



Samunnati

Sustainability Report 2021

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About the Report



Approach Towards Reporting

The report highlights our relationship with various stakeholders and the value creation process depicted in our business model. The objective of this sustainability report is to provide shareholders and interested stakeholders with relevant non-financial information that can enable them to take a well-informed investment decision. It aims to provide concise information about Samunnati's strategy, governance, performance, and prospects, which it has created over this period.



Reporting Period

The report provides quantitative and qualitative ESG data from January 2021 to December 2021.



Reporting Boundary and Scope

This is our first sustainability report which incorporates information material to the stakeholders and performance/achievement/fulfillment against Key Performance Indicators (KPIs) relevant to us as per the Global reporting initiative Framework (GRI).

The scope of the report includes environmental, social and governance information on Samunnati Financial Intermediation & Services Private Limited, Samunnati Agro Solutions Private Limited and Samunnati Foundation.



Alignment with Framework

The report has been prepared in line with the Global Reporting Initiative (GRI) Standard and is aligned to the United Nations Sustainable Development Goals (UN SDGs).

Our Performance Over the Last Year

The Agri Finance business, Samunnati Financial Intermediation & Service Private Limited, strives to enable growth and increase the throughput in the agricultural value chains by providing access to finance to various stakeholders that are unserved and underserved. Timely access to finance helps speed the transactions happening within the Agri value chains and ultimately empowers and benefits the farmer who is at extreme end of the chain by ensuring timely access to inputs, cultivation assistance and buyers.

	100+ Agri value chains		22 States Geographical presence		INR 100+ Billion Cumulative disbursements		6 million Outreach to farmers
	INR 5450 Million Net worth		INR 1339.88 Million Revenue from the NBFC operations		3500 Total Agri Entrepreneurs Network		1500+ Total FPOs
	INR 10759.08 Million Gross Loan Portfolio		32.38% Capital adequacy ratio		INR 21560 Million Debt Raised (NCDs, ECBs, term loans)		INR 16,988.23 Million Disbursements in Samunnati Finance
	INR 1,339.88 Million Revenue from NBFC operations		INR 14,179.59 Million Turnover Samunnati Commerce		INR 382.82 Million Revenue from Samunnati Commerce		

Leadership Speaks

Message from the Founder and CEO

Agriculture, with its allied sectors, has always been an integral part of India's economic development, providing livelihood opportunities to more than 40% of the population. I take pride in the fact that at Samunnati, we are catering to the growing needs of this sector with utmost passion, commitment, and resilience. In our mission to make markets work for smallholder farmers, we have enabled enhanced value chains by providing aggregation, market linkages, and advisory services with finance being an enabler – "a means than an end". Samunnati has been working with FPOs and Agri-Enterprises (AEs) across the country to understand and resolve the issues at the ground level and we have strived to provide market access to producers and timely supply to various value chain players to bridge the gap.

It gives me immense pleasure to share with you the Sustainability Report for 2021. Although, the year started with the challenges of COVID19 and the crisis continues to have ripple effects on the entire global economy, including India. At Samunnati, we choose to see the silver lining of this crisis which is the building of a resilient Agri-sector despite reported disruptions in many pockets. We are committed to deliver long-term value and to do so we focus on embedding sustainability in our services to people and community. Samunnati's Business DNA has been configured to deliver sustainable growth. We have aligned ourselves and our initiatives with the United Nation's Sustainable



Development Goals (SDGs) & ESG forms a bedrock of our strategy.

We, at Samunnati, aim to provide solutions to smallholder farmers across the country. To enable the company to expand financing and technical assistance to low-income farmers and enterprises throughout the agricultural value chain in India, we have raised a total of INR 1,452 Crores of direct debt since inception with INR 1,086 Crores from various Domestic Lenders and INR 366 Crores from International Development Finance Institutions (DFIs and IDFIs)).

Samunnati Finance witnessed a whopping growth of 44% while Samunnati Agro witnessed 69.62% growth in the turnover. Samunnati as a group expanded its outreach to over 800 farmer Producer organizations (FPOs), and 393 AEs in 2021. Further, in **Q1 of 2022, 235 FPOs and 910 Agri Enterprises have been onboarded as B2B customers for Samunnati finance.**

The impact of COVID-19 led to the Indian economy joining the global economy in an unprecedented contraction. Being a resilient organization, it was the need of the hour to educate our FPOs about the alternative trading platforms to trade. We conducted webinars for FPOs of Maharashtra, MP, Rajasthan, Gujarat, and Karnataka to educate them about the importance and benefits of trade in derivatives market. In 2021, 200 FPOs and 282 institutional buyers were onboarded for market linkages across 7 States (Gujarat, Maharashtra, Telangana, Andhra Pradesh, Madhya Pradesh and Tamil Nadu) and have successfully facilitated market linkages of over 181 commodities via Samunnati's Agri commerce solutions.

We are on a mission to create an open agri-network to unlock the trillion-dollar plus potential of Indian agriculture with smallholder farmers at the center of it. Samunnati stands for collective growth & collective prosperity for the agri ecosystem. Staying true to its name, Samunnati ensures this collective growth by connecting players across the agriculture value chain and enabling affiliated Farmer Collectives and the larger ecosystem to be more efficient and productive through multiple technology enabled interventions and collaborative partnerships.

In 2021, we introduced – **Samunnati's Instant Pre-approved Loan** (Sam-IPL) which provides financial solution of up to INR 0.5 Million to the FPOs with instant in-principle approval along with other handholding exercises.

In 2021, we continued our focus on deployment of our technology and digital solutions that create transparent and economically viable value chains for the agri ecosystem players. We nurtured our platforms like Samaarambh. The **Annadata Suraksha Abhiyaan** (Freeing Indian

Farmer – Annadatas – from Risks) Initiative aims at freeing the Indian farmers and their families from the vulnerabilities of agriculture-related accidental risks and to promote the culture of insurance across rural India through highly subsidized insurance costs of less than INR 100 per farmer per year.

In 2021, Samunnati received several recognitions from reputed institutions not just in India but from across the globe. I am happy to share with you that Samunnati secured a place among the Top 100 Companies globally under the Visa Initiative, the ET start-up award in the Social Enterprise category. Samunnati has also been recognized by Great Place to work in 2021.

In the coming year, we will further expand our AMLA offerings with a focus on market linkages, capacity building, and institutional development of the Farmer collectives using a combination of innovative, financial, and technology solutions. With the launch of Samunnati Foundation, we will continue to work on making a sustainable, positive social, economic, and environmental impact in the lives of the agricultural and rural communities.

I would also like to place on record the management's appreciation of the contributions made by our highly skilled and talented employees at all levels. We certainly thank our customers and partners for their support during the year and especially during these extraordinary circumstances. I would like to thank the Board of Directors and our advisors for their continued guidance and trust in us.

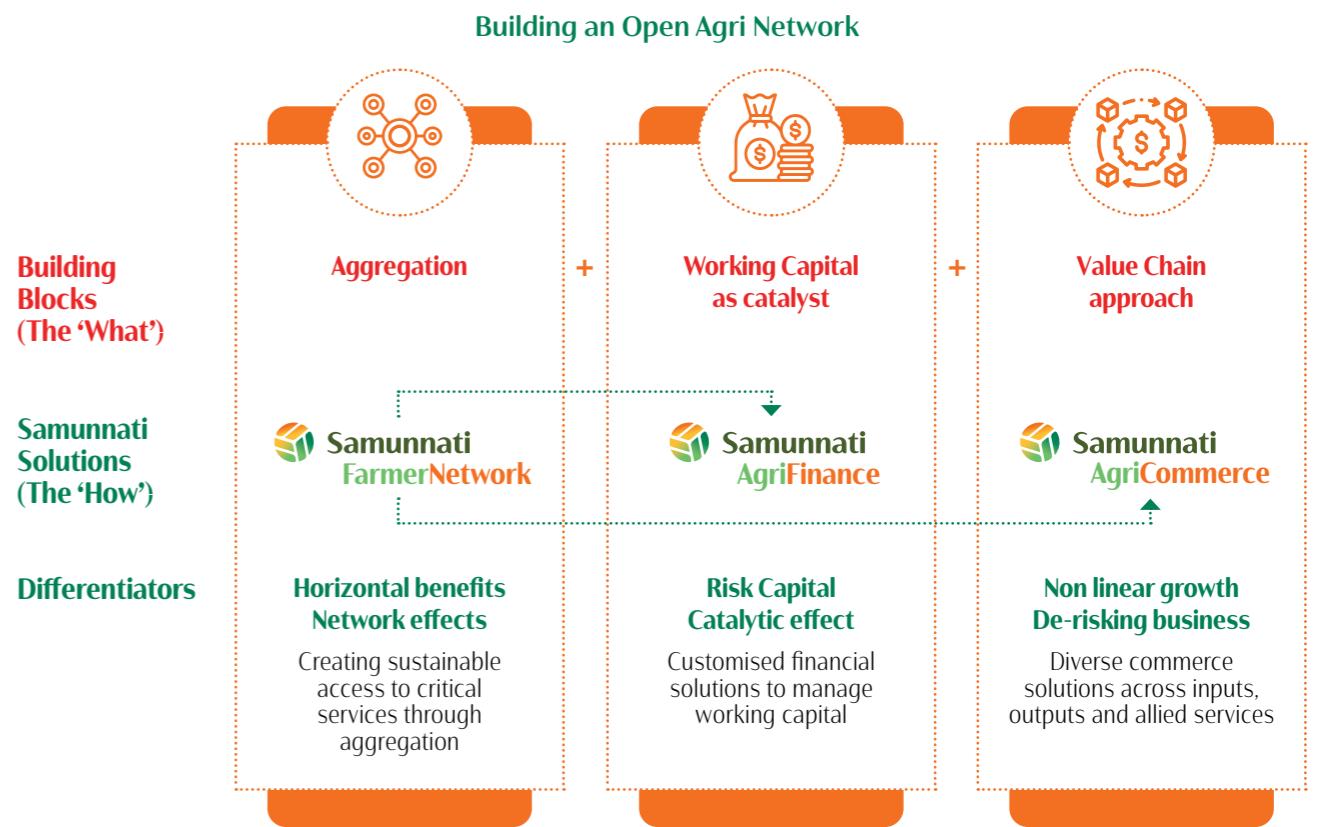
Mr. Anil Kumar SG
Founder and CEO
Samunnati

About Samunnati

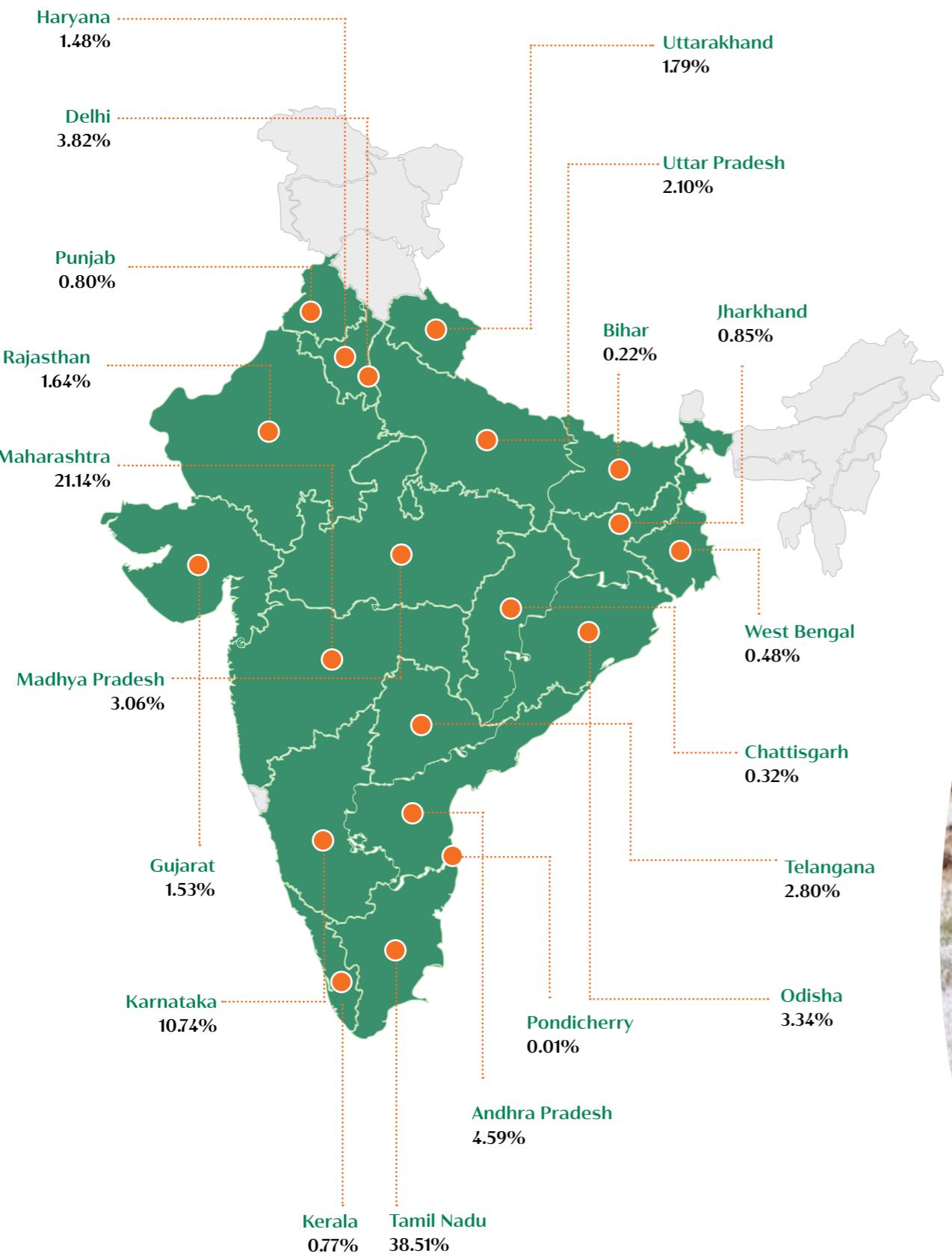
Samunnati is one of India's largest Agri-tech enterprises, living its purpose to create an open Agri-network that unlocks the true potential of Indian agriculture. Staying true to its name, Samunnati stands for collective growth & prosperity for the Agri ecosystem. It brings together key players across the agriculture value chain thus enabling a larger and more efficient ecosystem powered by the combined strength of technology and collaborative partnerships.

Agriculture sector currently struggles with need-gaps of organization, information, and aggregation. It is also exposed to risks of unpredictability related to production, weather, prices, and policy. As a specialized Agri value chain enabler, Samunnati strives to bridge these gaps through its financial intermediation, market linkages, and advisory services thereby enabling the value chain to function at a higher equilibrium. We leverage both social and trade capital to optimize returns and scales for every player in the Agri value chain.

The timely availability of finance has always been a long-lost battle for Indian farmers. The Agri Finance business, Samunnati Financial Intermediation & Service Private Limited aims to solve this deep-rooted problem through the timely allocation of finance, inputs, cultivation assistance, and buyers to various stakeholders that are unserved and underserved. This empowers and benefits the farmer who is at the extreme left of the chain by ramping up the transactions happening within the Agri value chains.

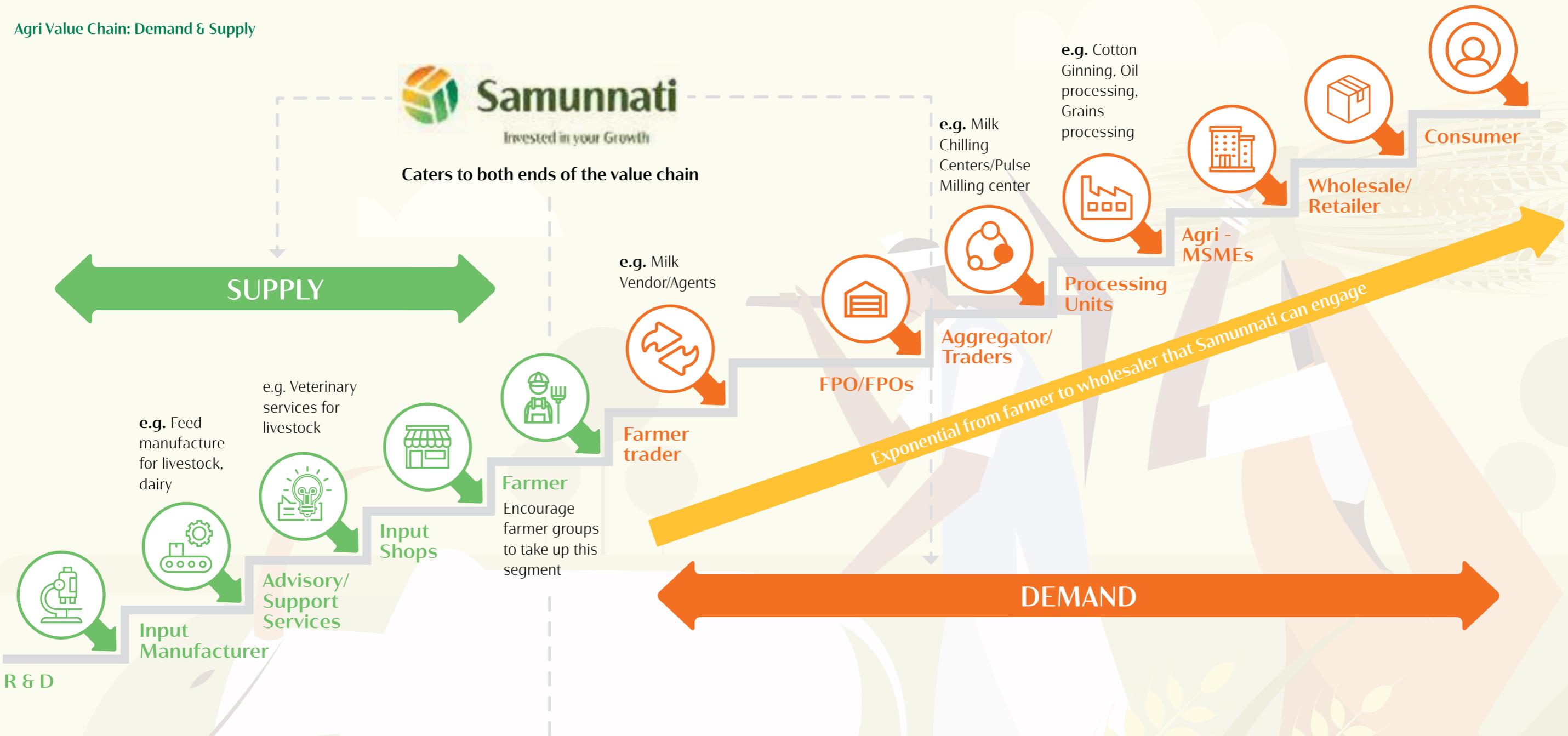


Headquartered in Chennai



We focus on both sides of the Value Chain

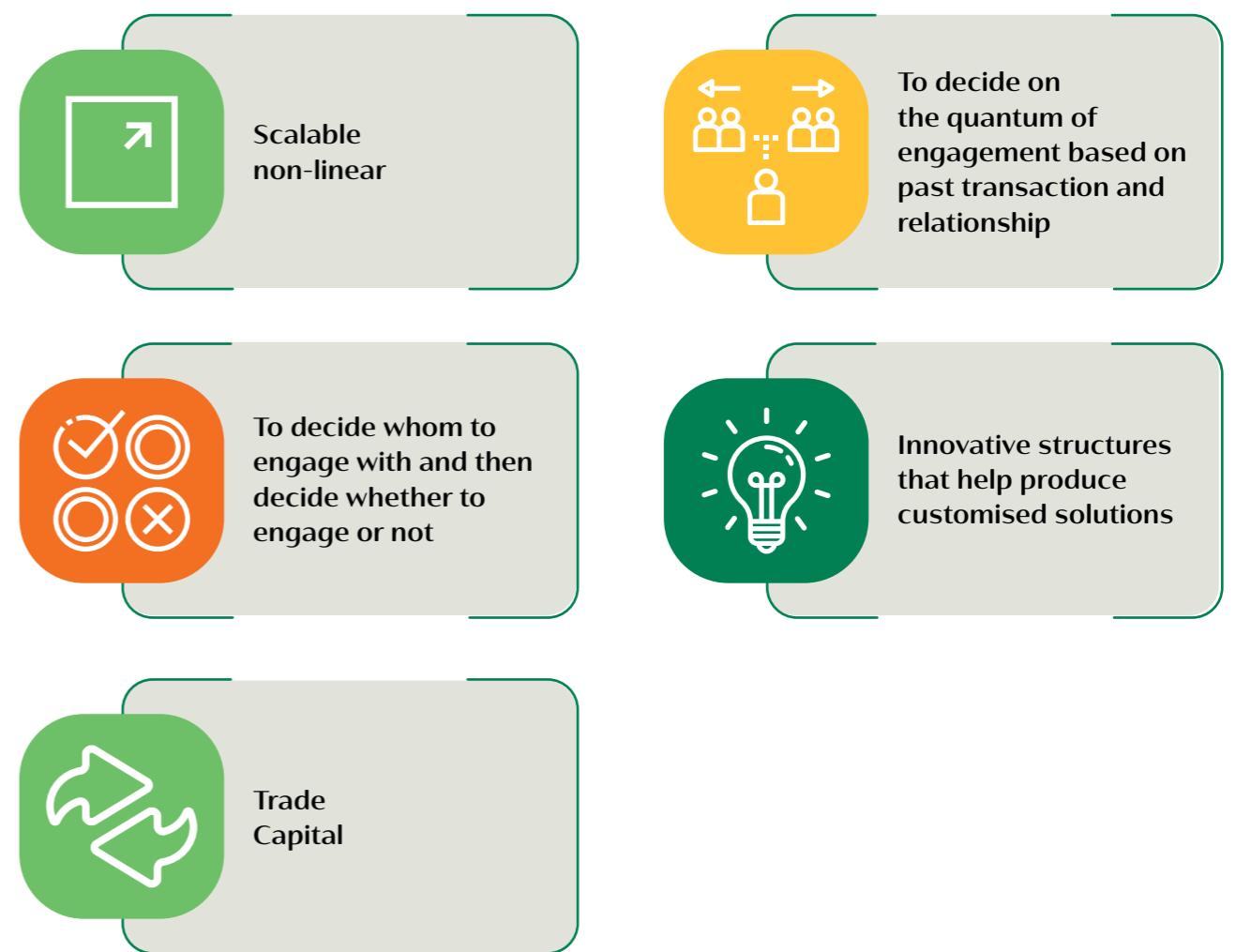
Agri Value Chain: Demand & Supply



Core Values & Genetic Code

Genetic Code: Samunnati leverages on social capital and trade capital in buyer seller relationships via Samunnati Aggregators (SA), through non-traditional sourcing, risk assessment and mitigation, aided by cutting-edge technology, thereby building a quality business that is sustainable and results in inclusive growth.

