

Buzz

THE BIG IDEA

OFFICE TALK

BIZ TRAVEL

WELLNESS

SPEAKEASY

Flavours Of Rural India

Earthy Goods brings to the urban market, natural and herbal products made in the villages of India.

Himanshu Kakkar

A FARMERS' MARKET in the mountains of Himachal is abuzz with sellers of '*pahari rajmah*', walnuts, etc. But all eyes are on an

inquisitive stranger from the city who has many questions—What do you produce? How do you do things? They all sit down under the sun, and the ensuing conversation breaks the ice. The rural folks now discover that the lady knows her stuff and is not just somebody who has lost her way.

This is the story of Reshma Anand, 35, a Delhi-based social entrepreneur who founded Earthy Goods in 2007, after wandering for four months around the Indian countryside. Now, Earthy Goods brings handcrafted natural products from the hinterland to urban homes. The products are sourced directly from rural organisations, individual producers and NGOs, giving a fillip to rural enterprise and job creation, especially for women. Earthy Goods has more than 20 rural partners today. "Most of our partners are woman entrepreneurs or women workers," says Anand.

Incubation

After graduating from IIM-Bangalore in 1997, Anand joined FMCG ma-



PHOTOGRAPH BY VISHAL KOUL

for Hindustan Lever (HLL) and ended up working in rural markets. She left HLL after six years as she wanted to do lot more with her life. However, today she feels indebted to HLL for shaping her personality. "A youngster must serve the armed forces and Lever for a year, once in his life," she feels. Fifteen months of brutal management training made her independent and hardy.

In 2003, Anand joined a social startup—Development Alternatives—where she learnt multi-tasking, operating with limited means and dealing with uncertainty. "In 2007, I had a chance encounter with Dr Nachiket Mor—the Deputy MD of ICICI Bank then. He wanted to create robust businesses for people at the bottom of the pyramid," she says. The meeting was a revelation. "I had spent 10 years as a marketer of products and services to villagers and hadn't seen it the other way round."

She set out on a four-month-long rural expedition, travelling to various parts of India. She discovered that, "as a country we have so much to offer in terms of our food and traditional craft. And so much of it is dying out or not reaching the markets for various reasons."

In a farmers' market in Himachal Pradesh she spotted people selling a yellow liquid in old rum bottles. They claimed it was good for joints. It turned out to be apricot oil. "We later studied apricot oil in detail, and it is extremely good for the skin and joints," says Anand. Similarly, beeswax, a natural product found in Indian villages, can easily replace expensive lip balms. Many floral honeys and Himalayan blackberries, too, have therapeutic properties.

The Twin Model

Earthy Goods has adopted a hybrid business model. It runs a non-profit foundation—which does research, product development, training of rural partners, etc.—and a distribution company for business development and distribution of the product.

Apart from marketing, which is the most visible part, Earthy Goods also supports its partners in packaging and warehousing. The idea is not just to buy and sell products, but to "present products in a very strong marketable form," points out Anand. After all, she says, "You and I won't buy something merely because it comes with a hard luck story."

The business became operational in early 2008. The recession made it hard to raise money from an over-cautious market. And organised retail stores, stuck with unsold inventories and stocks in the

The firm provides end-to-end support to its rural partners.



PURE AND RURAL:

On offer are vetiver-enriched loofahs, handmade soaps, paraffin-free lip balm, and jaggery from the sugarcane farms of Rampur.

pipeline, remained noncommittal. However, the Ford Foundation and Nachiket Mor provided the enterprise with some initial funding. Anand also dug into her personal savings. Since then, the venture has grown steadily, with revenues of approximately ₹4 crore in the last two years. Fab India and Khadi Gramodyog are the company's main competitors from the organised sector at the national level, but each city has its own local brands.

It has a portfolio of 140 products across categories, and over 500 clients. R Venkatesh, Head, Business Process, says, "Our markets predominantly have been Delhi, Gurgaon, Chandigarh and Uttaranchal, but now, with the online store, individual orders are coming from everywhere."

Impact

Sunita Devi, in charge of the jam production facility in Bhuira village, Himachal Pradesh, feels that local employment has meant more freedom and economic empowerment for women who work in the plant. "Women contribute for their children's education now," she says.

Tara Devi, who labels the jars, feels that agriculture is not good enough to run households in Bhuira any longer, as irrigation is a problem here.

"Prices of essential commodities have shot up in the last few years. Both my husband and I contribute and only then our house can be run," she says.

Anand takes 10 to 12 sourcing trips to these villages every year. She says, "Overall, there is an improvement—from a sense of fatalism, to villagers having the confidence that they can afford a better life for themselves and their children."

But she agrees that this is just the beginning, and there is a long way to go. ■

Email us at business@outlookindia.com or SMS OLB<feedback> to 575758

SME
Banking

Standard
Chartered

**ACHIEVE GREATER
SUCCESS FOR
YOUR BUSINESS.**

Call 39401616/66011616*
(exclusive 24 hour service)

*For cities with seven digits please dial 3940161/6601161.
For Noida, Gurgaon prefix the number with 011.
For Jalgaon, Guwahati, Cuttack, Mysore, Thiruvananthapuram,
Vishakhapatnam, Proddatur, Dehradun, Mathura, Saharanpur,
Siliguri dial 1800 425 0109, 1800 3000 1616.
Terms and conditions apply.