



Viruthai Millets Farmer Producer Company Limited

*The Year of Strengthening
Marketing Linkage - 2020*

ANNUAL REPORT 2019 - 2020



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', written in a cursive style.

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 the 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 20graduate staff.

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

Regards



K.Rajendran

Chief Executive Officer



CONTENT

Sl.No.	Particulars
1.	Vision and Mission
2.	Organization Chart
3.	Viruthunagar District at a Glance
4.	Driving forces
5.	Our lenders
6.	Our Team
7.	Viruthai Millets Activities i) Farm Service with Finance ii) Livelihood Promotion iii) Direct procurement from farm gate iv) Value Addition with Branding
8.	Marketing & Promotional Activities
9.	Certification
10.	Supply Chain & Value Chain Management
11.	Infrastructure Creation
12.	Market and Industry Outlook
13.	Direct Marketing & Exports
14.	Case Study
15.	Awards and Recognition
16.	Audit Report

Vision

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 model 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 access the markets both as buyers and sellers.
- To provide technology on 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.

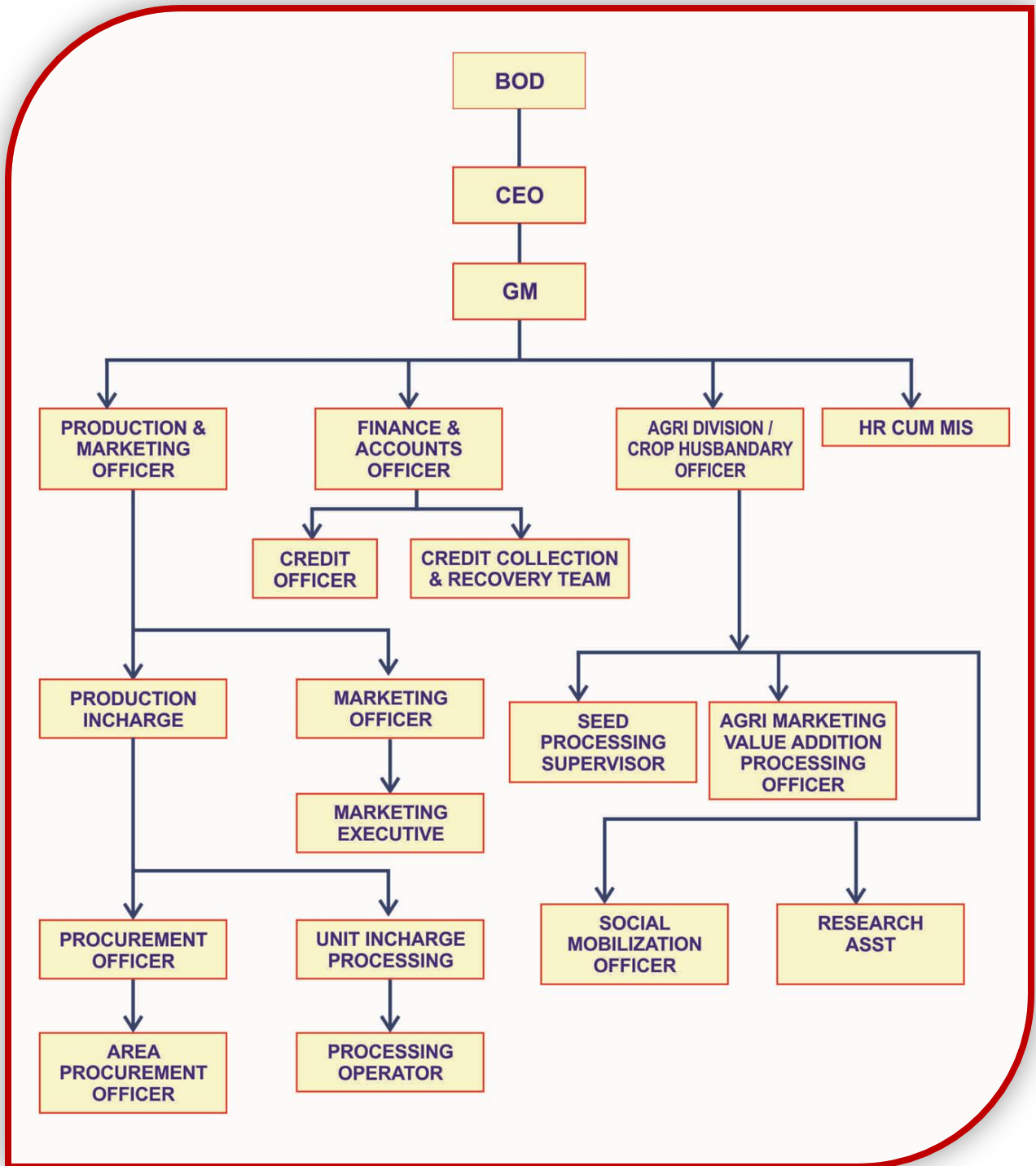
Goal: To promote Farmer's producers organisation for organizing, orienting, sensitizing the farming community for improved their agriculture production,

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 department, 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.

Organization Structure



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 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.

VMFPCL at a glance

Viruthai Millets Farmer Producer Company Ltd. (VMFPCL) is a farmer community organization focused in providing specialist agricultural Services,

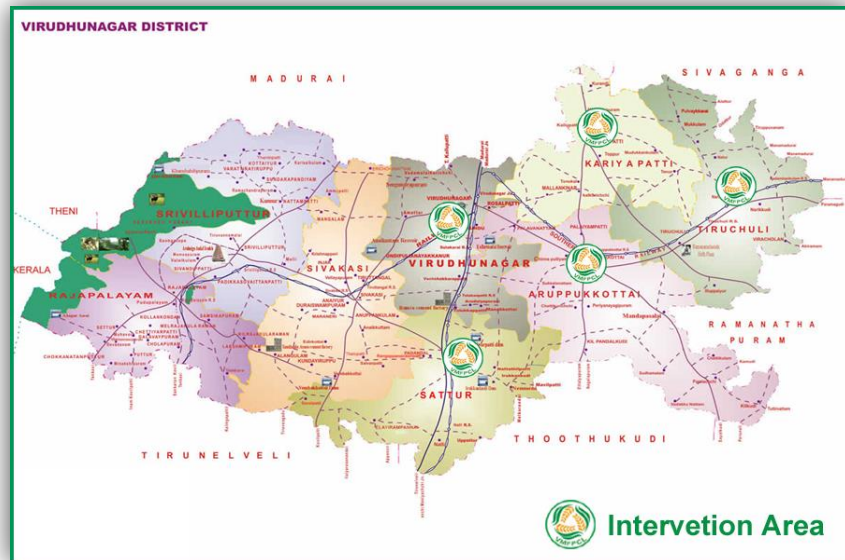
value addition and marketing of millets. The company has leading market positions in Tamil Nadu, Bangalore and Hyderabad and its corporate office headquartered at Virudhunagar, Tamil Nadu. VMFPCL is registered concern as per Indian Company Act 2013 and its Reg. No: U01409TN2016PTC110856. This is being Resource Institution by SEEDS (Social Education Economic Development Society) and funded by TNSFAC (Tamil Nadu Small Farmers Agri. consortium).

1500 Farmer members

21 Employees

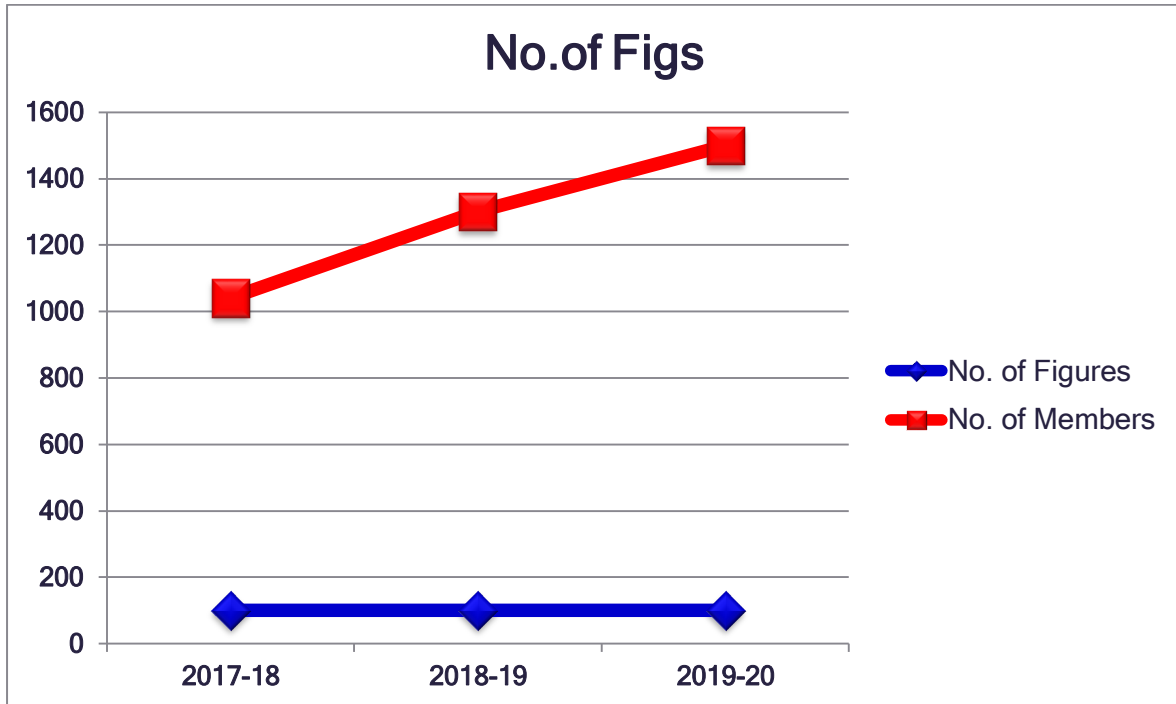
3 Input and processing facilities

45 Distribution points



Our Evolution

2016-17	2018	2019	2020
VMFPCL is formed as a farmer producer company in 10 Jun 2016 under companies act 1956	first event held at district level, issuing certificate to 1000 farmers	As of March '2018 mobilized share capital of Rs.12.00 lakhs	Entered into retail supply chain and launched the brand “Tamil Nadu Organic Products”
403 share holders	1040 share holders	1300 share holders	1500 share holders



Strategy in action

Strengthening Marketing

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





**Transferring our
Knowledge**
Empowering farmer livelihood through
knowledge transfer

**Strengthening our
Sustainability**
As a farmer community organization
value addition and utilization of available
local resources



Our Resource Institution

Social Education Economic 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 bank and financial institutions.
- Supporting to receive subsidy scheme under 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)

Working area

- Tirupur
- Karur
- Theni
- Madurai
- Virudhunagar
- Ramanathapuram
- Thoothukudi
- Kanyakumari



Major role played in FPO development

- Mobilization - Extended supports to mobilize farmers for promoting them as a FPO. Based on their vast native community intrusion, members'



identification and selection for the FPO given best impact on mobilization.

- Capacity building - to establish best organization practices in the FPO capacity programs rewarding administration, management, basic accounting, financial handling, etc. has been addressed to BO (Board of Directors), CEO (Chief Executive Officer), LRP (Local Resource Person) and also for members of the FPO.
- Fund raising - addressed fund raising in terms of identification of funding agencies, collaboration with them, document preparation, proposal submission, security & guarantee signing, etc.
- Marketing linkages - established hands on support for marketing tie ups with local as well as export firms. Arranging exposure visits and trade fair participation etc.

