



Review Article

A REVIEW ON TRENDS OF HERB MARKET IN INDIA

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ABSTRACT

India's domestic herb market is represented by very wide range of users from pharmaceutical industries; folk practitioners to house hold users. The herb market is very much complex by itself. As per WHO, 25% of the drugs tested use or other kind of herbs, with advent of social media and information age, people all over the world are better informed about usefulness and safety. The domestic market of Indian system of medicines & Homeopathy (ISM&H) is of the order of Rs4000 Crore with total consumption of all botanicals to figure of 17,700MT which is expanding day by day. The annual turnover of the Ayurvedic drug manufacturing industry is estimated around Rs3,500 Crore. Due to high demand all over the world, the genuinity of drugs and the natural resources are threatened. To overcome the issue, Government of India has taken several measures to promote the cultivation of medicinal plants. It will be of help in conservation of natural resources and also to meet the demand of herb market with genuine articles. In this article, demand and supply, the dynamics, market segments, regional analysis, research articles on herb market, along with government initiative for cultivation and export of medicinal plants are reviewed and discussed.

INTRODUCTION

India's domestic herbal industry is represented by thousands of licensed herbal units, thousands of cottage level unregulated herbal units and millions of folk healers and house hold level users of thousands of herbal raw drugs on one hand and a complex trade web on other, which channels the herbal raw drugs from various supply sources to the end users. Thus, to understand the marketing and trade by the sector, a focus on demand and supply of medicinal plants is very important. The canvas portraying demand and supply of medicinal plants in the country is itself very complex.^[1]

Currently marketing of medicinal plant produce happens through the mandis and other wholesale markets. Trade is rather opaque and information on price, arrivals and other trends are not easily accessible to farmers and growers. NMPB (National Medicinal Plant Board) has been initiating many steps in order to fill the gap.^[1]

Market - Necessity

Unlike ancient period, the physician now a day has to rely on the third person for the medicine. To get the raw drug, extracts, prepared medicine, for everything one has to approach the market. On the other hand, the grower/farmer or the one who procures/collects the raw drugs from their natural habitat need a place to go to sell their produces. Thus the one who needs the raw drug/medicine and the one supply will meet their needs at the market. The market should be very much transparent and genuine in terms of price, quality of the drugs, source of procurement etc. Due to the increasing demand of herbal medicine, especially raw drugs, the markets samples are under question in terms of genuinity and quality.

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Demand and Supply of Medicinal plants^[2]

The major commonality of the Indian classical and the folk health care traditions is their dependence upon the raw material derived from a large diversity of plant species.

The first serious attempt at national level to assess the demand and supply of medicinal plants in the country was made by the National Medicinal Plant Board (NMPB) during 2001-02, when it commissioned a study through Centre for Research Planning & Action (CERPA) to understand annual trade levels of selected 162 medicinal plant species. The NMPB, thereafter in 2006-07 started a national level study to assess demand and supply of medicinal plants in India. The study carried out by FRLHT, for the first time brought various in and outs of the herbal sector to the front and added to the understanding of the subject related to the diversity of raw drug entities in trade, their botanical correlation, volume of annual trade and supply sources.

Market Dynamics^[3]

Herbal medicine has been gaining significance in recent years, owing to the increasing demand for natural medicines. According to National Centre for Biotechnology information, 2015, The World Health organization reported that around 70% to 80% of people globally rely on herbal sources for their treatment. Also according to American botanical Council, September 2017, it was reported that in 2016, the sale of herbal supplements increased by 7.7% in US.

The domestic market of Indian systems of medicine & Homeopathy (ISM&H) is of the order of Rs4000 Crore with a total consumption of all botanicals to a figure of 17,7000 MT, which is expanding day by day. The total annual turnover of the Ayurvedic drug manufacturing industry is estimated to be around Rs3,500 Crore. Beside this, there is also a growing demand for natural products including items of medicinal value, pharmaceuticals, food supplements and cosmetics in both domestic and global markets. India with its diversified biodiversity has a tremendous potential and advantage in this emerging area.

The increase in global herbal medicine market size is attributed to the increasing preferences of consumers towards traditional medicine which do not cause over dose toxicity and have fewer side effects.

