



COMMITMENT CANNOT BE LOCKED DOWN



2020 -21 ANNUAL REPORT

Marching ahead for
fulfilling the dreams of
underserved



ESAF SWASRAYA MULTI STATE AGRO CO-OPERATIVE SOCIETY LTD.

Registered under the Multi State Cooperative Societies Act, 2002. Reg. No. MSCS/CR/442/2011

Admin Office : 1st Floor, JSR Square Building

Kalathode, Mannuthy Road, P.O. Ollukkara, Thrissur - 680 655, India.

Ph.: 0487 2626324 | www.esafcooperative.in | communications@esafcooperative.com



Vision

A society with equivalent opportunities to all its members with the provision of comprehensive financial services that promotes sustainable livelihood and economic development.

Mission

To be a sustainable, professionally managed and transparent co-operative society that provides livelihood services with emphasis on the economic development and financial inclusion of underserved community.



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*We sincerely pay our
homage to our beloved
members, employees, Covid
warriors, defence/police
personnel, Government
Officials, Social workers
and political personalities
who have left us for their
heavenly abode during the
last year.*

- ESAF Family



BOARD OF DIRECTORS



Mrs. Mereena Paul
Chairman
(Till 13th March 2021)



Mrs. Saleena George
Chairman
(From 13th March 2021)



Dr. Jacob Samuel
Vice Chairman
(From 13th March 2021)



Mr. Billy R.
Director



Mrs. Sreedevi Venugopal
Director



Mrs. Poonam Mehta
Director



Mrs. Pushpa K.
Director



Mrs. Selvy Karuppan
Director

BOARD OF DIRECTORS



**Mrs. Engandiyoor
Vasu Latha**
Director



Mrs. Evangeline Pooma
Director



Mrs. Philomina L.
Director



Mrs. Sreekumari G.
Director



**Mrs. Vandana Vinay
Sontake**
Director



Mrs. Mumtaj Begum
Director



Prof. Philip Sabu
Co-opted Director



Mr. Alok Thomas Paul
(Resigned on
13th of March 2021)

SENIOR MANAGEMENT TEAM



Mr. Paul V. L.
Chief Executive Officer



Mr. Rajesh Sreedharan Pillai
Chief Operating Officer



Mr. Vittal Rangan
Head-
Human Resources



Mr. Jojy Koshy Varghese
Head-Member Services &
Special Projects



Mr. Ebby Joseph
Head-
Internal Audit

Our Statutory Auditors:
M/s A. John Moris & Co,
Chartered Accountants, Chennai.

Our Corporate Lawyers:
M/s Universal Legal,
Chennai.

OUR TRIPLE BOTTOMLINE APPROACH

PEOPLE

To end poverty and hunger, in all their forms and dimensions, and to ensure that all human beings can fulfil their potential in dignity and equality and in a healthy environment.



PLANET

To protect the planet so that it can support the needs of the present and future generations.



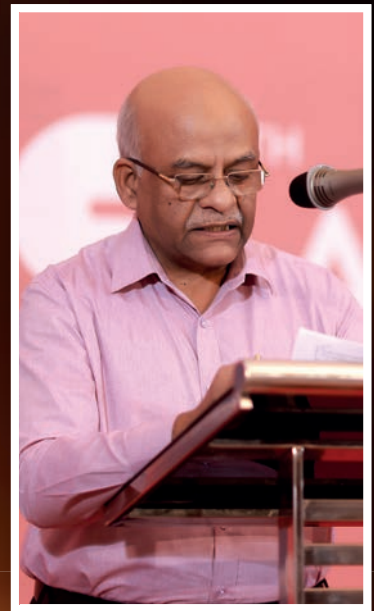
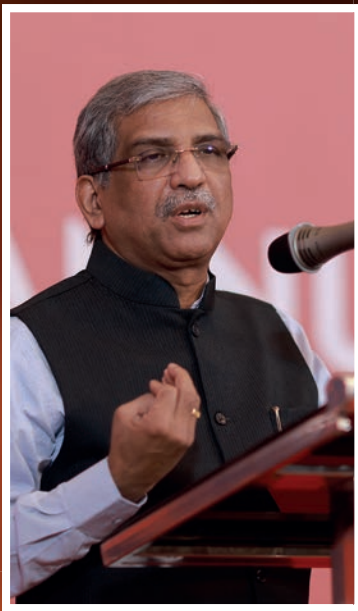
PROSPERITY

To ensure that all human beings can enjoy prosperous and fulfilling lives and that economic, social, and technological progress occurs in harmony with nature.



9TH ANNUAL GENERAL BODY MEETING GLIMPSES





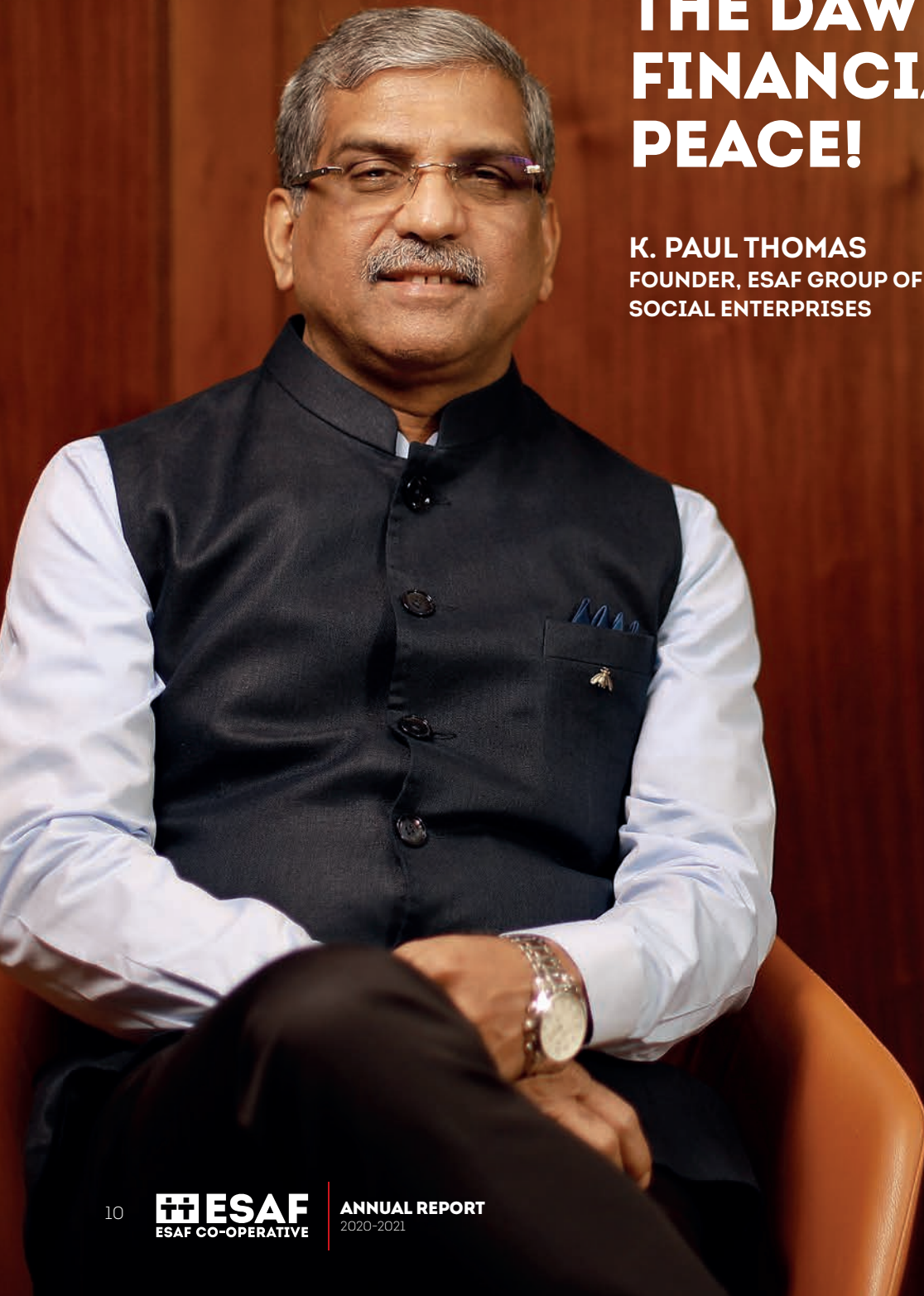
Photos: Bottom - Shri. K. Paul Thomas along with Smt. Mereena Paul inaugurating the 9th Annual General Body Meeting held at Hotel Hyatt Regency, Thrissur on 19th December 2020. Also seen are the Board of Directors with Top Management. **Left Top 1** - Shri. V. L. Paul welcoming Smt. Mereena Paul. **Left Top 2**- Shri. K. Paul Thomas along with Smt. Mereena Paul releasing the 9th Annual Report. **Right** - Shri. K. Paul Thomas, Smt. Mereena Paul & Shri. V. L. Paul delivering messages during the Annual General Body Meeting.



FROM THE FOUNDER'S DESK

STRIVING TO BRING FORTH THE DAWN OF FINANCIAL PEACE!

K. PAUL THOMAS
FOUNDER, ESAF GROUP OF
SOCIAL ENTERPRISES



Being the Founder of ESAF Cooperative, it's a matter of great personal pride for me that this cooperative institution is completing ten years of its existence and holding its 10th Annual General Body Meeting.

Cooperatives are institutions driven by values, not just profit, and they always strive to build a better world through cooperation. Cooperatives around the world are allowing people to work together to create sustainable collective enterprises that generate long-term jobs and prosperity. This is synonymous with the larger objective of ESAF, which is to bring forth the dawn of financial peace by fighting the partiality of prosperity. The tradition and culture at ESAF is to uphold the spirit of servant leadership through which we aim to achieve the larger objective of financial inclusion. The ethical value system that we have developed has been the bedrock upon which the whole of ESAF ecosystem thrives and flourishes upon. No wonder, ESAF Cooperative has been a great social influencer throughout the turbulent times of Covid, with its relief activities amongst Covid warriors and affected general public, throughout the country.

ESAF Cooperative throughout its decade long existence has been successful in keeping the cooperative spirit alive.

Leveraging its capacity through a chain of subsidiaries, it is extending benefits and livelihood support services to members across the social spectrum. The active support extended to Dairy farmers by a subsidiary named Rhema Dairy Products, and the way in which a cohesive dairy supply chain is crafted in the villages of Cumbum, Theni, Bodinaikkannur and Chinnamannur, is

a classic example of how we are aligned to the seventh cooperative principle "Concern for community". The member-centric initiatives, products and services of ESAF Cooperative has always helped its members in setting up unique livelihood propositions and thereby reviving local economies which is the need of the hour, when the global economy also got affected with the pandemic meltdown.

Today ESAF Co-operative is spread across eight states and is successfully facilitating last-mile connectivity of ESAF Small Finance bank, by functioning as its Business Correspondent. At this moment, I would like to categorically state that ESAF Cooperative has played a spectacular role in the giant leap made by ESAF Small Finance Bank in its initial years of existence. The key

Co-operatives are institutions driven by values, not just profit, and they always strive to build a better world through cooperation.

differentiator of the bank which is door-step banking, would not have been possible without the commitment of the last mile field forces of ESAF Co-operative. I would like to immensely thank the shareholders, Board and all stake holders of ESAF Cooperative for the support rendered to the Bank, through all uncertainties.

