





# Problems with Current FnV Retail Channels

## Street Vendor & Kirana stores



- It is estimated that street vendors & Kirana account for ~75 %- 80% of FnV retail sales in India
- Some of the features for the popularity of this format is **bargaining** on prices, **customer convenience**, **competitive pricing**, **home delivery** etc.
- Also the relationship built over the years between the street vendor/kirana store and customer accounts to significant **consumer trust**

## Limitations



**Limited Range** of FnV portfolio on the cart. Depends on the vendor what he purchased in the morning from the wholesaler



**Inconsistent Quality** - Since there is no standard sourcing for FnV quality of vegetables differs daily



**Differential Pricing** – Pricing by the road side vendor depends on the locality i.e. higher in affluent localities, time of sale – morning / evening



**Existing FnV Retail Channels Provide an Unreliable and Poor Customer Experience**

## Online Delivery & Supermarkets



- This is an alternate format for retail which accounts for ~20 % of the retail channels
- This format is popular among customers on account of consistent & organised trade practises, standardised prices, **variety** of vegetables, **hygienic conditions** in which the vegetables are kept & attractive display

## Limitations



**Time Consuming** –It is estimated on an average a customer spends 40 minutes of travel to visit a supermarket



**Lack of Personal Touch** – Supermarkets lack the personal touch which the Indian customer is accustomed to



**Different & Unique Processes**– FnV category requires skills & processes very different from that of other categories & SKU's and leads to inconsistency in the FnV Category



# A Compelling Front End!

**PUSH CART**



Farm Fresh FNV at  
customers doorstep!

**FRESHWORLD SMART CART**



Convenience of a  
Supermarket  
at your home!

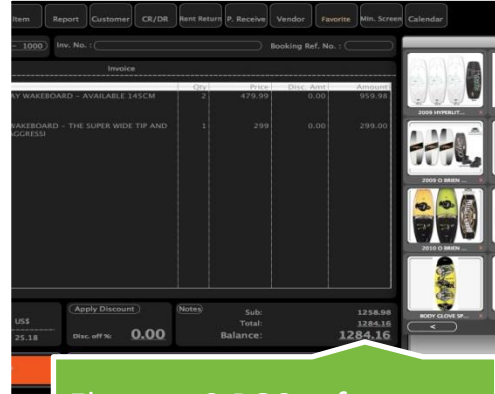
Organizing an Unorganized Business!



# The FreshWorld Way!-Tech Enabling an Unorganized Business!.



Element1. 7" Lenovo  
TABLET



Element 2.POS software on  
Andriod Platform



Element3. Bluetooth  
Thermal Printer



Element 4.Digital Weighing  
Machine



Element 5.GPS Device with  
Vehicle Tracking Service

Entire tech functionality  
of a store culled out into a  
mobile environment !



## Technology

Digital Terminal; GPRS, GPS, Digital  
Weight display, Digital billing;  
Supports Online orders and SMS  
blast

## FRESH

Superior quality  
F&V, fresh, best  
grade, direct from  
farmers,  
at competitive  
pricing



## Professional ,

Dependable,  
Committed Route Plan at  
Scheduled Times-  
365 days a year operation,

## Visual Appeal

Modern & Branded Vehicle;  
Display Storage in Organized  
Covered Bins & Shielded from  
Sunlight, **Clean Tech & Eco  
friendly**

## Transparent

Weight Management Transparent,  
Consistent & Demonstrated.  
Price Charts Of Self + Competition  
Displayed

## Customer Friendly:

Trained and Well Groomed  
Staff, High Retail Etiquette,  
Courteous, Pleasant, Affable



# Differentiators

Overall superior experience & stronger value proposition

## Push Cart Operator

Lower grade, quality and freshness not "best in class"

Minimal SKU's 8-10-mostly 'category locked'

