



WEAVING DREAMS

THROUGH
Cooperation

**ANNUAL
REPORT**
2022-23

ESAF SWASRAYA MULTI STATE AGRO CO-OPERATIVE SOCIETY LIMITED







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 financial services with emphasis on the economic development and financial inclusion of underserved community



Our Core Values



Trust in God



Accountability



Transparency



Integrity



Empathy



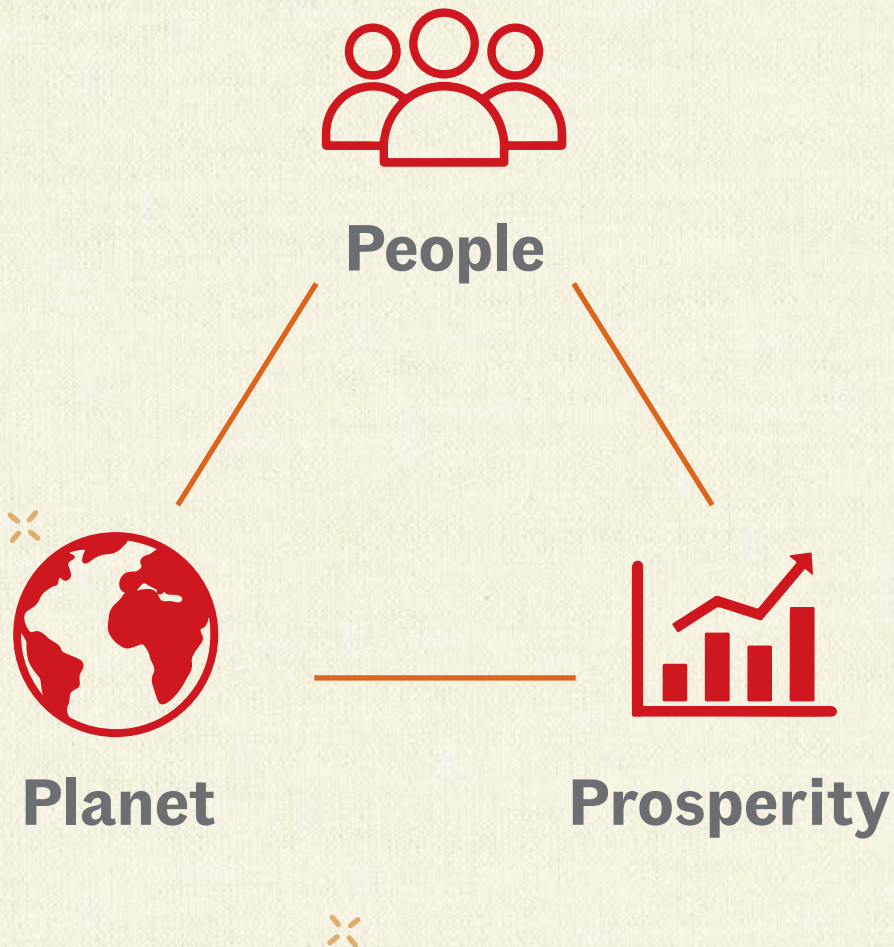
Participation



Innovation

Our Unique Triple Bottom Line approach

Our Triple P's or Triple bottom line approach gives equal importance to Social, Environmental as well as Financial performance.



You will be missed



Prof. Philip Sabu






Born on: 10.11.1955 Passed Away on: 24.12.2022

We lost our Coopted Director and beloved mentor Prof. Philip Sabu on 24th December 2022. We would like to place on record our immense gratitude to his contributions while serving the Board of Directors of ESAF Cooperative.

Further, We would like to pay homage to those members, employees and well wishers of ESAF Cooperative who departed us to the heavenly abode in the year bygone. We are indeed thankful to their valuable contributions.



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I - Organizational overview



Spearheading Meaningful Change through Collaboration

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"Great things in business are never done by one person. They are done by a team of people." ESAF Co-operative exemplifies the power of human collaboration and determination.

K. Paul Thomas

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

As I reflect upon another year of remarkable accomplishments, it fills me with immense pride and joy to share that ESAF Co-operative is embarking on its 12th year as a catalyst for growth and advancement. It is indeed a great honour to address you on this occasion of the 12th Annual General Body Meeting.

Globally cooperatives have displayed their prowess on multiple fronts like Agriculture, Dairy, Credit, Housing, Consumer Goods, Handicrafts and Fisheries. Their urban interventions, spanning waste management, water supply, and energy distribution, address urban challenges and enhance the quality of life. Unparalleled in women's empowerment and job creation, they provide them with economic opportunities and give them a platform to voice their concerns. Also, they create jobs at the local level, often employing people who might otherwise struggle to find work.

Cooperatives foster a sense of community and shared responsibility, strengthening social bonds and trust among members. They enable people to collaborate, share resources, and collectively improve their livelihoods while contributing to the nation's progress. In short, Indian cooperatives play a vital role in driving economic growth, social development, and empowerment across various sectors of the economy.

Cooperatives uphold the values of social responsibility and care for all. They have proven their worth by alleviating poverty and inequality over the years by offering opportunities, guaranteeing protection, and facilitating empowerment. As a people-centred business model cooperatives allow the rural population to organise self-help mechanisms that address a wide range of economic and social concerns. These include quality housing, medical facilities, food, and other fundamental necessities.

Cooperatives play a pivotal role in eliminating inequality through inclusive platforms, benefiting various groups like migrants, the elderly, and women.

They are a crucial source of community support, promoting societal progress with a focus on rural development. They believe in building the nation from its roots. Additionally, they contribute significantly to peace, environmental conservation, sustainability, and equal education access.

The Government of India has given significant attention to the cooperative sector, establishing a dedicated Ministry of Cooperation. Additionally, the government approved the formation of three national-level multi-state cooperative societies: NCEL, NCOL, and BBSSL. This highlights the importance of cooperatives in our country's growth. Furthermore, various cooperative aids such as tax incentives, technological assistance, and welfare plans for dairy, handicrafts, and handlooms are widely accepted.

ESAF Cooperative as an Agro Co-operative Society has carved a niche for itself by ensuring financial peace. True to the motto of the brand we are right in the forefront to fight the partiality of prosperity and make meaningful change. Our journey has been shaped by the principles of cooperation, community, and service, which have become the foundation of our accomplishments.

ESAF Cooperative achieves its social impact through various projects, including flagship initiatives like Balajyothi, Snehavedu, and Farmers Day, as well as projects related to health awareness, skill training, financial literacy, disaster relief, and exhibitions to aid market linkages.

Our journey has witnessed challenges and triumphs alike. From navigating economic uncertainties to responding to unforeseen crises, ESAF Co-operative has showcased resilience and unwavering dedication to our mission. During moments of crisis, we have stood united, extending support and solutions to those in need. This unity and our collective spirit have driven our progress.

Reflecting on our transformative effect, we take immense pride

in the impact we have achieved. From empowering women through entrepreneurship to imparting financial literacy to marginalised communities, from contributing to environmental sustainability to fostering grassroots economic growth—all our initiatives have created a positive ripple effect in countless lives.

As we stride into the future, our commitment remains steadfast. The words of Steve Jobs resonate with us, "Great things in business are never done by one person. They are done by a team of people." ESAF Co-operative exemplifies the power of human collaboration and determination.

Before signing off, I extend my sincere appreciation to the Chairman, Vice Chairman, Board of Directors, CEO, Management Team, Staff and all the Stakeholders of ESAF Co-operative for their whole-hearted efforts and belief in the mission of ESAF Cooperative.

Joyfully Yours,

Sd/-

K. Paul Thomas

Founder, ESAF Group of Social Enterprises

MD & CEO, ESAF Small Finance Bank

ESAF Cooperative is now a proud member of International Cooperative Alliance



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www.coopseurope.coop

Sectors:

Agriculture (ICAQ)
Banking (ICBA)
www.icba.coop
Consumer (ICW)
www.icw.coop
Fisheries (ICFO)
www.icfo.coop
Health (HCO)
www.hco.coop
Housing
www.housinginternational.
coop
Insurance (ICMF)
www.icmf.org
Industry and Services
(ICOPS)
www.icopsa.coop

Mr. Rajesh Sreedharan Pillai
Chief Operating Officer
ESAF Swasraya Multi State Agro
Cooperative Society Limited
(ESMACO)
JSR Square, Kalathode, Ollukkara
P.O.
Thrissur, Kerala, 680 655
India

29 March 2023

Membership Activation

Dear Mr. Pillai,

We are pleased to confirm that your membership in the International Cooperative Alliance (ICA) now been activated. Allow me to officially welcome you as a Member of the ICA.

We thank you for your kind collaboration and support and look forward to a close working relationship.

With cooperative greetings,

Gretchen Hacquard
Director of Membership

Confirmation of Membership

The International Cooperative Alliance hereby certifies that:
ESAF Swasraya Multistate Agro Co-operative Society Ltd. (ESMACO)
India

is a member of our organisation in 2023.

Ariel Guarco
President & Director-General

Led by Servant Leaders

Board of Directors



Saleena George
Chairperson



Dr. Jacob Samuel
Vice Chairman



Sumi Abraham
Director



Mariappan Ramaiah
Director



R. Billy
Director



Phaeba P Thomas
Director



Philomina Louse Raj
Director



Vandana Vinay Sontake
Director



Bhagyalatha M. K
Director



Chithra Subash
Director



K N Lalitha
Director



P. K. Priya
Director



Sindhu Sreeraj
Director



Zarina Khan
Director



Selvi Karuppan
Director



Late Prof. Philip Sabu
Coopted Director - Expired
on 24th December 2022



ANNUAL GENERAL BODY MEETING

25th June 2022 at Puzhayoram International Convention Centre,
Eravimangalam, Thrissur





ESAF Cooperative celebrated All India Cooperative Week

Cooperatives are organizations that are owned and operated by their members, who work together to achieve common goals and meet their shared needs. The purpose of celebrating Cooperative Week is to raise awareness and serves as a platform to celebrate the cooperative movement, recognize its achievements, and promote the values of cooperation, with the aim of building a more equitable and sustainable society.

ESAF Co-operative celebrated 69th All India Co-Operative Week which was celebrated on 16th November 2022. Co-operative Flag was hoisted by Chairperson Smt.Saleena George at Registered office of ESAF Co-operative. She called upon the staff to become torch-bearers of co-operative values where member welfare has to be given prominence in all that we do.

On this occasion a seminar on the theme India@75: Growth of Co-operatives and Future Ahead was organized on 17th November 2022 at MCP International Convention Centre, Irinjalakkuda, Thrissur. The seminar was inaugurated by Smt.Sonia Giri, Chairperson, Irinjalakkuda Municipality while Shri K Paul Thomas Founder of ESAF Group of Social Enterprises gave the key note address and CEO Shri Christudas Karayil Victor gave an introduction to the theme.

Dr. C Pitchai Professor and Head-Dept. of Cooperation Gandhigram Rural Institute, Dindigul spoke on the theme Co-operation for Youth, Women, Weaker Sections and Health. Some of the other topics discussed were Diversification in Cooperative Sector, Growth of Cooperative Movement in Kerala.

Cooperative Week is to raise awareness and serves as a platform to celebrate the cooperative movement, recognize its achievements, and promote the values of cooperation, with the aim of building a more equitable and sustainable society.



69th All India Cooperative Week Celebration

India@75: Growth of Cooperatives and Future Ahead





Nurturing Prosperity Through Collaboration

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"Weaving Dreams Through Sustained Collaboration," aptly captures our journey towards nurturing a more inclusive and prosperous society.

Saleena George
Chairperson

Dear Esteemed Members,

I am delighted to present ESAF Swasraya Multistate Agro-Cooperative Society Ltd.'s 12th Annual Report for the fiscal year ending on March 31, 2023, along with the Audited Accounts. This report reflects our shared commitment to driving transformative change.

This year brought immense satisfaction as we expanded both in numbers and scale, with a focus on innovative product design and business approaches. We meticulously analyzed market segments, enabling us to offer need-based products and services that cater to the financial requirements of low to mid-income groups.

Our chosen theme for this year's report, "Weaving Dreams Through Sustained Collaboration," aptly captures our journey towards nurturing a more inclusive and prosperous society.

Financial Inclusion:

ESAF Cooperative's growth as a leading Business Correspondent of ESAF Small Finance Bank demonstrates our commitment to the triple bottom line

Our commitment to enabling financial access to the farming community was evident through the widespread acceptance of Farmer Interest Group Loans.

mandate, emphasizing the importance of the human element in our business agenda. Presently, ESAF Cooperative stands as a leading Multistate Agro Co-operative Society in India, having nearly one million members and operations spanning 178 districts across 8 states. Our financial inclusion efforts are continually expanded through 400 plus customer service centre's which are located in rural locations and extending financial literacy and skilled training to the rural masses.

Social Inclusion:

Our affiliation with ICA membership catapulted ESAF Cooperative to the forefront of cooperative identity, taking a people-centered approach to actions. To facilitate financial inclusion and reach the underserved, our agency banking network now encompasses 1615 agents providing services in remote areas where physical branches are scarce. These Micro Agents currently serve as Customer Service Points, with the long-term goal of offering a comprehensive range of services akin to larger branches.

Our team has quickly adapted to the technological changes over a period of time resulting in streamlined documentation and reduced paper processes. Broadening access to financial services has allowed us to generate positive outcomes and enhance society's resilience.

Empowering the Community Through Social Inclusion:

As we made significant strides, we remained conscious of maintaining a healthy portfolio while addressing the void created by the pandemic. On the customer side, the celebration of sangam anniversaries fostered harmony and social cohesion. Our Social Initiatives team not only reached out to disaster-affected individuals but also provided financial literacy and skill training to sangam members. As an agricultural cooperative, our commitment to enabling financial access to the farming community was evident through the widespread acceptance of Farmer Interest Group. It is gratifying to note



The Growth

8 States
178 Districts

that many women who have taken FIG loans are engaged in farming or diary activities.

Creating Livelihood Opportunities through Agricultural Prosperity:

ESAF Cooperative has established a platform for nurturing livelihood opportunities and fostering agrosperity. This initiative seamlessly integrates various components of the agricultural value chain, empowering farmers to enhance their capabilities and income potential. Our promotion of scientific farming practices, supply of high-quality agricultural inputs, and provision of post-harvest management services enable farmers to optimize yields and profitability. Collaborations like our partnership with KINFRA for scientific warehousing and the upcoming state-of-the-art pulses processing facility further contribute to Agricultural Prosperity by supporting farmers and agri-food businesses. Through these initiatives, ESAF Cooperative plays a pivotal role in enhancing livelihoods and promoting prosperity within the agricultural sector.

Sustained Collaboration for Future-Proofing:

Collaboration lies at the heart of our success. Our enduring collaboration with members, partners, and stakeholders has been the driving force behind our accomplishments. Through our subsidiaries, we have expanded our highly skilled workforce to 9,100 individuals. In the upcoming year, we plan to increase the number of customer

ESAF Cooperative plays a pivotal role in enhancing livelihoods and promoting prosperity within the agricultural sector.

service centers to enhance accessibility and serve more people.

Our overall balance sheet size has demonstrated remarkable growth, which represents an impressive rise of 8.59% to 12.5%. Additionally, our total revenues have experienced a notable upswing, surging from INR 309.14 crores to INR 439.11 crores compared to the previous year, marking a remarkable upward trend of 42%. These financial milestones underscore our unwavering commitment to sustainable growth and financial stability.

We extend our heartfelt gratitude to God Almighty, our Members, Board of Directors, Senior Management, the Government of India, Ministry of Cooperation, State Governments, the Central Registrar of Cooperative Societies, International Cooperative Alliance, National Cooperative Union of India, our employees, partners, and stakeholders who share our values and vision. We also extend special thanks to ESAF Small Finance Bank's Board and Management for their invaluable assistance in our Financial Inclusion efforts.

ESAF Cooperative's journey is far from over, and we are enthusiastic

about exploring new horizons, expanding our capabilities, and making an even greater impact in the years to come. Together, we will continue to shape ESAF Cooperative's legacy as a symbol of innovation, excellence, and ethical business practices.

I extend my heartfelt gratitude to each one of you and urge you to stay safe and healthy.

With Warm Regards,

Sd/-

Saleena George

Chairperson

**ESAF Swasraya Multi State Agro Cooperative Society Limited**

Registered under Multi-State Cooperative Society Act, 2002 as per
Regn.No. MSCS/CR/442/2011

Regd. Office: First Floor, JSR Square, Kalathode, Thrissur, Kerala – 680655.
Tel: 0487-2375776/77 Website: www.esafcooperative.in

Notice

NOTICE is hereby given that the 12th Annual General Body Meeting of ESAF Swasraya Multi-State Agro Cooperative Society Limited will be held on Saturday, 23rd of September 2023 at 10 AM at Regency Club Convention Centre, Kuttanellur, Thrissur, Kerala-680014 to consider the under noted Agenda.

Agenda:

1. Prayer 2. Welcome Address 3. Chairperson's Speech 4. Approval of the Minutes of the previous Annual General Body Meeting 5. To consider and adopt the Audited financial statements as on 31st March 2023 together with Auditor's Report and Annual Report 6. Review of Operations and Approval of Annual Budget 7. Review of the utilization of Reserves and other Funds including welfare funds 8. Review of the list of employees who are relatives of the members of the Board 9. Appointment of Auditors for the year 2023-24 and to fix their remuneration 10. Amendments if any to the Bye-laws 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. Any other matters allowed by the Chairperson 14. Questions and Answers 15. Vote of Thanks.

BY ORDER OF THE BOARD,

Sd/-

SALEENA GEORGE

CHAIRPERSON

Thrissur

06-09-2023

II - ESAF's Cooperative Excellence



Senior Leadership Team



Christudas Karayil Victor

Chief Executive Officer (Since 1st August 2022)



Paul V L

CEO (till 31st July 2022)



Rajesh Sreedharan Pillai
Chief Operating Officer



Beena George
Chief People Officer



Sunil G Namboothiri
Chief Financial Officer

Leadership Team



Joji Koshy
Vice President



Thomas M A
Vice President



Gopakumar Menon
Deputy Vice President



Jayarajan V K
Compliance Officer



Suraj Thomas
Associate Vice President



Sandhya Suresh
Associate Vice President



Thomas C I
Associate Vice President



Ebby Joseph
Assistant Vice President



Prasanth B
Assistant Vice President



Siva Prasad S
Assistant Vice President

A Year of Progress and Promise

“

Together,
we have
stood for
excellence
and the
realization of
our shared
vision.



Christudas Karayil Victor
Chief Executive Officer

Esteemed Members of the ESAF Swasraya Multistate Agri Cooperative Society,

On this distinguished day, the 23rd of September 2023, I am honoured to stand before you to present the Annual Report for the fiscal year 2022-2023 of our esteemed cooperative. Assuming the role of CEO on the 1st of August 2022 was a humbling experience as this organization has been guided by a profound vision, that places paramount importance on sustainability, professionalism, livelihood enhancement, and the inclusion of underserved individuals and communities.

I often recall a quote by Ms. Indra Nooyi, the former CEO of PepsiCo, who once said, "Just because you are CEO, don't think you have landed. You must continually increase your learning, the way you think, and the way you approach the organization. I've never forgotten that." Indeed, my journey with ESAF Cooperative has been marked by continuous learning and reiterating the organization's vision and mission. Within the pages of this Annual Report, you will discover a testament to our collective efforts, achievements, and unwavering dedication to our cooperative's ideals. Together, we have stood for excellence and the realization of our shared vision. I submit that the financial year 2022 - 23 was also a year of substantial growth and progress (with corresponding figures from the previous year provided in brackets).

Business Outcome as a Business Correspondent (BC) of ESAF Small Finance Bank:

As a Business Correspondent of ESAF

Within the pages of this Annual Report, you will discover a testament to our collective efforts, achievements, and unwavering dedication to our cooperative's ideals.