The recent progressive steps taken by the Union Government and various State Governments towards strengthening Cooperative movement in the country is quite commendable. The Union Government carved out a new ministry for Cooperation, which will act as a unique administrative, legal and policy frame work for strengthening the cooperative movement in India. The new ministry will work to streamline processes for 'ease of doing business' for cooperatives and enable development of multi-state co-operatives. "Sahakar Se Samridhi" or "Prosperity through Cooperation" which is the proclaimed vision of Government of India has strong parallels with the vision of ESAF Cooperative and its deep commitment towards people centric business models.

We are one of the very few organizations that diligently works at the grass root level for women's empowerment. Millions of women are now earning a decent livelihood through entrepreneurship, with the skill sets offered through ESAF Cooperative. The journey was not always hurdle-free and still there is a long way to go. Let us keep a strong resolve to align ourselves to the triple bottom line approach of the ESAF ecosystem.

The recent progressive steps taken by the Union Government and various State Governments towards strengthening Cooperative movement in the country is quite commendable.

Joyfully Yours,

K. Paul Thomas

Founder, ESAF Group of Social Enterprises
MD & CEO, ESAF Small Finance Bank





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NOTICE

NOTICE is hereby given that the 10th Annual General Body Meeting of ESAF Swasraya Multistate Agro Co-operative Society Ltd. will be held on Thursday, the 30th of September 2021 at 11 AM at Hotel Hamara, Nadathara, Thrissur- 680751, Kerala, to consider the under noted agenda.

AGENDA

1. Prayer. 2. Welcome Address. 3. Chairman's Speech 4. Approval of the minutes of the previous Annual General Body Meeting 5. To consider and adopt the Audited financial statements as at 31st March 2021 together with Auditor's Report and Annual Report 6. Review of Operations and Approval of Annual Budget 7. Review of utilization of Reserves and other Funds including welfare funds. 8. Review of the list of employees who are relatives of members of the Board. 9. Appointment of Auditors for the year 2021-22 and to fix the remuneration. 10. Amendments to Byelaws of the Society. 11. Review of the code of conduct for the members of the board and officers. 12. Review of the annual reports and accounts of subsidiary institutions. 13. Questions and answers. 14. Matters allowed by the Chairman. 15. Vote of Thanks.

(BY ORDER OF THE BOARD)

Sd/-

SALEENA GEORGE
CHAIRMAN

Date: 14.09.2021
Place: Thrissur

FROM THE CHAIRMAN'S DESK

OVERCOMING ALL ODDS

SALEENA GEORGE

**CHAIRMAN, ESAF SWASRAYA MULTISTATE
AGRO COOPERATIVE SOCIETY LTD**



Beloved Members of ESAF Co-operative,

I have been part of the ESAF family for quite some time, and have taken over charge as the Chairman of this great cooperative movement on 13th of March 2021. I would like to reiterate that I deeply share the vision of our honourable founders and look forward to play my role in taking the institution to greater heights, as one which extends equal opportunities and services to all its members, irrespective of their religion, cast, creed, gender and financial status.

The year 2020-21 was the most challenging one for humanity owing to the Covid pandemic. Our institution also had to face the brunt of the pandemic. Being the leading business correspondent of ESAF Small Finance Bank, our core activity is largely interweaved with community connect, social gatherings, doorstep collections and on any given day, millions of human interactions are happening at the field level, which was in a stand still due to the indefinite chains of lockdowns, containment zones and other restrictions. Across the country, we lost 620 of our beloved members. Our four experienced staff members, Mrs. Preetha of Kottayi Branch, Palakkad, Mrs. Chandrakala of Koradi Branch, Nagpur, Mr. Sandeep Tiwari, Rewa Branch, Madhya Pradesh and Mrs. Sithara of Varapuzha Branch, Ernakulam succumbed to the wrath of the pandemic. This is a great loss not only for our institution but for the members who were deriving livelihood support from these dedicated and committed employees. I would like to formally place on record our condolences and my heart goes out to the spouses and kids of the bereaved.

As a socially responsible institution and in line with our tradition, we are announcing a comprehensive care package (ESAF SURAKSHA) for the families of the departed employees, so that their immediate family members are not left unattended in their hour of need. Accordingly, in the case of loss of life of any employee due to Covid 19, last drawn salary will be paid to the spouse/ parents for next 24 months. Also, educational support will be offered to their children up to 12th standard which includes school fees, uniform, study materials etc. to a maximum of Rs. 50,000/- per year. Provision for employment for spouse/ child considering the merit and the family's socio economic conditions will be favourably considered. We have already taken coverage for the future gratuity of the deceased employees in the year 2019 itself. All this benefits are apart from the whole lot of other welfare measures as per ESAF SURAKSHA package for employees. Even during the time of business loss owing to lockdowns, we ensured that all the employees are paid full

salaries along with all allowances and festival bonus, which highlights the credibility of our institution.

We have aligned our growth plans in line with the broader macroeconomic situation prevailing in the country and the specific needs of our stakeholders. I am extremely proud to see that our organisation is in a tremendous growth phase and emerging as a leading institution supporting low-income rural women across India.

Even during the Covid pandemic and resultant lock downs, we have been successful in opening Customer Service Centres across the rural landscape and has reached 221 outlets. Further, as a Business Correspondent of ESAF Small Finance Bank, we are operating in 315 Banking outlets and providing the last mile services to the customers of the Bank. We got a highly skilled staff strength of more than six thousand, which acts as our core strength. This year we plan to cross five hundred customer service centres which will add to our geographic reach and will be an opportunity to serve more people.

During the last year we started partnering with ESAF Small Finance Bank in creating a vast network of Micro Agents providing Micro

ATM services to our members in locations wherein we don't have any brick and mortar outlets. Micro Agent locations will be acting as Customer Service Points and in the long run will be taking the financial and digital literacy awareness to the bottom of the socio-economic pyramid by offering rural population the same products and services of ESAF Small Finance Bank at the same quality and same service levels expected from larger Banks. Through this vibrant and ever growing channel, we shall also be able to arrange other services like payment of utility bills, doorstep delivery of nonfinancial products/ services and lot more.

Being an Agro Co-operative, we give special attention to agriculture and allied activities, community farming, promotion of organic cultivation etc. We emphasize on capacity building of Farmer Producer Organizations. This helps them in strengthening their partnerships with formal financial institutions and get a better price for their produce. ESAF Co-operative also tied up successfully with various Government and multilateral agencies for the implementation of projects, especially in the sectors

We have aligned our growth plans in line with the broader macroeconomic situation prevailing in the country and the specific needs of our stakeholders.

of rural/ entrepreneurship and skill development of women and youth. During the year in association with Kerala Industrial Infrastructure Development Corporation (KINFRA) we have started managing warehouse facilities at KINFRA Mega food park, Kanjikodu, Palakkad, which will be an effective platform for marginal farmers and Farmer Producer Companies to avail storage facilities for their produces at reasonable rates. We have further started forming Farmer Interest Groups in various locations and are providing Agri Loans in association with ESAF Small Finance Bank. Our subsidiary Rhema Dairy is actively involved in the dairy supply chain and is in the process of bringing out more value-added products. In association with Cedar Retail, we are in the process of opening Common Facility Centres (CFCs) to impart training to women members in food craft, agri-processing and allied sectors. Through our facility management services vertical, we are providing direct employment to more than seven hundred semi-skilled staff in the field of housekeeping and security.

We are in the process of completing our staff Covid vaccination program wherein each staff is provided with vaccination free of cost across locations. This will ensure their health and safety and further we made provisions for the vaccination of family members of employees at various locations. Our Society is partnering with ESAF Foundation is providing vaccination support to half a million populations through a project from Opportunity International. This is apart from our services provided to Covid warriors throughout last year. Since online education turned out to be a norm, we were in the fore front of providing free laptops, tablets and mobile phones to students belonging to deserving background. Further through Vidyajyothi loan product of ESAF Small Finance Bank, we were able to provide easy loan support for buying laptops for thousands of students from rural households.

During last year our organisation focused on improving internal policies and procedures, investing in training staff members across locations with a string of web based and physical training programs. Under supervision and guidance of the Board, we have ensured that our institution is remaining complied with all regulations. We offered hundreds of skill trainings, Agri-oriented training programmes, health screenings, eye camps etc. through our Social Initiatives team.

As far as the financial position of ESAF Cooperative is concerned and the growth we achieved during the financial year 2020-21, we have successfully sailed the Covid downturns. The overall balance sheet size has grown from

Rs. 549.65 Crores to Rs.560.13 Crores showing an increase of 1.9%. As against the authorised Share Capital of Rs. 300 Crores, the paid up share capital stood at Rs. 271.21 Crores, of which majority of the shareholders are women.

We were able to achieve a profit before tax of Rs. 32.25 Crores during the period, though the total revenues decreased to Rs. 215.69 Crores compared to Rs. 257.35 Crores of the previous year marking a downward trend of 16 %, mainly due to the dry run till September 2020. Out of the total Reserves outstanding of Rs.206.79 Crores, we have made appropriations to Statutory Reserves, an amount of Rs. 6.78 Crores during the period and the outstanding statutory reserves stood at Rs. 74.54 Crores.

We are always remaining as a responsible and socially conscious organisation with a focus to triple bottom line. We have mapped our sustainability initiatives with the United Nation's Sustainable Development Goals. Our aim is to efficiently adopt these goals and address the global challenges, which includes poverty, inequality, climate, environmental degradation, prosperity, and peace and justice. We are committed to ensuring that the corporate governance framework, policies and practices are of a high standard and is aligned to emerging governance trends and meeting stakeholder expectations.

Our members, Board members, the senior management and staff members stood with the institution throughout the uncertain period of lockdowns. Let me wholeheartedly thank each one of you for the excellent support. I would like to thank the Government of India and State Governments wherever our Society operates and the Honourable Central Registrar of Cooperative Societies for their unstinted support and encouragement. Further I would like to place on record our gratitude to all our employees especially our committed field staff, Statutory Auditors, Bankers, Insurance service providers, National Cooperative Union of India and all other stakeholders who share our values.

I would also like to thank the Board and Management of ESAF Small Finance Bank for the support and guidance while carrying out the functions of Corporate BC for the Bank.

Without the invisible but all invasive presence of God Almighty we would never have completed the journey so far, and I thank Him for all His mercies.

