

|| om shri manjunathaya namaha ||



DAVANAGERE NEGILA SIRI
FARMER PRODUCER
COMPANY



ANNUAL REPORT
2024-25

Sponsors :
NABARD,
Bengaluru

Promoters :
SKDRDP®,
Dharmasthala

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DAVANAGERE NEGILA SIRI

FARMER PRODUCER COMPANY



ANNUAL REPORT

2024-25

TOGETHER **E**VERYONE



ACHIEVES **M**ORE

Company Management

Leadership meets
good governance

Mr. T M Siddaiah
Chairman & Director

Mr. Basavarajappa B V
Secretary & Director

Mr. K S Nagarajappa
Director

Mr. T Manjanaik
Director

Mrs. Annapoorna
Director

Mr. K M Siddesh
Director

Mr. Nagaraja D B
Director

Mr. Nagarajappa C
Director

Mr. Thimmesh K N
Director

Mr. Raghu
Chief Executive Officer

Mr. Vinayaka
Assistant Manager

M/s. Narshimha Pai & Co.
Company Secretary

M/s. Sunil G.C. & Co., Davanagere.
Statutory/ Auditors

Union Bank Of India
Banker

**Nation Bank for Agriculture and Rural
Development**
Supporting Agency

**Shri Kshethra Dharmasthala Rural
Development Project (R.), Dharmasthala**
Hand Holding Agency

**Shri Kshethra Dharmasthala Rural
Development Project (R.),
Millet Unit - Dharwad**
Marketing Partner

Company Management



Mr. T M Siddalah
Chairman & Director



Mr. Basavarajappa B V
Secretary & Director



Mr. K S Nagarajappa
Director



Mr. T Manjanaik
Director



Mrs. Annapoorna
Director



Mr. K M Siddesh
Director



Mr. Nagaraja D B
Director



Mr. Thimmesh K N
Director



Mr. Nagarajappa C
Director

GROWING STRONGER TO CARE BETTER



Dear and Esteemed Fellow Shareholders,

It is my privilege to present you the overall performance and audited financial statements of Davanagere Negilasiri Farmers Producer Company Limited for its fourth financial year 2024-25.

The year gone by was a year of remarkable achievements as the FPC made efforts for its growth. The FPC has achieved a turnover of Rs 101.71 Lakh as well as earned a net profit of 2.13 Lakh after tax.

Millet procurement operations of the FPC, continued to be strengthened in 11 villages of Davanagere district viz. Aluru, Mallapura, Mellakatte, Iguru, Thumbigere, Kadajji, Nagarakatte, Agasanakatte, Aluratti, Lingapura, Borganahalli etc, as on 31st March 2025. During the year, the FPC has procured 153.74 Tons of Millets.

The FPC continued to enhance its efficiency in Millet procurement by proper supervision, quality checks and logistic controls.

The FPC provided technical support and trainings to all the concerned stakeholders. 21 training programs for Millet cultivation were conducted for more than 1000 members. The emphasis continued for inclusion of women members and opening of Bank Account by all members. The FPC ensures that competitive price is paid to the members on market basis. The efforts led to 100% payment through bank accounts.

The FPC foresees huge potential in marketing of Millets and plans to expand sales operations in new areas of Davanagere district. This expansion will enhance business and enable procurement of more Millets and thus, enable the FPC to reach out to more millet cultivators and become financially stronger in future.

Mr. Basavaraj
Chairman & Director

FPC Formation



Due to lack of awareness and availability, millets have not found a place in the modern food basket. However, SKDRDP and NABARD strongly believed that millet cultivation too is profitable through FPC Program.

Providing timely and easy availability of fertilizers, seeds and other agricultural inputs at a reasonable rate compared to market price and providing better price on output because of bulk selling of agricultural produce to dealers and processing centers.