Core Values that drive our business



Samunnati's genetic code is a guiding factor in the business processes. It imbibes sustainability and ESG in our activities and product portfolio. Samunnati remains dedicated to the core values and the sustainability strategy is deeply embedded in our practices. Samunnati is an open Agri network which brings together all the stakeholders, enables an efficient, reliable, and smoother experience of complex transactions between the stakeholders. This is ensured by providing finance in the form of working capital which underpins every transaction and augments trustworthy intermediation within the ecosystem. The genetic code enables Samunnati to achieve our objective of enabling Agri ecosystem participants to operate at a higher equilibrium which shall further aid in benefitting the smallholder farmers.



Samunnati's Business Model



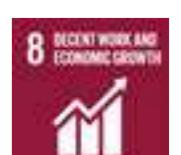
AMLA

Strategic Objectives

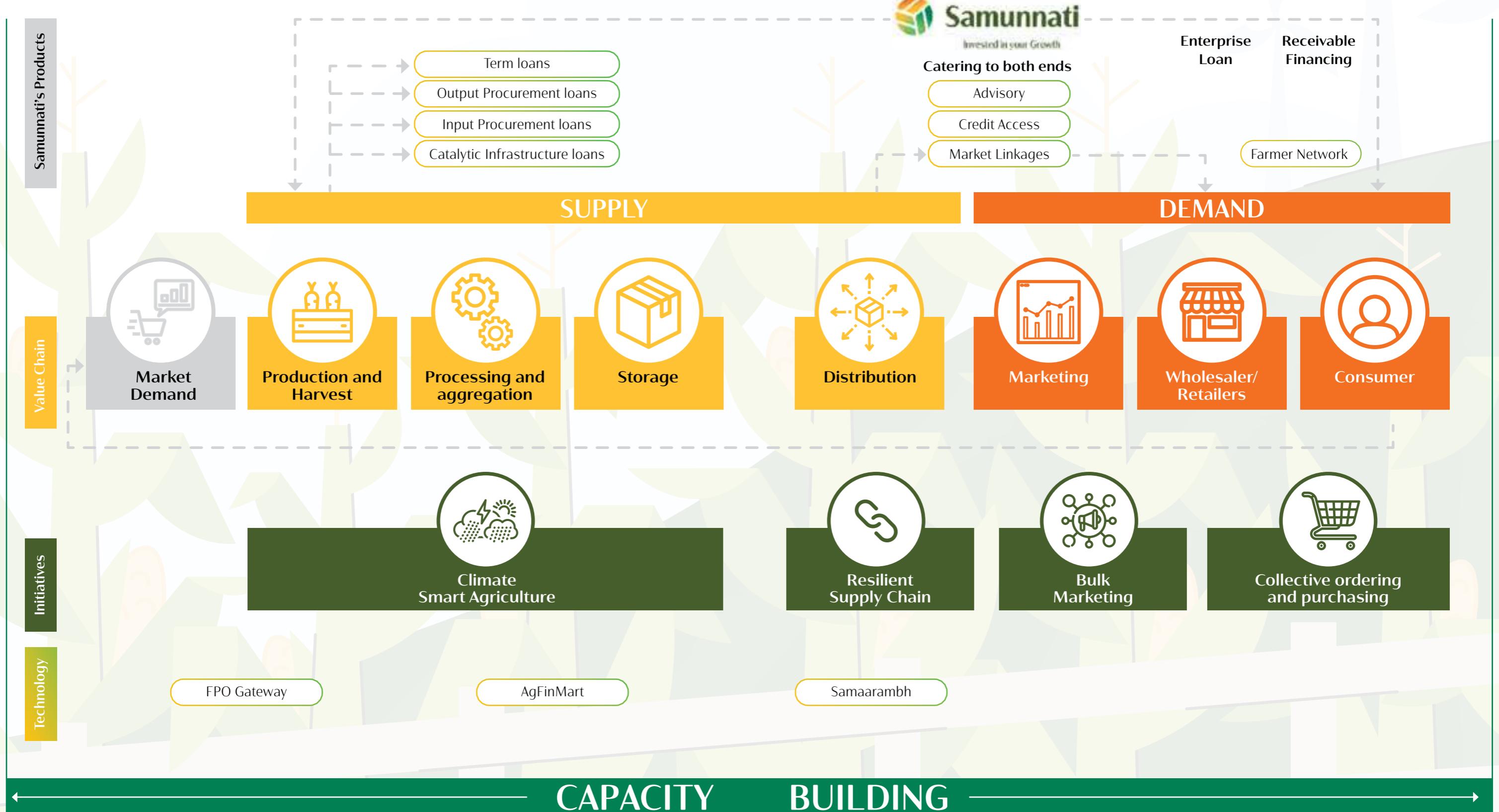
1 Diversity and Inclusion

2 Strengthening the Agri Value Chains

3 Digitizing the Agri Value Chains



Engagement Across the entire Agricultural Value chain



Samunnati's Solutions Suite

To help cater to the various segment of the value chain, Samunnati has developed a broad range of services that encompasses the entire agricultural value chain, from pre-production phase to post-production.

Agri Finance

The Agri Finance business, Samunnati Financial Intermediation & Service Private Limited strives to enable growth and increase the throughput in the agricultural value chains by providing access to finance to various stakeholders that are unserved and underserved. The timely access to finance paces up the transactions happening within the Agri value chains and ultimately empowers and benefits the farmer who is at extreme left of the chain by ensuring timely access to inputs, cultivation assistance and buyers.

Supply side:

- Input Procurement loans:** These loans are designed to help FPOs aggregate inputs in bulk and help to directly connect them with the large-scale input suppliers. This helps FPOs in cutting down costs of production and have a hassle-free experience.
- Output Procurement Loans:** Our solutions aids the small holder farmers of the FPOs to cater to large scale buyers and ensures that the farmers and the members are paid on time as soon as the product is delivered.
- Catalytic Infrastructure Loans:** We offer this to organizations that have displayed a remarkable trajectory of growth. This product helps FPOs to invest in warehouse, machinery, equipment, processing units and agri-based infrastructure.

Demand Side: Offerings to Agri-Enterprises

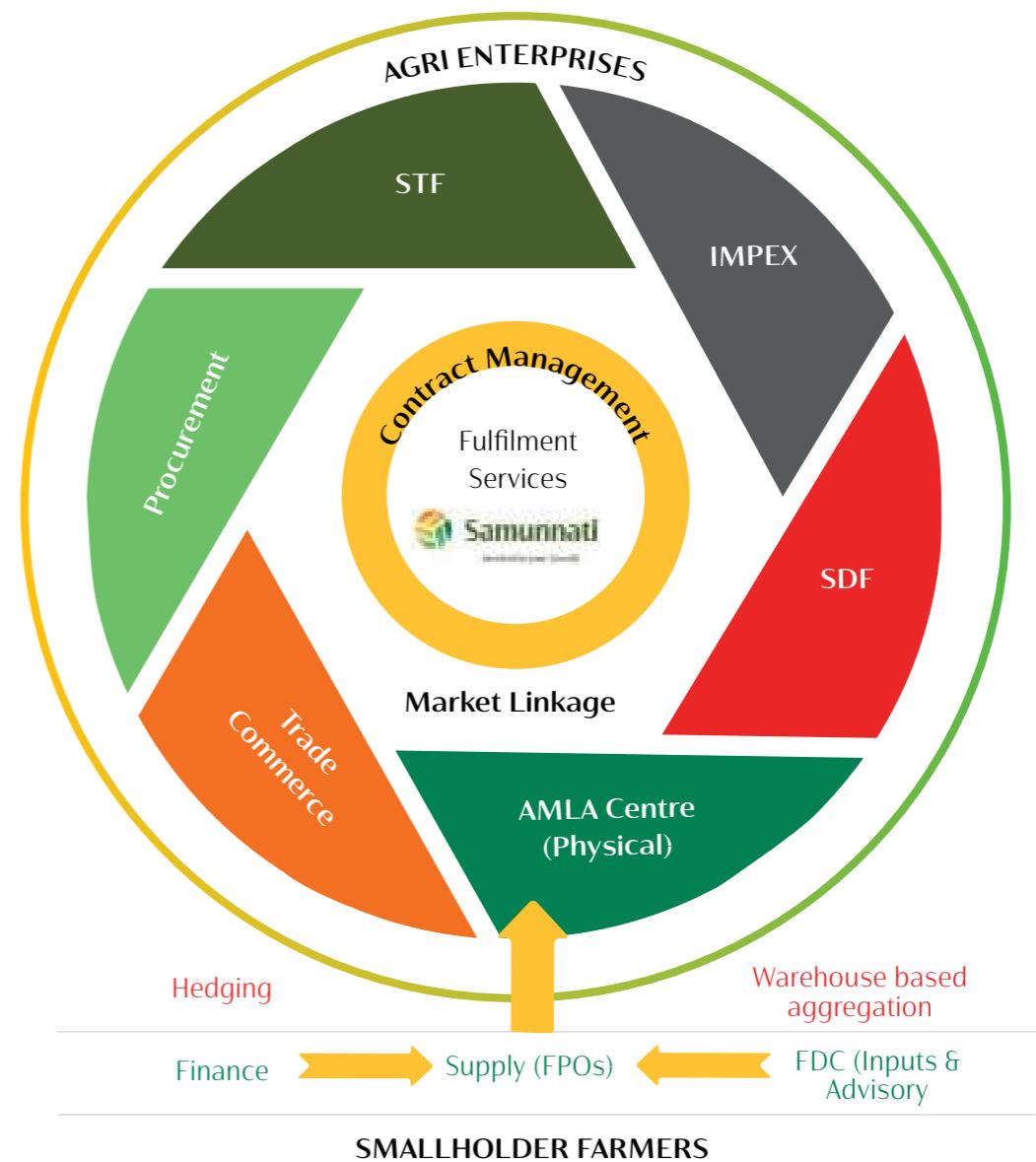
- Receivable Financing Loans:** This loan is given to cover the time period between the completion of sale of produce and the actual payment and is used by clients to avoid their working capital shortage during the credit period. Agri Receivable Finance (ARF) is one such crafted products that allows customers to discount the bills of credit supplies.
- Term loans:** These can be either short term or long-term depending on the clients's needs. The tenure of the term loans varies from as short as 12 months to as long as 5 years. These loans can be used by AEs for purchasing equipment, filling working capital gap, infrastructure projects, etc.

Agri Commerce

The Agri commerce business, Samunnati Agro Solutions Private Limited (Samunnati Agro) aims at providing market linkages to various stakeholders in the agriculture value chain by offering suitable solutions which provide them better access to markets and benefit them at pre-harvest to post-harvest stages.

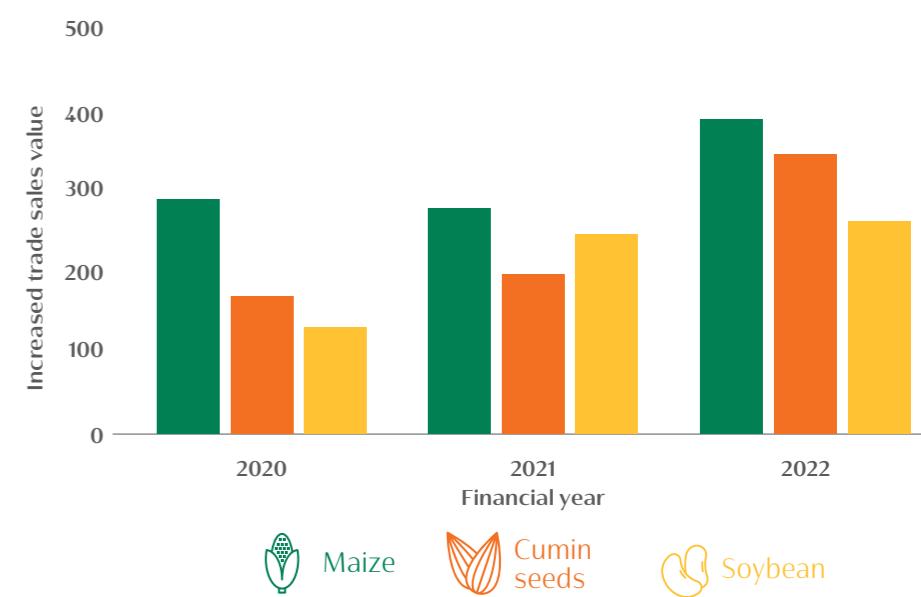
- Market Linkages:** These are short tenure transactions which connect farmer collectives to anchor and institutional buyers. This also gives the buyers and sellers access to competitive markets.
- Trade Commerce:** This facility addresses the working capital gaps amongst value chain players resulting in a higher income for the suppliers.
- Structured Distribution Facility:** SDF facilitates the procurement, holding and distribution of finished goods for manufacturers & stockists. Samunnati provides a future marketplace for medium stockists by connecting them with wholesalers and retailers.
- Structured Trade Facility:** STF manages processing cycles by holding commodities by connecting individual traders and processors with trade houses and institutional buyers.
- EXIM business:** Samunnati facilitates trade of Farmer collectives in Export operations while providing them with access to international markets and processors/traders who are involved in import operations.

The services include providing financial support to smallholder farmers to advising and consulting them on doing business efficiently and building connections.



Our non-financial solutions comprise of Input marketplace, Output marketplace, trade solutions, Post-Harvest, Commercial services along with leadership development, financial and digital literacy among the farmers and members, educating them on advanced agriculture technologies and creating market linkages to connect the farmers with big organizations and wholesalers.

Increased Trade sales value



Top 10 commodities for Agri Commerce for the period 2020-2022



S.no	Commodity	% of Total
1	Castor Seed	5.38%
2	Guar Seeds	5.34%
3	Onion	5.16%
4	Maize	4.92%
5	Apple	4.37%
6	Natural Sesame Seeds	3.60%
7	Wheat	3.58%
8	Nutmeg	3.20%
9	Prawn	3.18%
10	Eggs	3.05%



S.no	Commodity	% of Total
1	Cotton	14.72%
2	Soybean	10.91%
3	Sugar	6.09%
4	Rice	5.60%
5	Wheat	5.04%
6	Maize	3.27%
7	Milk	2.83%
8	Vannamei	2.56%
9	Cumin Seeds	2.31%
10	Prawn	2.22%



S.no	Commodity	% of Total
1	Soybean	11.13%
2	Milk	4.48%
3	Prawn	4.38%
4	Rice	4.29%
5	Wheat	3.58%
6	Shrimp	3.41%
7	Dry Chillies	3.03%
8	Maize	2.75%
9	Wheat	2.58%
10	Sugar	2.47%

Farmer Networks

Samunnati's Farmer Network enables horizontal impact by investing in the power of aggregation.

This creates sustainable access to critical services for the farmer collectives such as Technology adoption, Community dynamics and Professional management etc., through aggregation.

Samunnati Foundation

Samunnati Foundation was established in the year 2020 with an aim to enable inclusive growth, create opportunities for the unserved/underserved communities, engage with the said communities and carry out initiatives for their welfare & development.

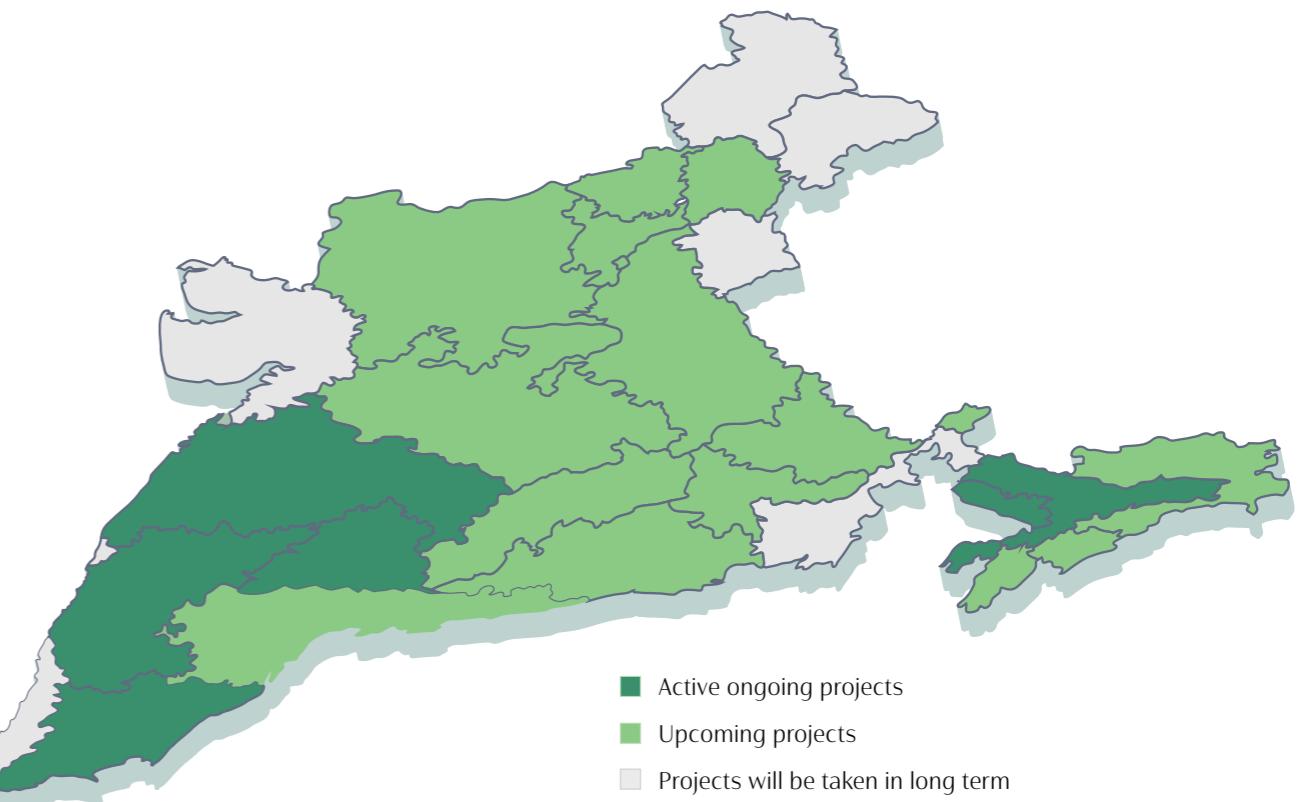
As per the Schedule 7 from Section 135 of The Companies Act 2013, Samunnati Foundation is involved with various activities aligned to community development. The Foundation has taken initiatives like promoting preventive healthcare and sanitation and making available safe drinking water to communities to support eradication of extreme hunger, poverty, and malnutrition. It is also working towards promoting education, including livelihood enhancement, special education, and employment enhancing vocational skills among children, women, elderly, and the differently abled.

Samunnati Foundation empowers women by setting up homes and hostels for women and orphans. It has also set up old age homes, daycare centers, and other facilities for senior citizens as measures for reducing inequalities faced by socially and economically challenged groups.

The Foundation focuses on environmental sustainability by taking initiatives to maintain ecological balance, protect flora and fauna, promote animal welfare, agroforestry and conservation of natural resources like soil, air, and water. Samunnati Foundation has also determined projects to develop rural ecosystem of the country.

