

***Aloe vera*: Getting Diamond out of Raw Stones**

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Article History

Article ID: IJEP161
Received in 2nd February, 2017
Received in revised form 18th February, 2017
Accepted in final form 22nd February, 2017

Abstract

This article shares the experiences of the author for developing new entrepreneurs of herbal products manufacturing industry in under developed drought prone district Ananthapuram in Andhra Pradesh. *Aloe Vera*, a biological resource created by God for saving Humankind from the major ailments, providing nutrition and promoting immunity. Moreover, this plant can grow well in less rainfall area and can withstand drought to some extent. The cultivation of *Aloe vera* in these areas and establishing processing industry for the upliftment of the poor farmers has been narrated.

Keywords: Aloe vera, drought, entrepreneurs, herbal products, upliftment

1. Introduction

Ananthapuramu is well noted district in Andhra Pradesh, India for its low rainfall and second in the country after Jaisalmer district in Rajasthan. Even though, the District is having rich alluvial red soils with good amount of all soil nutrients. It is unable to produce good reaps as the water availability for agriculture is meagre and the output could not be achieved even after restless action of farmers throughout. Groundnut is predominant dry land crop and horticulture and sericulture crops are next to it in wet lands, wherever meagre water is available in Ananthapuramu district. It is only district continuously declared as drought district for the entire period of two decades in the country since 1996. Water is the most valuable resource in the district as it is to be procured from the deeper levels ranging from 800 feet and more underground. Lot of money was spent by the farmers in drilling bore wells and not less than 60% amount spent by the farmers goes to waste as no water will be yielded even at 1000 feet.

Aloe vera is a desert plant containing valuable gel in between the green layers and it is known for its medicinal use from the oldest period and there was a mention in Vedas about *Aloe Vera* (*Kumari* or *Grith Kuari* in Sanskrit) for its medicinal use especially for treating all skin ailments. Queen Elizabeth was the modern ambassador, who promoted the *Aloe vera* mainly for skin protection. In recent years, lot of research was conducted and found multiple medicinal uses for *Aloe vera*. Hence, it is treated as a miracle plant created by the God for protecting human beings from many health disorders.

2. Establishing New Entrepreneur

Establishing of the herbal production unit in Kadiri of Ananthapuramu District was a challenging but interesting job. Basing on my working experience in the World Bank funded poverty alleviation project named as District Poverty Initiatives Project at Velugu, Mahabubnagar, Andhra Pradesh under component of Non-Timber Forest Products (NTFP), I have motivated tribal people of Achampet area of Mahabubnagar as part of my work, to exploit the forest products to create livelihood for them by improving their income levels as many middle men are cheating them in the process. Many NTFP items are being collected such as honey, *beedi* leaf, soap nut fruits, amla, Indian gum karaya (IGK), natural fruits such as *seethaphal* etc., including *Aloe vera* leaves. We have motivated the women and men of Chenchu Tribal Community to form Community Based Organisations to procure, grade, pocketing and market the products collectively collected by them in the nearby forests. During the process, I have earned much knowledge about *Aloe vera* and other medicinal plants and developed passion through continuous research mainly on *Aloe vera* towards it and astonished by knowing the amazing health and medicinal benefits. No doubt it is the "Miracle Plant created by God". In my words, it is Mother, Father and God to human beings as it is having protective nature of mother, nutritive character of father and delivering solutions to many unknown and accidental human ailments and help humans like God by providing solution for the problem.



3. Situation Analysis

As Ananthapuramu is my native place and after seeing the plight of poor farmers in the District, I have decided to develop few livelihood opportunities among them by promoting Aloe Vera culture and to process it for its benefits. I have taken assistance of one Mr. Shankar in collection of plant material and to plant Aloe Vera. I have requested State Bank of India to provide crop loan of INR 30,000 by working for inclusion of the crop of medicinal plant among the list of crops to provide loans after getting approval of NABARD. The duration of crop from plantation up to first harvest is 18 months minimum and it requires managerial working capital right from land development, plantation, manure, watering and weeding. After 18 months maturity the Aloe Vera leaves will be useful for extracting juice and Gel, which shall be done through a Small Scale Industry with all legal licences and quality certificate issued by the Department of Ayush under State Government. During the process, I could conduct a motivational workshop for providing orientation about *Aloe vera* and many farmers of Kadiri area came forward to take up *Aloe vera* cultivation. Then started haunting for entrepreneurs to start a industry for processing juice and gel out of *Aloe vera*.

