



“Second Freedom for women”

RUDI MULTI TRADING CO. LTD.

8,NAVRANG COLONY,

NAVRANGPURA, AHMEDABAD 380 009

VISION

- Provide direct market access to small and marginal farmers.
- Link up the small farmer to the end customer
- Rotate the capital within the village, thereby strengthen the village economy

Mission

- Establish RUDI as a national brand over a period of next 10 years.
- Increase the range of processed agro commodities under the brand “RUDI”, to include more value added products that would yield better returns on the investment.
- Achieve profitability in first year and achieve a sales turnover of Rupees 15 crores within the first five year.
- Tie-up with large retailers and bulk buyers for enhancing the market for RUDI products.

Objective

- To provide multiple employment opportunity to rural women,
- To make available goods of regular use to the rural consumer and
- To provide market linkage to small and marginal farmers and other rural producers group.

Marketing Plan

- Produced by rural producers (to create market linkage for rural farmers): RMTCL will purchase processed and packaged product from District Associations
- Other products (required by rural customers)
 - Will be procured through tie-up with companies/suppliers
 - There will be more than one supplier for a particular commodity

Product

Positioning

Pricing

Marketing Plan

- Rudi brand will be promoted as
 - “Value for Money” brand
- Agri commodities will be promoted as
 - “Pure”
 - Produced by “rural women”
 - “*Near Organic*” in nature

Product

Positioning

Pricing

Marketing Plan

- Currently we are following “cost plus” system for pricing our product, which needs to be rationalized and should be determined keeping in mind the market prices.
- Proposed system will have
 - Different Prices for Rural and Urban consumer
 - Different margin for different product