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 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 Rajapalayam taluks 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 Peyimalai Mottai 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, soil is one of the most important non-renewable resources on the earth 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 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 minimum temperature prevailing is 23°C and maximum temperature is 43°C.

While considering Rain Fall pattern of Virudhunagar district most of the farming system are rain fed agriculture only and moreover some parts of the farmers are also using open as well as bore wells in 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 tank or well irrigation is available.

Horticulture crops cultivated in this district are fruits 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

Demography

According to 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 child



sex ratio in Virudhunagar district was 960 in 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 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.

Crops which we are dealing

Indian barnyard millet (Kuthiraivali) - Echinochloafrumentacea

Is a species of Echinochloa. This millet is widely grown as a cereal in Virudhungan. It can withstand in 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 form a main stay of agricultural diet and cultural system of people in this region.

Food value of Barnyard millet, an 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 are 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 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.

Food value of foxtail millet - gives 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 body. 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) - Panicummiliaceum 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 prosomillet. 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) - Paspalumscrobiculatum - is a loosely tufted, shallow



rooting grass which can reach a height of 30 - 90cm depending upon 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, helps 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 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) - Pennisetum glaucum (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 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 majority of the human population for its rich protein, fibre thiamine, riboflavin, folic acid, calcium, phosphorous, iron and B-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 crops 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.

Driving forces:

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 in 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 Director Mr.M.Dhanasekaran is an MA Graduate from an agricultural family from Valayankulam village in Virudhunagar District. He owns four 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 9 months and plays a lead role. He regularly participates in farmers conference meetings.

Board of Director 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 12 months and plays a lead role. He regularly participates in farmers

conference meetings. He owns Aqua water plant in his village, He always uses organizes organic fertilizers in his farm land and improves quality of the products.

Board of Director Mrs.R.Vidhya is a commercial graduate from an agricultural family. Her family is not belonged to the agriculture. She worked for more than 13 years in SHG field and has conducted studies of member's income pattern 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 the agriculture. She works towards the welfare of the farmers and their family.

Board of Director Mr.A.Arumugam is educated up to the 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 cultivation of millets. He sells fertilizers to small farmers in his village and supplements his income.

Board of Director Mrs. B Subbulakshmi from agricultural family. She belongs to Kattangudi village, Aruppukottai Block. She has totally seven acres of Agriculture land and cultivating Chilli and cotton. She involves herself in FPO activities very involving and meticulously for 5 years. She worked for more than 13 years in SHG field and has conducted studies of member's income pattern 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 the agriculture. She works towards the welfare of the farmers and their family.

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

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 with 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 about 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.

Support from BoDs:

- Land support provide from Board of Directors by Millets Processing Unit under NADP Scheme 16-17.
- And land support for 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 capitalization of FPO.
- To organize member mobilization.
- Participation with main stream government activities like setting up of primary processing centre under NADP, MSDA, SMSP and TNIAMP schemes.

Committees & Auditors

Board Committees:

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 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 jurisdiction of the Institute
- In addition to developing an annual budget, the committee is setting long-term financial goals like, the creation of a 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 market study, making arrangement for supply of Agri. commodities and identifying mega buyers

1. Enforcing the Rules and the Bye-laws, conditions of licences of different market 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 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.

Company auditor

Mr.R.Hanumandhan, H M P S& Associates Chartered Accountants, Madurai. He is well known expert in Accounting and Auditing and he is so supportive and acts as consultant and well-wishers of our farmer producer company to lead us in the right direction. He is successfully completing our company's 4th year auditing in a very efficacious manner.

Our Lenders



**They supported on Lending
to farmers and working
capital**



**They supported us for
working capital and Capex
loan.**



**Fund provided to Machinery
and Equipments.**



**Warehouse Financed
against Stocks.**



Name of the team	Position	Location
Mr.K. Rajendran	Chief Executive officer	Head office
Mr. Ganesh Hariharan	Technical Consultant	Head office
Mrs. R Kanchana	Accountant Manager	Head office
Mr. R Alagu Kumar	Procurement Manager	Head office
Mrs. S Sathya	Credit Officer	Head office
Mr. Kaliraj	Credit collection Officer	Head office
Mr. A Mareeswaran	Supply chain manager	Head office
Mr.Karthikeyan	Marketing Manager	Chennai Outlet and Retail
Mr.Prabhakaran	Marketing Executive	Coimbatore Outlet and Retail
Mr.Ramu	Processing Manager	UNIT - 1 Valayankulam
Mr.R.Karthik Kumar	Processing Manager	UNIT - 2 Moolipatti
Mr.K.Achuthan	Production Incharge	UNIT - 3 Melathulukkankulam

Viruthai Millets Activities

1. Farmers' mobilization

Mobilize the rural farmers through organizing an agricultural or supporting



programmes 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 helps 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).

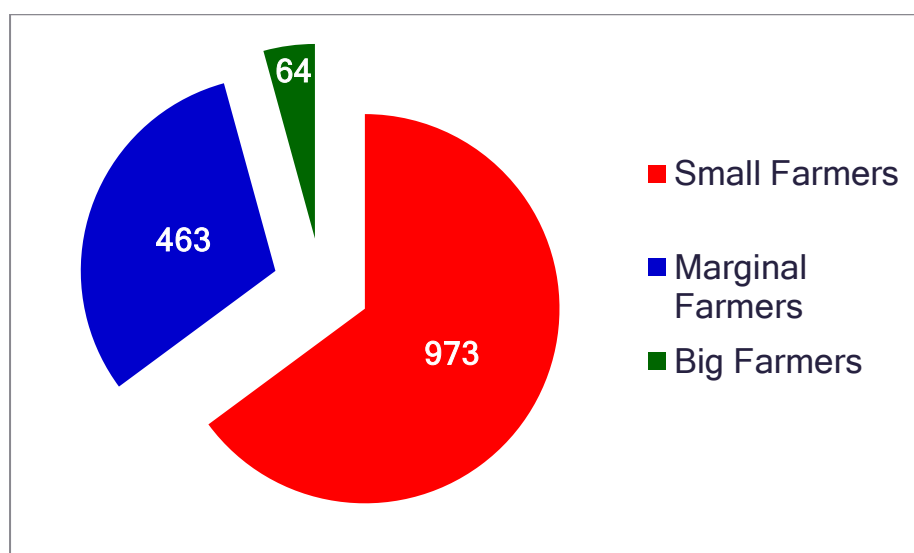
Since the rural farmers are faced with inadequate capital, the FPO can mobilize capital by availing grants, loans, funds, and credit which the rural farmers can easily payback. They can also access with Agro-inputs such as seeds, fertilizers, pesticides etc which helps them in improving their farm product and controlling of 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	Year 2017-2018		Year 2018 -2019		Year 2019 -2020	
	No. of FIG	No. of Farmers	No. of FIG	No. of Farmers	No. of FIG	No. of Farmers
Virudhunagar	27	512	27	712	27	712
Aruppukottai	5	107	5	307	5	307
Sathur	4	80	4	80	4	80
Kariapatti	3	60	3	120	3	120
Thiruchuli	4	81	4	81	4	81
Narikudi	11	200	11	200	11	200
Total	56	1040	56	1500	56	1500

Categories of farmers

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



2. 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.



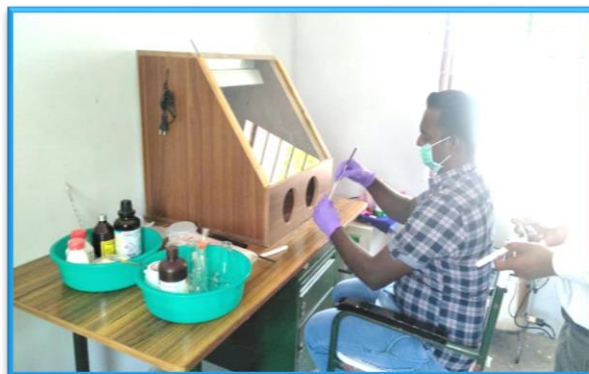
The reduviids (Coranus spiniscutis.) are abundant, occur worldwide and are highly successful polyphagous predators and they play a vital role in the biocontrol of insect pests such as rice meal moth, (Corcyra cephalonica) and leaf armyworm (Spodopteralitura.)

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.

Bio control agents production for pest controlling

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





Moreover we have included rural women in this activity for rearing and production of Assassin bugs (Reduviidae) which predate on vast insect pest like *Spodoptera* sp. *Helicoverpa* sp. Most important pest affecting maize, cotton and major

vegetables crop. Inclusion of women SHG in this activity enhances women empowerment through additional income to the farming family.

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 pest population we want 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.

4. 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 accelerate market-driven social change, 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 publics.



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.

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 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 rural level for effective use of by-products and income generation to 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 value addition of agro produce.



Capacity Building Activity



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 last financial year 2019-20, VMFPCL organised exposure programme on 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 were participated in the events.



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

Training and Capacity Building

Name of the training	Target audience	No. of trainings
Leadership quality and Management	Board of director	5
Roles and Responsibilities and Personality Development	Staff	6
Livelihood Promotion and Value addition	Lead farmers	10
FIG formation, Value addition and Marketing network	Other FPOs'	7
FIG formation, Value addition and Marketing network	Other NGOs	5

Business Activities

1. 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 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.



