

V

Organisation and Management

In the constantly changing socio-economic environment, continuous upgradation of skills and technical expertise coupled with a high degree of professionalism among employees assumes greater significance. Keeping this in view, NABARD lays emphasis on capacity building of its employees by refining its existing training modules, introducing new programmes and enhancing the exposure of employees through visits to various institutions within the country and overseas. The Bank through its pro-active human resource management strategies has sought to develop an environment conducive to the fulfilment of its mission by reinforcing its corporate vision and building a culture that fosters learning, creativity and adaptability.

General

A. Board of Directors

5.2 The Board of Directors of the Bank met seven times during the year. Besides, the Executive Committee, the Audit Committee and the Sanctioning Committee for loans under RIDF/ AICF met five, four and eight times, respectively.

5.3 Smt. Ranjana Kumar and Shri Y.S.P. Thorat continued to function as the Chairperson and the Managing Director, respectively. Shri V. Leeladhar, Deputy Governor, RBI, was appointed as Director on the Board of NABARD with effect from 28 September 2004 *vice* Smt. K. J. Udeshi, Deputy Governor, RBI, and was also nominated as Member of the Executive Committee, the Sanctioning Committee for loans under RIDF and the Audit Committee of the Board.

5.4 Swami Shashankananda, Dr. Amrita Patel, Prof. Vijay Shankar Vyas, Shri C. Babu Rajeev and Dr. R. Kannan ceased to be Directors on the Board with effect from 18 May 2004 on completion of their tenure. On demitting office as Secretary (Financial Sector), Ministry

of Finance, GoI, Shri N.S. Sisodia ceased to be a Director with effect from 1 February 2005.

5.5 Shri S.C. Hota, Agriculture Production Commissioner (APC) & Additional Chief Secretary (ACS), Government of Orissa and Shri Om Prakash, Secretary, Agriculture, Government of Uttaranchal were appointed as Directors with effect from 28 May 2004 for a period of three years *vice* nominees of Governments of Assam and Tamil Nadu, respectively. Shri A.K. Tripathy, APC & Principal Secretary, Government of Orissa was appointed as Director with effect from 1 July 2004 *vice* Shri S. C. Hota. Subsequently, Shri Gautam Buddha Mukherji, APC & ACS, Government of Orissa was appointed as Director *vice* Shri A.K. Tripathy, with effect from 1 August 2004. Shri Gautam Buddha Mukherji and Dr. P. Raghavan were nominated as members after reconstitution of the Sanctioning Committee for loans under RIDF. Shri Gautam Buddha Mukherji was also nominated as a member of the Audit Committee.

5.6 As on 31 March 2005, there were three and two vacancies under Sections 6(1)(b) and 6(1)(c), respectively, and one vacancy under Section 6(1)(d) of the NABARD Act, 1981, on the Board of Directors.

B. Inspection of NABARD

5.7 Reserve Bank of India conducted the seventh financial inspection of NABARD from 8 November 2004 to 22 January 2005 with reference to the financial position as on 31 March 2004.

C. Regional/DDM Offices

5.8 Twenty-one DDM offices were opened during the year, raising the number of DDM offices to 359 as on 31 March 2005. Besides the corporate office at Mumbai, NABARD has 28 regional offices at state capitals, a sub-office at Port Blair and a cell at Srinagar.

Human Resource Development

A. Training and Skill Enhancement

a. Officers and Executives

5.9 Ninety-seven training programmes related to functional, behavioural and technical areas covering 1,952 officers were conducted at NBSC, Lucknow. New programmes on Medicinal and Aromatic Plants, Participatory Approach to Rural Credit and Management, Marketing Skills and Monitoring of Watershed Projects were also introduced during the year. Inputs on Vigilance Administration were provided to 49 officers during the year.

