



Ranjit Pawar

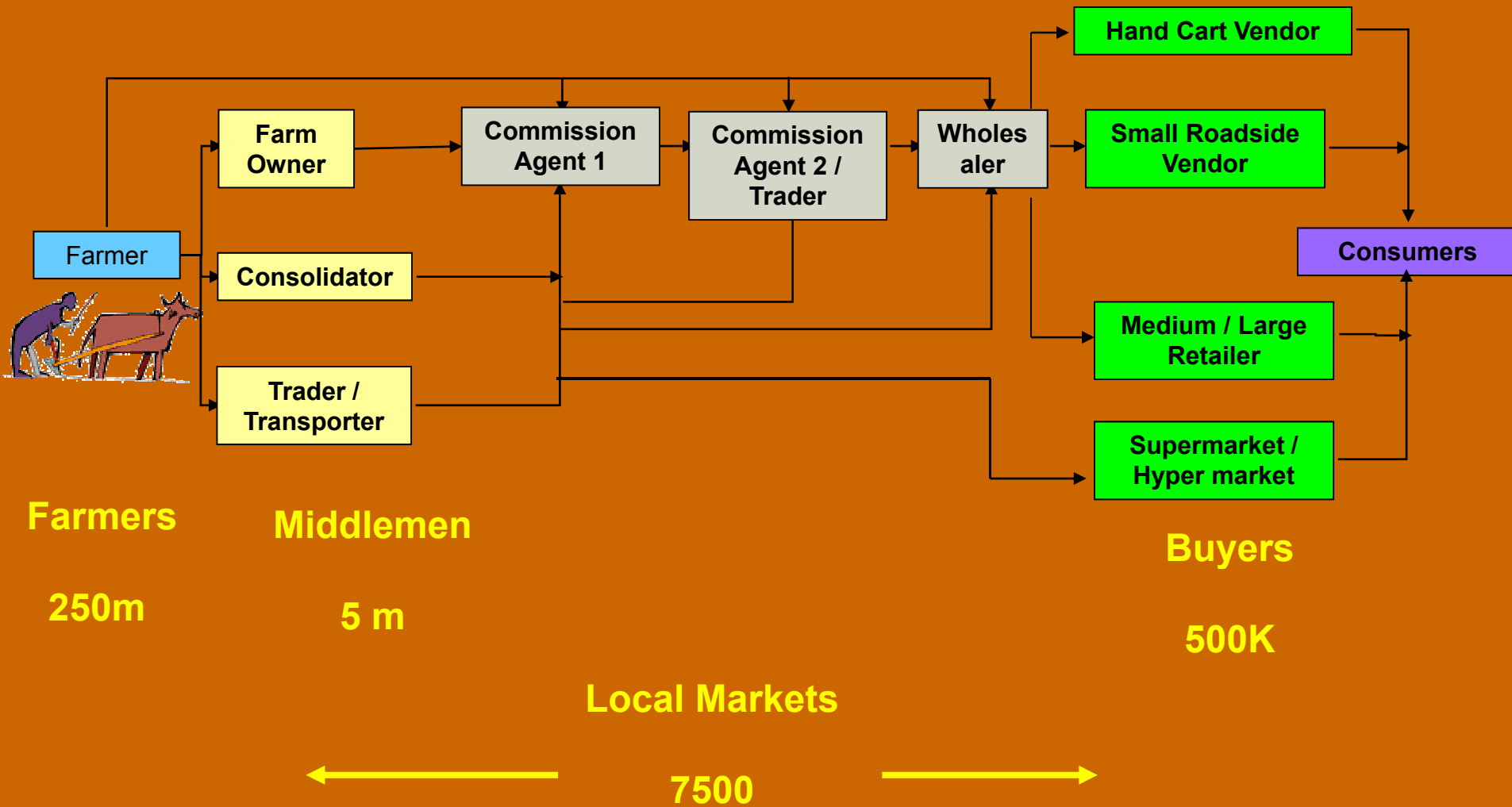
Dec 2009

REUTERS MARKET LIGHT

- Reuters Market Light is the first highly personalised professional information for farmers in India.
- Launched in Oct 07 in Maharashtra, RML has over 170,000 subscribers across 12000 villages.
- By one estimate, RML might have reached up to a million farmers in India.