In our journey over the past 7 years, we have reached more than 1500+ farmer collectives who have a total membership base of 6 Million farmers and 3500 Agri enterprises across 100 Agri value chains through cumulative Gross Transaction Value (GTV) INR 99 Billion with an outstanding exposure of ~INR 11 Billion as on December 31, 2021.

Impact being created by foundation's activities



Enabling the Ecosystems

Development of a stronger Agri-ecosystem working for small and marginal farmers is the urgent need of the hour to address the challenges of farmers to access a structured agri ecosystem and of the ecosystem to access a proper network of farmers. At present, the market and participants are operating in a fragmented manner, which leaves a lot of gaps unaddressed. Samunnati believes that with the help of 'trusted intermediation' through finance, market linkages and advisory can lead to unlocking

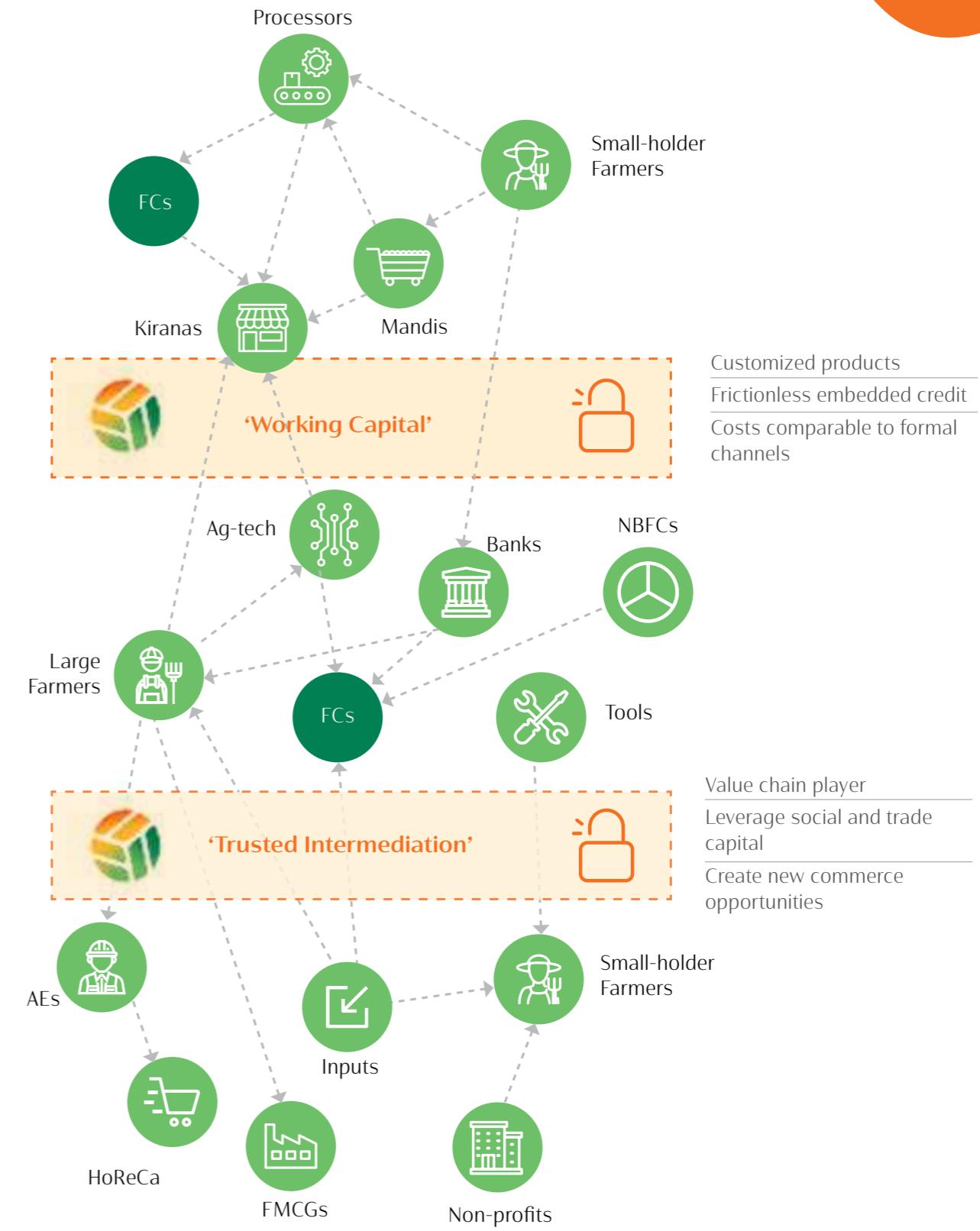
the full potential of these markets and participants.

Hence, we are working towards the solutions for aggregating and integrating disparate market participants.

We believe this approach is instrumental in bridging the demand-supply gaps across the ecosystem by providing the access to an Open Agri Network.

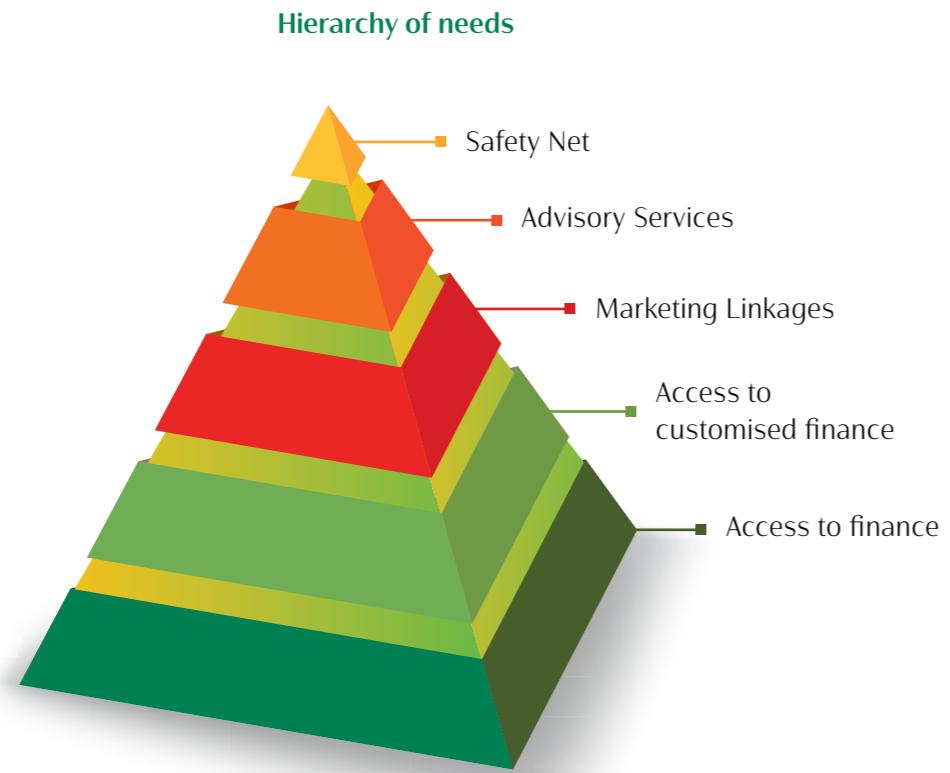


We offer farmers access to a structured ecosystem



FC: Farmer Collectives; AE: Agri Enterprises

With its extensive experience in dealing with various agri value chain players over the past years, Samunnati defines the 'hierarchy of needs' for the farmers and farmer collectives as represented in the figure and engages with these entities through the journey. While access to finance forms the base of the pyramid, having safety net like insurances and risk cover is the ultimate solution for the protection of these producers. Samunnati has integrated this approach in its FPO engagement strategy seamlessly.



Samunnati utilizing its rich experience in the sector, follow value chain finance approach for defining the agri value chain players as an asset class. As opposed to the traditional underwriting of mainstream financial institutions based on hard collateral security, capitalization, and past profitability, we at Samunnati leverage the social capital and trade capital in buyer seller relationships, relying on the strength of

the transaction. We are extending customized solutions based on deeper penetration in the value chain and our model helps identify value chain gaps, suggest tailor-made solutions, verify and mitigate risks through effective technologically aided processes. This results in improved quality and efficiency of these value chains resulting in inclusive growth.

Unlocking Opportunities Through the AMLA Approach

AMLA (Aggregation, Market Linkages, and Advisory services) is a growth-oriented framework established with the objective to unfold new opportunities for the farmers while making the most of those already available. The AMLA framework provides holistic assistance to the value chain players by providing customized financial and non-financial solutions in the form of aggregation, market linkage, and advisory services to meet their evolving needs.

Integrating the AMLA approach in our institutional building interventions and advisory services

was an excellent demonstration of the benefits yielded from the successful implementation of the approach. It helped in providing end-to-end solutions to the farmers that ultimately led to boosting farm productivity and better margins for small farmers because of their ability to connect with markets otherwise out of their reach. Samunnati's Agri Commerce and Agri Finance solutions harness the power of this framework by bringing AMLA and Social & Trade capital lens together, to enable non-linear growth across Agri value chains.

With an FC-Centric Model Defined by our 'AMLA' Approach

AMLA's (Aggregation-Market Linkages-Advisory) – Formalizing access and solutions to small-holder farmers

SUPPLY

Enhancing input services, production and storage capabilities



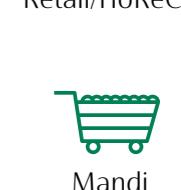
Aggregation



Advisory

Offering Capacity Development
Advisory to Achieve Profitable Growth

DEMAND



Market

Linkages

B2C/Marketplace

Holistic Overview of the AMLA Framework

- **Aggregation:** We work with FPOs and their members in assisting them to establish Agri input shops, enhance collective bargaining power, and collaborate with input suppliers to ensure bulk sourcing.
- **Market Linkage:** We work with FPOs and AEs to establish links in local, regional, and national markets. Increased technical & Financial capacities of FPOs benefit members in getting a relatively better price for their produce. Infrastructure support helps FPOs to construct warehouses & establish processing units to get increased returns. Linkage of buyers & sellers (both offline and online) through a marketplace is a key solution.
- **Advisory Services:** We work with FPOs and their promoters on subjects like situation analysis, business planning, capacity building on compliance, financial literacy, convergence with government schemes, irrigation options, post-harvest management protocols, and establishing centers of excellence in Agri & allied activities.

Banas FPO: Enabling seamless market ecosystem for small holder farmers



Strategic Partnerships to Strengthen the ecosystem

We rely on our strong network of FPOs on the supply side, providing access to aggregated large volumes of Agri-produce, and work with large sized institutional buyers including corporate and modern retail on demand side to iron out the market's multi-layered inefficiencies. On the pre-harvest

side, our deep engagement with FPOs helps us in understanding the requirement of farm inputs, underlying needs of technology and advisory which can be fulfilled directly from the suppliers and other market participants in the ecosystem.

Bringing Together All Stakeholders in the Ecosystem



These need-based interventions ensure high quality inputs, well customized ancillary requirements, and better pricing to pass on cost benefits to farmers and better income realization for farmers. Following this approach for the past years has enabled us to build a vibrant, comprehensive, and trusted closed loop Agri ecosystem by playing a role of a partnership-based ecosystem player. Using technology, we strive to bring together all the stakeholders in the Agri ecosystem.

ITC Agri-Business- Enduring values by investing in farmers



Problem

ITC Agri-Businesses is one of the leading domestic players involved in the export business of agricultural products. The organization sources the finest quality of grams, oilseeds, pulses, and a range of Agri products directly from the farmers. The organization aims to expand its partnerships with farmers across the country and provide better market linkages.



ITC partnered with Samunnati to maximize its reach by extending its relationship with farmers across the nation. As a result of this strategic partnership, the organization has successfully been able to expand its pool of exportable agricultural commodities which now also includes wheat, turmeric, Bengal gram, and Soyabean, directly sourced from 2000+ farmers of FPOs and Aggregates.



In 2021, Samunnati has successfully supplied 3572 MTs of a range of commodities worth INR 87.9 Million to ITC and has given convenient market linkages to FPCs and aggregators. Samunnati in collaboration with ITC, aims to increase such market linkages besides providing working capital to farmers and improves their effectiveness to supply various Agri commodities at consistent quality and volumes.

Strong Partners Network

Strong Partners Network: We have close to 3000+ network partners covering Government Agencies, Internal Development Financial Institutions, International Banks, Philanthropic Institutions, Foundations, Banks, NBFCs, insurance companies, technology companies, and large suite of institutional buyers and traders acquired through our unique Agri value chain financing

approach. We strive to address the grassroot level problems while also enabling growth for everyone in the agricultural ecosystem. We believe sustainable ecosystem development is equally important in order to make markets work for small holder farmers. Samunnati has built some critical partnerships over the years, which supports the ecosystem building quintessentially.

Partnerships to Expand Access to Finance into Niche Value Chains

- 1. USAID Guarantee Program:** Samunnati along with the **United States Agency for International Development (USAID)** and Rabo Foundation is enabling finance in the land use sector. In the year 2018 -19, USAID and Rabo Foundation provided a long - term credit guarantee which enabled us to extend credit to entities engaged in **agroforestry, sustainable agriculture, and other land use activities** with an objective of creating a loan portfolio of INR 35 Cr. These activities are aimed at reducing greenhouse gas emissions from land use (including from forestry, agroforestry, and agriculture) through improved land management and resource efficiency. Currently we are working with 30 clients under this credit guarantee program.
- 2. Rabo Foundation** through its partnership with us has issued credit guarantees to participate in the considerable risk of lending to **nascent FPOs**. For the year **2019-20 and 2020 - 21, guarantee enabled us to extend loans to 100+ FPOs** using this Guarantee support, which started in the year 2018 - 19. This particularly helped us in reaching out to nascent FPO institutions in their first few cycles of credit. A total FPO portfolio of approximately INR 100 Mn was made under this guarantee program.
- 3. USDFC Loan Portfolio Guarantee:** The United States International Development Finance Corporation (USDFC) has been enabling us to create a loan portfolio of USD 25 Mn. This guarantee is focused on the **Women led FPOs, Agri technology, clean energy solutions and food loss management** solutions. A special focus has been placed on farm activities that leverage renewable energy solutions to promote a low carbon farm economy; utilize digitization to increase small farmers' efficient access to markets; and reduce food waste and loss. We are actively working to build a portfolio under this guarantee.
- 4. Co-lending Partnership with IndusInd Bank:** Samunnati has entered into a co-lending partnership with IndusInd bank, through which INR 150 Mn will be disbursed as an initial amount to the FPOs. This partnership will help improve the flow of credit especially working capital to the underserved agri community at an affordable cost, by leveraging the dual advantage of funds at a lower cost and Samunnati's extensive FPO network.
- 5. Engagement with Development Financial Institutions:** Samunnati's service offerings have been designed to enable the expansion of financial and technical assistance to low-income farmers and enterprises throughout the agricultural value chain. By providing access to finance to these sectors we Samunnati has been able to tap into impact funding. We have raised a total of 500 crores Direct Debt from various Development Finance Institutions (DFIs) such as FMO: Entrepreneurial Development Bank, responsAbility Investments, Symbiotics, Incofin, Blue Orchard, DWM and others).
- 6. Partnership with Small Farmers' Agri-business Consortium (SFAC):** Samunnati announced a 3-year partnership with Small Farmers' Agri-business Consortium, a Society promoted by Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, Govt. of India. This partnership aims to facilitate FPCs and other beneficiaries across the country to avail the benefits of schemes implemented by SFAC, including venture capital assistance, credit guarantee and linkages with the National e-Marketplace instituted by the Govt of India.



(FPOs) by providing them knowledge assets on relevant subject matters. The objective of this program is to develop course content and supporting promotional materials for the Samunnati Academy for Farmer Producer Organizations (FPOs). The Academy is intended to strengthen the professional management and governance capacity of FPOs, thereby increasing their sustainability and self-reliance.

4. **Automatic Weather Stations (AWS) – INGEN Technologies Private Limited**, a subsidiary of Weather Risk Management Services Pvt Ltd, is a leading IoT Device & service provider to Dairies and Agriculture Industries which helps them reduce their farm level risk and enhances farm productivity for smallholder farmers. As part of the partnership with Samunnati, INGEN is working to provide Automatic Weather Station (AWS) which can provide weather Data like Temperature, Humidity, Wind Speed, Wind Direction and Rainfall. This will enable the FPOs and their member farmers to get Weather Data on Mobile and Web Application on an hourly basis and daily summaries.

Partnerships to Empower the Role of Women in Agriculture

1. **Mahila Arthik Vikas Mahamandal (MAVIM):** Samunnati has signed an MoU with MAVIM, the State Women Development Corporation of Maharashtra, to support their women members and the respective Community Managed Resource Centres (CMRCs) by providing access to Finance, Market Linkages, support on digitization and offer other customized solutions such that they increase their participation and scale up in the agri-value chain. Samunnati has provided support to 200 women members; constituent of 56 SHG Groups and 1 CMRC in a pilot in Goatry value chain for enhancing their goat-based livelihood and transforming it into a sustainable business enterprise. Relevant market linkage and advisory support shall also be provided to sustain the business.

3. **Samunnati Academy:** Samunnati in collaboration with the United States International Development Finance Corporation (DFC) intends to build the capacities of the Farmer Producer Organisations

2. **Mahila Abhivruddhi Society, Andhra Pradesh (APMAS):** The prime focus of APMAS is working for the advancement of self-help institutions built on strong cooperative values and principles to become member-owned, member-managed, and member-controlled institutions. The overall objective of the partnership is to improve the institutional capacities of FPOs in operational areas (Clusters) of Samunnati and access to finance

to credit worthy FPOs. This also involves building the capacity of the CEOs and Board of Directors to manage their respective FPOs to improve productivity, reduce risks and increase net income from farming through market aligned production practices and facilitate need based skill development of FPO farmers on various good agricultural practices as per training need assessment.

Partnerships to build Institutional Capacities of Farmer Producer Organisations

1. **Bill and Melinda Gates Foundation:** We have been working with Bill and Melinda Gates Foundation (BMGF) on an FPO project to create an enabling ecosystem and demonstrate a commercially viable model for strengthening FPOs across India. Since 2018, the project has aimed at professionalizing and positioning FPOs as a viable and efficient platform for the small-scale producers to transact with various market actors across the value chain. It also helped develop FPOs into competent institutions as an asset class for the agriculture finance industry. We are working with around 50+ FPOs across five states of Maharashtra, Bihar, Orissa, Karnataka, and Madhya Pradesh. The initiatives under this program are being implemented around providing access to finance, markets, technology and building institutional capacities. A **gender strategy framework** for these Farmer Producer Organizations has also been developed as a part of the Project.
2. **MoU with State Bank of India, Agri Business Unit (ABU):** Samunnati and SBI ABU shall collaborate and engage with FPOs to improve the Institutional Capacities of FPOs to transform them into market sustainable enterprises. Samunnati and SBI shall be working together to develop and support the FPOs which have been selected based on the common criterial and required due diligence.
3. **Samunnati Academy:** Samunnati in collaboration with the United States International Development Finance Corporation (DFC) intends to build the capacities of the Farmer Producer Organisations

Khammam Red Chilli Farmers

Problem

Khammam district is one of the largest red chilli cultivating areas in Telangana and the second-largest market in Andhra Pradesh. Farmers in this region have conventionally relied upon traditional commission agents for their financial needs concerning crop cultivation for which they become liable to sell their entire produce through these agents at low prices, therefore resulting in poor farm margins. Steep interest rates and commission charges coupled with financial illiteracy pull these farmers into the vicious cycle of debt from non-institutional lenders.

Solution Offered

To break the never-ending cycle of debt and repayment and help these farmers transcend into a debt-free world, Samunnati worked on a holistic framework to provide end-to-end hand holding to these farmers. We partnered with three players of the Agri world – Agribuddy, BigHaat, and WRMS as a part of our comprehensive solution offering. With combined efforts, the team was able to enhance the entire value chain, right from input procurement to final market linkage of the produce. Agribuddy carried out soil tests, customized the package of practices, distributed them to the farmers, and finally collated the produce from the farmers, WRMS provided insurance cover to crops as well as the farmers, and BigHaat also proved to be a farmer empowerer in this process. Samunnati played an integral role in financing the whole value chain in a customized manner tailor-made for the farmers. The loan was disbursed into BigHaat's account based on the invoice from Agribuddy. On the expiry of the credit period, the payment from the buyers was channeled to Agribuddy's ESCROW account with the help of Samunnati. Samunnati disbursed loans in batches of 50 farmers and across 54 branches. Over 50% offtake for the sanctioned amount was observed by chilly producers.

Outcome

With the best practices implemented at the field level, farmers witnessed between **12% to 22%** reduction in inputs utilization. In addition to this, group procurement resulted in reduced cost of production for farmers to the tune of **INR 6000 to INR 9000/acre** for farmers without drip irrigation and **INR 6000-14000/acre** for farmers with drip irrigation coupled with mulching. By following a package of practices, farmers were able to achieve an increased yield of between **8% to 27%** per acre of cultivation. Even more importantly, the farmers were able to surge their yield by **INR 11,000 – INR 29,000 per acre**.

