



# Fruit and Vegetable Vending

**This training manual is for training women who have decided to start and run a fruit and vegetable shop. This is designed to train for 7 days and five hours a day. It can be adjusted as per the local situation and requirement.**

### **Introduction**

Starting up selling fruit and vegetable is a profitable business as these are needed by every households, in all season and in everywhere. Starting fruit and vegetable vending with a good plan and preparation is important as it helps its further growth and get more profit.

Congratulation! You have decided to start and run a 'fruit and vegetable vending'. During this training you will learn different aspects of the business; from buying fruit and vegetable from wholesalers and farmers to selling them to costumers and calculate your profit from the business.

The main objectives of the training

- To provide a thorough knowledge to the participants about 'Starting and running a fruit and vegetable shop'
- To provide information about running a fruit and vegetable vending business & making a budget and business plan
- To learn about the methods to increase sales
- To develop understanding about the local market and the demands of the customers
- To learn about purchasing good quality fruit and vegetable in reasonable price for the shop
- To provide knowledge about sources of finance for starting fruit and vegetable business
- To provide knowledge about deciding cost of products with good profit margins.
- To provide knowledge about keeping track of money.
- To make the participants aware about use of dyes or colors or poisonous injectable chemicals to improve self-life of fruit and vegetables and other harmful practices in this business.

### **An outline of the training**

<b>Session</b>	<b>Detail Content</b>	<b>Time</b>	<b>Method</b>
<b>DAY ONE</b>			
Session 1	-Welcoming the participants -Getting to know each other -Introducing the 7-day training -Sharing of objectives of the training	1 hour	-Explanation -Interaction
Session 2	-Starting and running a fruit and vegetable shop	1 hour	-Explanation -Activity: What does the picture say?
Session 3	-Challenges in front of small fruit and vegetable sellers	1 hour	-Discussion -Explanation -Activity: 'What are the challenges I am facing as a fruit and vegetable seller?'
Session 4	-Taking closer look at the market	1 hour	-Explanation -Activity: 'Who else is doing what I am doing?'
Session 5	-From where to buy my products for my fruit and vegetable shop?	1 hours	- Discussion - Explanation -Activity: 'Choosing suppliers and wholesalers for buying the products'
<b>DAY TWO</b>			
Session 6	- Recap of day 1	1 hour	-Interaction

	-Financing your business		-Explanation -Activity: 'Financing my fruit and vegetable business'
Session 7	-Strategies for maximizing sales	1 hour	-Explanation -Activity: 'My marketing strategies to maximize sales'
Session 8	Making a budget: - Determining the startup cost for my fruit and vegetable shop - Estimating Fixed and Variable Monthly Expenses - Estimating Monthly Sale of my fruit and vegetable shop	1.5 hours	-Explanation - Interaction -Individual works -Activity: 'what are the things I need?' - Activity: 'How much money do I need for each of the things?' -Activity: 'My fixed and variable cost' -Activity: 'My monthly sales' -Activity: 'Putting everything together'
Session 9	-Preparation for field visits	1.5 hours	- Group discussion - work in pairs
<b>DAY THREE</b>			
Session 10	- Visiting and talking with fruit and vegetable sellers -Concluding the learning of the day	5 hours	-Field visit in pairs -Interaction -Individual works
<b>DAY FOUR</b>			
Session 11	- Finding a place for starting my fruit and vegetable shop - Concluding the learning of the day	5 hours	-Field visit in pairs -Interaction -Individual works
<b>DAY FIVE</b>			
Session 12	- Visiting and talking with local wholesalers -Concluding the learning of the day	5 hours	-Field visit in pairs -Interaction -Individual works
<b>DAY SIX</b>			
Session 13	- Visiting the village and talk to the people to know about their demands. - Concluding the learning of the day	5 hours	Field visit in pairs -Interaction -Individual works
<b>DAY SEVEN</b>			
Session 14	-Sharing findings from the visit - What is the information I can use that is gained from the field visit	1 hour	- Individual works -Presentation -Discussion
Session 15	-Making a business plan for my fruit and vegetable shop  -Deciding selling price of things	1.5 hours	- Individual works -Presentation -Discussion - Activity: 'My Business plan' -Activity: 'How much I paid for 1 item, and how much I should cost to sell it?'
Session 16	-Keeping track of money -Calculating how much money is received in the week -Calculating what is paid for stock -Calculating what is paid for materials for the shop	1.5 hours	-Story telling -Explanation -Working individually -Presentation -Activity: 'How much money I received in the last week?'

	<ul style="list-style-type: none"> <li>- Calculating what is owed from customers as credit and what is owed to the Wholesaler</li> <li>- Calculating how much money is left by the end of the week</li> <li>- Deciding how to use the money</li> </ul>		<ul style="list-style-type: none"> <li>- Activity: 'My Payments-What I have paid last week?'</li> <li>-Activity: What is owed from customers?</li> <li>- Activity: What I owe to the wholesaler?</li> <li>- Activity: 'I have....'</li> </ul>
Session 17	-Harmful practices of keeping fruits and vegetable fresh and shiny	0.5 hour	-Explanation -Discussion
Session 18	-Concluding the training	0.5 hour	-Interaction

## DAY 1



### Session 1:

#### Welcoming the participants

- The trainer will welcome the participants and register them for the training.

#### Getting to know each other

- The participants will introduce themselves by telling their names.
- The participants will tell why they chose 'Starting and Running a fruit and vegetable shop' as their small businesses.
- Other participants can ask questions.

#### Introducing the 7 days training

- The trainer will share the whole 7-day training programme with the participants.

#### Sharing the objectives of the training

- The trainer will share the objectives of the training.

### Session 2:

#### Starting and running a fruit and vegetable shop

- The trainer will explain about
- The trainer will explain about basic things of starting and running a fruit and vegetable shop.

#### Activity: 'What does the picture say?'

The objective of the activity is to give information on some important things on running a fruit and vegetable shop.

#### The activity:

- The trainer will show the participants picture of a woman selling fruit and vegetable at the roadside and another picture of an organized fruit and vegetable shop.
- The participants will say whatever comes to their minds by looking at these pictures of people selling fruit and vegetable.