PROJECT MONITORING AND IMPLEMENTATION COMMITTEE (PMIC)

A PROJECT MONITORING COMMITTEE was formed to discuss and decide on the business activities to be conducted at FPC level. The FPC has conducted 4 Project Monitoring and Implementation Committee (PMIC) Meetings during FY with NABARD DDM, FPC personnel and SKDRDP officers and discussed the business activities that can be implemented and for sanctioning the grant amount receivable from NABARD on Instalment basis. Once the FPC has achieved the prescribed parameters given by NABARD, it has released the sanctioned grant amount.

Committee members:

- Mrs. Rashmi Rekha (Davanagere NABARD DDM),
- FPC CEO & Board of Directors
- SKDRDP Personnel

Following are the highlights of the meeting:

- Reviewed the Financial and Physical progress of the FPC till date.
- Approved the Setup of Rural Mart under NABARD Scheme.
- Approved the request of Rs. 1.79 lakhs grant amount by the PMIC Committee.
- Approved the NABARD 4th & 5th Year grant Assistance of Rs. 5.16lakhs.
- Business development activities for FPC.
- To avail financial and technical support for external sources.

Progressing with Farmer's Aspirations

1000

Shareholders

11

Villages

50

Farmer Interest
GroupsRs. 10.00 Lakhs
Share capitalRs. 101.71 Lakhs
Annual turnoverRs. 2.13 Lakhs
Surplus

21

Trainings & Visits

2300

farmers participated

153.74 Tons
Millets Procured131.16 Tons
Millet SalesRs. 8.80 Lakhs
SKDRDP GrantRs. 4.30 Lakhs
NABARD Grant

LEADERSHIP IN ADOPTING CIRCULAR ECONOMY IN FPO



Revolutionizing With responsibility

Davanagere Negila Siri FPC has ingrained the principles of environmental, social and governance in to its way of doing business, to create consistence and long term value for its stake holders.

Membership

From the Day of Incorporation of the Company, The major aim of the company was to increase and strengthen the membership. For the past two years the company had conducting various levels of village meeting around the FPO cluster to introduce the FPO concept to farmers and motivate them to be a part of the Company.



844

Male farmers

156

Female farmers

Farmer Interest Group

The FPO has bought in 1000 farmers as Shareholders to the Company. To effectively channelize the flow of services and communication from FPO management to all shareholders, the company had formed Farmer Interest groups at Village level.

FIG concept

- Farmers living near to one another in a village will be grouped into a Maximum member size of 20.
- The group will be managed by 3 leaders elected by the group members.
- The group will meet once in a month for 1 hour to discuss the farm requirement with the presence of Company CEO.
- All the services required by the shareholders will be received through these groups.



Customer Hire Service

The Company has collaborated with SKDRDP Customer Hire Service Center (CHSC) on commission based rental services of Agriculture Machines like Tractor, Tiller, Harvester, Renovators etc.

The Company shareholders were delighted with machine rental services received through the Company.

Vision

To become a renowned millet producer company for its member farmers through economic and social interventions.

ABOUT DAVANAGERE NEGILASIRI FPC

Davanagere Negilasiri Farmers Producer Company, is a Company formed by the farmers of davanagere for their own betterment. It was started in the year 2020 with ten shareholders with a share capital of Rs. Ten Thousand. During the year, the Company had enrolled thousand farmers as members and the share capital for the financial year ended, 2024-25 is Rs. 10 lakhs only/-. The company operates from its registered office at Anjanaya Swami Temple Comity Hall, Aalur, Davanagere, Davanagere, Karnataka, 577512

Currently the company has its outreach to thousand farmers in 11 villages of Davanagere district viz. Aluru, Mallapura, Mellakatte, Iguru, Thumbigere, Kadajji, Nagarakatte, Agasanakatte, Aluratti, Lingapura, Borganahall etc.,

SPECIFIC OBJECTIVES

- To organize small hold producers into FPO
- To involve small holder producers in value added agricultural activities.
- To facilitate small producers for reaching viable local, state level, national level to get fair prices for their products.
- To reduce the interference of middlemen and commission agents in issues pertaining to pricing, marketing and value addition.
- To tap and channelize the convergence of schemes and subsidies provided by various government line departments, banks and financial institutions.
- To enhance the small holder producers exercise more control over the production resources and managing the support systems.