Leveraging Technology to be a 'Digital Connector'

Our digitally enabled platform initiatives have strengthened us to mediate many meaningful transactions between these stakeholders, making Samunnati a 'Digital connector' for small-holder farmers. The **digital connector** formalizes and digitizes all the interactions and use-cases in the farmer economy.

Some of our tech interventions include-



www.fpogateway.com: is a single port of call for the Farmer Producer Organizations (FPOs) to interact with the Agri Eco System and vice-versa. It is a technology platform that delivers different products and solutions to the FPO from Samunnati's internal teams as well as from our eco system partners. It is available in both web and mobile application forms and comes with multi-

language capability. At present there are 842 FPOs registered on FPOGateway.

- FPO Membership base - **540114**
- Number of Farmers basic member data available on Gateway - **207156**
- Number Farmers digitized - **8745**
- Number FPOs Graded – **677**



Kisan Connect App

Samunnati has developed 'Kisan Connect app' which is in testing stage for customised weather alerts for FPO member farmers registered on FPO gateway. Key features include price analysis for set commodity, visual representation of daily and

hourly weather information, push notifications from FPO - alerts requiring attention (extreme conditions), ability to see farmer responses, send notifications & receive responses from member farmers.

Business Management Systems for FPOs

FPO business is unique in many ways because it is a member's owned organisation and deals with farmers on a day-to-day basis. BMS has been custom-built for the FPO business. A simple to use ERP software that has been custom built for FPO

business. It allows them to digitize their day-to-day point of sale/purchase transactions which automatically get translated into ledgers and financial statements.

Features

- Farmer procurement module with quality check
- Purchase and Sales of inputs and outputs
- Custom hiring services module
- Manage expenses and fixed assets
- SKU based inventory management
- SMS alerts and digital invoice generation

Benefits

- Smarter business
- Creates transparency & develops trust
- Better customer insights
- Quick audits and tax reports
- Member wise ledger tracking
- Automated financial statements



Samaarambh

helps farmers interconnect with each other and identify the relevant stakeholders as per need. Samaarambh was rolled out with the aim to support budding businesses in their journey to make Agri-value chains work at a higher

equilibrium by proving both existing and innovative financial and non-financial solutions that are favorable to the ecosystem players. We have **over 300 Agri start-ups** registered on the platform and a field-level relationship with nearly 50 of them.



Samunnati has been working with various FPOs and AEs to provide an end-to-end solution that entails the entire value chain from pre to post-production. This includes either providing technical assistance, financial aid, linkages or advisory.

Chithamur Farmer Development Centre (FDC) Kanchipuram: Providing Quality Products to Increase Yield



Problem

Chithamur Farmer Development Centre is an FDC based out in Kanchipuram, Tamil Nadu. The FDC has been serving most of the farming requirements of FPOs for the last year. One of the major requirements of the FPOs in this area is mulching sheets. The sheets are usually used to develop a better yield of Rabi and Zaid crops by avoiding weeds and thus also diminishing labor engagement. The FDC needed direct linkages to procure these sheets directly from the manufacturers, further providing them to the farmers at an affordable rate.



Solution Offered

Samunnati came in full support of the FDC and provided direct linkages to procure mulching sheets for the farmers at a much more affordable rate.



Outcome

With Samunnati's help Chithamur FDC has served more than 2000 farmers so far by getting them quality mulching sheets directly from Gujarat manufacturers. Around Rs 30 lakhs worth of material has been sold in the region and each farmer has saved Rs 75 to 100 for every sheet.

Unleashing the Power of Recognition

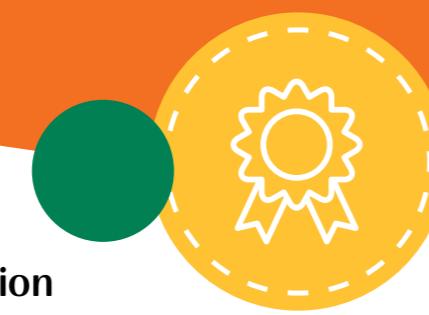
We, at Samunnati, are moving towards building a culture of recognition. Recognition is definitely the most important drivers of excellence and therefore cannot be overlooked.

FPO Awards: We've developed a recognition platform for the Farmer Producer Organizations (FPOs) across India, that incentivizes them to improve their performance. Samunnati, in collaboration with the Economic Times and in collaboration with its institutional partners, advisory team, and editorial members, hosts the 'Farmer Producer Organization Summit & Awards,' a conference that focuses on discovering and remembering FPOs success and strengths, as well as their period of excellence. The Summit focusses on emerging technology that can assist farmers in achieving maximum yield, giving financial solutions to farmers and arbitrators, and establishing stable input and output supply networks.

For the past two years, Samunnati has been in charge of the summit. The event was a big success in 2021, with over 1000 guests and over 40 speakers.

AgTech Summit: Samunnati is honored to be the Title Partner of The Economic Times' Virtual Agtech Summit 2020, a first of its kind. The theme of India's first virtual Agtech summit was "Envisioning Business Growth: Disruptive Technologies: IN and POST COVID Era." The Summit sparked lively debate and promoted digital innovation and best practices for corporate success in a time of crisis. The Summit initiated thought provoking discussions and advocated technology innovation and practices for business growth at the time of crisis. Samunnati believes that as an ecosystem player we have a responsibility to make tailor-made tech solutions for small holder farmers and farmer collectives in the areas of access of input (financial and non-financial), farmer data management, market linkages and more. We at Samunnati, have kept our ears to the ground and constantly engaged with the customers to respond to their requirements.

Virtual webinars and Roundtables: We launched a webinar series named "in Talks with Samunnati-Agriculture in the new Normal- making markets work



UN Sustainable Development Goals (SDGs)

The United Nations Sustainable Development Goals (SDGs) are targets for global development adopted in September 2015, set to be achieved by 2030. All countries of the world have agreed to work towards achieving these goals. The 17 Sustainable Development Goals are defined in a list of 169 SDG targets.

At Samunnati, we have begun efforts to track our impact of our operations. We are committed to reporting impact as per the new framework and set of metrics and align them to the SDGs.

SDG Description	Approach	Interlinkages
End poverty in all forms, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events	Timely credit, quality inputs and using technology to bridge the gap for small holder framers	
End hunger and ensure access by all people, in particular the poor and people in vulnerable situations	<ul style="list-style-type: none"> Aggregating the demand for input, the FPO can buy in bulk at lesser price Collective marketing to avail better returns Economies of scale through bulk handling 	
Substantially increase health financing and the recruitment, development, training and retention of the health workforce	<ul style="list-style-type: none"> Improved quality of Production Sustainable practices for farming Capacity building for farmers 	
Ensure equal access for all women and men	Education and capacity building of members	
End all forms of discrimination against all women and girls everywhere	Employment opportunity for women in allied activities	
Achieve access to adequate and equitable sanitation and hygiene, reducing pollution. Support and strengthen the participation of local communities in improving water and sanitation management	<ul style="list-style-type: none"> FPOS work as a platform to facilitate access to Government services, like PDS (Public Distribution System), MNREGA (Mahatma Gandhi National Rural Employment Guarantee Act), Scholarships and Pensions, etc. Solar 	
Expand infrastructure and upgrade technology for supplying modern and sustainable energy services	Judicial usage of quality inputs through Adoption of sustainable agriculture	
Substantially reduce the proportion of youth not in employment, education or training	Collective ordering and purchasing	

SDG Description	Approach	Interlinkages
Develop quality, reliable, sustainable and resilient infrastructure	Common structure, technology and infrastructure support	
Responsible consumption and production	Bulk harvesting and sustainable farming	
Climate Action	Good Agricultural practices like- Optimum use of natural resources, drip and sprinkle irrigation to save and minimize usage and wastage of water	



Stakeholder Engagement



We at Samunnati, consider our stakeholder to be an integral part in the value creation process. Through our stakeholder engagement process, we interact with both, internal and external stakeholders, which helps in improving strategy and in the decision-making process.

Stakeholder engagement builds trust and accountability amongst our stakeholder groups that strengthens our organization's intent to unlock the potential of Indian Agriculture. Ensuring the voice of our stakeholders is aptly represented in our business is paramount to Samunnati's success.



A robust stakeholder engagement helps organizations to understand the needs of various stakeholders and embed it into organization's goal and strategy. We regularly engage with our stakeholders to understand their needs and concerns. An iterative process to mitigate foreseeable risks and meaningful engagement with the communities is at the heart of Samunnati's Stakeholder Engagement Process. We identify the relevant stakeholder groups (internal and external) for engagement. Our customers, employees, communities, investors, partners, and regulators constitute our key stakeholder group. Through frequent engagement with each stakeholder group, the grievances and key concerns are discussed which are further incorporated in the business strategy.

Materiality Assessment

Type of Stakeholder	Modes of Engagement	Frequency of engagement	Purpose & Scope of Engagement
Client	SMS, Audio/Video Messages, Interaction at Branches	Weekly	Understand the grievances and concerns of the consumer
Communities	Newspaper, Pamphlets, Meetings	Continuous basis	Understand the impact being created through the CSR activities
Employees	Employee engagement initiatives, Trainings, Supervisory Interactions	Monthly	Continuous development through trainings and career progression, understand health and safety concerns
Investors/ Lenders	Investor presentations, annual reports, quarterly meets and reports	Quarterly	Understanding the compliance. Updating on business activities and governance practices and addressing key issues and concerns
Partners/ Vendors	Annual reports, regular meetings	Need basis	Understanding the business activities and update on various initiatives undertaken
Regulators	Regular meetings Policy updates and ministry directives Mandatory filings with regulators including RBI and SEBI	Yearly	Understanding the compliance requirement and relevant mandated

Having a good understanding of how the expectations of different stakeholder groups are placed helps in having clarity for devising ways of engagement and communication. It is safe to state that our business thrives with, through and because of our stakeholders.

A well conducted stakeholder engagement done over regular periods of time maps out the major concerns of the different groups. The most recurring and prominent themes of such engagements are clubbed under “Stakeholder Expectations”. Once we have this clear, we parallelly attempt to map out issues under these themes that have a direct impact on Samunnati’s business called “Impact on Business”.

Essentially, We, at Samunnati –



Materiality assessment shapes up our strategy and defines our reporting while helping us analyze risk factors, map out mitigation measures and upgrade our business process. The material topics have been identified through peer review, secondary research and

internal stakeholder consultation to identify the most impactful topics under the E, S and G pillars. Moving forward, we shall conduct formal materiality assessment to streamline and enhance our results even further.



- Climate change
- Food security
- Land use and biodiversity
- Integrated environmental management systems

- Equal opportunity
- Employee relation
- Fair remuneration
- Training and development

- Ethics and Integrity
- Diversity at Top Management
- Capacity Building for Partners
- Customer Service/Grievance
- Regulatory compliance

Environment, Social and Governance at Samunnati



At Samunnati, we are committed to deliver long-term value and to do so we focus on embedding sustainability in our services to people and community. Samunnati's Business DNA has been configured to deliver sustainable growth.

We have aligned ourselves and our initiatives with the United Nation's Sustainable Development Goals (SDGs) and ESG forms a bedrock of our strategy. We have embarked upon the journey of publishing our first ever sustainability report & disclose our initiatives, performance and impact created in the community we serve. Our sustainability report focuses on providing disclosures on the pillars of ESG, material topics for Samunnati and various initiatives that have been undertaken.

In this report, we have bifurcated all our initiatives under the three pillars of Environment, Social & Governance. These pillars represent an ideal combination of resilient agriculture, best

governance practices, community development, quality consciousness, leveraging the use of technology and transparency.

At Samunnati, we drive on the combined strength of technology and partnerships to cater to the needs of present generation farmers. Being a responsible and environmentally conscious organization, we understand that while we meet the needs of farmers of today the ability of our future farmers to meet their needs is not at stake. Therefore, we focus on contributing to various initiatives under the environmental, social, and governance dimensions to meet our sustainability goals. We are making an impactful contribution to areas like Food Loss Management Solutions, Clean Energy Solutions, Inclusivity, and Diversity.

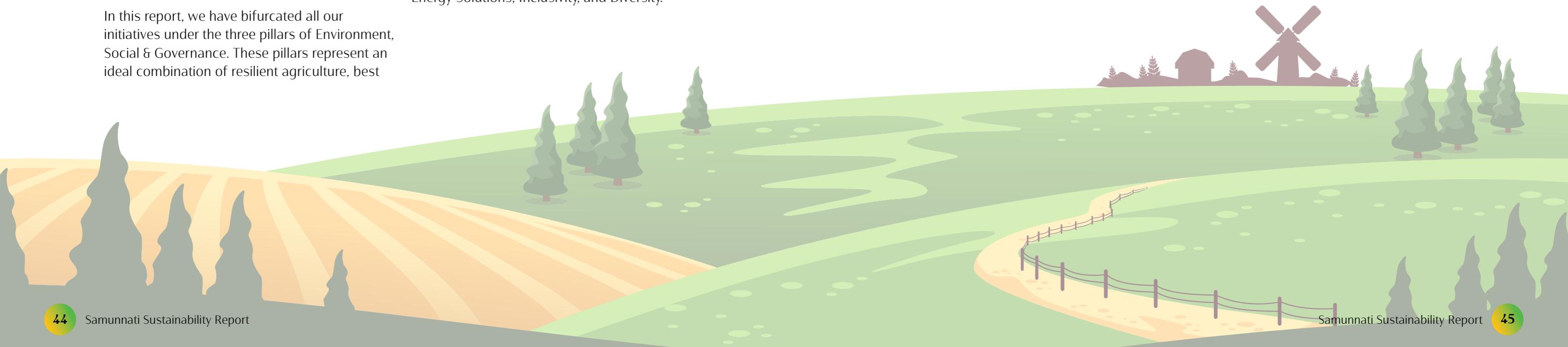
GRATITUDE FARMS PVT LTD: Bringing Climate Resilient Agriculture to Small Farmers and Providing Long-Term Capital Growth

Gratitude Farms Private Limited is an Agri-tech start-up, led by ex-army officers, based out of Pondicherry, that specializes in organic farming and aquaponics. They are a social impact organisation working towards dignified livelihood and entrepreneurship opportunities for ex-soldiers, rural women, and youth through organic farming. They have adopted an eco-system approach wherein, "they grow >> they process >> they sell" with a single objective of sustainably profitable organic farming for small and marginal farmers.



What we do?

With help from Samunnati, the plan is to set up the first of the many FPOs for ex-servicemen (primarily in Tamil Nadu Districts of Villupuram, Tiruvannamalai, Kanchipuram, Thiruvallur, Vellore, and Pondicherry). The aspirational goal is to help setup 100 units of this integrated model of Food -Forest within next one year, through the FPO. They also aim to train and develop 5000 rural youth, women ex-servicemen (ESM) self-employed or entrepreneurs in the field of organic farming and value additions. Through their efforts in organic farming and "food -forest model", we are trying to give skills and expertise to ex-servicemen to be able to set up viable Agri-economic activity for themselves without leaving their villages, while serving a larger need of being a change leader for natural/organic farming in their communities. With Samunnati's intervention Gratitude Farms are setting up a Vermi-composting unit, Mushroom cultivation unit and adopting the use of Solar Dryers on-farm as well with an aspirational goal of setting up 100 units of the integrated model of Food -Forest within next one year, through the FPO with the help of Samunnati by leveraging the relationship and connect that comes along with the integrative approach adopted by Samunnati in the Agri value chain.



Governance

Corporate Governance is an integral part of our value creation. Samunnati has embedded good governance practices in its business processes and ecosystem that helps us serve better to our stakeholders. We endeavor to adopt the best practices and highest standards of Corporate Governance through transparency in business ethics, accountability to its investors, regulatory authorities, and other stakeholders. Our Board and Leadership is aware about the importance

of ESG which is a topic of discussion during annual reviews and meetings. Our robust risk management framework embeds business and ESG risks and the ERM and ESMS helps us to identify the opportunity associated. We have identified our relevant stakeholders and engage with them on a regular basis to understand their issues and grievances. This practice helps in continuous improvement in our initiative and helps us identify our key priority areas.



Average training hours for employees



Diversity in Board



Capital adequacy



Debt Raised (NCDs, ECBs, term loans): From Development Financial Institutions (DFIs)



Total debt raised

The Board is responsible for setting and directing the strategic goals of the Company and for oversight of the management of the Company, with the aim of protecting the interests of the investors and other stakeholders. Our Board meets at least once a quarter, or more frequently as may be required and quorum must include at least two Investor Nominee Directors, one Independent Director and the Promoter Director. In addition to quarterly business related and other updates shared at the Board Meetings, the CEO and the leadership team have joint/individual interactions with the Directors on a regular basis. The Board is kept informed of all major

developments and key events on a real time basis

The Board is responsible for approving business strategies and objectives, monitoring the operational and financial position and performance, establishing procedures to ensure that financial results are appropriately and accurately reported in a timely manner (in accordance with all legal and regulatory requirements), approving annual budgets/long term business plans, approve borrowing limits and monitor the management of resources among many others.

Committees of the Board

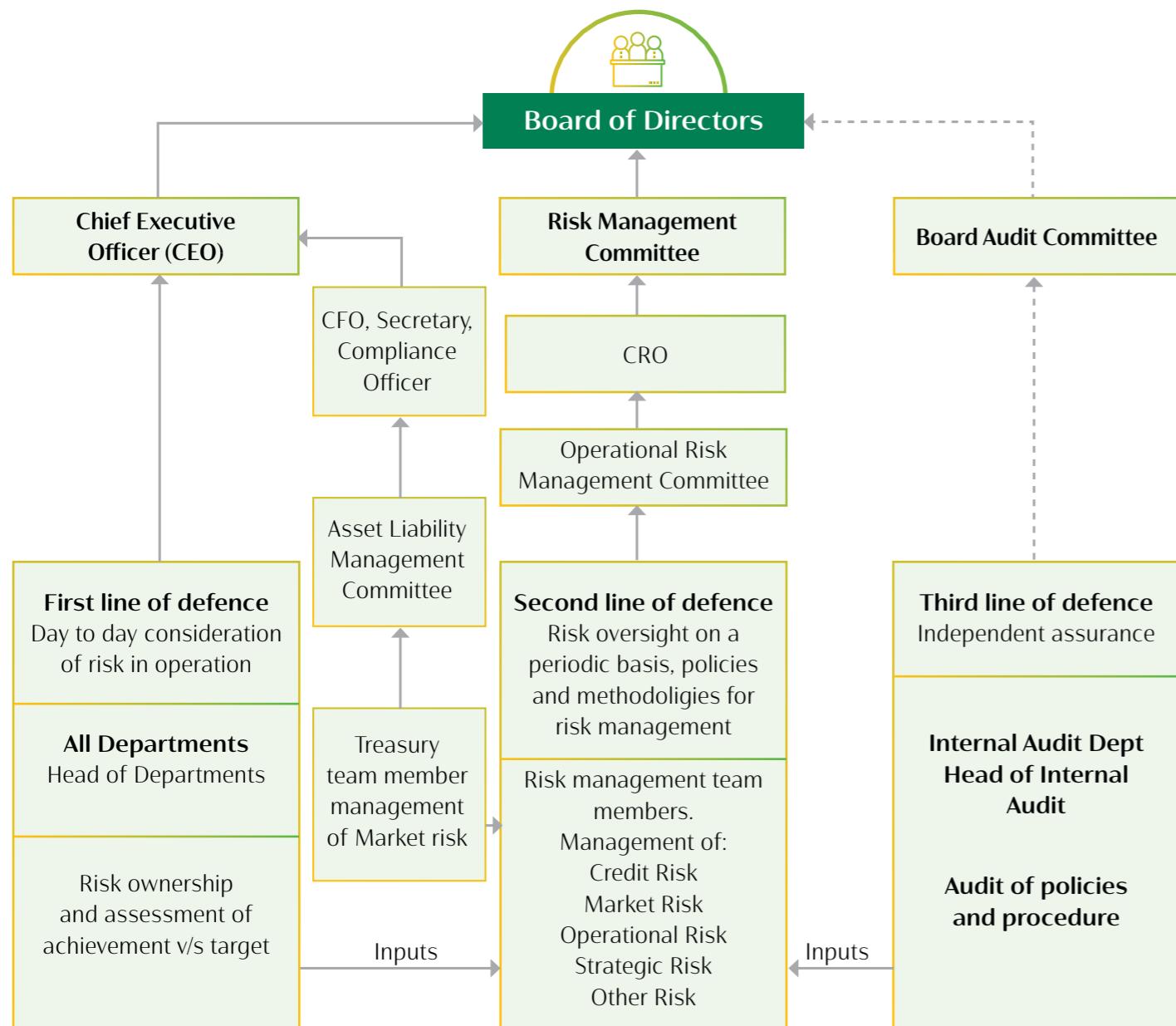
The Board has the power to constitute sub-committees. These Committees are governed by Charters that are approved by the Board.