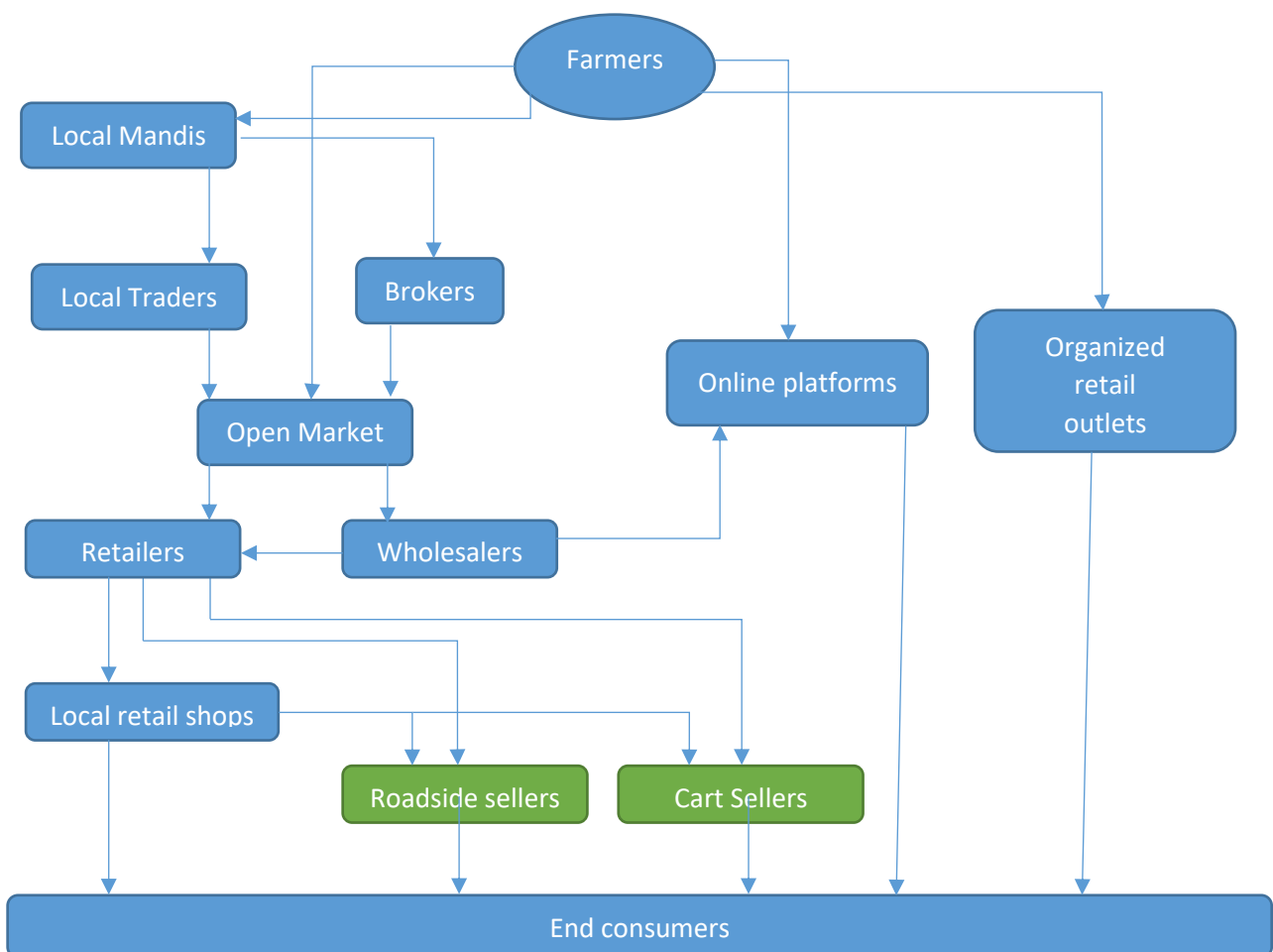
- The trainer will write all responses on a board. He will also give his input, and then categorize the responses according to the advantages and challenges of starting and running a fruit and vegetable shop.

### Session 3:

#### Challenges in front of small fruit and vegetable sellers

Most of the small vegetable and fruit vendors in our country are part of the informal market. They sell fruit and vegetable in the street, roadsides, bus stands and at the other places of decent crowd. They sell the goods by making a small shop at the convenient place or by carrying the goods door to door with their pushcarts or headloads. For most of them, selling vegetables and fruit is the only resources of earning a livelihood, as it requires smaller financial input and the skills involved are very low. They face many challenges in their business as listed below:

**Low level value chain:** Value chain is simply set of activities containing pre-production, production and marketing stage of any product. It gives details of roles and function of various actors involved in the value chain. Value chain here refers to whole range of activities and people involve in the process of producing fruit/vegetable to delivering them to the customer. This chain linked various key players during the process like farmers, brokers, wholesalers, organized retailers, local retailers, roadside shop owner, cart sellers, consumers etc.



(Illustration of a common value chain of fruit and vegetable in India)

The roadside sellers and cart sellers are at the lower level of value chain of fruit and vegetable market. They have less profit margin in comparison to other players of the value chain. The purchasing values of fruit/vegetables become very high when it reached to the roadside vendors or cart sellers. As these sellers

have lack of storage facilities to store their surplus goods, they sell these perishable goods to the customer by adding a nominal profit. Most of the time they suffer loss due to low sales for various reason like bad weather, less quality of stuff, less demand from consumers etc. So, to establish a sustainable business out of selling fruit and vegetable these sellers need to come upward in the value chain. Starting a formalize fruit and vegetable shops with some higher investment can be the first step toward this.

**Strong competition:** The roadside fruit and vegetable sellers face strong competition from the organized outlets and shops. These big shops procure their goods directly from the producers in a very cheap price so, they became able to sell them in lower price. Whereas the roadside and cart seller have to purchase goods with high price came through various channels and forced to sell with a higher price than the big shop. Most of the time customer bargain too much with them about price and quantity and it became a matter of daily stress.

**Low access of credit:** The roadside/cart sellers are not able to invest lot of money for their business, because they have no enough income. Due to uncertainty of income and trust factor the financial institutions take less interest in lending money to these sellers. Formation of Joint Liability Group (JLG) or Self-Help Group (SHG) can help them to secure institutional credits from banks and Microfinance Institutions.

**Lack of business and literacy skills:** Having skills on a certain business play an important role in further expansion of that business. Lack of business-related and functional literacy skill among roadside/cart sellers make them prone to being cheated and loss of money. This is further stood as a barrier of expanding their business.

**Lack of handholding support:** There are very few numbers of organization and cooperatives that are working for the development of the roadside/cart sellers. In absence of proper guidance and support the change of further improvement of these sellers become less. Many of them do the same works for years with meagre income and hardship in life. Again, formation of JLG and SHG can be beneficial for the sellers in supporting each other.

#### **Activity: 'What are the challenges I am facing as a fruit/vegetables seller?'**

The objective of the activity is to discuss on the various challenges facing by fruit/vegetable seller in their day to day business operation and how to tackle them.

##### The activity:

- The participants will say what challenges they are facing in running their fruit/vegetables vending businesses.
- The trainer will write down the challenges told by the participants and provide some possible solutions to them.
- The trainer will conclude the session by emphasizing on running a more organize shop for sustainability of the business.

