

NABARD accords importance to the development of its human resource and conducts various training and capacity building programmes for its officers and employees at its different training

establishments. This chapter highlights the various developments in relation to the management, administrative matters and human resources of the Bank.

## General

### A. Board of Directors

5.2 The Board of Directors met six times during the year. Besides, the Executive Committee, the Project Sanctioning Committee for loans under RIDF and the Audit Committee met four, six and four times, respectively. As advised by the Board of Directors, a Risk Management Committee comprising of seven members was constituted and its first meeting was held in September 2005.

5.3 Smt. Ranjana Kumar, Chairperson demitted office on 30 November 2005. Dr. Y.S.P. Thorat continued to function as the Managing Director of the Bank. Consequent on her appointment as Deputy Governor, RBI, Smt. Usha Thorat was appointed as Director on the Board of NABARD with effect from 22 November 2005 *vice* Shri V. Leeladhar, Deputy Governor, RBI.

5.4 Shri Amitabh Verma, Joint Secretary, Ministry of Finance, Department of Economic Affairs, Banking Division, GoI, was nominated as Director with effect from 14 July 2005 *vice* Shri N.S. Sisodia, who retired on 31 January 2005. Shri Pratyush Sinha, Secretary, Department of Rural Development, Ministry of Rural Development, GoI, was nominated as Director with effect from 5 July 2005 *vice* Shri M. Shankar who retired on 30 June 2005. Subsequently, Dr.(Smt.) Renuka Viswanathan, Secretary, Department of Rural Development, Ministry of Rural Development, GoI, was nominated as Director with effect from 9 January 2006 *vice* Shri Pratyush Sinha. She was also nominated as a member of the Project Sanctioning Committee.

Dr. R.N. Bohidar, Agriculture Production Commissioner-cum-Additional Chief Secretary, Orissa, was appointed as Director *vice* Shri Gautam Buddha Mukherji with effect from 1 April 2005.

5.5 Smt. Usha Thorat, Dr. R.N. Bohidar and Shri Amitabh Verma were also nominated as members of the Executive Committee, the Project Sanctioning Committee, the Audit Committee and the Risk Management Committee.

5.6 Shri J.K. Dadoo, Development Commissioner, Department of Agriculture, Government of Goa, and Shri B.K.S. Ray, Additional Chief Secretary and Agriculture Production Commissioner, Government of Chhattisgarh, were appointed as Directors with effect from 19 July 2005 and 16 June 2005 *vice* Dr. Vijay S. Madan and Dr. P. Raghavan, respectively. Subsequently, Shri Pankaj Dwivedi, Principal Secretary, Agriculture Department and Agriculture Production Commissioner, Government of Chhattisgarh, was appointed as Director with effect from 7 November 2005 *vice* Shri B.K.S. Ray. He was also nominated as a member of the Project Sanctioning Committee. Shri J.K. Dadoo and Shri Pankaj Dwivedi ceased to be Directors on the Board of NABARD as at the close of business on 20 February 2006. Shri Surampudi Sivakumar, Chief Executive, Agri-Business, ITC Limited was nominated as Director under Section 6(1)(b) of NABARD Act, 1981, with effect from 7 February 2006. He was also nominated as a member of the Executive Committee, the Audit Committee and the Risk Management Committee.

5.7 As on 31 March 2006, the post of Chairman, NABARD under Section 6(1)(a) remained vacant and there were two vacancies each under Sections 6(1)(b), 6(1)(c) and 6(1)(e), of the NABARD Act, 1981, on the Board of Directors of NABARD.

## **B. Inspection of NABARD**

5.8 Reserve Bank of India conducted the eighth financial inspection of NABARD from 8 February 2006 with reference to the financial position as on 31 March 2005.

## **C. Regional/DDM Offices**

5.9 Eighteen new DDM offices were opened in 10 States during the year, taking the total number of such offices to 376 as on 31 March 2006. In addition, 93 districts are tagged with neighbouring DDM offices resulting in 83 per cent of the districts in the country being served by DDMs. The development work of districts not covered by DDM offices are attended to by District Development Officers stationed in ROs of NABARD. Besides the corporate office at Mumbai, NABARD has 28 regional offices at State capitals, a sub-office at Port Blair, a cell at Srinagar and training establishments at Bolpur, Hyderabad, Lucknow and Mangalore.