Wishing and praying for prosperous times ahead,

Sincerely,

Saleena George

Chairman



OUR VERTICALS

1

**SKILL TRAINING &
FINANCIAL LITERACY**



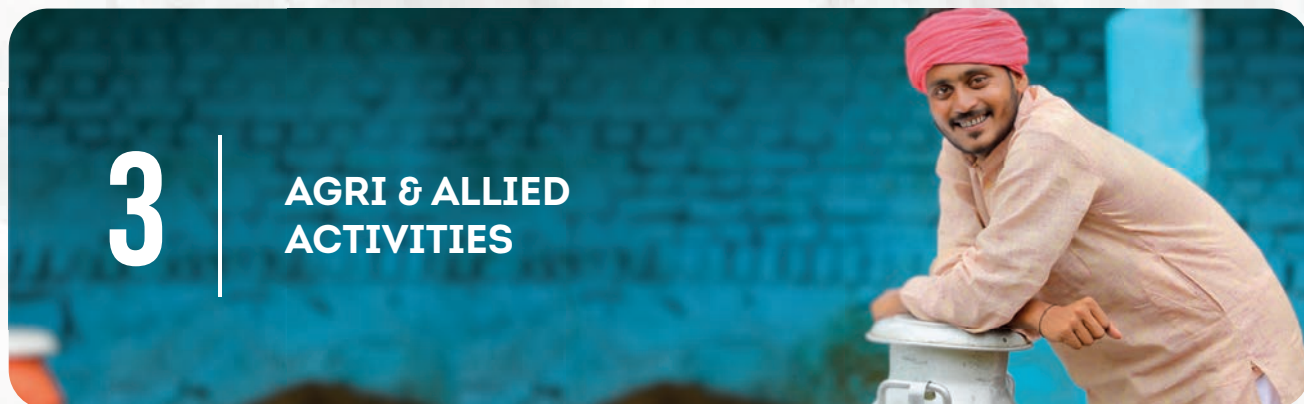
2

**FINANCIAL INCLUSION
AS A BUSINESS
CORRESPONDENT**



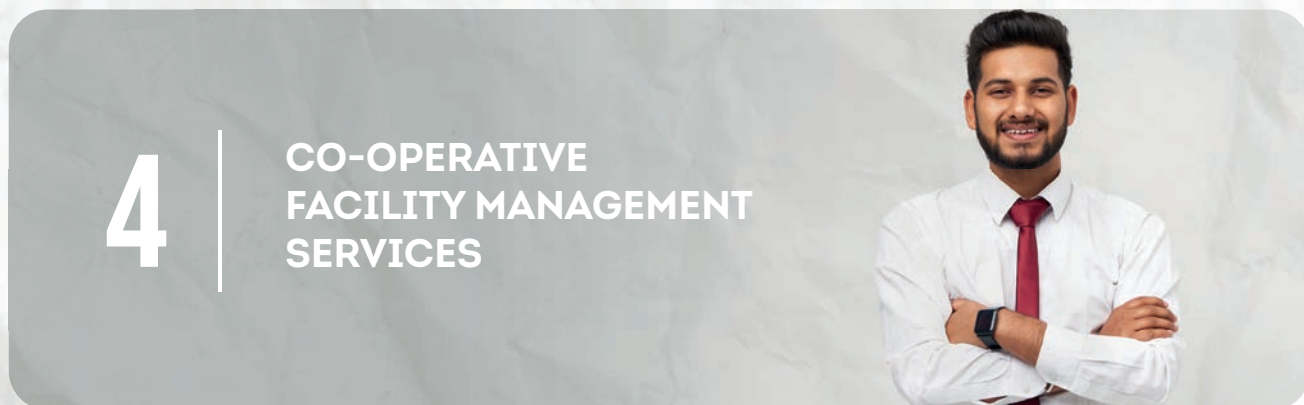
3

**AGRI & ALLIED
ACTIVITIES**



4

**CO-OPERATIVE
FACILITY MANAGEMENT
SERVICES**

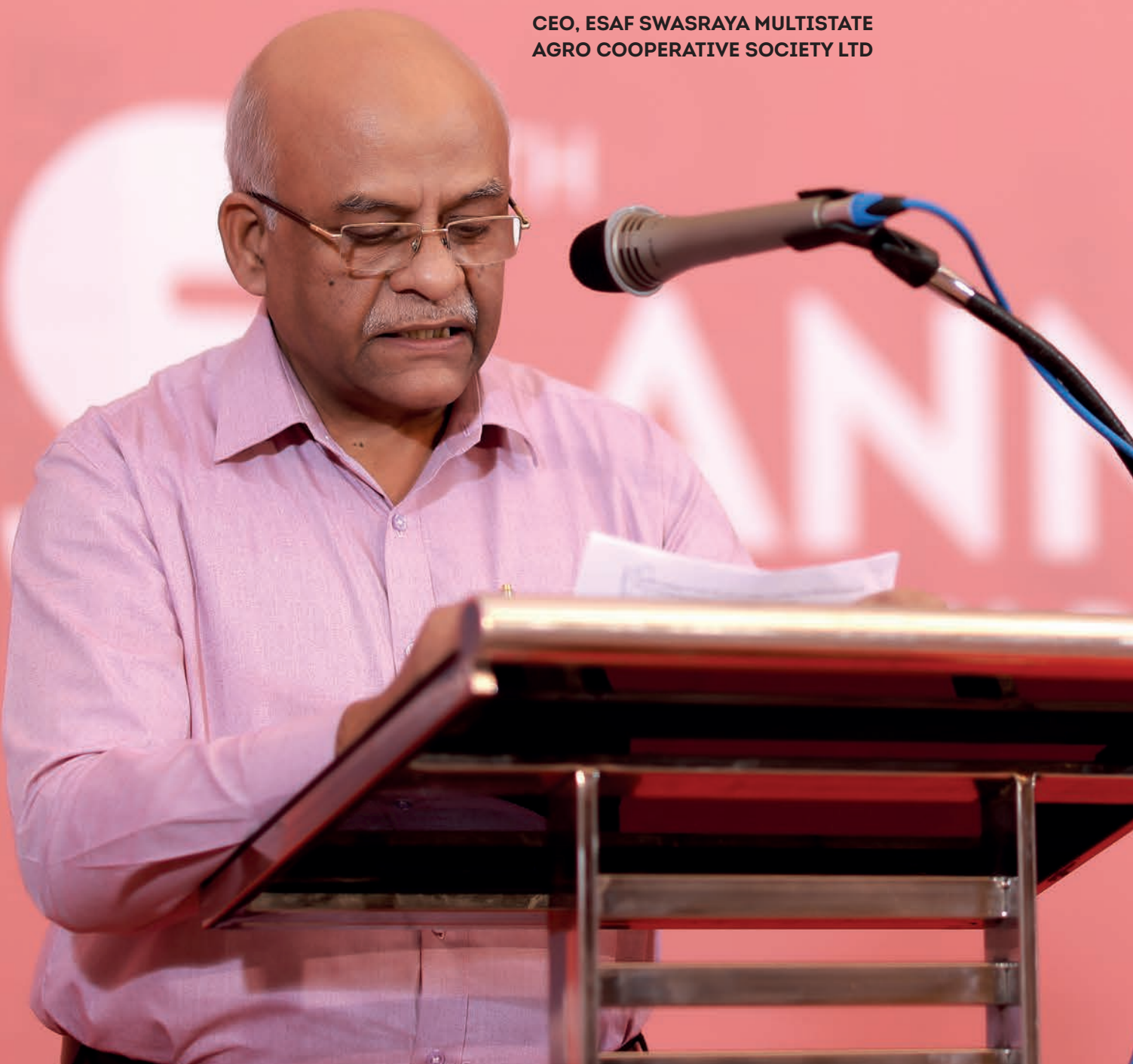


**FROM THE DESK OF THE
CHIEF EXECUTIVE OFFICER**

**TOUGH TIMES
MAKE US
STRONGER!**

PAUL V.L.

**CEO, ESAF SWASRAYA MULTISTATE
AGRO COOPERATIVE SOCIETY LTD**



It is said that – Tough times are like physical exercise! We may not like it while doing it, but, tomorrow we will be stronger because of it!

This is absolutely true about ESAF Cooperative which remained resilient in the midst of such a huge humanitarian crisis COVID – 19. We have proved once again – whether it is floods, Covid or any other natural calamity, we could stay close to our members for meeting their requirements. In spite of the shutdowns, lock downs and containment zones, our team of highly motivated, skilled and committed workforce worked day in and day out to meet the aspirations of our members. We had taken a decision to engage more with our members, identify their requirements and address their concerns. Our entire staff across the country were in constant touch with our members, trying innovative means to ensure and improve the collection efficiency as well. Our Founder Sri. K. Paul Thomas and the top management team also used to interact with our members in different states through the online meeting platforms.

Despite the pandemic induced challenges and a challenging operating environment, we could achieve considerable growth in our core area of operations as the major BC of ESAF Bank and to meet the Bank's goal to bring banking to the doorsteps of the common man. Moreover we could open 169 number of CSCs in different states of the country in spite of Covid restrictions and as on 31st March 2021 we could meet the member requirements through 315 Banking Outlets and 221 Customer Service Centres spread across six states in the country.

The year ended 31st March 2021 has been an exciting and challenging year for all of us. I am immensely grateful to our Founders Sri. K Paul Thomas, Smt. Mereena Paul, our Chairman Smt. Saleena George, Vice Chairman Dr. Jacob Samuel and all the Directors on the Board, for their guidance and support. I am also thankful to all the sangam members and last but not the least my senior management team and dear colleagues irrespective of cadre who have stood with this organisation in spite of the challenges faced by them during these testing times.

"Hard times produce your greatest gifts" is one of the inspirational quotes of Robin Sharma. With the vaccination drive gaining momentum, the second wave of Covid – 19 is showing signs of tapering off in various parts of the country. With the concerted efforts from all of us I am sure we will be able to fulfil the dreams of our founders and come out successful in our fight against the partiality of prosperity.

My Regards and Best Wishes

Paul V L

CEO

ESAF Cooperative, during the financial year, has successfully rolled out 169 Customer Service Centers for serving the customers of ESAF Small Finance Bank in remote locations.

HIGHLIGHTS OF THE YEAR 2020-21

ESAF Cooperative being a leading business correspondent, throughout the financial year 2020-21 has supported ESAF Small Finance Bank in expanding its Microbanking business, with the objective to promote the interest of all its members in attaining social and economic betterment through self-help and mutual aid, following the cooperative principles and ensuring credit access to rural households. ESAF Cooperative during the financial year has successfully rolled out 169 Customer Service Centers for serving the customers of ESAF Small Finance Bank in remote locations.

Apart from this core activity, it has attained tremendous strides in non-financial activities as well. A separate department titled Member Services is taking care of grass root level Sangam quality training, entrepreneurship development, skill training, financial literacy Programmes, market facilitation for members especially women, which has been conducted in various locations.

Together with ESAF Society which is an implementation agency for the prestigious DDU – GKY Project of the Ministry of Rural Development – Government of India, ESAF Cooperative is providing skill training opportunities to unemployed youths.

MEMBER SERVICE DEPARTMENT

ESAF Cooperative not only provides banking services, but also several types of training & capacity building programs to its members with the objective of member development & welfare.

Some of the programmes includes,

1. Entrepreneurship Development Trainings

Through Entrepreneurship Development Trainings we are aiming for;

- Formalization of enterprises through registration and licensing
- Standardization of accounting practice, quality,



A scene from an EDT program

branding & packaging etc., through sector specific regular skill training and entrepreneurship development activities, which in turn make the products competent in the market as well.

- Increased sales & profitability for the enterprises.

2. Skill Trainings

To a large extent, the Socio-Economic Development of a country depends upon women empowerment. In developing economies like India, skill development, especially of female population is of paramount



A still from a saree designing training session

importance. ESAF Co-operative in association with ESAF Society is giving Sector-wise training programs to its Sangam members using the service of experienced practitioners from the sector. These training programs help the entrepreneurs to scale up their existing



From a cake making training workshop

enterprises & also contribute for the economic growth and well-being of their family & the society.

3. Financial Literacy Campaign/FACE

Financial Literacy has been recognised as an important component in the sustainable financial inclusion process. ESAF Co-operative is highly concerned about the financial awareness, discipline & stability of its clients. The Financial Literacy Classes and Campaigns are being conducted



During a Financial Literacy Program

across the states of operation with the objective of 'Financial Awareness & Capacity Enhancement'

4. Health Camps/ Awareness Programs

ESAF Co-operative, in collaboration with several hospitals and clinics across the country, is holding various Health Camps such as Eye Camps, General Medical Camps, Menstrual Hygiene Awareness Programs, etc...Health, hygiene & well-being of the Sangam members and their family are the primary objectives of these programs.



