used as ingredients or used as food supplements.
- The global probiotic ingredients market is primarily driven by the increasing awareness among individuals regarding preventive healthcare and prevalence of gut-related diseases.
- By type, probiotics are segmented into bacteria based (over 80%), yeast based and spore forming. By application, probiotics are used in food and beverages, dietary supplements and in animal feed. Drinks and yoghurt constitute majority of the share under the F&B category, followed by probiotic-infused infant formula.
- Manufacturers and exporters in India are increasingly investing in product development and innovating different probiotics to cater to the need of global consumers.

#### Market

- The probiotic market in India is estimated at INR 300 Crores or USD 35 Mn in 2021, growing in double digits. The global probiotic supplement market is estimated at USD 4 Bn and is led by the USA, Italy, Japan and Russia.

Source: Industry estimates: [www.internationalprobiotics.org](http://www.internationalprobiotics.org)

#### Examples

- *Lactobacillus Rhamnosus* (Yeast) And *Pediococcus Acidilactici* (Bacteria).

Source: ITC, Industry discussions, YES Bank analysis



## SHEFEXIL

Shellac And Forest Products  
Export Promotion Council

Formerly Shellac Export Promotion Council (Sponsored by Ministry of Commerce & Industry, Govt. of India)



Contact: DR. DEBJANI ROY, Executive Director, Mob: +91 9831131268  
Vanijya Bhawan, 1/1 Wood Street. 2nd Floor, Kolkata 700016, WB, INDIA  
Tel: +91 33 22834417, Email: [shefexil@gmail.com](mailto:shefexil@gmail.com), Web: [www.shefexil.org](http://www.shefexil.org)