5.10 In all, 1,004 officers of the Bank were deputed for tailor-made and off-the-shelf programmes, exposure visits, workshops, seminars and conferences organised by outside agencies, including overseas institutions. Some of the areas covered in these programmes were Indian Debt Markets, Investment and Treasury Management, Credit Appraisal and Monitoring, Risk Based Supervision, Bio-technology, Water Resource Development and Management, Advanced Technologies in Horticulture, Inspection under Computerised Environment, Disaster Management, etc. Officers were also deputed for seminars and conferences organised by Confederation of Indian Industries (CII), Mumbai, Federation of Indian Chamber of Commerce and Industry (FICCI), New Delhi, FiK International, Bombay Stock Exchange, Princeton Academy, Academy of HRD, GITAM Institute of Foreign Trade, Vishakhapatnam, Inconnectiva, Independent Power Producers' Association of India and Jawaharlal Institute for Development Banking, Hyderabad. Exposure visits to CEC-BAIF project on transfer of technologies for sustainable rural development in tribal areas of five states (Gujarat, Karnataka, Maharashtra, Rajasthan and Uttar Pradesh) were also arranged.

5.11 Faculty Members and few officers of HRDD were deputed for training programmes, viz., (i) direct training skill, (ii) design of training and (iii) evaluation of training, organised at the instance of GoI, at various state level training institutes. These programmes were designed by

GoI in collaboration with the Thames Valley University, Slough, UK under the Trainer Development Project with the aim of improving training abilities, delivery skills, the designing of subject specific courses, evaluation of training programmes, etc. In all 2,956 officers of the Bank were deputed for various training programmes, workshops, seminars, conferences and exposure visits.

5.12 As an innovative initiative, a workshop on 'Meeting the Challenges Ahead' was organised in September 2004 at HO for 29 officers recruited in 2003 with the objective of grooming them to meet the challenges of a changing work environment and increasing complexity of tasks. The programme was facilitated by the Aavishkar Centre for Human Excellence, Mumbai and laid emphasis on efforts needed to perform group activities, psychometric assessment of individual strengths and weaknesses, time management, individual counselling, etc., which helped the participants to enhance their emotional resilience and ability to deal with pressure.

5.13 As part of the capacity building process of the staff, an innovative system of mentoring by select senior officers was initiated for 29 officers recruited in 2003 and posted at HO, with the aim of promoting group interaction, affinity and mutual learning process among them through monthly meetings. The meets have not only facilitated interaction among the officers themselves and with senior executives, but also have developed their confidence and provided them with a platform for improving their presentation and management skills.

b. Seminars/Workshops/Visits by Senior Management

5.14 Smt. Ranjana Kumar, Chairperson, attended workshops on 'Developing an Enabling Environment For and Structuring Asset Reconstruction Companies' at Asian Development Bank, Manila, and 'Micro Insurance Services for the Poor' organised by the World Bank at Washington D.C. She also participated in discussions at Wharton Business School and Marshall Business School, USA. Shri Y.S.P. Thorat, Managing Director, attended the sixth meeting of the International Cooperative Alliance (ICA), Regional Cooperative Banking Association for the

Asia & Pacific organised at Chiang Mai, Thailand and made a presentation on 'Sustainable Development' at the University of Reading, UK.

C. Training of Other Employees

5.15 Training is imparted to employees (Group 'B' and 'C' staff) at National Bank Training Centre (NBTC), Lucknow and Zonal Training Centre (ZTC), Hyderabad. During the year, 1,216 staff members participated in 77 programmes conducted at these centres. In addition, three pre-promotional training programmes, each covering 59 Group 'B' (SC/ST) employees, were conducted at these two centres and at RTC, Bolpur. In order to help the employees improve personal effectiveness, inter-personal skills, stress management, etc., a workshop on 'Winning Men' was conducted. Retiring Group 'B' and 'C' employees were also deputed to ZTC of RBI to attend a programme on retirement benefits and health-related issues conducted by RBI for its employees.