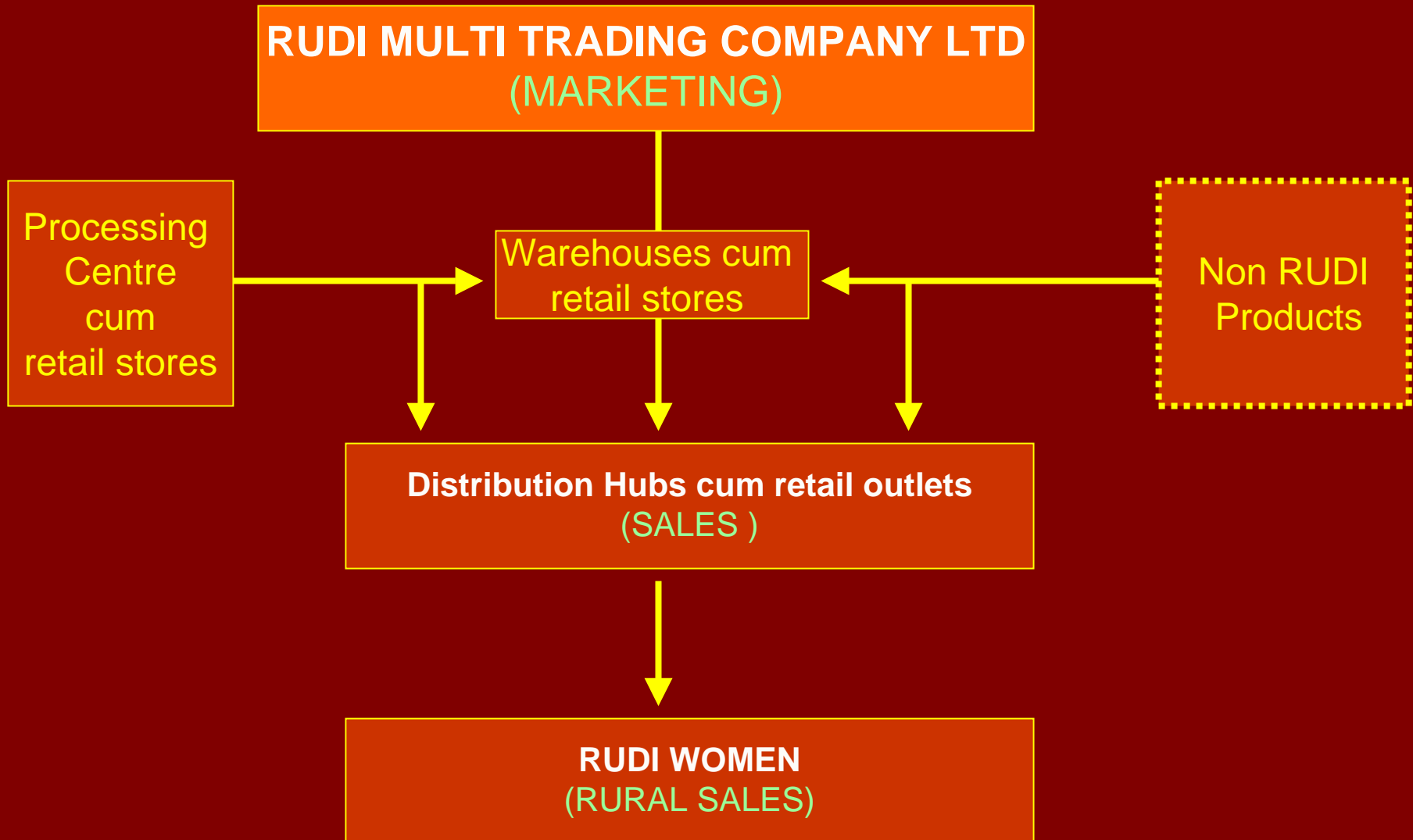


Marketing Plan

Breakup of sales

- 40% sale through RUDI Ben
- 10% sales through “Aagewan Bens”
- 50% sales to institutional buyers

