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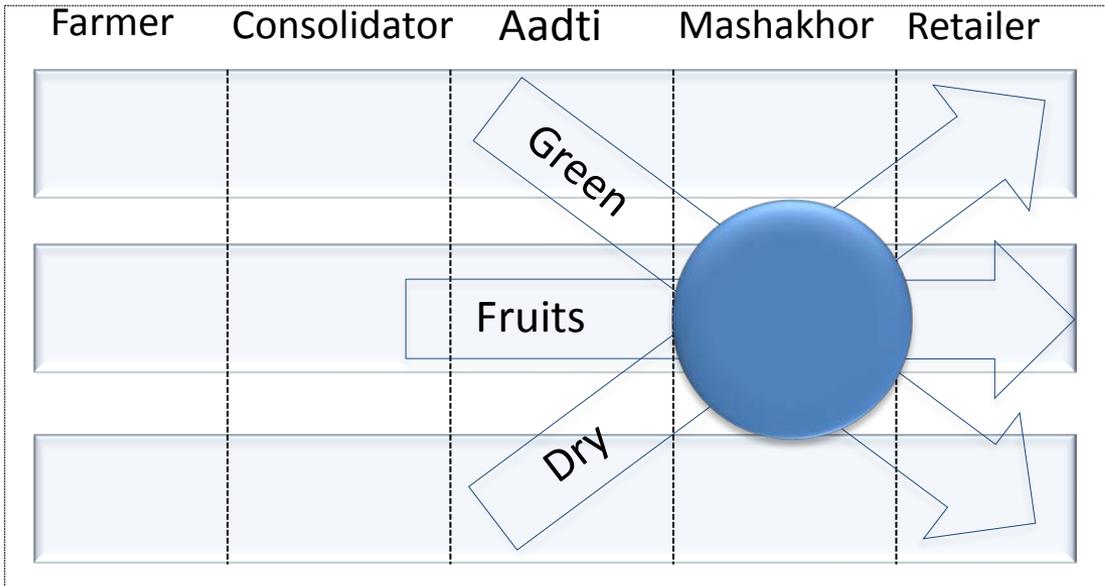
# **Issues with Missing Links in Supply Chain**

# Traditional Market Deals with variety in a fundamental way

Managed by 5-sets of roles with high-specialization

Agglomeration of highly specialized value-chains

- Customized skills & specialization
- Information network
- Customized logistics