- **Audit Committee (AC)** - The AC meets on a quarterly basis and reviews internal controls, compliance with regulatory requirements, internal audit reports and the financial statements of the Company. The Committee also recommends appointment of auditors (internal and statutory) after reviewing their performance/track record. The Audit Committee is chaired by Mr. Sunil Gulati.
- **Nomination & Remuneration Committee (NRC)** - The NRC meets at least twice a year. The NRC reviews the performance of the senior management including the CEO and approves compensation revisions and ESOP grants. The NRC also lays down criteria for and recommends appointment/reappointment of directors, in addition to reviewing performance of the Directors. The NRC is chaired by Mr. N Srinivasan.
- **Risk Management Committee (RMC)** - The RMC meets on a quarterly basis and reviews the performance of Samunnati's portfolio and takes on record the sanctions made by Samunnati. The RMC also reviews the liquidity position and compliance with the RBI mandated thresholds in addition to ensuring
- **IT Strategy Committee** - The ITSC meets at least twice a year and is responsible for approving the IT Strategy of Samunnati and monitoring IT related risks, if any. The ITSC also ensures compliance with the RBI mandated policies and processes like BCP, disaster recovery etc. The ITSC is chaired by Mr. Sunil Gulati.
- **Corporate Social Responsibility Committee** - The CSRC was constituted recently and is scheduled to meet at least twice a year. The CSRC shall review and approve the CSR investments of Samunnati in addition to monitoring such investments. The CSRC is chaired by Dr. Venkatesh Tagat.
- **Stakeholders Relationship Committee** - The SRC meets at least once a year to review any complaints from shareholders of the Company. The SRC is chaired by Dr. Venkatesh Tagat.



Risk Management

We maintain a rigorous Enterprise Risk management (ERM) that identifies and assesses the likelihood and impacts of risks and mitigation required to minimize the impact across the business.



We have risk management and internal controls in place to identify, assess, monitor, and manage the credit, operational, environmental, and social risks associated with the business. The key objectives of the ERM of Samunnati are

- to establish methodologies and lay down a multi-tier governance structure
- to build a profitable and sustainable business with conservative risk management approach

- to have risk management as an integral part of the organization's business strategy
- and to undertake business activities that are well understood and within acceptable risk appetite.

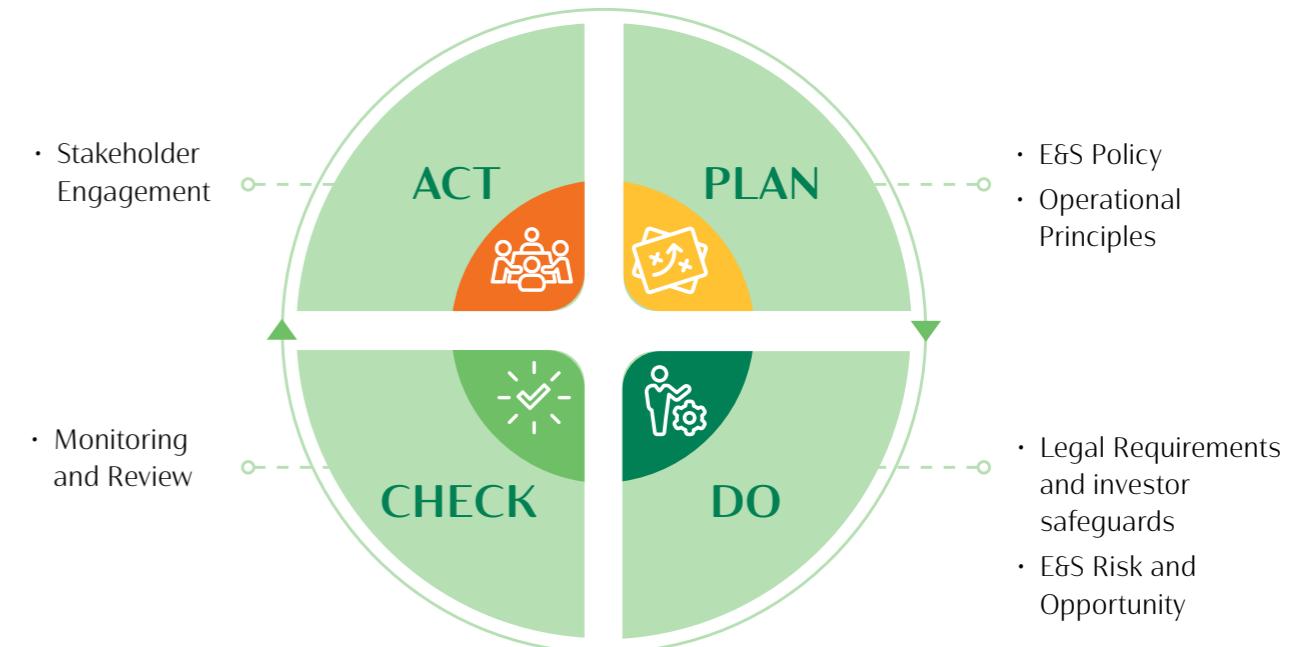
The ERM embeds an Environmental and Social Management System (ESMS), which hedges the organization's socio-environmental risks.

Samunnati's Environment and Social Management System

To achieve long-term value through sustainability Samunnati presented its Environmental and Social Management System (ESMS) in April 2020 to implement the E&S Policy and Operational Principles. Due to COVID-19 related disruptions, the ESMS for was effectively rolled out from 1st Oct 2020. Samunnati's Environmental & Social Policy reinforces its commitment towards

sustainable development and integrates environmental and social considerations into decision-making and operations. This is done to effectively manage environmental and social risks and enhance positive impacts, thus improving outcomes. The E&S policy and management system draws from the IFC performance Standards (IFC-PS).

Figure 2: Loan cycle following PDCA



The policy also contains operational principles, risks and opportunities, monitoring and review process and stakeholder engagement. We follow the **Plan Do Check Act (PDCA) cycle** that helps us in identification of risks and aiming for continuous improvement. The mechanism has been embedded in our ERM and ESMS processes that aim at improving our own controls and procedures.

Our lending cycle follows a circular, 4-stage PDCA approach, which involves all the stakeholders from investors to borrowers.

The Environmental and Social aspects with respect to credit lending is incorporated in policy formation and subsequent operational procedures are developed for

implementation in the Plan phase. In the next “do” phase, the legal compliances related to investor safeguards and client protection, along with ESG risks and opportunities, are identified and integrated into the loan cycle. In the Check phase, Monitoring and Evaluation of E&S Action plans, Internal review of ESMS implementation and management review meetings for oversight are done to monitor and track the progress of the loan cycle. In the fourth phase, ESMS reports on the performance to the credit team, which is then used as an input for the next phase, which leads to continuous improvement in resilience of the framework against the associated risks.

Our ESMS is a set of procedures and tools for E&S risks and opportunity identification, management and monitoring. It has been developed and integrated with the existing business operations and investment processes. The policy and management systems are applicable across the organization and all the team so are required to attend training

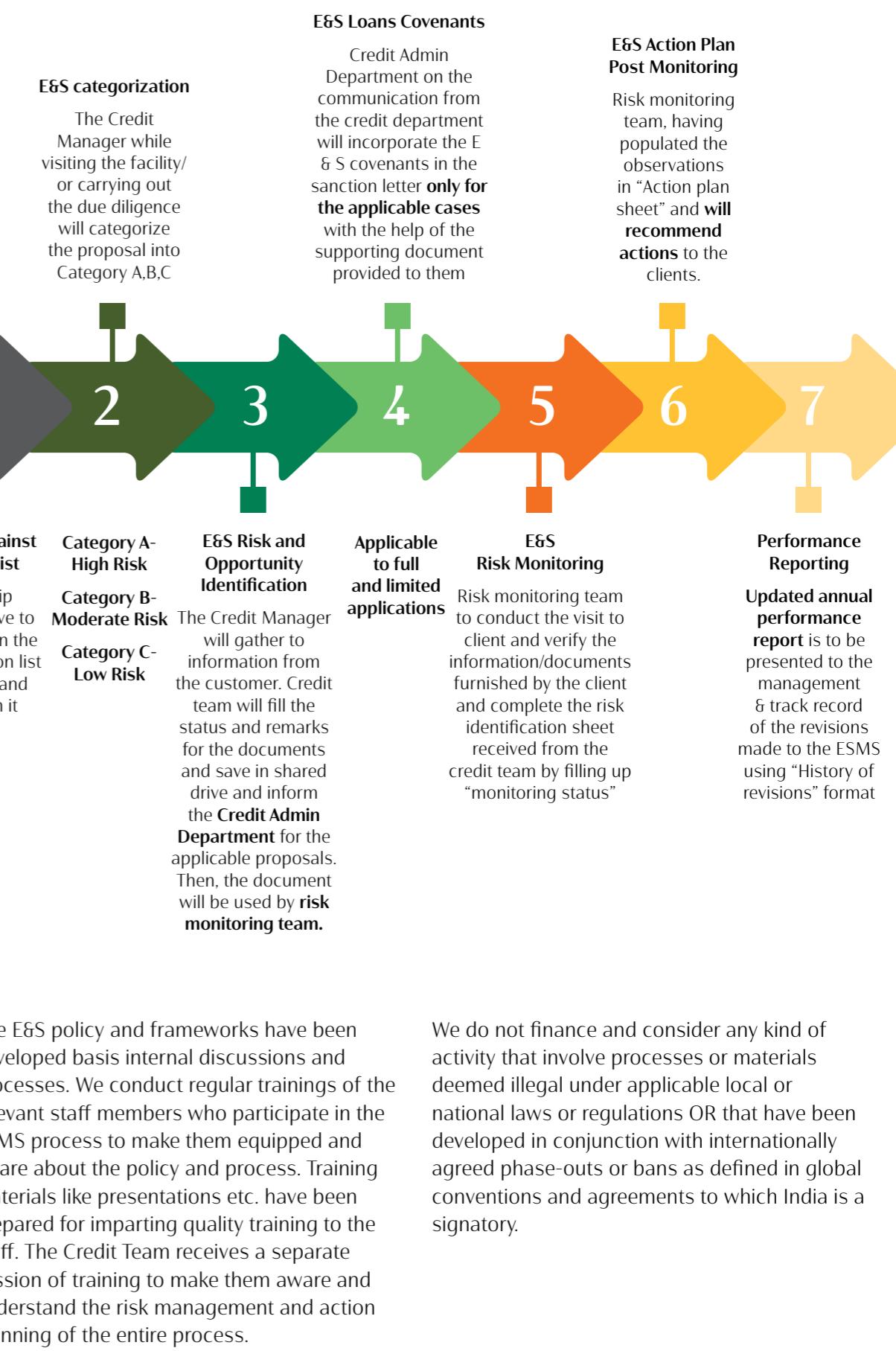
programs as assigned on ESMS and complete them, clear internal assessments/certification, as applicable and participate in Internal ESMS Audit. The institutional structure with roles and responsibilities of various departments towards implementation of the ESMS have been defined and properly laid out.

Client Protection

Besides the risks posed due to borrower/customer businesses to whom Samunnati has extended loans/credit, risks could be posed to borrower/customers due to practices followed by

Samunnati. These risks are covered under Smart Campaign's Client Protection Principles (CPP). An overall mapping of procedures and practices at Samunnati with the CPP is presented below.

Client Protection Principles	Samunnati Procedures & Practices
1. Appropriate product design and delivery	A need-based customized solution is provided to the customer after underwriting his cashflow and risk-taking capability. The payments are done through bank transfers (digitally).
2. Prevention of over-indebtedness	Samunnati as a credit underwriting practice checks customer's CIBIL and Highmark reports. Samunnati also defines the limit assessment norms for working capital and term loans as part of its credit policy.
3. Transparency	Term sheet and repayment schedule along with details like interest rate, security, sanction amount, processing fee, document charges and other charges are provided to the customer at the time of document execution. Samunnati also explains the terms to customers and takes vernacular declaration. Samunnati engages in a reminder tele calling practice for right and timely collection of the repayment.
4. Responsible pricing	Samunnati does not charge for pre-payments and interest is charged only for the period till the principal amount is not paid.
5. Fair and respectful treatment of clients	Samunnati follows fair practice of reaching out to clients at appropriate time and place. Samunnati ensures there is no mistreatment of clients through the third-party vendors for tele calling. Samunnati follows the Fair Practice Code, and the Code is available at each of its branches. Employees are also trained on the same.
6. Privacy of client data	Samunnati signs Non-Disclosure Agreement (NDA) with all the third-party vendors to protect its clients' data. Samunnati has also established and implemented its Information Technology Security Policy.
7. Mechanisms for complaint resolution	Contact details of Grievance Redressal Officer at three levels is posted on the website.



Samunnati's Exclusion List

1	Ozone Depleting substance
2	PCBs (Polychlorinated Biphenyls) and other specific
3	Unsustainable fishing methods such as blast fishing and drift net fishing in the marine environment
4	Hazardous pharmaceuticals
5	Pesticides/herbicides or chemicals
6	Production or activities involving harmful or exploitative forms of forced labour/ harmful child labour
7	Production or activities that impinge on the lands owned or claimed under adjudication by Indigenous Peoples
8	Cross border trade in waste and waste products, unless compliant with the Basel convention
9	Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals
10	Destruction of High Conservation Value areas
11	Production or trade in wood or other forestry products that result in degradation of forests
12	Radioactive materials
13	Tobacco
14	Unbonded asbestos fibres; radioactive materials; pornography and/or prostitution
15	Racist and/or anti-democratic media and tobacco

ESMS Internal Audit

We have successfully completed the first internal audit for our ESMS for the financial year 2021. The audit report suggested satisfactory adherence to the ESMS and E&S policy. The root cause of some of the inconsistencies could be attributed to the initial teething issues coupled with COVID impact resulted in delay in some of the process completion. Based on the audit findings FY21 from the period

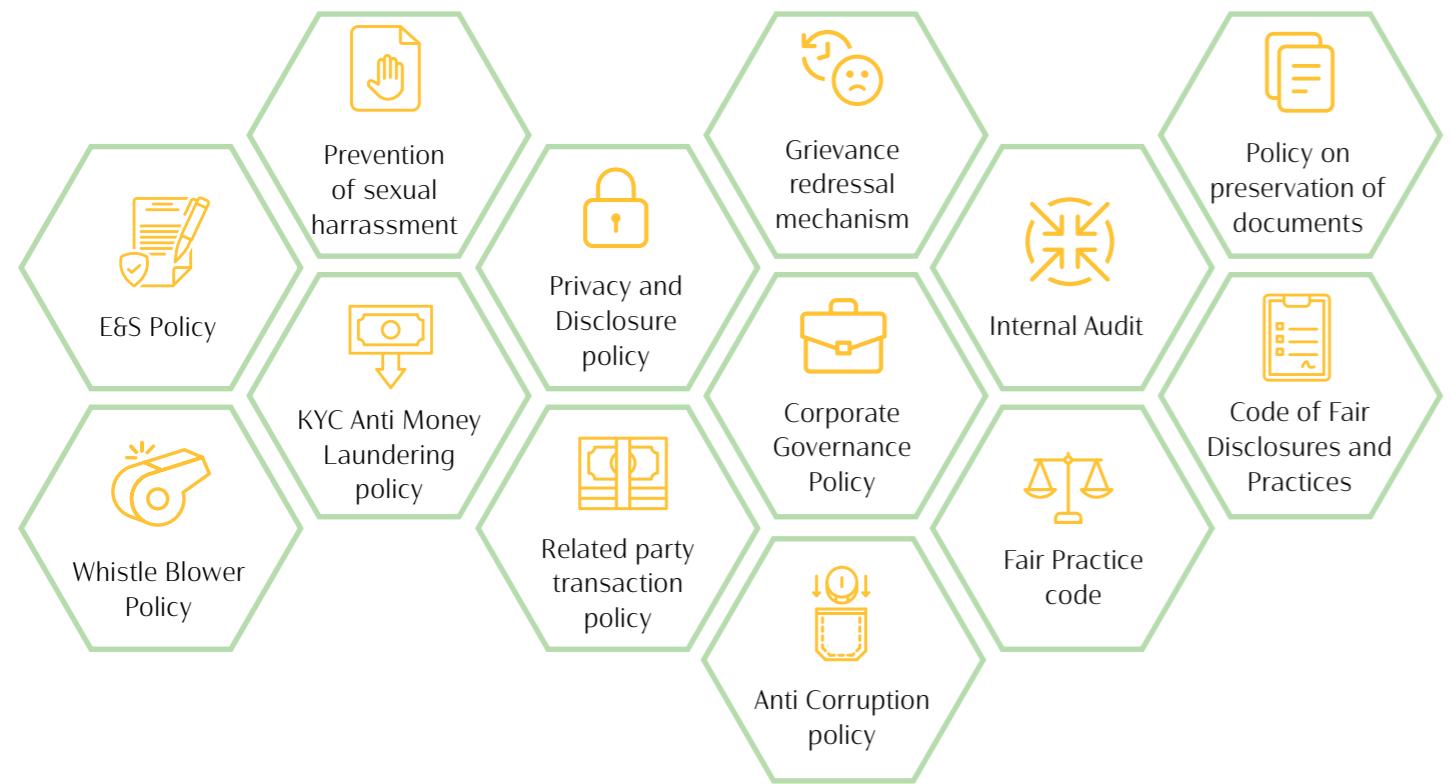
between Oct 20 till Mar 21, there were total 138 new clients onboarded, of which 5 clients had a full application of the ESMS framework as per the ESMS grid of criteria for both AEs and FPOs. There were total 87 clients that had limited application and 46 clients which had no application.

We have identified some of our risks that have direct impact on our businesses and have undertaken measures for their mitigation.

Mapping of ESG	Risk Type	Potential Impact on Business	Mitigation measures
Business Risks	Credit Risk	Credit risk involves the inability of the borrowers to repay loans which directly impacts our non-performing assets (NPAs) and lending ability	Our policies and processes such as credit approval processes and the associated monitoring and evaluation systems and checks and balances help us mitigate the credit risks
Business Risks	Liability Risk	Some of the liability risks for Samunnati include asset loss, injury death, financial loss that can directly or indirectly impact our balance sheet and P&L statements.	We have a robust risk management process which complies to the rules and regulations with respect to the third parties and helps us identify the risks and take mitigation measures accordingly
Social	Pandemic Risks	2020 was a very challenging year for us and our operations. The pandemic made it harder for us to have access to offices and resources. Employee health and safety was also impacted	<ul style="list-style-type: none"> Covid Support Mechanism to help employees get access to oxygen cylinders and corpus amounts. Corona Kavach Policy for Home Care treatment, Pre and Post Hospitalisation expenses, Cashless Claim Settlement
Environment Governance	Climate Risks	Whims of weather caused by climate change impacting crop cycles, output and productivity may have an impact on portfolio at risk, payback capacity of customers, etc.	Designing of the Climate Smart Agriculture program that helps FPOs and AEs to learn and adopt about sustainable agricultural practices and provides mitigation measures against the impact.
Environment	Natural Perils	Natural disasters like earthquakes, floods, draught, fires can impact any node of supply chain which may affect the continuity of operations	Samunnati's Business Continuity Plan aims at planning organizations' exposure to asset loss, internal and external threats and provides effective prevention and recovery for the organization, whilst maintaining competitive advantage and value system integrity. This also helps in avoiding business risks.
Governance	Regulatory and compliance risks	Changes in national/state level policies, introduction of new regulatory compliance can impact the current workings of the organization impact the current workings of the organization	<ul style="list-style-type: none"> Staying up-to date on the latest developments in Agri sector Aligning operations and business practices to the regulatory compliance for smooth functioning
Social	Attracting and retaining talent	Attracting and retaining the best talent in a competitive market	<ul style="list-style-type: none"> Recognizing and nurturing employees with outstanding performance. Various HR Programs for employee growth and team building. Learning and developing sessions to keep them up to date on Agri sector and fair understanding of business
Governance	Reputational Risks	Reputational risk is a threat or danger to the good name or standing of a business or entity which can either be affected by companies' actions or indirectly through employees and other stakeholders. Good governance is an important factor for mitigating reputational risks.	Samunnati has put in place a suite of policies, codes, and standards to guide actions and behaviors. These include the Samunnati HR Policy; the Whistle-blowing Policy; the Corporate Social Responsibility policy etc.

Policies

We have policies and procedures in place to enable smooth functioning of business operations and to have a mechanism for employees and stakeholders to express their concerns and grievances.



Quality Management System



Business Continuity Planning

Business Continuity Planning (BCP) is “planning which identifies the organization’s exposure to internal and external threats and synthesizes hard and soft assets to provide effective prevention and recovery for the organization, whilst maintaining competitive advantage and value system integrity”. It is also called Business continuity & Resiliency planning (BCRP). The intended effect of BCP is to ensure business continuity which is an ongoing state or methodology governing how business is

conducted. Simply put, BCP is working on how to stay in business in the event of disaster. Incidents include local incidents like building fires, regional incidents like earthquakes, or national incidents like pandemic illnesses etc. All Business Continuity plans are reviewed on annual basis or whenever there is any change in the business. The BCP Coordinator is responsible for reviewing the document and make necessary changes.