Higher than market pricing & adhocism

Erratic, unorganized

Below grade /day old produce from mandi

**QUALITY**



Variety



Professionalism



Procurement

## FreshWorld Smart Cart

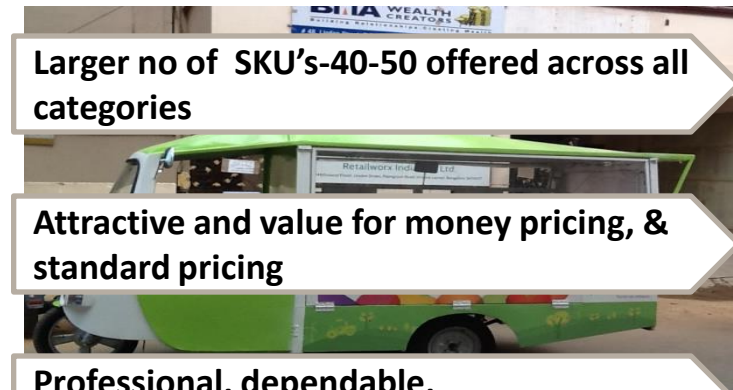
'Best in class' - freshness, quality & grade

Larger no of SKU's-40-50 offered across all categories

Attractive and value for money pricing, & standard pricing

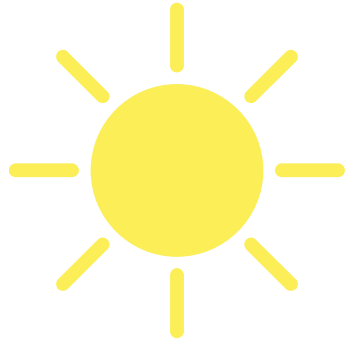
Professional, dependable, 365 days a year