2. Livelihood Promotion

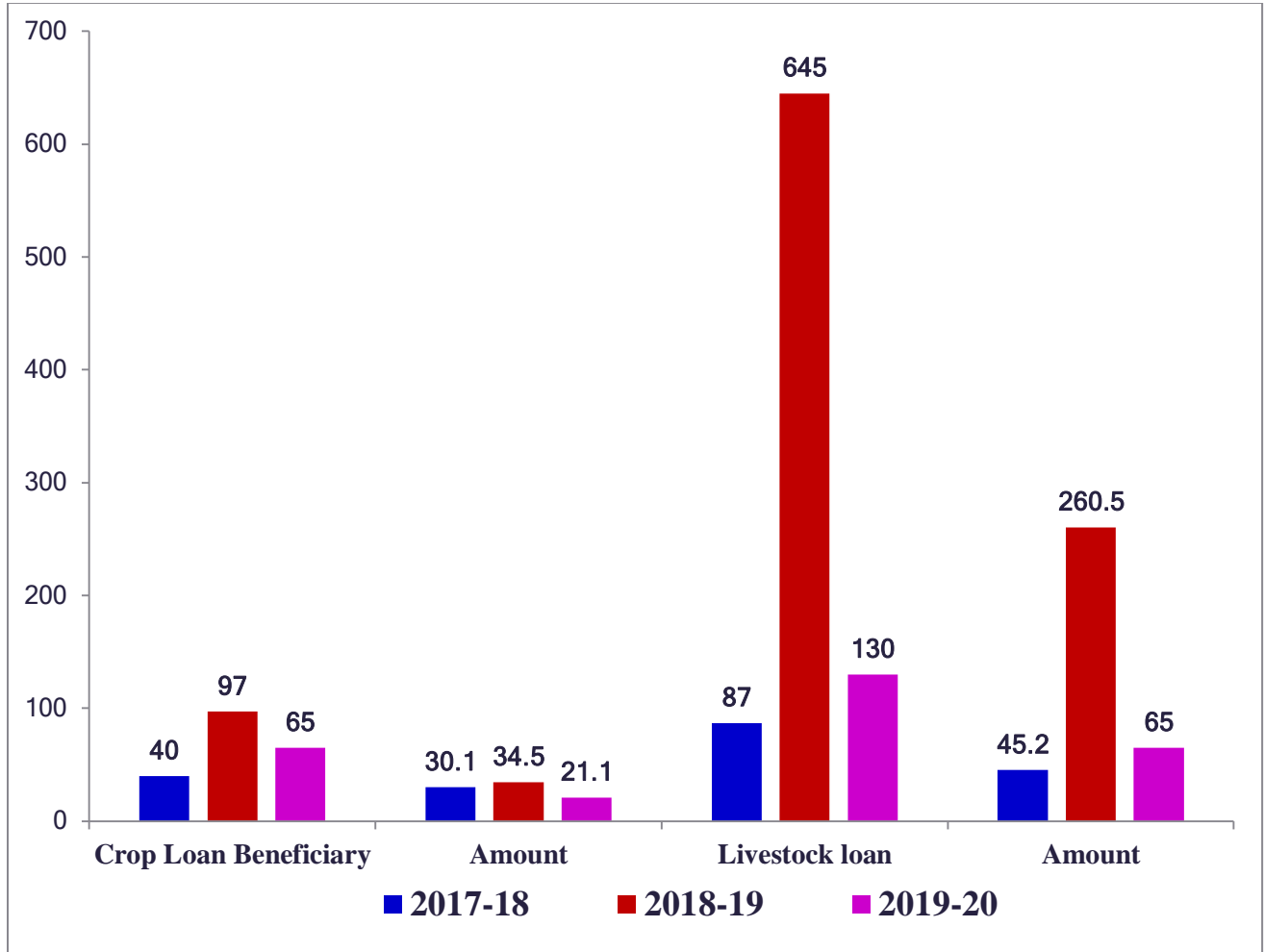


rights.

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

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, 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.



3 .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 that 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 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 a 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 collection centre at village level for Strengthening of 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 income of small and marginal farmers.

The main expected results from the interventions are:

- 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	5
Arupukkotai	5
Kariapatti	2

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 operation on behalf of 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, Pudhukottai, Krishnagiri, Ramanathapuram, Theni and Nagapattinam under PKVY scheme with



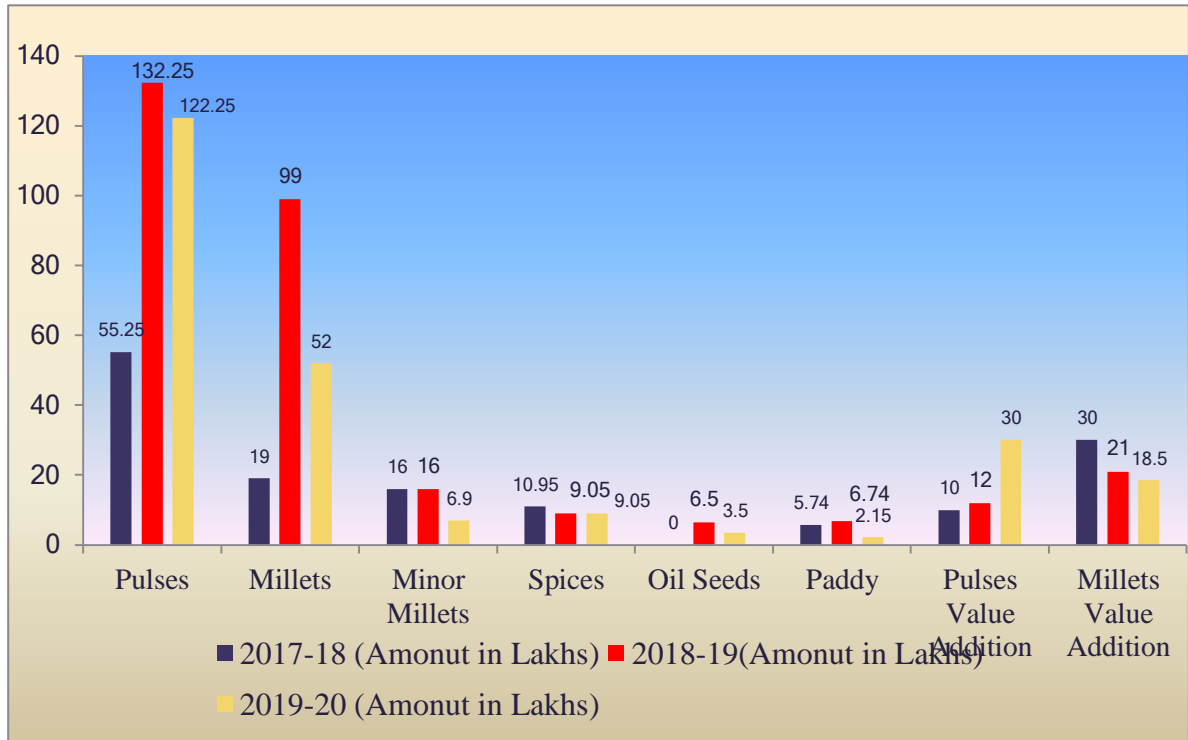
the help of Department of agriculture Tamil Nadu Government. Agriculture

department has supporting FPO for the raw grains purchase 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 was facilitated by JDA, AO, AAO of department of agriculture.

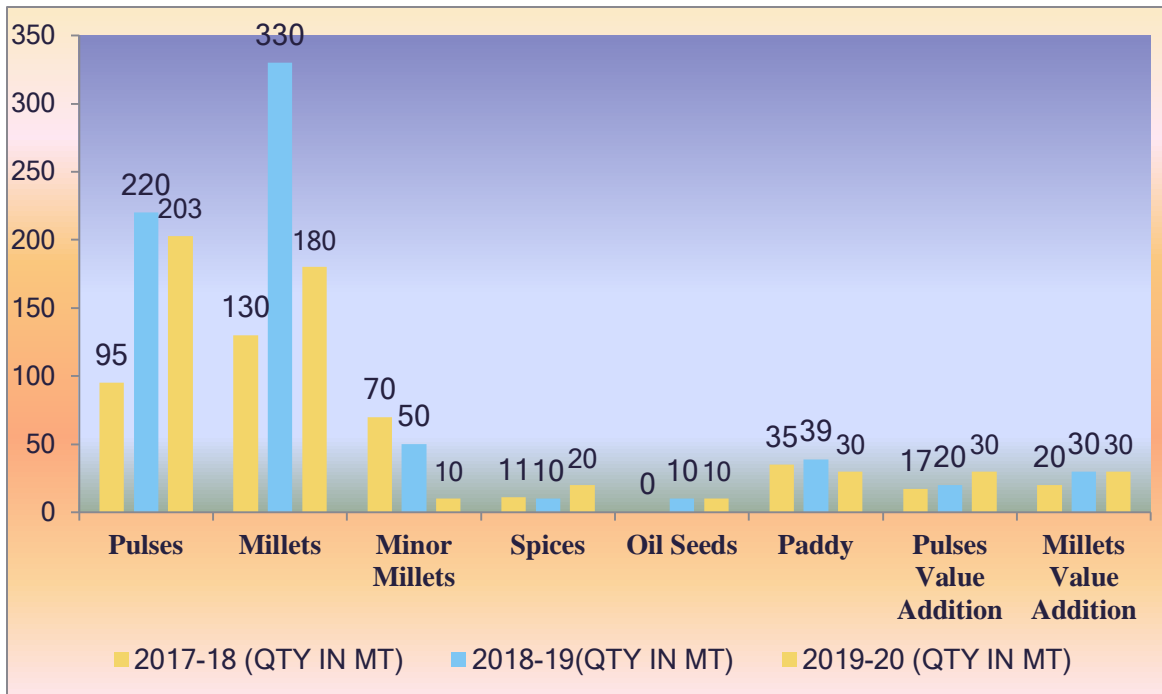
Report on year wise procurement details

Commodity	Year 2017 -18		Year 2018 -19		Year 2019 - 20	
	Qty (MT)	Amount (Lakhs)	Qty (MT)	Amount (Lakhs)	Qty (MT)	Amount (Lakhs)
Pulses	95	55.25	220	132.25	203	122.25
Millets	130	19.00	330	99.00	180	52.00
Minor Millets	70	16.00	50	16.00	10	6.90
Spices	11	10.95	10	9.05	20	9.05
Oil Seeds	-	-	10	6.50	10	3.50
Paddy	35	5.74	39	6.74	30	2.15
Pulses Value Addition	17	10.00	20	12.00	30	30.00
Millets Value Addition	20	30.00	30	21.00	30	18.50
Total	378	146.94	709	302.54	483	244.35

Procurement details in Amount



Procurement details in Quantity



4. Value addition with Branding

Advised farmers and women to make their produce fetch 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 private sector. Forming FPO as an organized food processing is a main objective of the FPO.

The Confederation of Indian Food and Trade Industry (CIFTI) is the apex body of food product manufacturing units while 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. 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. Important contribution that food processing industry at 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.



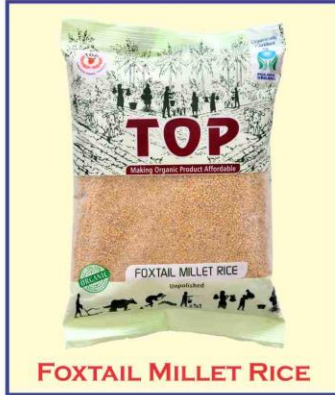
BRAND

Tamil Nadu Organic Products & Viruthai Agro Foods

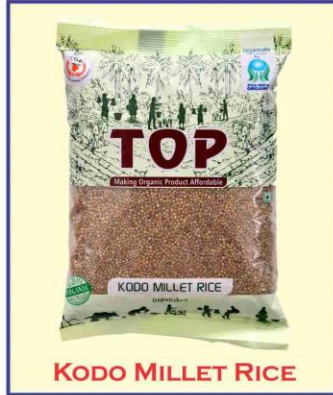


Viruthai millets farmer producer company is operating two brands out of this “Viruthai Agro Foods” is its exclusive brand promoted by VMFPCL and recently evolved “TOP (Tamil Nadu Organic Products)” it’s actually a brand of the government of Tamil Nadu. We VMFPCL are promoting pulses and millets product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

OUR PRODUCTS



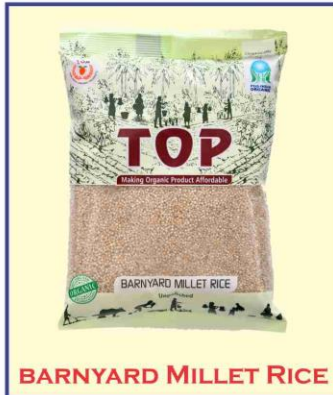
FOXTAIL MILLET RICE



KODO MILLET RICE



LITTLE MILLET RICE



BARNYARD MILLET RICE

भारत सरकार - 2
 Form TM - 2

GOVERNMENT OF INDIA
Government of India
कायदा विभाग
Trade Marks Registry
कायदा विभाग अधिनियम, 1999
Trade Marks Act, 1999

प्रकरण
 No. 247912

प्रमाण पत्र
Government of India
कायदा विभाग
Trade Marks Act, 1999
प्रमाण पत्र अधिनियम, 1999
Certificate of Registration of Trade Mark, Section 23 (2), Rule 56 (1)