A scene from the COVID19 awareness class

5. Flood Rehabilitation House Construction Programs

ESAF Co-operative has lent a helping hand to Sangam members who have lost their homes due to the Kerala



A house constructed at Nellippara

flood 2018. The project titled 'Snehavedu' envisages the construction of 100 houses for the deserving Sangam members. So far we have completed the construction of 16 houses and we recently have taken up construction of an additional 11 houses as well.



A beneficiary in front of a newly constructed house

Sl. No.	Programmes Name	Total Programmes	Total Participation
1	Entrepreneurship Development Programmes	156	3140
2	Skill Trainings	137	6364
3	FACE	193	6993
4	Balajyothy	22	573
5	Health Camps/ Awareness Programs	42	2232
6	Interaction Programs with Entrepreneurs	51	1130
Total		601	20432

PEOPLE INITIATIVES OF ESAF COOPERATIVE

Our employees are our biggest asset. The employee welfare measures undertaken by us during the lockdown period and beyond have set certain sectoral benchmarks and thereby highlighting empathy as a virtue inscribed at our institutional policy level and this certainly reinforced our position in the hearts of employees and beyond as an organization driven by values. A few notable welfare measures that were implemented are highlighted below.

- We released March 2020 staff salaries a week in advance on 23rd of March foreseeing the imminent lockdown, employee's financial needs and the requirement of



our employees moving back to their distant villages. In addition, we also disbursed salaries and full conveyance as usual during complete lockdown in April, May and June 2020 without any deduction and staff were strictly instructed to stay-indoors for their safety adhering to Covid protocols.

- We were able to swiftly introduce SOPs for Work-from-home options for the employees and alternative collection mechanisms for field staff as part of our Business Continuity Plan. On relaxation of the lockdown rules, we also provided Work from Home options to women customer service executives.

- Staff affected with Covid were granted with paid medical leave, Insurance/ESI Coverage. Further in association with ESAF Staff Welfare Trust a sum of Rs. 5,000/- was paid on submission of test certificate, to meet any emergency expenses.

- Chairman, CEO, COO and all Senior leadership team members ensured to personally reconnect with all employees across geographies through continuous interactions via online platforms almost on a daily basis.

- While most peer group organizations either downsized the workforce or reduced compensation due to pandemic, we continued online interview sessions starting from the month of April 2020 itself, followed with online induction training and digital onboarding, we coupled this with new premises inauguration as well. These efforts boosted employee morale substantially as they could see visible support from top management in providing them psychological safety and comfort during the tough time of pandemic and anxiety.

- Employees across all branches were paid performance pay and bonus at the maximum eligibility levels.

- Salary increment across geographies and cadres were given to staff members at the rate of 12-15 % based on their vintage with our organization

- With the closure of the lockdown, various Special Business contests were undertaken to make sure that the Business is brought back to normal. Various big day disbursements were held throughout the States. These contests were aimed at providing renewed energy to the field force to reach back to pre-Covid scenario of growth and contribution. Through these efforts, we were able to expand to 166 new rural locations during the period and new states like Rajasthan, which is a matter of great pride for all of us.

- Over these years, at ESAF Cooperative, women have

risen up all across the leadership spectrum. We got 121 employees in critical field leadership positions ranging from Branch heads to Cluster Heads ensuring the customer connect at the last mile.

- Annual Appraisals and promotion process got successfully completed across levels for field, audit and other support functions for meeting future requirements. Promotion interviews were conducted online and promotion results for 248 employees were announced.

During the year we had inducted 1438 new employees to our organisation of which 81% of them were interviewed, on boarded and inducted through online. These were possible only through swift action from HR by adapting new ways of online working.

The total manpower of the organisation including its subsidiaries has grown to more than 6000 in March 2021. Our focus on diversity and Inclusion and our principles of equal employment opportunity continued and we ended the year with 35% of our workforce as female employees.

Highlights of Training Activities

- 157 induction programmes were conducted during the financial year for newly recruited resources of which 18 were direct programmes and 139 online programmes
- 4 programmes were conducted on KYC & AML for our employees covering 246 participants
- Dr. N Jeyaseelan, CEO of Virutcham Academy and M/s Shaishavi Consultants, Bhopal imparted field level training to our new recruits.

INFRA AND INFORMATION TECHNOLOGY INITIATIVES

Customer Service Centres (CSCs) Highlights

- Opened 169 CSCs PAN India in FY 2020-21 totalling 221 CSCs.



A few scenes from the 150th CSC inauguration at Kinwat, Maharashtra

- Through CSCs disbursed more than 244 crores in FY 2020-21 with active loan outstanding of 240 crores spread across 10025 sangams and 94671 customers.
- Opened 150th CSC location at Kinwat, Maharashtra.



Shri. Rajesh Sreedharan Pillai inaugurating the 200th CSC at Kanichar, Kerala

- Opened 200th CSC location at Kanichar, Kerala.
- Entered Rajasthan geography by opening 3 CSC locations in FY 2020-21.
- CSC operations covered 7 states in India; Chhattisgarh, Kerala, Madhya Pradesh, Maharashtra, Rajasthan, Tamil Nadu and New Delhi.

Considering ESAF Co-operative as a whole and as a Business Correspondent of ESAF SFB, the IT initiatives of ESAF Co-operative has put in place state-of-the-art measures in strengthening the base of new era banking security, monitoring and centralized control for all Customer Service Centres spread across India. The implementation of new security policies, monitoring and support has brought drastic changes to the BC business. The key highlights of IT initiatives are given below:

- 216 CSC IT roll-outs including delivery, installation and support.
- 450+ Email IDs lied under G-Suite and ESAF Bank platform migrated to ESAF Co-operative Zimbra platform.
- Introduced CCTV centralized monitoring in PAN India CSCs.
- Odoo Audit & Supervisory application deployment and support.
- Various Software Applications migrated from ESAF Kalathode DC to Oracle
- A Quality Control team with audit and recording facilities were initiated.

- IT asset management was centralized.
- IT infrastructure implementation for all CSCs with full remote access, utilization report, status monitoring, were put in place.
- Central Internet Security (CIS) bench-marked security hardening implemented for Windows.
- Implemented CIS bench-marked Data Loss Prevention (DLP) policy for securing the data of ESAF Co-operative across all devices.
- Implemented help-desk ticketing tool for service requests with hierarchical approval.

BUSINESS HIGHLIGHTS

- ESAF Cooperative is a leading Multistate Agro Co-operative Society in India with over two million members.
- We have direct operations in districts covering seven states, Kerala, Tamil Nadu, Maharashtra, Madhya Pradesh, Rajasthan, Delhi and Chhattisgarh.
- The geographic presence during the reporting period is as below.

Particulars	Banking outlets of ESAF SFB (BOs)	Customer Service Centres (CSCs)
Existing location as on 31st March 2021	315	221
Total Outlets	536	

FACILITIES TO MEMBERS

- 19.86 Lakhs members obtained credit access through ESAF Small Finance Bank.
- 12.41 Lakhs Loans benefitted by our members during the financial year 2020-2021
- 3880 Crores benefitted by our members during the Financial year 2020-2021
- Our members maintain 6429.81 Crore Loan outstanding with ESAF SFB as on 31st March 2021.

Existing location as on 31st March 2021	No. of Ordinary Members	11,39,327
	Share Capital	₹271 Crores

The Member Welfare Fund is a type of financial assistance given to our members on payment of a subscription fee. When a member expires, the financial liability of the member poses an additional burden on the family, who in turn will find it difficult to cope with the repayment. Hence, ESAF Cooperative provides financial assistance to such families through a well-defined process set by



the Member Welfare Department. The Claim benefits are available only to the members who pay a nominal subscription amount at the time of loan disbursement, which acts as a shield for them in times of their untimely death. When a member expires, ESAF Cooperative helps to tide over the immediate financial crisis by settling the loan outstanding of the member with Banks. If the spouse or the earning member of the family expires, ESAF Cooperative provides a nominal amount to the member as a support to the family.

Particulars from April 2020 to March 2021	Numbers	Amount in lakhs (₹)
Member Death (Normal) Claim Sanctioned	1547	1184.69
Member Death (Accident) Claim Sanctioned	36	36
Spouse Death (Normal) Claim Sanctioned	3902	580.7
Spouse Death (Accident) Claim Sanctioned	84	84

We deeply mourn the demise of three children of one of our Sangam member Ramla (Chaitram Sangam) from Koduvayur branch. She hails from Kunissery. Ramla had three children aged 12 (Jinshad), 7 (Rinshad) and 3 (Rifas). She could not bale the death of her children who were drowned to death in a pond while playing. They had entered the pond to clean mangoes which they had collected from a nearby orchard. One of the children slipped and fell into the pond and to save him the other two children also entered the pond and got drowned. ESAF had always stood by our its members whenever they were in difficulties. ESAF provided an amount of Rs.20000/- as an immediate support to the grieving family.

Online educational support

The COVID-19 has resulted in schools shut all across the country. As a result, the mode of education has changed, with the distinctive rise of e-learning, whereby teaching is undertaken remotely and on digital platforms. There are, however, challenges to overcome. Some students without reliable internet access and/or technology struggle to participate in digital learning; this gap is seen across the country As a part of its social initiative, ESAF has been giving digital products and financial assistance to help the children in weaker sections of the society to meet their social needs and survive in the modern developing economy of our nation. ESAF has also given TV sets & Tablet Computers to the most deserving and the loyal members of ESAF so that children of these members

can make use of the TV & Tablet Computers as an online learning platform.

Financial literacy programme

Educating the customers from time to time is essential to keep them updated about our products and services and also to make them financially literate. We also educate existing or potential customers on products or services of ESAF Small Finance Bank, financial literacy, general group ethics or values, sangam training, sessions on special occasions like Balajyothi, Vayojyothi, Environment Week, Migrants Day, RBI Financial Literacy Week etc.. We have received a proposal from ESAF Small Finance Bank to conduct Financial and digital literacy sessions (FACE) for our members on behalf of the Bank. ESAF Small Finance Bank has conducted 159 FACE programmes with the aid of NABARD in three States - Kerala (129), Chhattisgarh (20) and Madhya Pradesh (10).

All festivals are celebrated in the branches/ offices of ESAF Cooperative PAN India. This year due to Covid though we restricted such celebrations, Christmas was celebrated in a different manner. Staff members at HO and nearby branches volunteered to construct a house



Kerala Govt. Chief Whip K. Rajan handing over the key to the beneficiary



A Sangam member making masks

under the 100 Homes Project. The completed house was handed over to one of the most deserving member Lathika Rajesh of Chembarathy Sangam coming under Pattikad branch. Lathika Rajesh has been a regular member of ESAF since 2015 and her husband works in a barber shop as a helper. They are a deaf and dumb

couple with two children, studying in Fourth and First standard. Lathika's husband had undergone a heart-valve replacement and they were very happy to get a permanent shelter.

LOCK DOWN PERIOD ACTIVITIES OF ESMACO



A collage COVID19 relief activities across the country

Face masks procurement from Sangam members:

In an attempt to support the livelihood of our members, in the times of pandemic, we decided to procure face masks from Sangam members, subject to prescribed quality standards and pricing guidelines for distributing among our staff, other Sangam members and, the public at large.