Small Finance Bank, we are privileged to be an accelerator for inclusion, livelihood enhancement and sustainability. Last year, we added more than 200,000 new customers, increasing our customer base to 2.4 million. We facilitated microloans amounting to a total of Rs 10,514 Crores in FY 22-23 (compared to Rs 9,268 Cr the previous year). Our footprint grew with the addition of 32 new Customer Service Centres and 20 Banking Outlets during the financial year. We could establish territory offices in New Delhi, Raipur, and Jabalpur. The Agency Banking vertical also saw growth, adding 1101 more agents and two aggregators to its fleet. Through the deployment of 1280 new micro-ATMs, we could extend our reach to new locations.

Agri & Allied Business:

Our Agri & Allied Business unit, an emerging Corporate Unit of ESAF Cooperative, demonstrated its strength by achieving sales revenue of Rs. 1.31 Crores during this fiscal year, (Rs. 1.05 Crore in FY 2021-22). Our warehouses in KINFRA Mega Food Park, Kanjikode, Palakkad, were fully occupied, spanning 65,000 sq ft during 2022-23. The construction of the Pulses Processing Facility, a state-of-the-art infrastructure

project valued at Rs. 26 crores is progressing in the KINFRA Mega Food Park at Kanjikode.

Cooperative Facility Management Services (CFMS):

Another corporate unit, CFMS, experienced notable growth, with a 29% increase in headcount and a 31% rise in revenue during FY 22-23. Our client base expanded by 66% in the financial year.

Financial Results:

Our gross revenue increased significantly to Rs. 439.12 Crore, marking a 42% increase over the FY 2021-22. We achieved a net profit of Rs 39.49 crores, compared to Rs 46.84 Crores during 21-22. The reduced profit of Rs 7.35 Crores is primarily due to prior-period tax adjustments; otherwise, we would have reported a net profit of Rs 45.17 Crores.

Human Resource:

Reflecting on a quote by Doug Conant, "To win in the marketplace, you must first win in the workplace,". As of March 31, 2023, our team comprises 9,100 members with an average age of approximately 30 years. Our organizational policy places a strong emphasis on nurturing our human resources, recognizing their

vital contribution to our success and resilience. We prioritize learning and development, employee engagement, career advancement, productivity enhancement, and leadership development. We also focus on four key areas for every employee: Health, Wealth, Safety, and Integrity. In the words of Harvey S. Firestone, "The success of any organization ultimately depends on the people who make up that organization."

Social Initiatives:

Under "Snehavedu", a benevolent housing scheme of ESAF Cooperative for the community, 36 houses were constructed and handed over to deserving beneficiaries.

Relief:

ESAF Cooperative continues to support our customers during times of hardship. We provided assistance to around 2000 flood-affected customers in Kerala, Tamil Nadu, and Maharashtra.

International Cooperative Alliance and National Cooperative Union of India:

In line with International Cooperative Week on November 17, 2022, we organized a symposium with Prof. Dr. C. Pichai as the main speaker to promote awareness of the cooperative movement. We are pleased to announce that we have been awarded Associate Membership by the International Cooperative Alliance. Furthermore, our relationship with the National Cooperative Union of India has grown stronger over the past year.

Subsidiary Institutions:

ESAF Cooperative operates six subsidiary institutions. We have included

My heartfelt gratitude goes out to our visionary founders, Sri. K. Paul Thomas and Smt. Mereena Paul, for inspiring us to fight against the partiality of prosperity.

the financials of these institutions and the members are kindly requested to take note of the reports.

Internal Audits:

Internal audits offer an impartial and methodical evaluation of operational processes to ensure adherence to established standards. The internal audit team undertakes quarterly audits on the branches and could conduct a total of 2,812 audits in the fiscal year. Internal audit is accountable to the board committee.

Pathways ahead:

We need to move forward embracing ESG (Environmental, Social, and Governance) principles. By doing so, we will co-create Triple Bottom Line impacts. Together, we can make a profound and positive difference as we work towards a more inclusive and sustainable future. Condolences:

The management expresses deep grief at the demise of Prof. Philip Sabu, the esteemed director of ESAF Cooperative on 24th December 2022. We cannot forget his commitment to our organization's values and his invaluable guidance to us.

Conclusion:

I extend our gratitude to ESAF Small Finance Bank, a distinguished social bank, for the partnership and opportunities to serve the marginalized in the country. My heartfelt gratitude goes out to our visionary founders, Sri. K. Paul Thomas and Smt. Mereena Paul, for inspiring us to fight against the partiality of prosperity. I humbly thank our Chairperson, Smt. Saleena George, Vice Chairman Dr. Jacob Samuel, and all the Directors on the Board for their support to the management. Special thanks to Government of India, Ministry of Cooperation, Sangam Members, Customers and other Stakeholders whom we serve and wish them peace and prosperity.

I am truly grateful to my colleagues for their wholehearted dedication in establishing our organization as a credible Multistate Agro Cooperative Society poised for continued growth and impact.

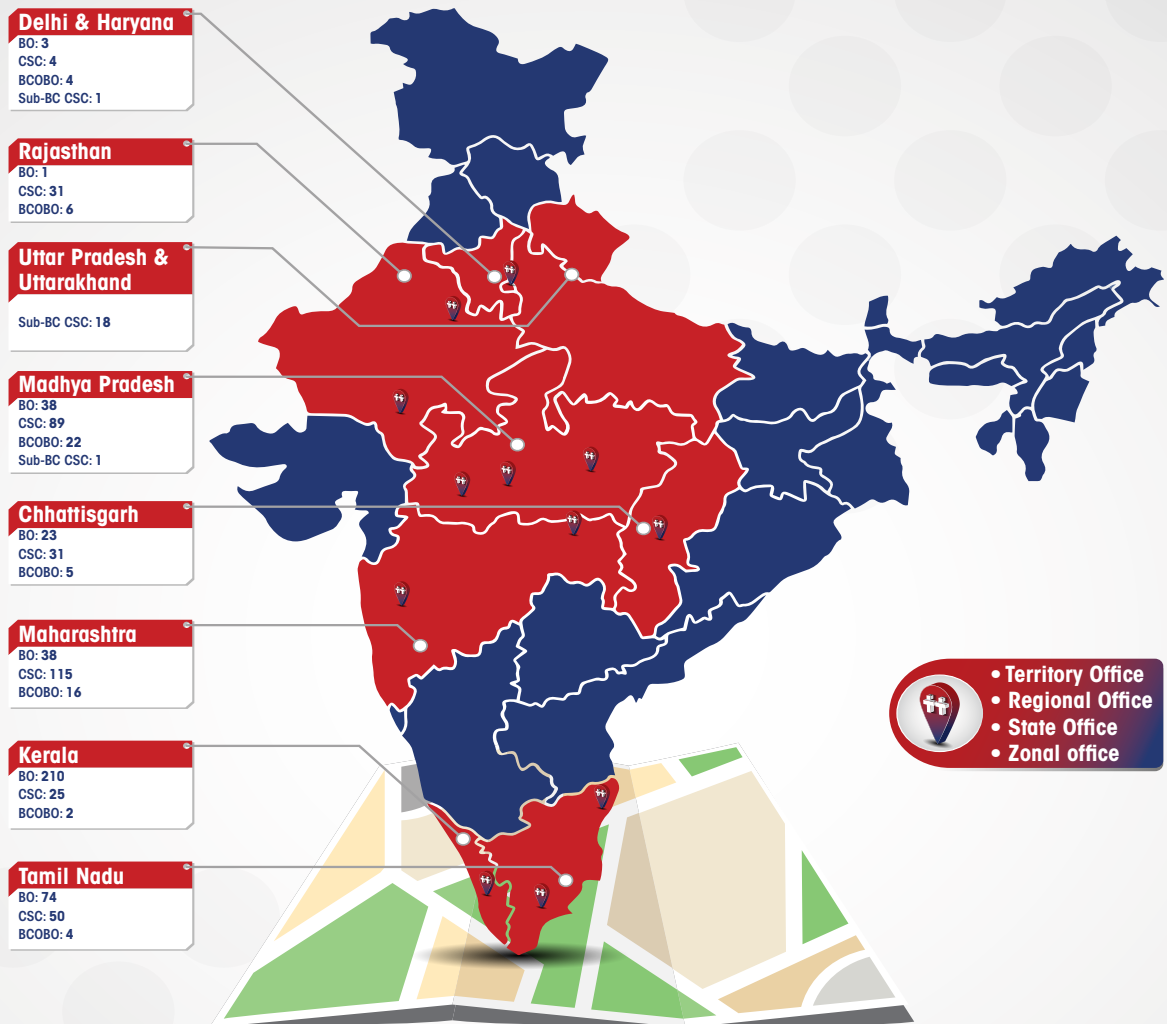
Yours sincerely

Sd/-

Christudas Karayil Victor
CEO

ESMACO BC Outlets Spread

March 2023



Glimpses of the year gone-by



Vision Workshop held at Wayand including Founders and Business Leaders from across the Country

Business review meetings held in the reporting year served as a critical platform for ESAF Cooperative to assess the performance of the team and align with the planned strategies. These meetings held along with CEO included Corporate Heads, Zonal Heads, Territory Heads and invited HODs who could have closer look to the achievements that corresponded with the planning. It also facilitated the sharing of insights, ensuring that everyone is on the same page regarding goals and objectives. Through these sessions, the team could adapt to changing market conditions, enhance efficiency, and ultimately drive sustainable growth.

Strategy Planning Meeting:

The Vision Workshop 2022, hosted by ESAF Swasraya Multi State Agro Co-operative Society Ltd, was a significant event held on April 8th,

The program featured a comprehensive schedule that encompassed various aspects of the organization's vision and strategy.

2022, at Morickap Resort in Kalpetta, Wayanad District, Kerala. The program featured a comprehensive schedule that encompassed various aspects of the organization's vision and strategy.

The event began with a devotion session and a warm welcome speech by Mr. Rajesh Sreedharan Pillai. Mr. K. Paul Thomas, the founder, and Ms. Saleena George, the Chairperson, delivered their messages. The program also included informative sessions on topics such as CPO Address, GramPro Distribution

Services, Cedar Retail Pvt. Ltd., and more.

In addition, there were discussions on Audit Software, Agri Inputs, CFMS, Social Initiatives, and expectations from different verticals within the organization. The event concluded with a Campfire and Recreations session in the evening, fostering a productive and engaging atmosphere for participants.



Lakeside Camp held at Blue Serene Resorts, Kerala

Lakeside Camp 2022

CEO Shri Christudas Karayil Victor along with Corporate heads and Business leaders from Central and North India met at Hotel Blue Serene Enamavu where LAKE SIDE CAMP 2022 was held for Cluster Heads and Territory Heads-PAN INDIA.

On August 1, 2022, Shri Christudas Karayil Victor assumed the role of CEO at ESAF Cooperative, emphasizing the importance of shared values and collective capabilities in overcoming challenges and achieving success. He identified three key focus areas: Business Excellence, Service Excellence, and People Excellence, which would guide ESAF Cooperative's core approach. Chris sir urged the team to develop keen senses for identifying hazards and emphasized swift action with the mantra "SAT-SPOT and TREAT."

He encouraged the team to expand their horizons, drawing inspiration from the organization's founder, who reached over 50 lakh people across the country. Chris sir stressed the need for speed but cautioned against recklessness, saying, "GO FAST but GO SAFE." He concluded by wishing the team good health, emphasizing the importance of managing wealth to support their families and undergoing regular health check-ups to remain valuable assets to both their families and ESAF Co-operative.



The Seashore Summit 2023

The SEASHORE SUMMIT 2023, hosted by ESAF Swasraya Multi State Agro Co-operative Society Ltd, was a significant event held over two days at the Gokulam Grand Turtle in Kovalam, Trivandrum District, Kerala, on January 6th, 2023. The event commenced with a message from CEO Mr. Christudas Karayil Victor, followed by a warm welcome by Mr. Rajesh Sreedharan Pillai, the COO. The agenda was packed with informative sessions, starting with Mr. Gopakumar V. Menon's comprehensive CSC channel overview.

The meeting's centerpiece was the Consolidation of the Business Plan, where participants amalgamated their ideas into a cohesive strategy. This involved drafting a Business Plan summary, meticulously organized territory-wise for a comprehensive

BRAC Bank Visit Bangladesh

Senior Management team from ESAF Cooperative along with officials from ESAF SFB went to BRAC Bank, Bangladesh for an exposure visit. Valuable exchange of best practices between the officials from both the countries enhanced the learning.

approach. The SEASHORE SUMMIT 2023 served as a dynamic platform for collaboration, assessment, and reflected ESAF's unwavering commitment to progress with clarity and vision.

In the pursuit of inclusive prosperity

Respected Cooperators, stakeholders and colleagues at ESAF Cooperative,

At ESAF Cooperative, we aim at the welfare of the marginalised in the bottom of the pyramid and to extend the last mile connect. The strong fundamental tenets of the famed ESAF movement has been a true and tremendous inspiration for the entire business team at ESAF Cooperative to always stay ahead of the curve through extra mile efforts, whatever be the challenges lying ahead of the path. Business is not just an offshoot for us, but a total immersion into the basic objective of creating livelihoods and touching lives across geographies. People and planet centric businesses have always braved black swan scenarios, due to their intrinsic root connect with the community wherein they exists.

The strong macro economic fundamentals of a vibrant pluralistic democracy like India has been the centre stone of growth parameters for budding social enterprises like us, and within no time we were able to once again come out of the uncertainties thrown in by the pandemic and its after effects, along with wars and other global uncertainties. Being a Cooperative institution is another great strength for ESAF Cooperative as the trust reposed by its members and the kind of resilience shown by them has been a tremendous pathway of sustenance and the very reason for our renewed institutional commitment. We believe that Cooperation is indeed a catalyst for positive change. We could register an impressive growth of 42% in gross revenue in the year under consideration, overcoming all uncertainties, the credit goes to the thousands of our all weather field forces

In the face of all challenges, ESAF Cooperative demonstrated its resilience, commitment, and agility. These challenges are clear catalysts for innovation, propelling us to re-imagine our operational strategies and create sustainable solutions for communities.



who extend the doorstep services to our customers in ultra rural locations.

The fiscal bygone was with a splendid spread of many outstanding milestones for ESAF Cooperative as a business correspondent of ESAF Small Finance Bank. We are managing over two million microfinance customers on behalf of the Bank. This is a tremendous leap in our business correspondent journey which started way back in the year 2014 when we were appointed as a business correspondent of M/s Yes Bank Ltd. We have crossed our financial inclusion reach to four hundred plus locations through the Customer Service Centres model, mostly in the rural villages wherein the financial inclusion efforts are the need of the hour. We have innovated

the concept known as Business Correspondent owned Banking outlets and were able to convert fifty nine of our Customer Service Centres as Business Correspondent Owned Banking Outlets in a short span of time. Advancement of new Agri products of ESAF Small Finance Bank like Farmer Interest Group Loans was a priority and we could achieve substantial strides in the last financial year reaching out to farmers across the country. As a Business Correspondent we could also reach out to Small and Medium enterprises sector which is an are which requires specific interventions.

The perils of the global pandemic were having it's own share of scars in the livelihoods of a large section of our customers. ESAF Cooperative

immediately started extending necessary support in association with ESAF Small Finance Bank and we could facilitate one time settlement and restructuring facilities of customers in the given frame work of the Bank by conducting customer Adalats across the country.

Being a Business Correspondent of ESAF Small Finance Bank, ESAF Cooperative could successfully deploy two thousand plus Micro ATMs across the country. Micro ATMs will do away with the need of cost intensive brick and mortar ATMs and will augment our financial inclusion efforts. We have onboarded fifty two institutional aggregators, mostly Farmer Producer Organisations into our fold to extend the financial inclusion agenda. Farmer Producer Organisations, being owned by the community are having the required systemic framework to reach out to the last mile in a cohesive fashion and with a robust technology back up from the part of ESAF Small Finance Bank and our reputed technology partners like Maximus, QuickPay, Evolute for providing state of the art services to the rural population.

As an institution, we are profoundly immersed in our social initiatives wherein a very thin line demarcates the business and social trajectories. We are having Social Initiative Officers across locations to understand the need of the adjoining communities and to respond to their calls in a timely manner and in tune with the assistance needs. More than four thousand financial literacy and skill training programs were conducted across the country. Our team was in the forefront of disaster relief activities across the nation, notably at locations like Sironcha in Gadchiroli District of Maharashtra and Bhuvanagiri in Tamilnadu last financial year. We are thankful to our social inclusion partners M/s ESAF Foundation and M/s Prachodhan Development Services for their ontime support and provisions. It was a long cherished dream of our founders to have interventions amongst the younger generation and in the year

under consideration we could cross the much awaited milestone of one thousand Balajyothi Clubs getting formed across the country. Balajyothi Clubs are kids gatherings in villages in order to provide them preliminary knowledge about financial inclusion and to groom them as responsible citizens of this great nation, with atmost commitment to the Society. ESAF Snehaveedu Project for constructing homes for the homeless is progressing well and crossed fifty units during the year.

I had the extreme privilege to work throughout the strenuous membership process of International Cooperative Alliance, which is a global forum of Cooperatives. The International Cooperative Alliance unites, represents and serves cooperatives worldwide. Founded in 1895, it is one of the oldest non-governmental organisations and one of the largest ones measured by the number of people represented: 1 billion cooperative members on the planet. It is the apex body representing cooperatives, which are estimated to be around 3 million worldwide, providing a global voice and forum for knowledge, expertise and co-ordinated action for and about cooperatives. ESAF Cooperative is the eighteenth member of ICA from India and the second member from the State of Kerala. We are sure that this platform will again aid ESAF Cooperative to unleash its potential as a cooperative institution which always thinks globally, believes in collaboration with peers and acts locally amongst communities. Adopting international best practices will definitely be of value for ESAF Cooperative in setting its future goals.

In the face of all challenges, ESAF Cooperative demonstrated its resilience, commitment, and agility. These challenges are clear catalysts for innovation, propelling us to reimagine our operational strategies and create sustainable solutions for communities. Our meticulous planning and agile execution led to the successful expansion of our operations into unreached territories, further cementing

our position as a frontrunner in the cooperative sector. This expansion drives not only broadened our outreach but also solidified our commitment to fostering economic growth and development.

Yet, our narrative was not solely defined by overcoming obstacles; it was enriched by monumental accomplishments. Our digital transformation journey took center stage, seamlessly integrating technology with our cooperative values. This revolution streamlined processes, elevated member experiences, and positioned us as a modern, member-centric cooperative society. Moreover, our commitment to sustainability saw us implement environmentally-conscious practices across our operations, setting a precedent for responsible growth within the cooperative landscape.

Being an Agro cooperative, future prospects of ESAF Cooperative is tremendous. Being an agrarian economy, India's agriculture sector plays a critical role in the country's bioethanol sector, as well as supporting moves toward food security, energy security and decarbonization goals. ESAF Cooperative aims to play a significant role as a responsible partner in nation building.

I extend my heartfelt gratitude to our exceptional field team, our steadfast members, supportive management and Board and our visionary Founders for their trust and guidance. Together, we shall continue to champion transformation, overcome challenges, and usher in a new era of prosperity. Our father of the Nation, Mahatma Gandhi is considered to be one of the pioneering leaders in social entrepreneurship and let me conclude with one of his famous quotes on Cooperation, "The best way to find yourself is to lose yourself in the service of others."