Business Structure



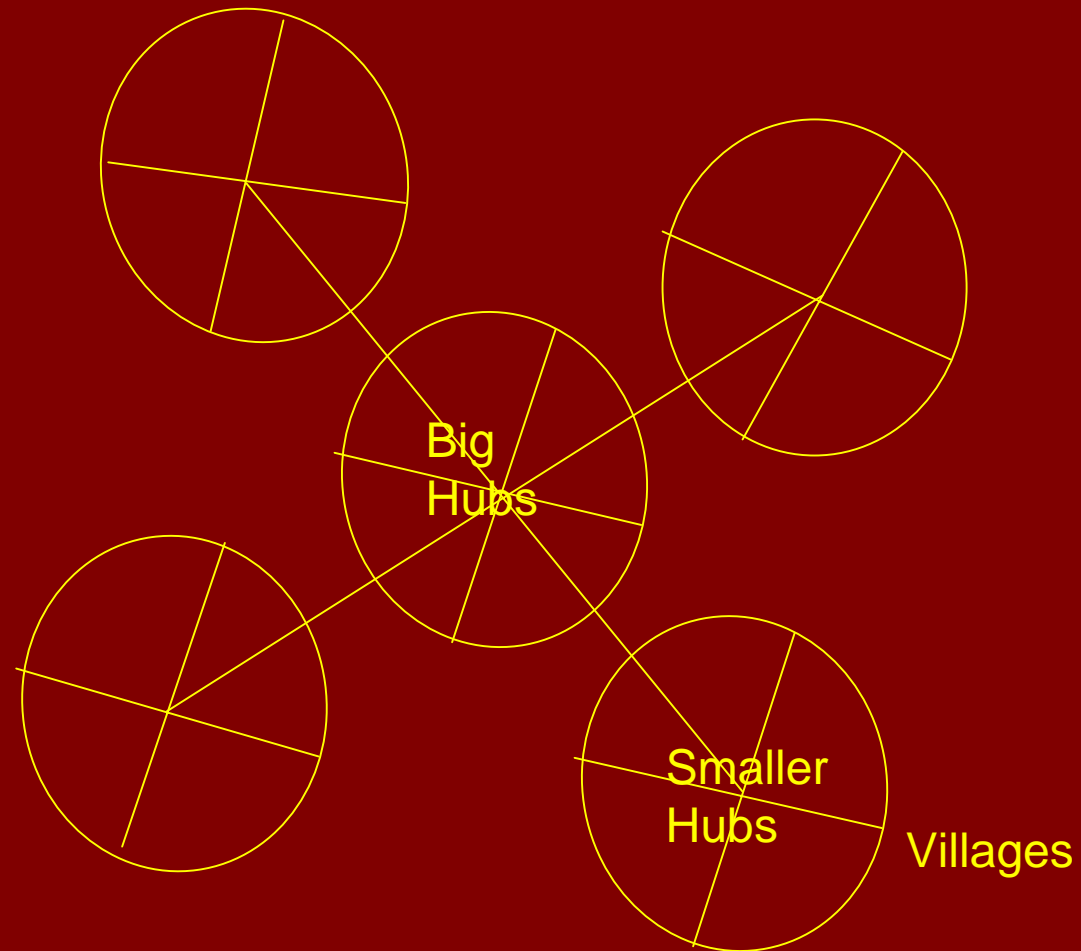
Rural Distribution Network

- It will consist of several Multipurpose units acting as “storage”, “selling” and “distribution” points.
- These MPUs can be in form of
 - Big storage points (big Hubs) (1 in each district)
 - Distribution Hubs (small Hubs) (1 catering to a cluster of 15-20 villages)
- These MPUs will be manned by one or more women
- We can explore the possibility of converting the house/retail outlet of better performing Rudiben in to distribution hubs

Rural Distribution Network

- It will be in the form of “Hub & Spoke” model
- Rudiben will collect their inventory from any of the units as per their convenience
- Stock can be delivered to Rudibens at their doorstep by charging a fee for that, but on particular days only
- The purpose of charging fee is to ensure the use of most economical option

Hub & Spoke Model



Marketing Channel

- Retail sale
 - Through Rudiben in villages:
 - Through retail outlets in rural as well as urban areas
- Whole sale
 - Institutional sales
 - Internal partnerships: SEWA Bank (Annapoorna Scheme), AROGYASEWA
 - External partnerships: Govt. Mid Day meal, NDDDB etc
 - Bulk sales to Hotels, Hospitals, hostels and canteens of offices
 - Supply to retail chains: such as “more”, “SUVIDHA”, “Godrej Aadhar” etc

Market penetration: Current situation

District	Number of Taluka	Our Presence
Kutch	10	3
Patan	8	2
Mehasana	9	1
Sabarkantha	13	2
Gandhinagar	4	1
Ahmedabad	11	1
Surendranagar	10	3
Anand	8	1
Kheda	10	5
Vadodara	12	1
	95	20

Future Strategy

Year	Focus Area	Districts	Blocks	Villages
1	Existing Area	9	15	300
2	All blocks of 9 Districts	9	25	450
3		9	50	600
4		9	95	800
5	Area of Operations of SEWA	14	150	1200

Identification of Hubs



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graph TD; A[Identification of Hubs] --> B[Identification of villages with high potential]; B --> C[Forming clusters of high potential village]; C --> D[Identification of types of hub needed for these clusters];
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Identification of
villages with high
potential

Forming clusters of
high potential village

Identification of types
of hub needed for
these clusters

Districts	No of village covered	No of SEWA Members	No of Hubs Required	Recommended		
				Big Hubs	Small Hubs	No of villages Targetted
Mehasana	90	31125	3		2	30
Kutch	70	20156	3		2	30
Sur' nagar	35	14883	1	1	0	30
Sabarkantha :	45	13328	2	1	1	45
Kheda	125	105151	5	1	3	75
Patan	55	20144	2	1	1	45
Vadodara	25	27351	1		1	15
Ahmedabad	70	39679	3		1	15
Gandhinagar	50	20367	2		1	15
	565	292184	22	4	12	300

Rudiben

- Rudibens will be responsible for most of the retail sales in the rural area.
- A Rudiben will be given an area, a village or a cluster of villages and she will have exclusive rights for retail sales in her area.
- It is up to her, which channel she wants to use to increase her turn over, in other words she will be in-charge of her territory

Rudiben

- She can
 - Go for Door to door selling
 - Liaise with existing retailers in the village to supply the “RUDI” products.
 - Selling at the place of any gathering in her territory s.a.
 - Meetings conducted by Government agencies, SEWA meetings & events or any other agencies
 - Village Haats, Village events, Local fairs and Exhibitions
 - Conduct special promotion drive during festivals & events

Rudiben...