Market segmentation^[2]

The international herb medicine market, by category has been segmented into Herbal Pharmaceuticals, functional foods, beauty products, food supplements.

Based on type of medicinal plants, based on form, the herbal medicine market has been classified as single herb extracts, raw drug powders, capsules and tablets.

Based on source, the herbal medicines market has been divided into leaves, roots and barks, Whole plants, fruits etc. By distribution channel, the market has been bifurcated in to Hospital, retail pharmacies and E- Commerce.

Regional Analysis

The global herbal medicine market, based on region is divided into the America, Europe, Asia pacific and middle East- Africa.

Europe: Is expected to hold the target share and estimated to be the fastest growing region in the global herbal medicine market. This owing to extensive research & development for herbal medicine, increasing funding for research on medicinal plants and growing preference for herbal drugs in the European region.

Asia pacific: is expected to account for the second largest market share during forecast period. The factors responsible for market growth in this region are the adoption of traditional medicines by pharmaceutical companies, researcher and policy makers.

America: is estimated to account for third largest market share during the forecast period. This is due to growing use of herbal medicines in the US. According to National Centre for Biotechnology information 2017, it was reported that herbal supplements were majorly used for conditions such as malignancy (43.1%), paralysis (48.7%) and arthritis (43%) in the US.

Government Initiatives^[4]

Government of India has taken several measures to promote cultivation and export of medicinal plants. The National Medicinal Plant Board offers up to 75% subsidy to farmers; formulates schemes and guidelines for financial assistance in various zones of medicinal plant diversions, secured under promotional and commercial plans, which are relevant for Government and Non government associations.

Department of Commerce has set up Export Promotion Council (EPC) to promote various product groups and has assigned Shellac and Forest products Export of herbs (SHEFEXIL) to mandate exports of herbs and medicinal plants. The EPC facilitates the exporting community and undertake various promotional measures to promote exports of their products.

Under the market Access initiative (MAC) scheme of the Dept of Commerce, the EPCs/trade bodies are provided with financial assistance for

encouragement, to participate in organic trade fairs, buyer- seller meets, research in the field, product development and market studies.

In November 2017, the National Medicinal Plant Board, Ministry of AYUSH, Government of India initiated a "Voluntary Certification Scheme for Medicinal Plants Produce" to encourage good agricultural practices and Good Field Collection Practices in trading medicinal plants. The VCSMPP enhances the availability of certified quality medicinal plants and raw materials in the country. It also boosts export and India's share in the global export of herbs.

The ministry of AYUSH through its quality certification programme such as AYUSH and premium mark has been assisting the industry in setting up a quality standard. In addition, it has also entered into a memorandum of understanding (MoU) with a few countries to promote traditional medicine.

DISCUSSION

India's domestic herb market is represented by very wide range of users from pharmaceutical industries; folk practitioners to house hold users. The demand and usage of the herbal medicines is multiplying day by day, the reason being its low cost, fewer side effects and easy availability. Due to high demand of the herbs & medicines and also the opacity of the market, raw drug's quality and genuinity are under question. In order to satisfy the demand the medicinal plants has to be taken under cultivation. NMPB is taking steps to encourage the cultivation of medicinal plants, it also will be the solution for adulteration and unethical substitution of the drugs. And by encouraging the systematic cultivation the wild source of the medicinal plants can be protected by exploitation.

CONCLUSION

The herb market is very much complex by itself. Due to high demand all over the world, the genuinity of the drugs and the natural resources are threatened. To overcome the aforesaid problem, systematic cultivation should be adopted and encouraged. Herbal medicine has been gaining significance in recent years at global level, owing to the increasing demand for natural medicines.

As per WHO, 25% of the drugs tested use one or other kind of herbs, with advent of social media and information age, people all over the world are better informed about usefulness and safety of herbal medicines. The herbal raw drug market is very much opaque in form of genuinity, quality, and for this following proper rules and regulations in cultivation, collection and marketing will be the solution. Undertaking and encouraging cultivation of medicinal plants will be the solutions for substitutions & adulterations, it can also help in conservation of natural resources.

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