### **Session 4:**

#### **Taking a closer look at the market**

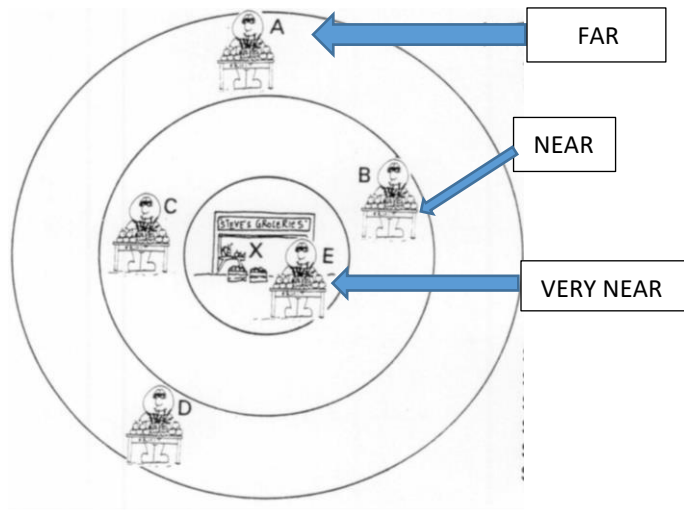
Let's do an activity to find out 'Who else is doing what I am doing?'

#### **Activity: 'Who else is doing what I am doing?'**

This activity will help them to identify who else is doing what the participants are planning to do and how far they are from the participants' chosen place.

- The participants will discuss in pairs but work individually.
- Each participant will:
  - Make a big circle on the floor and two smaller concentric circles inside the big circle with chalk.
  - Put a cross in the innermost circle & imagine that her fruit and vegetable shop is in the middle of the large circle.

- Put 'E' in the innermost circle if there is any fruit and vegetable shop VERY NEAR to the chosen place.
- The large circle shows the area, where there are other fruit and vegetable shops supposed to start.
- Put letters like A, B, C, D in the places where other fruit and vegetable shops are there. Putting a letter in the middle circle means it is NEAR to their shops and putting a letter in the outer circle means they are FAR.



## Session 5:

### From where to buy the products for my fruit and vegetable shop

One of the important aspects of running a fruit and vegetable shop is to decide how to get hold of the fresh fruit/vegetable at the best price.

The fruit and vegetable vendor can buy fruit/vegetables either from a mandi or from wholesalers. Some products can be bought directly from local farmers from their fields to get fruit and vegetable in cheap prices. A seller needs to consider time, transport facility, reliable delivery, quality of products, demand among customers etc. for this.

### Activity: 'Choosing suppliers and wholesalers for buying the products'

There are 3 aspects to consider while choosing place and wholesalers to buy fruit/vegetables from for selling: quality and fresh product, transport facilities & delivery time.

#### Quality product:

- Each participant will make a list of different places from where she can buy the fruit/vegetables for her shop to sell. (They can work in pair and help each other)
- Each participant will mark the places as very cheap, cheap, expensive and very expensive.
- The participants will discuss on their answers in their pairs.
- Each pair will present their considerations to the group.



Meena made like this:

Places from buying fruit/vegetables	Cost
Farmers who grows	Very cheap
Agents in the nearest town	Expensive
Mandi	Very Cheap
Wholesalers	Cheap

### Transport facilities:

As most of the fruit and vegetable has shorter self-life and many are delicate, so utmost care has to be taken during transportation.

- Each participant will write down the different kinds of transport facilities available in her area and she can use for buying the fruit/vegetables.
- She will mark each of these as very cheap, cheap, expensive and very expensive.
- Each pair will discuss how they can cut down their transport costs.

Sita worked on her transport facility like this:

Mode of transport	Cost
Auto rickshaw	Very expensive
Cycle rickshaw	Cheap
Bicycle	Very cheap (Sita agreed with her husband to transport goods by bicycle when she buys less goods from nearest town or from local farmers)
Bus	Very cheap

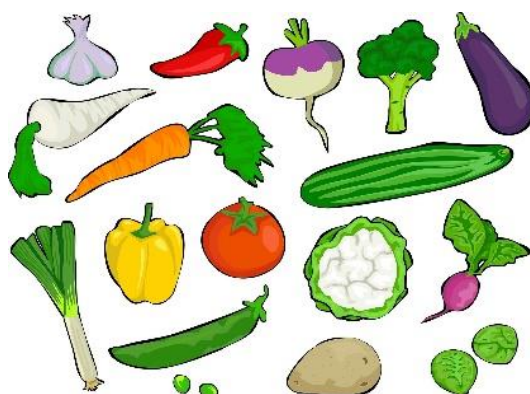
### Delivery time:

There are certain peak period of the day when the vendor get most customer in their shop that increases their sales. If goods will not reach to their shop from mandi/wholesalers until that specific time then they may desatisfy some of their customers and which also affect their targeted sales.

- Each participant will write down the delivery time that takes to get fruit/vegetables from the places of buying to their shops.
- She will mark each of these as in time, late for sale and reasons for it.
- Each pair will discuss how they get delivery of their fruits and vegetables in time.

Sita worked on her delivery time of fruit and vegetable like this:

Place of buying fruit/vegetables	Delivery time	Reason
Madupur Mandi	Late for sale	Far from my shop, heavy traffic on the way
Rupnagar Mandi	In time	Near to my shop, good transport facilities
Raja fruits wholesalers	In time	Good transport facility, the owner of the wholesale shop is very much active, and he take special care to deliver fruits to the vendor in time





## DAY 2

### Session 6:

#### Recap of day 1

- Each participant will share her learning from day 1 of the training.

#### Financing your business

In the previous sessions you have discussed about the challenges facing by roadside and cart vendors. Money became constraint for many of these small fruit/vegetable vendors to upgrade their businesses. To make these kinds of business safe and sustainable it needs to expand the business activities with a formalize setup which increases the accessibility of finance. Formalization of a business refers to a process or registration and licensing of the business with the authorities and access to social security for the business owner and his/her employees. Formalization make the business compliant with the legal framework, including tax, social security and labor laws.

Here are some suggested sources of finance where they can get money to expand their businesses.

- **Banks:** Banks have special schemes to provide loans to small businesses. To get a loan from a bank, business have to qualify for bank's minimum criteria. Every bank has its own criteria with regards to earning potential of business, annual turnover, etc. There are many types of loans that banks offer such as working capital loans (a loan that is taken to finance a business's everyday operations such as salary of staff, rent etc.), loan against property, etc. Fruit/vegetables sellers can contact their nearest bank branches to know more about the loans offered by the bank and choose the type of loans as per their requirement.
- **Microfinance:** The fruit and vegetable sellers can access loan from the microfinance institutions by forming a Joint Liability Group (JLG) or Self-Help Group (SHG) to start or upgrade their existing fruit/vegetable shop.
- **Pradhan Mantri Mudra Yojana:** The fruit and vegetable seller can avail Mudra loan under Micro Credit Scheme which offered mainly through Micro Finance Institutions, who deliver the credit up to 1 lakh, for various micro enterprise / small business activities. Although the model of delivery may be through SHGs/JLGs/ Individuals, the loans are given by the MFIs to individual entrepreneurs for specific income generating micro enterprise/ small business activities.

