

the Bank. The Board also reviews the adequacy and effectiveness of the Bank's internal financial controls relating to its internal financial statements.

22. Whistle Blower Policy/ Vigil Mechanism

The Bank has adopted a Whistle Blower Policy and Vigil Mechanism in compliance with the relevant provisions of Companies Act, 2013 and Rules thereunder. This Policy provides an opportunity to address concerns of employees, vendors & Directors relating to fraud, malpractice or any other activity or event which is against the interest of the Bank or society as a whole. The Policy is available in the Bank's website. During the year there were no complaints received in this regard.

23. Information as per Section 134 (3) (g) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014

- i) The Bank has no activity relating to conservation of energy or technology absorption.
- ii) During the year, the Bank did not have any foreign currency earnings of foreign currency expenditure during the year.

24. Particulars of contracts or arrangements with Related Parties

The details of transactions to be reported under Section 188 (1) of the Act in Form AOC-2 is annexed.

25. Loans / Guarantees / Investments

The Bank has not given any loans/guarantees and has not made any investment in securities as covered under Section 186 of the Companies Act, 2013.

26. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Bank has in place, a Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up for redressal of complaints. During the year 2016-17, no complaints were received under the Policy.

27. MGT - 9

The extract of Annual Return in MGT-9 as required under Section 92(3) of the Act and prescribed in Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended to this Report.

28. In accordance with Rule 8(5)(vii) of the Companies (Accounts) Rules 2014, there have been no significant and material orders passed by the Regulators or courts or tribunals impacting the going concern status and the future

operations of the Bank.

29. Green Initiatives

Electronic copies of the Annual Report for the FY 2016-17 and the Notice of the AGM is being sent to all the members whose email addresses are registered with the Company. For members who have not registered their email address, physical copies are sent in the permitted mode.

Acknowledgement

The Directors are grateful to the RBI, other government and regulatory authorities, other banks and financial institutions for their support and guidance. The Directors gratefully acknowledge the excellent relationship with the Board of the Holding Company and their continued guidance and support for the various activities of the Bank. The Directors also place on record their sincere thanks to the valued clients and customers for their patronage. The Board also expresses its deep sense of appreciation to all employees of the Bank for their commitment and contribution to the growth of the Bank.

For and on behalf of the Board of Directors

Sd/-

Kadambelil Paul Thomas
Managing Director & CEO
DIN: 00199925

Sd/-

Prabha Raveendranathan
Chairman
DIN: 01828812

22 September 2017
Thrissur

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	U65990KL2016PLC045669
Registration Date	05/05/2016
Name of the Company	ESAF SMALL FINANCE BANK LIMITED

Category / Sub-Category of the Company	Public Limited Company
Address of the Registered office and contact details	HEPZIBAH COMPLEX, SECOND FLOOR, NO.X/109/M4, MANNUTHY. PO, Thrissur, Kerala - 680651 PH: 0487 2373813 Email: ho@esafbank.com
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link In Time India Private Limited C-13 Pannalal Silk Mills Compound LBS Marg, Bhandup West Mumbai 400 078 Tel: 022 - 25946970 Fax: 022 - 25946969

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
Activities of holding Company	64200	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Name And Address Of The Company	CIN/ GLN	Holding / Subsidiary / Associate	% Of Shares Held	Applicable Section
ESAF Micro-finance and Investments Pvt Ltd No 8/9, Mansuk Buildings, Flat No.3A, 3rd Floor, Gangadeeswara Koil St, Pura-sawalkam, Chennai - 600 084	U65910TN1996PTC036650	holding	93.10 %	2 (46)

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

a) Equity shareholding

Particulars	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physi- cal	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual/ HUF	-	5000	5000	5.00%	-	20804433	20804433	6.90%	1.90 %
b. Central Govt	-	-	-	-	-	-	-	-	-
c. State Govt (s)	-	-	-	-	-	-	-	-	-
d. Bodies Corp.		95000	95000	95.00%	-	280758396	280758396	93.10%	93.10%
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	100000	100000	100.00%	-	301562829	301562829	100.00%	-

Particulars	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	-	100000	100000	100.00%	-	301562829	301562829	100.00%	
B.Public Shareholding									
1.Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual share-holders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-

ii) Shareholding of Promoters

Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
ESAF Microfinance and Investments Pvt Ltd	95000	95.00%	-	280758396	93.10%	-	(1.90%)
Kadambelil Paul Thomas	5000	5.00%	-	20804433	6.90%	-	1.90%
Total	6,465,000	100.00%	-	301562829	100.00%	-	-

iii) Change in Promoters' Shareholding

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Kadambelil Paul Thomas				
At the beginning of the year	5000	5.00%	5000	5.00%
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
1. Allotment on 28.05.2016	1095000		1100000	1.00%
2. Allotment on 09.03.2017	19704433		20804433	6.90%
At the end of the year	20804433	6.90%	20804433	6.90%