During the process of searching, I could meet two women farmers Smt. Amrutha and Smt. Gopika and motivated them for starting a small industry with a unit cost of INR 40.00 Lakhs. The District Collector has sanctioned INR 10.00 Lakhs towards Industrial subsidy and State Bank of India Kadiri Branch has provided INR 25.00 Lakhs loan for the industry and the Entrepreneurs have invested INR 5.00 Lakhs as their investment. Getting bank loan for this industry was also involved lot of difficulties for the entrepreneurs and ultimately got the loan after intervention of District officers and the District Collector, Ananthapuramu. The machinery was procured from Mumbai and the industry was commenced in 2007. Then the difficulties for the entrepreneurs started as any of us do not know the preservation process after extraction of juice and gel. During the process, lot of working capital and extract of Aloe Vera got spoiled and thrown out without getting single penny and time of three years got lapsed leaving many losses and accumulation huge interest burden on the entrepreneurs.

4. Liaison and Support

At this juncture, the District Collector, Anantapur Dr. Janardhan Reddy shown a way by deputing the women labour of the industry to the Central Food Technology and Research Institute, Mysore for exploring the preservation techniques and processing of Aloe Vera with utmost quality. Then supported the promoters in obtaining manufacturing licence and certificate of good manufacturing practices (GMP) from the Department of Ayush, Government of Andhra Pradesh and the Commissioner of the Department has supported a lot during the process of obtaining licences during 2010.

5. Marketing Issues and Prospects

Then, started the problem of marketing of *Aloe vera*. For general products vast market is available but for Aloe Vera it was not the case. The products have to be sold with prior education of customer and existing shopping system is not suitable, hence explored for many ways and ultimately discovered that the Social Marketing is only suitable process, where the skills of unemployed or under employed youth can be utilised for marketing of these products after providing training about usages of products and approach systems of customers for sale of the products. The employees of Social Marketing will be given either remuneration or commission over the turnover of sales during the month, which is paid to their bank account directly at the end of the month. Further the promoters are providing premium for life insurance, accidental insurance and travel allowance for selling the products after attaining minimum turnover fixed by the promoters. After few days of experience, the promoters of industry insisted advance stock cost as few employees had cheated the promoters in returning the sale proceeds of the products sold by them. Now they are in a position to attain the brake even of the business by clearing all bank dues and the promoters are planning for expansion of both industry and also marketing of the products now.

6. New Entrepreneur: A Success Story

Started in the year 2007, Hemanth Sai Herbal Products, has done well to its name and earned a respectable position in the industry. They have made constant progress in achieving a substantial position on the basis of products supplied under our brand name. This has helped them to be in league of well-acclaimed manufacturer and supplier of good quality of *Aloe vera* Products. Some of products like soaps, gels and face wash are extremely popular and found a huge market share and committed for delivering best quality products. To ensure the highest level of quality they have engaged the best of minds in the industry to work as quality became more important, as most of the products are applied directly onto the skin, which are skin friendly and juice, which is intake of human body, which shall be palatable without any bitterness. Ultimately, the promoters have reached a level of fulfilling all essential characters by studying the best of global practices and quality control measures prevalent in the industry, for fitting them for easy friendly marketing. The entire processing system was divided into multi levels of checking quality, and made sure that final product come with stamp of highest quality. Team of quality control personnel's constantly working towards the betterment of the quality of products, and keep updated the quality parameters in industry's advancement. Looking at the team of workforce at present, they have got rich mix of people right from research-oriented mindset, production experts and finally feeling the responsibility of delivering to the consumers with high quality, multiple benefit, easy and



friendly consumption of the product. Constant research has helped to gain creative mindset and innovation in the products to sustain the industry on long term basis.

Infrastructure is another high point and got latest technological wonders at their disposal. The machinery is equipped with state of art machines, which contribute in producing impeccable range of products. In order to achieve better results, they have executed well-planned and segregated units within premises, which helped to oversee the entire production process with bird's eye view. They kept themselves to open for new advancements made in the industry and are quick to react and include the same in existing set up for producing *Aloe vera* products, meeting prescribed standards and generating delight for the customers.

The promoters have positioned Hemanthsai Herbal Products as one of the leading name in the industry offering *Aloe*

vera Product to the clients. Factors that have contributed to immense success are listed below:

- Superior quality
- Vast product line
- Sound infrastructure
- Market competitive pricing.

7. Conclusion

Hemanthsai Herbal Products Industry is producing pure organic bitter less *Aloe Vera* juice and pure *Aloe Vera* gel, which are with ultimate quality and produced with all legal permissions and having total quality certification by the Government. This is success story of new women entrepreneurs, who have success in running a herbal unit in down-trodden drought district Anantapuramu of Andhra Pradesh, India.