Joyfully Yours,

Sd/-

Rajesh Sreedharan Pillai
COO

Financial Inclusion Highlights

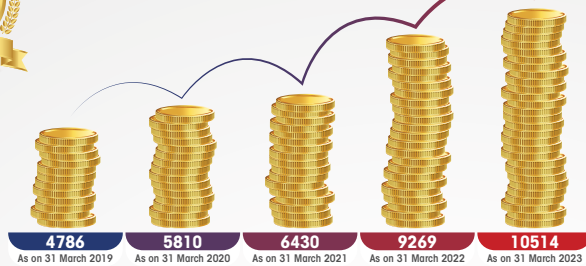
As a Business Correspondent

FY 2022-23

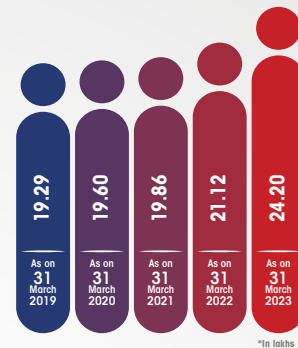
Members



BC Assets Under Management



Customers Managed



Assets Under Management at Customer Service Centers

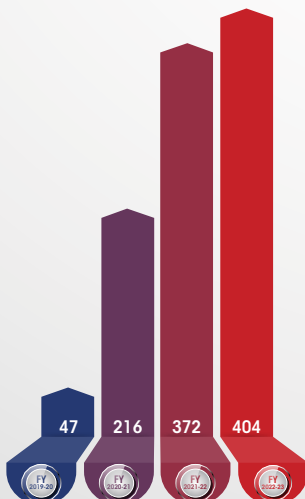


1730 Cr.

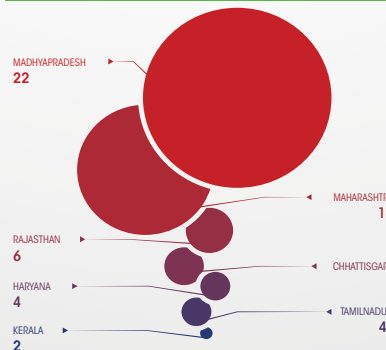
Geographical Presence



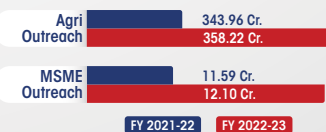
Customer Service Centers Opened Timeline



ESMACO owned Banking Outlets State-wise Spread



Emerging Products



New Outlets and Office Premises Inaugurations



Corporate Office Annex- II



Delhi State Office



Jabalpur Territory Office



South Kerala Territory Office



Raipur State Office



CSC at Losal



CSC at Pandalur



New branch at Kalwan



New branch at Umbraj



CSC at Sangod



CSC at Rohtak



New branch at Kurai



New branch at Pattaudi



CSC at Ratnagiri



CSC at Pathardi

1. Financial Inclusion Initiatives



Business Correspondent Vertical Highlights

ESAF Cooperative is a leading Multistate Agro Co-operative Society in India with near to one million members with direct operations in 8 states: Kerala, Tamil Nadu, Maharashtra, Madhya Pradesh, Rajasthan, Delhi & Haryana, Chhattisgarh and 2 states (Uttar Pradesh and Uttarakhand) working through partners. In the financial inclusion space, we could harness the path that could enhance the resilience of low income customers to financial shocks through improving their ability to seize economic opportunities. We could look beyond the access and usage of financial services to focus on right use of knowledge that yield positive outcomes and create win-win situation for all stakeholders especially the customers.

As the Business Correspondent of ESAF SFB, we could move forward in tandem with the aspiration and expectation laid by the bank in reaching the unreached pockets with the aim

This push towards financial inclusion culminated in an impressive total of 404 Customer Service Centre's by the financial year's end.

of promoting the interests of all of its members in achieving social and economic improvement through self-help and mutual aid, adhering to cooperative principles and securing credit.

When rapid changes are seen in consumer behavior owing to massive inroad of Digital Financial Services, ESAF Cooperative could reach the hinterlands through Agents who could provide door step banking services and explored possibilities that could bring better opportunities for rural families to manage their financial requirements.

The financial year 2022-23 proved to be a dynamic period for the CSC Channel, marked by both challenges and remarkable accomplishments. As a department dealing with business across 8 geographies, the vertical ultimately emerged with promising business achievements. Notably, the expansion efforts extended financial assistance to 32 previously untapped locations, with a strategic focus on ultra-rural and unbanked areas within the working states truly commensurating with the philosophy of ESAF ecosystem to reach to the neediest population. This push towards financial inclusion culminated in an impressive total of 404 Customer Service Centre's by the financial year's end.

CSC Channel

Despite the substantial challenges posed by the post-COVID scenario, CSC Channel achieved remarkable financial feats. These outlets became instrumental in delivering all essential banking services to our diverse customer base. The financial disbursal through our CSC locations in FY 22-23 reached an impressive 2018 crores, signifying our unwavering dedication to financial inclusion and access to hassle free finance to the rural population.



Highlights FY 2022-23

1835+	Micro-ATMs	226	Unbanked rural area touchpoints implemented
450+	Women entrepreneurs as BC-Agents	72	CASA piloted & sourced A/cs through the Institutional Aggregators
4000+	Farmer Interest Group members disbursed through the Aggregators	1.5 lac	Micro-ATM transactions

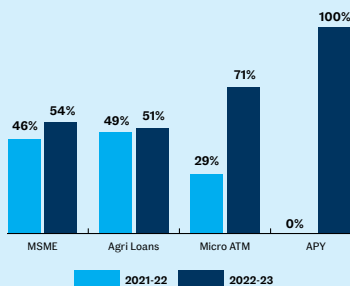
This commitment also manifested in the closure of the fiscal year with a substantial asset value of 1854 Crores, showcasing its significant contribution to the organization's overall growth.

This period demonstrated CSC Channel's resilience, adaptability, and commitment to expanding financial access and services, fixing its role as a crucial player in the financial ecosystem of ESAF Cooperative contributing a significant share in the total revenue from Banking operations.

Customer Service Centre (CSC) & BC Operated Banking Outlet (BCOBO) Channel

In the last FY, we have opened 32 new CSCs and operationalised 404 outlets including 39 BCOBOs with an asset under management of Rs.1854 Cr. During the FY 2022-23 we disbursed Rs.2018 Cr.

Year on year growth of emerging products



Currently the vertical is serving 1615 agents, 50 aggregators along with 1835 Micro-ATMs together with a sales force of 167 personnel. Now this vertical handling a volume of Rs.21 Crore per month.

At the core of ESAF's mission lies a strong commitment to women's empowerment. We are delighted to have empowered over 450 women, enabling them to embark on their entrepreneurial journeys with us.

through CSCs to the members.

A new model of CSC is inaugurated at Sholayur, Attappadi termed as "Multi-Purpose CSC" especially to cater the banking services of the only tribal taluk and the most rural village of Kerala.

MSME, Agri and Emerging Products

ESAF Cooperative's MSME Agri & Emerging Product is a pioneering channel within the organization, dedicated to offering secure Micro ATM terminals provided by ESAF Small Finance Bank. Through this channel, we bring safe and convenient doorstep banking services to our valued customers. Our network of agents, carefully selected and trained by ESAF Cooperative, delivers a range of essential banking and financial services. These customer service points represent cutting-edge banking delivery channels, aligned with our commitment to advancing financial inclusion and the vision of the Bank.

We are proud to provide round-the-clock banking services, catering to various financial needs, including loan disbursement (such as VVY, FIG, MEL, VL), CASA, APY, MATM, FD/RD, and addressing related inquiries. As

ESAF Cooperative continues to expand its footprint, we have grown from a humble beginning of just 7 agents to a formidable team of 1615 agents. This expansion has allowed us to extend our operations across six different states.

At the core of ESAF's mission lies a strong commitment to women's empowerment. We are delighted to have empowered over 450 women, enabling them to embark on their entrepreneurial journeys with us.

In our unwavering pursuit of financial inclusion, we have also taken significant steps to serve underserved communities. We've established 226 touchpoints in unbanked rural areas, bridging the financial gap and making banking accessible to these communities. Additionally, our innovative solutions like the Roaming Micro ATM, implemented in locations like Attappadi, have made banking services more accessible to residents in remote areas. These initiatives underscore our dedication to advancing financial inclusion and empowerment, and we remain firmly committed to expanding our reach and impact in the future.

Fulfilling Dreams: ESAF's Micro ATM empowers financial inclusion in Attappadi



In the tranquil rural tribal village of Attappadi, nestled amidst the picturesque landscapes of Kerala, a remarkable transformation is underway. This metamorphosis, driven by the unwavering commitment of the ESAF movement, is bringing newfound prosperity and hope to the indigenous communities that call this place home. Spanning across an impressive 735 square kilometers, a significant portion of which is designated as protected forest areas, Attappadi is not just renowned for its natural beauty but also as the sole tribal taluk in the state.

Within the embrace of Attappadi's lush greenery, 44 percent of the population belongs to various tribal communities, including the Irular, Kurumbar, and Muthukar. These communities have found their sanctuary in 192 tribal habitats, each housing around 90 families. However, their geographical isolation, while preserving their cultural heritage, has also presented challenges, particularly in accessing essential banking services and financial literacy.

In this tale of transformation, Mr. Ashraf Ali emerges as a key protagonist. A dedicated young entrepreneur deeply



rooted in the Attappadi community, Ashraf has always harboured a passion for making a difference. He took it upon himself to establish a service enterprise that caters to the unique needs of the local residents. With unwavering determination, he traverses the villages in his trusty jeep, delivering essential goods. Yet, despite his tireless efforts, a persistent hurdle hindered his mission—the absence of physical currency in these remote areas. This challenge was not only affecting Ashraf's endeavours but also impacting the daily lives of the communities he served.

Recognizing the pressing need for change, ESAF Co-operative embarked on a ground breaking journey. They introduced a revolutionary solution—the Roaming Micro-ATM. This initiative marked a significant leap towards enhancing financial inclusion and bridging the formidable gap that separated the underserved tribal communities from essential banking services.

As a dedicated Micro-ATM agent, Ashraf Ali's role underwent a transformative shift. Now, he facilitates doorstep banking for approximately

800 customers. With this innovative technology at their disposal, villagers can conveniently withdraw cash, eliminating the need for arduous journeys to distant banking facilities. The impact of this initiative has been nothing short of profound. Not only has it streamlined Ashraf's business operations, but it has also empowered villagers to enhance their purchasing power. This newfound financial freedom has catalysed a wave of prosperity, casting a ray of hope across the region.

Through this powerful transformation, the ESAF Cooperative has extended not only its presence but also its unwavering commitment to social change. Attappadi's journey towards financial inclusion stands as a testament to the remarkable progress that can be achieved through dedicated efforts and innovative solutions. By bringing banking services to the doorsteps of tribal communities, ESAF has not only fostered empowerment but also illuminated the path to a brighter future for Attappadi.

The success story of the ESAF Micro-ATM continues to unfold, illuminating the path towards a more inclusive and equitable society. Attappadi's journey serves as a beacon of hope, demonstrating that with the right tools and unyielding determination, transformative change is not only attainable but thriving, even in the most remote corners of our country. This is a story of impact, empowerment, and the promise of a brighter tomorrow for all.



2. Social Inclusion Initiatives



Highlights

Keeping in mind 'people centricity' as one of the core approaches derived from Triple bottom line, we have laid due importance to social inclusion that addresses varied aspects of human development that uplifts our low income customers beyond financial services. Conducted 4320 Social connect events that upheld the customer centric approach of providing credit plus services.

Happy to highlight Sangam's significant achievements in non-financial endeavors through its dedicated department, Social Initiatives. The organization's efforts span education, livelihoods, entrepreneurship, health, and community welfare. Notable programs include financial literacy initiatives benefiting over 40,000 members, the Balajyothi Club for children's holistic development, skill training empowering women micro-entrepreneurs, leadership programs, and entrepreneurship development initiatives. Sangam also organized exhibitions to promote members' products, conducted health awareness programs, and initiated mental health support through the Santhwana program. Additionally, disaster relief activities, housing projects, and community celebrations were conducted, fostering unity and social cohesion. Sangam's commitment to fostering positive change in various sectors reflects its dedication to improving members' lives, promoting gender equality, and contributing to overall societal progress.

Customer Education

Financial Inclusion (Literacy Program):

The purpose of a financial literacy program is to educate individuals and communities about various aspects of personal finance and money management, so that they are able to take wiser decision. Financial literacy programs aim to improve people's

Sangam's commitment to fostering positive change in various sectors reflects its dedication to improving members' lives, promoting gender equality, and contributing to overall societal progress.

understanding of concepts such as asset building, digital banking, budgeting, saving, investing, debt management, retirement planning, and more. We have conducted 954 programs in the following states: Tamil Nadu, Maharashtra, Madhya Pradesh, Kerala, Haryana, and Chhattisgarh and benefited 40,315 sangam members.

Livelihoods & Entrepreneurship

Skill Training:

The purpose of skill development for women is multifaceted and crucial for achieving gender equality, economic empowerment, and overall societal progress. Skill training on embroidery, beautician, chocolate, cake, pickle,



paper bag, and floor mat making significantly improved the lives of women micro entrepreneurs and their families household incomes, thereby lifting families out of poverty. 1187 members participated in the 36 trainings conducted. This had a positive impact on the overall economic well-being of communities and societies.

Capacity Building:

It is the process of enhancing the



skills, knowledge, abilities, and resources of staff and sangam members to achieve our goals and improve their performance. This year, three leadership development programs were conducted for 116 staff. These programs aimed to cultivate the potential of emerging leaders, improve the performance of current leaders, and drive organizational and societal growth. The social initiatives manager shared the importance of conducting regular "Sangam" meetings to bring people together and have meaningful discussions on building relationships and fostering a sense of community. We conducted 67 programs, reaching 1857 sangam members from Bhopal, Chhattisgarh, Delhi, and Rajasthan.

Entrepreneurship Development Program (EDP):

It is a structured and comprehensive initiative aimed at nurturing and



supporting aspiring sangam members, especially women entrepreneurs, in starting, managing, and growing their businesses. These programs are designed to equip women with the necessary skills, knowledge, resources, and networks to succeed in the competitive business world. In this financial year, we conducted 25 programs for 695 members and covered topics pertaining to marketing strategies, quality and branding building, government schemes, developing the business plan, and scaling business to the macro level.

Exhibitions:

Mela or Exhibition provide an opportunity for micro entrepreneur to showcase their products and make good sales. Many a times they are unable to get access to such exhibitions either due to lack of awareness or inability to pay the registration fee. ESAF Cooperative thus support our micro entrepreneur to exhibit their product and do good sales especially during festive season.

We conducted three exhibitions in Thrissur Pooram, Poopoli Wayanad, and Krishi Darshan Mannuthy. The first exhibition was live for a month, and a revenue of Rs.4 lakhs was received. The second exhibition was opened for 5 days, and revenue close to Rs.1 lakh was received. Items kept for sale as listed: floor mat, cotton dress items for all, pickles, squash, soap, honey, snacks, mud pot, cleaning products, savouries.

Sangam Sangamam:

Sangam and Sangam members are our backbone, and to strengthen our relationship between sangam members and our organization, 487 sangam sangamam with participating 12538 sangam members. The purpose behind this program is to increase unity, social



cohesion, and bonding. This broke the bond of isolation posed by the post-Covid period. This also helped to understand each other, share the financial challenges faced by members, and find ways to overcome them.

Health & Sanitation

Awareness Program:

A monsoon season awareness program offers numerous benefits to individuals, communities, and authorities, especially in regions prone to heavy rainfall, flooding, and other monsoon-related challenges. These programs aim to educate people about safety measures, preparedness, and appropriate actions to take during the monsoon season, especially related to dengue, malaria, and hygienic activities during the rainy season. We conducted 294 programs and reached 5,440 people through this awareness.

Arogyamitra:

As our organization has successfully intervened in many community welfare programs, we decided to focus more on the state of Chhattisgarh. As the state itself poses health challenges both in terms of inadequate health facilities in rural places and a lack of awareness of positive health behaviours that can lead to a disease-free life. ESAF Cooperative implemented a pilot community health project in the state of Chhattisgarh by hiring arogyamithra's from the local community with the support of the ESAF Foundation. The primary objective of the program is to enable appropriate health-seeking behavior among pregnant and lactating mothers and address health-related stigma in Chhattisgarh. Mitra's will undergo training on various awareness topics related to diet diversity during and post-pregnancy,

child care, nutrition, cleanliness, health, and hygiene, etc. We conducted nine programs and reached 83 mothers from Raipur, Raigarh, and Durg clusters of Chhattisgarh.

Santhwana Manomithra Awareness Program:

Santhwana is a very noble and important project of ESAF Cooperative that aims to improve the mental well-being of the bank's micro banking customers. Santhwana continues to grow and reach more people in Kerala and beyond. In collaboration with the ESAF Foundation, trainers will train community women as mental health counsellors. Mental stress is reduced when we talk about such issues and seek appropriate medication. We conducted 29 awareness programs and reached 1034 people in the community.

Recognition

The leadership team of ESAF's Cooperative commended the accomplishments of Indoor City, led by Adv. Pushyamitra Bhargava, and felicitated him for achieving the distinction of being the cleanest city in the nation.



Member Welfare Activities

From April 1, 2022, to March 30, 2023, a total of 24 death claims from members were approved, amounting to ₹14.18 lakhs. Additionally, 52 death claims from spouses were also approved during this period, totaling ₹8.32 lakhs in payouts.



Balajyothi Project



Fostering an environment for holistic development and a child-friendly society is the primary goal of the Balajyothi program. The Balajyothi Club is the bottom unit of children in the Balajyothi project. A club will be constituted in a village with the membership of a minimum of 20 children in the age group of 11 to 15 years. As last year was a formation year, 1047 clubs were established across India, comprising 16470 children.



Balajyothi Highlights



1047

Balajyothi Clubs formed

16470

Members Enrolled

11-15

Students' age group

Disaster Relief activities



Highlights

13

Thanneer
panthals
in Kerala

3867+

Food kits
distributed

2000+

Blankets
distributed

Flood relief activities

Our organization has made a decision to coordinate the flood relief activity as part of the welfare of our sangam members who are facing issues and

challenges due to floods and natural calamities. According to this situation, we supported our sangam members by distributing 3867 food kits and 2000 blankets.



Snehaveedu Project



Snehaveedu isn't just about constructing houses; it's about reconstructing lives and rekindling hope.

Snehaveedu key handing over ceremony by Shri. K. Paul Thomas, Founder, ESAF Group of Social Enterprises

Snehavedu, a heartwarming project initiated by ESAF Co-operative, is on a mission to provide shelter to those in dire need. This CSR endeavor by ESAF Co-operative, in coordination with ESAF Cooperative's Social Initiatives Department, is transforming this vision into reality. Snehavedu isn't just about constructing houses; it's about reconstructing lives and rekindling hope. This project makes a significant impact, offering warmth and security to those who need it most.

Through Snehavedu, we are gifting homes to 100 deserving Sangam members, making dreams come true one home at a time. The initiative began as a response to the devastating 2018 Kerala Flood, which left many families homeless. Thanks to the generosity and compassion of ESAF Co-operative and ESAF Cooperative, 36 families have already received their new homes, rest are under construction.

Snehavedu is not just about providing shelter; it's about offering solace and stability to families who have faced unimaginable hardships due to natural disasters. By extending a helping hand to Sangam and SHG members affected by calamities, we are not merely giving them a roof; we are restoring their smiles and renewing their hope. Snehavedu is a beacon of light, symbolizing the resilience and strength of those who have endured tragedy.

Transforming Dreams: Snehavedu' Homes Before and After Construction



A house constructed for Geetha



A house constructed for Chella, Vadakkancherry



Stone laying ceremony for the construction of Bindu's Snehavedu



A house constructed for Elsy, Marottichal, Thrissur

Rebuilding Dreams: Seema Navas' Journey from Despair to Hope with ESAF Cooperative's Sneha Veedu Project



The devastating Kerala Floods of 2018 proved fatal for many, leaving countless without homes or life's savings. Among the affected was Seema Navas from Idukki, an ESAF customer, whose house was tragically destroyed during the heavy rains. Her husband, an auto driver, had invested their entire savings into their home, leaving the

family in despair.

Despite these hardships, Seema remained a loyal customer, never defaulting on her loans. Recognizing her vulnerable situation, our staff encouraged Seema to apply for the Sneha Veedu project by ESAF Cooperative. To her astonishment,

her application was selected, and the foundation for her new home was soon laid.