#### Activity: Financing my fruit and vegetable business

- The trainer will explain about various sources of financing a business.
- Each participant will make a rough calculation about how much money they want as loan to start/expand their business and how they will use that loan money.
- Each of them will present their calculations to the group.
- The trainer and participants will comment to each presentation.

### Session 7:

#### Strategies for maximizing sales

You may have noticed in your local vegetable or fruit market that there are many sellers of the same product, but some sell their stuff very efficiently with less time and some have to wait for the customers to come to their shop. Many among them are experienced in dealing with people. They know about the stuffs they are selling, they know how to talk with their customers. And the way they do it is very personalized. As a result of their well behavior and communication they create a good number of regular customers who helps in running business well. Apart from good behavior and communication skill there are some other factors which affect the sales in a business. These factors are broadly called 4Ps (Product, Price, Place and Promotion) of Marketing. Working on these 4Ps brings a business closer to its customers and helps in

improving sales of the product of the business. Let's revise what these 4Ps mean that we have learnt during the FEST and how we can use this concept in our fruit and vegetable selling business.

**Product:** Product is the good or service a business brings to its customers. A product should meet certain demands of the customers or it should create a demand among the customers, so that the customers think they need the product. Like making availability of wide range of seasonal fruit and vegetable that have high customer demand, some of the specific varieties of fruit/vegetables that used during festivals or some other occasions etc.

**Price:** How much money the customers will pay for a product? The answer to this question describes the second P of the 4Ps. While pricing a product we need to consider the following:

- How much should be the price of the item?
- In what price other nearby sellers are selling the item
- Is larger section of customer have ability to pay that price
- Are the quality and freshness of the product being good enough to charge a certain price because customer always wants to get best quality fruits and vegetables if they pay good price.
- Can older vegetables be sold at slightly low price in bulk to restaurants and food stalls

**Place:** Location is a key factor for any business. You need to select an area with high visibility and a fair amount of footfall. Fruit and vegetable are a daily grocery item in all households. Hence, locating the shop near a residential area would be advantageous for a fruit and vegetable seller. Here, the fruit and vegetable will decide where she will sell the product and how she will deliver the product to the decided place. The fruit/vegetable seller should consider:

- Accessibility of people to the place where shop located
- Considering local competitors who are running the similar shop
- Displaying the fruit/vegetables in such a way that a customer can easily access her preferred stuff or beautifully placing varieties fruit and vegetable in an order so, that customers are at ease in finding fruit and vegetable of their choice. There are many different ways to display produce and some may be highly effective. The most common practice is to place contrasting colors next to one another in order to create a contrast of different colored commodities, for example, red tomatoes next to green cucumbers, or violet and white brinjals. Another method includes mixing and matching products that are often sold together such as potatoes and onions, green chilies and coriander leaves.
- Innovative methods of selling fruit and vegetable can be adopted like providing home delivery services for regular clients, keeping cut vegetables apart from full ones and charging little extra for them or providing vegetable cutting and cleaning services facility etc.

**Promotion:** It includes advertising of the product and making good relation with people using effective communication skills. Here, the seller should:

- Show the people who will buy the product, why they need it and explain why people should pay a certain price for it.
- Pay full attention to the customers and listen them carefully using your soft skills. Help them in choosing best stuff in their basket.
- Give some discount in price to customer who are buying larger quantity.
- Advertise your product on the basis its quality, freshness, origin (local/organic), chemical free, etc.

### **Key soft skills for a fruit and vegetable sellers**

A soft skill is a personal quality that supports situational awareness and enhances an individual's ability to get a job done. It is often used as a synonym for people skills or emotional intelligence. Unlike technical

skills (also called as hard skills), by using which a person performs a specific task, soft skills are broadly applicable across all occupations. For example, a fruit and vegetable seller who may have an extensive knowledge of her market will find it difficult to close a deal with wholesalers and retain her customers if she lacks the soft skills of interpersonal skills and negotiation. Below is the list of some key soft skills by having which a fruit and vegetable seller can make her business profitable and sustainable.

**Communication:** As a soft skill, communication is not about multiple syllables or rousing speeches. Verbal communication includes both listening and speaking. Listening is the ability to correctly receive and understand messages during the process of communication. Without effective listening skills, messages can easily be misunderstood. This results in a communication breakdown and can lead to the sender and receiver of the message becoming frustrated or irritated. Listening is not the same as hearing. Hearing refers to sounds that one hears but listening deals with focusing on speaker's words, context, the way she used language and voice, and her body language. To listen your customer effectively:

- Stop talking
- Stop interrupting
- Focus completely on what customer is saying
- Nod and use encouraging words and gestures
- Think about the customer's perspective
- Be very patient
- Pay attention to the tone that is being used
- Pay attention to the customer's gestures, facial expressions and eye movements
- Not let the customer's mannerisms or habits irritate or distract you

Speaking effectively is another vital chain of communication process. An effective speaker is one who enunciates properly, pronounces words correctly, chooses the right words and speaks at the pace that is easily understandable. Besides this, the words spoken out loud need to match the gestures, tone and body language used. What you say, and the tone in which you say it, results in numerous perceptions being formed. A person who speaks hesitantly may be perceived as having low self-esteem or lacking in knowledge of the topic. Those with a quiet voice may be considered as shy. And those who speak in commanding tones with high levels of clarity, are usually considered to be extremely confident. To speak to customers effectively:

- Incorporate body language in your speech like eye contact, smiling, nodding, gesturing etc.
- Think before you speak
- Ensure that all your emotions and feelings are under control
- Use pleasant and natural tone when speaking. Your customer should not feel like you are being unnatural in any way.
- Be brief. Do not add any unnecessary information
- Speak clearly and politely so that a customer can easily understand what you are saying.
- Use magic words like 'Please', 'Thank you', 'You are welcome', 'Excuse me', 'I am sorry', etc. whenever required

**Leadership:** Leadership is a soft skill you can show even if you're not directly managing others or managing one or two employees. Leadership can be thought of as a collection of various other soft skills, such as a general positive attitude and outlook, the ability to communicate effectively, and an aptitude for both self-motivating and motivating others. Your leadership skill will decide the future of your business.

**Problem Solving:** Like any other profession a fruit and vegetable seller can also face problems in day to day business operation and having ability to solve these problems also considered as a soft skill. All problems contain two elements: goals and obstacles. The aim of problem solving is to recognize the obstacles and remove them in order to achieve the goals. Solving a problem requires a level of rational thinking. It does

not just require analytical, creative and critical skills, but a particular mindset: those who can approach a problem with a cool and balance head will often reach a solution more efficiently than those who cannot. Here are some logical steps to follow when faced with an issue:

- Identify the problem
- Analyze the problem in detail
- Think of all possible solution
- Select the solution. You may take opinion of your employees and friends if you think appropriate.
- Implement the chosen solution
- Check that the problem has really been solved

Some of the personal traits also play a big role in how effectively problems are solved. like-

- Being opened minded
- Being proactive
- Not panicking
- Having positive attitude
- Focusing on the right problem etc.

