

Table of Contents

1. Chairman Desk
2. Letter of CEO
3. Virudhunagar District at a Glance
4. Our Resource Institution
5. Overview of the Company
6. Board of Directors
7. Team
8. Advisory and Support Committee
9. Briefing farmers mobilization and categorizations

- 10. Service Offered**
 - a. Agriculture Demonstration
 - b. Farm Service with Finance
 - c. Livelihood Promotion
 - d. Direct Procurement from Gate
 - e. Value addition with Branding
 - f. SCM & VCM Management
 - g. Training and Capacity Building

- 11. Infrastructure creation**
 - a. Centre for Millet Processing UNIT (NADP-16-17)
 - b. Centre for Millets, Pulses, and Oil Extraction UNIT (MSDA-17-18)
 - c. “Sub-Mission for Seed and Planting Material (NMAET)

- 12. Products & processing Certifications**
 - a. Free Pesticide
 - b. PGS Organic Indian Certification
 - c. FSSAI
 - d. ISO:22000:2005

13. Promotional Activities

- a. Participating State and National level Trade fair
- b. Opened Distribution Channel
- c. Developing Bio Control Agent

14. Resource Centre

- a. Govt Department
- b. Exposure from Other FPOs
- c. Funding Agencies
- d. Reputed NGOs

15. Case Studies

- a. Farm Finance (No.s2)
- b. Livestock - Cattle and Goat(No.s2)
- c. Poultry (Nos.2) Vadamalaikurichi
- d. Value addition (No.s.1) (Sivakumar Thathampatty)

16. Our Collaborators

- a. Institutional Partner
 - i. APEDA
 - ii. CII
 - iii. Govt agencies
- b. Financial Partners and Bankers
 - i. Syndicate Bank
 - ii. Bank of Baroda
 - iii. Sounth Indian Bank
 - iv. SAMUNNATI
 - v. Ananya Finance

17. Audit Report 2018-19

Letter of the chairman of the board

I am proud of blood as a farmer, and I am feeling very satisfied that the peasants are the leaders in the company and the farmers are integrated themselves to improve the rural form of economy for their better livelihood.



It is possible that the merger of the merchandise to the consumer directly from the farmers to sell the goods that were harvested from the fields.

This collective effort of farmers has been saved with a value of several crores of grains. We feel a little bit hard to say on the side of the many benefits of this collective effort of the farmers at once.

And we are confident that this is a good effort to win more and more successful farmers and the need for consumer support.

I am satisfied with the fact that the farmers' production plant will work for their customers and people anytime.

As far as the farmers are concerned, the role of employees is to remind me of my sincere congratulations to organizers and farmers.

Regards

A handwritten signature in black ink, appearing to read 'R. Srinivasan'.

**R. Srinivasan
Chairman of the Board**

Letter of the Chief Executive Officer

To all my beloved employees

All employees working in the farmers' company prefer to walk the culture of the traditional farming family of Tamil Nadu.

This clear traditional knowledge of employees is the company culture and it is very respectable. A farmer who cares about his work with full commitment to the agricultural work, as well as the employees of the company who have followed the same culture and work with complete commitment.



This commitment is not only to teach them the most modern technologies but also to use technology to further improve the company.

Employees work in the company directly feel their job impact and thus make them always true to their duties.

The company, which started in their small investment, has been actively engaged in the widespread cultivation of small and marginal farmers in Virudhunagar district and now has over 1500 farmers and 21 graduate staff.

I am proud to be the CEO of the company in announcing that the company's value has now risen to 10.38 crores by this year's Report.

The company is looking forward to the Board of Directors only with the progressive plans of farmers.

Regards

K.Rajendran
Chief Executive Officer

Strategic Reports

Highlights

A strong underlying performance

Viruthai Millets Farmer Producer Company Limited delivered a solid operational and financial performance during the year ended 31 March 2019 as follows:

- Dedicated marketing partnership with the Department of Agricultural Marketing, Tamil Nadu providing various trade fair leads and department of Agriculture Extension, Virudunagar providing a complementary extension in crop technology transfer.
- The accomplishment of acquisition of farm produce from farmers and value addition business of millets, pulses, oil seeds, spices and country sugars in the areas of Tamil Nadu in 2018 - 2019 VMFPCL has a monetary turnover of 10.38 cr.

Operating Highlights

Enabling the network of farmers' community organisations namely Farmers' Interest Groups (FIG) and Farmer Producer Organisation (FPO) towards increased productivity, market hold and sustainability is the key strategy of the company.

Promotional Highlights

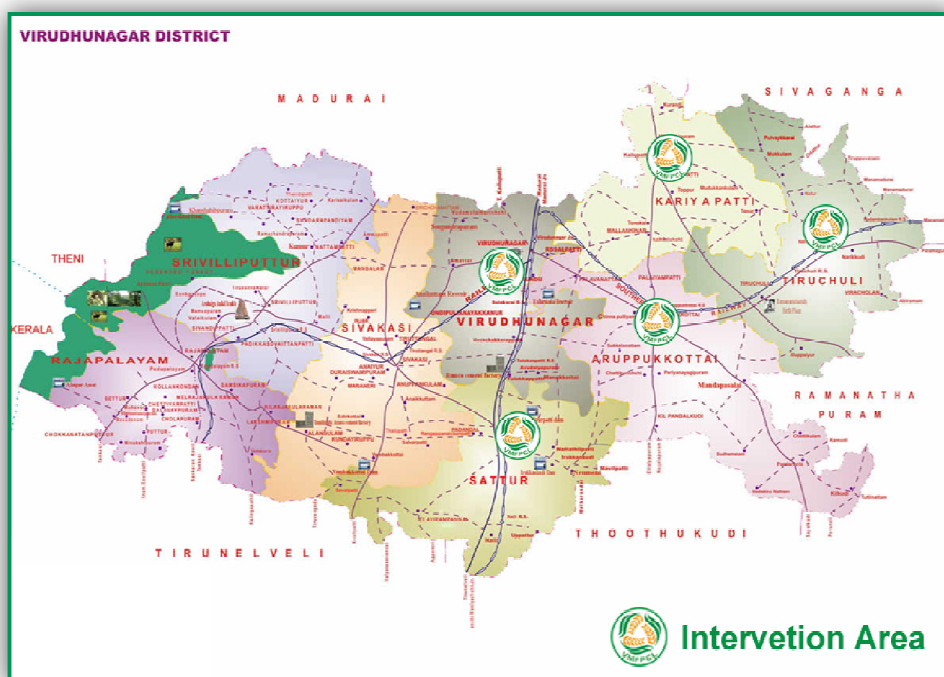
The Brand "Tamil Nadu Organic Products" launched and VMFPCL opened its breakfast on the retail market.

***"Making organic products affordable - the slogan of the brand
Tamil Nadu Organic Products"***

VMFPCL at a glance

Viruthai Millets Farmer Producer Company Ltd. (VMFPCL) is a farmer community organization focused on providing specialist agricultural Services, value addition, and marketing of millets. The company has leading market positions in Tamil Nadu, Bangalore and Hyderabad and its corporate office headquartered at Virudhunagar, Tamil Nadu. VMFPCL is registered concern as per the Indian Company Act 2013 and its Reg. No: U01409TN2016PTC110856. This is being Resource Institution by SEEDS (Social Education Economic Development Society) and funded by TNSFAC (Tamil Nadu Small Farmers Agri. consortium).

- 1500**
Farmer members
- 21**
Employees
- 3**
Input and processing facilities
- 45**
Distribution points



Our Evolution

2016	2017	2018	2019
VMFPCL is formed as a farmer producer company on 10 Jun 2016 under companies act 1956	the first event held at the district level, issuing certificate to 1000 farmers	As of March '2018 mobilized share capital of Rs.12.00 lakhs	Entered into the retail supply chain and launched the brand "Tamil Nadu Organic Products"
403 share holders	1040 share holders	1300 share holders	1500 share holders

Strategic Reports
Strategy in action

Expanding Marketing

Through farmer interested group promotion aggregation of farm produce and value addition makes marketing profitable.



Transferring Knowledge

Empowering farmer livelihood through knowledge transfer

Strengthening Sustainability

As a farmer community organization value addition and utilization of available local resources



Virudhunagar District at a Glance

In the year 1985 as a result of trifurcating Ramanathapuram district of Tamilnadu state, a new district Virudhunagar was established with eight taluks viz. Rajapalayam, Srivilliputtur, Virudhunagar, Tiruchuli, Kariapatti, Aruppukkottai, Sattur, Sivakasi and eleven Community Development Blocks.

Virudhunagar District is located in the southern part of Tamil Nadu with a total geographic area of 4432.55 Sq. km. It is subject to the boundaries of Madurai and Sivagangai district in the north, Sivagangai district on the east, Ramanathapuram, Thoothukudi and Tirunelveli districts on the south and on the west by a portion of Kerala State and some parts by the district of Madurai. The administrative headquarters is located at Virudhunagar town.

Physiographically it consists of two distinct regions. The eastern slopes of the Western Ghats in Srivilliputtur and Rajapalayamtaluks and the black soil plains of Sivakasi, Virudhunagar, Sattur, Aruppukkottai, Tiruchuli, and Kariapatti. The average height of the hills of the eastern slopes of the Western Ghats is 1500m, though a few peaks rise to The extent of 1700m. The highest peaks are PeyimalaiMottai and Kottamalai. The foothills have rich loamy soil with good vegetation cover. The plains with black cotton soil (locally known as karisal) have underlying calcareous formations.

Agriculture is the main sustenance to 52% of the working population in Virudhunagar district. When considering agriculture, the soil is one of the most important non-renewable resources on the earth's surface. The major soils of Tamil Nadu are Red soil (62%), Black Soil (12%), Laterite soil (3%) and coastal soil (7%). According to the soil classification, Virudhunagar comprised of mostly red loam and black soils and the most predominant soil types found in the district are Loamy, Clayey, alluvial, sandy loam, and sandy clay.

When looking at the agricultural climate zone, Virudhunagar district is situated in the Southern Agro climatic zone where the minimum temperature prevailing is 23°C and the maximum temperature is 43°C.

While considering the Rain Fall pattern of Virudhunagar district most of the farming systems are rain fed agriculture only and moreover, some parts of the farmers are also using open as well as bore wells in a minor.

Season	Rain fall (mm)
Winter	: 20.00
Summer	: 190.70
South West monsoon	: 120.24
North East Monsoon	: 481.00
Grand Total	: 811.94

Major Crops :

Agriculture and horticulture crops cultivation accounts for 37% of the total geographic area. Agricultural crops like Cotton, pulses, oilseeds, and millets, which do not require much irrigation, are the main crops grown. Paddy and sugarcane are grown where a tank or well irrigation is available.

Horticulture crops cultivated in this district are fruit crops like mango, banana, guava and jack, aonla and sapota, vegetables like tomato, brinjal, chillies, and onion and spices like coriander.

Major crops, season and irrigation source of Virudhunagar district

Crops	Season	Source of Irrigation
Black Gram - irrigated	February	Tank /well
Black Gram - Rain fed	September - mid October	Rain
Green Gram - Irrigated	February	Tank /well
Green Gram - Rain fed	September - mid October	Rain
Cowpea - Irrigated	February/March.	Tank /well

Cowpea - Rain fed	June/July & September/October	Rain
Lablab - Rainfed	June / July	Rain
Cumbu - Irrigated	February/March.	Tank /well
Cumbu - Rain fed	September - November	Rain
Sorghum - Irrigated	February/March	Tank /well
Sorghum - Rain fed	August/September	Rain
Ragi - Rain fed.	September - mid October	Rain
Small Millets like Thinai, Samai, and Kuthraivali - Rain fed	September - October	Rain
Small millets like Varagu	July	Rain
Maize	September - mid October	Rain
Sunflower	November	Rain
Groundnut - Irrigated	April/May	Tank /Well
Groundnut - Rain fed	June/July & September/October	Rain
Gingelly - Irrigated	February/March	Tank /Well
Gingelly - Rain fed	June/July & February/March	Rain
Cotton - Irrigated	February/March	Tank /Well
Cotton - Rain fed	September/October	Rain
Chilli - Irrigated	September - November	Tank /Well
Chilli - Rain fed	September - November	Rain
Paddy - Irrigated	September - October	Tank
Paddy - Rain fed	August - September	Rain
Sugarcane	June/July (main) December/January February/March; April/May	Tank

Demography

According to the 2011 census, Virudhunagar district had a population of 1,942,288, up from 1,751,301 in 2001, or about an 11% increase. The sex-ratio was 1,007 females for every 1,000 males, much above the national average of 929, but down from 1,012 in 2001. A total of 197,134 were under the age of six, constituting 100,827 males and 96,307 females. Scheduled Castes and

Scheduled Tribes accounted for 20.59% and 12% of the population respectively. The average literacy of the district was 72.02%, compared to the national average of 72.99%. The district had a total of 537,748 households. There were a total of 950,158 workers, comprising 52,361 cultivators, 168,174 main agricultural labourers, 30,292 in house hold industries, 603,239 other workers, 96,092 marginal workers, 4,792 marginal cultivators, 40,528 marginal agricultural labourers, 5,006 marginal workers in household industries and 45,766 other marginal workers.

Out of the total Virudhunagar population for 2011 census, 50.47 percent lives in urban regions of district. In total 980,226 people lives in urban areas of which males are 487,349 and females are 492,877. Sex Ratio in urban region of Virudhunagar district is 1011 as per 2011 census data. Similarly, the child sex ratio in Virudhunagar district was 960 in the 2011 census. Child population (0-6) in urban region was 95,884 of which males and females were 48,920 and 46,964. This child population figure of Virudhunagar district is 10.04 % of the total urban population. Average literacy rate in Virudhunagar district as per census 2011 is 84.31 % of which males and females are 90.47 % and 78.25 % literates respectively. In actual number 745,569 people are literate in urban region of which males and females are 396,639 and 348,930 respectively.

As per 2011 census, 49.53 % population of Virudhunagar districts lives in rural areas of villages. The total Virudhunagar district population living in rural areas is 962,062 of which males and females are 480,360 and 481,702 respectively. In rural areas of Virudhunagar district, sex ratio is 1003 females per 1000 males. If child sex ratio data of Virudhunagar district is considered, the figure is 951 girls per 1000 boys. Child population in the age 0-6 is 101,250 in rural areas of which males were 51,907 and females were 49,343. The child population comprises 10.81 % of the total rural population of Virudhunagar district. The literacy rate in rural areas of Virudhunagar district is 75.88 % as per census data 2011. Gender wise, male and female literacy stood at 84.90 and 66.95 percent respectively. In total, 653,219 people were literate of which males and females were 363,736 and 289,483 respectively.

Our Resource Institute

Social Education Economical Development Society (SEEDS) is a non-profit organization voluntarily involved in rural development activities with the help of like-minded individuals since the year 1995 under the Tamil Nadu Societies Registration Act 27 of 1975.



- The mandate of the organization is to enable marginalized and disadvantaged rural women and farmers to achieve their socio-economic development through a process of organization and participation. In pursuant to this end, SEEDS has been reached out to more

than 60,000 families in hundreds of villages in Karur, Theni, Madurai, Virudhunagar, Ramanathapuram, Thoothukudi, Kanyakumari and Thirupur districts of Tamil Nadu. They are implementing many numbers of socio-economic programmes, with the Funding supports.

- Agencies of the state and central Governments and Foreign Funding Agencies including other Nationalized and commercial banks.
- Credit linkage and working capital support from the bank and financial institutions.
- Supporting to receive a subsidy scheme under the Business expansion of existing FPO.
- Fund raising guidance and support.

Sustainable Activities

- Sustainable Agriculture and Livelihood Promotion
- Watershed Development Program
- Promotion of Farmers Producer Organisation (FPO)

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

Overview of the company

Vision Statement

To build a prosperous and sustainable agriculture sector by promoting and supporting member/shareholders to enhance productivity through **Good Agriculture Practice (GAP)** and realize their returns for their produces through **Aggregate Marketing** network supported by Government of India/State Government, Research Agencies, civil society, financial institutions, and other private sector industries.

Strategies are built on the principles of social enterprise models in order to achieve very high social, economic and environmental impacts.

Mission

- To promote economically viable, democratic and self-governing **Viruthai Millets Farmer Producer Company Ltd.**
- To provide support for the promotion and resources-policy action, inputs, technical knowledge, financial resources and infrastructure to FIGs and strengthen the FPCL.
- To remove hurdles in enabling FIGs members to access the markets both as buyers and sellers.
- To provide technology on the value addition process for FIGs members produce.
- To create infrastructures for value addition of focused crops and subsidiary industries for their livelihood sustainability.

To create an enabling policy environment or investments in FPCL to leverage their collective Production and marketing power.

Goal: To promote Farmer's producer's organisation for organizing, orienting, sensitizing the farming community for improved their agriculture production, value addition, and marketing for their sustainable livelihood and socio economic development

Objectives :

- To organise small hold producers into FPOs.
- To build their capacity and skills to undertake scientific agriculture production.
- To involve the small holder producers in value added agriculture activities.

