

From Pioneers To Front-runners, As Innovation Meets Tradition : How Siddhalepa Remains At The Forefront Of The Ayurvedic Industry

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1. Can you provide a brief insight on the products and services currently offered by your organization?

Siddhalepa manufactures over 200 authentic Ayurveda medicinal products and OTC Ayurveda products, ranging from cosmetics, medicines, and food items, conforming to international and local Standards. Furthermore, we have vertically diversified in to hospitality and healthcare too. Today we excel in disseminating our time-tested Ayurveda heritage and experience via Siddhalepa Ayurveda Hospital (1st Privately owned Ayurvedic Hospital), Siddhalepa Ayurveda Health Resort, local and international Siddhalepa treatment centers in Europe, where customers come for massages and other facilities at the treatment center where they are initially checked by an Ayurvedic doctor.

2. Would you brief us on the history and objective behind the formation of your company?

Siddhalepa was developed in 1934 by my grandfather, a 4th Generation Ayurvedic doctor (Kidney Specialist) and Astrologer Dr. Hendrick de Silva Hettigoda. He was the President of the Astrological Society of Sri Lanka. While he was travelling between India and Sri Lanka in the 1920s, he was handed the miracle recipe of Siddhalepa by a yogi rishi from Himalaya, who was his teacher. Then Dr. Hendrick de Silva Hettigoda handed the product to his talented visionary son Dr. Victor Hettigoda, who founded the Hettigoda industries in 1971. My father, the current chairman Deshabandu

Dr. Victor Hettigoda built an enormous brand equity over five decades for Siddhalepa to become the “Vedamathmaya” in every home. We have a history of over 85 years in terms of the product being in the market. Along the way, we have diversified from product manufacturing to service sector.

3. Hettigoda Industries is a leading manufacturer of indigenous medicines and ayurvedic remedies in Sri Lanka. What makes your organization unique from other competitors in the Ayurveda product industry?

The Hettigoda group started creating a market for Ayurveda in commercial space which was highly risky against multinational cooperations (MNCs). Soon Siddhalepa created the brand USP based on the unique benefits and formulae of over 200 years old Ayurvedic heritage of the Hettigoda family. We were the first to introduce many Ayurvedic products to the local market, having launched the Ayurvedic soap - “Visaka” for the very first time in 1981 and Ayurvedic toothpaste – “Supirivicky” in 1988 to name a few. We were the first company to have a private Ayurvedic hospital.

4. Can you brief us on the focus given at Hettigoda Industries to R&D? How do you incorporate the traditional knowledge on indigenous plants with conventional scientific methodology and what are the state of art technologies employed in the manufacture of ayurvedic cosmetic products at your organization?

We invest heavily into research to verify that these ancient Ayurvedic formulas with already proven efficacies, are safe, effective, and packaged to comply with current rules and regulations stipulated by respective markets. Mainly our R&D work involves producing Ayurvedic medicines. At a given time, we would be working with over 20 to 30 products. Some research has been going on for the last 10 to 15 years, with the aim of trying to improve the stability or safety of the products. Coming from a family of entrepreneurs and Ayurvedic doctors, even I was surprised how traditional knowledge on preparation systems have been there, but we never expressed in scientific terms. Bio-transformations are employed in the manufacture of Arishtas but never labelled as such but a normal fermentation process. The rishis who are gurus in creating these formulations, had known bio-transformations but had never used the term. With the changing world, we need to incorporate certain safety aspects and good manufacturing practices into traditional preparatory methods. Modern machinery in process technology is used to ensure that the products are manufactured while maintaining the true essence of the original formulas. Machinery is used in powdering, cutting, or sorting like stirrers and homogenizers to quicken the process, while also being employed in testing processes as well.

5. How does your organization ensure that the physical and analytical characteristics of raw materials that are utilized are up to the standard required for the manufacture of an Ayurvedic cosmetic product? How do you ensure safety and efficacy of the final product in order to maintain the highest standards of quality?

This ensure through two phases of analytical strategy:

- i. Traditional analysis (by colour, aroma, taste etc.) though our Ayurvedic committee comprising of Ayurvedic doctors to experts in plants. We have our own methods to determine the plant characteristics of the raw materials, whether it is of fresh form or dried form. For example, “Nil averiya” is crushed and the oil colour is checked to test whether

it has been harvested within 6 hours. Our raw material inventory is about 600, where traditional methods are employed to analyze them.

- ii. Scientific botanical/chemical analysis is conducted to make sure that they are the correct species from our vast reference library of specimen Herbarium sample sheets authenticated by the Peradeniya Botanical Gardens as well as the testing procedures like cross sectioning and slide preparation.