Seema now joyfully reflects, "My new home is much better and safer than my earlier one," expressing her gratitude to ESAF Cooperative for turning the impossible into a reality.



(Left) Rejani in front of her old house. (Right) A new house constructed for Rejani, Mudappallur under the 'Snehaveedu Project'.



ESAF Snehaveedu inauguration at Kanakkancheri, Thrissur

Quality in Facility Management



Cooperative Facility Management Services – CFMS

Cooperative Facility Management Services (CFMS) is a rapidly growing player in the facility management sector in India. Its core focus lies in optimizing people, place, and processes to enhance workplace productivity. A central goal of CFMS is to drive sustainable and holistic improvements in the lives of the underprivileged and marginalized populations, aspiring for a fairer society by providing employment opportunities in the unorganized sector. Despite a relatively short period of operation, CFMS has established itself as a prominent figure in its specialized field.

CFMS has diversified its offerings to encompass various services such as House Keeping, Security Services, Pest Control, Event Management, Chauffer's Service, Parking Management, and MEP Services. The organization's success is rooted in its commitment to structured processes and top-tier compliance standards, ensuring customer satisfaction. Rapid growth across sectors has enabled CFMS to secure prestigious clients in Retail,

The organization's success is rooted in its commitment to structured processes and top-tier compliance standards, ensuring customer satisfaction.



Education, and IT, even competing with major players in the facility management sector.

CFMS adheres to ESAF Cooperative's

vision by expanding its presence in potential cities and actively participating in upcoming public tenders. The company has demonstrated impressive financial performance, effectively executed its strategic initiatives, and established a robust foundation for the future. In the fiscal year 2022-23, CFMS achieved significant milestones: a 31% increase in revenue, a staff count surpassing 1100, and a remarkable 12% growth in bottom-line profitability. These accomplishments not only bolstered the company's competitiveness but also generated value for its founders.



CFMS Services



IFMS
(HK & MEP)



Security
Services



Event
Management



Chauffeur

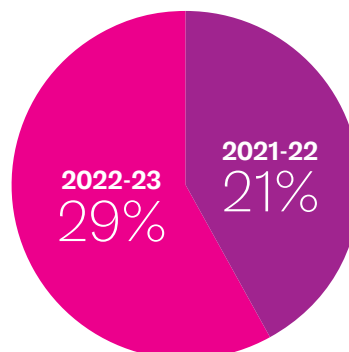


Parking
Management

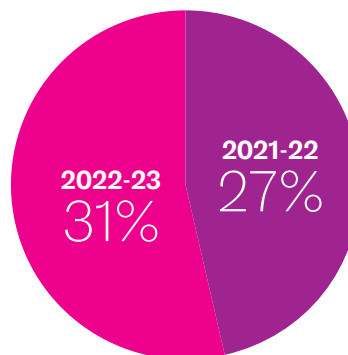


Pest
Control

Head Count Growth %



Revenue Growth %



Uniqueness features of CFMS



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.

Key Differentiators

100% Compliant

PAN India Presence

In- House Capabilities

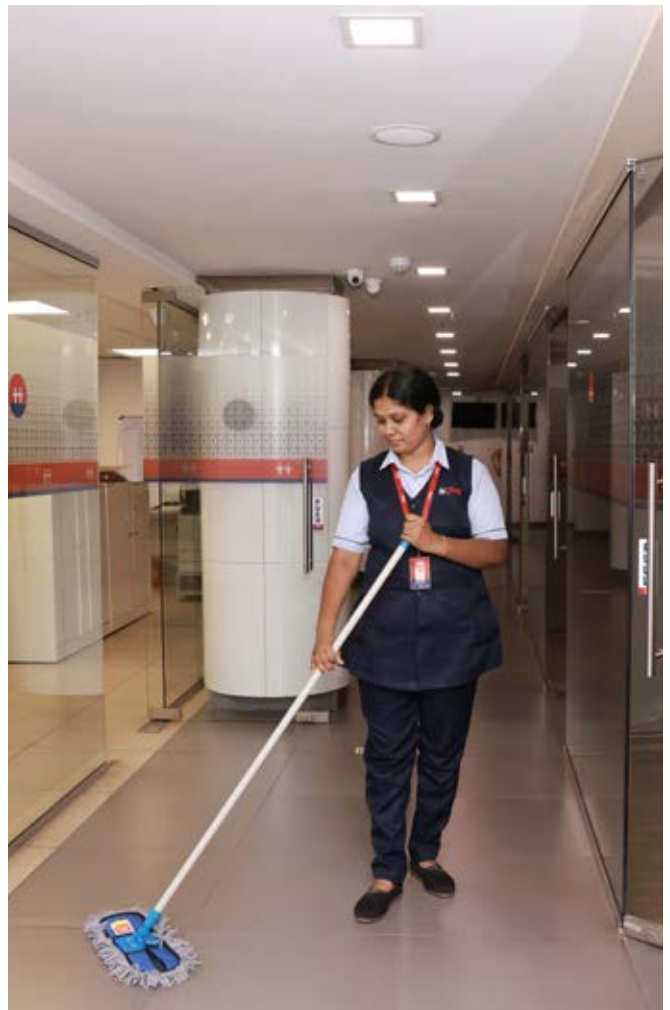
On-Roll Manpower

Self-Developed SOP's

Service wise SME's

Single point Accountability

Shared Supervision



Green Fields, Bright Smiles: ESAF Cooperative's Agricultural Transformation!



Agri & Allied Business

The Agri and Allied Business (AAB) department was established to bring together various components of the agricultural value chain, with the primary aim of providing integrated services to the farming community. Since the transmission from a Multi-State Credit Cooperative Society to a Multi-State Agro Cooperative Society, ESAF Cooperative has been at the forefront of numerous agricultural initiatives. These initiatives range from the supply of high-quality agricultural inputs, the promotion of scientific farming practices and good agricultural practices, to post-harvest management services such as warehousing, agro-processing, and market facilitation. While Scientific farming enhances yield and profitability, warehousing and post-harvest management support help reduce post-harvest losses in agricultural produce.

The promotion of agricultural inputs such as seeds, fertilizers, machinery, and more is a key objective of ESAF Cooperative. AAB's Agri Input Marketing division promotes a range of biological, organic, and chemical agricultural inputs produced by ESAF Swasraya Producers Company Ltd., a subsidiary of ESAF Cooperative. These products are manufactured using modern production facilities in Palakkad, employing technology developed by institutions such as the Indian Institute of Horticulture Research (IIHR, Bangalore), Indian Institute of Spices Research (IISR, Kozhikode), Central Plantation Crop Research Institute, and Kerala Agriculture University. The quality of these products is ensured through regular testing by state and nationally approved laboratories. These products are designed to provide comprehensive



The Pulses Processing Unit, a cutting-edge facility, is being built in the KINFRA Mega Food Park near Kanjikode.

While Scientific farming enhances yield and profitability, warehousing and post-harvest management support help reduce post-harvest losses in agricultural produce.



solutions to farmers, and experts from the field provide guidance on their effective use.

ESAF Cooperative's Agri Warehouse

division offers warehouse services to progressive farmers, farmer groups, farmer producer companies, and businesses in the agri-food processing



post-harvest management support for the farming community, ESAF Cooperative is in the process of establishing a state-of-the-art integrated facility for the processing of pulses with multiple production lines. This Rs. 26 crore project is situated on 3.5 acres of land purchased by ESAF Cooperative at the KINFRA Mega Food Park in Palakkad. Once operational, it will be the first & the largest integrated processing facility for pulses in the state of Kerala. The machinery for this fully automated plant has been supplied by Buhler, a world market leader in food processing machinery. ESAF Cooperative anticipates that this project, with an annual processing capacity of 15,000 metric tons of raw materials, will support numerous farmers and farmer organizations from pulse-producing states in India such as Tamil Nadu, Andhra Pradesh, Karnataka, Maharashtra, Madhya Pradesh, and more.

sector. Services include the storage of raw materials, semi-processed goods, and finished products. In addition to scientific storage, ESAF Cooperative also provides value-added services such as procurement support and collateral management to institutional customers. One notable project in the warehousing sector involves a partnership with KINFRA, a Kerala Government agency

ESAF Cooperative anticipates that this project, with an annual processing capacity of 15,000 metric tons of raw materials, will support numerous farmers and farmer organizations.



focused on industrial development, to manage a scientific warehouse at KINFRA Mega Food Park in Palakkad. This warehouse covers an area of

65,000 square feet and can hold up to 15,000 metric tons of dry agricultural commodities.

In a move toward comprehensive

ESAF Cooperative has also established a Common Facility Centre (CFC) in Poochatty (Thrissur) with the objective of empowering Sangam Members of ESAF Cooperative residing in the surrounding areas of the centre, through micro-entrepreneurial activities in selected food processing, bakery, and trading sectors. Currently, the centre directly supports approximately 20 Sangam members. Besides production, Sangam members and their family are also involved in activities such as logistics support and marketing. In addition to entrepreneurship development, the center can provide practical training to women Sangam members as well.

Agri Inputs Promoted

ESAF Cooperative is dedicated to advancing agriculture through a diverse range of products designed to enhance crop health and yield.

Bio-fertilizer:

In Bio-fertilizer category, we have marketed Bio-fertilizer agents such as Microbial consortium, Pseudomonas (liquid & powder), Trichoderma powder and VAM (Vesicular Arbuscular Mycorrhizae).

Bio-Pesticides:

In Bio-pesticides category, we have promoted neem based pesticides, Bio-fungicides & Bio-nematicides.

PGPR:

The products in PGPR category promoted by ESAF Cooperative includes Soil-Sakthi in Kerala market & Paddy Booster in Tamil Nadu market

Micronutrients:

We are marketing FCO recommended Micronutrient mixtures of Banana (Soil & Foliar grade), Vegetable (Soil & Foliar grade) and Paddy (Foliar grade). Other micronutrients promoted by us include IISR technology based micronutrients for Cardamom (Foliar grade) and Micro nutrient for mature & juvenile Coconut plants namely Kalpavardhini & Kalpaposhak for which the technology has been developed by CPCRI

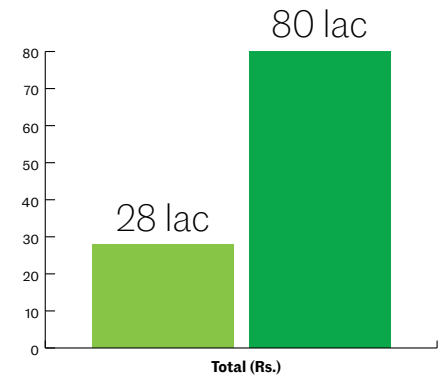
Organic Manure:

In north Kerala we have promoted Cow dung, Coir-pith and Goat manure in 1kg/ 2kg pouches and 5 Kg, 10Kg & 50Kg PPE bags.

Through digital media, field demonstrations, farmer seminars, and

exhibitions, we have actively engaged with our farming community to ensure the adoption of these solutions. Our remarkable sales growth reflects our commitment in sustainable agriculture.

Sales



Shiju Madhavan's Cardamom Chronicles: Cultivating Success Amidst Challenges

Shiju Madhavan, a dedicated cardamom farmer, took the reins of his family's cardamom cultivation 11 years ago with a vision of becoming a successful planter in his village, Talamali, near Adimali in Kerala's Idukki district. While the world grappled with the Covid pandemic and people remained confined indoors, Shiju remained tirelessly devoted to his cardamom fields, seeking prosperity through cultivation. It was during this challenging period that he expanded his cultivation to include his ancestral land.

However, Shiju encountered setbacks due to unscientific agricultural practices, which took a toll on his cardamom plants.



Diseases like stem borer, nematode, and Fusarium began to afflict his precious cardamom crop. In this trying time, Mr. Harish from ESAF emerged as Shiju's guardian angel. Acting upon Mr. Harish's recommendations, Shiju applied a range of our products, including Micro Bio Consortium, Cardamom Special, and VAM, in his fields. These interventions

proved instrumental in controlling various diseases and revitalizing the health of his cardamom plants.

The result was a bountiful harvest and improved yields from Shiju's fields, translating into better returns and renewed hope for his cardamom cultivation.



Banana Bliss: Shekar's Transformation with ESAF Cooperative's Banana Special

Meet Mr. Shekar, a seasoned farmer hailing from Kilikoode, a tranquil village nestled along the banks of the Kaveri River in Tamil Nadu's Tiruchirappalli district. With over 25 years of dedicated farming experience, Mr. Shekar has become a prominent figure in his region, specializing in the cultivation of the renowned "Elaraisi" variety of bananas across his expansive 3-acre farm. Despite the natural advantage of the nearby Kaveri River for irrigation, Mr. Shekar had struggled to achieve optimal yields.

However, the tides turned when ESAF Cooperative introduced its



revolutionary product, Banana Special, a micro-nutrient foliar designed to enhance produce weight. Since ESAF Cooperative initiated operations in Tamil Nadu in August 2022, Mr. Shekar adopted Banana Special, and the results were remarkable. His yields surged by an impressive 20% in the current

season. Recognizing the efficacy of this product, Mr. Shekar, who also manages a Farmers' Producer Organization (FPO) in his village, eagerly recommended Banana Special to his fellow FPO members and neighbouring farmers.

Kannan's Paddy Paradise: Growing Success with Paddy Booster

Mr. Kannan, a seasoned paddy farmer hailing from Paneyapuram village in Tamil Nadu's Tiruchirappalli district. For generations, his family has been deeply rooted in paddy cultivation along the fertile banks of the Kaveri River. With his own extensive experience of over 25 years in this field, Kannan has become a respected figure in the local agricultural community. Currently, Kannan tends to a sprawling 5-acre paddy field, primarily cultivating the "ADT 38" paddy variety.

Last year, our dedicated sales team introduced Kannan to our remarkable product, "Paddy Booster" (with a detailed product description).



Intrigued by its potential, Kannan decided to apply Paddy Booster to just one acre of his land. To his delight, luck was on his side! Within a mere 130 days, thanks to the adoption of our Paddy Booster, he achieved an impressive yield of 2.7 metric tons per acre.

Bolstered by this incredible success, Kannan has wholeheartedly embraced our Paddy Booster for his entire 5-acre paddy field in the current season. The impact of our product has not only boosted his yields but also instilled confidence in his fellow farmers in Paneyapuram and beyond.

Warehouses: One Stop Storage Solution



One Stop Solution: ESAF

Co-operative's commitment to the agricultural sector shines through in its "One Stop Solution for Farmers and Processors." This initiative embodies

ESAF Cooperative anticipates that this project, with an annual processing capacity of 15,000 metric tons of raw materials, will support numerous farmers and farmer organizations.



a holistic approach, offering farmers and processors a seamless experience. It starts with hassle-free storage facilities, ensuring their produce is well-preserved. Additionally, easy

access to credit empowers them to invest in their operations and futures. Regular inspections provide quality assurance, while the promise of complete commodity care means every aspect of

SERVICES WE OFFER



Agri-Commodity Warehousing Services



Collateral Management Services



Commodity Testing and Certification Services



Integrated Pest Management Services



Audit & Inspection Services



Supply Chain Solutions

their agricultural journey is considered. ESAF Co-operative's dedication to supporting those involved in farming and processing underscores its mission to foster prosperity and sustainability within the agricultural community.

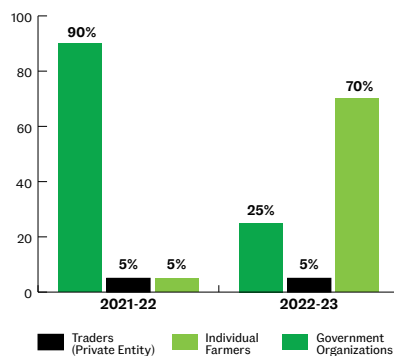
Major Services:

Our primary services revolve around delivering a comprehensive post-harvest management package to our valued clients. This entails everything from identifying suitable warehouses for commodity storage to efficiently managing labor and transportation, ensuring seamless handling throughout the process. Our expertise extends to provide top-notch stock management services, which include regular quality and quantity inspections. Furthermore, we are staunch advocates for the collective advancement of the agricultural community, and in pursuit of

this goal, we offer tailor-made financial solutions to empower them further.

Scientific Management Approach

"Our state-of-the-art integrated warehousing system is designed for optimal efficiency and minimizing post-harvest losses. Our unwavering commitment is to elevate farmers'



Major Entities Stored

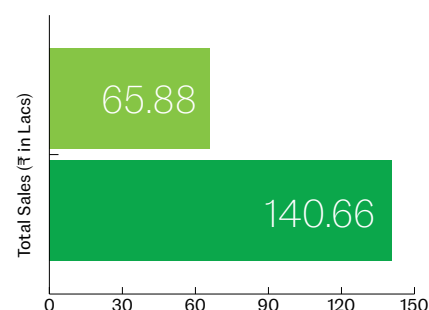
incomes through top-tier storage solutions that provide protection against pests, insects and theft. We maintain rigorous processes to guarantee the physical integrity of the stock, upholding both quality and quantity standards."

Common Facility Centre

The Common Facility Centre located at Poochatti (Thrissur) serves as a comprehensive training and production hub specializing in bakery products. The range of services provided by this centre includes:

1. State-of-the-art production facilities designed for bakery, snacks, savoury, and steamed food products, meeting industry standards.
2. Entrepreneurship development programs focusing on the production and marketing of baked goods, snacks, savoury items, and steamed food products.
3. A dedicated training centre aimed at nurturing prospective entrepreneurs in the culinary field.

The infrastructure for the Common Facility Centre in Poochatti has been established through the collaborative efforts of ESAF Cooperative and is currently under the management of Cedar Retail. The Sales performance of the centre during the financial year 2022-23 is as follows;





Storage Area

Warehouse	Total Area (SQFT)	Storage Capacity (MT)
1	13000.00	2000.00
2	26000.00	4000.00
3	26000.00	4000.00

AUM Value of Commodity Handled (FY 20221-22 & 2022-23)

Product	Mix Value (2021-22)	Mix Value (2022-23)
Paddy	4,72,50,000	22,05,000
Turmeric	37,50,000	8,43,75,000
Ginger	40,000	80,000
Rice	10,80,000	14,40,000
Total	5,21,20,000	8,81,00,000

Fortifying Financial Governance!



Audit results:
49% of
the project
location are
graded above
'A' category.

ESAF Cooperative's Three-Tiered Audit System

In the intricate landscape of financial transactions, transparency, accountability, and regulatory compliance are non-negotiable. Recognizing the pivotal role of a well-structured audit and control system, ESAF Cooperative has implemented a rigorous three-tiered approach, fortifying its internal checks and balances. Currently, the audit team comprises 124 staff for Pan-India operations.

Recognizing the pivotal role of a well-structured audit and control system, ESAF Cooperative has implemented a rigorous three-tiered approach, fortifying its internal checks and balances.

1. Internal Audit:

At the core of ESAF Cooperative's audit framework lies its internal audit. This vital layer involves an in-house team of auditors who conduct meticulous quarterly examinations of financial records, processes, and transactions. These audits serve as an early warning system, flagging potential irregularities or deviations from established norms. The internal audit team plays a pivotal role in upholding financial discipline within the organization.

2. Concurrent Audit:

In tandem with internal audits, ESAF Cooperative conducts concurrent audits in selected high-risk branches. These audits operate in real-time, focusing on immediate compliance monitoring. They ensure branches adhere rigorously to prescribed guidelines, minimizing the chances of irregularities slipping through. The concurrent audit process serves as a proactive measure, promptly identifying and rectifying deviations from standard procedures.

3. Statutory Audit:

The final layer in ESAF Cooperative's audit hierarchy involves external auditors from a reputable Chartered Accountant firm. These auditors conduct statutory audits, offering an impartial assessment of the organization's financial health. Their comprehensive review encompasses a deep analysis of financial statements, adherence to legal and regulatory requirements, and an overall evaluation of financial reporting accuracy.