प्रमाण पत्र क्रमांक / Trade Mark No. 4380330 दिनांक / Date: 17/12/2019 अ. प्रमाण पत्र क्रमांक / No. 1937

प्रमाण पत्र प्राप्त होने पर यह प्रमाण पत्र का उपयोग प्रमाण पत्र के लिए किया जा सकता है।
 प्रमाण पत्र प्राप्त होने पर यह प्रमाण पत्र का उपयोग प्रमाण पत्र के लिए किया जा सकता है।

Certified for Trade Mark, a representation in word/figure, has been registered in the name of M/s. VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED, 1006, KESAVA NAGAR, ROSALPATTI, VIRUDHUNAGAR, VIRUDHUNAGAR TN 626001 IN COMPANY REGISTERED UNDER COMPANIES ACT 2013, (Body incorporate)

In Class: 31 Under No.: 4380330 as of the date: 17 December 2019 in respect of:

Cereals and Pulses

TOP - Making Organic Product Affordable

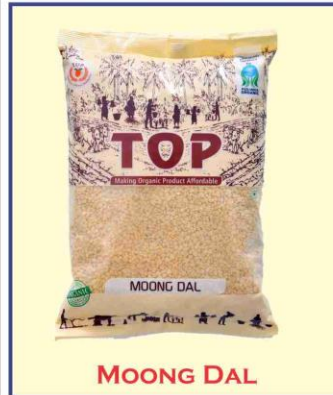
प्रमाण पत्र प्राप्त होने पर यह प्रमाण पत्र का उपयोग प्रमाण पत्र के लिए किया जा सकता है।
 Scaled as per direction, the 05th day of September, 2020

प्रमाण पत्र प्राप्त होने पर यह प्रमाण पत्र का उपयोग प्रमाण पत्र के लिए किया जा सकता है।
 Trade Marks Registry, MUMBAI

प्रमाण पत्र प्राप्त होने पर यह प्रमाण पत्र का उपयोग प्रमाण पत्र के लिए किया जा सकता है।
 Registrar of Trademarks

प्रमाण पत्र प्राप्त होने पर यह प्रमाण पत्र का उपयोग प्रमाण पत्र के लिए किया जा सकता है।
 Registration is for 10 years from the date of application and may be renewed for a period of 10 years at the expiration of each period of 10 years.
 In case of renewal a fee is to be paid in respect of the renewal fee.
 The certificate is valid for use in regard to the goods for which it is issued.
 (Mark) - The mark shall be used in a clear and legible manner. It shall be used in the form in which it is shown on this certificate.
 (Mark) - The mark shall be used in a clear and legible manner. It shall be used in the form in which it is shown on this certificate.
 (Mark) - The mark shall be used in a clear and legible manner. It shall be used in the form in which it is shown on this certificate.

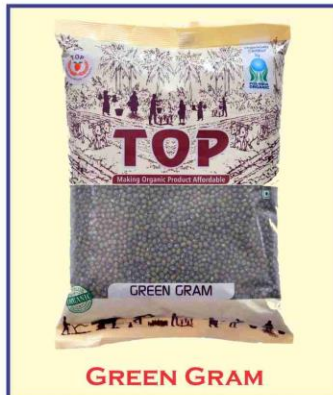
Page 1 of 1



MOONG DAL



TOOR DAL



GREEN GRAM



ORID DAL



CUMBU POHA



SORGHUM POHA



ULUNTHANKALI MIX



FOXTAIL MILLET COOKIES



KODO MILLET COOKIES



ADAI DOSA FLOUR



KADAI KANNI DOSA FLOUR



MILLETS CHAPATHI MIX

Totally we are manufacturing 102 Millets, Pulses, Ready to Cook and Ready to Eat Products.

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 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. Requires very less water to grow. It can cultivate in a place where there is low rainfall.
4. Does not require synthetic fertilizers to grow.
5. Does not require insecticides as it is pest free.
6. Millets can grow even on 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 long storage life.

MARKETING & PROMOTIONAL ACTIVITIES

List of events for the year ended 2019-2020

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 company’s client base increased.



EXPORT PROMOTION CONFERENCE CUM INTERNATIONAL BUYER SELLER MEET - ON NER AGRI PRODUCTS EXPORT - attended conference on 5 March 2019, at Taj Vivanta, Guwahati, Assam about utilization of north eastern agricultural products promotion and explored many farm produce which are default in organic.



And had discussion with many buyers for export and interstate trading of millets products from Virudhunagar. APEDA organized the International Buyer Seller Meet for 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 - KrishiUnnathi Mela 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.

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 category of business, which support quality and safety food items to the consumers.

Separate license for Millets and pulses.



**Got AGMARK certificate for our products
categories are Pulses and Spices**

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

ISO 22000:2005

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



**It is a quality assurance initiative. The principle of
collective responsibility for ensuring the organic
integrity of the PGS. Understanding of how the system
works and direct procurement from farm gate between
producers and consumers and other stakeholders.**

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.



49

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



50

TRADEMARK

1. Viruthai millets logo is registered trademark 2. Our Own Brand “TOP” has been registered in Trade Mark.



TOP
Making Organic Product Affordable

Viruthai millets logo rationale-Relationship

A green colour round at outer- represents the earth/world/consumers of food. Three panicles of millet with leaves in a shape of recyclable template - represents 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 - represents that the “Viruthai Millets Farmer Producer Company” connects the world consumer and the millets 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 the sustainable agricultural activity

Brown colour represents the agricultural produce ready to harvest

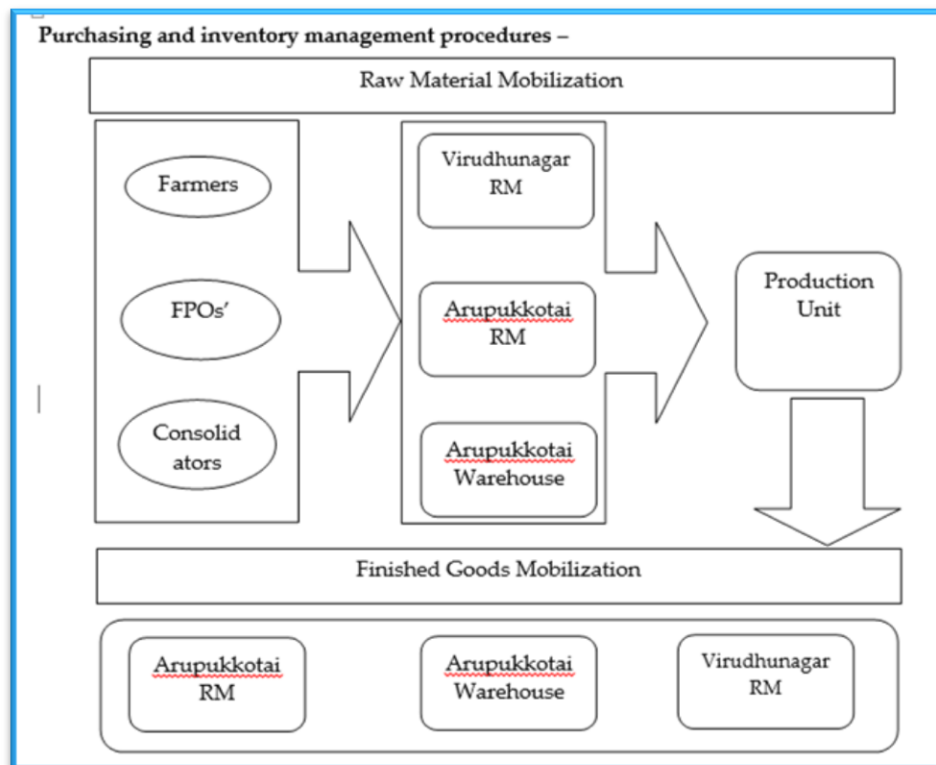
SCM & VCM

Business development through 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 are strengthening their 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 elimination of non-value adding stakeholders and activities.

Sourcing/Procurement Strategy



Organized buying process

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

Problems in procurement and supply -

Problem	Solutions
Small land holding farmers cannot access to direct sale of goods.	Engaging FIG in 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 agreement towards produce purchase with cheaper price.	VMFPCL credit support through FIG helps 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 higher proportion of marketable surplus is processed

3. Higher Value capture for the farmer through greater share of sale realization on the harvested produce.
4. Value added services for the farmers for increasing crop productivity and reducing 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 VMFPCL food processing unit can help accelerate in storage and transport capabilities, thereby lowering wastage levels, improving nutrient retention during storage and transportation, and enhancing shelf life of products.



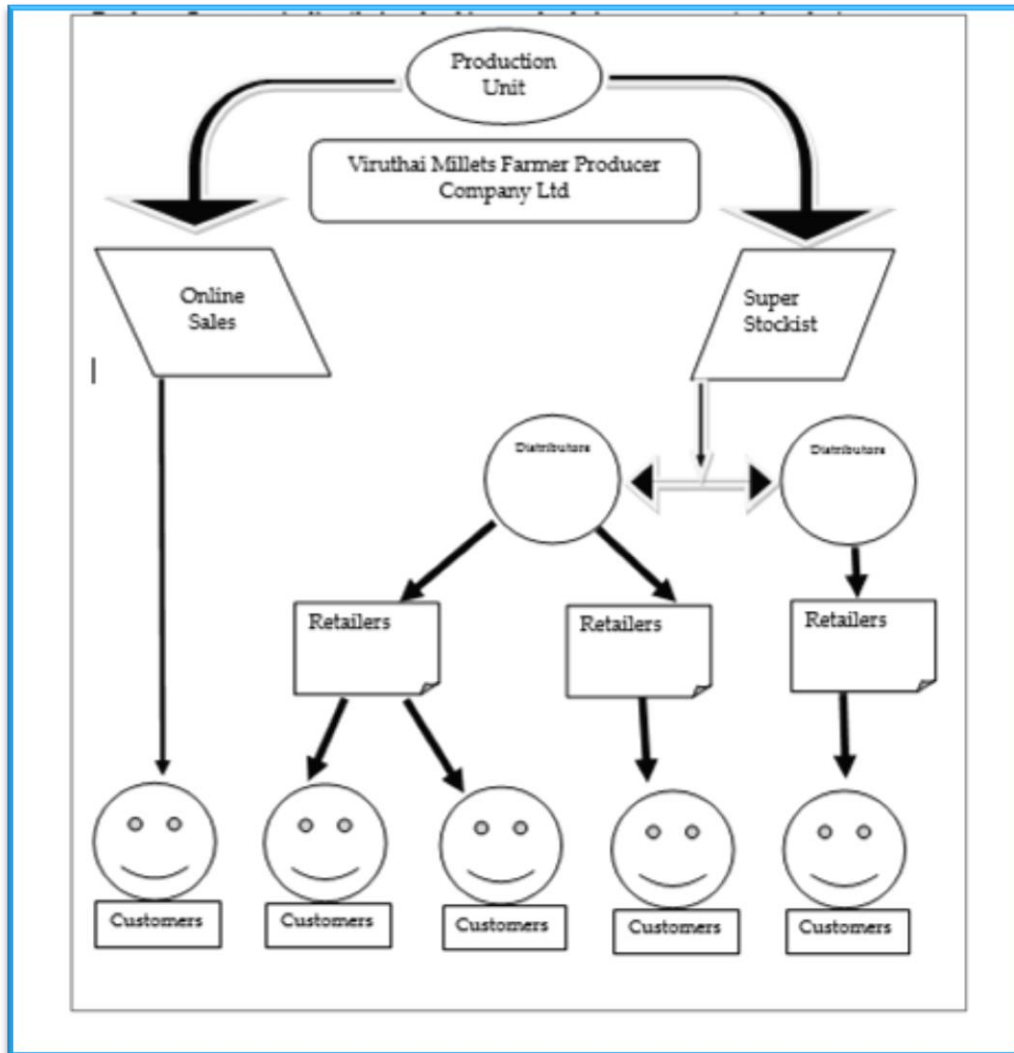
Marketing - No matter how good products and services, the venture get succeed with effective marketing only. 97% of the global millet production comes from developing countries. India is the largest millet producer globally, followed by Nigeria, Niger, China, and Mali.