#### **Activity: My marketing strategies to maximize sales**

- The trainer will explain about various factors that effects the selling of products in a business by giving special focus to the soft skills.
- Each participant will make a list of ideas that they think increase their selling and attract customer to their fruit and vegetable shop.
- Each of them will present their strategies to the group.
- The trainer and participants will comment to the ideas presented by the participants.

### **Session 8:**

#### **Making a budget**

#### **Determining the startup cost for my fruit and vegetable shop**

#### **Activity: 'What are the things I need'?**

The participants will make a list of the things they need to start up their shops.

- The trainer will distribute a piece of paper to each participant.
- Each participant will make a list of the things that she needs to start up her fruit and vegetable shop.
- Each of them will present her list to the group.
- The trainer will add things needed if any more on the basis of the example given below.

Let's take an example of Meena. She wants to start a fruit and vegetable shop. She made a list of things she would need to start the fruit and vegetable shop, such as:

1. 1 room
2. 6 racks to put items
3. 10 fruit baskets
4. 1 table
5. 1 weighing scale
6. 1 big freezer
7. Electricity for lighting and freezer
8. Fruit and vegetable
9. A motor bike for home delivery
10. A sign board of her shop
11. Advertisement

#### **Activity: 'How much money I need for each of the things?'**

- The participants will put a price for each of the things in their lists.
- The participants should consider if they can find some of the things without spending any money or by spending less.

- Each participant will present their start-up cost to the group.
- The group will comment and conclude the point.

Meena put costs as follows:

1. 1 room- No cost. She agreed with her husband to use a room of her own house.
2. 6 racks to display fruit and vegetable- She got some used racks from her neighbor.
3. 10 bamboo baskets (She will purchase from local basket weavers)- Rs.600
4. 1 table- Rs.1,400
5. 1 weighing scale- Rs.1,500
6. 1 freezer to store most perishable fruit and vegetable- Rs.18,000
7. Electricity connection and electricity bill for month 1- Rs. 2000
8. Fruit and vegetable-Rs.5,000
9. 1 motor bike- She agreed with her husband to use his motor bike, only fuel and maintenance cost will be paid.
10. A sign board of her fruit and vegetable shop-Rs.1,500
11. Advertisement- No cost. She will visit families in the neighborhood and talk with people.

TOTAL-Rs.30,000

She will take a loan from the MFI of which she is a client.

### Estimating Fixed and Variable Monthly Expenses

Fixed Monthly expenses may include rent, utilities, phone bill for talking with wholesalers and customers, electricity charges, publicity, etc. Monthly variable costs may include commission on sales, production costs, raw materials, packaging and transport costs, etc.

#### Activity: 'My fixed and variable costs'

- The trainer will distribute a piece of paper to each participant. He will explain what fixed and what variable cost are for a fruit and vegetable shop, using Meena's example.
- The participants will make two columns and calculate fixed and variable cost for their businesses for a month.
- Two participants will present their calculations. The group will discuss their presentations, correct them if they have made any mistakes

Meena calculated her fixed and variable costs for the month of July as follows:

Fixed Costs	Rupees	Variable Costs	Rupees
Rent	0	Fruit	45,000 (@Rs 50/kg)
Electricity	1000	Vegetables	48,000 (@Rs 40/kg)
Repayment of loan	5000	Transport	9000
<b>Total</b>	<b>6000</b>	<b>Total</b>	<b>1,02,000</b>

So, Meena needed Rs.6,000 + Rs.1,02,000= **Rs.1,08,000** in the month of July to run her business.

### Estimating Monthly Sale of my fruit and vegetable shop

#### Activity: 'My monthly sale'

- Each participant will make a monthly sales estimation. She can take support from the other participant in her pair.
- This time two other participants will present their monthly sales estimation.

Lets' look at Meena's monthly sales. Here, Meena calculated how much money she will get by selling fruit and vegetable.

Items	Quantity of sales (Fresh item + old item)	Average Price per item in Rs. (Fresh item/old item)	Total selling price in Rs. (Fresh item + old item)
Fruit	840 kg (@28 kg/day) + 60 kg (@2 kg/day)	70 per kg/ 30 per kg	58,800 + 1800 = 60600
Vegetable	1050 kg (@35 kg/day) + 150 kg (@5 kg/day)	60 per kg/ 20 per kg	63,000 + 3000 = 69000
<b>Total</b>			<b>1,29,600</b>

### Activity: 'Putting everything together'

By putting the start-up cost, fixed and variable cost and monthly sales estimation together, we can make the budget.

- The trainer will distribute a copy of a six-month budget format to each participant. The participants will work in pairs or in trios.
- Each participant will put all her calculations into the format.

A six-month budget of Meena is as below:

Precondition	July	August	September	October	November	December
Sales estimated						

Month	July	August	September	October	November	December	Total
<b>Income</b>							
Sales income	1,29,600	1,30,000	1,32,000	101,000	1,30,000	1,29,000	7,51,000
Loan	30,000						30,000
<b>Total Income</b>	<b>1,59,000</b>	<b>1,30,000</b>	<b>1,32,000</b>	<b>101,000</b>	<b>1,30,000</b>	<b>1,29,000</b>	<b>7,81,000</b>
<b>Expenses</b>							
Total Investment	30,000						30,000
Fixed costs	6,000	6,000	6,000	6,000	6,000	6,000	36,000
Variable costs	1,02,000	1,02,000	1,02,000	1,02,000	1,02,000	1,02,000	6,12,000
<b>Total expenses</b>	<b>1,38,000</b>	<b>1,08,000</b>	<b>1,08,000</b>	<b>1,08,000</b>	<b>1,08,000</b>	<b>1,08,000</b>	<b>6,78,000</b>
<b>Balance</b>	21,000	22,000	24,000	-7,000	22,000	21,000	<b>1,03,000</b>
<b>Balance - carried forward</b>		43,000	67,000	60,000	82,000	<b>1,03,000</b>	

### Presenting the budget

- Each participant will present her budget.
- The group will discuss on the budget.
- The trainer will give his/her inputs and conclude the point.

## Session 9:

### Preparation for field visits

The purpose of the visit is to meet some fruit and vegetable shop owners and talk about their experiences of starting and running the shops. The participants will ask various questions to the shopkeepers such as what the investment was, why they decided to start fruit and vegetable shops, what they do to attract customers,

from where they buy things, how they decide sale price of different items, How much they are earning, what are the main challenges in running a fruit and vegetable, any advice for them, etc.