To make sure that we were honouring the efforts of Police Personnel and Health workers who were untiringly extending efforts for fighting the COVID 19 pandemic, staff members in and around the branch locality were encouraged to hand over packets containing mineral water, bottled fresh juices, fruits and snacks to them.

Well-being of the staff were always a major concern for us and as a support we were able to disburse Rs. 5000/-

each to those who were infected by the SARS-CoV-2. As of now we were given a total amount of Rs. 20.25 Lakhs.



Being an agro cooperative, we encouraged the employees to start vegetable cultivation in grow bags in the premises of our Outlets.

ALL INDIA COOPERATIVE WEEK CELEBRATION

ESAF Cooperative celebrated 67th All India Cooperative Week from November 14th to November 20th 2020 and Smt. Mereena Paul (Former Chairman Esaf Cooperative) hoisted Cooperative Flag in the Head Office premises.

As part of the Cooperative Week Celebration, we organized Seminar using the Online Platform. The subject was Financial Inclusion, Digitalisation and Social Media through Cooperatives. The Seminar was inaugurated by Hon: Chairman of ESAF Cooperative Smt. Mereena Paul and the subject was presented by Prof. Philip Sabu (Former Director, MBA Agribusiness Management, Kerala Agriculture University). Sri V.L. Paul, CEO of ESAF Cooperative was the moderator. Members from different states participated in the Seminar.

COOPERATIVE FACILITY MANAGEMENT SERVICES (CFMS)

Cooperative Facility Management Services (CFMS) formed in 2016 as a dream project of ESAF Cooperative encompasses multiple disciplines by integrating people, place, process & technology. CFMS delivers the best-in-class service in Facility & Event Management Services to business houses, Commercial, Manufacturing, education & Financial Institutions across Pan India.

The major objective of CFMS is to make a sustainable and holistic transformation of the poor and marginalized thereby envisioning a just and fair society by providing employment opportunities to the unorganized sector in the society. Within a short period, CFMS was able to carve a niche for itself in its area of specialization. The Organization has expanded its footprints into areas like House Keeping, Security Services, Pest Control, Event Management, Chauffeur's Service, Parking Management & MEP Services.

CFMS and its Values

The Logo defines hand holding of people of different socio economic, diversity class & community so as to realize the vision of creating employment opportunities to all, thereby upholding its larger motto of fighting the Partiality of Prosperity.

CFMS Partners with valued customers

CFMS is a customer oriented facility management system that considers customer satisfaction as the corner stone of success. The Organization now partners with multidisciplinary fields & services like Banks, Schools, Administrative offices, shopping malls etc.

CFMS Highlights

Presently CFMS Covers its Services in almost 19 States & 2 Union territories across India. In the current year CFMS has been awarded with 'Housekeeping Services' at Sobha City Mall, one of the preferred Mall located in the heart of

Thrissur - Puzhakal, 'a place to dine, shop, live, work and to be entertained.

CFMS has also provided charity support to Five of its needy Housekeeping & Security staff as a part of welfare activities.

CFMS is well equipped & are in final discussions for rendering Facility Management Services to new clients



CFMS team in action

which includes Retail, Manufacturing units, Healthcare, Banking, IT & Educational Sectors



CFMS team in action

CFMS SERVICES



**IFMS
(HK & MEP)**



**SECURITY
SERVICES**



**EVENT
MANAGEMENT**



CHAUFFEUR



**PARKING
MANAGEMENT**



**PEST
CONTROL**

KEY DIFFERENTIATORS

- 100% Compliant
- PAN India Presence
- In- House Capabilities
- On-Roll Manpower
- Self-Developed SOP's
- Service wise SME's
- Single point Accountability
- Shared Supervision

CFMS FEATURES

- Engagement of authentic service personnel after conducting background checks & police verification.
- Affordable cost, Quality and Hygiene assured.
- Service of trained skilled personnel
- Efficient workflow through usage of quality Software.
- Provision for deep cleaning
- Eco-friendly waste management system
- Adherence of legal rules by compliance of Minimum wages act, ESI, PF etc
- Regular monitoring and supervision by trained supervisors.

CFMS TODAY

Head Office: Mannuthy, Kerala
 Presence: 19 States + 2 Union Territories
 Staff Count: 900+



GEOGRAPHICAL REACH





The story of a Mushroom cultivator!

Mrs. Anju P K, a mushroom entrepreneur from Kuniyanpuzha, Payyavoor in Kannur district, and also a ESAF sangam member is from Iritty branch. She has two children and her husband is working in a small shop.



Mrs. Anju started mushroom cultivation from October 2018 after she got training from RATTTC,

Thaliparamba, and after training she started to make mushroom bed. First she made 2 mushroom beds and she got 1½ kg of mushrooms from that two beds. Her family and friends supported to take it up as a business. After starting the business, she got many orders from Neighbours, friends, Kudumbasree, Panchayath and other shops. She got many trainings from Kudumbasree and KVK regarding production and Marketing. Monthly she earns 15,000 rupees.

Today her aim is to increase the business and to starts value added products of mushroom like mushroom pickles, mushroom soups and improve the marketing facility.



Chick to Chicken!



Mrs. Anoora George of Vattapara, Thiruvananthapuram started A G poultry farm in 2011 with a flock of 2000 birds. The Thiruvananthapuram Corporation has honoured it as the best poultry farm.

Mrs. Anoora created a new enterprise with three partners who are already ESAF Sangam members, and they got a capacity to keep 3000 chickens at a time.

Mrs. Anoora developed her business by taking out a loan from ESAF and repaying it over a period of time. She also spent a total of one lakh rupees on an incubator machine.

ESAF Venjaramoodu branch honoured her as the "Best Women Entrepreneur" in the women's day



celebration of 2018. Through ESAF her small business which situated in a remote village, has flourished into a notable venture with woman participation.





The successful impact of EDP Loan!

Ms. Sajeera P K, member of ESAF passed beautician course and does her vocation from home itself. She lives in a rented home near Thaliparamba, Kannur. At first she was doing only bridal make up. She

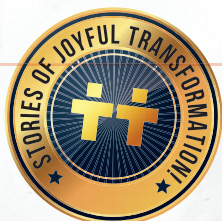


attended the EDP training of ESAF Cooperative and has proved her talent in self-employment. She was interested in starting her own beauty parlor. Since

Sajeera was having a clear idea of business, ESAF Small Finance Bank provided her a loan of one lakh rupees.

She utilized her loan completely for modifying and setting up the beauty parlor with all facilities. Along with that she had started a ladies stitching center too.

Sajeera, who has started her own enterprise has now helped out four other ladies and now she is able to earn more than 10000 per month. She has utilized the complete funds availed from ESAF for developing her enterprise and has become an inspiration for others. She is now well positioned to achieve greater business success in future. Sajeera is a role model entrepreneur and this is one of the visible impact of the EDP sessions conducted by ESAF Cooperative.



A sweet story!

Sherin Andrews is a bakery entrepreneur, who lives near Pappanamkode, Thiruvananthapuram. She has a small family, which includes her husband, parents and two children.

She has started her business venture as a small scale industry in 2004. By borrowing a loan amount of Rs. 75,000 from the bank she brought equipment's for her bakery unit situated in her 6 cents of land. The Unit produced sweets and other bakery products in very small quantities and these were sold in the neighbourhood and the nearby shops only.

After three years of running the small unit she joined in a ESAF Sangam which was a major turning point that boosted the growth of the venture.

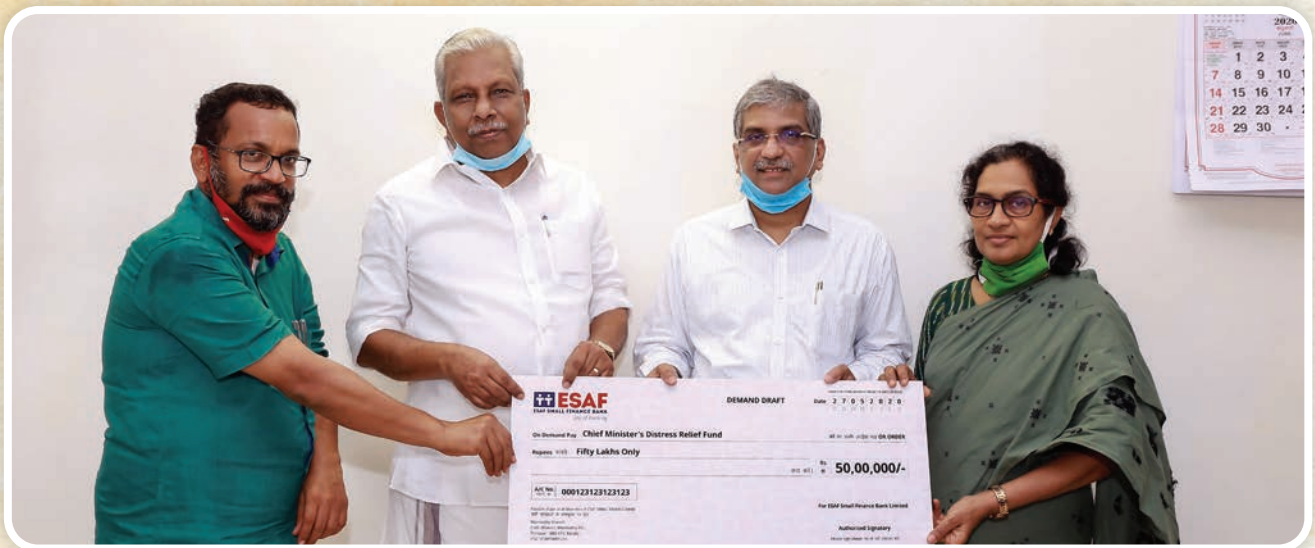
Now, she obtained all the regulatory licenses for

entrepreneurship and is manufacturing bakery products as per order and supply regularly to majority of the shops in Thiruvananthapuram, thereby, earning up to Rs 5000/- per day. She



has given direct employment to eight staffs, owns various machineries for production, generator, tools, Grinders, etc, for which she is thankful to ESAF.





Cheque amounting to Rs. 50 lakhs handed over to Shri. A. C. Moideen, Minister - Local Self Government, Government of Kerala in the presence of Adv. K. Rajan, MLA, Government Chief Whip, Kerala towards the Chief Ministers Covid Relief Fund. Cheque handed over by Shri. K. Paul Thomas and Smt. Mereena Paul, Founders of ESAF Group of Social Enterprises



Shri. Jagdish Devda, Finance Minister, Madhyapradesh received the Cheque of Rs. 15 Lakh towards the Covid Relief activities of the state.

Cheque amounting to Rs. 15 lakhs handed over to Shri. Bhupesh Baghel, Hon'ble Chief Minister of Chhattisgarh towards the Covid Relief activities of the state.



We were the title sponsors for the events recognising Covid Warriors conducted by Radio Mirchi FM. Hon'ble Health Minister of Chhattisgarh, Shri. T. S. Singh Deo was the Chief Guest of the event.



INDEPENDENT AUDITOR'S OPINION

To the Members of M/s. ESAF Swasraya Multi State Agro Co-operative Society Limited

OPINION

We have audited the accompanying financial statements of M/s. ESAF Swasraya Multistate Agro Co-operative Society Limited ("hereinafter the Society") which comprises the Balance Sheet as at 31st March 2021, 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 standalone financial statements give the information required by the 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, 2021, Statement of Profit and Loss Account, and its cash flows for the year ended on that date.

BASIS OF OPINION

We conducted the audit in accordance with the Standards on Auditing (SAs) issued by the ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial

Statements section of our report. We are independent to the society in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis of our opinion.

RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, results of operations and cash flows of the society in accordance with the accounting principles generally accepted in India. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, which due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society'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 Society or to ease the operations, or has no realistic alternative but to do so.



Those charged with governance are responsible for overseeing the Society's financial reporting process.

AUDITOR'S RESPONSIBILITY 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by section 73(4) of Multi-State Co-operative Societies Act, 2002 read with Section 27(2) of Multi-State Co-operative Societies Rules, 2002 we report that:

1. We have obtained all the information and explanations to the best of his knowledge and belief were necessary for the purposes of his audit.
2. In our opinion, proper books of account have been kept by the multi-state co-operative society as far as appears from his examination of those books, and proper returns adequate for the purposes for our audit have been received from branches or offices of the Society.
3. The Society's balance-sheet and profit and loss account dealt with by this report are in agreement with the books of accounts and returns.
4. There is no material impropriety or irregularity in the expenditure or in the realization of money due to multi-state co-operative society.

As per the information and explanation given to us and based on our examination of books of accounts and other records, we have not come across any material instances which need to be reported under Rule 27(3) of Multistate Co-operative Societies Rules, 2002.

For A. John Moris & Co.,
Chartered Accountants
Firm Registration No.: 007220 S

Sd/-
CA G Kumar
Senior Partner
Membership No.: 023082

Place: Chennai
Date: 26.07.2021



M/s. ESAF SWASRAYA MULTI STATE AGRO CO-OPERATIVE SOCIETY LTD.
(Formerly known as ESAF Swasraya Multistate Cooperative Credit Society Ltd)

1st Floor, JSR Square, Kalathode, Thrissur, Kerala 680 655

BALANCE SHEET AS AT 31 MARCH 2021

Particulars	Notes	As on 31st March, 2021 (₹)	As on 31st March, 2020 (₹)
CAPITAL AND LIABILITIES			
Share Capital	3	2,71,20,62,646.00	2,77,71,39,420.00
Reserves and Surplus	4	2,06,79,28,085.35	1,87,95,46,584.12
		4,77,99,90,731.35	4,65,66,86,004.12
NON-CURRENT LIABILITIES			
Long Term Borrowings	5	52,89,846.00	33,29,432.00
Other Long Term Liabilities	6	23,89,64,844.87	34,00,96,389.55
		24,42,54,690.87	34,34,25,821.55
CURRENT LIABILITIES			
Other Current Liabilities	7	23,49,72,601.54	20,37,76,255.91
Short Term Provisions	8	34,21,52,986.60	29,26,74,695.62
		57,71,25,588.14	49,64,50,951.53
Total		5,60,13,71,010.36	5,49,65,62,777.20
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	9	26,13,11,752.70	10,99,29,068.64
Intangible Assets		37,53,828.66	19,39,236.00
		26,50,65,581.36	11,18,68,304.64
Non-Current Investments	10	4,35,45,27,312.51	4,24,95,27,362.51
Long Term Loans and Advances	11	10,34,51,113.40	6,64,03,267.00
		4,45,79,78,425.91	4,31,59,30,629.51
CURRENT ASSETS			
Short term loans and advances	12	38,81,602.00	44,96,901.00
Cash and Bank Balances	13	65,67,89,500.12	72,92,58,013.68
Other Current Assets	14	21,76,55,900.97	33,50,08,928.37
		87,83,27,003.09	1,06,87,63,843.05
Total		5,60,13,71,010.36	5,49,65,62,777.20

In terms of our report attached.

For **A. JOHN MORIS & CO.,**

Chartered Accountants

FRN. 007220 S

For and on behalf of the Board of Directors

Saleena George

Chairman

Jacob Samuel

Vice Chairman

(G.KUMAR)

Partner

M.No.023082

Paul.V.L

Chief Executive Officer

Rajesh Sreedharan Pillai

Chief Operating Officer & Head Finance

Place : Thrissur

Date : 26.07.2021

M/s. ESAF SWASRAYA MULTI STATE AGRO CO-OPERATIVE SOCIETY LTD.
(Formerly known as ESAF Swasraya Multistate Cooperative Credit Society Ltd)

1st Floor, JSR Square, Kalathode, Thrissur, Kerala 680 655

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2021

Particulars	Notes	As on 31st March, 2021 (₹)	As on 31st March, 2020 (₹)
INCOME			
Revenue from Operations	15	1,95,25,36,072.38	2,33,82,92,545.28
Other Income	16	20,43,94,191.06	23,52,67,207.01
TOTAL REVENUE (A)		2,15,69,30,263.44	2,57,35,59,752.29
EXPENSES			
Finance Cost	17	2,65,072.05	3,47,324.00
Employee benefits expense	18	1,44,31,94,277.59	1,32,63,69,121.23
Administration expenses	19	36,55,73,811.57	27,76,35,933.26
Depreciation and amortization expense	9	2,53,84,663.00	96,92,297.00
TOTAL EXPENSES (B)		1,83,44,17,824.21	1,61,40,44,675.49
Profit before exceptional and extraordinary items and tax (A) - (B)		32,25,12,439.23	95,95,15,076.80
Less: Exceptional items & Extraordinary Items		-	-
PROFIT / (LOSS) BEFORE TAX		32,25,12,439.23	95,95,15,076.80
Less: Tax Expenses			
Current Tax		13,41,30,938.00	34,12,54,215.10
Previous Year Tax Provision reversed		-	-
		13,41,30,938.00	34,12,54,215.10
PROFIT / (LOSS) AFTER TAX		18,83,81,501.23	61,82,60,861.70

In terms of our report attached.
For **A. JOHN MORIS & CO.,**
Chartered Accountants
FRN. 007220 S

For and on behalf of the Board of Directors

Saleena George
Chairman

Jacob Samuel
Vice Chairman

(G.KUMAR)
Partner
M.No.023082

Paul.V.L
Chief Executive Officer

Rajesh Sreedharan Pillai
Chief Operating Officer & Head Finance

Place : Thrissur
Date : 26.07.2021



M/s. ESAF SWASRAYA MULTI STATE AGRO CO-OPERATIVE SOCIETY LTD.
(Formerly known as ESAF Swasraya Multistate Cooperative Credit Society Ltd)

1st Floor, JSR Square, Kalathode, Thrissur, Kerala 680 655

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021

Particulars	For the year ended 31st March, 2021 (₹)	For the year ended 31st March, 2020 (₹)
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	32,25,12,439.23	95,95,15,076.80
Adjustments for:		
Depreciation and amortisation	2,53,84,663.00	96,92,297.00
Income from Investments	(17,09,13,192.00)	(17,33,25,164.01)
Operating profit / (loss) before working capital changes	17,69,83,910.23	79,58,82,209.79
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	-	-
Short-term loans and advances	6,15,299.00	19,61,162.00
Other current assets	11,73,53,027.40	(26,96,04,855.71)
	11,79,68,326.40	(26,76,43,693.71)
Adjustments for increase / (decrease) in operating liabilities:		
Other current liabilities	3,11,96,345.63	4,96,01,498.26
Short Term Provisions	6,06,89,269.52	33,70,651.27
	9,18,85,615.15	5,29,72,149.53
Cash generated from operations	38,68,37,851.78	58,12,10,665.61
Net income tax (paid) / refunds	(14,53,41,916.54)	(42,25,01,280.82)
Net cash flow from / (used in) operating activities (A)	24,14,95,935.24	15,87,09,384.79
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(17,90,47,324.72)	(10,32,40,874.46)
Fixed Assets sold during the year	4,65,385.00	-
Investments made during the year	(10,49,99,950.00)	(40,05,50,000.00)
Income from Investments	17,09,13,192.00	17,33,25,164.01
Long term Loans and Advances	(3,70,47,846.40)	1,47,98,822.00
	(14,97,16,544.12)	(31,56,66,888.45)



Cash flow from extraordinary items	-	-
Net cash flow from / (used in) investing activities (B)	(14,97,16,544.12)	(31,56,66,888.45)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	(6,50,76,774.00)	(21,83,54,850.00)
Proceeds from long-term borrowings	(9,91,71,130.68)	(28,50,89,090.08)
	(16,42,47,904.68)	(50,34,43,940.08)
Net cash flow from / (used in) financing activities (C)	(16,42,47,904.68)	(50,34,43,940.08)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(7,24,68,513.56)	(66,04,01,443.74)
Cash and cash equivalents at the beginning of the year	72,92,58,013.68	1,38,96,59,457.42
Cash and cash equivalents at the end of the year	65,67,89,500.12	72,92,58,013.68
Note: (i) The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 Cash Flow Statements. (ii) Refer Note: 13 for items included in cash & cash equivalents.		

In terms of our report attached.

For **A. JOHN MORIS & CO.,**

Chartered Accountants

FRN. 007220 S

For and on behalf of the Board of Directors

Saleena George

Chairman

Jacob Samuel

Vice Chairman

(G.KUMAR)

Partner

M.No.023082

Paul.V.L

Chief Executive Officer

Rajesh Sreedharan Pillai

Chief Operating Officer & Head Finance

Place : Thrissur

Date : 26.07.2021



NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31ST MARCH 2021

Note	Particulars
	<p>Society's Basic Information</p> <p>M/s. ESAF Swasraya Multi State Agro Cooperative Society Limited is registered with the central Registrar of Multi state cooperative societies, New Delhi as as Multi state cooperative Society on October 13, 2011, having Registration No. MSCS/CR/442/2011.</p> <p>The Society was originally having the name ESAF Swasraya Multistate Cooperative Credit Society Limited. As per the decision taken in the Annual General Body Meeting dated 27th May 2016, the Society decided to change its name as ESAF Swasraya Multistate Agro Cooperative Society Limited. The decision was approved by the Central Registrar of Cooperative Societies vide its Letter No. L-11015/77/2011 - L&M dated 10th October 2016.</p> <p>The registered and Administrative Office of the Society is located at 1st Floor JSR Square, Kalathod, Thrissur - 680655</p> <p>The Society is a Business Correspondent of M/s ESAF Small Finance Bank Ltd and is having a separate vertical for providing House Keeping and Security Services called Cooperative Facility Management Services. Being an Agri society, it is having a separate Agri and Allied services division and is actively involved in creating market linkages for agri and allied products along with its subsidiaries like ESAF Swasraya Producers Company Ltd and Rhema Dairy Products India P Ltd. Apart from this Society is very active in EDP, skill training and livelihood support initiatives and was earlier partnering with International Finance Corporation on related projects.</p> <p>The Operations of the Society is mostly concentrated within the States of Kerala, Tamil Nadu, Madhya Pradesh, Chattisgarh, Maharashtra and Rajasthan and the society is further licensed to operate also in the states of Haryana and New Delhi.</p> <p>The Society has in its member fold 11,39,327 (Eleven lakhs thirty nine thousand three hundred and twentyseven) members at the end of the financial year, spread over five states where the society is functioning.</p>
2	<p>Significant accounting policies</p> <p>Basis of accounting and preparation of financial statements</p> <p>2.1 The financial statements of the Society have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies of society have been consistently applied with those used in the previous year.</p> <p>Use of Estimates</p> <p>2.2 The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Although such estimates are made on a reasonable and prudent basis taking into account all available information, actual results could differ from those estimates.</p> <p>Fixed Assets</p> <p>2.3 Fixed assets are stated at cost net of depreciation. The cost of an asset comprises its purchase price and any other cost directly attributable for bringing the asset to the location in working condition for its intended use.</p>