Direct procurement from primary producer





# Freshworld Current Business Model



Pick- List

Sorting & Grading



**Bangalore City Warehouse**

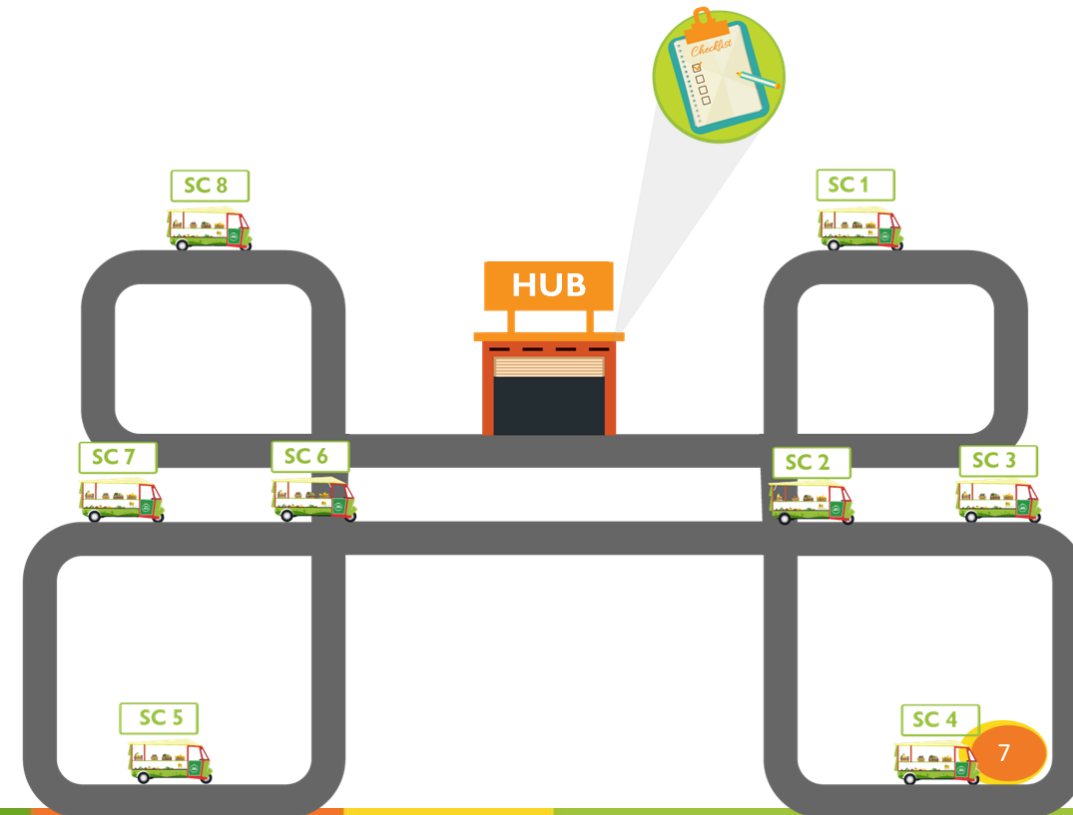


Dispatch to retail channels



EV Use Case

Fixed Route  
25-35 KM per Day





# Freshworld Creates Significant Livelihood Impact on People Hired from Rural India

## Why Rural Hiring ?

- Freshworld hires most of operational staff from rural areas like Bijapur, Raichur, Tumkur & Uttar Kannada
- Benefits of Hiring Staff from Rural Regions;
  - Sincere nature - Helps keep them for long term
  - Soft spoken – Helps build good connect with the customers
  - Eager to learn – They put in extra efforts in order to prove themselves
  - Technology understanding – Have decent understanding of technology which helps in operations
  - High on ethics and principles – Any unethical practises are usually avoided



## Impact Created

Avg. Earnings At FreshWorld	Avg. Earnings Before FW	<u>Impact Created</u>
INR 100,000 pa	Negligible – Usually Unemployed	Livelihood At Grassroots Level
Training Imparted	Education Before FW	<u>Impact Created</u>
Soft Skills   Sales   Driving	Primary School Or Lower	Movement From Unskilled To Semi Skilled Labour

- **Food, transport to workplace and accommodation at Company's cost**
- **Most of the employee earnings of INR 100K pa is sent back for livelihood of families back home**

## Additional Employee Provided – Ensures Staff Stay Employed For Longer Periods With The Company



Company Provides  
Accommodation



One Meal-Dinner



Poverty Alleviation –  
Recruits Usually From Below  
Poverty Line



Training & Skilling – Soft  
Skills, Sales, Marketing &  
Driving Skills



Systematic Rotational  
Deployment For On The Job  
Training Across Skills



On The Job Training &  
Supervision By Managers



# ENVIRONMENT FRIENDLY BATTERY OPERATED CARTS



## Less Moving Parts

Less Moving Parts

Minimal Parts to go wrong

Limited Maintenance Scope



## Emission Savings

We save over ONE LAKH CO2 KG per year on account on not using diesel!

We save over XX in Tail Pipe Emissions



## High Operating Efficiency

Frugal Costing  
3 units of Power can charge a cart for ~45 KM  
~ 50 ps per Kilometre Cost.



## Absolutely Safe!

Three Wheeler

Max Top Speed calibrated at 20 KMPH



## Noiseless

Virtually Noiseless

Does not add to current Noise Pollution



# Challenges

## Range

Limited Range

Lead Acid Batteries used are bulky and take time to charge-ineffective use case

## Manufacturer Eco System

Limited Pool of Manufacturers

Large Manufacturers fence sitting and yet to operationalize announced plans

## Battery Swap /Charging Stations

Battery Swap Stations yet to take off

Non Availability of Charging Stations limits usage

## Eco System

Financing/Lease Options

Stake Holder Counselling on benefits of EV



# FreshWorld's Future Plans

Challenges/Constraints  
in EV can easily be  
overcome for significant  
360 degree benefits

Committed to the EV  
Story

1000 carts over the next  
5 years



## Enablers

### Transport Dept

- Policy encouraging EV in place-single window clearance
- % Conversion policy to be evolved for replacement of existing fleet
- Encourage retro fits to full electric
- FAME subsidy not applicable for E Carts. We must reconsider?

### BESCOM

- Policy Done but on ground implementation yet to be actioned effectively
- Battery Charging Stations

### Infra

- Battery Charging Stations
- Battery Swap
- Subsidy for Lithium Ion Battery Adoption

### KSPCB

- Incentives/Subsidy for pollution control?
- Carbon Credit Schemes to encourage



# Any Questions?

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