The safety and the efficacy of the product are maintained all throughout by stringent quality control and quality assurance procedures from the moment we receive the raw materials to in-process/ finished product sample testing to make sure we comply with both internal and external testing protocols and standards. Once in manufacturing, the products are under the supervision of Ayurvedic doctors. The products are manufactured under GMP and ISO standards, and released to the market only when all the parameters are met. Internal analysis reports are also produced for the released products. We get our statistically selected samples routinely tested by a third party as well.

6. Siddhalepa already has a global presence, having entered the foreign market with the export of its products. Can you elaborate on the kind of products and services you offer, and how you cater to your customers on a global scale?

Siddhalepa went in to the global market in the 1950s when late Dr. Hendrick de Silva obtained the medical license for the Siddhalepa balm from Switzerland. Today we export to many countries all over the world like the USA, South America, China, Australia etc. while Europe remains as our main market. The European market is extremely into massage oils, elixirs and various food supplements. Our treatment centers are available in Germany, Czech Republic, Slovenia and Maldives with doctors and therapists who are trained in Ayurvedic practices. We comply with certain trends and cater products and services which are region-

specific in demand. There is quite a demand for the Ayurvedic tea, "Ayur Diacin" which supports sugar metabolism in China. The Japanese prefer toothpastes which do not cause foaming, and their demand is also catered to accordingly.

7. What are the standard certifications that are being specified when catering to the local and global market?

Our company has been recognized as a company with both local and global quality standard certifications such as ISO 9002 in 1994 as the 1st Ayurvedic Company in Asia to receive ISO certification, ISO 9001 in 2000 for research development & manufacturing of Ayurvedic products, ISO 22000: 2005, HACCP, ISO 14001, GMP SLS, ISO 22716, OHSAS 18001: 2007, ISO 14064 - 1:2006 Carbon Foot Print SLS 275. All products are manufactured under the licenses of Departments of Ayurveda, Ministry of Health, Sri Lanka. Right now, we are in the process of building a production facility in compliance with EUGMP standards.

8. Sustainability is a key component in every industrial establishment. What are the approaches undertaken at your organization to implement green practices and maintain sustainable ethics and values?

To provide quality herbs for our manufacturing process we maintain plantations at Wanathavilluwa, Anuradhapura, Rathnapura and Katuwana. We maintain a green cover of over 13 hectares that helps sustain the environment. We provide plants to school children and teach them how to practice herbal gardening. Furthermore, we run many women empowering projects alongside the plantations. We were the first Ayurvedic company to have organic fertilizer as an organic input certified by the National Association for Sustainable Agriculture Australia (NASAA). We are in the process of utilizing plant waste as input raw material to manufacture briquettes for biomass boiler. We have opted for recycled paper packing and using biodegradable polythene as well.

We have won many awards to name a few,

- Presidential environment awards
- Asia Responsible Entrepreneurship awards under Green Leadership Category awards
- Cleaner Production awards excellence in water, material, and energy efficiency, and excellence in Cleaner Production Practices

Annually on average about 1000 garbage bins and instructions boards are being distributed among temples, schools, churches, and public places.

9. Can you brief us on the CSR projects and community initiatives undertaken by your organization?

CSR projects that are conducted, are mostly social and environment beneficial as well as supportive in brand building and loyalty building. As the leader in Ayurveda sector of Sri Lanka, Siddhalepa consider human and environment as equally important for sustainable development and existence. The Sripada Health camp is one of our major CSR projects since 1978. We run a free health camp for pilgrims near Makarathorana. Also, we maintain a bathing area and a lavatory complex too to ensure comfort and hygiene of all pilgrims. Further, we assist local authorities and the temple to maintain cleanliness and environment harmless by placing garbage bins and advice boards. Kandy Asela Perahera, Katharagama perahera, Seruwavila perahera, Devinuwara, Gatabaruwa, Bellanvila perahera, Nallur festival, Thewaththa feast are some of the religious festivals that we do as CSR projects where we donate first aid supplies, garbage bins and instruction boards/signs.

Kekulu art competition is a project to develop the creative and sensitive mindset of our younger generation since 2012. The competition is open for preschools and we receive about 50,000 paintings a year.

School herbal garden project is one of the unique environment projects we do with school children with an objective to inculcate values on environment protection and learning endemic herbs. We donate herbal plants, equipment, and label boards to

schools to maintain an herbal garden at school premises. Currently we are maintaining 656 school herbal garden across all districts.

10. What are the most significant market challenges in the Ayurveda product industry at present, especially under the prevailing COVID-19 situation, and how is your company addressing them?