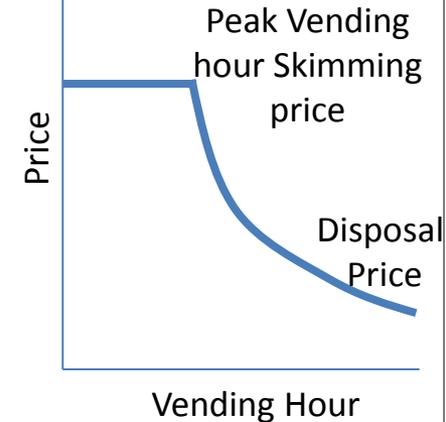


Product ownership at different stages ensure effective care and control

Cost effective labor for handling and distribution



Grade	Price
G1	P1
G2	P2
G3	P3
G4	P4
G5	P5



- Grade wise disposal
- Price points to minimize value loss

- Flexible pricing at the retail ensures value-perception for price-point

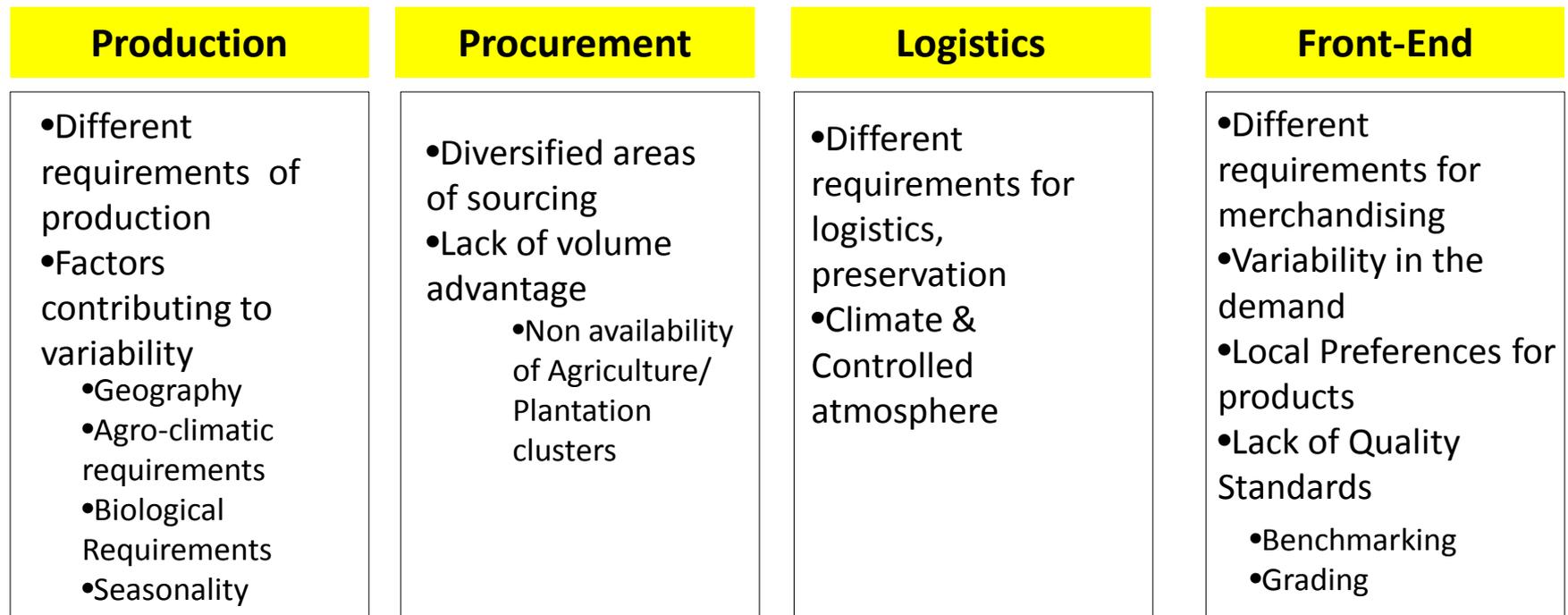
# Freshness Perception

Eliminating levels in the chain model is not enough to deliver significant value to customers

<p>Traditional Value Chain</p>																																																									
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<p>Delivery Against <u>Market Requirements</u>, <u>Voice of Customer</u></p>	<table border="1"> <thead> <tr> <th>S.no</th> <th>Market Requirement</th> <th>Local Shop</th> <th>Redi Wala</th> <th>Weekly Market</th> <th>Safal Shop</th> <th>MRF's</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Core value - Freshness &amp; Look of F&amp;V</td> <td>●</td> <td>●</td> <td>●</td> <td>●</td> <td>●</td> </tr> <tr> <td>2</td> <td>Flexible Price to match value offered</td> <td>●</td> <td>●</td> <td>●</td> <td>●</td> <td>●</td> </tr> <tr> <td>3</td> <td>Safe, Healthy &amp; Natural</td> <td>●</td> <td>●</td> <td>●</td> <td>●</td> <td>●</td> </tr> <tr> <td>4</td> <td>Right weight &amp; billing</td> <td>●</td> <td>●</td> <td>●</td> <td>●</td> <td>●</td> </tr> <tr> <td>5</td> <td>Accessibility (Proximity to Customers)</td> <td>●</td> <td>●</td> <td>●</td> <td>●</td> <td>●</td> </tr> <tr> <td>6</td> <td>Availability (Trading Window)</td> <td>●</td> <td>●</td> <td>●</td> <td>●</td> <td>●</td> </tr> <tr> <td>7</td> <td>Shopping Experience</td> <td>●</td> <td>●</td> <td>●</td> <td>●</td> <td>●</td> </tr> </tbody> </table>	S.no	Market Requirement	Local Shop	Redi Wala	Weekly Market	Safal Shop	MRF's	1	Core value - Freshness & Look of F&V	●	●	●	●	●	2	Flexible Price to match value offered	●	●	●	●	●	3	Safe, Healthy & Natural	●	●	●	●	●	4	Right weight & billing	●	●	●	●	●	5	Accessibility (Proximity to Customers)	●	●	●	●	●	6	Availability (Trading Window)	●	●	●	●	●	7	Shopping Experience	●	●	●	●	●
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The Traditional system scores over the Safal model by focusing on Core Parameters