We at Samunnati embarked our journey towards implementing a Quality Management System as per international standard 9001:2015 laid down by ISO. The journey began in December 2020 with the first step of understanding where we stand, followed by an analysis to identify gaps to be able to comply with the ISO 9001 standards. All the business functions worked in unison to draft 86 Standard Operating Procedures (SOPs) across various processes which were then reviewed and standardized to a well-defined form. Samunnati follows a structured procedure in reviewing, monitoring, and maintaining all approved documents. As part of the QMS Implementation, Samunnati engaged 21 employees of the

organization from different functions certified as ISO 9001 Internal Auditors who performed/ would perform internal audits at regular intervals. Samunnati is engaging with TUV Nord India Pvt Ltd for the certification process. After a thorough and rigorous audit process conducted by TUV Nord between 18th to 20th of March 2021, both Samunnati Financial Intermediation and Services Pvt Ltd and Samunnati Agro Solutions Pvt Ltd were successfully ISO 9001:2015 certified. This certification aims at strengthening the organization through standardization of processes, enhance us as a brand in the market thereby boosting investor confidence.

Environment

We are aware about the impact of agriculture on the climate and are committed to working and imparting conscious and responsible agriculture techniques. Our ESMS systems helps us in identifying any environmental threats and provides necessary guidance for mitigation. With risk being identified, we then recognize the relevant opportunities that are related to the risk and take appropriate actions.

Our Climate Smart Agriculture helps in providing sustainable solutions to our stakeholders. Our two-pronged approach of financial lending and advisory helps our stakeholders and beneficiaries in the gradual shift towards responsible and sustainable agricultural practices. We ensure adherence to all applicable environmental laws and regulations.



Environmental Initiative for our Value Chain Partners

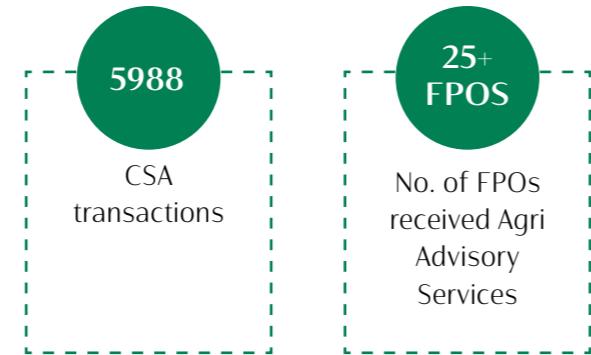
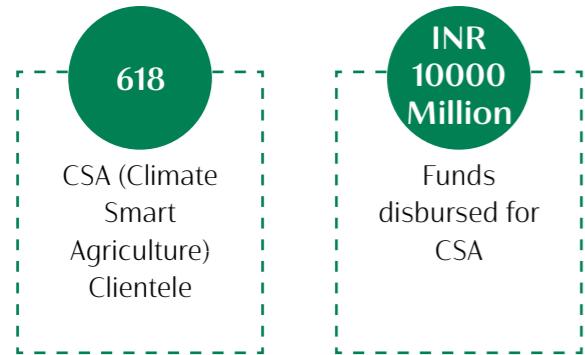
Climate Smart Agriculture

To make the agricultural sector sustainable and build resiliency, Samunnati has undertaken an initiative under the purview of **Climate Smart Agriculture** that focuses on sustainable practices that are to be followed while farming, alternative growth strategy, reducing emissions and adapting to climate change. CSA is in line with our genetic code and is aligned to our mission.

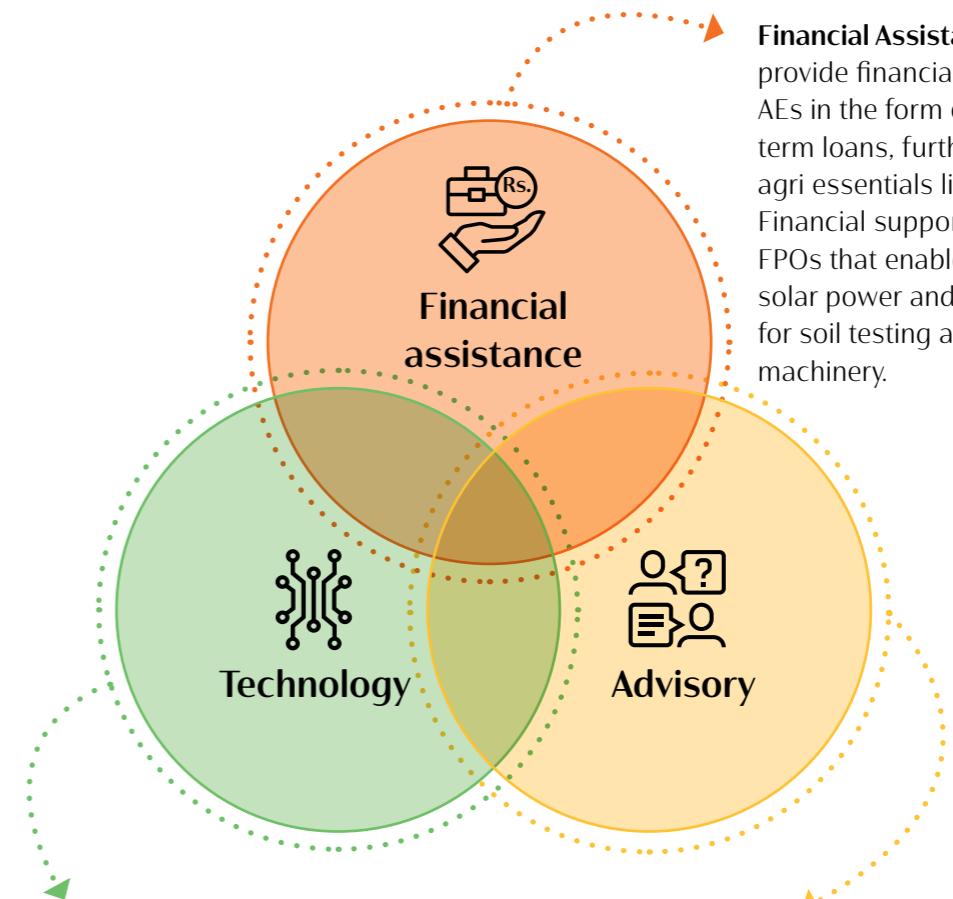
Through our CSA program, we aim to mitigate the effect of climate change on the agriculture sector through initiatives spread across the value chain. Climate change mitigation is avoiding and reducing emissions of heat-

trapping greenhouse gases into the atmosphere to prevent the planet from warming to more extreme temperatures while climate change adaptation means altering our behaviour, systems, and—in some cases—ways of life to protect our families, our economies, and the environment in which we live from the impacts of climate change.

CSA has been aligned to the entire value chain of Samunnati with offerings and advisory services at all stages. Through the pre-production to the post-production stage, we offer advisory and services to FPOs and AEs to enhance their yield.



Types of Solutions under CSA



Financial Assistance and Support: We provide financial assistance to farmers, AEs in the form of short and medium-term loans, further enabling them to buy agri essentials like seeds, manure, etc. Financial support is also provided to the FPOs that enables them to harnessing solar power and pump for irrigation, for soil testing and for purchasing of machinery.

Leveraging technology in CSA: We use our technical platforms for engaging with FPOs and AEs. Samunnati FPO gateway is a proliferation of CSA awareness and relevant services through the AMLA approach and includes regular interaction with farmer collectives. Samaarambh and Agri Elevate is also used for engaging with Agri startups and AgTech players and for listing of sustainability related information.

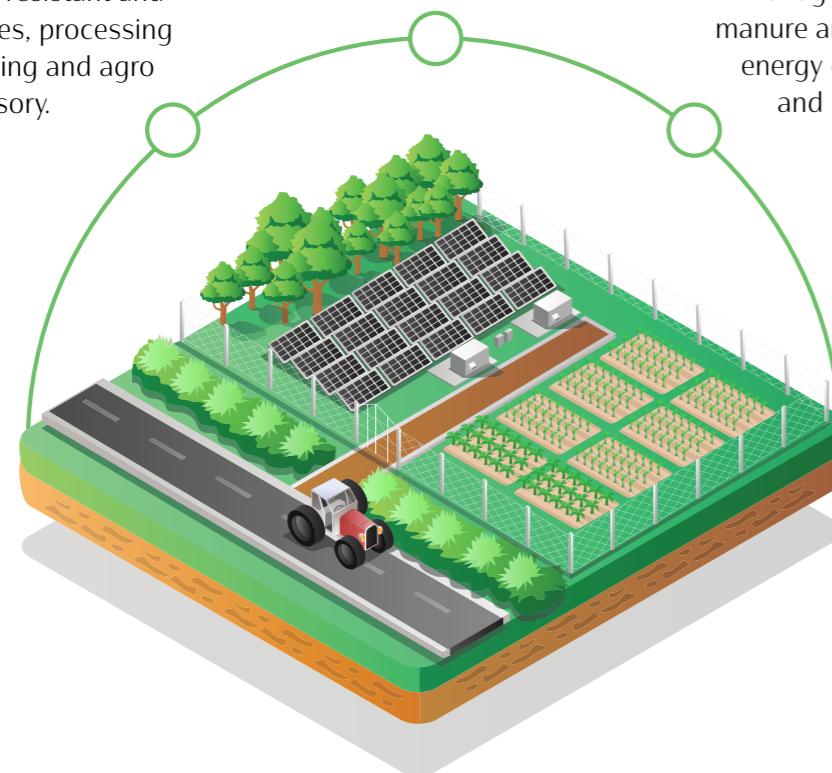
Advisory: Apart from the loans and financial assistance, we engage with the FPOs and AEs to educate them about the best sustainable and resilient agriculture practices. Topics of discussions includes but is not limited to crop rotation to help farmers understand the importance of soil nutrition, use of drip irrigation that shall help in saving and limiting the use of fresh water, use of organic fertilizer and pesticide to limit the pollution level in nearby water streams. We create awareness amongst the FPOs and AEs that shall help in the gradual shift towards adopting sustainable agriculture.

Objective of CSA

Our Climate smart agriculture program has three broad objectives

Adapting and building resilience to climate change-

In this sphere the solutions being provided by us include advisory on crop rotation, soil conservation, smart irrigation, residue free or organic input, resistant and tolerant varieties, processing and solar drying and agro advisory.



Sustainably increasing agricultural productivity-

We provide consulting in increasing productivity and income topics such as on conservation agriculture, warehousing and storage, advisory on price, livestock breeding, energy efficient mechanization, urban farming, weather and crop related advisory.

Reducing and/or removing GHG emissions, wherever possible-

We provide solutions in reducing GHG emission from value chain through advisory on precision agriculture, zero tillage, crop residue management, agroforestry, manure and feed management, energy efficient technology and solar equipment.

start-ups and linking farmers/FPOs to market.

- Indian Institute of Millet Research (IIMR) and its business incubator- Nutrihub, to support and promote millet-based startups and facilitate our financial and non-financial solutions. In the coming months, Samunnati will be working with the FPOs promoted by IIMR, to provide them digital solutions, training, capacity building etc. With the International Year of Millets approaching in year 2023, Samunnati and IIMR along with Nutrihub, are working to make an impact in Millet industry and makes the millets' markets work for smallholder farmers.

In addition to the above, Samunnati also provides market linkages and connects the small holder farmers directly with a buyer or a wholesaler. We abide by the Sustainable development goal 17- partnerships and help contribute to the objectives via our own business activities.

Through the CSA initiative, we aim at creating maximum impact in the community we serve in. We focus on increasing awareness of the field across market through collaterals and engagements. Our goal is to maintain to be a thought leader and pioneer in the climate smart and sustainability space. Our portfolio at present contains 398 FPOs and 115 AEs spread across all over the country .

Partnerships for Strengthening CSA

To enhance the CSA efforts, Samunnati has entered into agreements with various organizations to help support and provide financial assistance to them.

- Launched Green Bonds with Symbiotics, the leading market access platform for impact investing, with the proceeds of USD 4.6 million fully allocated towards climate smart agriculture
- United States Agency for International Development (USAID) and Rabobank Foundation

(RF) who shall provide a guarantee fund covering 50% of the net losses of principal

- International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) to strengthen agricultural value chains through mentoring, capacity building and skill development workshops on value chain management, access to finance, facilitate Agro-technology commercialization, scaling-up Ag-Tech, Entity

“ Climate change has become the single major factor which is threatening livelihoods of the poor and nations food security. Various efforts are underway to find technological, institutional and policy level solutions. Samunnati's effort to use appropriate finance as a tool to drive Climate Smart Agriculture is innovative and can shift large numbers of farmers to adopt such practices. From Centre for Sustainable Agriculture and Sahaja Aharam Producer Company which is a federation of more than 60 farmer producer organisations adopting climate smart agricultural practices, we are happy to be associated with Samunnati to take the agenda forward. We wish all the success in their efforts

Dr. GV Ramanjaneyulu
Executive Director at Centre for Sustainable Agriculture



Impact generated through CSA

Focus Area	Key Initiatives	Impact generated through CSA	SDGs
Pre-production	<ul style="list-style-type: none"> Crop rotation Climate resilient cultivars Organic inputs Zero tillage Insurance Soil testing 	<p>Crop rotation, organic inputs (fertilizer and pesticides), zero tillage will lead in less soil erosion and maintain the minerals required for a good harvest.</p> <p>Soil testing helps to understand the soil fertility and the correct fertilizer needed for the same.</p>	
Across production	<ul style="list-style-type: none"> Rainwater harvesting Agroforestry utilizing Diversify farm income Easily digestible feed Green finance Drought adapted breeds 	<p>Rainwater harvesting helps in limited the use of groundwater.</p> <p>Diversifying farm income through engaging in dairy, poultry, aqua culture as well as farming will help small holder farmers to increase their income</p>	
Production	<ul style="list-style-type: none"> Solar pump Pheromone trap Biological crop protection Mechanization Micro irrigation Precision agriculture Integrated pest management 	<p>Use of solar pump for irrigation and electricity increases the use of renewable and clean energy that is in alignment with Samunnati's vision.</p> <p>Precision agriculture, using technology helps in increasing production, reducing labor time, and ensuring the effective management of fertilizers and irrigation processes.</p>	
Post-production	<ul style="list-style-type: none"> Solar cooler/dryer Bio-degradable packaging Mechanized harvesting Curing and waxing Biofuel/gas Processing 	<p>Mechanized harvesting and processing results in reduced labor time and manpower. This helps farmers to have a timely harvest and processing.</p> <p>Bio-degradable harvesting practices leads to lesser waste generation and use of sustainable packaging materials that do not harm the environment</p>	

Environmental Initiatives within Samunnati

Electricity consumed in offices - 28,415 KWH per month across Major offices

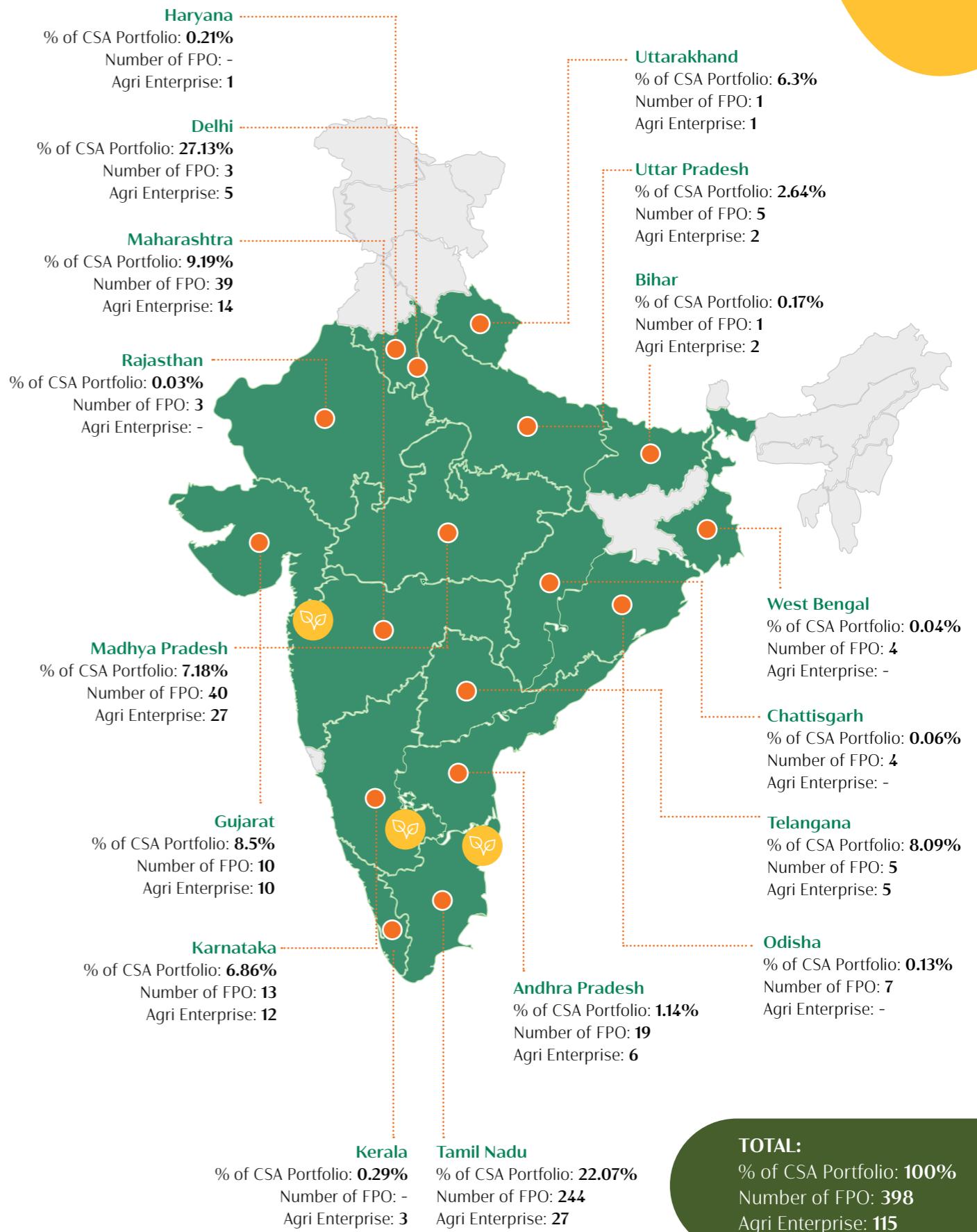
Energy intensity: 100 KWH per month per employee across Major office

Samunnati ensures adherence to all local laws and compliances. To go a step further, we have embedded good practices in our office premises that help save electricity, reduce wastage and have use recycled and upcycled products.

In order to save electricity, we have devised some initiatives to be followed in the office premises-

- We switch off the central air conditioning systems at the end of office hours
- Selective lighting is practiced in office after the end of business hours

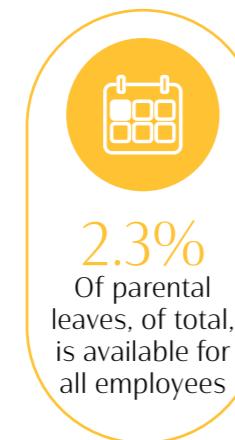
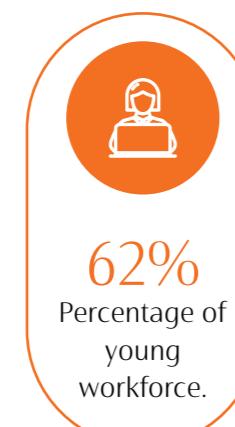
These practices have led to collective savings of approximately 8,000 kWh per month across Major offices at Chennai, Bangalore, and Mumbai.



Social

We at Samunnati follow a dualistic approach under the social pillar of ESG. We not only aim to uplift and provide equal opportunities to our employees but do the same for our stakeholders. We have developed various initiatives that aim at uplifting and providing equal opportunities to our value creation partners like suppliers, women in FPOs and AEs, etc. Through the Samunnati Foundation, our objective is to improve the lives of our stakeholders. We aim to realign our social

pillar with every spectrum of our value chain. Our dualistic approach of engaging with both our internal and external stakeholders helps us serve better and form new and engaging initiatives. Our employee engagement programs, and leadership development plans helps us to engage with our employees better and have robust HR policies. We also have initiatives for our supplier base such as local procurement and responsible consumerism.