Embracing Technological Advancements:

ESAF Cooperative's commitment to effective auditing extends to adopting technological innovations:

Concurrent Audit Module: Streamlining the management of concurrent audits, including compliance checks, within the organization's software.

Management Report: Facilitating the management of recovery and disciplinary actions by providing a comprehensive overview of internal audit findings.

Conveyance and Advance Module:

Simplifying auditors' submission of conveyance claims and advance requests through software, enhancing efficiency and transparency.

Data Analysis Tool: Assisting the internal audit team in selecting the most suitable sample for field visits, optimizing the audit process.

Furthermore, ESAF Cooperative's internal audit department has transitioned to a paperless approach, automating administrative and audit tasks. This digital transformation enhances operational efficiency and reduces the risk of human error.

In conclusion, ESAF Cooperative's three-tiered audit and control system exemplify its unwavering dedication to financial prudence, compliance, and transparency. By merging internal, concurrent, and statutory audits with cutting-edge technological tools, ESAF Cooperative ensures the resiliency and trustworthiness of its financial operations, ultimately serving the best interests of its members and stakeholders.

HR Milestones: Fostering Inclusivity

In pursuit of a happy and inclusive workplace for all, we aim at readying our employees to become purpose driven and process oriented through personal and professional development. Year 2022-23 was a year of consolidation for HR as we could streamline the process of organisational restructuring, grade correction, talent management, talent acquisition, TA/DA revision, Annual incentives, Annual Increment, Discipline Management, Annual Appraisal, Learning and Development as well as employee exit. We are striving for an inclusive workspace that respects diversity and equity sans discrimination of any sort. As we prepare our team towards adopting a mind-set of taking on challenges we are

mindful of the challenges in the micro-banking industry. There was a growth of 54% in the manpower compared to previous year keeping in tandem with our business growth through attrition remained a concern in the first two quarters.

Deployment of SAM-Stressed Asset Management team was a major task to bring down NPA which was successfully completed with the support from Business. Trained SAM team could add value to overall business. Strategies and efforts to on-board required manpower was carefully designed so as to fill the manpower requirement optimally. Workforce planning was done to be able to do sourcing, recruiting and hiring the best talent that suited our job requirement. Accordingly, vacancy announcement was made through Internal Job Call and promotion process was conducted. HR automation process made good progress and soon DARWIN BOX implementation will meet reality. Such an automation will not only improve HR efficiency but also give access for self-service tools to track employee performance.

Performance Management System was put in effect which enabled every employee to rate themselves against their KPI with the parallel score from reporting officer and functional head too. Discipline Management system was strengthened under the leadership of Shri MA Thomas with the objective of Zero Tolerance towards Fraudulency. Learning and Development vertical could enhance learning experience for the employees as UTTAM training to build the capacities and knowledge

levels of the staff was introduced. Induction Training Modules were updated to encompass topics on Customer Relationship, Delinquency Management, Internal Audit while old ppt. was updated with latest process, facts and figures. Handholding to fresher's in the third month after joining was introduced so that they are supported well while any HR challenges are also addressed well. Several Employee Engagement Activities unleashed the creativity of the staff to take part individually as well as in groups. Regional as well as National Festivals were observed with much fervour with additional fund granted for celebration that brings out the best of all cultures.

Staff Grievance Redressal looks beyond addressing staff issues but is envisaged to support any staff who wish to seek psychological support as well who is connected to an expert panel of psychologists. HR Committee of the board reviews management decisions with respect to human resources and provide recommendation for performance standards.

We remain committed to optimise employee experience as business and societal shifts continue to change the trajectory of organisations' human agenda.

Best regards,

Sd/-

Beena George

Chief People Officer



We remain committed to optimize employee experience as business and societal shifts continue to change the trajectory of organizations' human agenda.

A. Organizational Development

OD provides responsive and innovative leadership, organizational development, employee communication, financial services, and support services for ESAF Cooperative employees, departments, community partners, and the public to promote individual and organizational excellence.

Organizational Restructuring:

In response to a series of critical concerns, we embarked on a significant journey of organizational transformation. This initiative was prompted by the necessity of addressing several pressing

issues that had been looming over our company. Firstly, while we had effectively executed market corrections for ESAF Cooperative, we also recognized an increasing discrepancy between our current employees and those who had joined us laterally.

To confront these challenges head-on, we introduced a fresh Grade and Salary structure meticulously crafted to closely align with industry standards. It offers a clearly defined career advancement trajectory for each team member. During this comprehensive restructuring process, we methodically re-evaluated our staff, taking into

consideration crucial factors such as their tenure with ESAF, their current roles and responsibilities, industry salary benchmarks, and their respective departmental placements. There are 14 Grade Levels and 23 Roles in the New Grade Structures. Additional Grade/Roles are included in the entry levels.

These modifications represent a substantial transformation within our organization, fostering fairness, transparency, and a more promising future for all our esteemed team members.

B. Talent Acquisition & Retention

ESAF Cooperative places a strong emphasis on talent acquisition and retention strategies as a cornerstone of its human resources approach. These initiatives encompass a wide array of programs and processes designed to attract, nurture, and keep top talent within the organization.

In the realm of talent acquisition, ESAF Cooperative deploys comprehensive efforts to identify and recruit individuals who align with the company's values and mission. We recognize that having the right talent is paramount for long-term success. Therefore, a strategic and diligent approach is employed to ensure that the organization continually attracts

The ultimate goal is to create an environment where employees thrive, are motivated to contribute their best, and have ample opportunities for personal and professional development.

individuals who are not only qualified but also culturally compatible.

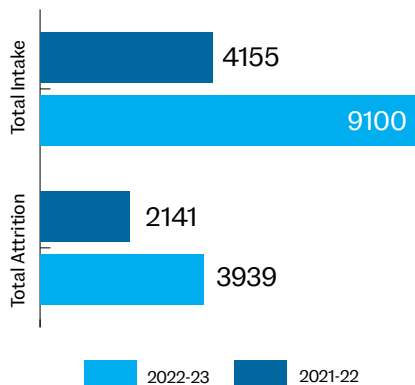
On the other hand, talent retention is equally crucial. ESAF Cooperative is dedicated to creating a positive and fulfilling work environment where employees are motivated, engaged, and satisfied. Through robust employee engagement programs, regular appraisal

systems, and a responsive grievance handling process, the bank fosters an atmosphere that encourages professionals to stay and grow with the organization.

These combined efforts underscore ESAF Cooperative commitment to not only acquiring top talent but also ensuring their longevity within the company. The ultimate goal is to create

an environment where employees thrive, are motivated to contribute their best, and have ample opportunities for personal and professional development, thus securing the bank's enduring success.

Talent Management:



Total number of male employees

6588



Total number of female employees

2512

Diversity:

Gender Ratio:

Female: 28%/ Male: 72%.

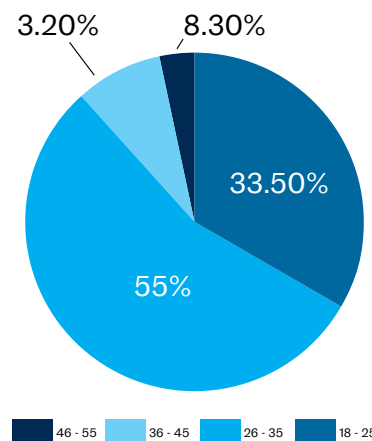
One in every three- a women employee

The ESAF Cooperative has a diverse force with respect to talent, experience and age. In terms of age, the majority of employees are between the ages of 26 and 35, accounting for 55% of the total workforce. The second largest age group is between 18 and 25, accounting for

33.5%. A smaller portion of employees fall into the age groups of 36 to 45 (8.3%) and 46 above (3.2%).

Age Diversity:

One in every two – Employee between 26-35 age.



C. HR Operations

HR Operations is an indispensable part of HR department. The scope of HR Operations is multi-faceted in ESAF Cooperative. The organization has been growing in headcounts day by day and building a sustainable organization by adapting quickly to external and internal changes was the biggest challenge we have been facing. Employees are the biggest asset of the organization and working on improving the employee relations with co-workers, managers and creating a work environment where employees are free to express and perform to their potential has always been an area HR strives to improve day by day.

Compliance: Compliance is one of the most important tasks of HR Operations.

Creating a work environment where employees are free to express and perform to their potential has always been an area HR strives to improve day by day.

All statutory related payments and specific labour law compliance specific to each state was compiled during the financial year. We ensured that all payments were made on time and disputes that were reported were addressed to ensure the organization had compliance of labour norms.

During the financial year we were happy to contribute to the organization on the following areas:

Employee Welfare: Employee welfare was given continuous importance were leave encashment was introduced, covid death benefits were released to employees who left us due to



covid death, Baby gifts, Marriage gifts, ID cards, Staff advance, retirement gifts, 10-year service awards, future gratuity, Insurance benefits, medical insurance and other insurance policy benefits were promptly dispersed on time.

Awareness sessions on EPF nominations, medical insurance process and specific trainings covering welfare benefits were communicated to old and new employees through various training sessions.

Health Check-up: As a proactive measure for employee well-being could be a valuable addition to such programs, ensuring participants are in good health to fully engage in the activities and discussions.

Baby Gift (Gift hamper worth ₹ 1,000)

States	Amount (₹)
Chhattisgarh	11,000
Kerala	67,000

Madhya Pradesh	49,000
Maharashtra	53,000
Rajasthan	1,000
Tamil Nadu	50,000
Total	2,31,000

Retirement Benefit
(Gift hamper worth ₹ 5,000)

State	Amount (₹)
Kerala	25,000
Total	25,000

GTI Scheme Claim Settled

States	Amount Disbursed (₹)
Chhattisgarh	1400000
Kerala	1700000

Maharashtra	1600000
Madhya Pradesh	900000
Tamil Nadu	200000
CFMS	1600000
Grand Total	7400000

EDLI Claim Settled

States	Amount Disbursed (₹)
Chhattisgarh	2808000
Kerala	1404000
Maharashtra	2808000
Madhya Pradesh	1404000
Tamil Nadu	702000
CFMS	0
Grand Total	9126000

D. Talent Management

Performance management

is a multifaceted approach that extends beyond mere evaluations and assessments. Within this framework, promotions, rewards, and recognition play pivotal roles in driving employee motivation, engagement, and alignment with organizational objectives.

Promotions serve as tangible markers of career growth and advancement within a company. They are powerful tools for acknowledging an employee's dedication, skills, and

Integrated approach to performance management aligns employees' efforts with organizational goals, driving productivity and enhancing job satisfaction.

contributions. A well-deserved promotion not only boosts the individual's self-esteem but also inspires their peers. It signals that the organization values and invests in its employees' professional development, encouraging them to strive for excellence.

Applied: 2068/Promoted: 868

Rewards and recognition, on the other hand, offer immediate acknowledgment of outstanding performance. Grade correction exercise involves reviewing and adjusting student

grades to ensure accuracy, fairness, and consistency in assessment, benefiting both learners and educators. 7918 staff were rewarded in this process.

This integrated approach to performance management aligns employees' efforts with organizational goals, driving productivity and enhancing job satisfaction. It also facilitates open communication between employees and management, ensuring that contributions are acknowledged and rewarded fairly.



Highlights

7918

Rewards & Recognition awarded

868

Employees promoted

E. HRMS & Analytics

Equifax Software

Background verification plays a crucial role in various aspects of business, such as hiring employees, granting loans, and providing services. This process is especially critical in the banking and financial sector due to strict security requirements and complex regulations. Ensuring that the identity and background of applicants, employees, clients, and customers are known is vital for seamless and secure operations.

At ESAF Cooperative, we prioritize safeguarding our organization's interests and those of our members. To achieve this, we have implemented

several measures, including conducting background verifications for all employees, frequent branch audits, and maintaining a robust disciplinary management process.

To further enhance our commitment to risk mitigation and industry standards, we are pleased to announce our partnership with Equifax, a leading pre-employment solution provider in the country. This collaboration enables us to access more reliable and accurate employment data and share our employee records with the industry. It ensures that individuals leaving our organization without proper clearance are appropriately documented in the

software, aiding other organizations in making informed hiring decisions.

Equifax's pre-employment solution is widely used across the BFSI (Banking, Financial Services, and Insurance) sector and other industries. Therefore, the data uploaded by each organization directly influences the hiring decisions of prospective candidates and employees.

Through our partnership with Equifax and our commitment to transparent and responsible hiring practices, we aim to contribute to the overall integrity and reliability of the BFSI sector and beyond, ultimately benefiting both organizations and individuals in their employment journeys.

F. Rewards & Recognitions



1. Chairman's Club

Chairmans club event in Kerala was held on November 17, 2022 at MCP International Convention Centre, Irinjalakuda, Thrissur.

In our unwavering pursuit of excellence, we believe that recognising and rewarding outstanding performance is not just a gesture of appreciation, but a powerful motivator that drives our organisation forward. The Chairman's Club Reward and Recognition Program stands as a testament to our commitment to acknowledge the remarkable contributions of our field warriors. The purpose is to cultivate a culture of excellence and to honour our best and consistent performers from field.

We firmly believe that our ever

We firmly believe that our ever resilient and committed Ground force is our most valuable resource.

resilient and committed Ground force is our most valuable resource. Last three years was so challenging in the history of mankind and our team fought well amidst all odds and were successful in getting the entire business back to normal. This time the Chairmans Club was even more special as it happened after a break of three years due to Covid. The number of winners under each category from various states are given in the Table HR1.

2. Performance Incentives

Performance incentives are rewards

or bonuses provided to individuals or teams within an organization as a way to motivate and recognize exceptional performance and contributions. These incentives are designed to encourage employees to go above and beyond their regular job responsibilities and achieve specific goals or targets. During the previous fiscal year, incentives totaling 16.62 crores were disbursed to 6498 employees in recognition of their outstanding performance.

Total Staff : 6498

Total Amount : ₹ 16.62 Crores



3. Winners of Outstanding Performance

Celebrating excellence! The winners of our Outstanding Performance Awards shine brightly in our organization. Their dedication, innovation, and hard work have set new standards. These exceptional individuals inspire us all to reach greater heights and make our workplace a beacon of success.

Congratulations to our outstanding performers!



(Photo top) Winners of the Chairman's Club posing for a photo. Also seen are Mr. K. Paul Thomas, Mrs. Mereena Paul, Mrs. Saleena George, Mr. Christudas K.V. and Mr. Rajesh Sreedharan Pillai.

(Photo above) Winners of various contests during their trip to Baku, Azerbaijan

(Photo left) Winners of Sales Contests at Eagle Square Langkawi, Malaysia

Chairman's Club Winners - Already Awarded (Kerala)

Financial Year	1 Star	2 Stars	3 Stars	4 Stars	5 Stars	6 Stars	7 Stars	8 Stars	9 Stars	10 Stars	11 Stars	12 Stars	Total
2019-2020	26	17	16	26	14	15	8	9	17	8	3	42	201
2020-2021	116	33	43	11	9	38	0	0	0	0	0	0	250
2021-2022	36	1	0	0	0	0	0	0	0	0	0	0	37

*Table HR1

G. Learning and Development: A year to learn and grow

The Learning and Development vertical of HR envisions for a continuous learning climate for every employee of ESAF Cooperative that provides them with opportunities to learn and develop new competencies that boost their productivity and prepares them for the next level of responsibilities. With the growth in the business all incoming and

ESAF Cooperative provide opportunities to learn and develop new competencies that boost their productivity and prepares them for the next level of responsibilities.



existing staff were provided learning spaces that was aligned with the requirements of business so as to have a balance between equipping people to deliver current business goals, prepare them for the changing requirements of future roles and offering opportunity for personal growth. L and D understands that Performance and productivity require a fresh approach to learning where the primary focus



Inauguration of UTTAM employee training programs

is on key business needs and KPIs and that earning cannot be driven by an old paradigm where staff attend an occasional face-to-face course, but by development that is embedded at the heart of the organisation on a daily basis.

A new team to manage learning and

development was formed to conduct capacity building training programs for the employees that enhanced their overall knowledge and skills to perform better and fill the gaps needed to achieve business goals. Capacity building training was branded under the name UTTAM which is an Hindi word with the meaning THE BEST as every training is an attempt to bring the best in the participants and they become the BEST in all that they do! UTTAM 1 comprised of four primary aspects: 1. Know your Self, 2. know your Work, 3. Know your Team and 4. Know your Organisation. Concepts of Health, Wealth, Values and Safety for employees was also covered during Induction as well as UTTAM Trainings. While UTTAM 2 comprised of Process and Product Training, Conflict Management and Customer Service and MIS.



1st batch of UTTAM along with Founder, Chairperson and CEO

UTTAM training program was inaugurated by Founder of ESAF Group of Social Enterprises Shri K Paul Thomas in the presence of Chairperson, Vice Chairman, CEO, Corporate Heads and Department heads where Shri Paul Thomas stressed on the importance of training for every employee so as to equip them to deal with all adversaries as well as prepare for the future both in personal and professional lives.

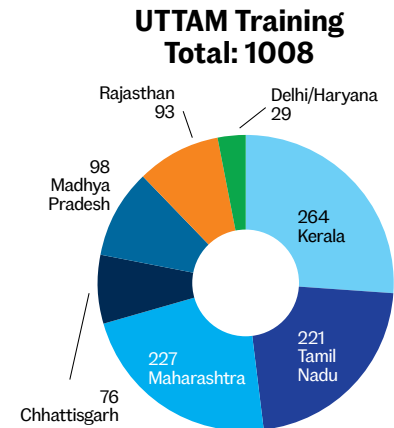
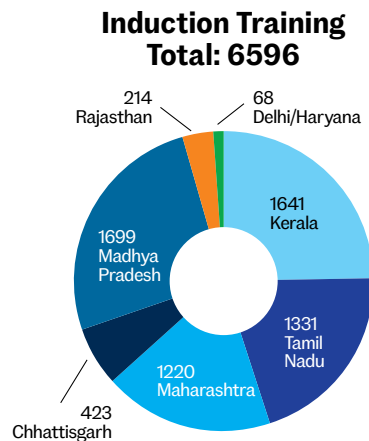
Training Roadmap Workshop

One-day training Roadmap Workshop was held to derive clear directions towards training program in 2023-24. CEO as well as Corporate Heads made presentations emphasizing on the need to have training paths for personal and professional development of the staff. Group work was organised and each

team presented the blueprint of the training framework. Accordingly, it was decided to update the induction training modules as well as include leadership training for DMs and above as well as have separate training for women leaders. Master trainers to be trained by L and D who will then take training sessions to allocated employees.

Training Snapshot

A total of 10,176 staff were trained in 2022-23 which included 6596 staff who underwent Induction Training, 1008 participated in UTTAM training while 1033 participated in trainings such as EXCEL training, SAM Training, RCO training, MARG etc. 70847 Man Hours of Training.



H. Employee Engagement

Outbound training programs:

Outbound training programs serve a crucial purpose in developing individuals and teams. They offer hands-on experiences that promote teamwork, leadership, and effective communication. Through outdoor challenges, participants learn to make quick decisions, resolve conflicts, and manage stress. These programs encourage adaptability, pushing individuals out of their comfort zones and into unfamiliar territory.

Furthermore, outbound training fosters self-discovery, allowing participants to identify their strengths and areas for growth. Successfully overcoming challenges boosts motivation and morale, creating a positive and engaging learning environment. Ultimately, these programs empower

individuals to apply their newfound skills and knowledge in the workplace, leading to improved team dynamics and individual performance.

Stimulus- Pursuit of Professional Excellence



The Outbound Training Program organized for Operations and Admin department, which took place on the 29th in Gudalur, saw a gathering of 43 enthusiastic participants. The event featured esteemed speakers, with Mr. V.L. Paul, CEO, serving as the chief guest and delivering an enlightening session on Organizational Culture and



its Values. Following this, Mr. Rajesh Sreedharan Pillai, COO, inspired the audience with his session on "Dream Big," while Mr. Sunil Nampoothiri, CFO, shared insights on Financial Forecasting. Mrs. Beena George, CPO, encouraged HR collaborative efforts in her session.