- There will be a set of criteria for becoming a Rudiben such as:
 - A Minimum sells turn over (requirement will be calculated on the basis of potential of the area)
 - Continuous improvement in performance etc

Rudiben performance evaluation

- Parameters for performance evaluation
 - Absolute Sales figure
 - Sales achieved against the available potential
 - Growth over earlier years

Number of Rudibens required

- We will require
 - 50 Grade A Rudiben who are selling more than Rs.5000/- per month
 - 250 Grade B Rudiben who are selling between Rs.3000/- to Rs.5000/- per month

Incentives to Rudiben

- Better performing RUDI ben will be awarded accordingly
- Awards will be of two types
 - Monetary
 - Non-monetary s.a. recognition, special training opportunity etc

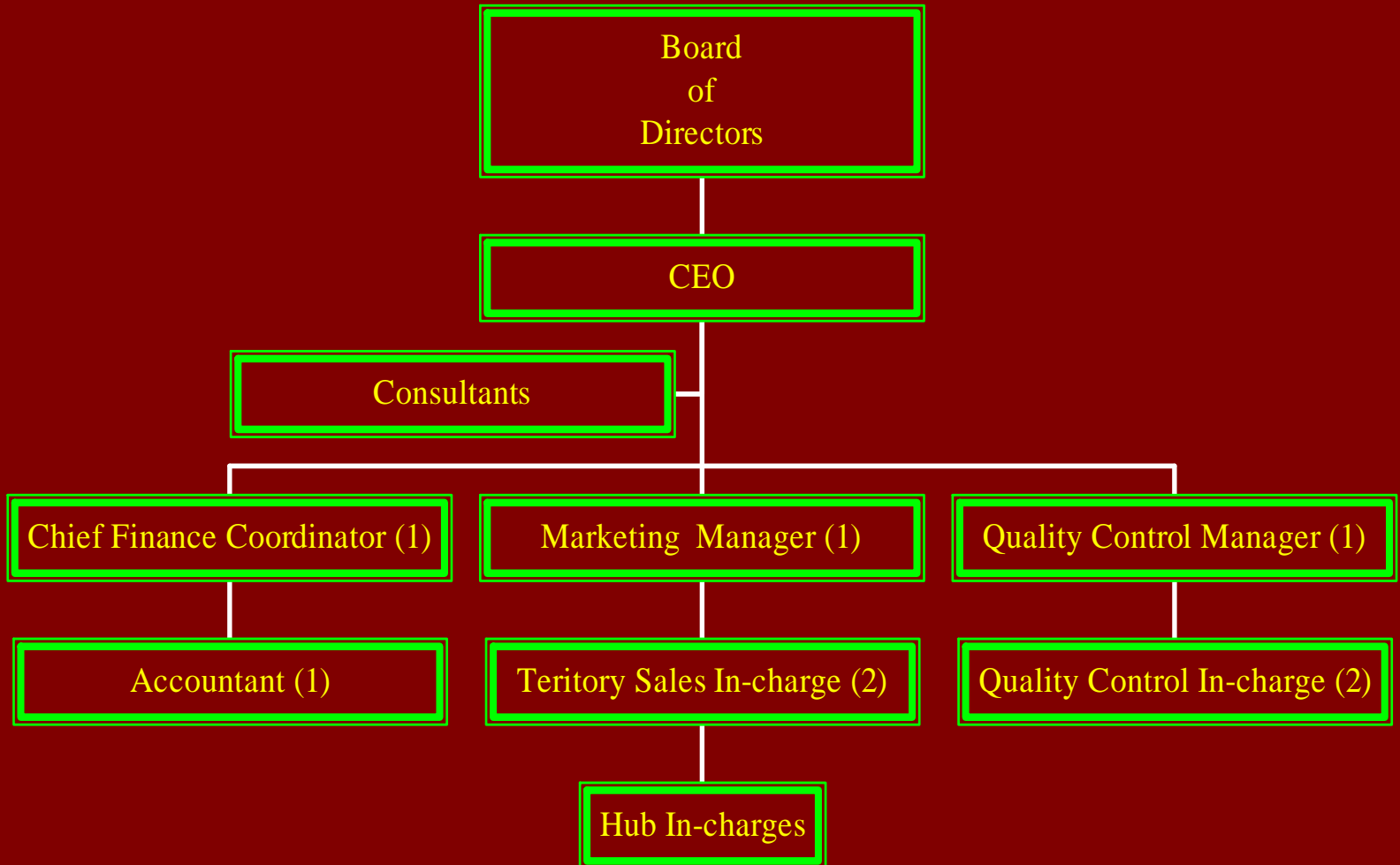
Working Capital Requirement

- For company
 - 1 months stock i.e. 10 lacs
 - 1 months Overhead: 2.5 lacs
 - Total : 12.5 lacs
- For District Associations
 - For procurement: 40 lacs
 - One month over head: $(4*50000)$:2 lacs
 - Total: 42 lacs

Raising Funds

- Options available are:
 - Raising Equity Share: more capital will be raised through issuing Equity shares with non voting rights.
 - Raising Debt: Raising debt through district associations for the processing centres

Management Structure



Financials

- Based on the pilot experience of running the business across 9 districts of Gujarat we have estimated demand for RUDI products range worth Rs. 15 crores. Which we are planning to tap in the next 5 years
- In first year we are targeting a sales of Rs. 1.5 crores
- The estimated procurement cost to meet this target would be around 1.20 crores.
- The operational overheads would cost about 30 lacs
- The income to RUDI BEN through sales Rs.7.5 lacs