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
ESAF Microfinance and Investments Pvt Ltd and its Nominees				
At the beginning of the year	95000	95.00%	95000	95.00%
Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
1. Allotment on 28.05.2016	108805000		108900000	99.00%
2. Allotment on 09.03.2017	59113300		168013300	88.98%
3. Allotment on 10.03.2017	58823529		226836829	91.60%
4. Allotment on 29.03.2017	49019607		275856436	92.99%
5. Allotment on 30.03.2017	4901960		280758396	93.10%
At the end of the year	280758396	93.10%	280758396	93.10%

iv) Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Name of the shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
ESAF Microfinance and Investments Pvt Ltd - including nominees	95000	95.00%	280758396	93.10%
Kadambelil Paul Thomas	5000	5.00%	20804433	6.90%

v) Shareholding of Directors and Key Managerial Personnel

Kadambelil Paul Thomas	5000	5.00%	20804433	6.90%
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V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding /accrued but not due for payment

Particulars	Secured Loans excluding deposits (₹)	Unsecured Loans (₹)	Deposits (₹)	Total Indebtedness (₹)
Indebtedness at the beginning of the financial year	-	-	-	-
(i) Principal Amount	-	-	-	-
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not paid	-	-	-	-
Total	-	-	-	-
Change in indebtedness during the period	-	-	-	-
(i) Addition	14,89,95,82,875	5,94,46,42,658	4,09,34,12,290	24,93,76,37,823
(ii) Reduction	30,78,32,396	79,06,613	-	31,57,39,009
Net Change	14,59,17,50,479	59,36,73,60,45	4,09,34,12,290	24,62,18,98,814
Indebtedness at the end of the financial year	14,59,17,50,479	5,93,67,36,044	4,09,34,12,290	24,62,18,98,814
(i) Principal Amount	-	-	-	-
(ii) Interest due but not paid	3,69,87,471	46,01,701	-	4,15,89,172
(iii) Interest accrued but not paid	4,51,61,233	1,03,03,836	-	5,54,65,069

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

The Company has a Managing Director and an Executive Director

Sl. No.	Particulars of Remuneration	Kadambelil Paul Thomas Managing Director & CEO w.e.f 10th March 2017	Total Amount (₹)
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	4,95,428	4,95,428
2.	Stock Option		

Sl. No.	Particulars of Remuneration	Kadambelil Paul Thomas Managing Director & CEO w.e.f 10th March 2017	Total Amount (₹)
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify (Sitting Fee)	2,40,000	2,40,000
Total (A)		7,35,428	7,35,428
Ceiling as per the Act		As per RBI Approval	As per RBI Approval

Note: The disclosure regarding remuneration of Directors and Key Managerial Personnel made for their tenure in office.

B. Remuneration to other directors

Particulars of Remuneration	Name				Total Amount
Independent Directors	Prabha Raveen-dranathan	Asha Morley	Alex Parackal George	George Joseph	
Fee for attending board committee meetings	7,90,000	4,80,000	3,30,000	40,000	14,70,000
Commission					
Others, please specify					
Total (1)	7,90,000	4,80,000	3,30,000	40,000	16,40,000
Other Non Execu-tive Directors	Assan Khan Akbar		Saneesh Singh		
Fee for attending board committee meetings	4,00,000		3,90,000		7,90,000
Commission					
Others, please specify					
Total (2)	4,00,000		3,90,000		7,90,000
Total (1+2)					24,30,000

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTd:

Particulars of Remuneration	Key Managerial Personnel		Total Amount
	CFO Padmakumar K.	Company Secretary Ranjith Raj P.	
Gross salary			
a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (Excluding arrear for previous years)	88,661	51,668	140,329
b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL

Particulars of Remuneration	Key Managerial Personnel		Total Amount
	CFO Padmakumar K.	Company Secretary Ranjith Raj P.	
c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	NIL	NIL	NIL
Stock Option	NIL	NIL	NIL
Sweat Equity	NIL	NIL	NIL
Commission - as % of profit - Others, specify	NIL	NIL	NIL
Others Specify	NIL	NIL	NIL
Total	88,661	51,668	140,329

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Detailsof Pen-alty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. Other officers in default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors

Sd/-

Kadambelil Paul Thomas
Managing Director & CEO
DIN: 00199925

Sd/-

Prabha Raveendranathan
Chairman
DIN: 01828812

22 September 2017
Thrissur