Millets is 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 of millets is again on a rise.

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 product, then adding a percentage 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 on 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



Infrastructure created

Resources and Facilities : UNIT - I

Through the scheme called NADP-2016-17 to strengthen the existing FPOs,



Rs.13.65 lakhs as subsidy was provided to establish Millet Processing unit at Valayankulam Village, Virudhunagr dt in 2016-17. After that, We have developed our existing unit with Pulses Processing unit

also. Now our Millet and Pulses processing units are fully equipped with latest machineries such as imported machines for millet processing, elevator with

sortex and meet the requirements of day to day needs of the global market. Our total value of our Millet and Pulses Processing unit costs around Rs.1.60crores.



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

b) **Power and other utilities** - 3 phase with 50 HP power supply installed

Our Production Efficiency

Efficiency for Millets

- Production upto 10 tons per day is our capability.
- All our millet processing is met the export quality.
- Having 25 Metric Ton capacity Drying Yard in our unit is an additional strength.
- Availability of Separate Colour Sortex for Millets.

Efficiency for Pulses

- Production up to 5 tons per day.
- Unit has separate colour sortex exclusively for pulses.
- Processing by following traditional methods.
- Drying yard with the capacity of 25 MT.
- Expert professionals for handling advanced machineries.

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. Agro processing sector is one of the largest sectors in India in terms of reduction, growth, consumption, and export of value added agro products. It is envisaged that we should be one of the largest millet food factory of India. So as to generate income, employment and foreign exchange in a big way, through significant increase in level of processing and achieve higher growth through value addition.



Equipment Resources

Equipment and machineries Installed at Processing Centre for Millets and Paddy at Valayankulam, Kariapatti Taluk of Virudhunagar District.

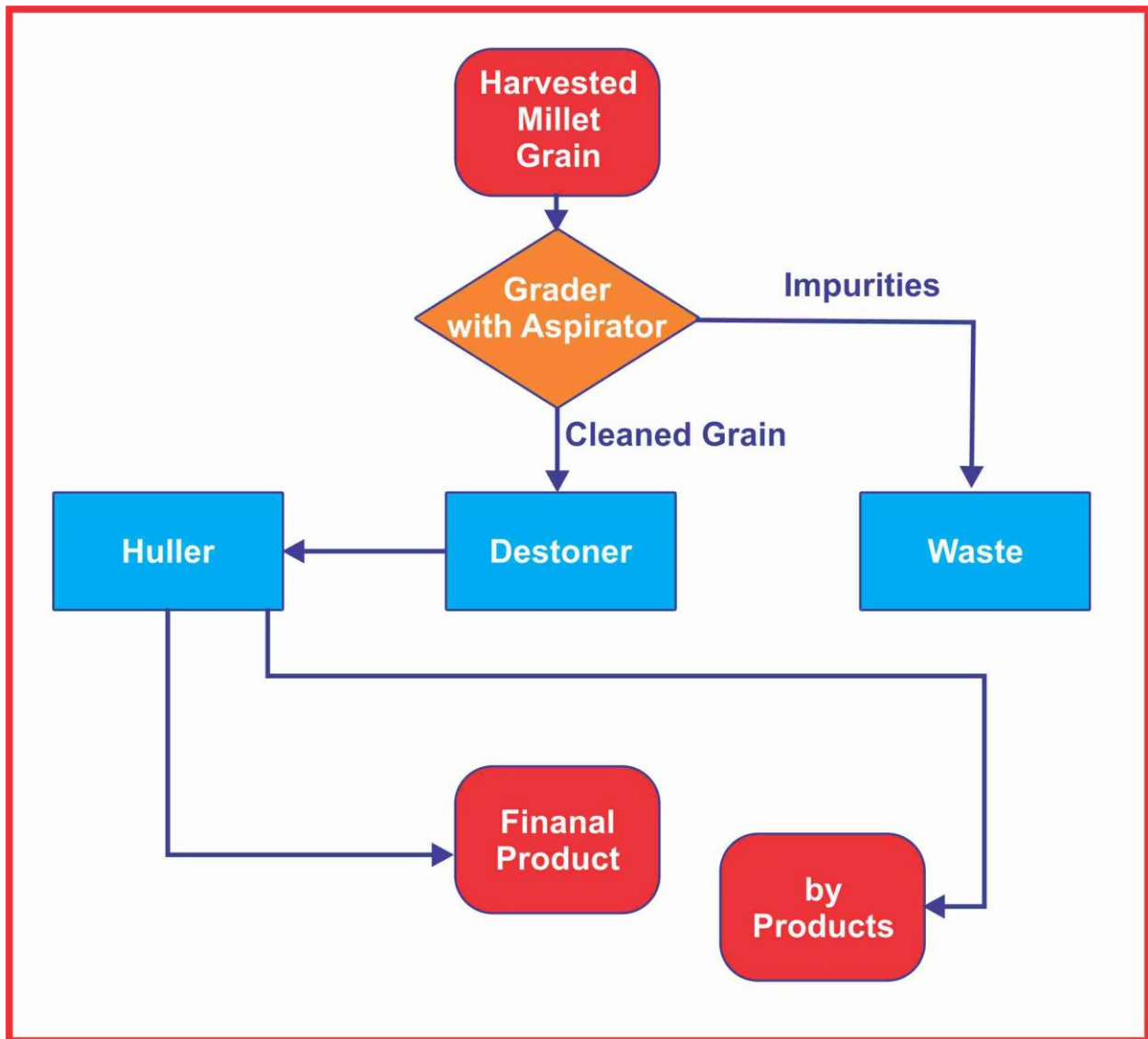
S. No	Make	Description	Model	capacity (Per. Hr)	Electric Motor
1	Perfura Tach	Destoner cum Grader cum aspriator	DGAB31T	1MT	3 Phase
2	Perfura Tach	Destoner cum Grader cum aspriator	DGAB31T	1MT	3 Phase
3	Perfura Tach	Roaster	UR325	25 Kg/Batch	3 Phase
4	Perfura Tach	Dhall Oil Mixer	(DOM -3)	500kg	3 phase
5	Perfura Tach	DhallDehusker	(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 Poilsher	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 tpye 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 - easy availability of both type labours'

How we process our grain Production techniques: Millets

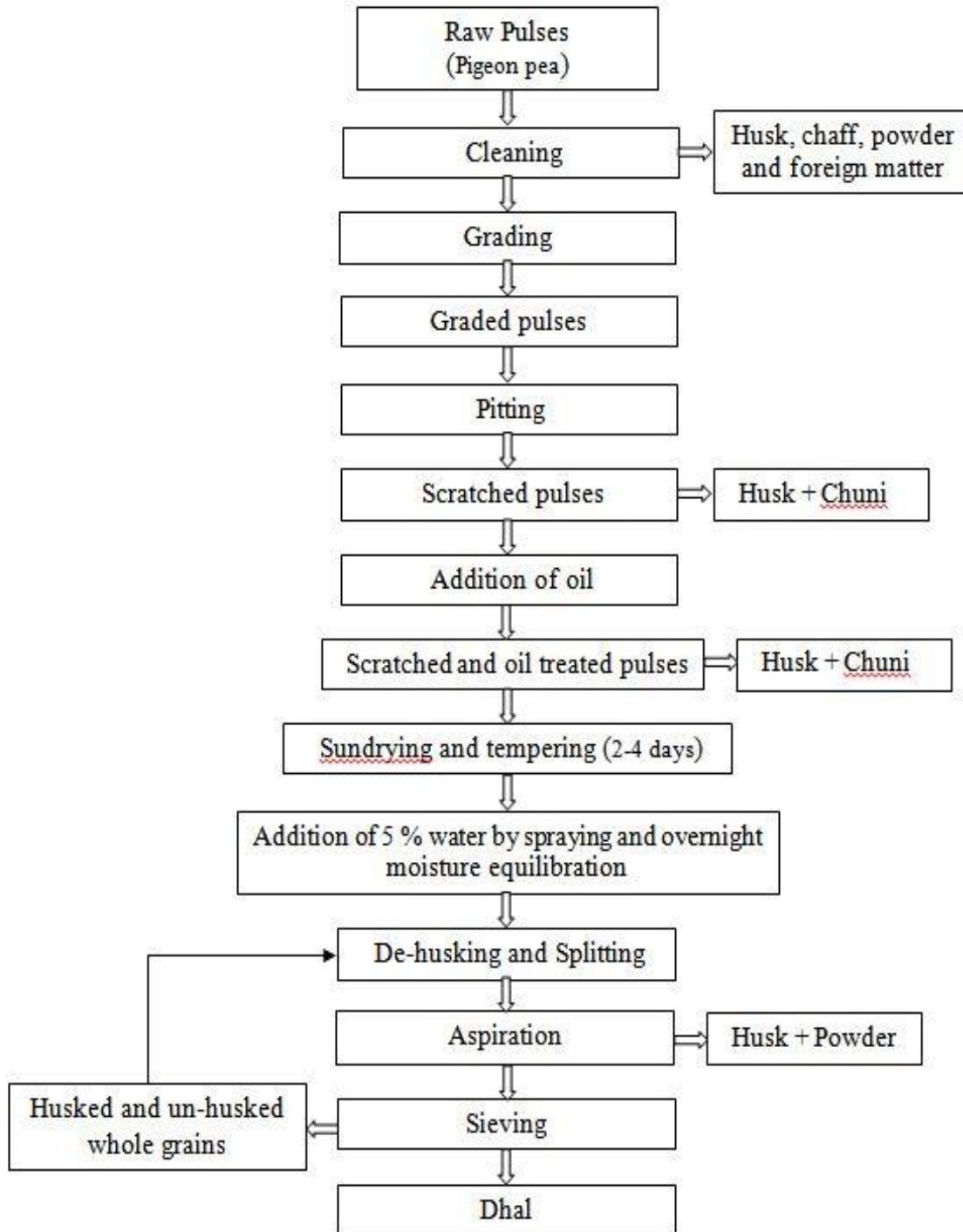


Our strength in processing

We are retaining our quality of produce by employing 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



Resources and Facilities : UNIT - II

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 with the subsidy of Rs.10 Lakhs and our own contribution of Rs.5 lakhs. Totally the unit-II was established at the cost of Rs.15 lakhs.



To achieve sustainable production in dry land agriculture through 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.

- a) **Type of building** - RCC floors side walled with brick and cement and roofed with blue metal sheets.
- b) **Power and other utilities** - 3 phase with 50 HP power supply installed.