Mission

> Economic Empowerment

To economically empower the shareholders to become self-reliant by providing technical information and educate the farmers about latest technology to improve millet cultivation.

> Financial Support

To provide subsidized financial support & agro based services to farmers thereby empowering them socially and economically.

> Organic Farming

To promote Organic farming among the farmers and assist them to implement their skills.

> Training Exposure

To promote Training and exposure visits among the farmers and assist them to implement their skills.

Driving force :

- Non availability of quality inputs for farmers
- Lack of availability of finance
- Non availability of community owned storage and processing facility
- Limited liquidity after harvest.
- Less conversion ratio of millet : rice (present 60:100)
- Lack of organized structure leading to weak bargaining power
- Poor packaging practices
- Poor Market reach for farmers

Benefits to farmer members :

- Per hectare production improved by 10% by end of project period
- Increase in net return to farmer (Inflation +10%)
- Increase in sub-sector development for agriculture
- Gap in availability of inputs reduced by 20-25%
- Increased food and nutritional security
- Market linkage for the backward and forward integration will be ensured with competitive market
- Additional employment generated due to increased intensity of farming
- Benchmark minimum wage rate for labor
- Reduction in migration

Services provided to farmer members

Backward Linkage:	Forward Linkage:
• Organizing farmers to form farmers grower group • Provide training and demonstrations • Provide awareness on organic farming and provide technical information • Conduct the exposure visits • Supply the organic POP manual and booklets • Provide high quality inputs like seeds, manure, fertilizers etc • Give the financial support	• Organic farming • Storage facility • Processing of crops • Grading and Packing • Value addition to the crops produced • Marketing

PROJECT LOCATION :

- District & Block : Davanagere
- Cluster : Davanagere
- Villages covered : Aluru, Mallapura, Mellakatte, Iguru, Thumbigere, Kadajji, Nagarakatte, Agasanakatte, Aluratti, Lingapura, Borganahalli

We Include

Empowering Agriculture Together

With a comprehensive development approach, the Company touched lives of more than **1000** farmers as of present year.

Technical Transformation

The company has Organized trainings & visits program for more than **1000** farmers at its village clusters.

- Organic farming
- Dairy farming
- Millet cultivation
- Vermi Compost preparation
- Integrated farming
- Vegetable cultivation



Business Responsibility Report ...

Board of Directors meeting

First Board Meeting:

The FPO had conducted its first Board of Directors meeting on 15 april 2024. All its directors were present during the meeting.

Following are the meeting highlights:

- Taking note of 2023-24 Audit Report.
- Taking note of formation of Farmer Interest Groups.
- Taking note of proposed Business Activities for the FPO

2024-25 action plan

- The action plan was presented by the respected planning officers.
- To obtain a consent letter and a death certificate for a share transfer, call the shareholders and ask them who to nominate, provide the format, and create the consent letter.
- Provide training on growing millets. Go to all the taluks under the Davangere FPC and provide training through the AFS of that area.
- Conduct study tours.
- Appoint two local resource persons and hold FIG meetings.
- Regularly discuss the demand for fodder and supply necessary items to them.



Setting
standards for
responsibility
&
accountability

Second Board Meeting:

The FPO had conducted its Second Board of Directors meeting on 6 august 2024. Following are meeting highlights:

- About organic fertilizer / office management / toilet/management / sundry debtors /AGM meeting/ farmer interest group meeting and management

Third Board Meeting:

The FPC had conducted its Third Board of Directors meeting on 12 november 2024. All its directors were present during the meetings. Following are meeting highlights:

- Regarding the minutes of the previous meeting /achievements so far /sundry debtors
- Regarding the transfer of the company's CEO and new appointments
- Suggestions from directors on the company's business development
- Measures to be taken for FIG strengthening
- Regarding the selection of new directors / change of directors /renting the AVMC store
- Regarding building an urban mall/ purchasing a line sale vehicle / Other business development activities

Fourth Board Meeting:

The FPC had conducted its Fourth Board of Directors meeting on 14 March 2024. All its directors were present during the meetings. Following are meeting highlights:

- Reviewing the progress during the Financial year 2024-25
- Discussion on how to buy ragi
- Trade license for buying fertilizer
- Discussion on inventory
- Getting a dealership
- Making ragi flour from ragi

Business Responsibility Report ...