- To facilitate the small holder producers for reaching viable local, state level, national level, and export markets to get fair prices for their products.
- To reduce the interference of middlemen and commission agents in pricing, marketing and value addition.
- To tap or channelize the convergence schemes and subsidies provided by various government line departments, banks, and financial institutions.
- To empower the small holder producers for more control over the production resources and managing the support systems.
- To motivate the small holder producers to mitigate and overcome the disaster risks

Strategies :

Promoting and strengthening farmers' community organisations: Organising rainfed millet farmers in the identified blocks and villages, setting up institutional systems in the farmers' organisations, strategic plan development, building capacity of leaders of the community organisations, etc. would be focused.

Value chain analysis and business planning: Value chain and market assessments, enterprise identification, screening and selection, business plan development, orientation and implementation, review and update of business plans.

Quality and timely supply of farm inputs: Gaps in access, availability, and affordability of farm inputs such as seed, manure, and fertilisers would be identified and appropriate strategies would be worked out to address the gap. It will be ensured that the farmers receive quality inputs in appropriate timings of the farming cycle.

Enhancing the technical capacity of the farmers: Agriculture related (seed to post-harvest), finance management, human resource management, statutory compliances, product, and market development.

Promoting linkages with mainstream institutions: Facilitating linkages with key stakes such as formal financial institutions, govt. line departments, markets, corporate, etc.

Crops which we are dealing

Indian barnyard millet (Kuthiraivali) - *Echinochloafrumentacea*



It is a species of *Echinochloa*. This millet is widely grown as a cereal in Virudhngar. It can withstand harsh and fragile environments, with minimal use of agricultural inputs. Due to its remarkable ability to withstand erratic rainfall and varying weather conditions, it is a regular crop and forms the main stay of agricultural diet

and cultural system of people in this region.

Food value of Barnyard millet, appropriate food for patients intolerant to gluten causing celiac disease or other forms of allergies/intolerance of wheat, they are appropriate foods for such patients. Grains of the crop is very nutritious. Its grain contains 11.2g/100g Proteins, 10.1g/100g crude fibre, 4.4g/100g minerals, and 15.2mg/100g iron.

Foxtail millet (Thinai) - *Setaria italica* (L.) is a member of the subfamily Panicoideae. It is an important ancient crop of dry land agriculture, a crop having a history of more than 10,500 years ago in human culture. Foxtail millet is an erect annual grass, fast-growing, leafy and tufted, 90-220 cm high. It has a dense root system of thin adventitious roots.



The kernels are enclosed in thin outer glumes, which are removed during threshing. The color of the caryopses can be white, red, yellow, brown, or even black. It is also cultivated as a fodder plant. Foxtail millet provides valuable hay and silage. The stover and straw is an important fodder in China, and can also be used for thatching and bedding. Foxtail millet is a fast-growing summer annual and crop duration varies from 60 to 120 days. It is very adaptive and can be cultivated where annual rainfall ranges from 300-400 mm annual rainfall. Foxtail millet has a high level of tolerance to salt water.

The food value of foxtail millet - gives an essential amount of vitamins and minerals. contains Calories 351, Protein 11.2g, Carbohydrate 63.2g, Fiber 6.7g, And also Isoleucine, Leucine, Tryptophan, Threonine, Lysine, Iron, Thiamin, Niacin, Lipid Fat, Riboflavin, Calcium, etc.

Foxtail millets can help to build up a strong resistance against heart diseases and cancers. The unique **benefit of foxtail millets** helps you in eliminating viruses and germs in our bodies. A gluten-free diet is naturally good for health, since it improves digestion, increases energy levels and helps in alter the cholesterol levels. Gluten free undoubtedly eliminate unhealthy food that is loaded with fat, glucose and fatty acids.

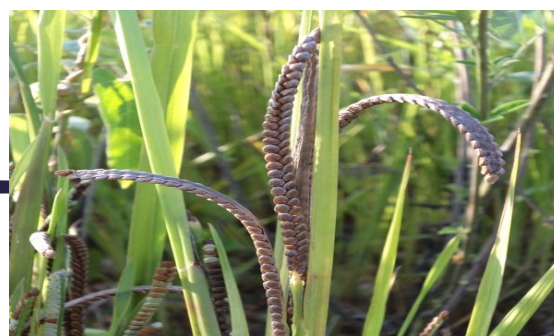
Proso millet (panivaragu) - Panicum miliaceum L. a warm season grass with a



growing period of 60-100 days. A highly nutritious cereal grain used for human consumption, bird seed, and even also for ethanol production. Characteristics, such as drought and heat tolerance, make proso millet a promising alternative cash crop for the Virudhunagar district rain fed farmers.

Proso millet is compatible with low-input agriculture, cultivation on marginal soils for production. The demand for more diverse and healthier cereal-based foods is increasing, particularly in wealthy countries. This could create new markets for proso millet products in human nutrition. Protein content in proso millet grains is comparable with that of wheat, but the share of essential amino acids (leucine, isoleucine, and methionine) is substantially higher in proso millet. In addition, health-promoting phenolic compounds contained in the grains are readily bioaccessible and their high calcium content favour bone strengthening and dental health.

Kodo millet (Varagu) - Paspalum scrobiculatum is a loosely tufted, shallow rooting grass that can reach a height of 30 - 90cm depending upon the variety. It is



cultivated as a minor cereal crop in the tropics such as Virudhunagar. It tolerates a wide range of soils, from fertile clay loams to sandy loams, but prefers a light, moderately fertile, porous soil in full sun. As a grain crop, the seed can be harvested after 120 - 180 days. It can be used like rice, boiled or parched and ground into flour contains. Protein, fiber, and mineral content are much higher than the major cereals like rice. Having health benefits of anti-diabetic, antioxidant and anti-microbial activity, anti-obesity, anti-cholesterol, and anti-hypertension help in weight management and cholesterol control.

Little millet (Samai) - *Panicumsumatrense*, is native to India and is called Indian



millet. Little millet is adapted to both temperate and tropical climates. It can withstand both drought and water logging. At present, the crop is almost restricted to some hilly areas it is an important catch crop in tribal farms of Kholli hills in Tamil Nadu. Samai is an annual grass with erect or geniculate culms, growing 30 - 200cm it

has a denser and more profuse panicle, which droops at maturity under the weight of the spikelets, are grown as a cereal crop. It prefers a mean annual rainfall in the range 350 - 500mm, but tolerates 150 - 1,200mm requires a sunny position and succeeds in most soils, preferring one that is well-drained.

The grains had a protein content of 7 per cent, fat 4.26 per cent, carbohydrates around 78 per cent, energy 370 Kcal and ash around 5 per cent. Little millet grains took 13-16 minutes to cook and the volume of the grains increased by two and a half folds. Little millet grains had different hull colours, however, the other physical, cooking and nutritional characters did not vary among the grains when classified based on hull colour.

Pearl millet (Cumbu) - *Pennisetumglaucum* (L.) is an important grain and forage crop in India. It is mostly grown under hot, dry conditions on infertile soils of low



water-holding capacity, where other crops generally fail. Pearl millet grows up to 5 m tall. Pearl millet can grow in a wide range of ecological conditions. Low precipitation and relative humidity during seed ripening and maturation are desirable. The optimum annual rainfall is 350-500 mm. It can also be grown as an irrigated crop.

Pearl Millet commonly rich in essential compounds like protein, fibre, phosphorous, magnesium and iron. Due to its rich composition of minerals and proteins, Pearl Millet has many health benefits also contains essential amino acids and vitamins also which contribute to its therapeutic properties. Powerful for controlling diabetes, Weight loss,

Reduces cholesterol, Helps in digestion, Helps prevent cancer.

Sorghum (Cholam) - Scientific name: Sorghum bicolor (L.) is the traditional staple



food of the dry land regions of the world, a warm season crop intolerant to low temperatures, resistant to pests and diseases highly nutritious and a climate-compliant crop. It ranks fifth in cereals produced world-wide and fourth in India. Generally, sorghum grains act as a principal source of protein, vitamins,

energy, and minerals for millions of people especially in the semi-arid regions playing a crucial role in the world's food economy. It has a nutritional profile better than rice which is the staple food of the majority of the human population for its rich protein, fibre thiamine, riboflavin, folic acid, calcium, phosphorous, iron and β -carotene. Sorghum is rich in potassium, phosphorus and calcium with sufficient amounts of iron, zinc and sodium. Due to this, it is being targeted as a means to reduce malnutrition globally. It helps to control heart problems, obesity and arthritis.

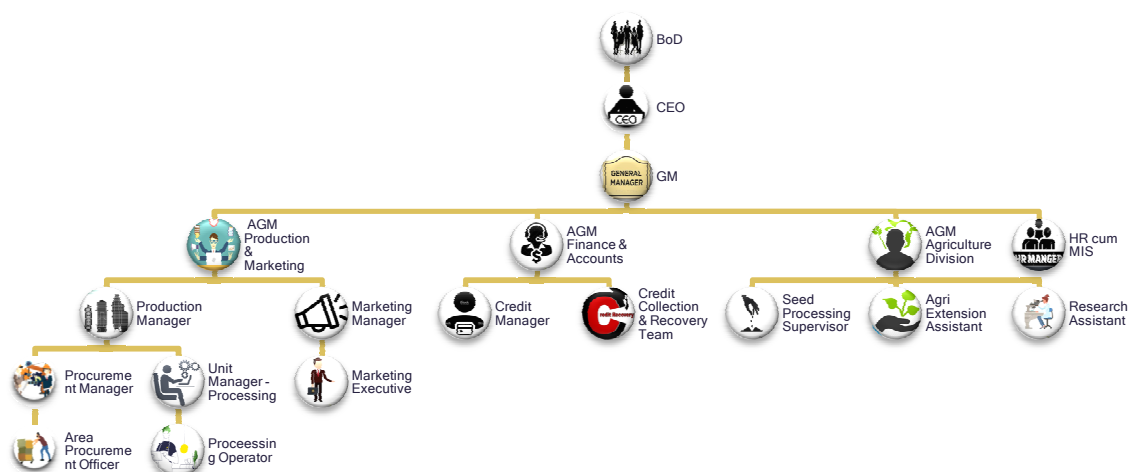
Pulses - Black gram, Green gram, Red gram

Due to its higher protein content pulses are one of the important food crops globally. Of all categories of people, pulses form an integral part of the Indian diet,

providing much needed protein to the carbohydrate rich diet. India is the largest producer of pulses in the world. Pulses are 20 to 25 per cent protein by weight which is double the protein content of wheat and three times that of rice. They are also high in fibre, and various vitamins, provide amino acids and are hearty crops an important cash crop in India, which is also accountable for yielding large financial gains. Pulse crops are one of the most sustainable crops that a farmer can grow. By using pulses for intercropping and cover crops, farmers can also promote farm biodiversity and soil biodiversity, while keeping harmful pests and diseases at bay.

Organization Structure

The levels of organisation depicted below telling the board of directors are the top level management system, after that chief executive officer, execute all plans and policies taken by the top management with the help of company General manager and assistant general managers. Apart from these superior positions, each department has its own departmental managers and executives to coordinate the work.



Board of Directors

Chairman and Director Mr.R.Seenivasan is from Melathulukkangulam village in Virudhunagar district. He is a leading farmer in his village. He studied up to Pre University Course in Virudhunagar. He has experience in growing natural herbal plants and used for medicinal treatments in various health issues. He has knowledge of Herbal Treatment for Health pains relief. He was a prominent leader in various farmer groups for more than 10 years. He has attended various meetings, seminars held for farmer welfare groups.

Board of Directors Mr.C.Kannan is an MBA Graduate from an agricultural family from Valayankulam village in Virudhunagar District. He owns three acres of irrigation land and harvests red chillies and cotton. He also maintains livestock and increases his income. He is part of the FIG farmers group for more than 6 months and plays a lead role. He regularly participates in farmers' conference meetings. He owns an Aqua water plant in his village, He always uses organizes organic fertilizers in his farm land and improves the quality of the products.

Board of Directors Mrs.R.Vidhya is a commercial graduate from an agricultural family. Her family does not belong to agriculture. She worked for more than 13 years in the SHG field and has conducted studies of member's income patterns from Agriculture and livelihood activities.

She has participated in various seminars and forums and played an active part in discussing the farmers' issues related to agriculture. She works towards the welfare of the farmers and their families.

Board of Directors Mr.A.Arumugam is educated up to primary school and he is from Varalotti village, Virudhunagar. He is a small farmer with one acre of non-irrigated land and relies upon monsoon rain for the cultivation of millets. He sells fertilizers to small farmers in his village and supplements his income.

Board of Directors Mr.K.Muniasamy is BE Graduate from an agricultural family. He cultivates maze and cotton in his farm land. He organises and co-ordinates monthly awareness meetings in his village and focuses on the marketing field and latest technologies used for increased productivity. He attends various meetings and seminars and contributes and guides farmers in his village.

Board of Directors Mrs.A.Rajeswari is educated up to secondary school and she is from Kanjanayakkanpatti village, Virudhunagar. She leases half acres of land and harvests jasmine in his land. She supplements her income through tailoring. She attended skills training to use the best and efficient methods to improve productivity. She plans to purchase two acres of agricultural land.

Board of Directors Mr.Paramisivam is educated up to primary school and he is from Mettukundu village, Virudhunagar. He is one of the leading farmers in his village. He grows natural herbal plants that are used for treatments for various health issues. He regularly attends farmers' conference meetings. He also harvests coriander seeds, millets and some herbal plants in his two acres of land. He uses organic fertilizers in his land and improves soil quality. He is kind hearted and helps suffering people.

Board of Directors Mr.D.Kandasamy is from Pannaimunradappu, Virudhunagar District. He has owned one acre of leased agricultural land with an irrigated water facility. He is an active member of the SHG group and has received knowledge about adding values to farming products. He leads to delivering skills training based on organic based farming to his villagers.

Board of Directors Mr.A.Raman is educated up to primary school and he is from Thottiyankulam, Thiruzhulitaluk, Virudhunagar District. He owns 5 acres of cultivation land and cultivates banana. He regularly participates in farmers' conference meetings for more than 15 years organised by us for farmer welfare and agricultural growth.

Roles and responsibilities of the directors and board

Chairman - The chairman's role includes managing the board's business and acting as its facilitator and guide. Including

- Determining board composition and organisation;
- Clarifying board and management responsibilities;
- Planning and managing board and board committee meetings;
- Developing the effectiveness of the board.

Management responsibilities

- Defining the objects of the company in **Memorandum of Association** and regulations in the **Articles of Association**.
- Ensuring the company's prosperity by collectively directing the company's affairs.
- Meeting out the appropriate interests of the shareholders and stakeholders.
- Concerning business and financial issues.
- Dealing with challenges and issues relating to corporate governance, corporate social responsibility, and corporate ethics.
- Conducting board meetings periodically to discuss directors responsibility to control the company's overall situation, strategy, and policy,
- Appointing an executive authority
- Monitoring the chief executive officer a delegated authority of FPO
- Enabling adequate reporting systems to maintain overall control.
- Determine the company's vision and mission to guide and set the pace for its current operations and future development.
- Determine the values to be promoted throughout the company.
- Determine and review company goals.
- Determine company policies
- Set strategy and structure
- Review and evaluate present and future opportunities, strengths, weaknesses, and risks relating to the company.
- Determine the business strategies and plans
- Ensure that the company's organisational structure and capability are appropriate for implementing the chosen strategies.

Board of directors

1. Approval of budget and adoption of annual accounts
2. Approval of patronage bonus & Issue of bonus share
3. Declaration of Dividends
4. Allotment of shares to members
5. Formulating objectives and strategies
6. Make sure the books of accounts are maintained properly; prepare annual accounts (Present in AGM with auditor's report & reply to qualifications)
7. Buy and sell properties in the ordinary course of business
8. Investment of funds in the ordinary course of business
9. Sanction loan to members not being the directors or his relatives Any other matters specified by AoA

Support from BoDs:

- Land support provides from the Board of Directors by the Millets Processing Unit under NADP Scheme 16-17.
- And land support for the Seeds Processing Unit by BODs.
- Mobilization farmer and Procurement support from BoDs.
- For direct farm gate procurement of produces, lead farmers are playing major roles.
- To increase the capitalization of FPO.
- To organize member mobilization.
- Participation with main stream government activities like setting up of primary processing centre under NADP, MSDA schemes.

Our Team

Chief Executive officer Mr. K. Rajendran was born in a small family in Varalotti, a small village in Virudhunagar and graduated with a Master Degree of Commerce and Master's Degree of business administration (Finance) and has involved in work with a major Development Professional organization for 16 years and has now using his energy and experience in the execution of the farmer producer company. His responsibility is to taking overall coordination and review of field activities, business planning, identifying and linking with mainstream market agencies, resource mobilisation, reporting to the department of agriculture and SFAC, designing training modules for Directors of the Company and farmers, human resource management.

General Manager Mr. Ganesh Hariharan is an agricultural graduate from Tirunelveli district a southern part of Tamil Nadu, who had more than a decade of working experience in a various organisation from field to top level management and now caters this company's all major management and strategic planning activities like responsible for overseeing all administrative functions in the business. A major part involves leading and directing employees. Delegates administrative tasks, such as accounting, paperwork, and payroll, while giving superiors the freedom to deal with other issues. In doing so, it ensures administrative efficiency, proper procedure, implementation of policies and employee morale.

Assistant General Manager - Finance Mrs. R Kanchana - bachelor degree candidate and involved in financial management activities from the beginning of the company establishment and due to his inspiring nature she took masters of business administration in financial management to position her well in the institution. Involved in coordinating, directing and planning everyday financial transaction operations. Helped to create work schedules for the credit disbursement team, manage daily operations and help with human resources as necessary. Her position also entails some administrative duties, training new employees and assisting on the front and back lines when necessary. Additionally, lead team meetings and group training sessions, etc.