CUSTOMER PAIN EMNATES IN THE AGRICULTURAL SUPPLY CHAIN

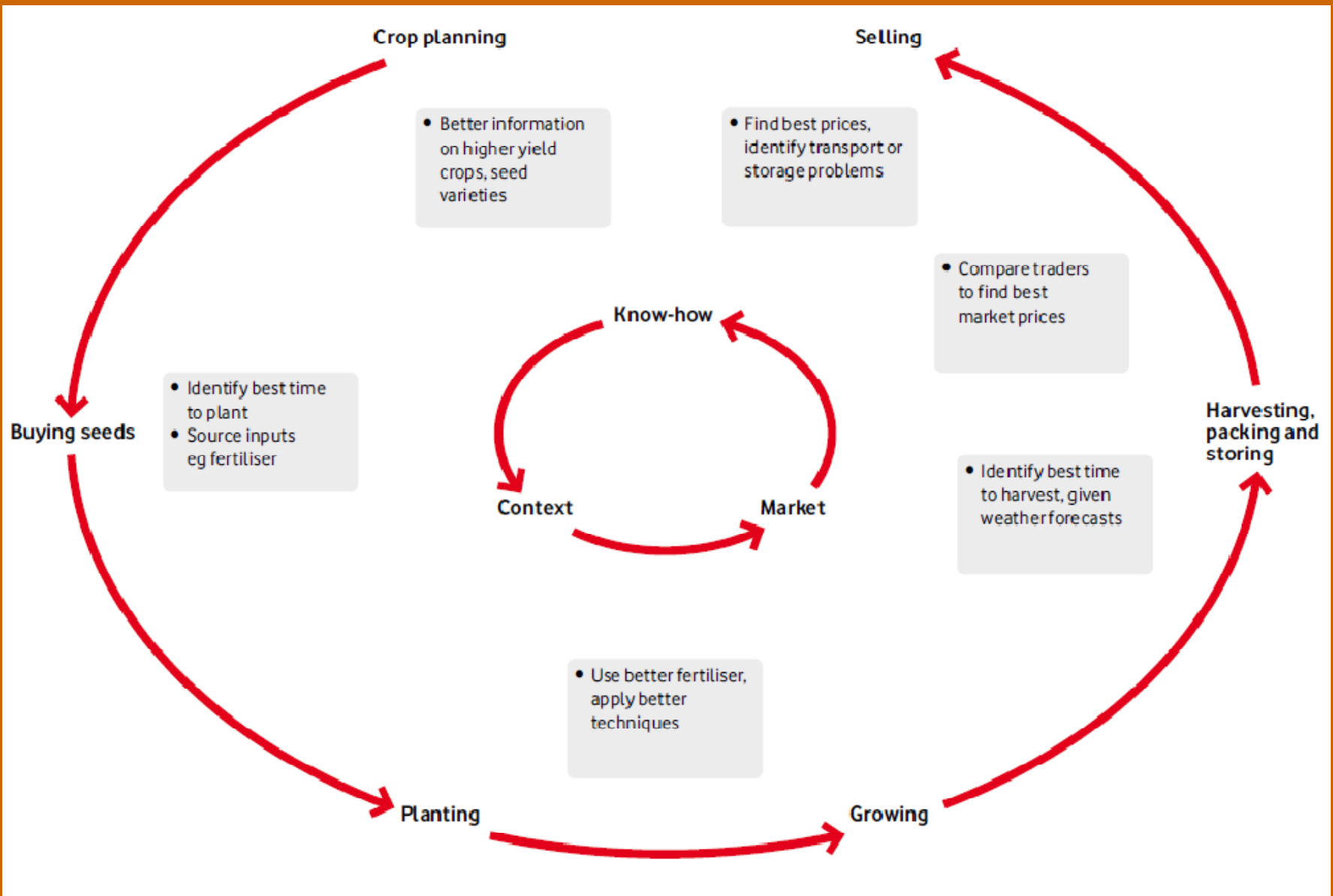
Case in Point: India



DISAGGREGATED DEMAND AND MULTIPLE INTERMEDIARIES CREATE INFORMATION ASYMMETRY

- Poor price discovery in the value chain
 - Lack of accurate and timely weather information
 - Lack of reliable and timely information that affects prices
 - Lack of timely information that affects productivity
- 
- Up to 20% of unjustified price variations of same crop in nearby markets
 - Farmers get as little as 25% value of the final price of their raw produce vs. 40-50% in the US and the UK
 - Buyers pay premium up to 20% due to lack of information
 - 35% of wastage in fruits and vegetable markets

Information cycle



CUSTOMER PAIN IS BOTH FINANCIAL AND EMOTIONAL

*“If I had known timely and accurate information about the **price of mustard in Latur market**, I would have made 40% more money.”*

*“**Heavy rains** decayed my coffee berries. Had I known this in advance, I would have harvested early and reduced my heavy financial loss.”*