Note	Particulars
Depreciation and amortisation	
	(i) Depreciation has been provided on the Written Down value method .
2.4	(ii) Depreciation on additions is charged proportionately from the date of acquisition/installation as per the Income Tax Act,1961.
	(iii) The society has decided to account as expenses the individual assets costing less than Rs.5000/- fully on the year of acquisition as it is not material as per the Society's management estimates
Revenue recognition	
2.5	Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Society and the revenue can be reliably measured.
	Operating Income is recognised as and when they accrue.
Other income	
2.6	Interest income on Fixed Deposits with Banks is accounted on accrual basis.
	Dividend income is accounted as and when the right to receive it is established and in the year under consideration Dividend Income of investments made in Compulsorily Convertible Preference Shares are recognised.
Investments	
2.7	Investments are classified into Current Investments and Non-Current Investments. Current Investments are carried at lower of Cost or Market price on the relevant date.
	Non-Current Investments on Quoted Equity shares are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Cost of investments include acquisition charges such as brokerage, fees and duties.
Employee benefits	
	a. Short term employee benefits including salaries, social security contributions, short term compensated absences (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, incentives and bonuses payable within twelve months after the end of the period in which the employees render the related services and non monetary benefits for current employees are estimated and measured on a undiscounted basis.
	b. Provident Fund and other defined benefit contribution
	Society is contributing to Provident fund and pension fund in accordance with Employees Provident Funds and Miscellaneous Provisions Act,1952 and the amount paid/payable during the year to Provident Fund is recognised in the Profit and Loss Account.
2.8	c. Gratuity
	The society provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. In accordance with the Payment of Gratuity Act, 1972, the Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as of the balance sheet date, based upon which, the company contributes all the ascertained liabilities to the ESAF Cooperative employees Gratuity Fund Trust (the "Trust"). Trustees administer contributions made to the Trust and contributions are invested in specific investments as permitted by the statute.
	d. Employee Benefit Trust
	The Society has formed an ESAF Cooperative Employee Benefit Trust on 12th March 2021 for the benefit of its employees and those belonging to its subsidiaries.



Note	Particulars
	Borrowing costs
2.9	Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings, if applicable, to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.
	Segment reporting
2.10	The Segmental reporting regulations are not applicable to the Society.
	Taxes on income
2.11	Current tax is the amount of tax payable on the taxable income for the year after taking into consideration the benefits /disallowances admissible under the provisions of the Income Tax Act, 1961.
2.12	Previous Year's figures have been regrouped/reclassified wherever necessary to correspond with Current Year's classification disclosure.

M/s. ESAF SWASRAYA MULTI STATE AGRO CO-OPERATIVE SOCIETY LTD.
(Formerly known as ESAF Swasraya Multistate Cooperative Credit Society Ltd)

1st Floor, JSR Square, Kalathode, Thrissur, Kerala 680 655

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31ST MARCH 2021

NOTE 3: SHARE CAPITAL

Particulars	As on 31st March 2021 (₹)	As on 31st March 2020 (₹)
Authorised Share Capital		
30,00,00,000 shares of face value of Rs.10/- each	3,00,00,00,000.00	3,00,00,00,000.00
Subscribed and Paid up Capital	2,71,20,62,646.00	2,77,71,39,420.00
	2,71,20,62,646.00	2,77,71,39,420.00

NOTE 4: RESERVES AND SURPLUS

Statutory Reserves *		
Opening Balance	67,76,19,023.56	45,50,45,113.56
Reserve Fund @25%	4,70,95,375.00	15,45,65,215.00
Education Fund for National Cooperative Union @ 1%	18,83,815.00	61,82,609.00
Fund For Unforeseen Losses @10%	1,88,38,150.00	6,18,26,086.00
Sub - Total	74,54,36,363.56	67,76,19,023.56
Balance of Profit & Loss A/c		
Opening Balance	1,20,19,27,560.56	80,62,40,608.86
Add: Profit for the year	18,83,81,501.23	61,82,60,861.70
Less: Transfer to Statutory Reserves	6,78,17,340.00	22,25,73,910.00
Sub - Total	1,32,24,91,721.79	1,20,19,27,560.56
Total	2,06,79,28,085.35	1,87,95,46,584.12

*Note: Reserves created as per Section 63 of Multi state Cooperative Act, 2002



NOTE 5: LONG TERM BORROWINGS/DEPOSITS

Particulars	As on 31st March 2021 (₹)	As on 31st March 2020 (₹)
Secured:		
Kotak Prime Vehicle loan	52,89,846.00	33,29,432.00
	52,89,846.00	33,29,432.00

NOTE 6: OTHER LONG TERM LIABILITIES

Members welfare fund	-	17,60,21,568.60
Contingency fund	21,61,41,508.87	14,48,01,083.95
Employee Leave Encashment Policy	2,28,23,336.00	1,92,73,737.00
Total	23,89,64,844.87	34,00,96,389.55

NOTE 7: OTHER CURRENT LIABILITIES

Statutory Payables		
TDS	17,59,548.00	3,32,287.00
EPF, ESI ,PT & Labour Welfare Fund	2,25,10,892.00	1,80,68,926.00
GST Payable	5,90,53,115.80	5,07,73,221.33
Payables to Related Parties for Assets acquired		
Esaf Enterprise Development Foundation	1,88,46,900.00	1,88,46,900.00
Trade Payables	2,77,66,740.39	1,51,95,481.32
Other Payables		
Audit Fees	9,76,250.00	7,00,000.00
Caution Money	48,59,000.00	43,92,000.00
Project Funds (International Finance Corporation - (World Bank Group)	38,01,718.72	38,01,718.72
Expenses payable	9,53,98,436.63	9,16,65,721.54
Total	23,49,72,601.54	20,37,76,255.91

NOTE 8: SHORT TERM PROVISIONS

Provision for Taxation	13,41,30,938.00	34,12,54,215.10
Less:		
TDS Receivable	8,81,22,120.75	11,90,58,628.02
TCS	24,208.71	-
Advance Tax for A.Y 2021-2022	5,00,00,000.00	21,50,00,000.00
	-40,15,391.46	71,95,587.08
Provision for Bonus to Employees	16,76,97,463.00	11,91,71,511.00
Provision for Gratuity to Employees	4,03,50,000.00	-
Provision for Salary, Allowances and Incentives	6,11,05,565.00	10,88,73,166.00
Other Provisions	7,70,15,350.06	5,74,34,431.54
Total	34,21,52,986.60	29,26,74,695.62

NOTE: 9 DETAILS OF FIXED ASSETS

GROSS BLOCK				DEPRECIATION				NET BLOCOK		
Description	As on 31st March 2020	Additions		Deletions	As on 31 st March 2021	Rate %	As on 31 st March 2020	Depreciation during the year	As on 31 st March 2021	As on 31 st March 2020
		First Half Year	Second Half Year							
Tangible Assets										
Land	462,07,610.00	-	-	-	462,07,610.00	0%	-	-	462,07,610.00	462,07,610.00
Computer & Accessories	174,34,511.75	22,07,372.99	11,29,532.88	-	3,09,35,417.62	40%	1,04,06,215.88	59,52,974.00	1,63,59,189.88	70,28,295.87
Vehicle	56,54,566.43	-	15,99,219.18	48,35,17.00	6770,268.61	15%	19,35,965.00	6,77,732.00	26,13,697.00	37,18,601.43
Plant & Machineries	11,65,862.14		13,23,730.35	-	24,89,592.49	15%	5,44,556.31	1,92,476.00	7,37,032.31	62,13,058.83
Office Equipments	252,92,990.96	69,19,756.58	5,20,73,621.72	-	842,86,369.26	15%	32,21,238.91	82,54,248.00	1,14,75,486.91	220,71,752.05
Furniture & Fixtures	3,86,58,760.78	151,14,926.23	8,52,11,699.13	-	13,89,85,386.14	10%	83,77,257.32	88,00,228.00	1,71,77,485.32	302,81,503.46
Sub Total	13,44,14,302.06	2,42,42,055.80	15,15,01,803.26	4,83,517.00	30,96,74,644.12		2,44,85,233.42	2,38,77,658.00	4,83,62,891.42	10,99,29,068.64
Intangible Assets										
Software	74,77,581.96	262,425.36	30,41,040.30	-	1,07,81,047.62	40%	55,38,345.96	1488,873.00	70,27218.96	19,39236.00
Total	14,18,91,884.02	2,45,04,481.16	15,45,42,843.56	4,83,517.00	32,04,55,691.74		3,00,23,579.38	2,53,66,531.00	5,53,90,110.38	11,18,68,304.64



NOTE 10: NON CURRENT INVESTMENTS

Particulars	As on 31st March 2021 (₹)	As on 31st March 2020 (₹)
Investment in Equity Shares of subsidiary companies		
Rhema Dairy Products India (P) Ltd.	4,89,56,650.00	4,89,56,650.00
ESAF Swasraya Producers Company Ltd	42,12,380.00	42,12,380.00
Esaf Financial Holdings (P) Ltd	1,94,23,05,953.00	1,79,10,54,453.00
Cedar Retail (P) Ltd.	13,68,690.00	13,68,690.00
ESAF Healthcare Services (P) Ltd.	2,02,00,100.00	2,02,00,100.00
ESAF Small Finance Bank Ltd	93,53,73,959.51	85,53,74,009.51
Lahanti Lastmile Services Pvt Ltd	3,00,00,000.00	3,00,00,000.00
Investment in Preference Shares		
Esaf Financial Holdings (P) Ltd	-	15,12,51,500.00
Cedar Retail (P) Ltd.	1,43,84,580.00	1,43,84,580.00
ESAF Healthcare Services (P) Ltd.	26,75,000.00	26,75,000.00
Investment in Non Convertible Debentures/PDIs/ Others		
NCDs - ESAF Small Finance Bank Ltd (SUBORDINATE DEBT)	85,00,00,000.00	85,00,00,000.00
PDIs - ESAF Small Finance Bank Ltd	48,00,00,000.00	48,00,00,000.00
NCDs - Cedar Retail Pvt Ltd	2,50,00,000.00	-
New India Travel Co operative Society	50,000.00	50,000.00
Total	4,35,45,27,312.51	4,24,95,27,362.51

NOTE 11: LONG TERM LOANS & ADVANCES

Advance for land	4,94,02,604.00	4,43,65,104.00
Security Deposits		
Rent Advances & Deposits	5,35,50,301.00	2,15,41,408.00
Telephone Deposit	4,803.40	3,350.00
Electricity Deposit	4,93,405.00	4,93,405.00
Total	10,34,51,113.40	6,64,03,267.00



NOTE 12: SHORT TERM LOANS & ADVANCES

Particulars	As on 31st March 2021 (₹)	As on 31st March 2020 (₹)
Staff Advances	38,81,602.00	44,96,901.00
Total	38,81,602.00	44,96,901.00

NOTE 13: CASH AND BANK BALANCES

a) Cash in Hand	-	-
b) Balances with Banks		
Current/Savings Account	52,11,40,528.12	68,77,73,707.68
Term Deposit	13,56,48,972.00	4,14,84,306.00
Total	65,67,89,500.12	72,92,58,013.68