Assistant General Manager - Procurement & Production Mr. R Alagu Kumar an engineering candidate experienced in many food production industries for more than 10 years of experience now coordinating, directing and planning everyday production and procurement processes. Planning work shifts and work schedules of the production unit, ensure shifts go smoothly, managing daily operations and accessing labors and factory skilled worker resources as necessary. Also handling some administrative duties, like accounting, training new employees and assisting on the procurement and dispatch lines. Handling team meetings and group training sessions regularly.

Credit Manager - Mrs. S Sathya potential women candidate from farmer's community working enthusiastically on managing credit handling among farmer members of the company. Involved in identifying needy farmers, analysing & appraising loan application generation from the farm gate, recommending to management for the disbursal process of the loan amount.

Credit collection team leader - Mr.Kaliraj a well-known notable person among the farmers' community involved in the collection of loans which the company disbursed. And he is having well experience in credit collection from various institutions and trust worthy candidates for dealing credit with farmers' community which is more sensible.

Marketing manager - Mrs.P.Gunasundari responsible for planning, directing and overseeing the marketing operations and fiscal health of the sales department. The manager is responsible for overseeing and leading the work of a group of people under marketing activity in many instances.

Marketing Executive - Mr.Shriram having good experience in marketing, involved in developing and overseeing marketing campaigns in main metro cities to promote products and services. His role encompasses creative, analytical, digital, commercial and administrative responsibilities of marketing and also areas such as advertising, market research, production, sales, and distribution.

Factory Manager Mr.Ramu having a diploma in mechanical engineering a person with the best problem solving, analytical power and strong attention in detail. Having expertise in the equipment and production process of millet and pulses production. In addition, he is having proficient knowledge in the computer for analysing production data and create reports. His work encompasses evaluating the talent of new hires and training them on policies and procedures, Inspecting the quality of finished products to check on machine and operator efficiency, delegating machine operation, quality control, and maintenance tasks to factory employees, analysing production data and making strategic recommendations to decision makers, maintaining a content and motivated workforce through interpersonal communication and conflict resolution skills

Supply Chain Manager - Mr.Mareeswaran a mechanical engineering candidate who has more work experience in various production industries like parachute oil, etc. and here he is responsible for overseeing and managing the company's overall supply chain and logistics strategy and operations in order to maximize the process efficiency and productivity. In addition, he plays a crucial role in developing and maintaining good relationships with vendors and distributors. Also, he will be responsible for planning, implementing and monitoring our overall supply chain strategy and in order to maximize efficiency and productivity.

Supply Chain Manager Duties and responsibilities

- Plan and implement the overall supply chain strategy
- Collaborate with Sales, Operations, and Customer Service teams
- Suggest solutions for process improvements
- Identify process bottleneck and implement solutions in a timely manner
- Train and evaluate others
- Provide constructive feedback
- Work with finance, sales, and manufacturing team to determine best vendors and distributors
- Build and maintain good relationships with vendors

Factory Administrative Officer Ms. Karthigaselvi - a master degree science graduate from the village of Virudhunagar a young professional who catered more than three years in chemical analyst for water production plant and now she turned her carrier in analyzing agricultural food products, quality checking and also doing factory administrative work involves daily account reporting, issuing orders to factory workers, bridging the gap between the head office and production units.

Advisory and support committee

Financial committee: Effective finance committees fully engage in an annualized budgeting process in cooperation with the administrative leader, board of directors and staff. Including non-board members with financial expertise from agricultural departments on the committee.

Roles of the financial committee :

- Reviewing and providing a recommendation to the Board for the annual budget and the business plan proposed by the CEO;
- Authorizing investment policy; and
- Authorizing acceptable accounting and disbursement procedures for all funds under the jurisdiction of the Institute
- In addition to developing an annual budget, the committee is setting long-term financial goals like the creation of working capital or cash reserve fund and the creation of a fund for maintaining or replacing equipment and financially support the implementation of the strategies.

Marketing committee: Advertising conducting a market study, making arrangements for the supply of Agri. commodities and identifying mega buyers

1. Enforcing the Rules and the Bye-laws, conditions of licences of the different markets for the purchase and sale of agricultural produce regulated by it.
2. Managing the income, incurring the expenditure and investing the surplus funds.
3. Preparing budget estimates of marketing.
4. Maintaining a register of farmers, licensed traders, general commission agents, etc.
5. Taking all possible steps to prevent the adulteration of agricultural produce in the process of grading and standardization.
6. Collecting and maintaining daily lists of prices of different types and grades of agricultural produce in different areas.

Technical committee: The Technical Committee comprised of three directors, and a majority of technical expertise from government departments.

Roles of the technical committee - The primary purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities on specific technical matters which are beyond the scope or expertise of non-technical Board members. The Committee shall oversee and advise the Board and the company's management team ("Management") in relation to the development and advancement of the production, value addition process information on crop cultivation, rain fall, weather report, pre & post-harvest management, pest control, etc.

Responsibilities: conducting investigations, analysis, and diligence to validate and test the technical aspects of the company's operations, projects, etc. The Committee may also consider project economic analysis, appraisal of technical risk factors, appropriate longer-range (as well as early stage) preparations for project development and construction, as well as such other matters as may be requested by the Board.

Ownership Structure

Farmers are the primary share holders. Share capital is one of the internal resources of the company. In the month of March '2019 had mobilized shares worth of Rs.22.00 lakhs through FIGs'.

Farmers' mobilization

Mobilize the rural farmers through organizing an agricultural or supporting programme which helps in reducing poverty among the rural farmers and also develop their knowledge in agricultural activities. And the program, are some of supporting programmes that



help in developing the rural farmers and they are Farmers interested group (FIG), Producer Groups (PG) and Farmer Producer Organization (FPO) through national and state SFAC (Small Farmers' Agribusiness Consortium),

Since the rural farmers are faced with inadequate capital, the FPO can mobilize capital by availing grants, loans, funds, and credit which the rural farmers can easily payback. They can also access Agro-inputs such as seeds, fertilizers, pesticides, etc which helps them in improving their farm product and controlling disease, and pest or insect.

The FPO acting as a link between the rural farmers and the government representing the rural farmers well by presenting their problems and also sought for support from the government on behalf of the rural farmers they should also make it possible for the government to support the programme of the rural farmers through finances and any other means.

Performances - Important milestones in the development of the company

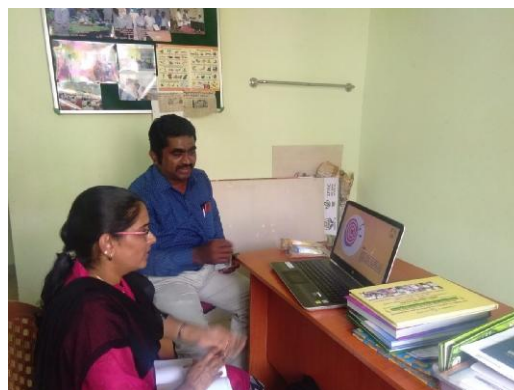
Cluster name	The year 2016 - 2017		The year 2017- 2018		The year 2018 - 2019	
	No. of FIG	No. of Farmers	No. of FIG	No. of Farmers	No. of FIG	No. of Farmers
Virudhunagar	7	119	27	512	27	712
Aruppukottai	4	80	5	107	5	307
Sathur	3	59	4	80	4	80
Kariapatti	4	65	3	60	3	120
Thiruchuli	2	30	4	81	4	81
Narikudi	3	50	11	200	11	200
Total	23	403	56	1040	56	1500

Categories of farmers

The FPO comprised 35% female farmers, 20% SC farmers, 45% marginal farmers and 45% small farmers. The objective of the organisation is to work for the welfare of small and medium farmers and support to increase their standard of living.

Type	Number
Small farmers	973
Marginal farmers	463
Big farmers	64
Total	1500

Resource Mobilization (External Linkage)



External Linkage: The Financial year 2017-18 resource mobilization process and mobilized for Rs.382.00 Lakhs, The below table shows that external financial support from both public sector and private agriculture value chain partners. The commercial bank timely support to and also Private agriculture value chain finance partner also is a very large level help to us. The purpose of loan Especially Syndicate bank millets processing machineries like Millets, Pulses and Paddy Value addition. Bank of baroda given to warehouse Finance with Stock and Inventories. Ananya and Samunnati like Working capital for Trading and Value addition, Livelihood promotion like Milch Animal, Goat and Agriculture, and Allied Activities. All the are financial partners very good support to us.

The table inferred that the Syndicate bank funds were used for the promotion of millets unit. Bank of Baroda gave funds for the materials stored at the warehouse. Ananya funds were used for working capital, trading and livestock Finance Samunnati funds were used for agri & livestock finance to members.

(Amt.in Lakhs)

Name of the Institution	Loan Sanctioned	Year 16-17 (Disbursed)	Year 17-18 (Disbursed)	Year 18-19 (Disbursed)	Utilization
Syndicate Bank	17.00	-	17.00	-	Machineries
Bank of Baroda	16.00	-	16.00	-	Warehouse Finance
Ananya	525.00	25.00	100.00	400.00	Livelihood Promotion and Working capital
SAMUNNATI	345.00	-	245.00	100.00	Livelihood Promotion and Working capital
Total	903.00	25.00	378.00	500.00	

Services from Viruthai Millets FPCL

❖ Agriculture Demonstration



Technology transfer - a multi-level process of communication involving a variety of senders and receivers of ideas and materials. As a response to accelerating market-driven social change, a technology transfer team has to combine public and private firms.

Relying on public institutions to identify, develop, and deliver innovations and information. Institutions include universities, government ministries, research institutes, and the public.

Village-level models are handled like

1. Traditional community development,
2. Adoption-diffusion,
3. Training and Visit Extension,
4. Farming Systems Research.
5. Field demonstration.
6. Agro Produce value addition.



The main aim of the technology transfer is to make “center on developing indigenous capacity” to generate and adapt agricultural technology at local conditions. This is the primary objective of technology transfer in agriculture and the basis for advancing rural development.

Training to Human Resources:- Components

Quality seed supply : making availability and affordability of millet and pulses seeds, through contract farming with farmers and processing through the seed production units establishing. It will ensure that the farmers will receive quality seeds at the timing.



Providing technology to the farmers: Agriculture related (seed to post-harvest), finance management, labour management product handling and market development.

Rural women empowerment: Creating women employment through establishing millet by-product value addition centre at the rural level for effective use of by-products and income generation to the farm family.

Promoting organic farming: developing a 5 acre model organic farm for training and demonstration on organic farming to farmers and agricultural graduates.

Bio pesticides production: engaging women self-help groups in various types of production of bio pesticides.

Technology for value addition: To prompt the impact of value addition of agricultural produce training on FIG participants, farmers on their perceived knowledge, acquisition of skills and adoption level of value added practices. The main objectives guided are: To describe the profile of FIG participants. To assess the impact of value addition. To determine relationships and contribution about the value addition of agro produce.

❖ Farm Service with Finance



By providing access to credit, FIG's, & Farmers can get opportunities to Start, improve, expand, transition, market, and strengthen family farming and value addition operations. Beginning farmers, racial and ethnic minority farmers and women producers also get a chance for more involvement in farming. Also,

they can enter for Value-added, direct sale, organic, and specialty crop operations.

Promoting Young People actively involved in agricultural youth organizations needing financial assistance for income-producing, educational, agricultural projects.



Crop loan		Livestock loan		Total no. of beneficiaries	
Beneficiaries	Amount	Beneficiaries	Amount	Beneficiaries	Amount
The year 2017 -2018					
45	30.10	87	45.20	132	72.30
The year 2017 -2018					
97	34.50	645	260.50	742	298.00
The year 2018 -2019					
65	21.10	130	65.00	195	86.10

❖ Livelihood Promotion



To promote livelihoods as a means for poverty reduction. A livelihood is a set of economic activities that involve self-employment and/or wage-employment. Not only for generating income and also encompasses empowerment and the dignity of people’s lives as human rights.

Our framework of livelihood interventions is based on local rural people’s experience. It also considers the options of scaling up, or of building on a self-reliant local economy.

Most important of our livelihoods interventions are irrigation program, an integrated processing centre for pulses and millets, employment and self-employment promotion, various microfinance interventions and institutional development, through integrated strategies. Mainly focused on the vulnerable segments of the population and credit minimization.



Year wise report for the number of beneficiaries from VMFPCL

❖ Direct Procurement from Gate

VMFPCL is performing both trading and marketing of value-added products of millets, pulses, spices and oil seeds. The below table shows the business farm procurement turnover over the period of April 2018 to March 2019. In that our quantity of procurement of each material was increased by double the rate.



Two types of Procurement Methods are followed

1. Local procurement and inter district procurement.
2. Based on Seasonal Calendar

Local Procurement System:

1. Village level Collection centre:

Farming is a source of income for Virudhunagar rural farm producers, which contributes towards strengthening the livelihoods of small farmers who form the majority of production. In a market driven economy, it is more important to have producer-centric institutional structures that strictly conform to cooperative principles and provide farmers greater access to the organized market.

Village based procurement systems that facilitate fair and transparent transactions.

Requirement:

- Mobilization and institution building of small & marginal farmers
- Selecting and appointing Village level lead farmer
- Establishing the collection centre at village level for Strengthening of the procurement system
- Promoting Farmers Interested Group to have large coverage and procurement.



- Training and capacity building of lead farmers and other functionaries
- Investments in the village level Infrastructure for collection and bulking such as weighing scale, gunny bags, gunny bag sewing machine, basic records, etc.

The objectives of the LPS include:

- Setting up a sustainable procurement system ensuring fairness and transparency.
- Ensuring that quality produce is procured by bringing more farmers under the organized sector.
- Creating more village level institutional structures for empowering small farmers.
- Helping small and marginal farmers to get access to the value addition of product processing and thereby enhance the income of small and marginal farmers.

The main expected results from the interventions are:

- An increase in the number of small and marginal farmers can be organized under a producer institution.
- Better access to the organized value addition facility.
- Better price realization.
- Improvement in quality & uniformity of grains procured.

Name of the Blocks	No. of Collection Centres
Virudhunagar	2
Arupukkotai	2
Kariapatti	1

2. Storage Facilities in RM (Regulated Market Committee)



Leads farmers are organised towards supply their procured grains to the regulated market warehouses established by government departments. Where the details of the procurement and storage will be handled by the FIG involved.

And moreover, the FIG can also organise procurement operations on behalf of the government. Green gram is procuring under this process in Virudhunagar by this system FIG will gain some income and will be used for respective farmer's group benefits.

Procurement from PKVY Scheme:

Mobilization of Raw material resources can be possibly organized from eight districts namely Dharmapuri, Salem, Virudhunagar, Pudukottai, Krishnagiri, Ramanathapuram, Theni and Nagapattinam under PKVY scheme with the help of Department of



agriculture Tamil Nadu Government. The agriculture department has to support FPO for the purchase of the raw grain with the above scheme. By utilizing the PKVY scheme VMFPCL had Signed MoU with local groups of Virudhunagar Salem, and Dharmapuri districts farmer groups and increased procurement of farm produce directly from farmers which were facilitated by JDA, AO, AAO of the department of agriculture.