Our Production Efficiency at Unit-II

Efficiency for Millets	Efficiency for Pulses
<ul style="list-style-type: none"> • Production up to 5 tons per day is our capability. • All our millet processing is met the export quality. • Having 10 Metric Ton capacity Drying Yard in our unit is an added advantage. 	<ul style="list-style-type: none"> • Production up to 5 tons per day. • Processing by following traditional methods. • Drying yard with the capacity of 10 MT. • Expert professionals for handling advanced machineries.

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

Sl. No	Make	Description	Model	Capacity	Phase
1	Perfura Tach	Destoner Cum aspirator cum grader for smaller grains	(DGA-S'3500)	500kg	3 phase
2	Perfura Tach	Destoner Cum aspirator cum grader for bigger grains	(DGA -B 3500)	500kg	3 phase
3	Perfura Tach	Dehuller - Double Stage	(MD -3300 CD)	500kg	3 phase
4	Perfura Tach	Dehuller - Double Stage	(MD -3300 CD)	500kg	3 phase
5	Perfura Tach	Pulveriser	(PD -312SS)	100kg	3 phase
6	Perfura Tach	Grain Polisher	(G P -340)	350kg	single
7	Perfura Tach	Dhall Oil Mixer	(DOM -3)	500kg	3 phase
8	Perfura Tach	Dhall Dehusker	(DDH -3)	400kg	3 phase
9	Perfura Tach	Groundnut Decorticator cum Grader	(GDG - 3200)	300kg	3 phase
10	Perfura Tach	Groundnut Deskiner cum Grader	(GDS -3200)	300kg	3 phase
11	Perfura Tach	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 - easy availability of both type labours'

Resources and Facilities : UNIT - III

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 and total costs of this unit is Rs.90 lakhs with our own contribution of Rs.30 lakhs . Construction work has just been completed and ready for functioning. And we got license for Seed production and sales of Seed also from the concerned authority.

Works to be performed at Unit-III

1. Specially established for the intension of producing Seeds of Millets, Pulses and Paddy.
2. Uniting the above said Seed farmers collectively and trains them.
3. Involving themselves to establish their own seed forms.
4. Processing of seeds and supply to the farmers themselves and increasing the capacity to supply of seeds to Government also.

Efficiency of this unit as follows,

1. Ability to produce 20 MT seed per hour.
2. Having quality machinery from Fowler West rup.
3. Our Unit has the capacity of 50 MT drying Yard facility.

Market and Industry Outlook

Introduction

- Rural consumption has increased, led by a combination of increasing income and higher aspiration levels .



There is an increased demand for branded products in rural India .The rural FMCG market in India is expected to grow to US\$ 220 billion by 2025 from US\$ 23.6 billion in FY18.

- On the other hand, with the share of unorganised market in the FMCG sector falling, the organised sector growth is expected to rise with increased level of brand consciousness, augmented by the growth in modern retail.

- Another major factor propelling the demand for food services in India is the growing youth population, primarily in urban regions .India has a large base of young consumers who form majority of the workforce, and due to time constraints, barely get time for cooking.



- Online portals are expected to play a key role for companies trying to enter the hinterlands .Internet has contributed in a big way, facilitating a cheaper and more convenient mode to increase a company's reach .It is estimated that 40 per cent of all FMCG consumption in India will be made online by 2020 .The online FMCG market is forecast to reach US\$ 45 billion in 2020 from US\$ 20 billion in 2017.

- It is estimated that India will gain US\$ 15 billion a year by implementing GST .GST and demonetisation are expected to drive demand, both in the rural and urban areas, and economic growth in a structured manner in the long term and improved performance of companies within the sector.

Organic Market :

- *Nutricereals*, health foods and organic foods are the new focus areas of consumer.
- *Nutricereals* is a segment to watch out for, the government has declared 2023 as the “Year of *Nutricereals*” and is trying to promote this segment heavily,
- Whereas earlier, only crops were accorded ‘organic’ certification, this certification is now available for even livestock, seaweed etc,
- Whereas earlier, the organic industry in India was export-led, it is now domestic sales that are in the lead and domestic consumption is rising at a rapid rate-faster than the export market
- Previously the government’s focus was on organic production and conversion, but now there is greater focus on providing market access to farmers through formation of FPO’s and market linkages.



Distribution Channel

We have appointed super stockiest to distribute the products under the “TOP ” brand in Tamil Nadu .Under super stockiest we have placed Stockiest for Chennai region and Coimbatore region .

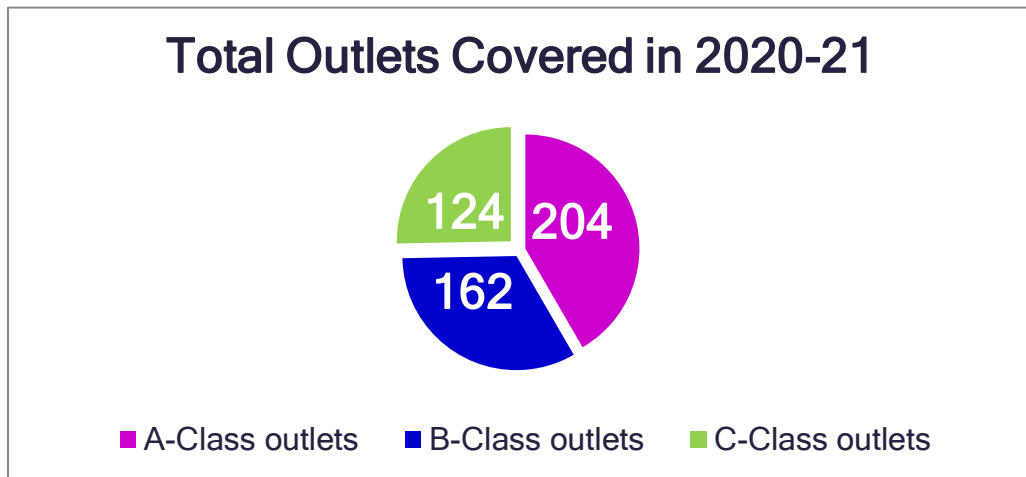
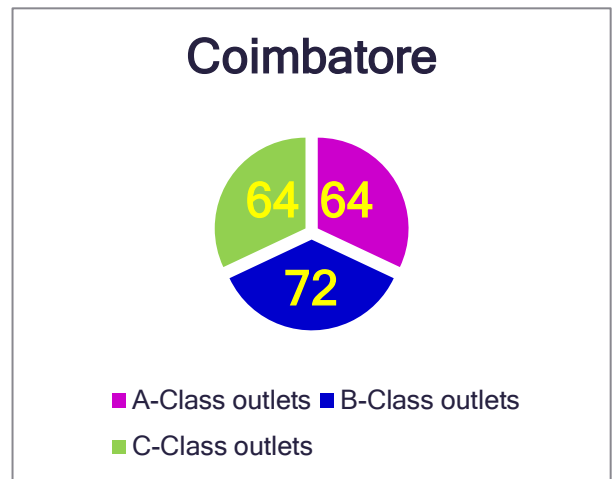
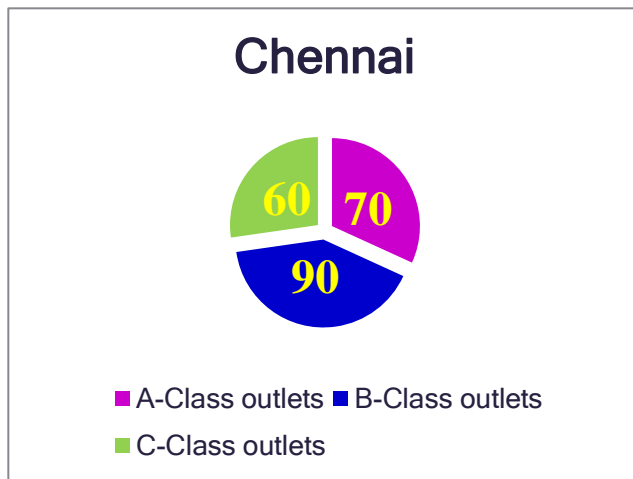


Under the stockiest we have placed **7 distributors**.

Our products have been placed around 500 retail outlets in Chennai, Coimbatore and other parts of TamilNadu.

The below pictorial diagram shows the segment-wise break up of retail outlets placed.

Region	A-Class outlets	B-Class outlets	C-Class outlets	Total outlets covered
Chennai	70	90	60	220
Coimbatore	64	72	64	200
Others	70	-	-	70
Total	204	162	124	490



Direct Marketing

Also, products procured from the FPC members will be sold under “Viruthai Millets FPC ”brand and they have got the approval and opened retail outlet in Department of Agriculture –Chennai office and Semozhi Poonga, Chennai.

In the FY 2019-2020 with this distribution channel we have achieved the sales turnover of Rs.60.00 lakhs. We are the tough competitor for the existing inorganic brand Uthayam, Sree Gold etc, and we are the competitor for top organic brand in the market.

In brief, the aforesaid positive market & industry outlook is more favourable to “TOP) ”Tamilnadu Organic Product(to grow further as per its projections .

Our exports

We are renowned Former Producer Company in Tamilnadu dealing with Millets Rice (All Millets Like Banyard, Kodo, Foxtial and Little Millets) Millets value added products like (Ready to Eat and Cooking Items), all kind pulses (Orid Dal, Moong dal, Toor dal, Greengram and Blackgram), spices (Chillies - Samba / Mundu (Round Chillies), Pepper) various Traditional Rice, and Edible oil and spreading our wings now to the international opportunities.



We proudly share that our Viruthai Millets Farmer Producer Company is the only FPC in Tamil Nadu to sell our quality millet based products in the alien shore. These export activities add another gem in the crown of Viruthai Millets Farmer Producer Company.

At present our products are being sold in **USA, Canada, and various Gulf countries like Qatar, Omen etc...** The Unique taste and Quality of our



products give confidence to export to more than 10 countries within the short span of time.

For the past 3 years, it has been learned that quality is the essential component that decides the survival of Farmer Producer Company. We have a veteran team of direct procurement from farmers, Hi-tech Production & Processing, quality professionals to warrant top-quality service to all of our clients at all times.

The food products offered by us are known for our **purity, longer shelf life and rich taste**. The products offered by us are processed and manufactured using **high-grade ingredients and other raw material, which are produced by our farmer themselves without having money minded**. These products are offered in various quantities and specifications to meet the various requirements of our clients. We are persistently working hard to improve our products by implementing the healthier and safe processing technologies, keeping future quality standards in mind and export the food products.

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 per cent 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 woman 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.

Methodology of the case study:

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

Case study :

Name : A Ramasamy

Village : Moolipatti

Mr. A Ramasamy aged about 45 born in Tamilnadu, a middle-class family and studied up to only elementary education.

Since his childhood he is interested in agriculture and its allied activities as well as he is self-motivated and also taught about self-respect and self-sustainability by his parents. He brought indigenous cow which used to give 5-6 litres of milk per



day. That made him to look after his animal properly and he used to pour nearly 5 litres of milk per day in the nearby houses which is two kilometres surrounding from his home. Per litre 40 rupees is the amount fixed by him which seems to be a handful of income for him. With the availability of fodder in his land he used to feed those animals properly. He said that comparing his production cost income in dairying seems to be quite sustainable, regular and profitable. He is also quite happy with the support extended by the Viruthai Millets Farmer Producer Company limited for providing Rs.50000 as start-up loan for his 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 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 by my family members because of the sustainable income from dairying.