# Multitude, Variety and Perishability of the products present great complexity

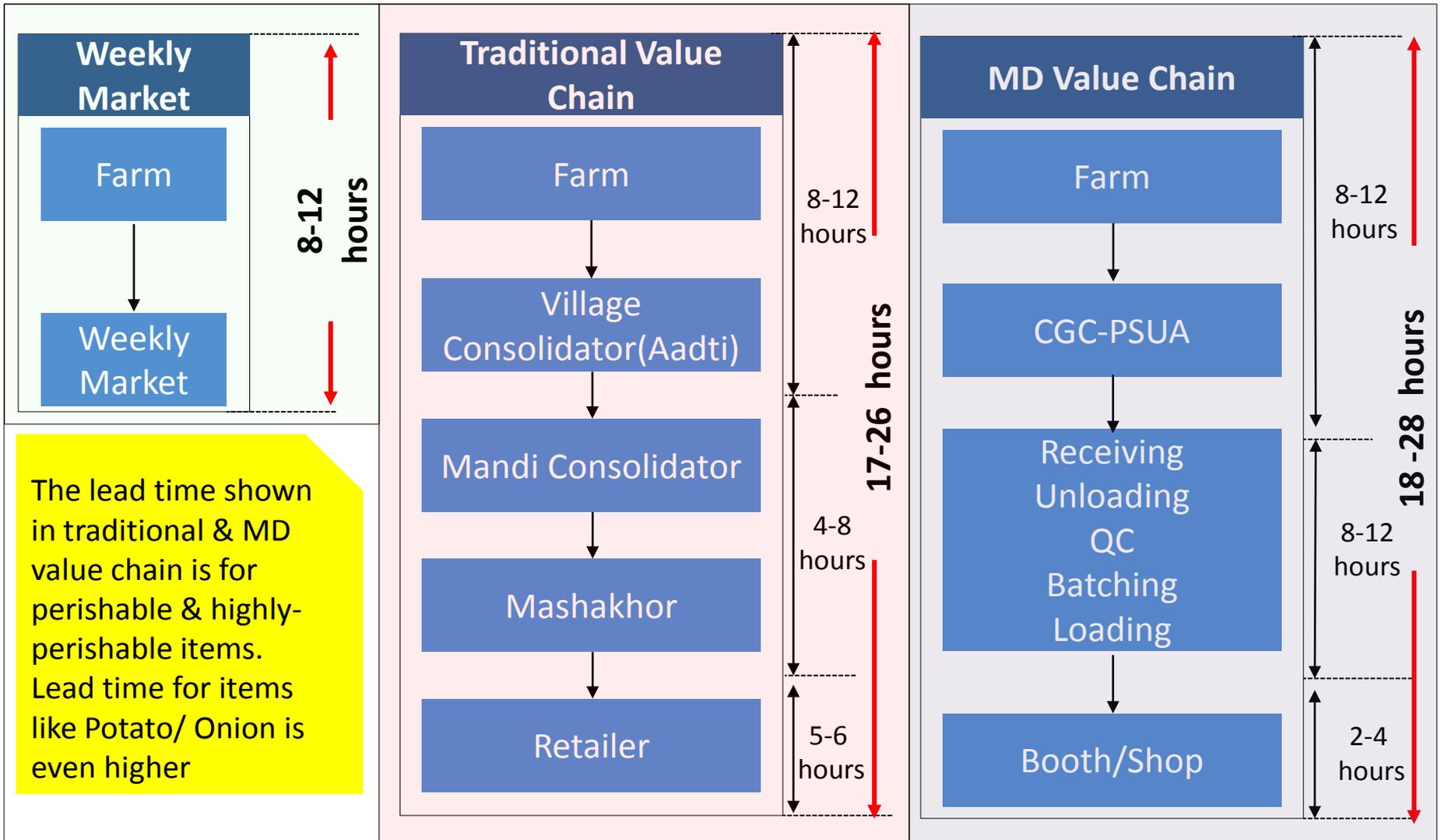


--- Value-loss across the value-chain ---

## Variability Presents in multiple dimensions

Fruits vs.	Greens vs.	Ripened vs.	Perishable vs.	Elephants vs.	Ready-to-distrib. vs.
Vegetabl	Dry	Non-ripened	Storable	Stars	Value-add-reqd

# A deeper Analysis of performance on lead time sets the benchmark



Source : Internal Supply chain conducted in 2003-04,2007-08, 2011-12

## Morning & Evening Indent/Supply share

Indent/Supply Share in morning & evening						
Morning Indent Share			Evening Indent Share			
	High	Low	Med	High	Low	Med
Dry	47%	55%	66%	53%	45%	34%
Fruit	81%	78%	79%	19%	22%	21%
Green	76%	72%	71%	24%	28%	29%
Total	69%	67%	71%	31%	33%	29%

- Morning evening indent/supplies share is about 69% : 31%
- But sales ratio of morning to evening is 30: 70
- Some years ago this percentage was quite different! for sales

# Supply Chain: The Critical Links

Temperature Integrity

Ensuring all the links are in your control. Run

Quality

- Ensuring the desired quality till the consumer point
  - random sampling & strict process adherence
  - Electricity Bills
  - Run our diesel pumps
  - Return milk testing

Quality

- Ensuring the desired quality till the consumer point
  - Trial runs on vending
    - 90% + prefer to buy by unit value
  - FSSAI throws an opportunity and a challenge
  - Mango and ripening safely!
  - Loose oil sales ?