NOTE 14: OTHER CURRENT ASSETS

Income Receivable as Business Correspondent	10,18,89,955.65	23,88,53,339.60
Facilitation charges receivable	1,00,27,455.00	3,58,71,134.21
Income from NCDs/PDI/FD receivable	1,76,14,723.81	1,74,45,193.58
Employees Leave Encashment Scheme	2,52,82,632.61	2,07,02,600.00
Other Receivables		
Dividend on CCPs receivable	1,35,38,578.00	1,28,19,349.00
Staff receivables	28,69,366.50	40,69,881.26
Other receivables	4,64,33,189.40	52,47,430.72
Total	21,76,55,900.97	33,50,08,928.37



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31ST MARCH 2021

NOTE 15: REVENUE FROM OPERATIONS

(a) Admission fees	900.00	20,62,500.00
(b) Members Welfare Admin charges	-	4,94,285.00
(c) Income from Business Correspondent Services	1,81,22,52,623.30	2,22,84,41,449.14
(d) Income from Facility Management Services	12,45,09,829.12	9,64,15,690.14
(e) Facilitation Charges	1,57,72,719.96	1,08,78,621.00
Total	1,95,25,36,072.38	2,33,82,92,545.28

NOTE 16: OTHER INCOME

Particulars	As on 31st March 2021 (₹)	As on 31st March 2020 (₹)
(a) Interest on Savings bank accounts	2,65,94,990.47	5,19,97,849.00
(b) Interest on Term deposits	48,27,465.00	89,77,339.00
(c) Dividend from Investments	1,28,19,349.00	1,36,39,691.00
(d) Income from Investments	15,80,93,843.00	15,96,85,473.01
(e) Other income	20,58,543.59	9,66,855.00
Total	20,43,94,191.06	23,52,67,207.01

NOTE 17: FINANCE COST

Interest paid on vehicle Loan	2,65,072.05	3,47,324.00
Total	2,65,072.05	3,47,324.00

NOTE 18: EMPLOYEE BENEFITS EXPENSES

Salaries, Allowances & Incentives	1,38,82,54,681.90	1,28,66,74,766.75
Staff welfare expenses	35,62,729.82	2,71,89,328.42
Staff Recruitment & Training	82,55,865.87	1,25,05,026.06
Gratuity Expenses	4,31,21,000.00	-
Total	1,44,31,94,277.59	1,32,63,69,121.23

NOTE 19: ADMINISTRATION EXPENSES

Particulars	As on 31st March 2021 (₹)	As on 31st March 2020 (₹)
Facilitation charges	56,798.66	68,72,394.00
Members Training Programs	1,74,598.00	48,54,430.00
Travelling Expenses	14,99,06,278.99	18,13,53,403.09
Meeting Expenses	14,79,062.09	55,98,680.65
Annual Maintenance Charge	21,60,078.65	8,66,464.00
Rates and Taxes	1,68,803.00	21,640.00
Consultancy Fees	95,65,910.00	97,27,986.00
Members Welfare programs/Expenses	9,85,61,678.00	10,53,417.00
GST Expenses	50,56,739.27	37,95,322.82
Interest on Taxes	10,16,193.00	1,18,84,033.20
Rent	3,33,10,416.00	1,30,03,764.00
Water & Electricity Charges	34,31,000.54	20,18,919.00
Office Maintenance & warehousing	62,46,333.46	38,88,185.75
Telephone and Internet charges	1,39,73,186.31	1,31,28,339.81
Postage & Courier	18,35,258.90	11,83,449.64
Printing & Stationery	50,28,640.84	29,58,509.76
Agri Expenses	23,845.00	2,56,988.00
Bank charges	4,91,663.96	1,32,272.43
Payment to Auditors	12,69,720.00	12,26,282.25
Insurance Expenses	9,86,009.00	3,33,076.00
General Expenses	67,28,133.20	1,02,55,784.86
Relief Expenses	20,59,581.38	32,22,591.00
Royalty	53,72,246.75	-
Loss on sale of Motorcar	1,59,385.00	-
Income Tax on Regular Assessment	64,89,302.00	-
IT Service Expenses	38,89,407.12	-
Software Expenses- HRMS	18,74,921.29	-
Facility Management Expenses	42,58,621.16	-
Total	36,55,73,811.57	27,76,35,933.26



NOTE 19.1

Particulars	As on 31st March 2021 (₹)	As on 31st March 2020 (₹)
Payment to auditors comprises of the following		
Net of service tax wherever applicable		
Statutory Audit	7,00,000.00	7,00,000.00
GST Audit	4,50,000.00	2,00,000.00
Reimbursement of expenses	1,19,720.00	3,26,282.25
Total	12,69,720.00	12,26,282.25

NOTE 20: DISCLOSURES UNDER ACCOUNTING STANDARD - 18

Related party transactions

Details of related parties:

Description of relationship	Names of related parties
Chairman	Mrs. Saleena George (from 13th March 2021 onwards) Mrs. Mereena Paul (From 8th July 2017 to 13th March 2021)
Subsidiaries	Cedar Retail (P) Ltd (formerly known as ESAF Retail (P) Ltd.) ESAF Financial Holdings (P) Ltd(formerly known as ESAF Micro Finance and Investments Private Limited) ESAF Swasraya Producers Company Ltd. Rhema Dairy Products India (P) Ltd. ESAF Healthcare Services (P) Ltd. Lahanti Lastmile Services (P) Ltd.
Entities in which Society can Exercise Significant Influence	Evangelical Social Action Forum ESAF Financial Holdings (P) Ltd(formerly known as ESAF Micro Finance and Investments Private Limited) Rhema Dairy Products India (P) Ltd. Cedar Retail (P) Ltd (formerly known as ESAF Retail (P) Ltd.) ESAF Healthcare Services (P) Ltd. ESAF Cooperative Employees Group Gratuity Fund Trust ESAF Swasraya Producers Company Ltd

Note: Related parties have been identified by the Management.

Disclosure of transactions and Outstanding Balances as on 31st March 2021

Particulars	Related Party	As on 31st March 2021 (₹)	As on 31st March 2020 (₹)
A. Transactions during the Year			
1. Facilitation charges received	Cedar Retail (P) Ltd (formerly known as ESAF Retail (P) Ltd.)	-	1,08,78,621.00
2. Contractual consideration	Evangelical Social Action Forum	-	79,71,976.00
3. Payment to Gratuity Trust	ESAF Cooperative Employees Group Gratuity Fund Trust	4,03,50,000.00	-
B. Balances outstanding at the end of the year			
4. Short Term Loans & Advances	Cedar Retail (P) Ltd (formerly known as ESAF Retail (P) Ltd.)	27,24,213.38	77,59,345.00
5. Advance for Land	Lahanti Homes & Infrastructure (p) Ltd (formerly known as ESAF Homes & Infrastructure (P) Ltd.)	4,94,02,604.00	4,43,65,104.00
6. Investment in Compulsory Convertible Preference shares of Subsidiary companies	ESAF Financial Holdings (P) Ltd(formerly known as ESAF Micro Finance and Investments Private Limited)	15,12,51,500.00	15,12,51,500.00
	Cedar Retail (P) Ltd formerly known as ESAF Retail (P) Ltd.	1,43,84,580.00	1,43,84,580.00
	ESAF Healthcare Services (P) Ltd.	26,75,000.00	26,75,000.00
7. Investment in Equity Shares of subsidiary companies	Rhema Dairy Products India (P) Ltd.	4,89,56,650.00	4,89,56,650.00
	ESAF Swasraya Producers Company Ltd	42,12,380.00	42,12,380.00
	ESAF Financial Holdings (P) Ltd(formerly known as ESAF Micro Finance and Investments Private Limited)	1,79,10,54,453.00	1,79,10,54,453.00
	Cedar Retail (P) Ltd (formerly known as ESAF Retail (P) Ltd.)	13,68,690.00	13,68,690.00
	ESAF Healthcare Services (P) Ltd.	2,02,00,100.00	2,02,00,100.00
	Lahanti Lastmile Services (P) Ltd.	3,00,00,000.00	3,00,00,000.00
8. Interest on Compulsorily Convertible Preference Shares from Subsidiary Companies	ESAF Financial Holdings (P) Ltd(formerly known as ESAF Microfinance and Investments Private Limited)	1,21,00,120.00	1,21,00,120.00
9. Interest on Compulsorily Convertible Preference Shares from Subsidiary Companies	Cedar Retail (P) Ltd (formerly known as ESAF Retail (P) Ltd.)	7,19,229.00	7,19,229.00
10. Short Term Provision	ESAF Cooperative Employees Group Gratuity Fund Trust	4,03,50,000.00	-



NOTE 21 DISCLOSURES UNDER ACCOUNTING STANDARD 15

21 Employee Benefit Plan

a) Defined contribution Plans:-

The Society makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Society is required to contribute a specified percentage of the payroll costs to fund the benefits. The Society recognised Rs. 8,62,87,463/- for Provident Fund contributions and Rs. 2,86,66,898/- for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Society are at rates specified in the rules of the schemes.

b) Defined Benefit Plans:-

The Society offers Gratuity benefit to its employees:

The following table sets out the funded status of the defined benefit scheme and the amount recognised in the financial statements:

Components of employer's expense	Rs in Thousands	Rs in Thousands
Particulars	Year ended 31 March, 2021 (₹)	Year ended 31 March, 2020 (₹)
Current Service Cost	23,435	18,836
Interest cost	5,208	7,350
Expected return on plan assets	-5,187	-6,522
Actuarial Loss/(Gain)	16,894	-20,615
Employer expense/(Income)	40,350	-951

Net (asset) / liability recognised in the Balance Sheet	Rs in Thousands	Rs in Thousands
Present value of defined benefit obligation	1,43,491	1,02,123
Fair Value of plan assets	1,06,867	1,03,078
Net Liability /(Assets)	36,624	-955
Less: Unrecognised Past Service Cost	-	-
Net liability recognised in the Balance Sheet of Fund Trust	36,624	-955

Change in defined benefit obligations (DBO) during the year	Rs in Thousands	Rs in Thousands
Present Value of DBO at the start of the year	1,02,123	1,00,679
Transfer In/(Out)		
Current Service Cost	23,435	18,836
Interest Cost	5,208	7,350
Benefits Paid		
Past Service Cost	(4,098)	(4,508)
Actuarial Loss/(Gain)	16,823	(20,234)
Present Value of DBO at end of the year	1,43,491	1,02,123



Actuarial Assumptions	Rs in Thousands	Rs in Thousands
Particulars	Year ended 31 March, 2021 (₹)	Year ended 31 March, 2020 (₹)
Discount Rate	4.5%	5.1%
Salary escalation	10.0%	10.0%
Attrition rate	30.0%	30.0%
Mortality rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Weighted average duration of obligation	2 years	2 years

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Experience Adjustments	Rs in Thousands	Rs in Thousands
Particulars	2020-21	2019-2020
Present value of DBO	1,43,491	1,02,123
Fair value of plan assets	1,06,867	1,03,078
Funded status [Surplus/(Deficit)]	(36,624)	955
Experience adjustment on plan liabilities: (Gain)/Loss	13,647	22
Experience adjustment on plan assets: Gain/(Loss)	(2,308)	114





Cooperative Principles

1. Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

2. Democratic Member Control

Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. The elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote) and cooperatives at other levels are organized in a democratic manner.

3. Members' Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefitting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

4. Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

5. Education, Training, and Information

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public, particularly young people and opinion leaders, about the nature and benefits of cooperation.

6. Cooperation Among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.

7. Concern for Community

Cooperatives work for the sustainable development of their communities through policies accepted by the members.



ESAF SWASRAYA MULTI STATE AGRO CO-OPERATIVE SOCIETY LTD.

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