The program was further enriched by the presence of Vertical Heads, adding to its significance and ensuring a comprehensive learning experience for all participants.

FINCLAVE - 2022

The "FINCLAVE-2022" outbound



training program took place for finance department on May 12, 2022, at the scenic Camp Noel Resort in Vattavada, Munnar, where 18 enthusiastic employees participated. The event commenced with a remarkable session led by the esteemed senior Chartered Accountant, Mr. CA Ramankutty, FCA. He delved into the latest GST updates and provided practical insights into the nuances of GST.

Following this informative session, Mr. Gireesh C P, CFO of ESAF Small Finance Bank, took the stage for the second session. His presentation focused on "Compliance & Risk Management of Financial Services Business," offering valuable insights into this critical aspect of the industry. The final session of the day was expertly handled by Mr. Lakshmikanth Mallya, AVP at ESAF Small Finance Bank. He discussed the "Basic Awareness of Accounting Standards," rounding off the comprehensive training program.

The presence of esteemed figures in the finance industry, including our respected CFO, Mr. Sunil G Nampoothiri, COO, Mr. Rajesh Sreedharan Pillai, and Mr. Krishnakumar K, CFO of ESAF Financial Holdings (P) Ltd., added an extra layer of significance to this enriching program.

Empowering HR Excellence

The provided document outlines a five-day Boot Camp held from April 21 to April 25, 2022, for HR professionals



at ESAF Co-operative. It spans two locations, Dream City and Munnar, and offers a diverse schedule. The event commences with introductions, speeches, and insights into ESAF's journey. Participants then travel to Munnar for team activities, discussions on HR planning, recruitment, and induction processes. Leisure activities complement the learning experience. The final day, back at Dream City, covers topics including finance for HR, efficiency improvement, and HR's organizational role. The Boot Camp combines educational sessions with team-building and leisure activities, fostering holistic HR development within ESAF.

ESAF PARIVAR JAMBOREE

ESAF Parivar Jamboree 2022, held at Tiarra Hotels & Resorts in Ramnagar on May 20th, 2022. The event featured a dynamic program schedule that commenced with prayers and a solemn remembrance. It included addresses from esteemed figures such as the Mrs. Saleena George (Chairperson), Mr. K. Paul Thomas (Founder of ESAF Group), Mrs. Mereena Paul (CMD of ESAF Financial Holdings P Ltd) and Mr. Rajesh Sreedharan Pillai (COO). The evening also included felicitations, a rewards and recognitions event, and concluded with a gala dinner, fostering camaraderie and celebration within the ESAF family.

Celebrations

Employee engagement celebrations are pivotal for nurturing a positive workplace culture. These events serve as a platform to recognize and appreciate employees' efforts and contributions. Whether it's marking work anniversaries, team achievements, or personal milestones, these celebrations foster a sense of belonging and motivation.

Such gatherings promote camaraderie among colleagues, breaking down silos and enhancing collaboration. They also provide an opportunity for employees to unwind and relax, reducing stress and boosting morale.

By investing in employee engagement celebrations, organizations demonstrate

their commitment to valuing their workforce, resulting in higher job satisfaction, increased productivity, and a stronger sense of loyalty among employees.

Onam Pookkalam Contest



Diwali Rangoli Contest



Christmas Celebrations



Acknowledging exemplary acts



Thanksgiving Ceremony



Special Day Observances

1. Independence Day, Upholding the call given by Honorable Prime Minister Shri Narendra Modi we observed Azadi Ka Amrit Mahotsav celebrating 75 years of Indian Independence in a befitting manner in all our branches, regional offices, territory offices and registered office. Flags were distributed to all employees and sangam members so that they can put up the flag in thier respective home making HAR GHAR TIRANGA a reality. Senior leadership team went to sangams and celebrated



2. World Environment Day is celebrated annually on June 5 and



encourages awareness and action for the protection of the environment. We conducted 32 programs with 310 participants during that day.

3. International Women's Day is a global day celebrated on March 8 every year. The day is celebrated to mark the



social, economic, cultural, and political achievements of women. Conducted 13

programs, and 522 women participated in these events.

4. International Day of Elder Persons on 1st October to raise public awareness about the opportunities and challenges presented to aging populations and to address the difficulties faced by older people in our sangams.



Discipline Management

At ESAF Cooperative, we take pride in fostering an environment of financial responsibility and professional integrity. To maintain this ethos, we have put in place a comprehensive disciplinary action procedure that plays a pivotal role in ensuring a disciplined workforce. Our journey towards a disciplined workforce starts with setting clear expectations. We articulate the behaviors and norms

that we consider essential for our employees to adhere to. These standards are communicated unambiguously to all members of our organization. When an employee falls short of these defined standards, we take swift and systematic action. This is termed 'misconduct' and encompasses a range of actions, including financial irregularities, absenteeism, dishonesty, misbehavior,

and various other breaches of conduct.

ESAF Cooperative values fairness and justice, even in disciplinary matters. To maintain this commitment, we offer avenues for appeal. The employee has the right to appeal before an appellate authority if they believe their case was not fairly considered. This process provides a second opportunity for their concerns to be addressed.

Administration

ESAF Cooperative Administration Department is our organizational backbone, ensuring smooth operations. We manage key functions like facility management, procurement, records, and personnel support, fostering a productive work environment. Our role includes policy enforcement, process streamlining, and compliance, contributing significantly to our overall success. In our commitment to transparency, accountability, and responsible governance, we work collectively to achieve our shared objectives.

Key Achievements:

a) Cost Reduction Through Eco-Friendly Initiatives: Over the past year, we've undertaken eco-friendly projects

to reduce our environmental impact, resulting in significant cost savings. These initiatives include energy-efficient lighting, solar panels, LPG usage in the corporate pantry, and eco-friendly event materials.

b) Vendor Network Expansion:

To enhance our supply chain and competitiveness, we added 39 new vendors in the last fiscal year, promoting product diversity and cost efficiency.

c) Risk Mitigation: Our focus on fire safety includes drills, safety programs, and increased placement of fire extinguishers across offices.

d) Infrastructure Investment: We strategically upgraded office facilities and inaugurated 2 State Offices and 2 Territory Offices to support long-term sustainability.

e) Policy Adherence: We reviewed and updated internal policies, ensuring alignment with changing business environments and industry regulations.

f) Employee Support: We equipped our workforce with the latest IT accessories, training, and safety programs, bolstering productivity and well-being.

In conclusion, our achievements are the result of our dedicated team's collective effort. We remain committed to sustainability, innovation, and employee welfare in the coming year, guided by management's trust and support. We appreciate your ongoing trust and support in our shared vision.

Creating Sustainable Outcomes





Creating Sustainable Outcomes

ESAF Co-operative as a business correspondent of ESAF Small Finance Bank has made deliberate and far-reaching efforts to offer doorstep banking services to low-income segment furthering the financial inclusion agenda. Special focus was given to facilitating financial services among vulnerable groups and small sized enterprises. It not only helped day to day living but helped families to plan for unexpected emergencies. Agency banking initiatives laid a clear and co-ordinated path towards financial inclusion. We could see many of our customers moving from exclusively cash based transactions to formal financial services using a mobile phone or other digital technology to access these services. Their knowledge, attitude, skills and behaviour's with

Small savings are supporting women to save for a specific goal on a long term basis which is protected from temporary demands from their family members.

respect to making right use of financial services has drastically changed.

Our Farmer Interest Group loans have helped families to not only have improved availability of food but also improve their income levels. As Agri entrepreneurs many women customers thus are able to fight hunger. Small savings are supporting women to save for a specific goal on a long term basis which is protected from temporary demands from their family members.

Our programs on disaster risk mitigation as well as relief and rehabilitation support coupled with financial access have helped low income families to build resilience and get better prepared to deal with shocks. On the health side our community health programs organised with the support from the CSR fund of ESAF SFB has far reaching impact on the physical and psychological wellbeing of the customers.

No.	SDG impacted	Products and Services provided by ESAF Small Finance Bank	Outcomes
1	 	Income Generation Loan, Micro Recurring Deposit, Small trader loan (VVY), Farmer Interest Group loans	Loans for Income generation purpose improve the ability to meet day to day expenses and save for the future. FIG loans support agricultural productivity aiding food security whereby reducing hunger and impoverishment
2		General Loan Product Community Health Project	General Loan Product help low income families to buy home appliances on easy instalments including android phones which help the connectivity. Community Health Program enhance the positive health seeking behavior of community men and women resulting in improved health and reduced spending on medical care.
3	 	Vidya Jyothi Loan-Education Loan for the children of customers Financial Literacy for customers Balajyothi for children All loan products are prioritised for women, bringing women in the forefront of taking decision making.	VYL has supported several girls to go for professional courses thus lowering drop out among girls. Financial Literacy for customers help them take right financial decision. Balajyothi clubs bring children of sangam members to get value education and academic support to excel in studies
4	 	Water and Sanitation Loan Housing loan Clean Energy Loan	Housing loans enable low income families to construct separate toilets and also have water connection. Clean energy loan help the customers buy energy efficient products thus save energy.
5	 	Income Generation Loan MSME, VVY, FIG Micro Enterprise Development Program Housing Loan Sneha Veedu Project	IGL,MSM,FIG and VVY loans create employment that yield economic growth and decent work (self employment) Housing loan and Sneha Veedu project support infrastructure.
6		Women centric products and services. HR policies with gender oneness	HR policies that support gender zero tolerance to discrimination. 95% of the product and services are offered to women customers giving them equal opportunity to participate in financial and social eco system.
7		World Environment Week Clean Energy Program Urja Kiran -Support	Environment friendly products and awareness raising on the adoption of energy efficient products bring a change in the overall knowledge and actions related to climate change.
8		All financial products and services	Access to finance helps poor families to lower down stress and peace is restored
9		List of partners, vendors are given in page no. 109	Partnership at local, regional, national and international levels help to extend quality services and products to the customers.

Celebrating Triumphs: their incredible journey with ESAF Cooperative!



Their journey exemplifies the spirit of cooperation, resilience, and the transformative power of community-supported entrepreneurship.

Desperation to Devotion: Laxmi's Inspiring Entrepreneurial Journey!



Laxmi hails from Chandrapur, Maharashtra. Her life took a remarkable turn when her husband left her, leaving her with their only daughter and a limited education, having only completed up to Class 4. She faced a daunting choice: seek refuge with her aging mother, who was barely making ends meet herself. Realizing that she and her daughter might become an additional burden, Laxmi felt compelled to find a solution.

Frequent visits to the Mahakali Temple ignited an idea within her. She observed vendors selling puja items, which devout temple-goers purchased for offerings. Intrigued, she inquired about the feasibility of starting such a business—cost, rental options, and potential daily earnings. Encouraged by the advice she received, Laxmi decided to take the plunge. With an initial investment of INR 50,000, she established a small shop near

the temple, and her journey towards transformation began. Already a satisfied customer of ESAF, having successfully repaid two previous loans, Laxmi applied for her third loan—another INR 50,000—to kick start her venture. Within just six months, her business flourished, and she now enjoys a monthly profit of INR 25,000. Her mother supports her during the bustling hours, and her daughter joins her after school. During festive occasions like Navratri, her income doubles.

Laxmi's story is a testament to the transformative power of determination and hard work. She proudly declares, "I am very happy now. I can take care of my mother and daughter well. Women can achieve anything if she is ready to put in hard work." Laxmi's journey exemplifies the incredible change that can occur when opportunity, perseverance, and support converge.

Seamstress of Change: Sangita's Journey to Empowerment!



Sangita Giri, the driving force behind a bustling stitching center in Chhindwara, has made a profound impact on her community by empowering women and nurturing her own entrepreneurial spirit. Her journey began with a simple but powerful belief instilled by her parents: that girls should be financially independent. Sangita's parents taught her the art of stitching when she was young, and this skill has now become the cornerstone of her successful venture.

With determination and gratitude for her upbringing, Sangita employed three women at her center, providing them with a means to earn a livelihood while also expanding her own business. Her ability to manage both her boutique and her home responsibilities has made her a source of pride for her children.

Sangita's business has flourished, particularly during festivals and social occasions when the demand for custom-stitched dresses soars. Each time this demand increased, she invested in sewing machines and provided employment opportunities for more women. ESAF's loans played a crucial role in acquiring these machines, propelling

her business to new heights.

The COVID-19 pandemic opened Sangita's eyes to the vital importance of women's financial independence. Witnessing her own family's struggles during this challenging time, she recognized that women must contribute to their families' financial stability. Today, she is not only proud of the jobs she has created for three women but also deeply aware of the impact these opportunities have on their families.

Sangita's journey began humbly with a basic sewing machine in her home, but her vision led her to establish a shop equipped with machines capable of intricate embroidery and buttoning, giving garments a designer touch. During wedding seasons, her demand is overwhelming, a testament to her growing success.

Looking to the future, Sangita dreams of starting a stitching school to empower young girls, enabling them to become self-reliant and fostering a new generation of skilled seamstresses. Her story is a shining example of how one individual's determination and skill can create a ripple effect of empowerment and change within a community.

Blossoming Dreams: Sudha Kannan's Journey of Determination!



Sudha Kannan, a graduate in BSc Mathematics from Kodaikanal, embarked on a remarkable journey from being a flower nursery supervisor to owning her own thriving nursery. Her story is a testament to the power of cooperation and determination.

Having honed her skills in nurturing plants and understanding the nuances of running a nursery during her time as a supervisor, Sudha learned the art of caring for each bud, much like tending to infants. She deeply believes that when plants receive the special attention they require, they flourish, bringing joy not only to the plants but also to herself.

Sudha's commitment to her customers is unwavering. She ensures that anyone who visits her nursery finds a plant that suits their budget and specific needs. Her knowledge extends to soil types, pH levels, and nutrition, allowing her to provide expert guidance

to buyers, helping them select the ideal plants for their unique climates.

Sudha acknowledges ESAF for playing a pivotal role in her entrepreneurial journey by providing the financial support she needed to establish her nursery. Initially challenging, venturing into her own business was the right decision, enabling her to realize her dreams while also providing a stable income to support herself and her family.

Her advice to all women, regardless of their level of education, is simple yet profound: "Nothing can stop you if you are determined to carve a niche for yourself." Sudha's story exemplifies how cooperation, determination, and knowledge can empower individuals to transform their lives and create a thriving business that benefits both themselves and their communities.

Barbershop to Businesswoman: Sangita's Inspiring Journey!



Sangita Thakur, a resident of Wadi in Maharashtra, had never envisioned herself running a vegetable shop alongside her husband's barber business. However, thanks to the financial assistance she received from ESAF SFB, her life took an unexpected turn. The rise of stylish salons in their town had been gradually eating into her husband's clientele, making it challenging to support their family's basic needs.

Recognizing the need to contribute financially, Sangita took the initiative to transform the vacant space next to her husband's barbershop into a mini grocery and vegetable store. To her amazement, she managed to save INR 500 each day after covering her expenses from these two shops. The initial loan of INR 30,000 from ESAF provided the necessary boost to

establish these businesses.

Sangita now proudly shares, "Some days, I even have more customers than my husband," and her laughter resonates with her newfound success. She firmly believes that life's challenges always come with solutions within our grasp. The additional monthly income of INR 15,000 has significantly eased the burden on their struggling family. Furthermore, Sangita's forward-thinking includes an RD (Recurring Deposit) investment, which she believes will further nurture her growing business.

In Sangita's story, we find inspiration in her resilience and resourcefulness, proving that with determination and the right support, one can overcome life's hurdles and create opportunities for a brighter future.

Rising Together: Aysha and Jayasree's Journey from Hardship to Prosperity!



Aysha and Jayasree, dedicated members of the Janika Sangam in Kerala for a decade, found themselves facing financial hardships during the COVID-19 pandemic. Jayasree, with two children, relied on her husband's income as a stone worker, while Aysha, a mother of three, depended on her husband's union job. Determined to overcome their financial woes, they hatched a plan together last year: launching a floor mat manufacturing venture based on the guidance from ESAF cooperative.

To breathe life into their dream, they secured a loan from ESAF Bank and embarked on their entrepreneurial journey. The initial hurdles were daunting, but their unwavering

determination propelled them forward towards a brighter future for their business. As time passed, their enterprise grew, evolving from a modest startup to a full-fledged production unit.

Despite their business expansion, Aysha and Jayasree remained active members of the ESAF Sangam, keen on further improving and scaling their enterprise. They diligently saved a portion of their profits to invest in business expansion, procuring essential materials that would fuel their continued success. Their journey exemplifies the spirit of cooperation, resilience, and the transformative power of community-supported entrepreneurship.

Navigating Challenges, Charting Success!

Dear Members,

As we reflect on the past year, I am proud to present to you the financial performance and significant achievements that we had last year. Last year was marked by post-pandemic challenges, but our collective efforts, determination and financial discipline have enabled us to navigate them successfully.

Financial Performance

Despite the uncertainties in the market, our gross revenue increased by 42%, indicating our strength and trust of our

customers in the ESAF brand.

In spite of the increase in the number of branches and the employees and resulting escalation of costs we were able to achieve a growth of 11.8% in our profit before tax. However due to prior period tax adjustments post tax net profit reduced to Rs 39.49 crores. Our cash flow position was rather satisfactory, ensuring we can fuel our growth aspirations of Society and simultaneously provide returns to our valued members. This year, we had nearly 19% more long term borrowings mainly due to the Term Loan taken for the new Pulse Processing Unit which is being constructed at Kinfra Mea Food Park at Kanjikkod, Palakkad. The long term borrowings are just below 5% of the net worth of the Society indicating a very strong Balance Sheet.

Looking Ahead

The coming year presents new opportunities and challenges. We have planned for new Customer Service Centres, expansion in agro based revenue verticals and agency banking vertical. Our focus remains on sustainable growth, financial discipline, and ensuring a resilient financial foundation. We will continue to explore strategic investments and partnerships in pursuit of achieving the vision and mission of our society.

We have been pursuing Environmental Social Governance (ESG) principles and in future we plan to focus more on performance in terms of the PPP

approach. Our CEO is champion of ESG principles and have allocated more budget for the same. We will explore the possibility of a Triple Bottom Line reporting in the future. In closing, I would like to extend my sincere gratitude to our dedicated employees, loyal customers, auditors, bankers and in particular ESAF Small Finance Bank Limited the relation with whom is very important and critical to achieve our business plan. I also thank our beloved Members for your continued trust and support. Together, we will continue to forge ahead, with financial prudence and strategic focus, ensuring a brighter and prosperous future for all.

Best regards,

Sd/-

Sunil G Nampoothiri

Chief Financial Officer



Our focus remains on sustainable growth, financial discipline, and ensuring a resilient financial foundation.

III- Independent Auditor's Report



UDIN: 23218962BGWFDG8083

Independent Auditor's Report

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 2023, 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, 2023, 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.

KEY AUDIT MATTERS

Key Audit Matters are those matters that in our professional judgment were of most significance in our audit of the

Standalone Financial Statements of the period ending on 31st March 2023. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable for the society as it is a multistate cooperative society.