Annual General body Meeting

The FPC had conducted its Third Annual General Meeting on 14.09.2024 with all Board of Directors and one-fourth quorum of 400 total Shareholders.

Following are meeting highlights:

- Taking note of Company Progress till date
- Taking Note of 2023-24 Audit Report
- Taking note of proposed Business Activities for the FPC
- Taking note FIG Management and Office Premises
- Confirming the list of Board of Directors of the Company
- 2023-24 Millet Procurement Plan
- Discussion on Rural Mart
- Taking note of Key Managerial Personnel i.e. Mr. Siddaiah (Managing Director) and Mr. RAGHU (CEO) to handle the FPC operational activities
- Felicitation to the achievers



Integrated approach for sustainable growth

'We Care'.

The pervasive unifying thread that runs through everything that Davanagere Negila Siri FPC does is the spirit of

For the FPO, 'We Care' is not just about caring for the financial and economic well-being of the company and its shareholders. It is also about taking cognizance of the non-financial and social parameters, the convergence of which is critical to optimize trust and goodwill with its stakeholders and the larger eco system. The organization's unique strength lies in its ability to balance financial and non-financial goals. It gives the FPO an edge to tap opportunity across the spectrum to strengthen its long term sustainable value creation potential while meeting the needs of its diverse stakeholders.

Direct Procurement: The FPO has performed this activity very gracefully by procuring agricultural inputs like seeds, fertilizers, tarpaulins etc and raw paddy directly from market and shareholders homes respectively. The FPC had arranged for bags, labor and transportation for the procurement activities. The FPC had followed Local procurement method to procure millets. Requirement: • Mobilization and institution building of small & marginal farmers • Selecting and appointing Village level lead farmer	• Establishing collection center at village level for Strengthening of procurement and supply system • Promoting Farmers Interested Groups 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 and supply 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
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Key performance indicators

Delivering on all Fronts

6.27 qtl

Barnyard millet
procured from farmers

13.53 qntl

Brown top millet
procured from farmers

305.34 qtl

Finger millet procured
from farmers

486.20 qtl

Maize procured from
farmers

23.07 qtl

Millet Seeds was
procured and sold to
farmers

341 No's

Tarpaulin sold to
farmers.

3544 No's

Chemical Fertilizers
procured and sold to
farmers.

Rs. 0.38 lakhs

Millet value added
products procured and
sold in the local
markets

403 bags

Organic Fertilizers
procured and sold
to farmers.

02 No.s

Farm machineries sold
to farmers.

Rs. 1.00 lakhs

Groceries sold to
members

25 No.s

Electrical goods sold to
farmers



IMPACT/ CHALLENGES/ PATH FORWARD

Davanagere Negila Siri Farmer Producer Company offered positive economic, social, and technical impacts by improving bargaining power, expanding market access, reducing costs through collective action, and increasing access to inputs and knowledge for smallholder farmers.

However, challenges such as illiteracy, lack of infrastructure, financing difficulties, and inconsistent policy support can hinder their performance.

Overcoming these issues by strengthening linkages with agricultural institutions, providing education, and improving governance are crucial for maximizing the benefits of FPCs for members and achieving their potential.

Impact on farmer members :

Economic Impacts

- **Enhanced Bargaining Power:**

Provided collective power to negotiate better prices for inputs and produce, increasing profit margins for member farmers compared to individual sales.

- **Expanded Market Reach:**

By pooling resources, accessed larger markets, negotiate directly with large buyers, and even engage in international trade, increasing sales and income.

- **Reduced Costs:**

Collective logistics, packaging, and marketing through FPCs lead to cost savings per unit of produce.

- **Bulk Input Purchases:**

Procured agricultural inputs like seeds, fertilizers, and pesticides in bulk, distributing them to members at subsidized prices.