Amidst the COVID-19 pandemic, the demand for Ayurveda medicines and treatment have increased. It has opened the eyes of many Sri Lankans of how useful Ayurvedic products are. Ayurveda products boost immunity and helps to stay healthy and fit. Also, it was widely reported that none of the COVID patients who were admitted to Ayurvedic hospitals, succumbed to the illness. However, following this immense recognition for Ayurveda, there is a huge trend of new entrants who are not well rooted into traditional Ayurveda. We see this as a challenge for the entire Ayurveda sector and as the sector leader, we propagate the important of consuming Ayurveda products with accepted standards and quality.

11. How does your organization contribute in creating employment opportunities and uplifting the economy of the country in general, particularly in raking in forex to the country? In your opinion, what measures should be taken to develop the local herbal cosmetic industry such that it adds value to the Sri Lankan economy?

We have over thousand direct employees while thousands more indirectly benefitting as suppliers. A considerable number of villages are being employed at our plantations and, we support and encourage out grower programmes with farmers to cultivate Ayurvedic plants in their own lands with a 100% buy back guarantee from Siddhalepa. This project helps to empower the villages and to improve their living standards. Also, we conduct many projects to empower women and children to lift them through the poverty line. As per the service sector hotels, foreigners are attracted which provides a huge foreign exchange to the country.

Before, the pandemic the largest contingency of tourists to Sri Lanka were for the Ayurvedic experience. Foreign students are coming as well to learn about Ayurveda. Even now, foreigners are at our hotel in Wadduwa to get away from the Covid-19 situation. Hence, Siddhalepa contributes to the sustainable development of rural economy and macro economy of the nation.

12. What are the major challenges faced by your organization with regard to the development, manufacture and sales of Ayurvedic products when catering to the local and foreign market?

Facial masks and creams have always been used traditionally. The major challenge is how to make these traditional formulations into a product format, which is easily accessible to urban and cosmopolitan population. It is rather sad that we have not been able to promote and position authentic Ayurveda cosmetics to Sri Lankan consumer due to many reasons including the huge influence of the Multinational companies promoting their products through media. Today the western world has gone full circle and now actively promote and seek products with natural claims. In a way the consumer is rejecting the artificial ingredients for more natural products, where especially in Europe we have been extremely successful. So, I believe it is a matter of time before Asian consumers will also align with this thinking.

The huge challenge these days with quarantine is manpower. In Sri Lanka, it is going to be problem as well to get people to work in manufacturing industry. We had issues with sourcing as well which we overcame by having our own plantations so that the quality and consistency of supply can be guaranteed.

Obviously to compete globally we need to match with some of the technologies, scientific research and trials adopted by western synthetic cosmetics which costs enormous amount of money which is a huge obstacle.

13. Our country is blessed with a unique opportunity to showcase its abilities in the ayurvedic sphere,

with the world moving towards natural, authentic, and therapeutic practices. However, the supply of herbal cosmetic products from Sri Lanka is still very limited on a global scale. What are the constraints faced by the Ayurvedic cosmetic industry in this regard and what, in your opinion, are the proactive measures that can be taken to cater to the global market on a larger scale?

There are testing procedures, analysis reports to be provided to enter European market. Some of them are not available in Sri Lanka which had to be done in European testing laboratories costing huge amounts of money. The packaging must be relevant to the particular market. Another constraint is getting the product registered. Though the government helps in certain aspects it still costs a lot of money and is a huge challenge.

We need to understand the importance of brand building through value addition and positioning. We are strategically focusing on developing skilled, trained labor, research, and innovation to make Siddhalepa Ayurveda truly a unique concept at health and well-being spectrum. Ayurveda medical tourism is another significant avenue that we play a major role in promoting exports. Hence, we have given our serious concerns in brand building

to enter new markets locally and globally rather than getting ourselves limited to traditional sales objectives.

14. What are the future prospects of your organization in terms of the development of Ayurvedic products?

As mentioned earlier we are working on developing 20 to 30 products at a time, medicinal products in particular. Recently, we released a product called Liv Pro, which is a fatty liver and dietary supplement, and a TurmeriN Ayurveda Wound Gel for cuts and wounds. Our product development portfolio in the future will specifically target ailments. As explained, we are highly committed to improve the validity and authenticity of those ancient time-tested Ayurveda formulas. We look forward to obtaining the government's support to improve lab facilities, research conferences, clinical trials and obtaining GMP certification. We see many prospects in expanding our presence in the global market and while we are working towards product innovations and brand building we expect financial assistance from government organizations in trademark registration and product registrations in export countries.

Mrs. Lankani Hettigoda obtained her BSc (Hons) in Chemistry and a MSc in Natural Products Chemistry from University College London (UCL), UK. She currently serves as the Director - Research and Development of Hettigoda Industries.