B. HRD in Specialised Departments

5.16 Recognising knowledge as the key input for development banking, specialised departments like Department of Economic Analysis and Research (DEAR) and Technical Services Department (TSD) were created in the organisation since its establishment. The officers of DEAR with economics and research background and officers of TSD specialised in various disciplines relating to agriculture and allied activities have been working at both the HO and the ROs. The officers of DEAR are, *inter alia*, involved in the conduct of impact assessment studies of credit-supported investments and in evolving strategies to improve the efficiency of such investments. Further, commodity specific studies are also being undertaken so as to improve the efficiency of supply chain systems. Similarly, officers of TSD maintain database and formulate schemes as reference documents for bankers, entrepreneurs, policy makers and farmers and also help in implementing the same with appropriate technologies.

5.17 DEAR and TSD regularly organise programmes, both in-house and in collaboration with external agencies, to provide exposure to their officers to the latest

developments in banking and agriculture sectors, for dissemination of knowledge for implementing various schemes and to provide strategic inputs.

5.18 DEAR conducted two Exposure Programmes during the year, (i) for the newly recruited officers with economics background from 7-16 February 2005 at NBSC, Lucknow, aimed at strengthening their analytical skills, enabling them to conduct studies related to traditional and non-traditional investments, evaluation of rural infrastructure projects and (ii) for senior officers at the Institute of Economic Growth (IEG), Delhi from 7-11 March 2005 with the objective of providing an overview of the current macro-economic environment, impact of WTO on Indian agriculture, improving MIS and evolving strategies for improving the performance of the agriculture sector.

5.19 DEAR also conducted Business Meet of Economists of the Bank from 23-25 November 2004 at NBSC, Lucknow, which, *inter alia*, focused on internalisation of findings of various studies conducted by the Bank and strategies for improving the performance of officers. Based on the feedback, strategies worked out at HO level were discussed with Dr. A. Vasudevan, former Executive Director, RBI and others in a meeting convened by NABARD on 17 February 2005. Officers are encouraged to write research papers, some of which have been accepted for discussions at various conferences. Regular interactions with professionals also help in improving skills as also quality and coverage of studies undertaken by officers.

5.20 During 2004-05, TSD conducted five regional workshops in Andhra Pradesh, Karnataka, Rajasthan, Uttar Pradesh and West Bengal, focusing on development of the thrust areas identified in the respective states as also a Mango Meet to promote mango exports. Further, to keep the Bank's officers abreast with the latest technological advancements in their respective areas, Business Development Meets in its four disciplines, i.e., Animal Husbandry, Land Development, Agricultural Engineering and Fisheries and two capacity building workshops for junior officers of Minor Irrigation, and Plantation and Horticulture were also organised during the year.

C. Recruitment, Promotion and Staff Strength

a. Direct Recruitment

5.21 During the year, seven persons (including one each belonging to SC and physically handicapped categories) were appointed in the officers' cadre. One each was for Legal Services and Rajbhasha, two for Protocol and Security Services and three for Rural Development and Banking Services. Three persons (of which 1 SC) and 25 persons (of which 9 SC, 1 ST and 7 OBC) were appointed in Group 'B' and 'C', respectively.

b. Promotions

5.22 The details on promotions effected during the year have been given in Table 5.1. Further, 27 employees (8 SC and 6 ST) within the sub-staff cadre and 100 employees (22 SC and 5 ST) within the clerical cadre were promoted. Besides, two employees in the sub-staff cadre were also promoted as clerks. In the case of officers, 10, 12 and 11 promotions were effected from Grade 'C' to 'D', Grade 'D' to 'E' and Grade 'E' to 'F', respectively.

Table 5.1: Promotions Effected during the Year

Particulars	Total	Of which	
		SC	ST
Officers in Grade 'B' to 'C'	41	4	3
Officers in Grade 'A' to 'B'	89	12	6
Clerical to Officer Cadre	82	2	4

c. Staff Strength

5.23 The total staff strength of the Bank stood at 5,230 as on 31 March 2005 of which, 1,306 belonged to SC and ST category (Table 5.2). The staff strength of ex-

Table 5.2: Total Staff Strength

Cadre	Total	Category-wise	
		SC	ST
Group 'A'	2,973	404 (13.6)	192 (6.5)
Group 'B'	1,267	153 (12.1)	114 (9.0)
Group 'C'	990	330 (33.3)	113 (11.4)
Total	5,230	887 (16.9)	419 (8.0)

Figures in parentheses indicate percentages to total

servicemen and physically handicapped employees stood at 136 and 104, constituting 2.6 and 2 per cent of the total staff strength, respectively.