## **Human Resource Development**

### **A. Training and Skill Upgradation**

#### **a. Officers and Executives**

5.10 National Bank Staff College (NBSC), Lucknow, apart from providing training facilities to officers of the Bank, supports the conduct of meetings, workshops, etc., on policy and operational issues, provides consultancy services, conducts studies and on-site programmes under various promotional and developmental projects and collaborates with other institutions engaged in promoting agriculture and rural development. During the year, NBSC was awarded ISO (9001:2000) Certification by M/s.URS Certification Ltd. During 2005-06, 98 programmes in functional, behavioural and technical subjects covering 1,758 officers were conducted. In addition to conducting regular programmes on RIDF, Watershed, GOPP, PLI Trainers' Training, RNFS with Rural Housing, Behavioural Science, etc., new programmes, viz., 'Turnaround Strategy for Weak Banks', 'Funds and Asset Liability Management', 'Skills in Consultancy Assignments' and 'Advanced Problem Solving Programme' for Officers of DoS were also introduced during the year. Further, three programmes, viz., RNFS, Presentation Skills, Monitoring of Watershed Projects, were conducted exclusively in Hindi. Faculty members were trained in Basic Trainers' Training Skills programme designed by the Department of Personnel and Training, GoI to improve their training abilities.

5.11 During the year, 553 officers were deputed for tailor-made and off-the-shelf programmes, seminars, workshops and conferences conducted by various reputed organisations, viz., Bankers Training College (BTC), Mumbai; College of Agricultural Banking, Pune; Delhi School of Economics, Delhi; IIT, Roorkee; Jawaharlal Nehru Institute of Development Banking, Administrative Staff College of India, National Institute of Rural Development, National Academy of Construction, Hyderabad; National Institute of Bank Management, Pune; National Institute of Small Industry Extension Training, etc. Some of the areas covered in these programmes were, Information Systems Audit, Indian Debt Markets, Instaccount, Programme on Environmental Policy Issues for senior officers, Special Training Programme for officers with economics background, etc.

5.12 Besides, special exposure visits/ programmes were also organised for select group of officers with the objective of developing their skills, knowledge and attitudes. These included, (i) an exposure visit for 24 Direct Recruit Officers to 'Wadi' project being implemented in Navsari district of Gujarat by BAIF under the Comprehensive Adivasi Development Programme; (ii) programme on Commodity Trading to give exposure to officers on various aspects of futures commodity markets in view of emerging collaborations between NABARD and Commodity

Exchanges; (iii) a unique programme on Neurobehavioural Controls and Potentiality Measurement Test for senior officers of Karnataka RO to assess work commitment, work achievement, decision making, interpersonal relations and leadership among them with a view to strengthen their attributes for higher performance; (iv) a special programme on Credit Risk Management through BTC, Mumbai for 24 senior officers for their capacity building so as to equip them to formulate a sound Risk Management Policy in accordance with the Basel II Accord.

**i. Overseas Training**

5.13 During the year, 67 officers from NABARD were deputed abroad for various overseas training programmes/exposure visits, seminars, etc. Two teams of 9 and 10 officers each were deputed to Weitz Centre of Development Studies, Israel to study 'Water Management and Rainfed Farming Practices' and 'Agro-Processing and Rural Industrialisation', respectively. Further, two teams of 9 and 10 officers visited Agricultural Development Bank of China to familiarise themselves with the role played by it in rural industrialisation, agricultural insurance, agricultural venture capital and rural infrastructure. Other institutions associated with these visits/programmes were Stanford University, Cornell University, Pan Asia Forum, UNCTAD, Galilee College, School of Micro Finance (Kenya), Institute for Relations between Italy and the countries of Africa, Latin America, the Middle East and the Far East (IPALMO), APRACA, etc.