*“I get a very poor price for my crop. I **do not trust my buyer**. I take my produce to the market and have to accept his money. I am not treated with respect.”*

RML DIRECTLY ADDRESS CUSTOMER PAIN

RML provides personalised information that impacts customers livelihood and productivity through mobile phones.

3-5 sms updates every day in local language sold on a subscription for 3, 6 and 12 months.




रॉयटर्स मार्केट लाईट
...उन्नतीशी शेट संपर्क

Market data

RML
कादा-अकोला : क : १४००,
विव २३६० / पिपळगाव :
क : ११६७, विव १७५० /
लासलगाव : क : १४३२,
विव १६८०

Local Weather Forecast

RML
हवामान अमरावती 01/11
क : 30°C, कि : 21°C
पाऊस : 14mm
शक्यता : 79%

News and Advisory

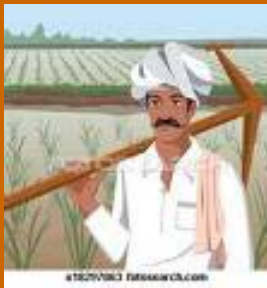
RML
कॉटन कॉर्पोरेशन कडून
कापसाच्या खरेदीला सुरुवात
भाव विवंटलला २३०० च्या
आसपास, दिवाळी पासून सर्वत्र
मोठी आवक होण्याची शक्यता

REUTERS

EACH INDIVIDUAL GETS WHAT HE WANTS.

The service model

Step 1 – Farmer purchases RML Scratch card from Agri input shops, local banks ,etc.



