

# Speech delivered to the farming community

at Pune on June 28, 2005

Good Afternoon everyone

First let me introduce myself. My name is Muhammed Majeed, born and raised in Kerala.

I was fortunate enough to complete my degree in pharmacy from Kerala and go to United States in 1975. With the guidance of my mother and with the blessings of my teachers, I was able to complete my post graduate degrees, M.S. and PhD, in the United States . I was able to do this while holding responsible research positions with Pharma majors like Pfizer, Carter Wallace and Paco group of companies.

In 1988, I had decided to try my luck in business. I started SABINSA Corporation in the United States . By 1990, I started focusing on marketing products of Indian origin. In the year 1991, I set up a research and development facility at Singasandra in Bangalore . The core domain of our R&D has always been to integrate the rich traditional knowledge in Ayurveda with that of the latest scientific research and manufacturing methodology.

Today , I am before you to talk about Coleus cultivation. I am sure my people will provide a good idea about this medicinal plant. From my side, I want to tell you the following:

This is not one of the herbs from Ayurveda, though Ayurveda has given us a treasure chest of herbs. It was researched by Hoechst and CDRI Lucknow about 25 years back and subsequently abandoned. In the mid 1990's research done at Sami and Sabinsa uncovered a property of the active natural material which reduced the

fat content in the body. This discovery resulted in a successful patent for Sabinsa / Sami group.

But the raw material for this product was not available. It was then Sami Labs started experimenting cultivation in various parts of the country and actively co-operated with the agricultural universities. Over a period of time the required agro-technology and planting material was developed. We researched on upgrading the cultivation practices and developing superior variety of *Coleus forskohlii*. In the year 1999, in association with MGP Herbals Care Pvt Ltd we started cultivation of this crop in Salem .

We started off cultivating *Coleus* with handful of farmers several years back. Today we have more than 5000 farmers who have joined our family. With the farmers support and above all the support extended by financial institutions like – State Bank of India, Exim Bank, and the UTI Bank we could evolve a Sami Model of Cultivation which is unique to Sami Labs alone.

The Sami Model of Cultivations is an example of the successful participation and association of farmers, our research laboratories and finally the international market. I repeat, it is the successful association of farmers, research labs and the international market.

The other dimension evolved with our model of cultivation is that we have opened the world market to our farmers. Since we buy the products directly from the farmers, the farmers are benefited. With our agreement with the farmers, they will produce the crop for us and we will buy their entire produce. In other words, we have entered into a strong buy-back agreement with the farmers and the farmers are assured of the best price for their crop. Additionally, we support the farmers by supplying them with the planting material, facilitate loan to them and assure insurance protection to their crops.

Sami Labs has also in its pipeline 2 to 3 other new crops which have the potential of becoming as big as ***Coleus*** . Contract farming will not be confined to *Coleus* but will also be extended to other medicinal plants. Therefore the association of Sami Labs with the farmers of India is here to stay.

Besides, it gives me great joy to announce that for this financial year we will be expanding the Coleus cultivation to 30,000 acres of land. In this expansion program we will cover regions in Tamil Nadu, Karnataka, Andhra Pradesh, Punjab, Maharashtra and Chattisgarh.

As I said earlier, we could evolve this model after overcoming various hurdles. After several years, the farmers of Salem and Tamil Nadu found an ally in Sami Labs. For the success of this product, there are several things we need to do

1. Continue the research on this product.
2. Discourage the people who come to you at the time of harvest with better offers. This is transient and violates the foundation of trust between our groups.
3. Trading groups who sells in international markets by through illegal means and violate our patent. By doing so, they destroy the opportunity of one of our natural products to achieve a better return which in turn would help the farming community.

I would conclude by saying that SamiLabs has created a niche for itself by entering into a tie up with our farming community. Secondly we stand apart through our innovative research where we have merged our traditional knowledge with modern science. As a result of our innovation we have been granted 19 US and 5 International patents. I am also proud to state that we are the recipients of several national and international awards, including the National Award for R&D in 2002 in India and the prestigious Thomas Alva Edison Patent award for 2004 in the state of New Jersey , United States .

Where we could garner the trust and confidence of the farmers in Tamil Nadu by assuring them a constant and steady business support, I am confident and optimistic that the farming community in Maharashtra will benefit through Sami labs association and we in turn through you.

**JAI HIND**