- We may therefore expect a gross loss of about 7.5 lacs.
- For current overhead and available margin Break even point is Rs. 2 Crore
- If we can increase the margin to 30%, break even will be achieved at a sales turnover of Rs. 1.5 crores

RUDI & SGMH

- In the new setup SGMH will mainly take care of training and capacity building of
 - Rudibens
 - Staff members of Rudi

LIST OF TRAININGS TO BE OFFERED BY SGMH

- RUDI promotion training
- Salesmanship training
- Inventory Management
- Accounts and book keeping training

Type	Timing of training	Freq/ M on th	Numb er of Trainee	Target	number
•Brand promotion	Throughout the year, but particularly before any festival or event	3	1500	Rudiben	All rudiben, preference to Grade A rudiben
•Salesmanship	Throughout the year	3	1500	Rudiben	All rudiben, preference to Grade A rudiben
•Inventory Management	Throughout the year	1	63	Store Incharge, Processing centre incharge, Hub Incharge	1-2 person per centre
•Accounts and book keeping	Throughout the year	1	9	Accountants	All accountants

Partnership with DAs

- District Association will own and run the processing centres.
- Rudi will purchase only processed product
- At the start of each season RUDI MTCL and DAs will have an agreement. It will mention
 - Price
 - Quantity and
 - Quality of product to be purchased in that season
- District association without processing centres will have to get it processed at nearby processing centre.

THANK YOU

Annexure 1

- Spices: Chili, Cumin, Coriander, Turmeric, Fenugreek (Methi), Oregano (Ajwain)
Cereals: Rice (Gujarat 17 & Parimal),
- Pulses: Red Gram (Tur Daal) Green Gram (Moong Daal), Bengal Gram (Chana)
- Oil Seeds: Sesame, Mustard
- Other products: Salt, Washing Powder etc

Annexure II

- Rudi Bulb
- Edible Oil
- Tea
- Washing Powder
- Sugar