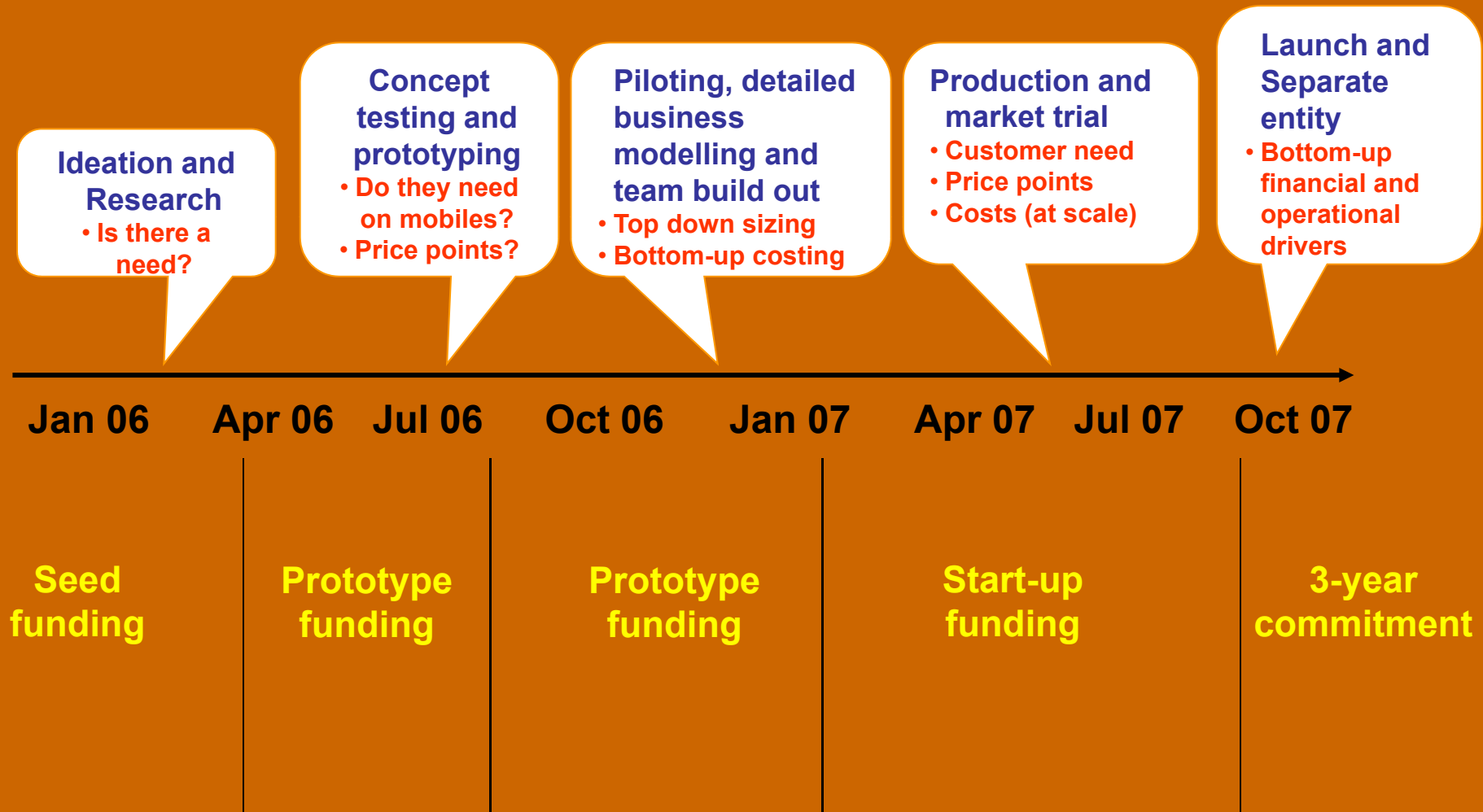
Step 2 – Farmer calls RML Customer Support and activates service