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, whether 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 cease 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 this 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 J Sebastin Place: Thrissur
Partner Date: 02/08/2023

Membership No.: 281962

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 - 680655

Balance Sheet as on 31 st March 2023

Particulars	Notes	As on 31 st March 2023 (₹)	As on 31 st March 2022 (₹)
Capital And Liabilities			
Shareholder's Funds			
Share Capital	3	2,58,58,24,270.00	2,64,65,87,750.00
Reserves And Surplus	4	2,93,12,39,233.74	2,53,63,13,873.24
		5,51,70,63,503.74	5,18,29,01,623.24
Non-Current Liabilities			
Long Term Borrowings	5	6,03,05,853.41	37,94,599.00
Other Long Term Liabilities	6	19,18,53,988.49	20,86,50,788.94
		25,21,59,841.90	21,24,45,387.94
Current Liabilities			
Other Current Liabilities	7	97,79,52,869.69	47,39,70,798.72
Short Term Provisions	8	20,27,69,636.56	21,29,72,252.83
		1,18,07,22,506.25	68,69,43,051.55
Total		6,94,99,45,851.89	6,08,22,90,062.73
Assets			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9	40,32,85,676.09	34,61,81,273.66
Intangible Assets		59,47,784.35	49,05,808.29
Work In Progress		4,33,69,840.72	
		45,26,03,301.16	35,10,87,081.95
Non-Current Investments	10	4,45,20,27,312.51	4,41,60,27,312.51
Long Term Loans And Advances	11	1,08,23,57,477.40	72,28,61,659.40
		5,53,43,84,789.91	5,13,88,88,971.91
Current Assets			
Short Term Loans And Advances	12	3,01,72,057.68	1,74,61,426.00
Inventories	18	40,49,586.87	-
Cash And Bank Balances	13	31,55,23,287.49	27,65,46,367.11
Other Current Assets	14	61,32,12,828.78	29,83,06,215.76
		96,29,57,760.82	59,23,14,008.87
Total		6,94,99,45,851.89	6,08,22,90,062.73

Notes referred to above form an integral part of Balance sheet

As per our report of even date attached.

A. John Moris & Co.,
Chartered Accountants
ICAI Firm Reg.No. 007220 S

Sd/-

J Sebastin

Partner

M.No.: 218962

Place: Thrissur

Date: 02-08-2023

UDIN: 23218962BGWFDG8083

Sd/-

Saleena George

Chairperson

Sd/-

Christudas Karayil Victor

Chief Executive Officer

Sd/-

Dr. Jacob Samuel

Vice Chairman

Sd/-

Sunil G Nampoothiri

Chief Financial Officer

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 - 680655

Statement of Profit And Loss for the Period ended 31 st March 2023

Particulars	Notes	For the period ended 31 st March 2023 (₹)	For the period ended 31 st March 2022 (₹)
Income			
Revenue From Operations	15	4,15,64,06,328.64	2,89,84,60,068.68
Other Income	16	23,47,71,076.26	19,29,34,387.92
Total Revenue (A)		4,39,11,77,404.90	3,09,13,94,456.60
Expenses			
Operational Cost	17	13,76,61,689.19	2,53,48,315.86
Change In Inventories	18	-40,49,586.87	0.00
Finance Cost	19	19,14,030.53	3,76,477.00
Employee Benefits Expense	20	2,77,61,78,470.73	1,91,89,01,601.28
Administration Expenses	21	71,50,22,186.36	47,14,94,791.08
Depreciation And Amortization Expense	9	6,72,54,879.00	5,19,01,602.00
Total Expenses (B)		3,69,39,81,668.94	2,46,80,22,787.22
Profit Before Exceptional And Extraordinary Items And Tax (A) - (B)		69,71,95,735.96	62,33,71,669.38
Less: Exceptional items & Extraordinary Items			
Profit / (Loss) Before Tax		69,71,95,735.96	62,33,71,669.38
Less: Tax Expenses			
Current Tax		24,54,28,089.60	15,49,85,881.49
Previous Year Tax Provision Reversed		5,68,42,285.86	-
		30,22,70,375.46	15,49,85,881.49
Profit / (Loss) After Tax		39,49,25,360.50	46,83,85,787.89

Notes referred to above form an integral part of Profit & Loss account

As per our report of even date attached.

A. John Moris & Co.,
Chartered Accountants
ICAI Firm Reg.No. 007220 S

Sd/-

J Sebastin

Partner

M.No.: 218962

Place: Thrissur

Date: 02-08-2023

UDIN: 23218962BGWFDG8083

Sd/-

Saleena George

Chairperson

Sd/-

Christudas Karayil Victor

Chief Executive Officer

For and on Behalf of the Board of Directors

Sd/-

Dr. Jacob Samuel

Vice Chairman

Sd/-

Sunil G Nampoothiri

Chief Financial Officer

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 - 680655

Cash flow statement for the year ended 31st March 2023

Particulars	For the year ended 31 st March 2023 (₹)	For the year ended 31st March, 2022 (₹)
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	69,71,95,735.96	62,33,71,669.38
Adjustments for:		
Depreciation and amortisation	6,72,54,879.00	5,19,01,602.00
Income from Investments	(16,35,70,395.18)	15,98,99,993.00
Operating profit / (loss) before working capital changes	60,08,80,219.78	51,53,73,278.38
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	-	-
Inventories	(40,49,586.87)	-
Short-term loans and advances	(1,27,10,631.68)	(1,35,79,824.00)
Other current assets	(31,49,06,613.02)	(8,06,50,314.79)
	(33,16,66,831.57)	(9,42,30,138.79)
Adjustments for increase / (decrease) in operating liabilities:		
Other current liabilities	50,39,82,070.97	23,89,98,197.18
Short Term Provisions	(6,19,00,473.83)	(6,31,53,049.37)
	44,20,81,597.14	17,58,45,147.81
Cash generated from operations	71,12,94,985.35	59,69,88,287.40
Net income tax (paid) / refunds	(25,05,72,517.90)	(22,10,13,565.89)
Net cash flow from / (used in) operating activities (A)	46,07,22,467.45	37,59,74,721.51
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(17,00,07,026.21)	(13,79,23,102.59)
Fixed Assets sold during the year	12,35,928.00	0.00
Investments made during the year	(3,60,00,000.00)	(6,15,00,000.00)
Income from Investments	16,35,70,395.18	15,98,99,993.00
Long term Loans and Advances	(35,94,95,818.00)	(48,37,61,574.00)
	(40,06,96,521.03)	(52,32,84,683.59)
Cash flow from extraordinary items	-	-
Net cash flow from / (used in) investing activities (B)	(40,06,96,521.03)	(52,32,84,683.59)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	(6,07,63,480.00)	(6,54,74,896.00)

Proceeds from long-term borrowings	3,97,14,453.96	(3,18,09,302.93)
	(2,10,49,026.04)	(9,72,84,198.93)
Net cash flow from / (used in) financing activities (C)	(2,10,49,026.04)	(9,72,84,198.93)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	3,89,76,920.38	(24,45,94,161.01)
Cash and cash equivalents at the beginning of the year	27,65,46,367.11	52,11,40,528.12
Cash and cash equivalents at the end of the year	31,55,23,287.49	27,65,46,367.11

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.

As per our report of even date attached.

A. John Moris & Co.,
Chartered Accountants
ICAI Firm Reg.No. 007220 S

Sd/-
J Sebastin
Partner
M.No.: 218962
Place: Thrissur
Date: 02-08-2023
UDIN: 23218962BGWFDG8083

Sd/-
Saleena George
Chairperson

Sd/-
Christudas Karayil Victor
Chief Executive Officer

For and on Behalf of the Board of Directors

Sd/-
Dr. Jacob Samuel
Vice Chairman

Sd/-
Sunil G Nampoothiri
Chief Financial Officer

Notes forming part of the financial statements as on 31st March 2023

Note	Particulars
1	Society's Basic Information
	<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 ,Haryana and New Delhi.</p> <p>The Society has in its member fold 10,74,581(Ten lakhs seventy four thousand five hundred and eighty one) members at the end of the financial year, spread over eight states where the society is functioning.</p>
2	Significant accounting policies
2.1	Basis of accounting and preparation of financial statements
	<p>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>
2.2	Use of estimates
	<p>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>
2.3	Fixed Assets
	<p>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>
2.4	Depreciation and amortisation
	<p>(i) Depreciation has been provided on the Written Down value method .</p> <p>(ii) Depreciation on additions is charged proportionately from the date of acquisition/installation as per the Income Tax Act,1961.</p> <p>(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</p>
2.5	Revenue recognition
	<p>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.</p> <p>Operating Income is recognised as and when they accrue.</p>

2.6	Other income
	<p>Interest income on Fixed Deposits with Banks is accounted on accrual basis.</p> <p>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.</p>
2.7	Investments
	<p>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.</p> <p>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.</p>
2.8	Employee benefits
	<p>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.</p> <p>b. Provident Fund and other defined benefit contribution</p> <p>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.</p> <p>c. Gratuity</p> <p>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.</p> <p>d. Employee Benefit Trust</p> <p>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.</p>
2.10	Segment reporting
	The Segmental reporting regulations are not applicable to the Society.
2.11	Taxes on income
	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
2.13	Contingent Liability
	<p>The society has filed an appeal with CIT(Appeal) Authority for Assessment Year 2017-18 and 2020-21 for the Income Tax Related issue for which the society has paid advance of 20% for filing the appeal for both the Assessment Year. The Tax amount in contention is the penalty amount of Rs. 89,89,794 for Assessment Year 2017-18. The Tax amount in contention is a demand of Rs. 2,97,53,636 and penalty of Rs. 76,46,853 for Assessment Year 2020-21.</p>

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 - 680655

Note 3. Share Capital

Particulars	As on 31st March 2023 (₹)	As on 31st March, 2022 (₹)
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	2,58,58,24,270.00	2,64,65,87,750.00
Total	2,58,58,24,270.00	2,64,65,87,750.00

Note 4. Reserves And Surplus

Statutory Reserves *		
Opening Balance	91,40,55,247.56	74,54,36,363.56
Reserve Fund @25%	9,87,31,340.00	11,70,96,447.00
Education Fund for National Cooperative Union @ 1%	39,49,254.00	46,83,858.00
Fund For Unforeseen Losses @10%	3,94,92,536.00	4,68,38,579.00
Sub - Total	1,05,62,28,377.56	91,40,55,247.56
Balance of Profit & Loss A/c		
Opening Balance	1,62,22,58,625.68	1,32,24,91,721.79
Add: Profit for the year	39,49,25,360.50	46,83,85,787.89
Less: Transfer to Statutory Reserves	14,21,73,130.00	16,86,18,884.00
Sub - Total	1,87,50,10,856.18	1,62,22,58,625.68
Total	2,93,12,39,233.74	2,53,63,13,873.24

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

Note 5. Long Term Borrowings/Deposits

Secured:		
Term Loan Agri& Allied Projects (HDFC)	5,33,40,676.00	-
Vehicle loan	69,65,177.41	37,94,599.00
	6,03,05,853.41	37,94,599.00

Note 6. Other Long Term Liabilities

Contingency fund	18,07,08,663.49	18,45,37,372.94
Employee Leave Encashment Policy	1,11,45,325.00	2,41,13,416.00
Total	19,18,53,988.49	20,86,50,788.94

Note 7. Other Current Liabilities

Particulars	As on 31 st March 2023 (₹)	As on 31st March, 2022 (₹)
Statutory Payables		
TDS	48,51,745.00	22,46,311.00
EPF, ESI ,PT & Labour Welfare Fund	3,93,36,324.00	3,01,99,016.00
GST	11,65,22,402.43	8,91,16,974.89
Payables to Related Parties for Assets acquired		
ESAF Enterprise Development Foundation	1,88,46,900.00	1,88,46,900.00
Advance received from Members	1,60,89,322.73	0.00
Trade Payables	1,39,28,630.79	3,59,92,142.40
Other Payables		
Audit Fees	7,20,000.00	8,00,000.00
Caution Money	49,35,000.00	49,33,000.00
Project Funds (International Finance Corporation (World Bank Group)	38,01,718.72	38,01,718.72
Facilitation Fee Payable	1,66,32,946.02	43,65,943.00
BO & CSC Remittance payable	27,42,73,836.59	0.00
Retention Money Payable	68,73,197.96	0.00
Expenses payable	46,11,40,845.45	28,36,68,792.71
Total	97,79,52,869.69	47,39,70,798.72

Note 8. Short Term Provisions

Provision for Taxation	24,54,28,089.60	15,49,85,881.49
Less:		
TDS Receivable	22,37,12,645.90	14,50,21,850.13
TCS	59,662.00	7,107.22
Advance Tax	4,00,01,000.00	8,00,00,000.00
	-1,83,45,218.30	-7,00,43,075.86
Provision for Bonus to Employees	13,05,29,070.00	10,69,47,528.00
Provision for Gratuity to Employees	3,43,74,000.00	1,62,58,000.00
Provision for Salary, Allowances and Incentives	2,17,07,101.00	10,89,98,646.00
Other Provisions	3,45,04,683.86	5,08,11,154.69
Total	20,27,69,636.56	21,29,72,252.83

Notes forming part of the financial statements as on 31st March 2023

Note: 9 Details of Fixed Assets

Description	Gross Block				Depreciations			Net Block	
	As on 31st March 2022	Additions		Deletions	As on 31st March 2023	Rate %	Upto 31st March 2022	Depreciation during the year	Total
		First Half Year	Second Half Year						As on 31st March 2023
Tangible Assets									
Land	4,62,07,610.00	-	-	-	4,62,07,610.00	-	-	-	4,62,07,610.00
Computer & Accessories	7,65,51,445.82	1,50,47,559.45	76,09,786.01	-	9,92,08,791.28	40%	3,51,61,339.88	2,40,97,024.00	5,92,58,363.88
Vehicle	6,770,268.61	47,74,010.29	-	12,35,928.00	1,03,08,350.90	15%	32,37,183.00	10,60,675.00	42,97,858.00
Plant & Machineries	43,13,225.60	3,82,800.00	-	-	46,96,025.60	15%	11,59,561.31	5,30,469.00	16,90,030.31
Office Equipments	10,52,01,277.20	1,18,08,280.65	71,39,219.84	-	12,41,48,777.69	15 %	2,44,51,677.91	1,44,19,123.00	3,88,70,800.91
Furniture & Fixtures	20,49,62,212.85	4,94,71,984.94	2,55,53,579.25	-	27,99,87,777.04	10 %	3,38,15,004.32	2,33,39,599.00	5,71,54,603.32
Sub Total	44,40,06,040.08	8,14,84,635.33	4,03,02,585.10	12,35,928.00	56,45,57,332.51		9,78,24,766.42	6,34,46,890.00	16,12,71,656.42
Intangible Assets									
Software	1,43,72,754.25	43,78,365.06	4,71,600.00	-	1,92,22,719.31	40%	94,66,945.96	38,07,989.00	1,32,74,934.96
Total	45,83,78,794.33	8,58,63,000.39	4,07,74,185.10	12,35,928.00	58,37,80,051.82		10,72,91,712.38	6,72,54,879.00	17,45,46,591.38
									34,61,81,273.66
									40,32,85,676.09
									59,47,784.35
									40,92,33,460.44
									35,10,87,081.95

Work in Progress

Capital work in Progress	-
Plant & Machineries	3,39,06,932.52
Building	94,01,156.20
Electrical Works	61,752.00
Total	4,33,69,840.72

Note 10. Non Current Investments

Particulars	As on 31 st March 2023 (₹)	As on 31st March, 2022 (₹)
Investment in Equity Shares		
Rhema Dairy Products India (P) Ltd.	4,89,56,650.00	4,89,56,650.00
ESAF Swasraya Producers Company Ltd	57,12,380.00	57,12,380.00
ESAF Financial Holdings (P) Ltd	1,94,23,05,953.00	1,94,23,05,953.00
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	93,53,73,959.51
Lahanti Lastmile Services Pvt Ltd	3,00,00,000.00	3,00,00,000.00
Investment in Preference Shares		
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 Optionally Convertible Preference Shares		
Cedar Retail (P) Ltd.	2,50,00,000.00	2,50,00,000.00
Lahanti Lastmile Services Pvt Ltd	6,50,00,000.00	3,50,00,000.00
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	2,50,00,000.00
NCDs - Rhema Dairy	60,00,000.00	0.00
New India Travel Co operative Society	50,000.00	50,000.00
Total	4,45,20,27,312.51	4,41,60,27,312.51

Note 11. Long Term Loans & Advances

Advance for land	5,23,52,604.00	4,94,02,604.00
Security Deposits		
Rent Advances & Deposits	5,73,73,243.00	7,97,32,011.00
Advance paid for Income Tax Appeal	59,50,730.00	-
Deposit with FLDG marked	94,67,90,301.00	59,31,79,449.00
Deposits- Agri & Allied Projects	1,92,92,030.00	-
Telephone Deposit	4,803.40	4,803.40
Electricity Deposit	5,93,766.00	5,42,792.00
Total	1,08,23,57,477.40	72,28,61,659.40

Note 12. Short Term Loans & Advances

Particulars	As on 31 st March 2023 (₹)	As on 31st March, 2022 (₹)
Staff Advances	43,80,668.00	36,43,703.00
Advance for Expenses	1,67,06,389.68	56,57,723.00
Advance for Share purchase-VFL	81,60,000.00	81,60,000.00
EMD- Agri Incubation Centre	50,000.00	0.00
Advance to Rhema Dairy	8,75,000.00	0.00
Total	3,01,72,057.68	1,74,61,426.00

Note 13. Cash And Bank Bank Balances

a) Cash in Hand	0.00	0.00
b) Balances with Banks		
Current/Savings Account	30,92,54,397.39	27,14,62,161.11
Term Deposit	62,68,890.10	50,84,206.00
Total	31,55,23,287.49	27,65,46,367.11

Note 14. Other Current Assets

Income Receivable as Business Correspondent	46,67,26,494.39	20,38,57,703.04
Facilitation charges receivable	84,67,828.04	0.00
Income from NCDs/PDI/FD receivable	1,78,89,034.91	1,85,67,112.81
Employees Leave Encashment Scheme	1,61,37,608.77	2,65,95,057.61
Other Receivables		
Dividend on CCPs receivable	53,46,034.00	15,04,760.00
Staff receivables	46,04,638.50	31,18,523.50
Other receivables	3,12,72,131.00	3,36,47,753.34
Receivable from parties of Facility Management services	2,61,60,985.92	0.00
Receivable from parties of Agri & Allied Project	28,75,299.90	0.00
CSC & BO receivable	1,65,16,591.89	69,99,914.00
Income Tax Refund	1,72,16,181.46	40,15,391.46
Total	61,32,12,828.78	29,83,06,215.76

Notes referred to above form an integral part of Balance sheet

15. Revenue From Operations

Particulars	For the period ended 31 st March 2023 (₹)	For the period ended 31 st March 2022 (₹)
(a) Admission fees	99,901.58	66,500.00
(b) Income from Agency banking Services	3,39,31,822.30	79,84,939.37
(c) Income from Business Correspondent Services	3,89,01,32,472.08	2,71,89,12,075.16
(d) Income from Facility Management Services	19,89,42,371.98	15,77,48,567.89
(e) Facilitation Charges	2,02,39,576.26	32,21,979.83
(f) Income from Agri & Allied Projects	1,30,60,184.44	1,05,26,006.43
Total	4,15,64,06,328.64	2,89,84,60,068.68

16. Other Income

(a) Interest on Savings bank accounts	68,00,192.39	1,46,57,468.34
(b) Interest on Term deposits	4,86,14,440.00	1,80,07,659.00
(c) Dividend from Investments	49,95,890.00	-
(d) Income from Investments	16,35,70,395.18	15,98,99,993.00
(e) Other income	1,07,90,158.69	3,69,267.58
Total	23,47,71,076.26	19,29,34,387.92

17. Operational Cost

Purchase For Agency Business	1,86,89,400.00	-
Purchase For Agriculture business	54,22,486.37	28,99,398.40
Facility Management Expenses	1,83,05,306.97	1,19,83,423.55
Agency banking Expenses	1,68,09,036.71	11,08,872.79
Agri & Allied Project Expenses	1,02,06,368.52	28,72,902.02
Facilitation charges	4,47,39,096.62	64,83,719.10
FLDG Charges	2,34,89,994.00	-
Total	13,76,61,689.19	2,53,48,315.86

18. Change in Inventories

Particulars	For the period ended 31 st March 2023 (₹)	For the period ended 31 st March 2022 (₹)
Opening Stock		
a) Agency Business	-	-
b) Agri. Business	-	-
Total Opening Stock	-	-
Closing Balance		
a) Agency Business	36,15,058.00	-
b) Agri. Business	4,34,528.87	-
Total Closing Stock	40,49,586.87	-
Total	-40,49,586.87	-