**ii. Visits by Senior Management**

5.14 Smt. Ranjana Kumar, Chairperson, NABARD addressed a conference at the Asia Society in New York and students of the Stanford Graduate School of Business, California, and made a presentation before the World Bank at Washington on the 'Role of NABARD in providing Financial Services to Rural Areas'. She participated in the 15<sup>th</sup> General Assembly and the 49<sup>th</sup> EXCOM Meeting of APRACA at Thailand, and attended the General Assembly of World Savings Bank Institute and International Conference on Micro Finance at Peru, Lima.

5.15 Dr. Y.S.P. Thorat, Managing Director, NABARD participated in the study team's deliberations at the Weitz Centre of Development Studies, Israel. He also participated in the SDC Symposium on the International Year of Micro Finance, 2005 at Berne, Switzerland and presented a paper on 'Paths to Prosperity'.

**b. Other Employees**

5.16 Training is imparted to employees (Group 'B' and 'C') at National Bank Training Centre (NBTC), Lucknow and Zonal Training Centre (ZTC), Hyderabad. During 2005-06, 68 programmes were conducted at these centres covering 987 participants. Further, training programmes for Caretakers, workshops for Group 'B' staff on calculation of income tax and for annual closing of accounts were also conducted.

**c. Monitoring Internalisation of Learning and Documentation**

5.17 In order to assess the Return on Training Investment, a 'Monitoring Internalisation of Learning and Documentation' Cell has been set up in Human Resource Development Department with the aim of collating and analysing information provided by officers and staff who attended training programmes, dissemination of lessons learnt from training and feedback for initiating appropriate measures to strengthen the process of internalisation of learning and facilitate further refinement of programmes and policies.

**d. Summer Placement Scheme in NABARD**

5.18 A Summer Placement Scheme was introduced by NABARD to provide opportunity to students with good academic background, from reputed educational institutions, to study areas of interest to NABARD particularly in rural development, multi-disciplinary projects, banking and institutional development, etc. During 2005-06, student who were in final year of graduation/post-graduation from Agricultural Colleges/Universities as well as those pursuing higher studies were assigned tasks of conducting studies. The scheme was implemented through

9 select ROs covering 10 States , wherein 46 students have completed 43 studies in 28 operational areas of interest to NABARD. These reports are under consideration.

### e. Study Leave

5.19 During the year, leave was sanctioned to three officers for pursuing higher studies abroad in specialised subjects, viz., International Finance and Social Entrepreneurship, Rural Management and Agriculture and Aquatic Resource Management from institutes of repute.

## B. Recruitment, Promotions and Staff Strength

### a. Direct Recruitment

5.20 During the year, 7 persons (one OBC and two SC) and 13 persons (four SC and two ST) were appointed in Group 'B' and 'C' cadres, respectively. Of the total 20 persons recruited in Group 'B' and 'C' cadres, 15 were appointed on compassionate grounds.

### b. Promotions

5.21 During the year 6, 21 and 39 promotions were effected from Grade 'E' to 'F', 'D' to 'E' and 'C' to 'D', respectively. The details of promotions effected upto Grade 'C' have been given in Table 5.1. Further, 5

employees were promoted from Group 'C' to 'B' and 21 promotions (seven SC and one ST) were effected within Group 'C' cadre.

Particulars	Total	Of which	
		SC	ST
Officers in Grade 'B' to 'C'	68	11	4
Officers in Grade 'A' to 'B'	100	15	6
Group 'B' to Officer cadre	108	21	14

### c. Staff Strength

5.22 The total staff strength of the Bank stood at 5,136 as on 31 March 2006, of which 1,292 belong to SC and ST category (Table 5.2). The staff strength of ex-servicemen and physically handicapped employees stood at 113 and 98, constituting 2.2 and 1.9 per cent of the total staff strength, respectively.

Cadre	Total	Category-wise	
		SC	ST
Group 'A'	2,976	411 (13.8)	199 (6.7)
Group 'B'	1,174	136 (11.6)	102 (8.7)
Group 'C'	986	331 (33.6)	113 (11.5)
<b>Total</b>	<b>5,136</b>	<b>878 (17.1)</b>	<b>414 (8.1)</b>

*Figures in parentheses indicate percentages to total.*

## Administrative and Other Matters

### A. Industrial Relations

5.23 The industrial relations of the Bank turned around with Employees' and Officers' Associations suspending their joint agitation in June 2005. The Bank entered into a negotiated settlement on certain issues of concern. Meetings were also held with these Associations on wage revision and on various other matters and a broad understanding has been reached.