Table: area & production of millets under PKVY scheme

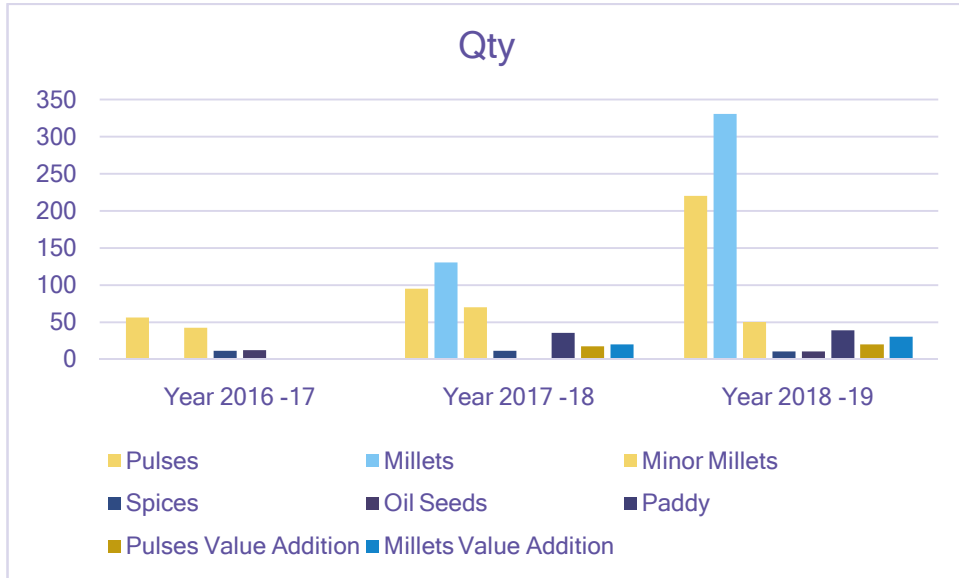
PKVY Area & Production of Millets																		
Sl.No	Name of the Districts	No.of.Blocks	No.of.Village	Toatal No.of.(Ha)	Major Crops with Expected Production(ha)												Cummulative Total	
					Kuthiraivali		Cholam		Cumbu		Ragi		Saamai		Thinai		No.of.Ha	Expected production (Mts)
					No.of.Ha	Expected production (Mts)	No.of.Ha	Expected production (Mts)	No.of.Ha	Expected production (Mts)	No.of.Ha	Expected production (Mts)	No.of.Ha	Expected production (Mts)	No.of.Ha	Expected production (Mts)		
1	Pudhukottai	3	17	500	100	40	-	-	-	-	-	-	-	-	-	-	100	40
2	salem	12	26	500	-	-	42	42	15	15	65	65	40	40	20	20	182	182
3	Krishnakiri	2	4	240	-	-	-	-	-	-	200	620	-	-	-	-	200	620
4	Dharmapuri	2	6	260	-	-	-	-	-	-	40	20	180	85	-	-	220	105
5	Virudhunagar	10	15	300	100	131	60	144	80	192	-	-	-	-	-	-	240	467
6	Ramanathapuram	3	8	200	180	192	-	-	20	32	-	-	-	-	-	-	200	224
7	Theni	4	16	500	-	-	260	630	140	400	-	-	-	-	-	-	400	1,030
8	Nagapattinam	5	19	500	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total		41	111	3,000	380	363	362	816	255	639	305	705	220	125	20	20	1,542	2,668

Table: area & production of paddy and pulses under PKVY scheme

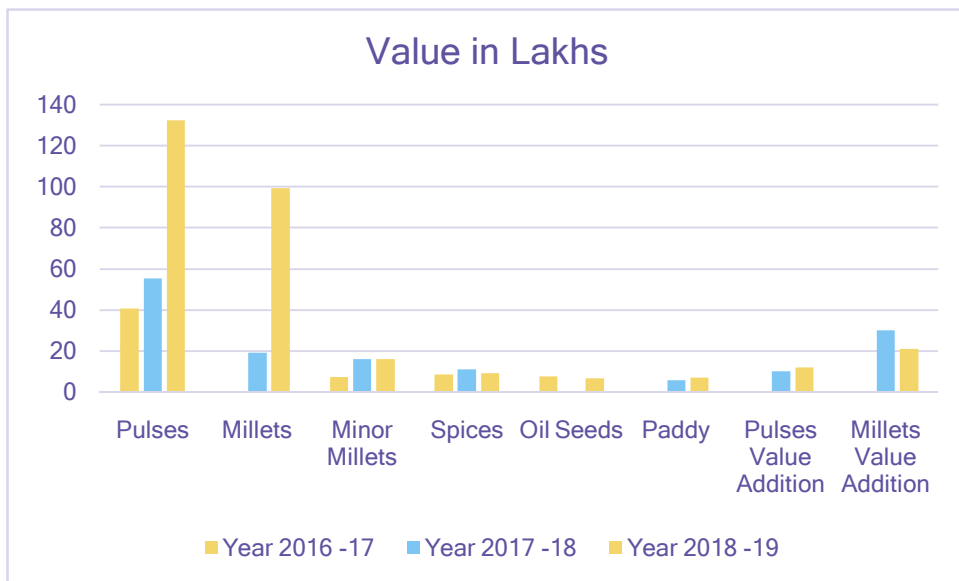
PKVY Area & Production of paddy and pulses																		
Sl.No	Name of the Districts	No.of.Blocks	No.of.Village	Toatal No.of.(Ha)	Major Crops with Expected Production(ha)										Cummulative Total			
					Paddy		Blackgram		Cowpea		Horse Gram		Redgram		No.of.Ha	Expected production (Mts)		
					No.of.Ha	Expected production (Mts)	No.of.Ha	Expected production (Mts)	No.of.Ha	Expected production (Mts)	No.of.Ha	Expected production (Mts)	No.of.Ha	Expected production (Mts)				
1	Pudhukottai	3	17	500	250	625	150	75	-	-	-	-	-	-	-	-	400	700
2	salem	12	26	500	68	68	108	108	15	15	102	102	-	-	-	-	293	293
3	Krishnakiri	2	4	240	-	-	-	-	-	-	-	-	40	30	-	-	40	30
4	Dharmapuri	2	6	260	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Virudhunagar	10	15	300	-	-	40	30	-	-	-	-	-	-	-	-	40	30
6	Ramanathapuram	3	8	200	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Theni	4	16	500	-	-	50	40	50	40	-	-	-	-	-	-	100	80
8	Nagapattinam	5	19	500	500	2,000	500	200	-	-	-	-	-	-	-	-	1,000	2,200
Total		41	111	3,000	818	2,693	848	453	65	55	102	102	40	30	-	-	1,873	3,333

Report on year wise procurement details

Commodity	The year 2016 -17		The year 2017 -18		The year 2018 -19	
	Qty (MT)	Amount (Lakhs)	Qty (MT)	Amount (Lakhs)	Qty (MT)	Amount (Lakhs)
Pulses	56	40.40	95	55.25	220	132.25
Millets	-	-	130	19.00	330	99.00
Minor Millets	42	7.10	70	16.00	50	16.00
Spices	11	8.50	11	10.95	10	9.05
Oil Seeds	12	7.60	-	-	10	6.50
Paddy	-	-	35	5.74	39	6.74
Pulses Value Addition	-	-	17	10.00	20	12.00
Millets Value Addition	-	-	20	30.00	30	21.00
Total	121	63.60	378	146.94	709	302.54



Procurement details in qty - the year 2016 to 2019



Procurement details in Value - year 2016 to 2019

❖ Value addition with Branding

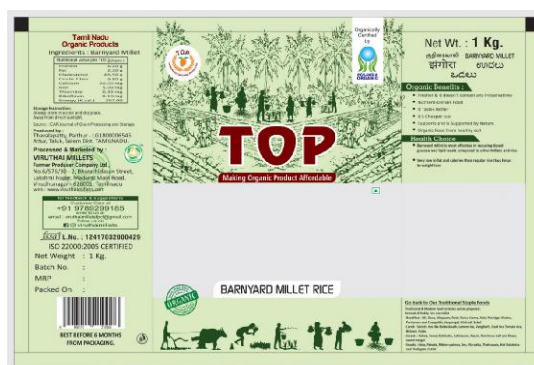
Advised farmers and women to make their produce fetch a better price in the market and access the distant market profitably through **developing mechanisation**: providing post-harvest handling equipment like thresher to FIG for reducing post-harvest loss. And



Processing Unit: entering to a higher level processing by establishing a pulse and millet value addition centre at Virudhunagar.

The consumer industry for eatable food processing items has a very wide spectrum and it is concentrated largely in the organized sector including public sector units and large corporations in the private sector. Forming FPO as an organized food processing is the main objective of the FPO.

The Confederation of Indian Food and Trade Industry (CIFTI) is the apex body of food product manufacturing units while the Agricultural and Processed Food Products Export Development Authority (APEDA) is promoting exports of a wide range of Indian agricultural products and processed foods. Availing required support from the above



organization will create a sustainable farming community. The food processing industry is of enormous significance for FPO's development because of the vital linkages and synergies it promotes between the two pillars of our economy, industry, and agriculture. Fast growth in the food processing sector and simultaneous improvement in the development of value chain are also of great importance to achieve favorable terms of trade for Indian farmers both in the domestic and the international markets. An important contribution that the food processing industry at the rural level could meet the nation's food security and minimizing the post-harvest losses of crops, reductions in these losses are bound to give us better returns and thereby improve the income level of the farmers.

BRAND

**Tamil Nadu Organic Products
&
Viruthai Agro Foods**



Viruthai millets farmer producer company is operating two brands out of this “Viruthai Agro Foods” is its exclusive brand promoted by VMFPCL and recently evolved “TOP (Tamil Nadu Organic Products)” it’s actually a brand of the government of Tamil Nadu. We VMFPCL are promoting pulses and millets product under this TOP brand to establish our state image in the national as well as international level.

Products & Services

- Millets Rice (Unpolished)
- Millets Rice (Boiled)
- Millets Flour Mix
- Millets Cookies
- Millets Poha (Aval)
- Millet Snacks
- Pulses
- Oil Seeds
- Spices
- Paddy
- Oil

Competitive advantages of our products

- Pesticide free produce
- Fresher & it doesn't contain any preservatives
- Nutrient - Denser Food
- It Tastes Better & it's cheaper too
- Got ISO 22000:2005 FSMS for processing system
- Licensed under FSSAI
- PGS India Certified Product
- Supports and is Supported By Nature
- Organic food from healthy soil
- Food from a safe environment

Advantages of millet based products :

1. High in fiber, Protein and rich in micro nutrients.
2. It is low in fat and gluten free.
3. It requires very less water to grow. It can cultivate in a place where there is low rainfall.
4. It does not require synthetic fertilizers to grow.
5. Does not require insecticides as it is pest free.
6. Millets can grow even on the poorest of soils.
7. Nutritional value is very high as compared to rice and wheat.
8. A cheap and domestic alternative of Oats and Quinoa.
9. It is the best choice for a drought and malnutrition hit region.
10. Ready to harvest in as little time as 60-90 days and has a long storage life.

❖ PRODUCTS & PROCESSING CERTIFICATIONS

Certifications Our aim is to give quality products to the end users. There is no compromise in that one. So we follow the standardised and accepted Indian systems for all categories of business, which support quality and safety food items to the consumers.



Our Products are certified under FSSAI, we got separate licenses for millets and pulses, Grains of Rice and oil seeds.

For Millets and Millet value added products FSSAI License No:
12417032000429

For Pulses FSSAI License No: 12417032000430



AGMARK is a certification mark employed on agricultural products in India, assuring that they conform to a set of standards approved by the Directorate of Marketing and Inspection, an agency of the Government of India.

Testing: Chemical, Microbiological, Pesticide residue, Aflatoxin analysis

We got AGMARK certificate for our product categories are Millets, Pulses, and Spices.

ISO 22000:2005

Food safety management systems –
Requirements for any organization in the food
chain

For Manufacturing, Processing and Value Addition of Rices, Millets, Pulses, Spices, and Oil seeds, we got ISO 22000:2005 FSMS systems (Food Safety and Management System)

- Certificate Number:26557
- This is valid from 06-June 2018 until 05-June 2021



PGS India (Participatory Guarantee System of India) :

PGS-India (Participatory Guarantee System of India) is a quality assurance initiative that is locally relevant, emphasizes the participation of stakeholders, including producers and consumers and operates outside the frame of third party certification.

Participation is an essential and dynamic part of PGS. Participation embodies the principle of collective responsibility for ensuring the organic integrity of the PGS. This collective responsibility is reflected through:

Shared ownership of the PGSs Stakeholder engagement in the development and operation process.

Understanding of how the system works and direct communication between producers and consumers and other stakeholders

Regional Council:

RC being authorized agency under PGS-India Programme shall offer the following services to PGS Local Group within the frame work of PGS-India Programme:

- Registration of PGS Local Group subject to verification of necessary documents like Farm History Sheet, Farmers Registration with the local group, Farmers Pledge, Endorsements, etc.
- Capacity Building of LG by imparting training on Procedures for adoption of PGS-India certification procedures, requirements of meetings, key training programmes, the methodology for LG operation, peer appraisals, LG Summary sheet filling, decision making, and PGS-organic standards.
- RC shall provide copies of all the instruction manuals, standards, and formats in hard copies in the local language to the local groups.
- Granting registration certificates, supervision on the functioning of groups, assessment of PGS-India standard compliance, local summary sheet appraisal and endorsement of certification decision as per the PGS-India program.
- Providing internet and data uploading facilities in PGS-India on-line application tool wherever Local groups do not have access to computers

- and the internet or are not able to operate the system. Providing printed copies of certificates to the group or to individual farmers as per the request of the local group.
- Monitoring and surveillance of LG, including participation in some peer appraisals. Assisting NCOF and Zonal Councils in sample collection for pesticide residue testing as per the direction of the secretariat.
 - Regional Council (RC) can charge a responsible fee or service charge for providing the above-mentioned services as per agreement between RC and LG.

Memberships

MEMBERSHIPS

APEDA

- **Agricultural and Processed Food Products Export Development Authority** works to organise export promotions

CII

- **Confederation of Indian Industry (CII)** works to create and sustain an environment conducive to the growth of industry in India, partnering industry and government alike through advisory and consultative processes.



Product Standards

GS1 INDIA

GS1 India is a Standards body with founder members comprising Ministry of Commerce and Industry, Government of India, CII, FICCI, ASSOCHAM, FIEO, IMC, APEDA, Spices Board, IIP and BIS. It is affiliated with GS1® a not for profit global standards organisation

best recognised society for barcode standard



TRADE MARK

Viruthai millets logo is registered trademark.

Viruthai millets logo rationale



Relationship

A green colour round at outer- represents the earth/world/consumers of food.

Three panicles of millet with leafs in the shape of recyclable template - represent the sustainable activity of organic farming and the yield of a crop totally agricultural productivity.

VMFPCL alphabets between the outer circle and the inner three millet panicles - represent that the “Viruthai Milles Farmer Producer Company” connects the world

consumer and the millet farmers by marketing the organic produce to consumers. Here outer circle considered as world consumers and inner millet panicles considered as farmers.

Green colour represents sustainable agricultural activity.

Brown colour represents the agricultural produce ready to harvest

PROMOTONAL ACTIVITIES

List of events for the year ended 2018-2019

INDIA ORGANIC EXPO - Actively participated in the “India organic expo” held at



Bangalore 2019 by Agricultural and Processed Food Products Export Development Authority (APEDA). Exhibited our products and promoted products to industrial as well as end user customers. Consequently, the company's client base

increased.

EXPORT PROMOTION CONFERENCE CUM INTERNATIONAL BUYER SELLER MEET - ON NER AGRI PRODUCTS EXPORT

- attended the conference on 5 March 2019, at Taj Vivanta, Guwahati, Assam about the utilization of north eastern agricultural products promotion and explored many farm produce which is default in organic. And had a discussion with many buyers for export and interstate trading of millets products from Virudhunagar.



APEDA organized the International Buyer Seller Meet for the promotion of exports from NER. In this regard, the following potential products have been identified.

- **Cereal Products:** Rice (Red, black, sticky and soft), Buck wheat
- **Others:** Large Cardamom, Turmeric, Cymbidium Orchid, Honey

Nearly 20 countries had participated in the trade fair.

NATIONAL LEVEL CONSULTATION ON “PROSPECTS OF MILLETS VALUE



ADDITION & MARKETING at IIFPT Thanjur, Tamil Nadu State supported by APEDA. Regarding value addition and export marketing promotions.

NATIONAL LEVEL FOOD AND ORGANIC TRADE FAIR - KrishiUnnathiMela 2018 in Pragathimaidan, New Delhi, supported by Dept. of Agriculture, Government of Tamil Nadu.



NATIONAL LEVEL ORGANIC TRADE FAIR - 2018 - at palace ground, Bangalore, Karnataka, supported by Dept. of Agriculture, Government of Tamil Nadu.

SCM & VCM Management

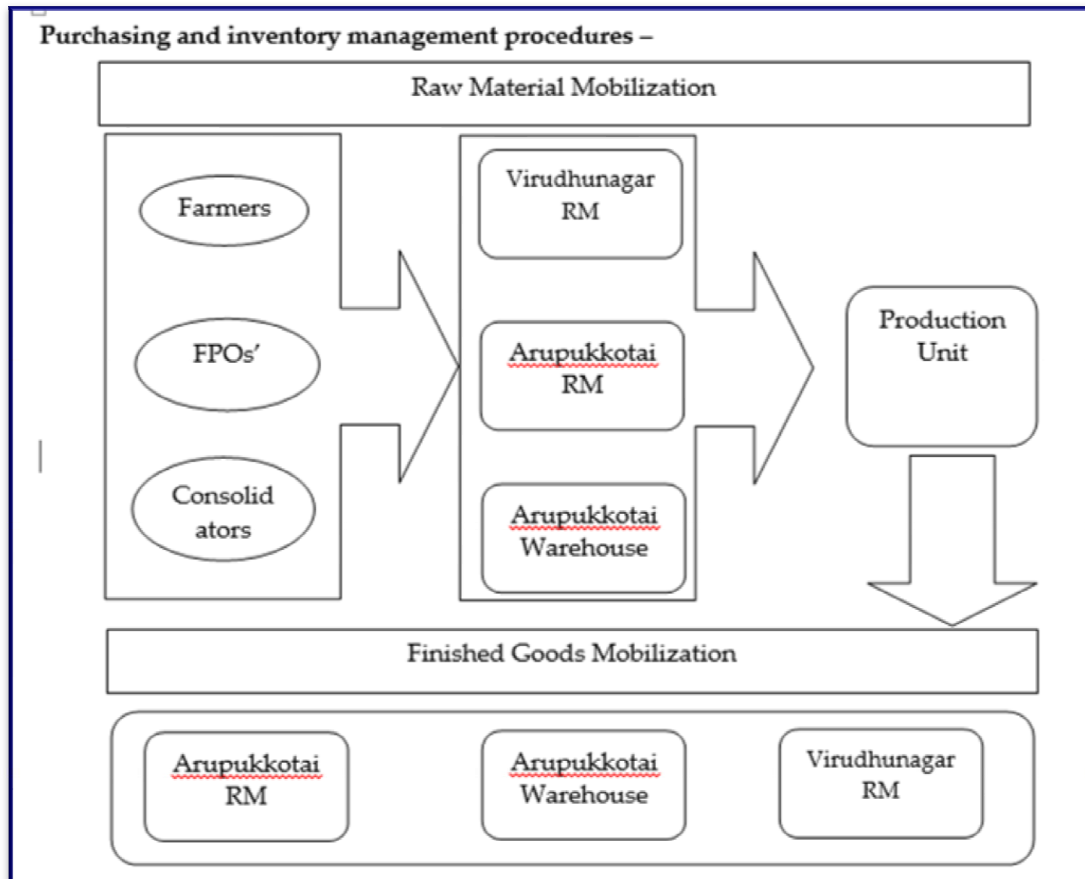
Business development through the supply chain: creating a Value added supply chain

for market assessments, retail distributor enterprise identification, screening and selection, and implementation, review, and update of business plans.