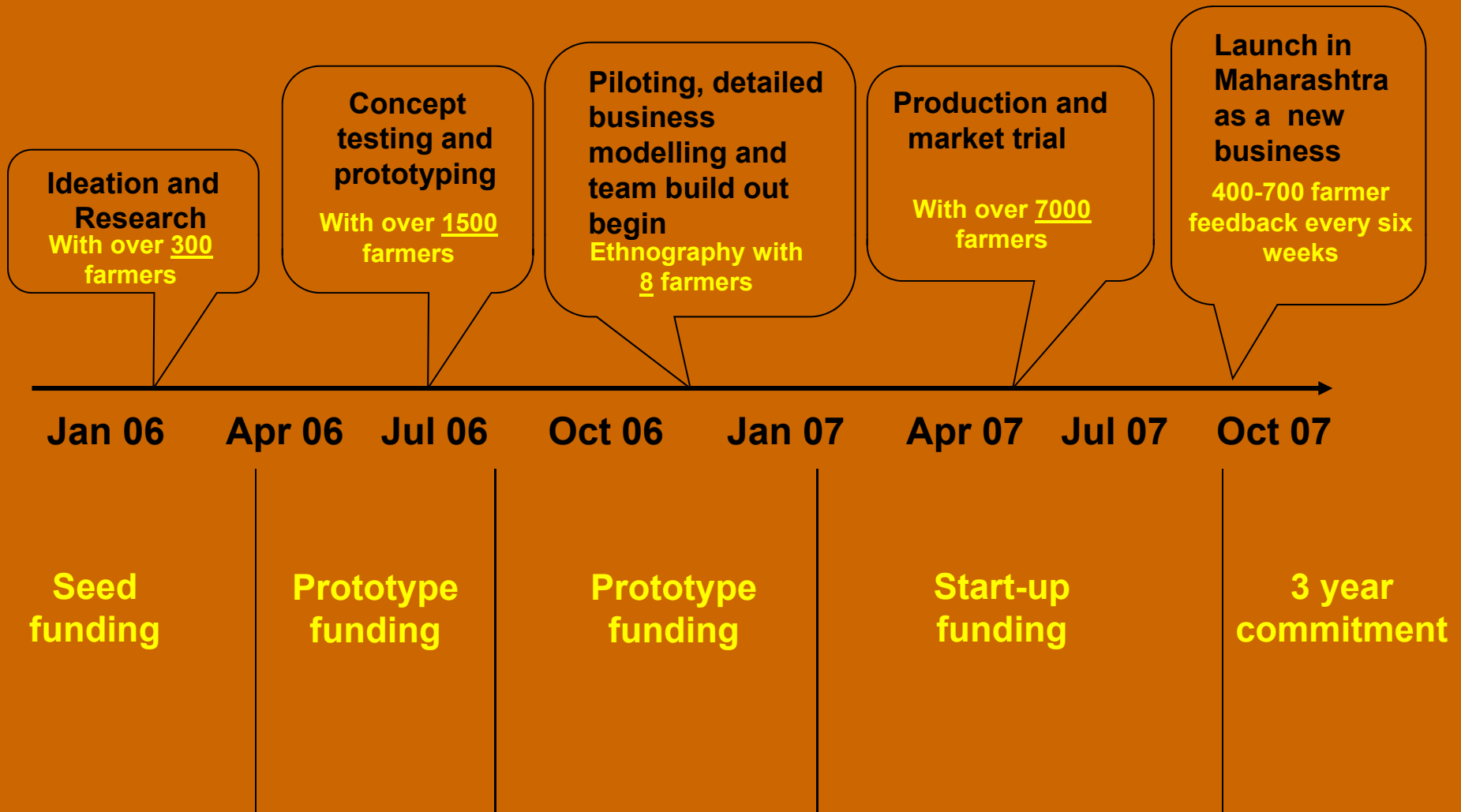
Step 3 – RML starts delivering weather, market info, news and crop info on Farmer's mobile phone



RML WAS BORN IN THE REUTERS INNOVATION PROGRAM IN JANUARY 2006



RML FOLLOWED CONTINUOUS CUSTOMER ENGAGEMENT



FARMERS HAVE MADE SERIOUS MONEY DUE TO RML!

“Sold 100 bags of onion after following the prices and realised a benefit of Rs. 50 per bag. i.e. total of Rs. 5,000”. 10% higher profit. 5% of annual income.

Manikrao Gawade held back 70 quintals of onions following RML news. In the next 20 days, realised a 70% gain, made extra profit of £350, or nearly 33% of annual income.