5.24 In pursuance of the Supreme Court's direction, a Central Complaints Committee at HO and 22 Regional Complaints Committees at ROs are functioning for prevention of sexual harassment of women at the work place.

### B. Welfare Measures for SC/ST Employees

5.25 The Bank adhered to instructions issued by GoI from time to time regarding reservations for SCs/STs through direct recruitment as also through promotions in all grades upto which the Bank has accepted to provide reservations. Quarterly meetings by Senior Executives and the Chief Liaison Officer with the representatives of the Welfare Association of SC/ST were held regularly at HO. Other benefits extended to these employees included, (i) conduct of two pre-promotional training programmes each for the benefit of 71 officers and 103 Group 'B' staff and (ii) an amount of Rs.2.68 lakh was disbursed to 109 wards of SC/ST employees under the scholarship and book grant schemes during the year.

### **C. Other Staff Benefits**

5.26 Housing loans aggregating Rs.896.83 lakh were sanctioned to 189 employees during the year. The disbursements against the sanctions, including loans sanctioned during previous years, amounted to Rs.940.77 lakh.

### **D. Library**

5.27 The Bank maintains a Central Library at HO, Mumbai, besides its units at ROs. The Central Library houses 24,800 books in English and Hindi and subscribes to 155 journals besides working papers, reports, etc., on agriculture and allied activities, banking, rural development, information technology, management, etc. The Library subscribes to Institutional Memberships of the British Council Library and the NIRD, Hyderabad, and has also networked with major libraries located in the Bandra-Kurla Complex. Access to information on-line/from the internet has also been provided. The Library Committee supervises functioning of the Central Library at HO and has its counterparts in ROs.

### **E. Information Technology**

5.28 A Central Server was installed in HO to facilitate Information Technology (IT) related services and database management. LAN was established in 16 ROs, mini-LAN in 17 ROs/TEs and broadband internet facility was provided in HO and in a few ROs. A Disaster Recovery Centre was set up to meet the eventuality of any data/information loss. The Bank also launched its website in Hindi to enable greater outreach. The software for financial accounting in administrative and loaning operations, which is being maintained in-house, was stabilised and the data centralised at HO. Necessary training on Instaccount was provided to the officers and staff. Small modules of software were developed in-house to meet general administration and MIS requirements while the development of an integrated software for major business operations of the Bank has been outsourced. Steps have been initiated for providing computers to all staff members and for computerisation of the entire operations of the Bank.

### **F. Vigilance**

5.29 NABARD continued to lay emphasis on vigilance surveillance and conducted three Preventive Vigilance Inspections of ROs/TEs. In addition, two Chief Technical Examiner (CTE) type inspections of civil/electrical structures of NABARD at Kolkata and Mumbai were conducted. NABARD also observed Vigilance Awareness Week during 7-11 November 2005.

### **G. Inspection**

5.30 During the year, inspection of 17 HO departments and 23 ROs was undertaken. In order to improve the efficiency and effectiveness of the staff posted in Inspection Department, training on Treasury Management and Information System Audit was organised. A workshop for 32 officers working as Concurrent Auditors in ROs was held in Lucknow in January 2006.

5.31 The concurrent audit of 5 ROs, viz., Andhra Pradesh, Gujarat, Orissa, Rajasthan and West Bengal, which was being undertaken by external auditors, was dispensed with and Concurrent Audit Cells (CACs) have been set up in these ROs. Further, on the expiry of term of M/s.Haribhakti & Co., the concurrent audit work related to RMD, GAD, FAD, Premises Department and Co-finance Cell of ICD in HO was assigned to M/s. R. Devendra Kumar & Associates, Chartered Accountants. Off-site monitoring of CACs established in ROs/TEs was also undertaken through monthly audit returns. The work relating to preparation of an Inspection Manual was outsourced to M/s. V. Shankar Aiyer & Co., Consultants. The manual will provide guidance for inspections to be conducted from 2006-07 onwards. The guidelines for concurrent audit of ROs and for different HO departments were also revised.