- The trainer will explain the purpose of the visit.
- The participants will prepare a role play in pairs. One participant will be the visitor and the other will be a shopkeeper. They will prepare matters like how they will introduce themselves to the shopkeepers and what they will ask.
- The participants will show their preparation through role plays.
- The trainer will suggest ways and questions.
- The participants will add or improve their questions as per the comments.
- The trainer will tell the participants about the program schedule for the next day's visit and ask them to get prepared themselves for that.

## DAY 3



### Session 10:

#### Visiting and talking with fruit and vegetable sellers

- The participants will visit individually or in pairs to shopkeepers and hear about their experiences on running the fruit and vegetable shop. They can ask some questions related to management of the fruit and vegetable shop like what precautions s/he takes to minimize wastage of fruit and vegetable from spoilage and how to deal with customers etc.
- During interaction, they will observe the setting of the shop and notice different things like; how various fruit and vegetable are organized in the shop, how the things are kept safe and handled comfortably.
- They will take down notes of the important things she learnt during their interaction.

#### Concluding the learning of the day

The participants will conclude the information gained from interactions with the shopkeepers during the field visit.

Each participant will:

- Present the learnings and own ideas to her colleagues.
- Make a writing on what she decides about own business; "starting and running a fruit and vegetable shop" on behalf of her learning.

## DAY 4

### Session 11:

#### Finding a place for starting my fruit and vegetable shop

It is important to find a right place for starting the shop to get more customers that help in earning a good income. If there is no opportunity for opening a fruit and vegetable shop at your home, try to find such a place, to where much people would come, children, women and old aged people would reach to purchase fruit and vegetable from the shop. It needs to look at own family condition and the budget. You can take suggestion from other members in the family.

- The participants will move around and meet different people. (they can visit individually or in pairs)

- While talking with people, they will note down some important things like location of the shop, its rent, other facilities, rent agreement papers etc. so that they can discuss on it later.
- On behalf of the interaction with the people, discussion in the family and previous information, each participant will decide, where she is going to open her fruit and vegetable shop and why she prefers that place.
- The participants will share ideas with each other and give suggestions.

### **Concluding the learning of the day**

The participants will conclude the information gained from interactions with people during the field visit. Each participant will:

- Present the learnings and ideas to her colleagues.
- Make a writing on what she decides about getting a place for opening the fruit and vegetable shop.

## **DAY 5**

### **Session 12:**

#### **Visiting and talking with local wholesalers**

One of the important aspects of running a fruit and vegetable shop is to decide how to get hold of the fresh fruit and vegetable to the best price. The shopkeepers can buy fruit and vegetable either from a local supplier or directly from wholesalers to get things in cheap prices. Some fruit and vegetable can be bought from local farmers. To get information about this, one needs to visit to the whole seller in the small town or nearby market to talk about these things.

- The participants will meet and talk with the fruit and vegetable whole seller in the small town or nearby market or farmers who grow fruit and vegetable in nearby area. (they can visit individually or in pairs).
- During meeting, they can discuss on the following things such as:  
What fruit and vegetable she can find, how much margin will she can get, is there credit system for purchasing fruit and vegetable for the shop, does he/she provide transport also, is the transport cost included with the cost of items or it is separate, what are the bestselling fruit and vegetable in the locality where she is planning to start her business, is it possible to return unsold items, and also talk about other conditions and facilities if any.
- The participants will write down notes of the important things they discussed so that, it can be discussed later.

### **Concluding the learning of the day**

The participants will conclude the information gained from interactions with wholesalers and farmers during the field visit.

Each participant will:

- Present the learnings and ideas to her colleagues.
- Make a writing on what she decides about choosing wholesalers and farmers from whom she will buy fruit and vegetable for the shop.



## DAY 6

### Session 13:

#### Visiting and talking to the people to know about their demands.

- The participants will meet different people in the locality where they are planning to sell fruit and vegetable. (they can visit individually or in pairs).
- During talking with people, they will collect information like, which fruit and vegetable people consume much, what are the items that are of high demand among the people, and which range of quality products they prefer much etc.
- The participants will write down in their note books, the name of the fruit and vegetable and some other important suggestions from the people so that, it can be discussed later.
- The participants will share their ideas with each other and give suggestions

#### Concluding the learning of the day

The participants will conclude the information gained from interacting with people during the field visit. Each participant will:

- Present the learnings and ideas to her colleagues.
- Make a writing on what she decided after talking with the people about the fruit and vegetable to keep in the shop for selling and how to attract the customers towards the shop.



## DAY 7

### Session 14:

#### Sharing the experience of field visit

- The participants will prepare for the conclusion and sharing of the 4-day field visit. (They can include if they have any case studies from the field; what are the challenges occurs in starting and running a fruit and vegetable shop, they can include successful stories of some of entrepreneurs they had met. They can also put some important points observed in the field or questions that came to their mind during the visit so that it can be discussed in the bigger group and get solution of that.)
- Each participant will share her individual experience of the field like challenges in running a fruit and vegetable shop and how to get solution to that, how they feel meeting with the successful businessmen and put before all if they have any queries or questions.
- The trainer and the participants together discuss about the solutions to the questions and learn from the stories of successful entrepreneurs.

#### What are the information I can use that is gained from the field visits

- The participants will discuss in pairs, on what are the information and learning from the field she can take use in starting and running her shop and how she is going to work on that.
- Each participant will present her ideas before the group.
- The trainer will conclude the discussion giving comments and feedbacks

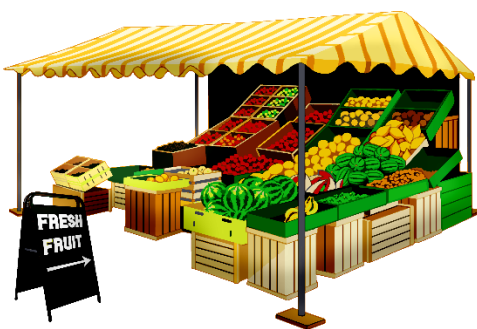
## Session 15:

### Making a business plan for my fruit and vegetable shop

The participants have already known and understand how to make a business plan for a small business during the FEST (Fundamental Entrepreneurship and Skill Training). Here they will make a business plan specifically for 'Starting and running a fruit and vegetable shop'.

#### Activity: 'My Business plan'

- The trainer will distribute a business plan format to each participant and explain the business plan of Meena given as example.
- Each participant will make her business plan. The participants can support each other.
- The participants will use all calculations they have made today.
- Each participant will present her business plan and others will take part in the discussion of the plans.
- The trainer will give his/her inputs and conclude the point.