- **Access to Finance:**

As a unique legal entity, provided members with access to institutional finance, credit facilities, and various government schemes.

Social & Technical Impacts :

- **Improved Livelihood:**

Contributed to better habitat, improved health, and enhanced social empowerment among member farmers.

- **Knowledge & Skill Development:**

Conducted training and awareness programs, empowering farmers with modern farming techniques, management skills, and access to new technologies like organic farming and farm mechanization.

- **Consolidation of Services:**

Provided members with access to vital services, including technical advice, access to credible buyers, and advisory services.

- **Value Addition:**

It could set up facilities for cleaning, grading, processing, and packaging produce, adding value before it reaches the market.

- **Increased Productivity:**

The adoption of new technologies and scientific farming methods facilitated by the FPC lead to better crop yields.

Challenges & gaps:

Running a Company is not an easy task, the FPC had faced many challenges from the beginning. The challenges have been grouped into following Heads:

Statutory / legal Compliances:

For performing various business activities, we needed different kinds of statutory approvals, licenses, certification, agreements, and empanelment etc. with various authorities, boards and agencies. Following are the Statutory Challenges faced by the FPCs

- Receiving various licenses i.e. trade, chemical, seed licenses from concerned authorities as they delay the procedure and ask for bribes
- Filling GST returns, TDS at appropriate time is a task

Financial Management:

- Arranging finance for initial investment and working capitals for inventory was difficult because these FPC was in introduction stage and most of the financial institutions hesitate to lend loans due lack of operation experience
- Fixing margin for input and output sales as the FPC have to comply with GST regulation
- Distribution of profit amongst stakeholders after keeping a percentage as reserves of profit earned as per Companies Act
- The prices of fertilizers purchased varies time to time, due to this reasons the company cannot store these fertilizers in bulk quantity.

Marketing:

Marketing of harvested crops is the greatest challenge faced by FPC, as most of the FPC gives limited importance for marketing. To overcome this challenge, FPC has to give more importance to marketing compared to all other activities. Following are the challenges faced in marketing end:

- The FPC has to face the threat of volatility of Market prices for Paddy due to demand and supply factors
- The FPC has to bare the transportation, bag, labor expenses for procuring and marketing of Paddy, which leaves less margin for the organization
- Most of farmers prefer low cost agriculture inputs which may be of low quality and the farmers are hesitant to purchase quality products at competitive prices

Operations:

Handling 566 farmers is a greatest challenge for the FPC in the initial stage. Conducting survey, collecting share amount, supplying agriculture inputs, procurement of agriculture output from 566 farmers is a herculean task for the FPC. For conducting these activities efficiently, proper planning and man power is required. Following are the operational challenges faced:

- Conducting survey for input requirements from 566 farmers is a difficult task as most of the villages are segregated
- Procuring and supplying the Output and Inputs goods to farmers as it is difficult for big vehicles to visit farmers land
- Difficulty in convincing the farmers to join the FPC as they are reluctant to adapt to changes
- Difficulty in getting quality crops from its shareholders because of Moisture content, dusts and agriculture wastes

• Internal Constraints:

Problems include illiteracy among board members, lack of infrastructure, high labor costs, and difficulty meeting quality standards.

• Policy & Capital Issues:

Lack of adequate capital, inconsistent government procurement policies, and a shortage of financial support can hamper performance.

• Management Gaps:

Shortfalls in strategic planning, organizational efficiency, and market outreach limit the effectiveness of some FPCs.

• Governance & Inclusion:

Gaps exist in board diversity, shareholder engagement, and capacity building for farmers.

Path forward:

- **Strengthen Linkages:**

Connecting FPCs with agricultural universities, government departments, and private institutions provides access to technical support and business development opportunities.

- **Focus on Education:**

Strengthening farmer education through Farmer Field Schools and business schools can equip members with essential management and business skills.

- **Improve Governance:**

Enhancing board diversity, increasing participation in annual general meetings, and investing in capacity-building efforts are vital for sustainable FPCs.

- **Address Financing:**

Ensuring adequate financing, proper business models, and access to talent can help FPCs overcome challenges and achieve their potential.