### **H. Public Relations**

5.32 Initiatives were taken by the Bank to showcase its efforts in providing credit and non-credit support at various levels. Among the important events organised

during the year were the National Consultative Meet on Fruit and Vegetable Processing and the NABARD Utsav in Mumbai. NABARD also participated in various events, viz., International Conference on Plastics and Precision Farming at New Delhi, Krishi Mahotsav in Gujarat, International Sindhi Trade show in Mumbai, Agriculture Trade Fair in Pune, Aurangabad and Karad.

5.33 Besides, NABARD continued to bring out its quarterly and monthly publications - NABARD Parivar and NABARD Newsletter, respectively. A special publication titled '*Strengthening India's Rural Co-operatives*' was brought out outlining a programme for reforms based upon the Vaidyanathan Committee Report on Revival of Short-Term Rural Co-operative Credit Institutions.

## **I. Collaboration with Corporates**

5.34 The rural scenario, of late, has been fast changing with the entry of corporates realising the vast potential. The successful experience gained by a few major corporates has given impetus to the other corporates to follow. Their intervention had facilitated availability and management of quality inputs, value addition to farm produce, marketing, establishment of knowledge centres, etc. During the year, NABARD took initiative to forge collaboration with corporates. Discussions were held with corporates like Bharat Petroleum Corporation Limited, Jain Irrigation, Tata Chemicals Limited and Dhanuka Group of Industries.

## **J. Visit of Parliamentary Committees**

5.35 Nine Parliamentary Committees held discussions with NABARD on various aspects concerning rural credit and development. These were, (i) Committee on Subordinate Legislation, (ii) Estimate Committee on Priority Sector Lending - Public Sector Banks, (iii) Committee of Parliament on Official Language, (iv) Sub-committee for Ministry of Agro and Rural Industries, (v) Estimate Committee - Rural Housing, (vi) Committee on Government Assurance - Rajya Sabha, (vii) Committee on Government Assurance - Lok Sabha, (viii) Parliamentary Standing Committee - Khadi & Village Industry Commission and (ix) Committee on Food Consumer Affairs and Public Distribution.

## **K. Promotion of Hindi**

5.36 NABARD continued to promote the use of Hindi in its day-to-day working. The Official Language Implementation Committees continuously reviewed the progress *vis-à-vis* GoI policy regarding use of Hindi. Inspections of three ROs and one TE were undertaken to assess their compliance to the official language policy of GoI.

5.37 Fifty-three staff members were imparted necessary training under the Hindi Teaching Scheme of GoI. Training was imparted to 11 stenographers and 2 typists in Hindi stenography and Hindi typing, respectively. A translation training programme for 17 Rajbhasha officers was organised at NBSC, Lucknow with a view to familiarising them with new terminologies and banking concepts. Besides conducting general workshops, an interactive Hindi workshop for non-Hindi speaking staff members was organised at HO to enable them to use Hindi in their day-to-day work. A workshop for senior officers was also organised at NBSC, Lucknow.

5.38 The Third Sub-committee of the Parliamentary Committee on Official Language inspected and reviewed the use of Hindi in Maharashtra and Rajasthan ROs in June 2005 and February 2006, respectively, while the Drafting and Evidence Sub-committee reviewed the use of Hindi in Assam RO in September 2005. The Committees appreciated the efforts of ROs in promoting use of Hindi in the working of the Bank.

5.39 The scheme for writing original books in Hindi on issues relating to 'Agriculture and Rural Development' continued during the year for existing and retired staff of the Bank. One proposal was approved under this scheme. Various Hindi competitions were organised, the prizes for which were presented at the Annual Hindi Samaroh, to encourage the use of Hindi. Andhra Pradesh, Gujarat and West Bengal ROs and RTC, Mangalore were awarded the Rajbhasha Shield by Town Official Language Committee (Banks), for excellent work in Hindi. The Bank's in-house journal 'Rashtriya Bank Srujana' was published regularly.