19. Finance Cost

Interest Paid On Vehicle Loan	4,48,254.41	3,76,477.00
Interest Paid On Term Loan	14,65,776.12	0.00
Total	19,14,030.53	3,76,477.00

20. Employee Benefits Expenses

Salaries, Allowances & Incentives	2,66,29,95,441.63	1,86,53,76,535.06
Staff Welfare Expenses	1,77,36,636.83	98,22,556.55
Staff Recruitment & Training	6,10,72,392.27	2,74,44,509.67
Gratuity Expenses	3,43,74,000.00	1,62,58,000.00
Total	2,77,61,78,470.73	1,91,89,01,601.28

21. Administration Expenses

Members Training Programs	30,22,369.00	8,82,819.00
Travelling Expenses	38,78,88,785.14	24,20,06,829.72
Meeting Expenses	1,80,64,978.17	53,36,735.33
Annual Maintenance Charge	12,55,534.64	8,38,275.54
Rates and Taxes	2,15,819.00	1,56,642.00
Consultancy Fees	79,97,164.00	1,29,27,241.00
Members Welfare programs/Expenses	15,57,237.15	1,91,329.00
GST Expenses	2,83,21,374.70	2,19,76,395.42
Interest on Taxes & fines	6,15,998.17	15,96,109.88
Rent	9,71,50,927.90	7,34,50,998.00
Water & Electricity Charges	1,18,28,969.43	84,31,114.73

Particulars	For the period ended 31 st March 2023 (₹)	For the period ended 31 st March 2022 (₹)
Office Maintenance, Repairs & Maintanance & warehousing	1,51,61,335.90	1,90,27,118.55
Telephone and Internet charges	5,17,25,625.04	3,24,72,769.77
Postage & Courier	46,67,258.81	35,13,318.89
Printing & Stationery	1,93,83,840.89	95,69,526.77
Bank charges	3,78,70,486.89	1,16,45,308.92
Payment to Auditors	9,63,682.50	9,49,120.36
Insurance Expenses	18,26,399.93	17,34,178.00
General Expenses	34,91,562.25	71,45,888.80
Relief Expenses	1,28,629.71	5,00,908.00
Royalty	97,87,629.00	87,45,780.08
Vehicle Maintenance	4,76,902.42	-
IT Service Expenses	86,69,231.18	60,60,704.45
Software Expenses- HRMS	29,50,444.54	23,35,678.87
Total	71,50,22,186.36	47,14,94,791.08

Note 21.1

Statutory Audit	8,00,000.00	8,00,000.00
Reimbursement of expenses	1,63,682.50	1,49,120.36
Total	9,63,682.50	9,49,120.36

Note 22 Disclosures under Accounting Standard - 18

Related party transactions

Details of related parties:

Description of relationship	Names of related parties
Chairperson	Mrs. Saleena George
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	ESAF Foundation (formerly known as 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

Disclosure of transactions and Outstanding Balances as on 31st March 2023

Particulars	Related Party	For the year ended 31st March 2023 (₹)	For the year ended 31st March 2022 (₹)
A. Transactions during the Year			
1. Contractual consideration	ESAF Foundation (formerly known as Evangelical Social Action Forum)	0.00	3,59,900.00
2. Payment to Gratuity Trust	ESAF Cooperative Employees Group Gratuity Fund Trust	3,43,74,000.00	1,62,58,000.00
3. Royalty payment	ESAF Foundation (formerly known as Evangelical Social Action Forum)	97,87,629.00	87,45,780.08
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.)	84,67,828.04	86,33,045.04
5. Advance for Land	Lahanti Homes & Infrastructure (p) Ltd (formerly known as ESAF Homes & Infrastructure (P) Ltd.)	4,98,52,604.00	4,94,02,604.00
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)	0.00	0.00
	Cedar Retail (P) Ltd formerly known as ESAF Retail (P) Ltd.	3,93,84,580.00	3,93,84,580.00
	ESAF Healthcare Services (P) Ltd.	26,75,000.00	26,75,000.00
	Lahanti Lastmile Services (P) Ltd.	6,50,00,000.00	3,50,00,000.00

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	57,12,380.00	57,12,380.00
	ESAF Financial Holdings (P) Ltd(formerly known as ESAF Micro Finance and Investments Private Limited)	1,94,23,05,953.00	1,94,23,05,953.00
	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)	-	-
9. Interest on Compulsorily Convertible Preference Shares from Subsidiary Companies	Cedar Retail (P) Ltd (formerly known as ESAF Retail (P) Ltd.)	15,04,760.00	7,19,229.00
10. Other Payable (royalty payable)	ESAF Foundation (formerly known as Evangelical Social Action Forum)	97,87,629.00	87,45,780.08
11. Short Term Provision	ESAF Cooperative Employees Group Gratuity Fund Trust	3,43,74,000.00	1,62,58,000.00

Note 23 Disclosures under Accounting Standard 15

21.1 Employee Benefit Plans

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. 18,37,64,009/- for Provident Fund contributions and Rs. 4,70,76,567/- 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

Particulars	Year ended 31 March, 2023 (₹ in thousands)	Year ended 31 March, 2022 (₹ in thousands)
Current Service Cost	36,070	26,540
Interest cost	8,063	6,457
Expected return on plan assets	-7,553	-5,391
Actuarial Loss/(Gain)	-2,206	-11,348
Employer expense/(Income)	34,374	16,258

Particulars	Year ended 31 March, 2023 (₹ in thousands)	Year ended 31 March, 2022 (₹ in thousands)
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Net (asset) / liability recognised in the Balance Sheet

Present value of defined benefit obligation	1,95,178	1,64,556
Fair Value of plan assets	1,64,530	1,52,024
Net Liability /(Assets)	30,648	12,532
Less: Unrecognised Past Service Cost		-
Net liability recognised in the Balance Sheet of Fund Trust	30,648	12,532

Change in defined benefit obligations (DBO) during the year

Present Value of DBO at the start of the year	1,64,556	1,43,491
Transfer In/(Out)		
Current Service Cost	36,070	26,540
Interest Cost	8,063	6,457
Benefits Paid	(15,043)	(5,615)
Actuarial Loss/(Gain)	1,532	(6,317)
Present Value of DBO at end of the year	1,95,178	1,64,556

Actuarial Assumptions

Discount Rate	7.1%	4.9%
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

Particulars	2022-23 (₹ in thousands)	2021-22 (₹ in thousands)
Present value of DBO	1,95,178	1,64,556
Fair value of plan assets	1,64,530	1,52,024
Funded status [Surplus/(Deficit)]	(30,648)	(12,532)
Experience adjustment on plan liabilities: (Gain)/Loss	17,125	(3,818)
Experience adjustment on plan assets: Gain/(Loss)	4,354	4,313

IV- Subsidiary Ecosystem of ESAF Cooperative



ESAF Swasraya Producers Company Limited

ESAF Swasraya Producers Company Limited (ESPCL) is one of the first Producer Companies in India that has received NABARD support from its inception. Through its various initiatives, ESPCL showcases the potential of community driven approaches to development. Following initiatives serves as an inspiring example of how a farmer producer company can make a meaningful impact on the lives of marginalized communities while promoting sustainable development.

Agri & allied initiatives: - ESPCL has been manufacturing an array of Bio products like Bio-Fertilizers, Bio pesticides, Organic Manure, Neem Based Organic Manure, Growth Promoters, Micro Nutrients, and Coir Pith. Besides inspiring farmers to shift to sustainable agricultural practices through its products, ESPCL has also played an instrumental role in setting up seminars, works shops offer knowledge and guidance to farmers, home gardeners and others who want to commit to sustainable farming.

Jute Products: - ESPCL has embarked on a journey to revive and promote jute products. Jute, known for its eco-friendliness and versatility, is an ideal choice for sustainable livelihoods. By engaging local artisans, ESPCL has been able to tap into the rich tradition of jute craftsmanship. The production of jute products not only provides employment opportunities but also contributes to the preservation of traditional art forms and encourages the use of eco-friendly materials.



ESAF SWASRAYA PRODUCERS COMPANY LIMITED

Through its various initiatives, ESPCL showcases the potential of community driven approaches to development.

Bamboo Products: - Jharkhand is known for its abundant bamboo resources, and ESPCL has harnessed this potential to create livelihood opportunities for the local population. The production of bamboo products, ranging from handicrafts to furniture, showcases the region's craftsmanship and the versatility of bamboo as a sustainable material. This initiative not only generates income for artisans but also encourages sustainable harvesting practices, ultimately benefiting both people and the environment.

Water Hyacinth Products: - India's backwaters are often graced by the presence of water hyacinth, an invasive plant that can clog waterways. ESPCL has turned this challenge into

an opportunity by working with local artisans to create water hyacinth products. By weaving this aquatic plant into baskets, mats, and various handicrafts, ESPCL not only helps remove this invasive species but also provides a source of income for the artisans involved. This initiative not only benefits local communities but also contributes to environmental conservation.

Cedar Retail

CEDAR Retail was established with a dual objective of creating an affordable and accessible consumer goods market for every stratum of society and to create forward linkages for small entrepreneurs and manufacturers by providing them with reliable and viable supply chains.

ESAF Retail was established in the year 2008 and was subsequently renamed as CEDAR Retail Private Limited on 01st Jan 2020. CEDAR Retail's area of operation includes Retail and Distribution, Micro Retail, Natural Fiber and Consumer Electronics.

We, at CEDAR Retail understood the problems faced by the farmers and micro -entrepreneurs in marketing their produce and hence decided to market their produce without involving any middleman in this process. Through this venture, CEDAR Retail aims at bringing a positive change in the society by working with the marginalized sections especially women by providing them a platform to market their produce and thus ensuring



CEDAR



CEDAR Retail aims at bringing a positive change in the society by working with the marginalized sections especially women by providing them a platform to market their produce and thus ensuring a steady source of income.

a steady source of income. This will not only empower them economically but also ensure a better quality of life. CEDAR Retail has focused all its

efforts in the upliftment of economically weaker sections by providing them with livelihood and making them economically self – reliant.

Rhema Dairy

ESAF Institutions' overarching vision is to combat the disparities created by prosperity, with a particular focus on economically empowering marginalized communities. One significant portion of this marginalized population consists of farmers. In India, the unfortunate reality is that farmers bear the entire financial burden of agricultural activities, while the value addition and marketing aspects are often managed by other entities. This stark division results in a considerable gap between the price consumers pay for agricultural products and the income received by the farmers themselves.

To address this issue, ESAF has implemented various interventions, including the mobilization of farmers into farmer-owned institutions. These initiatives empower farmers through access to credit, processing and value-addition technologies, improved market connections, and enhanced business management skills. These efforts enable farmers to command a larger share of the consumer rupee and participate more effectively in the market. Consequently, this approach realizes the generation of wealth from markets and its fair distribution among the masses, truly embodying the mission of "Fighting the Partiality of Prosperity" in a people-centric manner.



These efforts enable farmers to command a larger share of the consumer rupee and participate more effectively in the market.

One specific embodiment of this strategy is Rhema Dairy, which focuses on supporting dairy farmers. Rhema Dairy organizes collectives of milk producers and operates a Milk Chilling Plant in Cumbum, where milk is collected and cooled. Milk processing, value addition, and marketing activities are conducted at Rhema's Aluva Dairy Plant in Aluva. The Rhema brand has gained rapid consumer appreciation for its dairy products, including milk,

curd, ghee, buttermilk, and more. Major buyers of Rhema's products include Reliance Retail, Vaidyaratnam Ayurvedic Manufacturing, Rajagiri Hospital, Lissie Hospital, Amalgum Exports, Vikas Babu Bengali Sweets Chain, among others. Rhema is expanding its milk procurement operations to the Vithalkund area in Tamil Nadu and is also venturing into paneer manufacturing as part of its ongoing growth efforts.

Lahanti Lastmile Services Private Limited

Lahanti Last Mile Services (P). Ltd was incorporated on 13 April 2016. We have travelled through the length and breadth of India and identified many locations where we need to be essentially present to fulfil our dream and mission of transforming the lives of the economically and financially poor segments of the people. We found them rich in integrity, honesty and trustworthiness; but lacking financial literacy and awareness. LLMS selected a few locations on priority and conducted financial literacy programmes and encouraged them to adopt banking habits and to keep themselves away from money lenders and financial intermediaries. Present in 90 locations in 49 districts of 8 states of India (as on 31/03/2022), LLMS is equipped to move on further in its mission as a Business Correspondent of ESAF Small Finance Bank.

Currently, LLMS operates from 90 locations in 8 states (Assam, Bihar, Jharkhand, Karnataka, Odisha, Tripura,

Uttar Pradesh, West Bengal). Most of these locations are in the farthest corners of rural India. Where people lives, we reach out to them, create financial

literacy, knowledge and up skill them on banking habits



LLMS is equipped to move on further in its mission as a Business Correspondent of ESAF Small Finance Bank.

ESAF Health Care

The ESAF Hospital & Research Center, a nonprofit organization affiliated with the ESAF Foundation and ESAF Charitable Society (Registration No. 129), is situated in the Tachampara Gram Panchayat. The majority of patients seeking treatment at this facility come from underprivileged backgrounds, and the hospital has made a concerted effort to keep its rates affordable for everyone. On a typical day, the hospital handles around 450 outpatient cases, with admissions peaking during the current dengue fever season.

This hospital serves as the sole operational healthcare facility between Palakkad and Mannarkkad. It boasts a wide range of medical departments, including general medicine, orthopedics, pediatrics, dentistry, ophthalmology, general surgery, dermatology, physical therapy, and a 24-hour emergency room. The children's department provides free care to deserving underprivileged children, thanks to charitable funding.

In addition to the hospital, the Deenabandhu School of Nursing operates under its auspices, with a mission to empower disadvantaged



This hospital serves as the sole operational healthcare facility between Palakkad and Mannarkkad.

girls. This institution obtained approval from the Kerala Nursing Council and the Indian Nursing Council in 1999, commencing its general nursing courses in 2000. Each year, 30 young individuals are admitted, resulting in a total of approximately 100 students studying across three batches. The 25th batch has already been enrolled. For females

from economically disadvantaged backgrounds, including those from Scheduled Tribes (ST), Economically Backward Classes (EC), and Scheduled Castes (SC), all educational, housing, and food expenses are completely waived. Furthermore, these students receive a monthly stipend of Rs 200 to support their educational journey.

Partners

Subsidiary Companies



Banking Partners



Agri Vendors



Official Partners



Insurance Partners



Micro ATM Vendors



Our Statutory Auditors

M/s A. John Moris & Co, Chartered Accountants, Chennai

Our Corporate lawyers

M/s Universal Legal, Chennai

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.

At ESAF Cooperative, we are relentless stewards of our environment's well-being. Join us in our eco-conscious journey by seamlessly unlocking the digital edition of this Annual Report on your smart device. Let the magic unfold as you **Scan this QR code**, ensuring a greener tomorrow with every pixel.



Download previous years' Annual Reports from www.esafcooperative.in



1992

THE SUCCESS JOURNEY BEGINS HERE



Established
ESAF Society
as an NGO

1995



Launched microcredit operations under Micro Enterprises Development Project, with the support of EFICOR



ESAF launched Micro Enterprise Development (MED) initiative (First in Kerala) and disbursed first loan at Methala, Thrissur

1997



K. Paul Thomas, Founder & MD met Prof. Muhammad Yunus in Bangladesh to understand the nuances of microcredit

1998



Received Seed capital from Grammen Trust, Bangladesh

2004



Expanded operations to Tamil Nadu, Maharashtra and Chattisgarh

2006



Crossed 1,00,000 members

2007



Wins Micro-Insurance Award instituted by ING Netherlands and Planet Finance India. Attained ₹1,000 million cumulative disbursements.

2008



Ranked 14th in the world, and 4th in India for transparency and efficiency by miX Market.



MED operations transformed to ESAF Microfinance (RBI Licenced NBFC) after acquiring the portfolio from ESAF NGO

2009



Equity Investment by Dia Vikas Capital (P) Ltd., a wholly owned subsidiary of Opportunity International, Australia.



Selected by International Labour Organization (ILO) for the project 'Microfinance for decent work'.

2010



Equity investment by Maanaveyye Holdings (P) Ltd., a wholly owned subsidiary of Oiko Credit, Netherlands.



Selected by the Govt. of India as an aggregator for Swavalamban Yojana, pension scheme (NPS Lite).

2011



Rated mFR4 by CRISIL. Rated 8+ (Responsible Microfinance) and 28+ (Social Rating) by M-CRIL.



ESAF Swasraya Multistate Co-op. Credit Society got incorporated

2012



ESAF completes two decades of social service.



SROI Study suggests that, for the equivalent of every ₹1 invested in ESAF Microfinance, ₹3.19 is returned in social value.



Rated mFR3 by CRISIL Ratings

2013



Selected by World Bank Group for India Development Marketplace award.



MF Transparency has awarded an official seal of transparency for transparent pricing.



K. Paul Thomas, CMD becomes the Director of mfin.



Selected as Service Provider for Mahatma Gandhi Prashad, Swavalamban Yojana by the Govt. of India.



ESAF wins the title 'Social, Transparent and Responsible' (STR) 2013, granted by MFI Market.

2014



Received 'NBFC-MFI' licence from Reserve Bank of India



SIDBI acknowledges ESAF's gender mainstreaming strategy



Launches Ultra Poor Program in Jharkhand



Rated mFR2 by CRISIL Ratings

2015



Graded MFR2+ and Bank Loan Rating 'BBB+' by Care Ratings



The Cultural Village project of ESAF won the Walk21 Voluntary Award from Walk 21



ESAF Crossed ₹10 Billion Gross Loan Portfolio



ESAF Microfinance has received principal approval for Small Finance Bank from the RBI



ESAF Launched Lakshmi Institute of Multiple Skills in Jharkhand



Rated A+ by Brickwork Ratings a premier rating agency.



ESAF Quarterly Newsletter 'Lakshmi' wins NIB Award (GABA) for the second time in a row.

2016



ESAF Received Special Jury Award for serving SDGs from Chamber of Indian Micro Small & Medium Enterprises



K. Paul Thomas, CMD wins Chairman Marketing Man of the Year 2015



ESAF received SKOCH Order of Merit Award for its excellence in Financial Inclusion space



ESAF received Indiewood CSR Excellence Award



ESAF won Inclusive Finance India award by ACCESS ASSIST



ESAF Chairman K. Paul Thomas won 'Entrepreneur of the Year' Award by TE Konle.



NCUI Membership received

2017



AMCOS, Association of Multi state Co-operative Societies honoured ESAF Chairman K. Paul Thomas for his glorious contributions to the Co-operative sector



ESAF received ₹10 Million as the first tranche of Carbon Credit revenue and became the first MFI from India to win Carbon Credit revenues.



ESAF celebrated 25 years of Social Service



ESAF won 'Banking Excellence Award' from Chamber of Indian Micro Small & Medium Enterprises



ESAF launched ESAF Small Finance Bank, the first bank from Kerala since independence

2018



ESAF Founder & Mentor K. Paul Thomas won TMA Management Excellence Award



Govt. of India picks ESAF for Atal Pension Yojana



ESAF Founder & Mentor K. Paul Thomas won Chamber of Commerce Award 2018



100 Homes Project & Flood Relief Initiatives

2020



COVID Relief activities

2021



CFC Poochatty



KINFRA Project



OPPORTUNITY Sustainable Project

2023



Member International Co-operative Alliance



ESAF SWASRAYA MULTI STATE AGRO CO-OPERATIVE SOCIETY LIMITED

Registered under the Multi State Co-operative Societies Act, 2002, REG.NO, MSCS/CR/442/2011

Registered Office: 1st Floor, JSR Square Building, Ollukkara P. O., Kalathode, Thrissur, Kerala - 680 655

Corporate Office: 2nd Floor, Hepzibah Complex, Mannuthy P. O., Thrissur, Kerala - 680 651

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