Administrative and Other Matters

A. Industrial Relations

5.24 Industrial relations in the Bank were a bit strained during the year due to agitation by the Associations of workmen and officers on issues of parity with RBI in respect of pay and allowances. The Bank continued to hold periodical discussions with the All India NABARD Employees' Association and National Bank Officers' Association on various issues. Quarterly meetings of the senior executives and chief liaison officer at HO were held regularly with All India NABARD Progressive Employees Welfare Association (AINPEWA).

5.25 In pursuance of the Supreme Court's direction, a Central Complaints Committee at HO and 21 Regional Complaints Committees at ROs have been functioning for prevention of sexual harassment of women at the work place.

B. Welfare Measures for SC/ST Employees

5.26 Shri V. Devender, Hon'ble Member, National Commission for SCs, New Delhi, along with Smt. Vibha Sood, Director, National Commission for SCs/STs, Andhra Pradesh visited Andhra Pradesh RO and discussed matters relating to reservations and other welfare measures for SCs/STs with senior executives of the Bank and representatives of SC/ST Welfare Association.

5.27 The other benefits extended to these employees were:

- Strict observance of reservation for SCs/STs in direct recruitment as also in vacancies filled through promotions in consonance with instructions from Gol.
- Conduct of three pre-promotional training programmes each for the benefit of 86 and 59 SC/ST officers and clerical staff, respectively.

- An amount of Rs.1.08 lakh was disbursed to wards of SC/ST employees under the scholarship/ book grant scheme. Book grant amounting to Rs.0.44 lakh has been extended so far to nine SC/ ST Welfare Association units for the B.R. Ambedkar Library.

C. Other Staff Benefits

5.28 Housing loans aggregating Rs.1,001.61 lakh were sanctioned to 223 employees. Disbursements made against these sanctions, including loans sanctioned during previous years, amounted to Rs.985.15 lakh.

D. Library Facility

5.29 In order to facilitate the staff to upgrade their knowledge on an on-going basis, the Bank maintains a Central Library attached with DEAR at HO, Mumbai, besides its units at RO level. The Library has a comprehensive collection of books, journals, working papers, reports, etc., on relevant subjects covering different disciplines of agriculture and allied activities, banking, rural development, information technology, management, etc., and subscribes to 169 technical journals. The Library Committee monitors the work of the Central Library on a quarterly basis.

E. Information Technology

5.30 The financial accounting software continued to be used simultaneously with the existing accounting system during the year. The Bank also initiated the implementation of Wide Area Network (WAN) project, planned in three phases, to facilitate interconnectivity among ROs and HO. During the year, WAN was made functional in seven offices while the remaining offices are proposed to be connected in subsequent phases. In addition to WAN, the Bank also uses the Virtual Private Network (VPN) facility, especially in remote locations where WAN is not feasible, which has been made available to all offices. Initiatives to develop software applications for other business operations of the Bank are underway.

F. Vigilance

5.31 NABARD continued to lay emphasis on vigilance surveillance and conducted Preventive Vigilance Inspection of 15 ROs/TEs. To sensitise employees, two specially designed training programmes were organised for officers of the Bank. NABARD also observed 'Vigilance Awareness Week' from 1 to 6 November 2004.

G. Inspection

5.32 During 2004-05, inspection of 17 ROs and 2 TEs was undertaken by HO. Off-site monitoring of the Concurrent Audit Cells (CACs) in ROs was also undertaken through monthly audit returns. Quarterly reviews of intermediary accounts (Sundry Advances and Sundry Creditors) were completed during the year. The Audit Committee has decided that 15 ROs based on their levels of business will be inspected annually and the remaining ROs will be inspected once in two years. While HO departments, viz., FAD, GAD, MCID, Premises, PCD and RMD will be inspected annually, others not involving financial transactions will be inspected once in two years.