A Case Study on Millets Value Addition

Summary:

Increasingly corporate trend has created a concern that many midsize family-owned business has 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 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 .M Rajasekaran
Village	: Valayankulam
Accommodation	: Own house
Social and economic factors	: Middle Class educated
Family and supports	: family women & interested farmers supported activity Assessment

Declining Rural Economy

Thiru.M.Rajasekaran, who is a member of Valayankulam Millets Farmer



Interested Group-I promoted by Viruthai Millets FPCL. Initially Viruthai purchased Millets Cookies from outsourcing and marketing. Then, to develop the economic growth of this FIG members, Viruthai stretches its helping hands to Mr.Rajasekaran and his farmers team to

establish the cookies unit along with proper training at the cost of around Rs.3 lakhs. Moreover, Viruthai provides enormous support for marketing and export the cookies to Omen, Canada, Qatar, USA and Kuwait also. Now the status of the FIG members have been improved and they are in the position to stand in their own hard work and viruthai Millets FPCL's support.

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. M Rajasekaran who is having prior experience in 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: 300000/-

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 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 about product value addition is important for us.

Per day production capacity : 100 Kg

Price : 180 per Kg

Total value of production per day : $100 \times 180 = 18000.00$

Total value of production per month : $18000 \times 30 = 540000.00$

Other important benefits:

- Technology for Value addition methods training to the farmers group
- Increased income level of the farmers
- More job opportunity at 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

S Rajendran, aged around 53, has done only his elementary education. He belongs to farming community, is married and has two children. He owns 10 acres of land and manages it with the help of hired labour. Mr. S Rajendran has been growing red gram, millets and vegetables for quite some years.



For the recent years due to 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 : S Rajendran

Village name : Mannarnayakkanpatti

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 trainings. 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 Trichograma, 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 pesticide 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 the 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 in my own farm. These

knowledge and traditional farming practices with improved modern techniques and utilities save me from severe financial crisis.

Plan

For developing community oriented farming activity among the farmers of Virudhunagar district which is highly rain fed dependent farming system hence improving farmers income and livelihood through 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 woman 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 in increasing the role of women in agriculture is gaining access. The main purpose of this study is to analyse the importance of a rural women in agriculture and recording her role in empowering the 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 : Mrs Poonsolai

Village name : Ramasampuram



A 50 years age old married female Mr.A.Ramasamy with a family members of 5 peoples, I have actively involved in agriculture for more than two decade 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 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 x 52 = 26104/-

The lessons learned

- Proper networking was possible with in a community.
- Information exchange was made possible to every farmers.
- 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 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 supporting their decision VMFPCL organised and supported to opening a market outlet for marketing of organic produce; increase the role of women in decision making in organic agriculture.

AWARDS



Best Performing FPO Award - 2019 from the honourable Chief Minister of Tamilnadu at Thalaivasal, Salem District.



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



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.

AUDIT REPORT 2019 -2020

CA.R.HANUMANDHAN M.COM., B.L., FCA., DISA (ICAI),

Partner

NAME OF THE ASSESSEE : VIRUTHAI MILLETS FARMAER PRODUCER

COMPANAY LIMITED

ADDRESS

: 1/508, K K S N NAGAR

ROSALIPATTI

VIRUTHUNAGAR – 626 001

31.03.2020

H M P S & ASSOCIATES

CHARTERED ACCOUNTANTS

NO.6, Kodikalkara South Street

Krishnarayar Tank West Street

Maninagaram, Madurai -625001

Phone : 0452-4374105, Mobile : 98656 43000, 94866 38105

Email : hmpsmdu2007@gmail.com , hmpsassociates@gmail.com

Branches : DINDUGUL, PALANI, COIMBATORE & SALEM



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

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, 2020, 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, 2020, 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.

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.

Further to the continuous spreading of COVID -19 across India, the Indian Government announced a strict 21-day lockdown on March 24, 2020, which was further extended till September 30, 2020 across the India to contain the spread of the virus. This has resulted in restriction on physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

As a result of the above, the entire audit was carried out based on remote access of the data as provided the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the Company without any further manual modifications.

We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions.

Our audit opinion is not modified in respect of the above.

Branches at Dindigul, Palani , Coimbatore & Salem

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 extent 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;
- The Company does not have any pending litigations which would impact its financial position;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - 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.
- The Total amount of debts outstanding as on 31.03.2020 is of Rs. 2,84,93,611/- debts includes trade receivable and financial assistance proved to the members of the company.
 - According to the information and explanation given to us the management, the company is having the policy of periodical verification of cash balance.
 - 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.
 - During the year, the Company have not provided any loan to the directors of the Company
 - During the year, the Company have not provided any donations or subscriptions.

Place : Madurai
Date : 25th September 2020



For HMPS & ASSOCIATES
Chartered Accountants
FRN 011723S


CA. R. Hanumandhan
Partner M.No. 219008

UDIN:-20219096 AAAA EJ 1461

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 2020, 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.
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.

Branches at Dindigul, Palani , Coimbatore & Salem

- 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, 2020 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 : Madurai
Date : 25th September 2020



For HMPs & ASSOCIATES
Chartered Accountants
FRN 011723S

R. Hanumandhen
CA. R. Hanumandhen
Partner M.No. 219096

UDIN:- 20219096AADA EJ 1461

VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED

1/508, KKSSN NAGAR, ROSALPATTI

VIRUDHUNAGAR - 626001

BALANCE SHEET AS AT 31.03.2020

(Amount in Rs.)

Particulars		Note	31.03.2020		31.03.2019	
			Rs.	P.	Rs.	P.
I. EQUITY AND LIABILITIES						
1 Shareholders' funds						
	(a) Share capital	1	20,00,000.00		20,00,000.00	
	(b) Reserves and surplus	2	8,73,138.02		2,29,876.66	
	(c) Application money		3,03,700.00		57,700.00	
2 Non-current liabilities						
	(a) Long-term borrowings	3	5,44,18,106.28		5,35,53,456.01	
	(b) Deferred tax liabilities	4	54,249.78		54,249.78	
3 Current liabilities						
	(a) Short-term borrowings	5	NIL		NIL	
	(a) Trade payables	6	59,94,423.90		17,32,511.80	
	(b) Other current liabilities	7	55,45,897.00		5,029.00	
TOTAL			6,91,89,514.98		5,76,32,823.25	
II. ASSETS						
Non-current assets						
1 (a) Fixed assets						
	Tangible assets	8	1,26,10,393.08		63,99,417.00	
	(b) Non-Current Investments		NIL		NIL	
	(c) Long-term loans and advances	9	2,11,70,880.34		1,55,11,859.00	
	(d) deferred Tax Assets	10	NIL		NIL	
2 Current assets						
	(a) Inventories	11	2,46,27,302.00		2,33,34,591.00	
	(b) Trade receivables	12	73,22,731.25		50,56,334.80	
	(c) Cash and cash equivalents	13	14,12,597.54		55,93,278.66	
	(d) Short-term loans and advances	14	20,45,610.77		17,37,342.79	
TOTAL			6,91,89,514.98		5,76,32,823.25	
Significant accounting policies and notes on accounts		25				

FOR AND ON BEHALF OF THE BOARD

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

For Viruthai Millets Farmers
Producer Company Limited


 Authorized Signatory



For HMPS & ASSOCIATES
Chartered Accountants
FRN 011723S


CA. R. Hanumandhan
Partner M.No. 219096

PLACE: VIRUDHUNAGAR

DATE : 25.09.2020

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

Particulars	Note No.	31.03.2020		31.03.2019	
		Rs.	P.	Rs.	P.
Revenue from operations	15	2,99,85,155.14		2,26,29,236.11	
Other income	16	2,01,274.59		11,87,337.63	
Total Revenue		3,01,86,429.73		2,38,16,573.74	
Expenses:					
Purchases of Traded goods	17	1,30,87,620.75		2,48,77,308.00	
Changes in inventories of Finished goods	18	-12,92,711.00		-1,44,41,618.00	
Employee benefits expense	19	25,57,280.60		13,65,946.00	
Finance costs	20	91,68,452.02		74,97,059.26	
Other expenses					
Manufacturing and other operating Expenses	21	18,86,662.00		18,63,397.25	
Administration and Other Charges	22	8,38,239.00		9,23,210.69	
Selling and Distribution Expenses	23	22,11,037.00		13,47,538.00	
Depreciation and amortization expense	7	9,67,691.00		3,57,592.00	
Total expenses		2,94,24,271.37		2,37,90,433.20	
Net Profit		7,62,158.36		26,140.54	
Tax expense:					
(1) Current tax		1,18,897.00		5,029.00	
(2) Deferred tax		-		-54,755.30	
Net Loss transferred to Reserves & Surplus A/c		6,43,261.36		-33,643.76	
Earnings per equity share:					
(1) Basic	24		3.22		-0.34
(2) Diluted	24		3.22		-0.34
Significant accounting policies and notes on accounts	25				

FOR AND ON BEHALF OF THE BOARD

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

For Viruthai Millets Farmers
Producer Company Limited

R. Hanumandhan
Authorized Signatory



For HMP & ASSOCIATES
Chartered Accountants
FRN 011723S

R. Hanumandhan
CA. R. Hanumandhan
Partner M.No. 219096

PLACE: VIRUDHUNAGAR

DATE : 25.09.2020

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

Notes forming part of the Financial Statement for the year ended 31.03.2020

Note No.1: Share Capital

a) Shareholders Fund

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number	Rs.	Number	Rs.
Authorised				
Equity Shares of Rs.10 each	5,00,000	50,00,000	2,00,000	20,00,000
Issued				
Equity Shares of Rs.10 each	2,00,000	20,00,000	2,00,000	20,00,000
Subscribed & Paid up				
Equity Shares of Rs.10 each	2,00,000	20,00,000	1,00,000	20,00,000

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

Particulars	Equity Shares as at 31.03.2020		Equity Shares as at 31.03.2019	
	Number	Rs.	Number	Rs.
Shares issued at the beginning of the	2,00,000	20,00,000	1,00,000	10,00,000
Shares Issued during the year	-	-	1,00,000	10,00,000
Shares bought back during the year	-	-	-	-
Shares held at the end of the year	2,00,000	20,00,000	2,00,000	20,00,000

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 meetings 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

Particulars	31.3.2020 Rs.	31.3.2019 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	2,29,876.66	2,63,520.42
Add: Profit (Loss) after tax	6,43,261.36	-33,643.76
Closing Balance	8,73,138.02	2,29,876.66
Total (a) + (b)	8,73,138.02	2,29,876.66