Farming and procurement - VMFPCL is strengthening its backward and forward integration through initiatives like agriculture extension services, direct procurement, value chain development, etc. This will drive higher productivity in the farming sector and improve quality and safety.

Procurement - Higher involvement in procurement will also help improve price realization for farmers by reducing intermediaries and thus lowering price build-up through the elimination of non-value adding stakeholders and activities.

Sourcing/Procurement Strategy.



Organized buying process

- i. Determining the demand forecast
- ii. Calculated lead time for production
- iii. Determined purchase order cycle
- iv. Higher Service level to the customer

Problems in procurement and supply -

Problem	Solutions
Small land holding farmers cannot access to direct sale of goods.	Engaging FIG in the collection, on farm storage and transportation of farm produce, enables economic sustainability in rural.
Involvement of middle man in credit financing activity to farmers and making informal agreements towards produce purchase at a cheaper price.	VMFPCL credit support through FIG helps the farmer to avoid risk oriented credit borrowings.
Inadequate sales point and storage	Establishing Collection centre and Primary processing units by FIG interventions.

To meet the several challenges along the agriculture supply chain required innovative mechanisms to organize value chain interventions. Wherein the central purpose is unlocking value for the farmer:

1. Reducing Value loss for the farmer through minimizing wastage
2. Enhancing Value creation by ensuring a higher proportion of marketable surplus is processed
3. Higher Value capture for the farmer through a greater share of sale realization on the harvested produce.
4. Value added services for the farmers for increasing crop productivity and reducing the cost of production through better recycling of crop by products e.g. utilization of crop residues as animal feed, litter bed for poultry, etc.

Supply chain - The increasing role of FIG in the supply of harvested produce from farmers to the VMFPCL food processing unit can help accelerate storage and transport capabilities, thereby lowering wastage levels, improving nutrient retention during storage and transportation, and enhancing the shelf life of products.

Marketing - No matter how good products and services, the venture get succeed with effective marketing only. 97% of global millet production comes from developing countries. India is the largest millet producer globally, followed by Nigeria, Niger, China, and Mali.

Milletts are a cheaper and local alternative for healthy foods like Oats and Quinoa. It also promotes Make in India movement.

Earlier due to changing food habits, there was a huge decline in the cultivation and demand of millets. But now with the rising levels of diseases and lazy lifestyle in the country, more and more people are getting attracted towards a healthy lifestyle and healthy eating. Hence, the demand for millets is again on a rise.

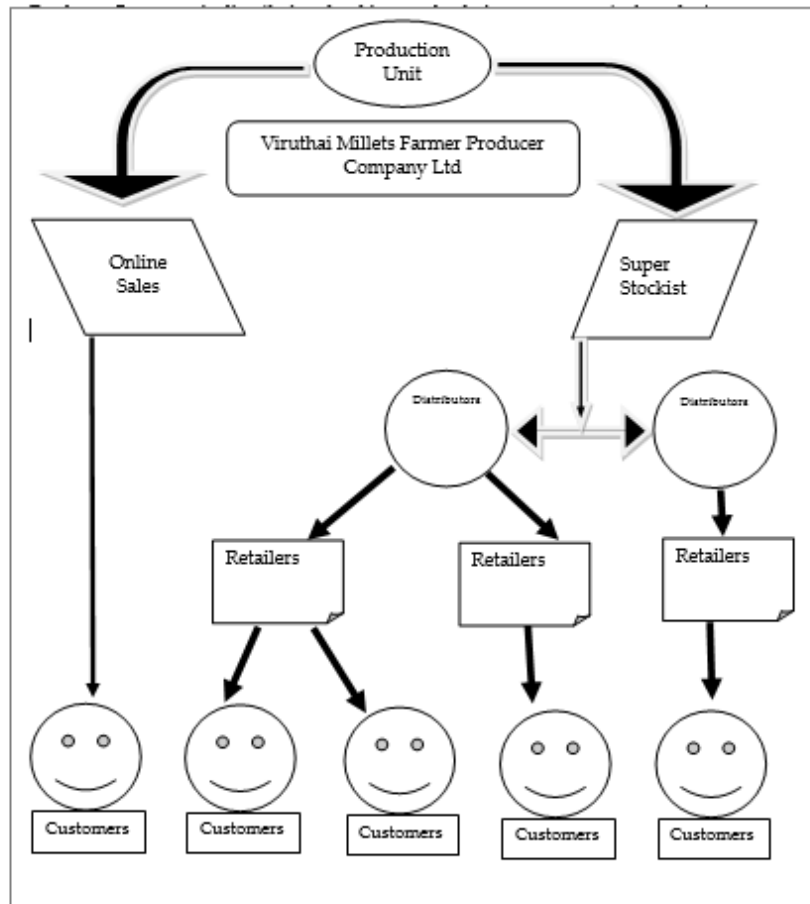
Rainfed agriculture contributes 44% of the total food grain production of the country and produces 75% of pulses and more than 90% of sorghum, millet, and groundnut from semiarid regions. Even after half a century of neglect, the rain fed regions provide a livelihood to nearly 50% of the total rural work force and sustain 60% of the cattle population of the country.

Prone to diabetes, skewed lipid profile and various lifestyle diseases, residents of the city are switching over to a high-fiber nutritious diet. There are the ubiquitous oats but it is not indigenous. The search for a local grain that would fit well into our daily recipes has led people right back to millet - a small seeded grass grew as cereal - which used to be a staple in Indian kitchens half a century ago. We could say that millet is fast emerging as the new oats. In India, popular millets are ragi (finger millet), jowar (sorghum) and bajra (pearl millet). There is also a whole group of minor millets like foxtail millet and proso millet.

It can be used to make various snacks and eatable items like pasta, fryams, vermicelli, chips, biscuits, etc.

Distribution plan

Products from the production units are selling through direct retailers engaging a super stockiest distribution network and for wholesale activity Viruthai Millets Farmer Producer Company Limited.



Pricing

Cost oriented pricing method - involves figuring out what it costs for processing to make a product, then adding a percentage of mark-up (profit element) to determine the final price.

Not greedy - Our pricing strategy fit on par with what our competitor is doing. Mostly customers are really aware of the pricing of certain products such as dal on their purchase. Hence it's mandatory to stick with what other business role players are doing.

Supply chain



Training and Capacity Building

Name of the training	Target audience	No. of training
Leadership quality and Management	Board of director	3
Roles and Responsibilities and Personality Development	Staff	4
Livelihood Promotion and Value addition	Lead farmers	5
FIG formation, Value addition, and Marketing network	Other FPOs'	6
FIG formation, Value addition, and Marketing network	Other NGOs	4

Infrastructure created: Resources and Facilities

Development of processing centre for millets and paddy -The agriculture and agro



based processing industries are a key solution area of our problems relating to wastage of agro produce and value addition of food products enhance farmers' income. The agro processing sector is one of the largest sectors in India in terms of production, growth, consumption, and

export of value added agro products. It is envisaged that we should be one of the largest millet food factories in India.

So as to generate income, employment and foreign exchange in a big way, through significant increase in the level of processing and achieve higher growth through value addition. we have developed a Processing centre for millets and paddy at Valayangulam. Funded & Supported by NADP-2016-17



PROCESSING UNIT 1

We own and operate a
Processing centre for millets and paddy
at
VALAYANGULAM.

Funded & Supported by
NADP - Scheme
(National agricultural development
programme),
Tamil Nadu
₹ 13.65 lacs in 2016-17.



Shri. Mr. S. Krishnan IAS, Principal secretary ((Urban Housing Development) Has Visited on 16th December'2018 and DD PA Agri, DDAB Virudhunagar.

As a reward to our farmers' effort, our factory unit was visited and appraised by Mr. Krishnanan Principal Secretary IAS (Housing & Urban Development) and Mr. Sivaganam, IAS District Collector & DD Agri. Business, Virudhunagar.

Equipment Resources

Equipment and types of machinery installed at Processing Centre for Millets and Paddy at Valayankulam, Kariapatti Taluk of Virudhunagar District.

S. No.	Make	Description	Model	capacity (Per. Hr)	Electric Motor
1	PerfuraTach	Destoner cum Grader cum aspirator	DGAB31T	1MT	3 Phase
2	PerfuraTach	Destoner cum Grader cum aspirator	DGAB31T	1MT	3 Phase
3	PerfuraTach	Roaster	UR325	25 Kg/Batch	3 Phase
4	PerfuraTach	Dhall Oil Mixer	(DOM -3)	500kg	3 phase
5	PerfuraTach	Dhall Dehusker	(DDH -3)	400kg	3 phase
6	PerfuraTach	Pulveriser	PD316DS	1MT	3 Phase
7	PerfuraTach	Flour Shifter	FS3500M	500kg	3 Phase
8	PerfuraTach	Flour Blender	FB3100S	100kg	3 Phase
9	PerfuraTach	Grain Polisher	GP3350	500kg	3 Phase
10	PerfuraTach	Poly bag Packing Machine	PBPCS	-	3 Phase
11	PerfuraTach	Gunny Bag Packing Machine	GBP R	-	3 Phase
12	VISHRA	JAPANESE Rice Dehuller for Multi Grain Paddy and Small Millets	SY - 35 M	5 MT	Single Phase
13	VISHRA	JAPANESE Rice Dehuller for Multi Grain Paddy and Small Millets	SY - 25 M	2 MT	Single Phase
14	VISHRA	Rice Milling, Polisher with adjustable Knob, Spiral roller type and rice brawn	SY - 25 M	250kg	Single Phase
15	FASO	Color Sorter	94 channel RGB	500kg	3 Phase

Relative strengths of **Processing Centre for Millets and Paddy at Valayankulam** business unit.

Core competencies of the unit

- knowledge and work - well skilled operator for dal and rice production
- financial position - well established
- Productivity - good for batch production to meet out whole sale activity and brand promotion.
- Location - Valayankulam.
- Human Resources - the easy availability of both type labours'

a) Human

- a. Number of employees - 6
- b. Type of labor (skilled - 2, unskilled - 3)
- c. Professional - 1

b) Financial

- a. Land and Building Cost- 45.18 Lakhs
- b. Machinery Cost - 57.50 Lakhs

c) Physical

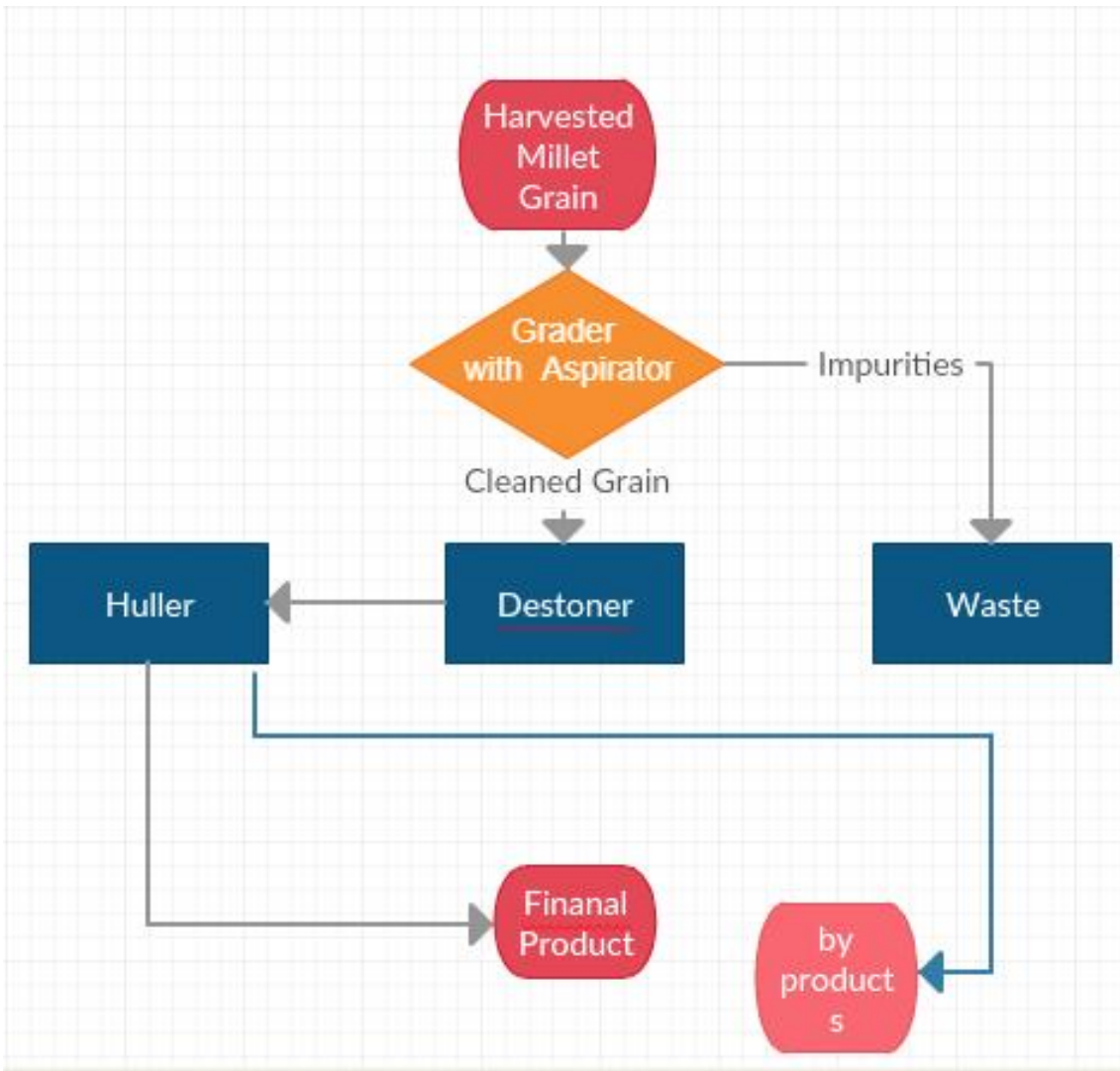
- a. Amount of space Processing -37.18 Lakhs
- b. Amount of space Packing with sortex - 18.15 Lakhs
- c. Amount of space Storing -41.35 Lakhs

d) Type of building - RCC floors side walled with brick and cement and roofed with blue metal sheets.

e) Power and other utilities - 3 phase with 50 HP power supply installed.

How we process our grain

Production techniques: Millets

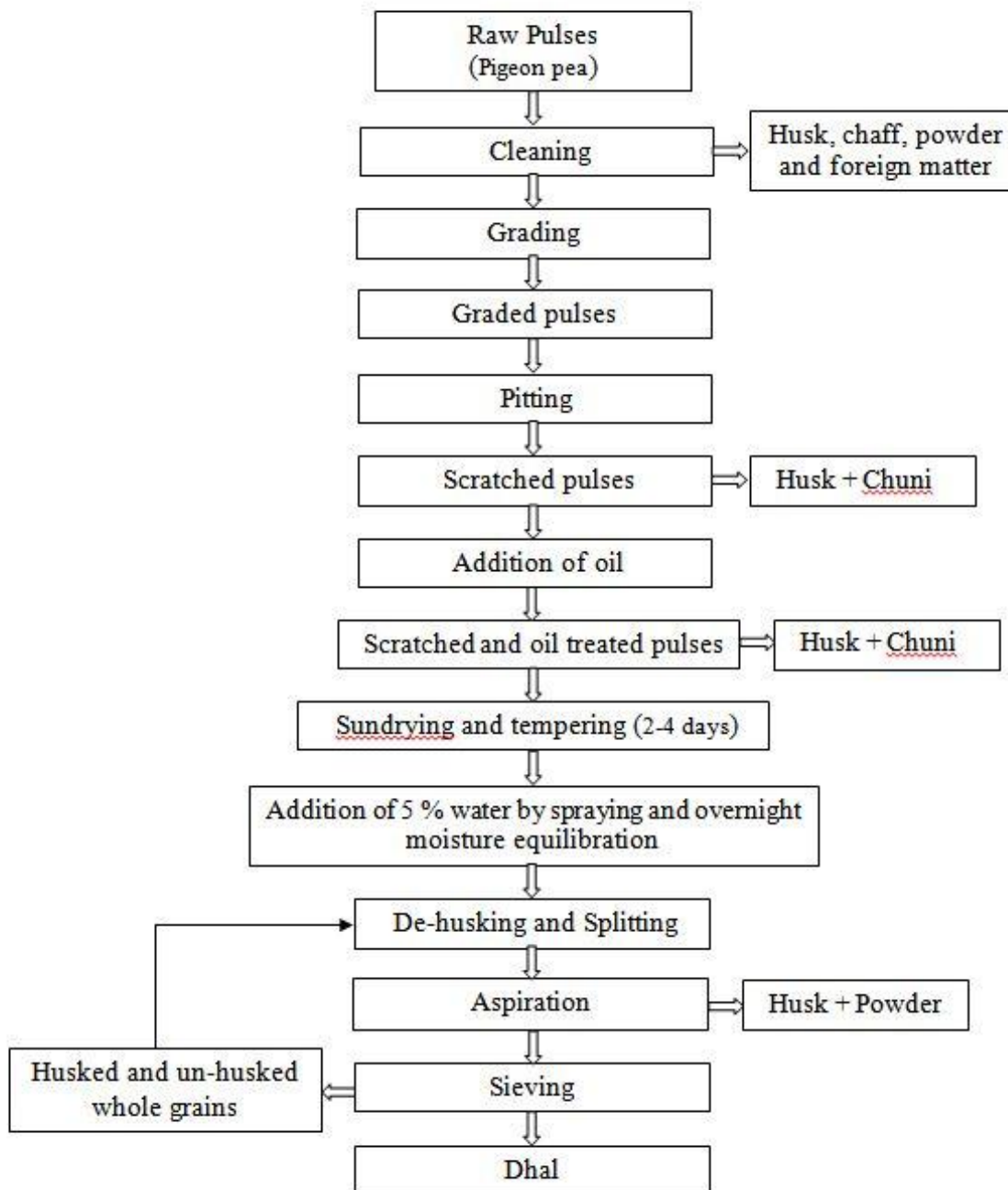


Our strength in processing

We retaining our quality of produce by employing an indigenous technique of processing at every step of the operation with specially designed and fabricated advanced imported machinery.