Material Topics: Community Engagements, Diversity and Inclusion, Human Rights, Trainings and Capacity Building

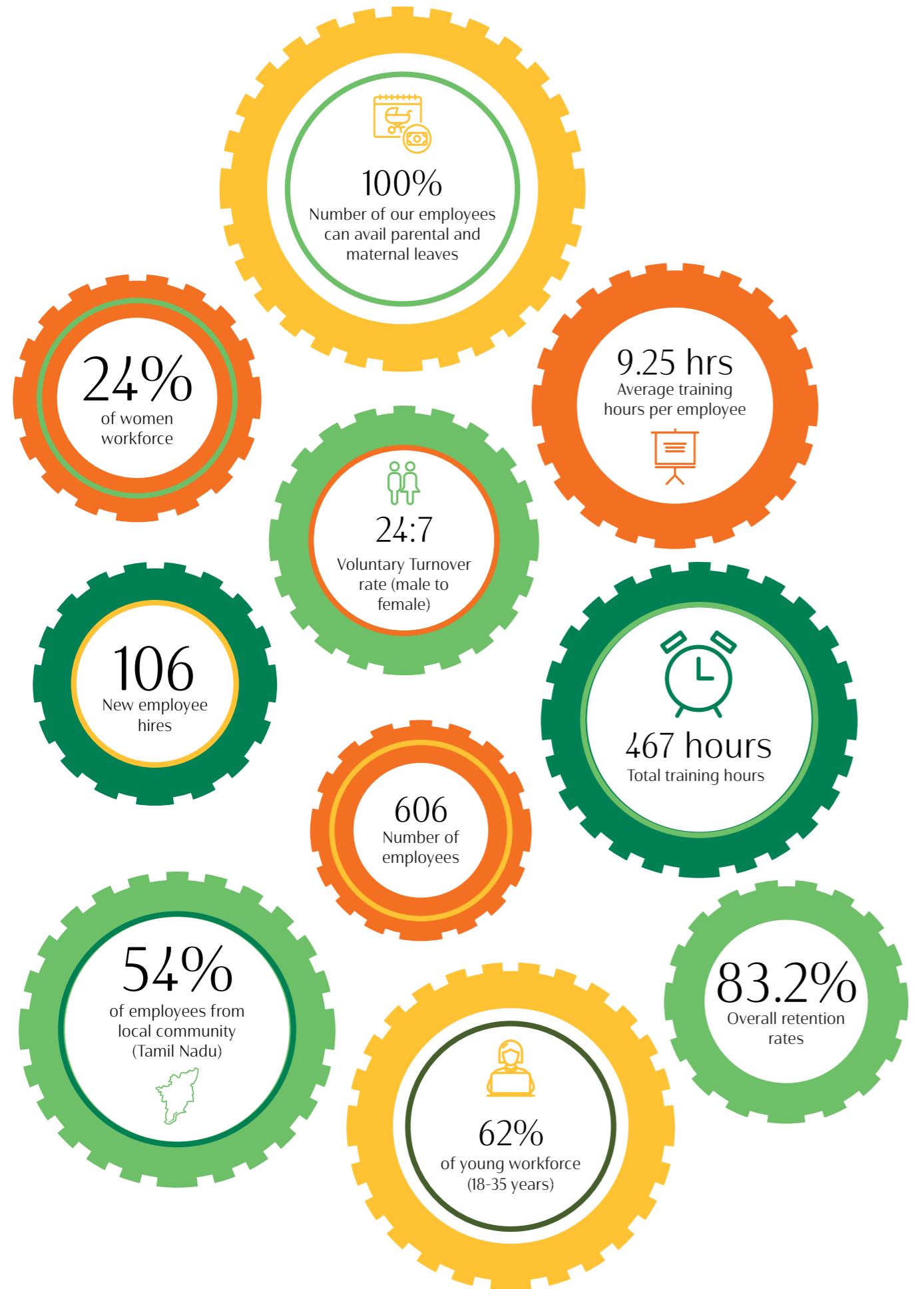
Internal stakeholders

People function at Samunnati is focused on leveraging best practices and initiatives to empower and maximize potential of its employees. Merit is the only criterion that is considered for selection and onboarding of an employee for which various job seeking platforms are used by the HR team to hire the best suitable candidates. In addition to this equal employment opportunity and an equal and fair chance to access resources is given to all. We believe in making our employees feel welcome and at home. Our employee base consists of people from all over India. Hiring is done based on business requirements and we keep a track of our employee base to assess

our spread across the country and make them feel welcomed and part of the family.

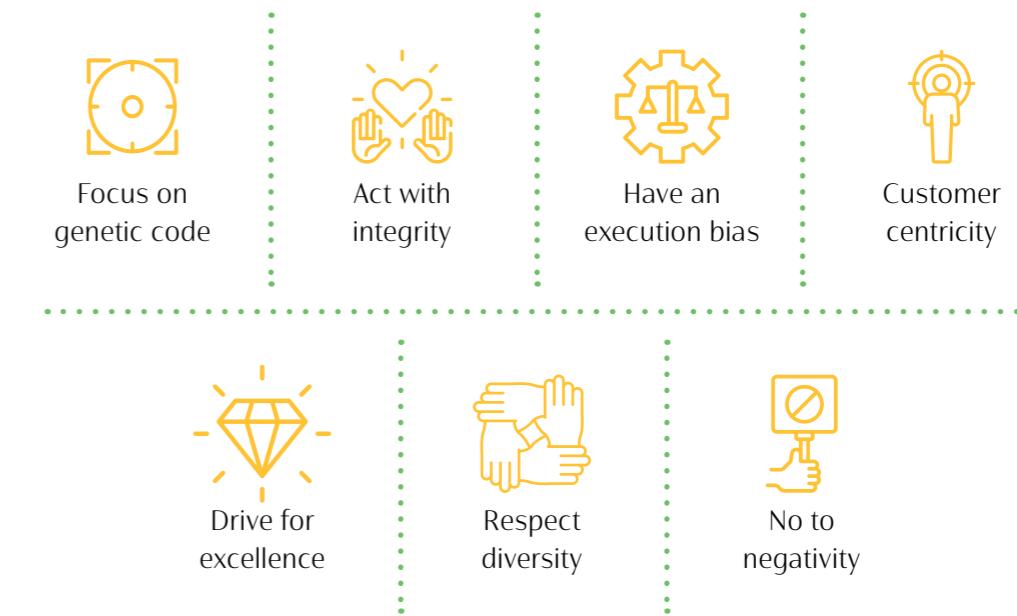
As a part of employee well-being, we have established gender friendly restrooms in some of our offices and we are in the process of setting up in all our offices (with member base at least 10). We also understand how we can make our workplace more comfortable for everyone. We have allocated and designed a room in case someone has illness and needs rest. There is a dedicated space for yoga and meditation and newly introduced gym room, music rooms and table tennis for people to take some time off and connect with others having common interests.

KPI	Samunnati Agro	Samunnati Finance
Number of employees recruited	99	92
No of females at non managerial position	24	14
No of Female Board of Directors	2	2
Branches across India	20	29



Employee Code of Conduct

The values that define and drives performance



The above values are very critical to Samunnati and portrays our behaviors as an organization. Every employee at the beginning of their journey is inducted and oriented to the code of conduct and goes through a rigorous training program.

Samunnati has been recognised by the Great places to work institute among the Top 50 - India's Best Workplaces™ for Women 2021.

This certification is an honour for us and indicates the people-first culture we have that is built on the foundation of respect and transparency. This is an external validation of the culture that Samunnati believes in and an encouragement for us to continue further in making our workplace more diverse, inclusive, and equitable.

Employee Engagement Initiatives

Our employees are the biggest assets to our organization. We have undertaken various initiatives to make them feel comfortable and take care of their well-being.



Health and Well-being

Heartfulness Sessions are conducted every week at the office where employees can participate. This helps our employees to embark on a transformational journey through meditation.

Counselling Support through I Will: We have tied up with an organization by the name of I Will that provides employees with individual customised support for their mental health and well-being. To ensure that employees do not feel burnt out, we conduct several webinars and sessions by health experts and we also encourage open conversations among everyone so that each employee feels supported, and to spread awareness.



Creating an open work culture

HR Samvaad: is an initiative where the leadership and the HR team reached out to the employees to ensure their overall well-being. This is a platform where employees can raise concerns and it provides a safe space for all to be in touch with their peers.

Leadership Connect/Open Door: Under this, the CEO and the Directors are approachable by any employee to discuss their concerns. In addition, the leadership team can also connect with the employees in a structured manner to promote open and transparent communication amongst all.

Webinars on Health: We have provided various platforms for employees to participate in health webinars to be equipped to deal with the health challenges. Various experts from reputed hospitals provided an insight on the overall health and well-being.

3 “R” Program – Refresh, Recharge & Rejuvenate: We have a 3R- refresh, recharge & rejuvenate initiative that ensured that the employees had a digital detox during the COVID pandemic. Employees can avail a minimum of 3 days to disconnect from and work spend time with their families.



COVID-19 Support Initiatives

Support Mechanisms: We had set up several modes of support during the pandemic to assist our employees such as assistance through internal WhatsApp groups. Samunnati also procured 17 oxygen concentrators for our employees spread across regions in case of emergency. An emergency corpus fund of Rs 1 Lakh was provided to all the coordinators in the regions.. Employees could request for the emergency fund if there was a need and to ensure the best care was given to their families.



Engagement through Sports

Spardha: is our inhouse sports initiative that aims at driving the importance of both physical and mental wellness. Team members are given opportunity to participate in various activities such as cricket, badminton, table tennis, chess



Bringing Sustainability closer

Green Office: Samunnati provides a lot of opportunities to its employees for going green. From encouraging our staff to switch to recyclable cutlery to adjusting our air conditioning system, we have taken every small and big step to becoming a sustainable workplace.

We vehemently encourage green spaces in our office. We believe that plants provide a lively and comfortable environment for the employees to work in, inspire sustainability, and offer more benefits than aesthetics. Our indoor plants range from purifiers to creepers and can be planted by an employee as per their choice.

Corona Kavach Policy: Samunnati is one among the few organizations to provide an Exclusive Covid Policy. This policy has various benefits to protect the welfare and health of each of all our employees. Some of the features of the Policy are Home Care treatment, Pre and Post Hospitalization expenses, Cashless Claim Settlement etc.

and carrom, our head office also consists of a wellness room with gym equipment. Annual sports events are conducted across the company, and they are a way to push the team to focus on their health.

Our head office in Chennai has a terrace garden that cultivates vegetables and fruits. The staff at the office are encouraged to take these home with a minimum contribution to keep the terrace garden running. A healthy supply on rotation is ensured.



Learning and Development

Learning and development provides a way to improve and upskill the employees and the Board on new and relevant skills. As an Agri-value chain provider, we indulge in trainings and workshops for all our employees for constant learning about the new developments and trends. We also conduct capacity building exercises for our stakeholders.



SamTalks - Knowledge Management

Session: Knowledge management sessions, commonly branded as SamTalks at Samunnati, are run to make employees aware the policies/ agriculture and related subjects. Sessions are run by an internal team or by any external subject matter expert and happens at organization level

No. of SamTalks organised through Dec 21- 8 sessions

Boot Camps: Boot camps are run every year to reiterate the core business values of Samunnati, share success stories, and help employees discover newer methods to deploy solutions for Agri Value chains aligned to Samunnati's approach to Value Chain Finance.

AVCF Session: a three-day offsite program that aims at familiarizing and offering an experiential training on the Agri value chains. It is led by a senior industry expert where the participants get an immersion and a good understanding of the dairy value chain. The program is run every month and participants range from all functions across all hierarchies. Ever since pandemic started, we redesigned the program and have managed to successfully improvise the same to be run virtually with active participation.

LinkedIn Learning: In last one year, Samunnati has had a big shift in its learning journey for the employees. Given that we have been engaged remotely over the last one year, Samunnati has leveraged on its Learning potential. Various LinkedIn Learning challenges are run at a weekly/monthly basis on a focused theme to encourage employees to set some aside for their learning basis their interests and skills.

Total external courses undertaken- 5

2000+ courses completed via LinkedIn learning

LIME- LIME stands for lead, Inspire, Mentor and Empower and is a leadership development framework which will bring an alignment across all leadership teams on all aspects of people management, decision-making as well as drive open communication making Samunnati a psychologically safe workplace. Our objectives of LIME consist of driving a culture of oneness, cascading our commitment towards people management, reflecting on leadership skills and leadership styles, self-introspection and fostering a culture of transparency, open communication and creating an environment that is psychologically safe for all our employees.

No. of participants for LIME sessions till Dec-21- 42

Unnati - a leadership development journey over 2019- created exclusively for Samunnati, with the purpose of supporting our aspirational growth journey ahead. Unnati is a 10–12-month leadership development journey giving each participant an opportunity to alter the course for themselves, loved ones and team members and together. This is driven through a structured journey of forums and coaching sessions intended to activate true growth potential as individuals and a collective.

Inclusive workplaces

Samunnati has a no discrimination policy based on Gender and has ensured that there is no differential treatment between a Male/Female Employee and all employees are provided with equal opportunities. Given our business model and the need to work remotely, we find it difficult to have more female staff on the field as part of our business team. To ensure a balance and address this gap, we proactively add female staff to all possible support teams. We have special policies around Sabbatical and Maternity to support and retain women employees. We ensure to provide an environment to work where women feel safe psychologically. All efforts are made in terms of equity in pay between two genders, opportunities provided, composition of women leaders, etc. Samunnati runs various webinars/seminars focusing on women's health and well-being, to spread awareness on how they can become more influential leaders. We follow a zero-tolerance policy with respect to sexual harassment at workplace. While the Act specifically covers safety for women, we have adopted this policy as gender neutral, keeping in mind necessary guidelines to follow as an employer to provide safe work environment.



Employee Recognition

At Samunnati employees are recognized for their performance on a monthly and annual basis within the organization, which motivates them to work harder and achieve their goals. Samunnati honors the performers as monthly trailblazers.

Trailblazers

Samunnati Sitaare

Trend setters

Making a difference

Shrishti is the annual event of Samunnati aimed at bringing the Samunnati family together to bring about rejuvenation and excitement in the working life. This also serves as a platform for the employees to settle into the culture of Samunnati and make bonds with people across various teams. All employees are given a stage to exhibit their talents in various extracurricular areas and they are awarded for the same. Samunnati recognises its employees through

various awards who associate and exemplify our core values. Employees are recognised on a monthly and yearly basis within the organisation for their performance. This motivates them to perform better and work towards achieving their targets.



There are several categories of awards

1. Go-Getter Award: A 'Go-Getter' is the one who you can always rely on to do what's needed to complete a job.. this employee may take on additional responsibilities outside of their stated role to get the job done and in the larger interest of the company.

2. Rising Star Award. This is a recognition to those who demonstrate a quality of performance that indicates they will continue to develop into an exemplary employee. The employee shows passion for their work while exemplifying professionalism and dedication.



3. Emerging Leader Award: This award recognizes team members who have made significant contributions to the Business/the function they are part of at Samunnati and have demonstrated the potential for leadership.

4. Rookie of the Quarter/Half-year/Year: The purpose of the Rookie of the Year Award is to recognize and distinguish a new employee who has shown outstanding performance in his/her current position during the early days being a quick starter.

5. The Spirit Award: This award is given to the individual who embodies company culture. The person who receives this award enhances the work environment simply by being themselves. They're jovial, encouraging, supportive, and friendly. Quite simply, they make work a better place.

6. Most Valuable Person: Over the course of a year, every company has at least one employee that proves themselves to be completely indispensable. Without the most valuable player (MVP), one thing is certain: there'd be a ton of slack to pick up.

7. Extra Mile Award: This award recognizes employees who have gone above and beyond their regular/stated responsibilities. While many employees go the extra mile all the time, this award acknowledges the service and dedication of those who take on one or more special initiatives and on a regular basis with a focus on Samunnati at large.

External Stakeholders

Samunnati caters to a wide range of stakeholders comprising of FPOs, small holder framers, women communities, fishermen and wholesaler and buyers. We strive to create positive social impact on them through our initiatives and practices. The impact framework has been based on three pillars- reduced cost of cultivation, productivity drivers which focuses on more value per unit, more unit per asset and more assets under use; and member engagement focusing on increase in ratio of active members over total members and increase in member enrolments.

Impact Measurement Approach

To make markets work for smallholder farmers by enabling the agri value chains to operate at a higher equilibrium



The problem Samunnati is striving to solve

- Lack of access to finance suited to the needs of the stakeholders in the agri value chain
- Lack of proper access to markets, technology and



Key Stakeholders

Primary:

- FPOs - Single FPOs, FPO Federations and FPO – AC
- Agri Enterprises: Processors, Vendors, Traders, Wholesalers
- Agri Startups



Entry point of the stakeholders

- RIs
- FPOs Federations
- Ecosystem Partners



Steps/solutions for bringing change

- Access to affordable finance and customised solutions
- Enhanced access to market linkages, technology, and skill development
- Align gender strategy within operations



Measurable Impact

- Sustainable Growth & Livelihood Enhancement of FPOs and their farmers, AEs, startups
- Improving Capacities of businesses and institutions, thereby triggering growth
- Gender Equality in agriculture, where there is



Wider benefits

- Sustainable Growth of Agriculture
- Small holder farmers have access to higher income levels, increase in growth of business of

- skill development in agriculture
- Lack of Information and data on agriculture
- Prevalence of gender disparity in agriculture

Secondary:

- Smallholder farmers
- Stakeholders in the Agri Value Chain

- Incubators
- Academic Institutions

- Provision of sustainable agriculture practices (training, advisory, customized financial solutions)
- Working with the Ecosystem Level Stakeholders - Policy Makers, Sector Enablers and so on

- a visible improvement in social and economic status of women
- Environment and Resource Sustainability
- Building an Enabling Ecosystem to benefit agri stakeholders

- the FPOs and AEs
- Farmers/Agriculture data is used to create better interventions and policies

Impact Assessment

As a change maker, Samunnati began its initiatives in 2014 and has adopted a holistic approach to address the needs of producer organisations. In addition to providing finance to FPOs, Samunnati has focused on the following elements to comprehensively support farmers and strengthen the FPO model. We conducted a social impact assessment basis the impact management approach to understand the impact that our initiatives created on the community we cater to. A survey was undertaken for FPOs and AEs which focused on-

- Enabling capacities of farmers, FPOs and promoters
- Establishing centres of excellence in agriculture & allied activities
- Empowering FPOs with Aggregation, Market Linkages and Advisory Services
- Enhancing productivity & income through customised solutions

FPOs: 25 FPOs were surveyed across 6 states. The sampling was done wherein FPOs selected had a vintage of more than 1 year with Samunnati and have a portfolio at risk of 90 days and lower. The total land holding under the FPO is 85,470.44 hectares. After engaging with Samunnati, the combined membership of the FPOs was 51,800 which increased 134% to 69,333, out of which 18,635 (27%) were women members/farmers. The FPOs also expanded into 15 different value chain/commodities. Out of these, 7 FPOs started their own input shop and 6 FPOs have joined/started using the NCDEX platform.

AEs- 10 AEs were surveyed across India with a collective presence across 11 states. The AEs selected have a vintage of more than 1 year with Samunnati and have a portfolio at risk of 60 days and lower. The AEs collectively employ over 726 people. Out of the sample, 5 AEs had women representation in their Boards. After engagement with Samunnati, 5 AEs expanded their operations in more than 4 states and the collective turnover of the AEs was INR 15,605 Mn which increased by 139% to INR 21,750 Mn. The collective profit of the AEs was INR 119 Mn which increased by more than three times to INR 392 Mn. As a step ahead, AEs have started their own processing plant.

Institution Development Framework- on making markets work for Farmers

Institution Development Framework is an internal framework created by Samunnati that provides insights about the actions and approaches the team may use to develop an FPO. It helps to plan the scope of solutions Samunnati can offer to make FPO viable. The International Development Center works on making markets work for small-holder farmers. Samunnati's internal approach outlines six processes from FPO discovery through monitoring and



Development Assessment Framework & Tools

Development of robust assessment framework with core Indicators and sub indicators
Questionnaire to capture relevant data
Tools for scoring indicators



Conducting FPO Diagnostics

Interview and FGD with FPO stakeholders for documenting the qualitative data collected

Assessment through Grading & Engagement tool



Data Analysis & Developing Report

Scoring of the Indicators
Document drafting
Categorizing area of concern and generation of heat map



Value chain Mapping & Intervention Planning

Value chain mapping and identification of weak link
Brainstorming using decision tree approach to identify causes and suitable interventions
Scoring interventions against case of implementation to generate priority metrics



New Initiatives Launched in 2021

FPO Grading tool: Samunnati being a pioneer in FPO lending and an ecosystem player with reliable FPO network, came up with grading tool which facilitates performance assessment of FPOs in a wide range of areas: Financial health, business status, governance, management, member engagement, market presence/network, etc. The Grading tool is designed to bring insights of the FPO based on the qualitative & quantitative data analysis, thereby helping in the improved availability of credit at better terms and conditions.

Kisan Value Hub (KVH): Krishi Value Hub(KVH) forms the foundation of Samunnati's FPO engagement platform and the Ag-input needs of the FPOs retailers are delivered through Samunnati Agro Centre(SAC). There are three aspects of KVH (i) Krishi Value Knowledge Portal (ii) Digital transactions and Traceability and (iii) Ag-input distributorship. Each KVH shall function as a production cum processing cluster for 5-15 FPOs. The seven business dimensions of KVH are (i) Market Linkages, (ii) Financial services, (iii) Agri-Input supplies (iv) Processing & Value Addition, (v) Demonstration & Extension (vi) Micro-retail & Channel development and (vii) Farm Services.

SAM IPL/Safal: Samunnati's Instant Pre-approved Loans (Sam IPL) is a digital lending solution launched in July,2021 to nascent Farmer collectives

(FPCs/FPOs). The online platform provides instant pre-approved loans to small farmers with no collateral, fastens the credit availing processes like CIN check, CIBIL score check, PAN validation and in-principle sanction letter. The digital loan seeking system thoroughly verifies the applications in a matter of minutes and covers loan amounts upto 5 lakhs rupees. Samunnati is in the process to disburse more than INR 300 Million to nearly 600 FPOs within 9 months of launching the program. The Instant Pre-approved Loan (IPL) has introduced instant financial support and aims at providing financial aid to farmers in days.