Let's look at Meena's business plan:

BUSINESS PLAN		
1	Name of the business woman	Meena
2	Name and type of business	Meena Fruit and vegetable Store
3	Address	Near Private bus stand, Balangir, Odisha
4	Sales... (A) per month	Rs.1,35,000
5	Other expenses.... (B) per month Other than fixed expenses like rent, electricity bill, etc.	Rs.1,02,000
6	Sales minus other expenses..... (A-B)	Rs.33,000
7	Fixed cost..... (D) per month	Rs.2,500
8	Profit..... (A-B-D) per month	Rs.30,500
9	Loan required	Rs.30,000
10	Interest expenses..... (E) per month	Rs.1500
11	Profit after Interest.... (Profit-E) per month	Rs.29,000

#### Deciding selling price of things

Deciding selling price means to work out how much you have to charge for the product you sell to cover all costs and make a profit for yourself. Each shopkeeper needs to know how much she has paid for each item that is bought for sell and must calculate her total costs very carefully.

### Activity: 'How much I paid for 1 item, and how much I should cost to sell it?'

- The trainer will distribute a piece of paper to each participant and give each of them the following exercise.

#### Exercise:

- Banana 10 dozen cost Rs.300. How much you paid for 1 dozen?
  - You paid Rs.800 for 1 bag (50 kg) of potato. How much you paid for 1 kg.
  - 15 bundles of Palak cost Rs.300. How much you paid for 1 bundle of Palak?
  - For taking all the above these things from wholesaler's store to your shop you spent Rs.60 for transport. How much you add to in selling price of each item.
- Each participant will calculate how much she paid per item or per kg/bundle/dozen using the exercise.
  - Each participant will divide the transport cost with every good.
  - The participants will take support from others to do this exercise. The trainer will also help the participants.

#### Remember:

- You should always try to charge LESS than the other shops near you, so that people will buy from you instead of buying from other shops.**
- Always charge MORE than you bought your goods for plus your other expenses, for example transport.**

Let's look at Meena's costing sheet:

Products' name	Purchasing Cost					Selling price per kg / item		
	Quantity/ number of items	Cost	Price per kg	Transport	Total	Item price	Margin	Sell price
Potato	1 bag (50 kg)	Rs.800	Rs.16	Rs.2	Rs.18	Rs.18	Rs.2	Rs.20
Banana	10 dozen	Rs.300	Rs.30	Rs.2	Rs.32	Rs.32	Rs.8	Rs.40
Apple	2 boxes (30 kg)	Rs.1500	Rs.50	Rs.2	Rs.52	Rs.52	Rs.18	Rs.70
Brinjal	1 bag (20 kg)	Rs.400	Rs.20	Rs.2	Rs.22	Rs.22	Rs.8	Rs.30

### Session 16:

#### Keeping track of my money

It is very important for a fruit and vegetable shop owner to be able to calculate if she is earning a profit or losing money. When she knows the facts, she can plan for making changes that will help her to stay in business. Let's look at the two situations through stories!

#### Story 1:

*"Radhika, from Khampada, Patnagarh, Odisha, was staying with her husband and five other family members, started a fruit and vegetable shop. The business took off as the single shop in her village. She was keeping records of customers buying things on credit, but not keeping records of things she was using in her own house. This created a problem in her cash flow. She could not know how much she is making profit and if her business is going well. She could not manage her economy and after sometimes, she had to close the shop."*

#### Story 2:

*"Sarita, another woman, had a fruit and vegetable shop. She was also making good business. Day-by-day her selling was increasing. She had a big family of 10 members. She had a good habit of taking notes of sold things, things sold on credit and maintaining stock every day. She was also writing how much things she used in her family every day. This was giving a good picture of her business all the time. She continued to run her fruit and vegetable shop successfully for a long time."*

- The participants will read one story each in two groups.
- Each group will discuss the following: What happened in the above case study? Is this the right way to manage a fruit and vegetable shop? Will it lead to profit or loss? Can you suggest any changes?
- Each group will present their discussions on each of the questions and the whole group will discuss.
- The trainer will conclude the point by giving examples of good business practices with this list: Keeping daily records, keeping money safe, avoid giving credit as much as possible, collecting long standing debts, routinely look at the expenses and income, etc.

So, let us learn how to keep track of the money we earn. To monitor a business, the following steps can help:

- Calculating how much money is received in the week.
- Calculating what is paid for stock or materials.
- Calculating what is paid for running expenses.
- Calculating what is owed from customers as credit.
- Calculating what is owed to the wholesaler.
- Calculating how much money is left by the end of the week.
- Deciding how to use the money.

A good method is to monitor the business economy **every week**, so that it becomes clear if the business is making money or losing money.

Let's learn all the steps mentioned above one by one!

Let's understand all the steps through the example of Sarita!

Example statement:

Sarita lives in a village in Madhya Pradesh. She has a fruit and vegetable shop in her own house. She sells different varieties of fruit and vegetable that people need on a daily basis. She buys most fruit and vegetable from a nearby town 12 km away from her village and some she buy from local farmers.

### Calculating how much money is received in the week

#### Activity: 'How much money I received in the last week?'

- The trainer will explain how to calculate income of a week by giving example of Meena's calculation.
- The participants will imagine and calculate their income day-by-day for a week and then add all incomes to get their weekly calculations. Each participant will practice this individually.
- Each participant will present what she has done.

Meena's Record keeping (sample)

Monday		Tuesday	Wednesday		Thursday		Friday		Saturday		Sunday	
Item	Price Rs		Item	Price Rs	Item	Price Rs	Item	Price Rs	Item	Price Rs	Item	Price Rs
onion 2 kg	44	Shop was closed	Cabbage 4 kg	80	Beans 1kg	25	Orange 2 kg	88	Okra 2 kg	60	Carrot 1 kg	25
cabbage 3kg	60				Lemon 1 kg	20	Apple 2 kg	120			cabbage 2 kg	40
papaya 2 pieces	30										tomato 3 kg	60
<b>Total</b>	<b>134</b>	<b>0</b>		<b>80</b>		<b>45</b>		<b>208</b>		<b>60</b>		<b>125</b>
<b>Receipts total in the week</b>			Rs.134+Rs.80+Rs.45+Rs.208+Rs.60+Rs.125 = Rs.652									

## Calculating what is paid for stock or materials

To calculate the payments, we need to calculate what is **paid for stock or materials** and what is **paid for other running expenses**.

Payments in a week = Payments for stock or materials + Payments for other running expenses

Let's understand this by taking an example.

### Payments for stock or materials

Date	Item bought	Quantity	Price in Rs.	Cost per kg (Rs.)
18/07/2019	Potato	25 kg	400	16
20/07/2019	Banana	10 dozen	300	30
	Coriander leaves	1 kg	50	50
Total Payments for stock or materials = Rs.800 +Rs.300+Rs.50 = Rs.750				

### Payments made for running expenses

Date	Expense	Price in Rs.
20/07/2019	Transport by bus	80
22/07/2019	Repaired freezer what she uses in her shop	200
Total Payments for running expenses = Rs.80 + Rs.200 = Rs.280		

So, the total Payments of the last week = Rs.750 +Rs.280 = Rs.1030

### Activity: 'My Payments-What I have paid last week?'

- The trainer will explain how to calculate payments of a week by giving the above examples.
- The trainer will distribute the suggested format.
- Each participant will imagine and practice for her own situation.
- Each of the participants will present her calculations.
- The group will discuss the presentations.