Production techniques: Pulses/dal

Flow diagram of dry milling method of pigeon pea



PROCESSING UNIT 2

We Successfully operating
**Integrated Processing Centre For
Millets, Pulses & Oil Seeds**

at

MOOLIPATTI.

Funded & Supported by

MSDA - Scheme

(Mission on Sustainable Dry Land Agriculture),

Tamil Nadu

₹ 10 lakhs in 2017-18.



Inaugurated by Our honourable District
collector Virudhunagar on 11.09.2018

15

Dry land agriculture is the system of cultivation dependent solely on receipt of rainfall. A flagship scheme of the state government, MSDA was introduced in 2017-2018.

To achieve sustainable production in dryland agriculture through the development



of dry land clusters established Integrated Processing Centre for Millets, Pulses & Oil Seeds at Moolipatti. Funded & Supported by Mission on Sustainable Dry land Agriculture (MSDA). District inaugurated by our district collector, JDA, AE, and government officials.

Through this system, the farming groups have been able to increase the value of their agricultural produce and increase their earnings. The system also provides services for the local rural population, such as grinding flour, processing of pulses, etc. the revenue generated by this system is to make the system's cost effective and functional.

This organisation has created employment for at least 10 people in the rural environment itself as per the present situation. This enables to avoid the migration of rural peoples to urban due to unemployment.

Equipment and types of machinery/Installed at Integrated Processing Centre For Millets, Pulses & Oil Seeds at Moolipatti of Virudhunagar District.

Sl.No	Make	Description	Model	Capacity	Phase
1	PerfuraTach	Destoner Cum aspirator cum grader for smaller grains	(DGA-S'3500)	500kg	3 phase
2	PerfuraTach	Destoner Cum aspirator cum grader for bigger grains	(DGA -B 3500)	500kg	3 phase
3	PerfuraTach	Dehuller - Double Stage	(MD -3300 CD)	500kg	3 phase
4	PerfuraTach	Dehuller - Double Stage	(MD -3300 CD)	500kg	3 phase
5	PerfuraTach	Pulveriser	(PD -312SS)	100kg	3 phase
6	PerfuraTach	Grain Polisher	(G P -340)	350kg	single
7	PerfuraTach	Dhall Oil Mixer	(DOM -3)	500kg	3 phase
8	PerfuraTach	DhallDehusker	(DDH -3)	400kg	3 phase
9	PerfuraTach	Groundnut Decorticator cum Grader	(GDG - 3200)	300kg	3 phase
10	PerfuraTach	Groundnut Deskiner cum Grader	(GDS -3200)	300kg	3 phase
11	PerfuraTach	Wooden Oil Expeller Machine	(OEW -312)	20kg per bagtch	3 phase

Core competencies of the unit

- knowledge and work - well skilled operator for dal and oil production
- financial position - well established
- Productivity - good for local persons need based production to meet out their day to day needs.
- Location - Moolipatti.
- Human Resources - the easy availability of both type labours'



f) Human

- a. Number of employees - 1
- b. Type of labor (skilled - 2, unskilled - 3)

g) Financial

- a. Land Cost - 2.00 Lakhs
- b. Machinery Cost -3.00 Lakhs

h) Physical

- d. Amount of space Processing - 12.00 Lakhs
- e. Amount of space Packing - 0.56 Lakhs
- f. Amount of space Storing - 1.25 Lakhs

i) Type of building - RCC floors side walled with brick and cement and roofed with blue metal sheets.

j) Power and other utilities - 3 phase with 50 HP power supply installed.

SEED PROCESSING UNIT 3

We got sanction of ₹ 60 lakhs
for developing

SEED PROCESSING AND STORAGE UNIT

at

Suppulaximy Seenivasan Nagar,
Melathulukkangulam.

expected date of completion of the unit
by July 2019.

₹ 60 lakhs in 2018-19.





The seed processing unit is supported by the scheme “**Sub-Mission for Seed and Planting Material (SMSP)**” under National Mission on Agricultural Extension and Technology (NMAET). This unit will cover the entire gamut of seed production chain, from production of nucleus seed to supply

of certified seeds to the farmers, to provide support for creation of infrastructure conducive for development of the seed sector in rural demography itself, and also for improving their capacity and quality of seed production, create dedicated seed bank to meet unforeseen circumstances of natural calamities, etc.



“Development and Strengthening of Infrastructure Facilities for Production and Distribution of Quality Seeds”

The company is Developing 100 MT of Seed processing and storage unit at Melathulukkangulam for the Virudhnagar district farmers at a cost of 60 lakhs with full state subsidy from Government. Construction work is currently in operation*. This plant is coming soon to its full function.

Environment impact activities

Developed and promoted bio control agent production at farm level for improving pest management in agricultural lands through integrated pest management methods.

ENVIRONMENT IMPACT ACTIVITIES



We have developed and promoting bio control agent production for improving pest management in agricultural lands.

8

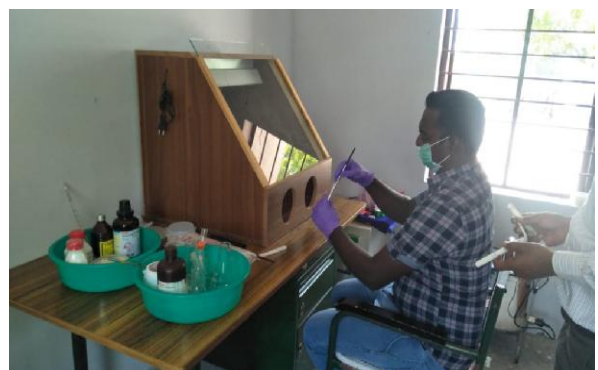
The reduviids (*Coranus spiniscutis*.) are abundant, occur worldwide and are highly successful polyphagous predators and they play a vital role in the biocontrol of insect pests such as rice meal moth, (*Corcyra cephalonica*) and leaf armyworm (*Spodopteralitura*.)

This activity is supported and financially funded by viruthai millets farmers Producer Company limited and implemented with the help of engaging women FIG members of Vadamalaikurichi village, Virudhunagar Block.

***“Tell to pest we are on the way”
- Assassins Bug***

Bio control agents production for pest controlling

Aim: an alternative to pesticides and poisons usage we used biological which is the use of a pest's natural predators in controlling their populations in order to minimize their impact on economic and environmental practices.



Benefits: Virudhunagar is rain fed agricultural farming belt and farmers cannot afford huge amounts towards pest control measures hence, introducing the best pest control measures in a long term effective way is a mandatory task.

Moreover, we have included rural women in this activity for rearing and production of Assassin bugs (Reduviidae) which predate on vast insect pests like



Spodoptera sp. Helicoverpa sp. Most important pests affecting maize, cotton and major vegetable crop. Inclusion of women SHG in this activity enhances women empowerment through additional income to the farming family.

The self-satisfaction of rural women will be increased because of their important and effective contribution towards alarming and ever ending problem of pest incidence facing by the farmers is being met out by their family women.

Bio control agents production training program for managing pest incidence in agriculture given to 3 FIGs.

Distinct advantages of bio control agents.

1. It is a very specific strategy. The vast majority of the time, whatever predator is introduced will only control the population of the pest they are meant to target, making it a green alternative to chemical or mechanical control methods.



2. Natural enemies introduced to the environment are capable of sustaining themselves, often by reducing whatever pest population, they are supposed to manage. This means that after the initial introduction, very little effort is

required to keep the system running fluidly. It also means that biological control can be kept in place for a much longer time than other methods of pest control.

3. Biological control can be cost effective in the long run. Although it may cost a bit to introduce a new species to an environment, it's a tactic that only needs to be applied once due to its self-perpetuating nature.

Most important of all, it's effective. Whatever the pest population to be controlled will no doubt be controlled. Because the predator introduced will be naturally inclined to target the pests, very often we'll see the pest population dwindle.

RESOURCE CENTRE



Viruthai Millets farmer producer company's one of the major contributions to the society is Training and capacity building services given to Farmers, Board of Directors, Financial Partner for commercial bank and Private agriculture Value chain

Partners, Other Districts FPOs and NOGs also.

Especially in the last financial year 2018-19, VMFPCL organised exposure programme on the impact of millets value addition processing in Virudhunagar district farmers. TNAU (Tamil Nadu Agriculture University) MANAGE Hyderabad, NABARD, BIRD Pune, Collective Farming



Farmers and district administration have participated in the events.

VMPCCL value addition centre acting as an exposure training centre for many beneficiaries example other district Govt. Department, Other FPOs, Reputed NGOs, Funding Agencies and their clients,

AWARDS



“Agri. Business Award 2018 for Best Performing FPO” by the Commissioner of Cooperative society, Chennai Tamil Nadu.

AWARDS EARNED

Mrs. Maheswari
leader of Kariyapatti FIG
has received the
“BEST WOMEN ENTREPRENEUR AWARD”
2018
from our
Honourable Union Minister Of Agriculture,
New Delhi Oct 2018



Viruthai Millets FIG Member Mrs. L Marieswari Participated in “National Level Food Processing Conclave 2018” Road Map for Indian Food Processing Industry at New Delhi and received “Best Women Entrepreneurship award 2018” from our Honourable Central Minister of Agriculture.

CASE STUDIES

Case study on Sustainable income from dairy - Empowering rural women

Introduction:

In a male dominated society, where women empowerment seems to be highly a question mark. The concept of women empowerment shows that the society has given a raw deal to women-Who comprise nearly fifty percent of the population and women themselves have to come forward to fight for their rightful place in all walks of life and prevent their exploitation in every field. In this case study, you can find a woman who seems to be come forward to face the challenges in all her walks of life through dairy farming.

Objectives of the case study:

- Study is to identify the effective woman dairy farmers as a model.
- To empower women economically and socially.
- To understand the interest of women in dairy farming.

Participant Selection :

In this case study, one participant has been identified based on the interaction, interest shown in the training programme and observation done by the staff.

The methodology of the case study :

Observation, interviews, references and direct interaction are the methodology followed in this case study.

Case study :

Name : E. Hemalatha



Village : Nanthiretiyarpatti
Mrs.E. Hemalatha aged about 34 born in Tamilnadu, a middle-class family and studied up to S.S.L.C. Since her childhood she is interested in agriculture and its allied activities as well as she is self-motivated

and also taught about self-respect and self-sustainability by her parents. She brought indigenous cow which used to give 5-6 litres of milk per day. She decided to be self-reliant and doesn't want to depend on her husband's family for her own needs. That made her look after her animal properly and she used to pour nearly 5 litres of milk per day in the nearby houses which are two kilometres surrounding her home. Per litre 40 rupees is the amount fixed by her which seems to be a handful of income for her. With the availability of fodder in her land, she used to feed those animals properly. She said that comparing her production cost income in dairying seems to be quite sustainable, regular and profitable. She is also quite happy with the support extended by the Viruthai Millets Farmer Producer Company limited for providing Rs.50000 as a start-up loan for her activity.

Income:

Per day 5 litres x 40 = 200.00

Per month 200 x 30 = 6000.00

Additional benefit female calf one number

Conclusion:

Out of her expenses and repayment of the loan, she is saving 10000 for one year through dairy farming. She explains proudly that I am not dependent on my husband or with my children. I earn with my own effort and no one in my family opposes me. I have been given enough support from my family members because of the sustainable income from dairying.

A Case Study on Millets Value Addition

Summary :

The increasingly corporate trend has created a concern that much midsize family-owned businesses have disappeared. Many rural areas faced with declining numbers of farm jobs. Considering an alternative as a source of potential income and employment growth the food processing sector at the rural level has significant importance. By adding value to farm products, this food processing sector is seen by some analysts as a key element for rural growth, as well as a way to enhance farm income and provide rural jobs.

Farmers of local communities are looking for solutions to their local economic problems. If rural areas cannot find ways to attract or create jobs requiring the skills of highly educated people, they may lose the group most likely to be the catalyst for improving local conditions. However, any gains by rural areas probably will have to come about through intense competition with older, more-established industries in many metropolitan areas.

Background information

Name of the farmer	: Mr Sivakumar
Village	: Thathampatty
Accommodation	: Own house
Social and economic factors	: Middle Class educated
Family and supports activity	: family women & interested farmers supported activity

Assessment

Declining Rural Economy



Steady declines in the number of farms and growth in average acreage per farm have occurred for a number of years in recent. The pattern of economic growth in farm-dependent rural families depended on either being an active trade

center for a much larger region or having a concentration of food processing activity. Value-added product development provides excellent opportunities to stimulate economic development, as the following case study demonstrates.

Plan

We plan to develop different types of cookies using a combination of minor millet flour and natural sugar. The activity has been delegated to an interested farm group headed by Mr. Sivakumar who is having prior experience in the biscuit industry. Raw materials are being arranged from the VMFPCL processing centre and natural sugar organized from another FIG in the district.

Capital Investment loan from Viruthai Millets FPCL: 500000/-

Intervention

From the farmer side: with the help of VMFPCL support regarding financial, technical, raw material mobilization and capacity building I have developed a micro food processing industry for millets cookies production and through this venture, I have been able to provide job opportunity for the 5 to 6 members directly in the village and can be able to support indirect job opportunity for more than 15 members those who are not directly connected to the production process

I used the loan amount for machinery purchase regarding the production of millet cookies.

The information below describes why I feel satisfied with product value addition is important for us.

Per day production capacity	: 200 Kg
Price	: 150 per Kg
Total value of production per day	: 150 x 200 = 30000.00
Total value of production per month	: 30000 x 30 = 900000.00

Other important benefits:

- Technology for Value addition methods training to the farmers' group
- Increased income level of the farmers

- More job opportunity at the rural level for higher educated peoples
- Employment to rural uneducated women.
- Improved social status of the family and rural society.

A Case Study on farm finance

A brief summary of the case



Referral/presenting issues

Selvendren, C., aged around 53, has done his formal schooling up to SSLC. He belongs to the farming community, is married and has two children. He owns 12 acres of land and manages it with the help of hired labour.

Selvendren has been growing red grams, millets and vegetables for quite some years.

In recent years due to the heavy increase in agro input material costs farming is very difficult among the farmers and areas like Virudhunagar it more difficult due to its rain fed farming nature. Hence switching to a sustainable way of farming is more important. The following story tells about a successive farmer who involved in rain fed sustainable farming with the help of community supports.

Background information

Name of the farmer: Selvendran

Village name : Vadamalaikurichi

I am, cultivating red gram which involved a number of routine activities like sowing the seeds directly brought from the seed dealer, applying FYM as a standard practice. As a member of the group, I am an active participant in the FIG. The cultivation practices followed were as per the decisions in the FIG group we formulated and the cultivation was according to my normal farming practices, and for the control measures for pest and diseases, I learnt a lot about alternative farming practices in VMFPCL training. The seeds were treated with biologicals prior to sowing. Such as phosphobacteria and azospirillum before sowing. Pest management: Trap crops like marigold and bhendi were grown to manage pests

like heliothis and spotted bollworm. I learnt about the role of useful insects like Trichogramma, an egg parasite on heliothis. Prior to my FIG enrolment, I had no idea like, that there could be some insects, which could benefit our crop example Reduvid bug, a bio agent to control spodopetera. The earlier practice was to spray pesticides whenever a larva or an insect was noticed in the field. These new measures helped in reducing the pesticide sprays and reduced a major expenditure in farming. Nutrient management: FYM 2 tons/ac to 3 tons/ac and with vermi compost (2 q/ac). At present, I have also started composting on my own farm. These knowledge and traditional farming practices with improved modern techniques and utilities save me from the severe financial crises.

Plan

For developing community oriented farming activity among the farmers of Virudhunagar district which is a high rain fed dependent farming system hence improving farmers' income and livelihood through a sustainable approach will be a better option to start.