Annadata Suraksha Abhiyaan: The Annadata Suraksha Abhiyaan (Freeing Indian Farmer – Annadatas – from Risks) Initiative aims at freeing the Indian farmers and their families from the vulnerabilities of agriculture related accidental risks and to promote the culture of insurance across rural India through highly subsidized insurance costs of less than INR 100 per farmer per year. At present 11784 farmers have been covered under this program. Samunnati has joined hands with NAFPO, wherein Samunnati shall be responsible for distribution of the insurance scheme and will also ensure successful claims settlements between farmers and the insurance providers, and NAFPO, a national consortium of FPOs across the country, shall leverage its network of FPOs across the country for distribution as well as ensure fund management, compliance and adequate monitoring and reporting for philanthropic donors and insurance companies.

FPO Next is an open Agri network by Samunnati with the aim of creating the next version FPOs which are Profit-making FPOs, Independent and Sustainable. The platforms enable professional management by Samunnati and helps leverage aggregation from multiple FPOs/farmers. It aids in true integration with the market for capital, input and output and helps in inclusive decision making and growth with member FPOs. The platform provides sharing of profit with farmers. It drives Samunnati agenda of inclusion of technology at the very core of the business processes.

Diversity & Inclusion

Agriculture is the principal source of livelihood for a large population of women and rural poor. Women are farmers, workers, and entrepreneurs, yet lack resources and opportunities. They have less access than men to agriculture-related assets, markets, credit, inputs, and services. Women face severe constraints in accessing productive resources, exposure, extension services, technology, agriculture education and opportunities to be a part of large institutions. These constraints hinder women's productivity and reduce their contribution in the economic and social development goal of the nation. Although women are the backbone of agriculture, doing most of the agriculture related tasks, they have little to no recognition in agriculture. Access to productive resources, such as land, modern technology, inputs, market, financial and education services is a critical and determining factor of agriculture productivity.

Women Empowerment in our Value Chain: In partnership with the Bill and Melinda Gates Foundation we have established a gender strategy framework for Farmer Producer Organizations as a part of the BMGF Project in the states of Madhya Pradesh, Odisha, Maharashtra, Bihar,

and Karnataka. The goal of this framework is to strengthen women farmers capacity by making them self-reliant; socially, economically, politically, culturally, emotionally and strengthen their decision-making power both in their families and in their professional lives as members of the FPO. In addition, the goal is to provide recognition to women as farmers and as productive contributors to agricultural work. Samunnati Agro Financial Solution organized a three-day training for **Kanha Krishi Vanopaj FPOs** shareholder member farmers and BODs. The training was on FPC governance and management and role of BODs, farmers and CEO. It was conducted by the CEO of a start-up "Bastar se Bazar Tak" based in North Bastar, Chhattisgarh. This has resulted in more participation of women and inclusion of women in the Board.



Samunnati strives to enable women farmers-

1. By addressing the gender-associated norms, practices, inequalities and disparities prevalent in our society
2. By integrating a gender framework in the FPOs will enhance the impact of Samunnati's work
3. By challenging gender-based inequalities that pose barriers to women's development.



Gender sensitization
for both men and women to enable them to be socially, economically, politically, culturally, and emotionally strong



Timely information
on new technologies, techniques and the **provision of extension services** can lead to significant increase in yield; reduce post-harvest loss and increase women's income



Additionally, **credit, saving and insurance opportunities** can help women in food, output and economic security at the individual/household, community and national level



Improving direct access to financial resources leads to investment in human capital, such as children's health, nutrition, food, and education

The framework is used in all FPOs under the project being developed through an inclusive participatory process. It involves active representation of women as BOD members and reserve space for women's involvement in the FPO that is proportional to their contribution in production.

To meet the gender strategy framework's objectives, Samunnati ensures active participation of women BOD members in all the meetings and decision making, to enhance women shareholders leadership skills and decision-making power in the FPO, engage women with ecosystem, agriculture extension and advisory services, finance institutions, market, technical expertise etc. and to build their capacity on legal compliance and governance.

JOVAKI AGRO FOOD INDIA PRIVATE LIMITED: Sustainable Growth & Livelihood Enhancement

The Problem: Jovaki Agro Food India Private Limited is an agro-forestry and forest food processing start-up working in the tribal and forest belt of Udaipur. The organization has played a crucial role in providing a secure livelihood to the tribal women of Rajasthan who relied on selling forest fruits to make ends meet. These women had to cover long distances to be able to sell the products in the nearby markets. Small shelf-life, low margins, and wastage were some of the common challenges facing these women. To support these women, Jovaki established a business model that provided an end-to-end solution, right from the collection of fruits, to its processing and ultimately selling the final value-added product in the market. Jovaki also created women-centric self-help groups to keep these tribal women involved in the fruit collection process of the value chain. In order to keep the model up and running, Jovaki needed a consistent flow of working capital as the model is heavily based on inventory and seasonal F&Vs.

The Solution: Being a responsible organization that vehemently supports sustainability and livelihood enhancement, Samunnati played a crucial role in bridging the working capital gaps through its customized, transparent, and agile Agri term loans tailor-made for ag-tech startups. Samunnati also helped the organization in recognizing its social capital i.e, being incubated by IIM Calcutta Innovation Park and its involvement with various prestigious institutes like BARC to seek support for product and technology enhancement.

Outcome: With Samunnati's help, Jovaki Agro has been able to provide a secure livelihood to 435 tribal women involved in the fruit collection process. Currently, there are 12 active SHGs, each SHG has 35 women from 12 different villages for fruit collection. This was possible because of Jovaki's strong business model. Samunnati by meeting the working capital needs for procuring and storing the produce in cold storage facility provided business continuity to Jovaki in thus enabling them to sell the procured fruits for the next 5-6 months.



Supplier Base

Samunnati supports and engages with vendors who work with an unprivileged segment of the society. We engage with vendors by keeping our genetic code and values and missions in our mind. Our supplier base includes-

- **Vindhya**, a vendor that employs people with disabilities. We engage with them to support their noble effort of making an impact on the society.
- **Special Needs Product Hub** which brings together a network of institutions where the sale of the products supplied by them are routed as Stipend for Adults with special Needs. We engage with this vendor to procure all employee gifts and other products that are given as souvenirs.



Samunnati Foundation is a wholly owned subsidiary of Samunnati Financial intermediation and Services Private Limited. It is registered as a not-for-profit company with the objective to enable inclusive growth and create opportunities for the unserved and underserved communities. We have partnered with various organization like Tata Trusts, NABARD, ICRISAT, Poornavalli Foundation, Syngenta, IIM Calcutta, etc.

The Foundation has successfully set up one nodal hub model in Telangana for farmer engagement and to develop an ecosystem for demonstrations on climate resilient best agri practices, farm equipment and better management of farmer collectives. Following are the other initiatives ongoing in different states.

Poornavalli Foundation: Building a better world by empowering each other

The Problem: Poornavalli Foundations' (erstwhile Poorna Food) is one of its kind initiative set up by Ms. Usha Somasundaram that caters to three communities – MSMEs who wish to provide healthy food to their employees, farmers who want to sell their produce to the market, and women who want to build a livelihood. Expanding its reach so that more people can avail of the benefits of this initiative has always been a priority for Poorna Food but insufficient working capital has always been an obstacle in this journey.

Our Intervention: Samunnati has always been the biggest cheerleader of initiatives like Poorna Food which aims to promote an inclusive world with equal opportunities for the unserved and underserved communities. It was our honor that we could be a helping hand to Poornavalli Foundations' (erstwhile Poorna Food) in the expansion of their kitchen facilities by meeting their working capital requirements via a grant. Thus, being able to cater to the needs of all three communities and offer our best support to build a better and stronger world.

Outcome: Today the foundation has tied up with 10 MSMEs and serves around 200 meals every day. It serves meals to about 50 pregnant women & breakfast and snacks to school-going children whose families cannot support their meals. This vision is being fulfilled by the support and help of other key partners which include NGOs, suppliers, and vendors. The foundation empowers a spectrum of social causes that include women empowerment by providing them financial independence, food security for the poor, and market opportunities for small farmers.

The Foundation engages in activities with the aim to uplift and for the betterment of the stakeholders.

The initiatives of the foundations are aligned to the Section 135 schedule (vii) of CSR Rules, Company's Act 2013. The areas of focus include-

- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air, and water
- Rural development projects
- Disaster management, including relief, rehabilitation, and reconstruction activities.
- Eradicating hunger, poverty and malnutrition and making available safe drinking water.
- Promoting education, including special education and employment enhancing vocation skills and livelihood enhancement projects.
- Promoting gender equality, empowering women, and measures for reducing inequalities faced by socially and economically backward groups.

Focus area	Key activities	Impact generated
North east outreach program	<ul style="list-style-type: none"> Promote CSA practices in farmers and AEs Collaborate with ecosystem partners and provide trainings and capacity building to farmer communities 	<ul style="list-style-type: none"> Improved standard of living of farmer communities Women empowerment. Reduce inequalities. Increased sustainable and efficient rural enterprises Improved Ecology through climate smart agriculture. Increased number of women led enterprises/farmer/ farmer communities.
Fellowship program	<ul style="list-style-type: none"> Collaborate with research institutions Incubate entrepreneurs in new Agri technologies aligned with CSA objectives Mentorships on village level business development Provide fellowship stipend/financial aid 	<ul style="list-style-type: none"> Improved standard of living Improved village level GDP Improved efficiency, effectiveness, and capabilities of farmer communities Creation of assets & Sustainable livelihood among farmers Increased number of Agri entrepreneurs. Improved adaption of natural farming practices among the farmer communities.

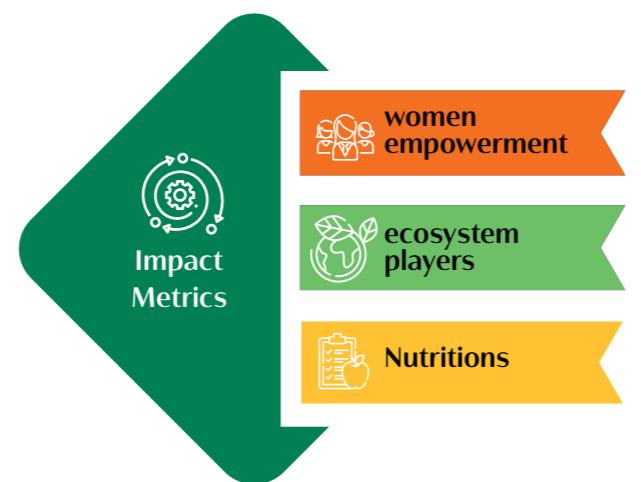
Focus area	Key activities	Impact generated
Gramaunnati program	<ul style="list-style-type: none"> Plantation of trees around the village Development of sanitation facilities Repair and renovate community halls and other infrastructure Organize health camps, community events Provide advisory of Agri services, governance, and compliance 	<ul style="list-style-type: none"> Improved standard of living Enriched overall village infrastructure Improved health of human and livestock Improved village ecosystem. Improved Agricultural productivity.
	SDG aligned	
Community Kitchen	<ul style="list-style-type: none"> Facilitate market linkages with farmers communities Supply of nutritious meals to small and medium companies, pregnant women, school children and marginal communities at affordable price Training and skill development for women Advisory on sustainable business for women 	<ul style="list-style-type: none"> Improved physical and mental health of clients, Pregnant women, and children Increased literacy rate Improved standard of living of women & farmers communities. Women Empowerment. Gender equity. Reduce inequality. Increased number of women led enterprises
	SDG aligned	
Samunnati Academy	<ul style="list-style-type: none"> Enable awareness and self-learning Provide and create a digital repository Create a community forum for open discussion Create awareness of compliance 	<ul style="list-style-type: none"> Improved revenue and profitability of Farmer communities and Agri stake holders. Better management of farmer communities Increased Environmentally conscious Individuals with Social perspectives. Improved adaption of CSA practices among the farmer communities.
	SDG aligned	
Centre of Excellence	<ul style="list-style-type: none"> Advisory on eco-friendly farm activities Develop a nursery and point of sale for seedlings Establish a farmer development center to provide quality inputs Set up fruits and vegetable collection center Training and capacity building to leaders of farm communities 	<ul style="list-style-type: none"> Sustainable agriculture through climate smart agricultural practices. Improved standard of living Increased number of women led farmer communities Increased number of ecosystem players. Increased Environmentally conscious Individuals with Social perspectives
	SDG aligned	

Samunnati Foundation aims to measure the impact created in the community it operates in. The impact metrics have three broad categories.

Women Empowerment- The impact will be measured by the number of vulnerable women who could be provided a means to living through employment, skill development and entrepreneurial learnings. Presently, the kitchen employs 10 women who are engaged in cooking, packaging, and other house-keeping activities.

Nutrition- Serving nutritious and healthy meals to the underserved community is the main goal of setting up of the community kitchen. The impact it creates will be measured in terms of number of children and pregnant women served.

Eco System Players- The community kitchen strives to support the vulnerable players in the ecosystem. The value created for the farming community and the other service providers such as delivery person, vendors, etc. will form a basis to measure the impact on these ecosystem players.



trading in the derivatives market. In the year 2021, we focused on deployment of our technology and digital solutions that create transparent and economically viable value chains for the agri ecosystem players.

We have been able to perform well during the pandemic because of our strength and will. In addition to that, Samunnati has also undertaken initiatives for the employee wellbeing during the pandemic period. Our COVID support mechanism has helped employees to get access to oxygen cylinders and corpus amount set aside. Samunnati had also procured 17 oxygen concentrators for our employees spread across the region in case of emergency. An emergency corpus fund of Rs 1 Lakh was provided to all the coordinators in the regions in case of any emergencies. The employees could

request for an emergency fund if there was a need and ensure the best care was given to their families.

Samunnati is one among the few organizations to provide an Exclusive Covid Policy. This policy has various benefits to protect the welfare and health of each of all our employees. Some of the features of the Policy are Home Care treatment, Pre and Post Hospitalization expenses, Cashless Claim Settlement etc. The pandemic period also saw the growth of work from home which became very hectic for employees. To avoid that, Samunnati launched a digital detox during which the employees could avail a minimum of 3 days to disconnect from and work spend time with their families.

Steering Through COVID-19

The spread of COVID-19 had disrupted lives, livelihoods, communities and businesses across the globe. At Samunnati, we believe that the most important silver lining of this crisis has been the resilience showcased by agri-sector amid these difficult times despite reported disruptions in many pockets.

Samunnati has been committed towards continuous engagement with all its stakeholders to address the critical issues resulting from the COVID-19 pandemic.

The spread of COVID-19 disrupted lives, livelihoods, communities and businesses across the globe. The government of India made significant and timely interventions in response to the pandemic. Further, the businesses took initiatives to address the challenges of employees, customers, regulators, and communities, while navigating the financial and operational challenges. The year started with challenges of COVID-19, the crisis continues to have ripple effects on the entire global economy, including India. At Samunnati, we believe that the most important silver lining of this crisis has been the resilience showcased by agri-sector amid these

difficult times despite reported disruptions in many pockets.

WE fall under the essential category bracket and have worked our way towards during the pandemic period. Centre and State Governments continuously worked to take enabling decisions to maintain the smooth supply of agri-commodities, raw and processed food materials. Samunnati's presence in these value chains substantiated the inbuilt business continuity of the model and helped in lubricating the working capital constraints of other agri businesses operating in the same sector.

This pandemic has tested the resilience of Samunnati and has further sharpened our mission and delivery mechanism. We were able to enhance the value of the agri players across the value chain we operate in, by providing, aggregation, market linkages, and advisory services with finance being an enabler – “a means than an end”; this ultimately benefits our end beneficiaries - the smallholder farmers.

We conducted webinars for FPOs of Maharashtra, MP, Rajasthan, Gujarat, and Karnataka to educate them about the importance and benefits of

Laxxmi Krishi Vikas Producer Company Limited

The Problem: Laxxmi Krishi Vikas Producer Company Limited is an FPO in Solapur, Maharashtra, associated with milk procurement and the supply of de-oiled cakes to farmers. The FPO has enhanced the livelihood of thousands of farmers. The FPO procures milk from the regional farmer and further sells it off to the buyers. Where the other dairies pay the farmers within 20 days of milk procurement, Laxxmi Krishi Vikas Producer Company Limited does it within just 5 days. The onslaught of COVID-19 led to the emergence of a lot of factors adversely affecting the FPO's business continuity. The FPO was facing issues pertaining to low working capital, a downfall in buyers willing to buy dairy products, and a decrease in the quantity of milk procured by 98% due to a decrease in member participation.

Solutions Offered: Samunnati helped the FPO to overcome such challenges and thus provided business continuity in such unpreceded times. This was possible due to the timely disbursement of credit. Samunnati provided financial assistance of Rs 53.12 lakh in the form of a working capital loan, which helped the FPO to revamp their business and get back to normal. Samunnati also provided non-financial support by recognizing potential buyers of dairy products.

Outcome: With Samunnati's financial and nonfinancial assistance, the FPO was able to resume its business. The FPO witnessed a whopping increase in member participation by 78% and milk procurement by 84%.

Our Future Ready Strategy

At Samunnati, we foster growth. We have identified areas in our overall business and set specific strategies for them to become more impactful in the coming future. In the coming year, we will further expand our AMLA offerings with focus on market linkages, capacity building and institutional development of the FPOs and AEs using a combination of innovative, financial and technological solutions. With the launch of Samunnati Foundation, we will continue to work towards making a sustainable, social, economic, and environmental impact in the lives of the agricultural and rural communities. People are at the heart of what we do, and we are committed to creating a healthy and comfortable work environment congenial for employee productivity and growth. We strive to bring in more people inclusiveness and make experience at Samunnati one of the best in the industry.

Samunnati has been knitting sustainability around its aim to make markets work for smallholder farmers and to make agricultural value chains work at a higher equilibrium. Below are some of the initiatives that are paving way towards ours and our clients' sustainable future:



Climate Smart Agriculture (CSA)

We shall be focusing on the environmental pillar of the ESG. Samunnati shall be supporting its customers in adoption of CSA by creating a substantial loan book for activities that shall help in sustainable increase of agricultural productivity, helping build resilience and adaptation to climate change, reduce food loss, provide renewable energy solutions, weather, and crop management solutions etc. A dedicated team has been set up for promoting the business that entail CSA which is also supported by guarantee programs by DFIs to build a portfolio in Agro forestry, sustainable landscapes, activities that help reduce GHG emissions, and renewable energy solutions for farmers. Samunnati plans to offer innovative and customized solutions such as Climate Smart equipment loan, cultivation loan, Agri-receivable finance, and term loans in CSA compliant focused areas. We aim to have a **portfolio of INR 10 billion** in the coming year that qualifies as a green asset.

- Currently, 15% of our portfolio is CSA compliant, we aim to reach 18% compliance by FY 2023. By FY 2025, the outreach will be to 100000+ smallholder farmers and 1000+ CSA compliant enterprise clients.



Green Finance:

Samunnati received the first agricultural green bond by Symbiotics. "A Green bond is a type of fixed-income instrument that is specifically earmarked to raise money for climate and environmental projects." Agricultural Green Bonds have been gaining prominence as investors understand the need for and importance of sustainable agriculture. Samunnati has also availed credit enhancing guarantee programs from various DFIs. Our aim for the upcoming years is to secure more such Green finance which can be utilized for climate smart projects that shall help in overall development of the sector and our stakeholders.



Impact Evaluation:

Another aspect of going into ESG goals is measuring our social impact. We will be focusing on understanding and educating ourselves on how to measure the green impact that we have been creating through our activities. For instance, we shall not only be promoting millets by providing a rationale, but also calculate and disclose the data on the reduction of GHG emissions and the impact on land use. We shall also be prioritizing learning aspects like calculation of GHG emissions by arranging trainings and learnings. On the topic of measuring social impact, a robust framework is underway to measure the social impact of our initiatives and it will be rolled out organization wide in the upcoming year. These impact assessments shall also help us to show the empirical alignment it will have towards the SDGs in details.



Robust Risk management:

To make our ERM framework more robust and resilient, we will integrate the ESG risks our framework. We understand that the Agri-supply chain is highly vulnerable to the physical and transitional risk related to Climate Change and there is an opportunity to create innovative ESG risk-adjusted products and services for climate financing. We would be working on to strengthening ESG pillars at Samunnati by bringing a structure in place for seamless reporting and data collection for our investors, lenders, partners, clients and other stakeholders.



Inclusion:

From an inclusion perspective, Samunnati has been working with nascent organizations and FPOs that have a higher participation of women in boards and governance structure. Samunnati also would be focusing on promoting women FPOs under foundation's umbrella. This would be supported by Samunnati's gender strategy which is tailor-made program for women led FPOs. Our focus lies on building portfolio that shall be yielding impact from inclusion and environmental perspective.

Awards and Recognition



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Notes