5.33 The concurrent audit work of five ROs, viz., Andhra Pradesh, Gujarat, Orissa, Rajasthan and West Bengal besides GAD, RMD and FAD of HO was done by M/s Haribhakti & Co. The Audit Committee decided that concurrent audit in the ROs should, henceforth, be undertaken internally and the same in respect of FAD, GAD, Premises, RMD and the Co-financing Cell of ICD at HO would be done by an external firm of Chartered Accountants.

5.34 Consequent upon the dispensation of Zonal Audit Cell based in West Bengal RO, Kolkata, the conduct of inspection in seven ROs in NER (except Assam RO) was entrusted to ID, HO. CACs have been set up in each of the seven ROs.

H. Public Relations

5.35 The Bank participated in various events, viz., the Theme Pavilion of Ministry of Agriculture at the International Trade Fair at New Delhi, Agro-Horticulture Exposition, Agro India 2004, organised by FICCI at

Kolkata, Kisan 2004 at Pune, etc. The Indian Express Group continued to bring out the fortnightly page on agriculture in the Indian Express and the Loksatta at NABARD's instance.

5.36 The Bank's in-house publication 'NABARD Parivar' won two national awards for its editorial and a feature each from the Association of Business Communicators of India (ABCI). A film on NABARD's non-farm investments, 'Life Line' was completed during the year. On 12 July 2004, Foundation Day of NABARD, Dr. M.S. Swaminathan, eminent scientist and Chairman, National Commission on Farmers, addressed the staff of the Bank.

I. Promotion of Hindi

5.37 NABARD continued its efforts to promote the use of Hindi in its day-to-day working. The Official Language Implementation Committee continuously reviewed the progress *vis-à-vis* Government policy regarding progressive use of Hindi and effective steps were taken to implement the same.

5.38 Forty-eight staff members were imparted necessary training under the Hindi Teaching Scheme of Gol. Stenographers continued to be deputed for Hindi stenography training on an ongoing basis and 1,074 staff members were imparted training to work on computers in Hindi. A week's training programme for 16 translators involved in translation work was organised at NBTC, Lucknow with a view to familiarise them with new terminologies and banking concepts. A workshop for 20 senior officers and Annual Business Meet of Hindi officers were organised at NBSC, Lucknow. Inspections of seven ROs and one TE were

undertaken to assess their compliance to the official language policy of Gol.

5.39 For all-round performance in progressive use of Hindi in ROs, Rashtriya Bank Rajbhasha Shield 2003-04 was awarded to Rajasthan (Region 'A'), Maharashtra (Region 'B') and Andhra Pradesh (Region 'C') ROs. Merit certificates for second and third positions were awarded to Madhya Pradesh and Uttar Pradesh (Region 'A'), Gujarat (Region 'B') and Karnataka (Region 'C') ROs. Maharashtra, Karnataka and Jammu & Kashmir ROs were awarded Rajbhasha Shields by the Department of Official Language, Ministry of Home Affairs, Gol for excellent work in Hindi.

5.40 The Bank's in-house journal 'Rashtriya Bank Srujana' bagged three prizes during the year awarded by various organizations, like RBI and ABCI.

5.41 The scheme for writing original books in Hindi on issues related to 'Agriculture and Rural Development' continued during the year for existing and retired staff of the Bank. Competitions were also organised for the staff and their family members to encourage the use of Hindi.

J. Visit of Parliamentary Committees

5.41 Five Parliamentary Committees held discussions with NABARD on various aspects concerning rural credit and development. These were: (i) Rajya Sabha Committee on Government Assurances, (ii) Standing Committee on Food and Consumer Affairs and Public Distribution, (iii) Study Group of the Estimates Committee (Lok Sabha), (iv) Standing Committee on Rural Development and (v) Standing Committee on Urban and Rural Development.