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

Notes forming part of the Financial Statement for the year ended 31.03.2020

Particulars	31.3.2020 Rs.	31.3.2019 Rs.
Note No.3: Long-Term Borrowings		
a) Secured :	NIL	NIL
Loan From Ananya Finance	79,43,581.00	3,68,49,997.00
Loan from Samunnati Finance	4,29,04,838.46	1,42,78,353.32
Bank Loan - Syndicate Bank TL	13,54,619.62	15,25,105.69
Bank Loan - Syndicate Bank DL	9,23,067.20	9,00,000.00
	5,31,26,106.28	5,35,53,456.01
b) Unsecured :		
Loan from Director - R.Srinivasan (Related Party)	12,92,000.00	-
	12,92,000.00	-
Total (a) + (b)	5,44,18,106.28	5,35,53,456.01
Note No.4: Deferred Tax Liability		
Deferred Tax on account of Depreciation	54,249.78	54,249.78
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	59,94,423.90	17,32,511.80
Note No.7: Current Liabilities & Provisions		
Government Grant for SPU	54,00,000.00	-
Expenses Payable	27,000.00	-
Provision for Income Tax	1,18,897.00	5,029.00
	55,45,897.00	5,029.00
Note No.8: Fixed Assets		
Value of Gross Block as per Depn Schedue	1,39,77,150.08	67,98,483.00
Less : Accumulated Depreciation	13,66,757.00	3,99,066.00
	1,26,10,393.08	63,99,417.00
Note No.9: Long Term Loans and Advances		
Rent Advance	2,50,000.00	1,50,000.00
Advance - Procurement	2,62,998.50	1,71,400.00
Advances to Farmers - Financial Assistance (Related parties)	2,06,57,881.84	1,51,90,459.00
	2,11,70,880.34	1,55,11,859.00
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	NIL

VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED

1/508, KKSSN NAGAR, ROSALPATTI

VIRUDHUNAGAR - 626001

Notes forming part of the Financial Statement for the year ended 31.03.2020

<u>Particulars</u>	31.3.2020 Rs.	31.3.2019 Rs.
Note No.11: Inventories		
Raw Millets & Others	1,15,69,339.00	1,54,90,906.00
Porcessed Millet & Others	1,30,57,963.00	78,43,685.00
	2,46,27,302.00	2,33,34,591.00
Note No.12: Trade Receivables		
Sundry Debtors - Trading	64,33,047.70	42,72,124.25
Accounts Receivable	8,89,683.55	7,84,210.55
	73,22,731.25	50,56,334.80
Note No.13: Cash and cash equivalents		
Cash on Hand	1,03,666.00	50,222.41
Cash at bank	1,81,944.02	44,79,878.32
Fixed deposit & Security Deposit	11,26,987.52	10,63,177.93
Total	14,12,597.54	55,93,278.66
Note No.14: Short Term Loans and Advances		
Machinery Advance	6,25,751.00	3,25,751.00
PKVY Scheme Advance	-	48,051.00
Salary Advance	12,000.00	401.00
Samunnati Finance PC Receivable	2,91,506.91	2,91,506.91
Prepaid Processing fees	2,50,000.00	2,50,000.00
Security Deposit - Ananya	8,39,772.00	7,52,589.00
Tax Deducted at Source / GST	26,580.86	20,872.88
Prepaid Insurance	-	48,171.00
	20,45,610.77	17,37,342.79
Note No.15: Revenue from Operations		
Bengal gram Sales	2,614.00	53,353.00
Green gram Sales	38,00,130.11	9,66,263.00
Red gram Sales	8,92,683.87	2,62,262.00
Black gram Sales	72,40,880.18	50,34,806.75
Sale of Chillies	11,146.00	27,685.25
Pepper	-	5,13,700.00
Coriander Seeds Sales	2,320.00	6,69,895.25
Paddy & Rice	2,38,690.00	2,31,950.00
Millets / Millets Valued Added	90,21,319.74	73,17,657.40
Local Sales	25,41,909.40	14,94,021.50
Groundnut Sales	90.00	7,850.00
Sale of Dust	5,10,094.00	87,975.00
Interest from Farmers Advance	57,23,277.84	59,61,816.96
	2,99,85,155.14	2,26,29,236.11

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

Notes forming part of the Financial Statement for the year ended 31.03.2020

Particulars	31.3.2020	31.3.2019
Note No.16: Other Income	Rs.	Rs.
Entrance Fees	12,400.00	100.00
Processing Charges & Incentive	-	3,13,276.00
Interest on Fixed Deposit	1,62,729.59	95,605.00
Grant & Others Income	26,145.00	7,78,356.63
	2,01,274.59	11,87,337.63
Note No.17: Purchase of Traded Goods		
Bengal gram Purchase	19,050.00	23,632.50
Green gram Purchase	7,52,338.75	47,85,398.00
Red gram Purchase	9,27,128.00	2,19,525.50
Black gram Purchase	84,20,377.00	55,87,512.00
Purchases of Chillies	-	46,620.00
Pepper Purchase	-	5,12,500.00
Groundnut Purchases	-	2,49,067.00
Paddy Purchase	2,15,600.00	50,904.00
Millets Purchases	27,53,127.00	1,33,80,149.00
Vembar Karuppatti	-	22,000.00
	1,30,87,620.75	2,48,77,308.00
Note No.18: (Increase) / Decrease in Stock		
Opening stock	2,33,34,591.00	88,92,973.00
Closing Stock	2,46,27,302.00	2,33,34,591.00
Increase in Stock	-12,92,711.00	-1,44,41,618.00
Note No.19: Employee Benefits Expenses		
Staff Salary & Bonus	19,01,555.00	8,37,796.00
Worker Wages	2,30,018.00	1,64,768.00
Travel Allowance	2,59,607.60	2,87,230.00
EPF Contribution	1,18,947.00	55,305.00
ESI Contribution	47,153.00	19,047.00
Communication Allowance	-	1,800.00
	25,57,280.60	13,65,946.00
Note No.20: Finance Costs		
Interest on Loan	81,77,971.81	62,08,959.89
Processing Charges	5,12,719.00	7,92,500.00
Bank Charges & Stamp Charges	36,761.21	1,70,599.37
Facilitation Cost Resource Institution	4,41,000.00	3,25,000.00
	91,68,452.02	74,97,059.26
Note No.21: Manufacturing and other operating expenses		
Freight Charges	3,70,099.00	4,34,755.00
Gunny Charges	1,00,680.00	83,407.00
Loading & Unloading	1,41,501.00	2,01,075.00
Processing & Packing	7,53,202.00	6,20,958.25
Designing & Printing	1,01,276.00	2,92,944.00
Warehouse Rent	-	81,659.00
Adult Pension Yajana	-	5,000.00
Stock Insurance / Machinery insurance	53,835.00	17,739.00
Unit Rent & EB	2,64,208.00	61,022.00
Unit & Machinery Maintenance	1,01,861.00	64,838.00
	18,86,662.00	18,63,397.25

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

Notes forming part of the Financial Statement for the year ended 31.03.2020

Particulars	31.3.2020	31.3.2019
Note No.22: Administration and other charges	Rs.	Rs.
Audit Fees	54,000.00	19,300.00
Courier Expenses	13,384.00	8,279.00
Legal Complence & Professional Charges	1,34,300.00	94,796.00
Office Maintenance	2,32,232.00	1,55,496.00
Printing & Stationery	98,313.00	2,38,120.00
Rent, EB and Water Expenses	88,601.00	230.00
Telephone Expenses	5,994.00	17,643.00
Travel & Auto hire Expenses	1,66,415.00	2,03,946.00
GST filing & Consultation	32,000.00	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	13,000.00	62,640.00
	8,38,239.00	9,23,210.69
Note No.23: Selling and Distribution Expenses		
Performance Incentive	-	14,338.00
CESS - Regulated Market Viruthunagar	4,200.00	81,911.00
Godown Rent /Regulated Market committee Rent	1,65,819.00	43,430.00
Training & Capacity Building	3,200.00	1,57,764.00
License, Certification & Registration	4,000.00	1,71,665.00
Marketion Promotional Expenses	13,14,032.00	5,07,207.00
Printing - Packing Material	7,04,928.00	3,28,054.00
Travel - LRP	14,858.00	14,661.00
Loading & Unloading Expenses	-	28,508.00
	22,11,037.00	13,47,538.00
Note No.24: Earning per share (EPS)		
Earnings available to Equity Shareholders	6,43,261.36	-33,643.76
Number of Equity Shares	2,00,000.00	1,00,000.00
EPS : Basic and Diluted (Rs.)	3.22	-0.34

FOR AND ON BEHALF OF THE BOARD

For Viruthai Millets Farmers
 Producer Company Limited

[Signature]
 Authorized Signatory

PLACE: VIRUDHUNAGAR
 DATE : 25.09.2020

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



For H.M.P.S. & ASSOCIATES
 Chartered Accountants
 FRN 011723S

[Signature]
CA. R. Hanumandhen
 Partner M.No. 219088

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

DEPRECIATION STATEMENT AS ON 31.03.2020

Annexure to Note No.8 : Fixed Assets - Tangible Assets

(Amount in Rs.)

Name of the Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	01-Apr-19	Additions	Adjustment	31-Mar-20	01-Apr-19	Deletions/	Dep for the	31-Mar-20	31-Mar-20	31-Mar-19
Plant & Machinery	6,65,370	71,353	-	7,36,723	12,841	-	1,23,550	1,36,391	6,00,332	6,52,529
Electrical Fittings	76,475	-	-	76,475	14,197	-	18,354	32,551	43,924	62,278
Furniture & Fixtures	68,280	71,820	-	1,40,100	21,261	-	17,685	38,946	1,01,154	47,019
Plant & Machinery - MSDA	3,43,365	3,40,000	-	6,83,365	6,893	-	92,966	99,859	5,83,506	3,36,472
Plant & Machinery - NADP	7,63,412	1,19,000	-	8,82,412	41,969	-	1,40,138	1,82,107	7,00,305	7,21,443
Plant & Machinery - Vishra	24,10,000	90,300	-	25,00,300	1,70,418	-	4,21,956	5,92,374	19,07,926	22,39,582
Computers & Peripherals	89,949	-	-	89,949	68,964	-	13,585	82,549	7,400	20,985
Building	15,34,432	-	-	15,34,432	62,523	-	1,38,054	2,00,577	13,33,855	14,71,909
Office Equipments	-	16,000	-	16,000	-	-	1,403	1,403	14,597	-
Previous Year	59,51,283	7,08,473	-	66,59,756	3,99,066	-	9,67,691	13,66,757	52,92,999	55,52,217
	1,69,039	78,82,244	(21,00,000)	59,51,283	41,474	-	3,57,592	3,99,066	55,52,217	1,27,565

Depreciation not provided following assets during financial year since the assets are not put in to use.

Name of the Assets	Amount
Seed Processing Mancinerries	32,74,863
Seed Processing unit Building	32,06,274
Other Assets	8,36,257
Land SPU - Melathulukkankulam	73,17,394
Total	73,17,394



VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED

1/508, KKSSN NAGAR, ROSALPATTI

VIRUDHUNAGAR - 626001

Notes to financial statements for the year ended 31 March 2020

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.
Valayankulam FIG 1	Sri. Kannan	Loan & Advances	2,07,080
Melathulukankulam FIG 1	Sri. R.Seenivasan	Loan & Advances	-

Year end balance as 31.03.2020

Particulars	Nature of the Transaction	Amount in Rs.
Valayankulam FIG 1	Loan & Advances	16,24,808
Melathulukankulam FIG 1	Loan & Advances	4,74,313


Director


Director

VIRUTHAI MILLETS FARMER PRODUCER COMPANY LIMITED

CIN: U01409TN2016PTC110856

NOTE NO: 25

Schedules forming parts of Account as at 31st March, 2020

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 form 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 follows 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. The grant received during the year for setting up of seed processing unit remains under construction hence the fund received from the agriculture department reported under current liabilities.

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 2019 to 31.03.2020.

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



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

Place : Viruthunagar
Date : 25th September 2020



For and on Behalf of the Board

For Viruthai Millets Farmers
Producer Company Limited


Authorized Signatory