- **Organic cultivation :**

Promoting and motivating the Member farmers for Organic Millet cultivation practice through setting up Vermi-compost, Jeevambrita, Organic Urea, etc.

- **Grocery supply :**

Procure various groceries and sell it to its shareholder through its Rural Mart.

- **Bulk handling of millets :**

To procure 500 tons of raw millet grains from its farmer members.



DAVANAGERE NEGILA SIRI FPC AT A GLANCE

Company Name	Davanagere Negilasiri FPC Ltd.,	
Date of Incorporation	November, 2020	
Registration details	Reg. under - Company Act 2013 [18 of 2013]	
CIN	U01100KA2020PTC140610	
Company category	Company limited by shares	
Company sub category	Non-Government company	
Details of Governing Body Members	9	
Chief Executive Officer	01	
Accounts Manager	01	
Total Farmer Members	1000	
Farmer Interest Groups (20 members each)	Male: 844 Women: 156	
Total share capital	50 groups	
Share capital of each farmer member	Rs.10 Lakhs	
Details of services provided to farmers :	Rs.1000	
	- For agriculture provision of seeds, fertilizers, agricultural equipment, - Agricultural material storage and packaging services - Marketing facilities for agricultural products by the company - Technical Services & Liaison Services, Customer Services, Sales Store	
• Training & Visit programs	21	
• No. of farmer participated	2300	
Millets procurement (Tons)	153.74	
Grant Support (Rs. In Lakhs)	Current year	Since inception
• SKDRDP	8.80	48.13
• NABARD	4.12	26.03
TOTAL	12.92	74.16
Annual turnover (Rs. In Lakhs)	101.71	
Company address	T.M.R Building, Near Galli Durgamma Katte Alur, Davanagere-577512 Contact: 89518 13998 E-mail: dvgnsirifpc@gmail.com	

Business Expansion Report ...

Participation in Agri Exhibitions



Federation Meeting Program organized by SKDRDP at Alur on 08.03.2025



Sirigere Tarala Balu Hunnime Program organized by KVK Davanagere at Bharamasagara

Photo gallery





Media Support

ನೇಗಲ ಸಿರಿ ರೈತೋತ್ತಾದಕ ಕಂಪನಿಯಲ್ಲಿ ಪಿ.ಎಂ.ಐ.ಸಿ ಸಭೆ

[illegible]

ಸಗಲಾಡ್, ತುಂಬಗರೆ, ಅನ್ನಪೂರ್ಣ, ಸಗಲಾಡ್, ಕಿಮ್ಮಿಡ್, ಕುಮ್ಮಿಡ್ ಹಾಗೂ ಕೃಷಿ ಕೆಲಸ ಮಾಡುವ ಬಸವಯ್ಯ, ಸುಮಾರಿಡ್ ಗ್ರಾಮೀಣರ ಯೋಜನೆ ಕಡೆಗೊಂದು ಪರಿಶೀಲನೆ ಮಾಡುವಂತೆ ಕೊಟ್ಟಿಡ್ ಹಾಗೂ ಕೃಷಿ ಮಾಡುವಂತೆ ಗಂಗಾಧರ್ ಬಾಬಾರಿಡ್ ಸೇರಿ ೫೦ ವ್ಯಕ್ತಿಗಳಾದ ಕೆಲಸವನ್ನು ಸೀಗಿಸಿ, ರಾತ್ರಿ ಕಡುವಂತೆ ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕ, ಕೃಷಿ ಇಲಾಖೆ ಮತ್ತು ಸೇವಾ ಪ್ರಸಿದ್ಧಿ ಮಂಡಳಿ ಹಾಗೂ ಸೇವಾ ಇಲಾಖೆ.



Davanagere Negila Siri - FPC

Registered Office :

T.M.R Building,

Near Galli Durgamma Katte, Alur, Davanagere-577512

Contact : 8951813998, E-mail: dvgnsirifpc@gmail.com

Registered Under :

Reg. under - Company Act 2013

[18 of 2013]

CIN : U01100KA2020PTC140610