“I sold my Soya bean crop as soon as I heard of Bird flu incident and Made Rs.30,000 which I wouldn't have after a few days

“I did not engage field labour whenever there was a rainfall alert. I saved Rs. 70 per head for 3 labourers in 3 instances totalling to Rs. 630. Saving of £8 a day. Return on investment of 100% in 3 days”

AND WE ALSO ASK THEM REGULARLY

Examples

RML Customer Name	Content	Case Description	Subscription period (in months)	Crop Subscribed	Quantity (in quintals)	Offered Price (Rs./Quintal)	RML Price (Rs./Quintal)	Profit made due to RML in Rs.)	ROI Quarterly (%)
Mr. Nagare	Price	Mr. Nagare, a farmer in Abhi village in Aurangabad district held back the sale of 1700 Quintals of Maize he had harvested. He kept tab on Maize prices and also called up his Commission Agent in Jalgaon (neighbouring district) to verify the price movement. On October 31, 2007 he was offered INR 610.00 Per Quintal. On November 4, 2007, the rate was INR 770.00 Per Quintal. Nagare sold his maize on November 4, 2007 as soon as he got the call from the Commission Agent.	3.0	Maize	1700.0	610.0	770.0	272000.0	155328.6%
Panjab Rao Shelke	Price	In October, he received information regarding soyabean prices would increase. Therefore held back his sale of 30 quintals of Soyabean at Rs.1200/quintal. 15 days later, he was able to sell his produce at Rs. 1600/quintal	3.0	Soyabean	30.0	1200.0	1600.0	12000.0	15328.6%
	Weather	In October, he received information about incoming rain in his region. He told his workers to store the stock carefully. There was heavy rain the area and he was able to save crop worth Rs. 15000		Soyabean	NA	NA	NA	15000.0	
Kailash Narhari Sonawane	Price	Early December, he received information that prices of cotton would increase as supply in the market was lesser than expected. He held back his sale of 92 quintals @ Rs. 2200/quintal. 5 days later, he sold his produce at Rs. 2350 per quintal	3.0	Cotton	92.0	2200.0	2350.0	13800.0	7785.7%

RML's IMPACT AND MODEL IS BEING WIDELY STUDIED.

Government and Semi-Government Institutes

- The UNDP accolade in 2008
- ICRIER study in 2009
- World Economic Forum in Cape Town in 2009
- 10, Downing Street in 2009

Leading academic Institutes

- London Business School case study in 2009
- Cambridge University Business and Poverty Leadership Program in 2008 and 2009
- Oxford University and World Bank Study in 2008

Leading Media

- BBC, Sunday Times, FT, New York Times, International Herald Tribune, Fox News, the Wall Street Journal, Knowledge @ Wharton, and USA Today
- Mention in Nandan Nilekani's book 'Imagining India'
- Four page write-up in C.K. Prahlad's book – Fortune at the Bottom of the Pyramid



5-25% additional annual income of all farmers interviewed by ICRIER

RML: WE HAD TO BUILD AN END-TO-END OPERATING MODEL FROM SCRATCH



Partnership-driven sales and marketing

1. **Telecommunication firms** selling talk-time or handsets to farmers
2. **Agri-input firms** selling agro-chemicals, seeds etc to farmers
3. **Banks and credit societies** selling loans and insurance to farmers
4. **Consumer goods firms** selling oil, tractors, etc to farmers
5. **Government, semi-government bodies, NGOs** selling agri-input to farmers



कृषि वाउचर

रॉयटर्स मार्केट लाईट
आयडिया आणि RML याचा संयुक्त उपक्रम

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दररोज संदेश
तुमच्या परसंतीच्या पिकाबद्दल

- ताजे बाजारभाव
- तालुक्याचे हवामान
- शेतीची माहिती
- शेतीविषयक ताज्या बातम्या

लागू असणाऱ्या सर्विस टॅक्स आणि सेस सह

ADITYA BIRLA GROUP

आयडिया तुमचं अवघं जीवनच बदलून टाकेल

Factors affecting adoption

- **The early adopters are generally from a mid size group**
- **Others need to either share the experience or learn about it**
- **The willingness to adopt is much higher post experience**
- **The need is driven by the agricultural season and hence cyclic**
- **Offerings should include allied business information like poultry, livestock, animal husbandry, sericulture, etc.**

RML: WHERE DO WE AIM TO GO.....

Be the global leader in providing intelligent information services on mobile phones to rural markets.



APMC (Mandi) activity



Weekly market (Haat) activity



Farmer's meet