You can use a cash book for putting your receipts and payments. Inner pages of a cash book look like this:

DATE	DESCRIPTION	Income	Expenses	Balance
JAN 16	Opening Balance			0-00
01/04	Funds introduced	200-00		200-00
01/10	Stationery		45-00	155-00
01/20	Stock Purchases		140-00	15-00
01/21	Bank Charges		5-00	10-00
	Closing Balance			10-00
FEB 16	Opening Balance			10-00
02/05	Sales	50-00		60-00
02/09	Gas		25-00	35-00
02/15	Packaging		40-00	(5-00)
02/24	Drawings		20-00	(25-00)
	Closing Balance			(25-00)
MAR 16	Opening Balance			(25-00)
03/02	Funds Introduced	25-00		0-00
03/12	Sales	100-00		100-00
03/15	Advertising		70-00	70-00
03/22	Gas		25-00	45-00
03/21	Bank Charges		10-00	35-00

## Calculating what is owed from customers as credit and what is owed to the Wholesaler

### Activity: What is owed from customers?

For a small business, it is not good to sell things on credit. If any case you have to give credit, then you should agree with the customer on a date when he will pay the bill. The credit sales can be written in another notebook.

The format can be:

Name of the customer	Item bought	Date	Price in Rs.	Agreed date of payment
Bharat Singh	1 kg apple	11/07/2019	70	27/07/2019
Madhu	2 dozen banana	11/07/2019	80	18/07/2019

### Activity: What I owe to the wholesaler?

Here you will write, what you have bought for your stock or materials from the whole seller on credit. The format can be:

Name of the whole seller	Date	Item bought	Quantity	Price in Rs.	Agreed date of repayment
Babulal	12/07/2019	Orange	2 boxes	1800	17/07/2019
Mahesh	12/07/2019	Potato	1 bag	800	23/07/2019

These two figures will not come in the weekly calculation. It will enter to the 'Receipts' when the customer will really pay the dues and to the 'Payments' when you will pay to the whole seller.

- The trainer will explain how to keep records of the things a shopkeeper sold on credits and how to write what the shopkeeper owes to the wholesalers from where she bought things on credit.

### Calculating how much money is left by the end of the week

By putting the 'income' and 'Payments' together we can find out how much money we have at the end of the week.

**Money left with me this week = Total income – Total Payments**

Total income = Cash left from the last week + income from this week

Total Payments = Payments for stock or materials + Payments for running expenses

Let's calculate it through an activity, 'I have...'

**'I have....'**

If the cash left from the last week is Rs.132, then

**Total income** will be:

Cash left from the last week	Rs.850
Receipts from this week	Rs.652
<b>Total Receipts</b>	<b>Rs.1502</b>

**Total Payments** will be:

Payments for stock or materials	Rs.750
Payments for running expenses	Rs.280
<b>Total Payments</b>	<b>Rs.1030</b>

So, Money left with me this week

Total Receipts	Rs.1502
Total Payments	Rs.1030
<b>Total Receipts-Total Payments</b>	<b>Rs. 472</b>

### Activity: 'I have....'

- The trainer will explain it through the above example.
- The trainer will distribute the formats to each participant to use for the calculations.
- The participants imagine and calculate their own individually.

- Each participant will present her calculations to the group.

### **Deciding how to use the money**

Now, we have the money left with us at the end of the week. To decide what to do with the money, we need to consider the following:

- How much money is needed to be saved for monthly expenses like rent, electricity, etc.?
- How much money is needed to buy materials for next week?
- How much money is needed for running expenses?
- How much money is needed to be saved for later use?
- How much money can be used for myself and my family?

### **Activity:**

- The trainer will explain how to decide the use of surplus money by using the above questions.
- The participants will discuss the above questions in pairs: Is it the right thing to do and why?

### **Session 17:**

#### **Harmful practices of keeping fruits and vegetable fresh and shiny**

It is continuous buzz in media that many fruit and vegetable vendors practice some dangerous tricks to make their stuff attractive and keep them fresh for a longer period. For example, they coat silicon and wax to slow down the ripening process or stop rotting of fruits and vegetables. Chemical dyes like malachite green which normally used in textile industries is being used in green vegetables like Ridge gourd, lady fingers, pointed gourds, beans etc. to give a fresh look. Chemicals like calcium carbide / ethephon and oxytocin are reportedly being used in fruit and vegetable mandis / farms for artificial ripening of fruits and for increasing the size of fruits and vegetables respectively. Calcium carbide more commonly known as 'masala' among fruits vendor is a cancer-causing agent and banned under Prevention of Food Adulteration Rules in India. Oxytocin is a mammalian hormone, used as a drug in veterinary services which is not advised for use in fresh fruits and vegetables. All these chemicals used to dye fruits and vegetables has serious impact on human health.

The participants should keep themselves away from these kinds of illegal and unethical practices. There are provision of rigorous punishment and penalty under Food Safety and Standard Rules against the person who carryout adulteration in food materials. Customer will lose their trust on the vendor who practice this kind of things and It can ruin the whole business. The fruit and vegetable vendor can take some precautions to avoid hassle and to sustain their business:

- Check samples of fruits and vegetables thoroughly while purchasing
- Try to select fruits and vegetables without spots or lesions and any abnormality.
- Avoid purchasing stuff from the sellers whom you think are practicing illegal tricks
- Take some home sample test if you are in doubt like to test presence of malachite green in green vegetables take a piece of cotton socked in liquid paraffin (it can easily available in chemist shop) and rub the outer surface of vegetable. If the cotton turns green than the vegetable is adulterate with malachite green.

### **Activity: 'I will not practice any harmful activities in my business'**

- The trainer will explain the issue of adulteration in fruits and vegetables.
- The participants will discuss in pairs about the unethical and harmful practices done by fruits and vegetable vendors and why to avoid these practices in their own business.
- The participants will present their conclusion of the discussion and assure others to keep themselves away from these ill practices.

## Session 18:

### Concluding the training

- The trainer will ask and encourage the participants to share their experiences and learnings from the 7-day training program.
- The participants will share their experiences from the 7-day training and how they will use it in starting and running their fruit and vegetable businesses.
- The trainer will conclude the training by giving thanks and good wishes for a successful business.

### Materials required for the training

- Pictures of fruit and vegetable shops
- A board and chalk
- A writing pad and pen for each participant to be used throughout the training. They will use it during the preparations for field visit and during the interaction with the people in the field.