Intervention

Introducing community oriented farming system

Training to adopt organic farming in a sustainable manner

Empowering rain fed farmers

Involving women SHG in activities like bio pesticide production, etc.

Income

Red gram yield: 408 Kg

Rate per Kg : 43.00

Total income : $43 \times 408 = 17544.00$

Loan amount from VMFPCL 30000.

A case study on women farmer

A brief summary of the case

During the past ten years, the field of organic agriculture by information exchange, awareness raising, standards development and increasing the role of women in agriculture is gaining access. The main purpose of this study is to analyse the importance of rural women in agriculture and recording her role in empowering rural livelihoods. To find alternatives to present-day chemical, non-viable and environmentally destructive modes of conventional agriculture, as well as to bring about environmental, socio-economic and cultural stability and sustainability through agriculture.

Background information

Name of the farmer: N. Malliga

Village name : Vadamalaikurichi



A 34 years age old married female Mrs.Malligawith a family members of 4 peoples, I have actively involved in agriculture for more than two decades from my child hood I learned farming from my father and after my marriage,I involved farming in my husband's farm

and supporting him in various activities like weeding, man power coordination, etc. but due to economic insufficiency,my husband went for some other work in the urban and leaving the responsibility of farming to me. I planned to take support from the community and approached VMFPCL about financing, training, capacity building, etc. and to get succeed in cost effective farming to earn enough profit in agriculture.

Plan

- Encouraging alternatives of present chemical, non-viable and environmentally destructive modes of conventional agriculture;
- Environmental sustainability: Bring about environmental, socio economic and cultural stability and sustainability through agriculture.

- Poverty alleviation, food security, women's liberation, Capacity building of communities.

Intervention

- increase in awareness among the different stakeholders of organic agriculture in the region;
- Increase in demand and widening of markets for organic produce.

Income

Black gram yield	: 502
Rate per Kg	: 52
Total income	: $502 \times 52 = 26104/-$

The lessons learned

- Proper networking was possible with in a community.
- Information exchange was made possible for every farmer.
- social and cultural importance was emphasized;
- Women have to be involved as prime mobilizers in the process of shifting from conventional agriculture to organic agricultural systems.

Conclusion

The land use, which was perceived only from economic context, is now seen as a methodology to transform social behaviour to bring about environmental sustainability. With this change in thought process, all the components of nature were effectively managed sustainably. To support their decision VMFPCL organised and supported opening a market outlet for the marketing of organic produce; increase the role of women in decision making in organic agriculture.

Audit Report 2018 - 19

H M P S & ASSOCIATES

Chartered Accountants



No. 6, Kodikalkara South Street, Krishnarayar Tank West Street, Maninagaram, Madurai-625 001
Phone : 0452 - 4374105 Mobile : 94866-38105
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INDEPENDENT AUDITORS' REPORT

To

The Members of **VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED**

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of **VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED (CIN: U01409TN2016PTC110856)** ("the Company"), which comprise the balance sheet as at March 31, 2019, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its Profit and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Branches at Dindigul, Palani , Coimbatore & Salem

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The boards of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The provisions of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, We give in the "Annexure-A" statement on the matters specified in the paragraph 3 and 4 of the order, to the extend applicable

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017;

- (g) The Company being a private limited company, the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in respect of whether the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act is not applicable; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- a. The Company does not have any pending litigations which would impact its financial position;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
- (i) With respect to report on additional matters relating to the producer company as prescribed under section 581ZG of the Companies Act, in our opinion and to the best of our information and according to explanation given to us.
- a. The Total amount of debts outstanding as on 31.03.2019 is of Rs. 2,05,68,194/- debts includes trade receivable and financial assistance proved to the members of the company.
 - b. According to the information and explanation given to us the management, the company is having the policy of periodical verification of cash balance.
 - c. According to the information and explanation give to us and on the basis of our examination of the records of the Company no transactions which appear to the contrary to the provisions of this part.
 - d. During the year, the Company have not provided any loan to the directors of the Company
 - e. During the year, the Company have not provided any donations or subscriptions.

Place : Viruthunagar (Camp)
Date : 22nd June 2019

For HMPS & ASSOCIATES
Chartered Accountants
FRN 011723S

Sd/-
CA.R.HANUMANDHAN
Partner M.No.219096

H M P S & ASSOCIATES

Chartered Accountants



No. 6, Kodikalkara South Street, Krishnarayar Tank West Street, Maninagaram, Madurai-625 001
Phone : 0452 - 4374105 Mobile : 94866-38105
email : hmpsmdu2007@gmail.com, hanu_viki@yahoo.co.in

Annexure “A” to the Independent Auditor’s Report on the Financial Statements

The Annexure referred to in paragraph 1 under ‘Report on other legal and regulatory requirements’ section of our report to the Members of VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED for the year ended 31st March 2019, We report that

1. In respect of the Company’s fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets of the Company were physically verified in full by the management during the year. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company there are no immovable property held in the name of the Company
2. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
3. According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.
4. In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.

Branches at Dindigul, Palani , Coimbatore & Salem

5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.
6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
7. In respect of statutory dues:
 - a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable
 - c) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.
9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.

13. The company is a private limited company and hence provision of section 197 read with schedule V of the companies Act are not applicable. Accordingly, paragraph 3(xi) of the order is not applicable.
14. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
16. According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934

Place : Viruthunagar (Camp)

Date : 22nd June 2019

For HMPS & ASSOCIATES

Chartered Accountants

FRN 011723S

Sd/-

CA.R.HANUMANDHAN

Partner M.No.219096

VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED

1/508, KKSSN NAGAR, ROSALPATTI

VIRUDHUNAGAR - 626001

BALANCE SHEET AS AT 31.03.2019

(Amount in Rs.)

Particulars		Note	31.03.2019	31.03.2018
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	1	2,000,000.00	1,000,000.00
	(b) Reserves and surplus	2	229,876.66	263,520.42
	(c) Application money		57,700.00	56,700.00
2	Non-current liabilities			
	(a) Long-term borrowings	3	53,553,456.01	28,436,218.82
	(b) Deferred tax liabilities	4	54,249.78	NIL
3	Current liabilities			
	(a) Short-term borrowings	5	NIL	NIL
	(a) Trade payables	6	1,732,511.80	758,705.00
	(b) Other current liabilities	7	5,029.00	773,201.21
	TOTAL		57,632,823.25	31,288,345.45
II.	ASSETS			
	Non-current assets			
1	(a) Fixed assets			
	Tangible assets	8	6,399,417.00	2,241,717.16
	(b) Non-Current Investments		NIL	NIL
	(c) Long-term loans and advances	9	15,511,859.00	17,130,799.00
	(d) deferred Tax Assets	10	NIL	505.52
2	Current assets			
	(a) Inventories	11	23,334,591.00	8,892,973.00
	(b) Trade receivables	12	5,056,334.80	515,356.55
	(c) Cash and cash equivalents	13	5,593,278.66	2,188,300.03
	(d) Short-term loans and advances	14	1,737,342.79	318,694.19
	TOTAL		57,632,823.25	31,288,345.45
	Significant accounting policies and notes on accounts	25		

**SUBJECT TO OUR REPORT OF EVEN DAT
AND NOTES AND SCHEDULES ANNEXED
HERETO.**

FOR AND ON BEHALF OF THE BOARD

**Sd/-
Chairman**

**Sd/-
CEO**

**Sd/-
Director**

**For HMPS & ASSOCIATES
Chartered Accountants
FRN 011723S**

**Sd/-
CA.R.HANUMANDHAN
Partner M.No.219096**

Place : Viruthunagar (Camp)

Date : 22nd June 2019

VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED

1/508, KKSSN NAGAR, ROSALPATTI

VIRUDHUNAGAR - 626001

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD FROM 01.04.2018 TO 31.03.2019

(Amount in Rs.)

Particulars	Note	31.03.2019	31.03.2018
Revenue from operations	15	22,629,236.11	7,845,352.00
Other income	16	1,187,337.63	633,744.79
Total Revenue		23,816,573.74	8,479,096.79
Expenses:			
Purchases of Traded goods	17	24,877,308.00	10,137,233.00
Changes in inventories of Finished goods	18	-14,441,618.00	-6,904,323.00
Employee benefits expense	19	1,365,946.00	130,734.00
Finance costs	20	7,497,059.26	3,872,437.89
Other expenses			
Manufacturing and other operating Expenses	21	1,863,397.25	425,241.00
Administration and Other Charges	22	923,210.69	350,711.00
Selling and Distribution Expenses	23	1,347,538.00	63,235.00
Depreciation and amortization expense	7	357,592.00	39,669.00
Total expenses		23,790,433.20	8,114,937.89
Net Profit		26,140.54	364,158.90
Tax expense:			
(1) Current tax		5,029.00	113,879.00
(2) Deferred tax		-54,755.30	-213.52
Net Loss transferred to Reserves & Surplus A/c		-33,643.76	250,493.42
Earnings per equity share:			
(1) Basic	24	-0.17	2.50
(2) Diluted	24	-0.17	2.50
Significant accounting policies and notes on accounts	25		

SUBJECT TO OUR REPORT OF EVEN DATE AND NOTES AND SCHEDULES ANNEXED HERETO.

FOR AND ON BEHALF OF THE BOARD

Sd/- Chairman Sd/- CEO Sd/- Director

**For HMPS & ASSOCIATES
Chartered Accountants
FRN 011723S**

Sd/-
**CA.R.HANUMANDHAN
Partner M.No.219096**

Place : Viruthunagar (Camp)
Date : 22nd June 2019

VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED

1/508, KKSSN NAGAR, ROSALPATTI

VIRUDHUNAGAR - 626001

Notes forming part of the Financial Statement for the year ended 31.03.2019

Note No.1: Share Capital

a) Shareholders Fund

<u>Particulars</u>	As at 31 March 2019		As at 31 March 2018	
	Number	Rs.	Number	Rs.
Authorised				
Equity Shares of Rs.10 each	200,000	2,000,000	200,000	2,000,000
Issued				
Equity Shares of Rs.10 each	200,000	2,000,000	100,000	1,000,000
Subscribed & Paid up				
Equity Shares of Rs.10 each	200,000	2,000,000	100,000	1,000,000

b) Reconciliation of the shares held at the end of the reporting period

<u>Particulars</u>	Equity Shares as at 31.03.2019		Equity Shares as at 31.03.2018	
	Number	Rs.	Number	Rs.
Shares issued at the beginning of the	100,000	1,000,000	10,000	100,000
Shares Issued during the year	100,000	1,000,000	90,000	900,000
Shares bought back during the year	-	-	-	-
Shares held at the end of the year	200,000	2,000,000	100,000	1,000,000

c) Details of shares held by each shareholder holding more than 5% of the aggregate share of the Company
NIL

d) Rights, Preferences and restriction related to Equity Shares :

The company has one class of equity shares having a Par value of Rs.10/ each. Each share holder is eligible for One Vote per share held, in the general meetings, in the event of liquidation of the company the equity shareholders are eligible to the approval of the shareholders in the ensuing Annual General meeting to receive the remaining assets of the company proportion to their shareholding. The equity Shareholders are entitled to receive dividends as and when declared, their rights, preferences and restrictions are strictly governed by . In terms of their issue under the Provisions of the Companies Act, 2013

<u>Particulars</u>	31.3.2019 Rs.	31.3.2018 Rs.
Note No.2: Reserves and Surplus		
a) Capital Reserve		
Opening Balance	NIL	NIL
Add: Additions during the year	NIL	NIL
	NIL	NIL
b) Surplus in Profit and Loss Account		
Opening Balance	263,520.42	13,027.00
Add: Profit (Loss) after tax	-33,643.76	250,493.42
Closing Balance	229,876.66	263,520.42
Total (a) + (b)	229,876.66	263,520.42

VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED
1/508, KKSSN NAGAR, ROSALPATTI
VIRUDHUNAGAR - 626001

Notes forming part of the Financial Statement for the year ended 31.03.2019

<u>Particulars</u>	31.3.2019	31.3.2018
	Rs.	Rs.
Note No.3: Long-Term Borrowings		
a) Secured :		
Loan From Ananya Finance	36,849,997.00	9,100,001.00
Loan from Samunnati Finance	14,278,353.32	17,323,338.45
Bank Loan - Syndicate Bank TL	1,525,105.69	850,000.00
Bank Loan - Syndicate Bank DL	900,000.00	1,137,879.37
	53,553,456.01	28,411,218.82
b) Unsecured :		
Seed - Resource Institution	-	25,000.00
	-	25,000.00
Total (a) + (b)	53,553,456.01	28,436,218.82
Note No.4: Deferred Tax Liability		
Deferred Tax on account of Depreciation	54,249.78	NIL
Note No.5: Short -Term Borrowings		
a) Secured :		
	NIL	NIL
b) Unsecured :		
	NIL	NIL
	NIL	NIL
Note No.6: Trade Payables		
Creditors for Goods and services	1,732,511.80	758,705.00
Note No.7: Current Liabilities & Provisions		
Accounts Payable	-	239,716.00
Expenses Payable	-	20,000.00
GST Payable	-	18,443.66
TDS Payable	-	381,162.55
Provision for Income Tax	5,029.00	113,879.00
	5,029.00	773,201.21
Note No.8: Fixed Assets		
Value of Gross Block as per Depn Schedue	6,798,483.00	2,283,191.16
Less : Accumulated Depreciation	399,066.00	41,474.00
	6,399,417.00	2,241,717.16
Note No.9: Long Term Loans and Advances		
Rent Advance	150,000.00	25,000.00
Advance - Procurement	171,400.00	96,000.00
Advances to Farmers - Financial Assistance (Related parties)	15,190,459.00	17,009,799.00
	15,511,859.00	17,130,799.00
Loan & Advances provided to its Active members and other members as financial assistance to the agriculture activities as per the clause 22 of AOA		
Note No.10: Deferred Tax Asset		
Deferred Tax on account of Depreciation	NIL	505.52

VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED
1/508, KKSSN NAGAR, ROSALPATTI
VIRUDHUNAGAR - 626001

Notes forming part of the Financial Statement for the year ended 31.03.2019

<u>Particulars</u>	31.3.2019	31.3.2018
	Rs.	Rs.
Note No.11: Inventories		
Raw Millets & Others		
Blakgram	3,802,807.00	5,263,936.00
Chilies	329,385.00	310,450.00
Coriander	412,383.00	412,383.00
Green gram	3,651,303.00	-
Groundnut	241,217.00	-
Sougham	-	81,570.00
Kuthiraivalli	3,748,560.00	-
Paddy & Rice	357,011.00	382,807.00
Varagu (Kodo)	1,936,998.00	-
Thinai (Foxtail)	113,380.00	-
Maize	-	265,052.00
Porcessed Millet & Others		
Block gram Dall (Value Addition)	3,193,380.00	625,120.00
Kuthiraivalli (Rice)	140,000.00	901,655.00
Millets Rice	-	650,000.00
Kodo Millet (Varagu)	1,027,110.00	-
Thinai Rice (Foxtail)	745,515.00	-
Millet Products	147,491.00	-
Millets Brocken & Husk	3,080,359.00	-
Vembar Karuppatti	22,000.00	-
Packing Material	385,692.00	-
	23,334,591.00	6,892,973.00
Note No.12: Trade Receivables		
Sundry Debtors - Trading	4,272,124.25	89,694.00
Accouunts Receivable	784,210.55	425,662.55
	5,056,334.80	515,356.55
Note No.13: Cash and cash equivalentns		
Cash on Hand	50,222.41	21,544.00
Cash at bank	4,479,878.32	636,225.93
Fixed deposit	1,063,177.93	1,530,530.10
Total	5,593,278.66	2,188,300.03
Note No.14: Short Term Loans and Advances		
Machinery Advance	325,751.00	95,613.00
PKVY Scheme Advance	48,051.00	92,701.00
Salary Advance	401.00	31,070.00
Samunnati Finance PC Receivable	291,506.91	87,953.95
Prepaid Processing fees	250,000.00	-
Security Deposit - Ananya	752,589.00	-
Tax Deducted at Source / GST	20,872.88	11,356.24
Prepaid Insurance	48,171.00	-
	1,737,342.79	318,694.19

VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED
1/508, KKSSN NAGAR, ROSALPATTI
VIRUDHUNAGAR - 626001

Notes forming part of the Financial Statement for the year ended 31.03.2019

<u>Particulars</u>	31.3.2019	31.3.2018
	Rs.	Rs.
Note No.15: Revenue from Operations		
Bengal gram Sales	53,353.00	9,760.00
Green gram Sales	966,263.00	567,672.00
Red gram Sales	262,262.00	68,956.00
Black gram Sales	5,034,806.75	1,910,010.00
Sale of Chillies	27,685.25	340,000.00
Pepper	513,700.00	-
Coriander Seeds Sales	669,895.25	528,867.00
Paddy & Rice	231,950.00	-
Millets / Millets Valued Added	7,317,657.40	470,805.00
Local Sales / Maize Sales	1,494,021.50	808,650.00
Groundnut Sales	7,850.00	-
Blackgram Dust	87,975.00	-
Interest from Farmers Advance	5,961,816.96	3,140,632.00
	22,629,236.11	7,845,352.00
Note No.16: Other Income		
Entrance Fees	100.00	46,400.00
Processing Charges & Incentive	313,276.00	374,099.45
Interest on Fixed Deposit	95,605.00	33,922.34
Other Interest & Others	778,356.63	179,323.00
	1,187,337.63	633,744.79
Note No.17: Purchase of Traded Goods		
Bengal gram Purchase	23,632.50	5,600.00
Green gram Purchase	4,785,398.00	663,125.00
Red gram Purchase	219,525.50	91,600.00
Black gram Purchase	5,587,512.00	5,687,435.00
Purchases of Chillies	46,620.00	650,450.00
Pepper Purchase	512,500.00	-
Groundnut Purchases	249,067.00	-
Paddy Purchase	50,904.00	382,807.00
Millets Purchases	13,380,149.00	932,802.00
Vembar Karuppatti	22,000.00	-
Coriander Purchases	-	1,050,650.00
Maize Purchases	-	672,764.00
	24,877,308.00	10,137,233.00
Note No.18: (Increase) / Decrease in Stock		
Opening stock	8,892,973.00	1,988,650.00
Closing Stock	23,334,591.00	8,892,973.00
Increase in Stock	-14,441,618.00	-6,904,323.00

VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED

1/508, KKSSN NAGAR, ROSALPATTI

VIRUDHUNAGAR - 626001

Notes forming part of the Financial Statement for the year ended 31.03.2019

<u>Particulars</u>	31.3.2019	31.3.2018
	Rs.	Rs.
Note No.19: Employee Benefits Expenses		
Staff Salary & Bonus	837,796.00	91,215.00
Worker Wages	164,768.00	-
Travel Allowance	287,230.00	38,619.00
EPF Contribution	55,305.00	-
ESI Contribution	19,047.00	-
Communication Allowance	1,800.00	900.00
	1,365,946.00	130,734.00
Note No.20: Finance Costs		
Interest on Loan	6,208,959.89	3,275,870.87
Processing Charges	792,500.00	359,300.00
Bank Charges & Stamp Charges	170,599.37	53,934.02
Facilitation Cost Resource Institution	325,000.00	183,333.00
	7,497,059.26	3,872,437.89
Note No.21: Manufacturing and other operating expenses		
Freight Charges	434,755.00	119,799.00
Gunny Charges	83,407.00	15,320.00
Loading & Unloading	201,075.00	77,658.00
Processing & Packing	620,958.25	33,875.00
Designing & Printing	292,944.00	174,589.00
Warehouse Rent	81,659.00	-
Adult Pension Yajana	5,000.00	4,000.00
Stock Insurance / Machinery insurance	17,739.00	-
Unit Rent & EB	61,022.00	-
Unit Maintenance	64,838.00	-
	1,863,397.25	425,241.00
Note No.22: Administration and other charges		
Audit Fees	19,300.00	30,000.00
Courier Expenses	8,279.00	1,358.00
Legal Complence & Professional Charges	94,796.00	67,202.00
Office Maintenance	155,496.00	21,988.00
Printing & Stationery	238,120.00	90,172.00
Rent, EB and Water Expenses	230.00	25,270.00
Telephone Expenses	17,643.00	12,587.00
Travel & Auto hire Expenses	203,946.00	102,134.00
GST filing & Consultation	44,867.00	-
GST Late filing Fees	12,330.00	-
Interest on late Payment of TDS & Income Tax	65,563.69	-
ISO Cetificate Expenses & APEDA Membership fees	62,640.00	-
	923,210.69	350,711.00

VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED

1/508, KKSSN NAGAR, ROSALPATTI

VIRUDHUNAGAR - 626001

Notes forming part of the Financial Statement for the year ended 31.03.2019

<u>Particulars</u>	<u>31.3.2019</u>	<u>31.3.2018</u>
	Rs.	Rs.
Note No.23: Selling and Distribution Expenses		
Performance Incentive	14,338.00	12,000.00
CESS - Regulated Market Viruthunagar	81,911.00	19,799.00
Godown Rent /Regulated Market committee Rent	43,430.00	1,648.00
Training & Capacity Building	157,764.00	18,788.00
License, Certification & Registration	171,665.00	-
Marketion Promotional Expenses	507,207.00	-
Printing - Packing Material	328,054.00	-
Travel - LRP	14,661.00	-
Loading & Unloading Expenses	28,508.00	-
Regulated Market Committee Expenses	-	11,000.00
	1,347,538.00	63,235.00
Note No.24: Earning per share (EPS)		
Earnings available to Equity Shareholders	-33,643.76	250,493.42
Number of Equity Shares	200,000.00	100,000.00
EPS : Basic and Diluted (Rs.)	-0.17	2.50

FOR AND ON BEHALF OF THE BOARD

SUBJECT TO OUR REPORT OF EVEN DATE
AND NOTES AND SCHEDULES ANNEXED
HERETO.

Sd/-
Chairman

Sd/-
CEO

Sd/-
Director

For HMPS & ASSOCIATES
Chartered Accountants
FRN 011723S

Sd/-
CA.R.HANUMANDHAN
Partner M.No.219096

Place : Viruthunagar (Camp)
Date : 22nd June 2019

VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED
1/508, KKSSN NAGAR, ROSALPATTI
VIRUDHUNAGAR - 626001

DEPRECIATION STATEMENT AS ON 31.03.2019

Annexure to Note No.8 : Fixed Assets - Tangible Assets										
(Amount in Rs.)										
Fixed Asset Schedule as per Companies Act 2013										
Name of the Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	01-Apr-18	Additions	Deletions/ Adjustment	31-Mar-19	01-Apr-18	Deletions/ Adjustmen	Dep for the year	31-Mar-19	31-Mar-19	31-Mar-18
Plant & Machinery	30,500	634,870		665,370	1,785	-	11,056	12,841	652,529	28,715
Electrical Fittings	-	76,475		76,475	-	-	14,197	14,197	62,278	-
Furniture & Fixtures	48,590	19,690		68,280	9,249	-	12,012	21,261	47,019	39,341
Plant & Machinery - MSDA	-	1,343,365	(1,000,000)	343,365	-	-	6,893	6,893	336,472	-
Plant & Machinery -NADP	-	1,363,412	(600,000)	763,412	-	-	41,969	41,969	721,443	-
Plant & Machinery - Vishra	-	2,410,000		2,410,000	-	-	170,418	170,418	2,239,582	-
Computers & Peripherals	89,949	-		89,949	30,440	-	38,524	68,964	20,985	59,509
Building	-	2,034,432	(500,000)	1,534,432	-	-	62,523	62,523	1,471,909	-
Total	169,039	7,882,244	(2,100,000)	5,951,283	41,474	-	357,592	399,066	5,552,217	127,565

NOTE :

Land purchased for Processing unit at Melathulukkankulam for Rs.674000, Land cost includes Commssion, Registration charges etc
Government Subsidy received towards Machinery and Building adjusted from gross block of respective assets
Seed Processing Unint under Construction Value of Rs. 173200/- not taken for depreciation calculation

VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED 1/508, KKSSN NAGAR, ROSALPATTI VIRUDHUNAGAR - 626001 CASH FLOW STATEMENT FOR THE PERIOD FROM 01.04.2018 TO 31.03.2019			
Particulars	Note	31.03.2019	31.03.2018
A. Cash Flow from Operating activities			
Net Profit / (Loss) before tax and prior period and extraordinary items		26,141	364,159
Adjustments for :			
Depreciation		357,592	39,669
Interest paid		7,497,059	3,872,438
Interest Received		-6,835,779	-3,353,877
Dividend Received		-	-
Deferred revenue expenditure written off		-	-
Profit on sale of assets		-	-
Operating Profit / (Loss) before working capital changes		1,045,013	922,388
Adjustments for :			
Trade Receivables		-4,540,978	-45,594
Loans and Advances		200,291	-17,328,493
Inventories		-14,441,618	-6,904,323
Trade Payables & Current liabilities		205,635	1,470,716
Cash generated from Operations		-17,531,657	-21,885,305
Income Tax Paid		-5,029	-113,879
Net Cash from Operating activities	A	-17,536,686	-21,999,184
B. Cash Flow from Investing activities :			
Purchase of fixed assets		-6,615,292	-2,265,991
Share Capital /Subsidy received		3,101,000	549,700
Interest received		6,835,779	3,353,877
Dividend received		-	-
Purchase of investment		-	-
Net Cash used in Investing activities	B	3,321,487	1,637,586
C. Cash Flow from Financing activities :			
Proceeds from Long Term borrowings		25,117,237	25,911,219
Repayment of Long Term Loan		-	-
Increase / (Decrease) in working capital borrowings		-	-
Interest Paid		-7,497,059	-3,872,438
Dividend Paid		-	-
Net Cash from / (used) in financing activities	C	17,620,178	22,038,781
Net Increase / (Decrease) in Cash and Cash Equivalents		3,404,979	1,677,183
Opening balance of Cash and Cash Equivalents (Ref to Note No.13)		2,188,300	511,117
Closing balance of Cash and Cash Equivalents (Ref to Note No.13)		5,593,279	2,188,300
Net Increase / (Decrease) in Cash and Cash Equivalents		3,404,979	1,677,183
Madurai 22.06.2019			

Sd/-
Chairman

Sd/-
CEO

Sd/-
Director

For HMPS & ASSOCIATES
Chartered Accountants
FRN 011723S

Sd/-
CA.R.HANUMANDHAN
Partner M.No.219096

Place : Viruthunagar (Camp)
 Date : 22nd June 2019

VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED
1/508, KKSSN NAGAR, ROSALPATTI
VIRUDHUNAGAR - 626001

Notes to financial statements for the year ended 31 March 2019

Annexure to Note No.9: Related Party Transactions

Disclosure of related parties/ related party transactions pursuant to accounting standard (AS) 18
Related Party Disclosure

a. List of related parties over which control exist and status of transaction entered during the year with related parties ledgers as follows

S.No	Name of the Related Party	Nature of Relationship	Transaction Status (Yes / No)
Key Management Personnel			
1	Sri. Kannan	Key Management Personnel	Yes
2	Sri. R.Seenivasan	Key Management Personnel	Yes
Enterprises owned or significantly influenced by KMP			
1	Vlayankulam FIG 1	Enterprises owned or significantly influenced by KMP	Yes
2	Melathulukankulam FIG 1	Enterprises owned or significantly influenced by KMP	Yes
b. The following are the transactions that took place with the related parties to the company			
Related Party	Interested Director	Nature of Transaction	Amount in Rs.
Vlayankulam FIG 1	Sri. Kannan	Loan & Advances	1,061,174
Melathulukankulam FIG 1	Sri. R.Seenivasan	Loan & Advances	965,000
Year End Balance as 31.03.2019			
Particulars	Nature of the Transaction		Amount in Rs.
Vlayankulam FIG 1	Loan & Advances		582,228
Melathulukankulam FIG 1	Loan & Advances		355,025

Sd/-
Chairman

Sd/-
CEO

Sd/-
Director

VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED
CIN: U01409TN2016PTC110856

NOTE NO: 25

Schedules forming parts of Account as at 31st March, 2019

1. Company General Information:

M/s. VIRUTHAI MILLETS FARMER PRODUCER COMPANY Limited (hereinafter referred as “The Company” was incorporated on 10th day of June 2016 under the Companies Act, 2013 and that the company is limited by shares. The CIN of the company is U01409TN2016PTC110856. The Company principally engaged in the activity of dealing, selling and distributing agricultural products. The Company’s share is not listed in any stock exchanges in India. The company does not accept any deposit from the Public.

2. Significant Accounting Policies & Notes of Accounts

a. Method of Accounting

The Financial statements of the company have been prepared in accordance with generally accepted accounting principles in India to comply with Accounting Standards specified under section 133 of the Company Act 2013 and relevant provisions of the Company Act 2013 as applicable Producer Company. The financial statements of the company have been prepared under the historical cost convention applying accrual method of accounting and the generally accepted accounting principles in India and other pronouncements of Institute of Chartered Accountants of India. . The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous years.

b. Use of Estimates:

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and Liabilities as on date of the financial statements and the reported income and expenses during the reporting period. The estimates and assumptions used in the financial statements are based upon the Management’s evaluation of the relevant facts and circumstances as on the date of financial statements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates.

c. Recognition of Income & Expenditure

The Company proposed to follow the Mercantile System of Accounting and recognizes Income & Expenditure on Accrual Basis.

d. Fixed Assets:

The Fixed assets are stated at historical cost less accumulated depreciation. Cost includes taxes and duties, freight and insurance, etc., attributable to acquisition and installation of assets.

Cost of the Land comprises cost of the land and other related improvement charges and Building Comprises cost of Construction of Seed processing and Storage unit net of Subsidy received during the year. Seed processing unit not put into use during the financial year.

e. Depreciation

Depreciation on fixed assets is provided on Written down value method as per the useful life of the assets at the rates specified under Schedule II of the Companies Act, 2013 on a Pro rata basis corresponding to the month of installation. Seed processing unit not put into use during the financial year hence depreciation not charged.

f. Inventories

Inventories are valued at lower of cost or net realizable value after providing for obsolescence's and other losses where consider as necessary. The value of inventories comprises of Cost of Purchase, Cost of Conversion and other Costs incurred to bring them to their respective present location and condition. Costs of Raw Materials and Packing Materials are determined on weighted average method. Finished goods include appropriate proportion of overheads.

g. Taxation

Current Tax: Current tax is provided on the basis of estimated taxable income in accordance with the Income Tax Act, 1961 using the applicable tax rates and tax laws.

Deferred Tax: Deferred tax is recognized as per the accounting standard 22, for timing difference between the accounting income and taxable income for the year is recognized using the tax rates and law prevail as at the balance sheet date.

h. Earnings per Share

The earnings considered in the ascertaining the company's basic EPS in the attributable net profit or loss of the equity share holders as per AS-20, The number of shares used to computing basic EPS is the weighted average number of shares outstanding during the period.

The diluted earnings per shares is calculated on the same basis as Basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

i. Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with original maturity of three months or less from the date of acquisition) highly liquid investments that are readily convertible in known amounts of cash and which are subject to significant risk of changes in value.

j. Cash flow Statement

Cash flow statement reported using indirect method, whereby profit/(Loss) before extraordinary items and tax is adjusted for the effects of transactions of non cash nature and any deferred of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

k. Accounting of Grants

The company received subsidy for construction of processing unit during the year and the amount of subsidy is reduced from the gross amount of the asset to calculate book value. This signifies that the grant is being recognized in profit and loss account as a reduced charge of depreciation over the life of such asset.

l. Borrowing Cost

Borrowing cost includes interest and ancillary cost incurred. Borrowing cost that directly attributable to the acquisition / construction of a qualifying assets pertaining to the period from commencement of activities relating construction / development of qualifying asset up to the date of capitalization of such assets, are capitalized as part of the cost of the asset. All borrowing costs are recognized as an expense in the statement of profit and loss in the year in which they are incurred.

m. Lease

Lease arrangements where the risks and rewards incident to the ownership of an assets substantially vest with the lessor are recognized as operating lease. Lease rent under operating lease are recognized in the statement of profit and loss on straight line basis.

n. Material Events occurring after Balance Sheet date

Material adjusting events occurring after the balance sheet date are taken in to cognizance

o. Operating Cycle for Current and Noncurrent Classification

Operating cycle for the business activities of the Company covers the duration of the specific project / contract whether applicable and extends up to the realization of receivables with in the agreed credit period normally applicable to the business.

p. Provisions

The company recognizes provision when there is a present obligation arising from past events, the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits which can be measured only by using a substantial degree of estimation.

q. Contingent Assets & Contingent Liabilities

A. The company recognizes contingent liability for disclosure in notes to accounts if any of the following conditions fulfilled.

i). A possible obligation that arises from the past events and the existence of which will be confirmed only by the occurrence or non occurrence of one of more uncertain future events not wholly within the control of the enterprises; or

ii). A present obligation that arises from past events but not recognized because;

it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or a reliable estimate of the amount of the obligation cannot be made.

B. Contingent assets are neither recognized nor disclosed in the financial statements Actual results could differ from those estimates

Notes Forming part of Accounts

- a. The Company is registered with the Provident Fund and ESI authorities and take necessary steps to complete the required compliance. Gratuity is not provided since there is no employee having more than Five years of service as on the balance sheets date.
- b. There is No Foreign Exchange Inward and outward during the Year
- c. In the opinion of the Board the Current Assets, Loans & Advances are approximately of the value stated and realizable in the ordinary course of business. The Provision for all known liabilities is not provided due to non commencement of business operation.
- d. Sundry Debtors, Sundry Creditors & Loans & Advances balances are subject to confirmation,
- e. On this basis on information furnished to us the Company does not have any amount due (inclusive of interest) to as Small Scale Industrial Undertaking.
- f. Based on information explanation related parties transaction reported as annexure to note no 9 in the financial statement.
- g. The Previous year figures are regrouped and reclassified wherever necessary to confirm to current year's classification and figures have been rounded off to nearest rupees.
- h. Directors Remuneration paid during the year is NIL
- i. Period for the financial statement from the 1ST April 2018 to 31.03.2019.

Signatures To Schedule 1 to 25.
For H M P S & Associates
Chartered Accountants
FRN 011723S

For and on Behalf of the Board

Sd/-
R.Hanumandhan, M.Com.,B.L., F.C.A., DISA(ICAI)
M.No. 219096.

Sd/- Sd/- Sd/-
Chairman CEO Director

Place : Viruthunagar (Camp)
Date : 22nd June 2019

