

1. Policy Initiatives - NABARD

1.1 Long-Term Refinance

To ensure increased and uninterrupted credit flow to farmers, as also to give a boost to capital formation in the agriculture sector, NABARD provided refinance to the Cooperative Banks and RRBs out of Long Term Rural Credit Fund, at a reasonable rate of interest. An amount of Rs.14,481.50 crore was allocated for the year 2020-21.

1.2 Short-Term Refinance

Short Term Cooperative Rural Credit - STCRC (Refinance) Fund was set up in NABARD in 2008-09 to provide Short Term refinance to Cooperatives for their crop loans. The allocation for the year 2020-21 was Rs. 44,644.50 crore.

Short Term RRB (Refinance) Fund was set up in NABARD in 2012-13 to provide Short Term refinance to RRBs for their crop loans. The allocation for the year 2020-21 is Rs. 9,921 crore.

Initiatives taken during the year (2020-21)

- Disbursement of Rs.25500 crore was made under Special Liquidity Facility (SLF-1) to Cooperative Banks, RRBs and NBFCs (Rs.16800 crore to Cooperative Banks, Rs.6,700 crore to RRBs and Rs.2,000 crore to NBFCs) for unhindered flow of credit to banks and farmers in the wake of the lockdown due to COVID-19 pandemic.
- Additional SLF of Rs.1,567 crore was provided to NBFCs/ NBFC-MFIs with asset size less than Rs.500 crore.
- SLF to SCARDBs of Rs.783 crore was provided as front ended liquidity support from NABARD's own funds.
- Allocation of 25% of STRRB and LTRCF was made to aspirational and credit starved districts.
- Preliminary eligibility criteria for RRBs for availing refinance was revised and set on the basis of internal risk rating by NABARD.

1.3 Special Refinance Schemes - To address the issue of reverse migration, give boost to the agriculture & rural sector and income generating activities and focus on health and hygiene, NABARD introduced following special refinance schemes at concessional rates to eligible financial institutions:

- i. **PACs as Multi Service Centers (MSCs)** - NABARD introduced Special refinance scheme to saturate all the potential PACS for conversion as Multi Service Centres, over a period of three years commencing from the year 2020-21. The scheme intends to develop all the potential PACS as Multi Service Centres (MSCs) over a period of three years commencing from the year 2020-2021 by providing concessional refinance to StCBs at 3% to support PACS to

create quality infrastructure (capital assets) and increase their business portfolio in tune with needs of members. Under this line of credit, NABARD has envisaged transformation of 35,000 PACS in three years commencing with the transformation of 5,000 PACS in FY21. During 2020-21, 3055 PACS were given in-principle sanction by NABARD with estimated Project cost of Rs.1,760.82 crore and estimated loan of Rs.1,568 crore.

- ii. Scheme for beneficiaries of Watershed and Wadi project areas** - The objectives of the scheme are to promote sustainable economic activities, livelihood and employment opportunities for the beneficiaries in NABARD supported watershed and wadi project areas by encouraging banks to lend at concessional rate to these beneficiaries to address the issue of rural migration and to give boost to the agriculture and rural sector in the post COVID era. Refinance is available to all the eligible banks/FIs at 3% for maximum period of 5 years. The ultimate lending rate to be charged by banks/FIs under the scheme is revised as 06 months MCLR+1% or EBLR+2.5%, whichever is lower. NABARD has earmarked refinance amount of Rs.5,000 crore during 2020-21 to 2022-23. During FY 2020-21, refinance of Rs.126.80 crore has been disbursed under this product.
- iii. Scheme for promoting Micro Food Processing Activities** - The objective of the scheme is to encourage banks to lend micro-food processing activities and create sustainable livelihood and employment opportunities for rural youth as well as reverse migrants due to COVID-19 pandemic in the rural areas. The scheme also envisages modernization and enhancing the competitiveness of the existing individual micro enterprises and ensure their transition to formal sector in rural areas. The refinance scheme will give fillip to the recently launched “PM Scheme for Formalisation of Micro Food Processing Enterprises (PM FME)” under Aatmanirbhar Bharat Abhiyan by MoFPI, GoI. Concessional refinance at 4% is available to eligible financial institutions viz., commercial banks, SFBs, StCBs, RRBs and NABARD Subsidiaries.
- iv. Special refinance scheme on Water, Sanitation and Hygiene (WASH)** - A Model Refinance Scheme on WASH activities has been prepared keeping in view the need to protect human health during infectious disease outbreaks, especially in the times of on-going COVID-19 pandemic. WASH has been conceptualized by NABARD to enable banks to provide credit to entrepreneurs for building social infrastructure relating to drinking water facilities, sanitation facilities including construction/ refurbishment of household toilets and health care facilities.
- v.** Extension of interest subvention benefits for extended period from March 2020 to 31 August 2020 and from March 2021 to June 2021
- vi.** COVID-19 deferment of loan instalments for client borrowers of NABARD.
- vii. KCC Saturation Drive to cover PM Kisan Samman Scheme beneficiaries who do not possess Kisan Credit Cards** - Department of

Agriculture, Cooperation and Farmers' Welfare, Ministry of Agriculture and Farmers' Welfare, Govt. of India, has launched a campaign from 08.02.2020 to cover all PM Kisan Samman Scheme beneficiaries under Kisan Credit Cards. Adequate publicity and awareness campaigns were conducted to ensure maximum coverage. Phase-II of KCC Saturation- As a part of the Atmanirbhar Bharat Package, the Government has announced to cover 2.5 crore farmers under the Kisan Credit Card (KCC) scheme with a credit boost of Rs.2 lakh crore through a special saturation drive. Department of Animal Husbandry and Dairying, Govt. of India also decided to simultaneously launch a special drive to provide KCC to 1.5 crore dairy farmers belonging to milk unions and milk producing companies and 1 crore fish farmers. As a result of concerted and sustained efforts by Cooperative Banks and RRBs in this direction of providing access to concessional credit to the farmers, the progress during the year is as under:

Phase	No. of KCCs (Lakh)	Limits sanctioned (Rs. Crore)
I	12.58	8,499.86
II (As on 31.05.2021)	58.56	47,685.68

viii. Government Sponsored Programmes with Bank Credit - The

Administrative approval conveying the continuation of the followings subsidy schemes for 2020-21 (**till 30 June 2021**) has been received from the GoI:

- Agri Clinics and Agri Business Centers Scheme (ACABC).
- National Livestock Mission for Entrepreneurship Development & Employment Generation (EDEG), component of National Livestock Mission, Poultry Venture Capital Fund (PVCF), Integrated Development of Small Ruminants and Rabbit (IDSRR), Pig Development (PD), Salvaging and Rearing of Male Buffalo Calves (SRMBC), Effective Animal Waste Management, Construction of Storage Facility for Feed and Fodder.
- **Revised AMI sub scheme of ISAM** - Communication from GoI regarding continuation of the scheme during 2021-22 is awaited.

1.4 Rural Infrastructure Development Fund (RIDF)

The major policy changes and initiatives during 2020-21 were as under:

1. The corpus under RIDF was increased from Rs. 30,000 crore to Rs. 40,000 crore, as announced in Union Budget 2021-22.
2. Total sanctions of Rs. 34,830 crore and disbursements of Rs. 29,193 crore were made during the year to various State/UT Governments.
3. Normative Allocation parameters for state-wise sanctions, under RIDF, were fine-tuned to include rural poverty and per capita priority sector credit flow.
4. The phasing of projects sanctioned under RIDF XX and XXI was extended up to 30 September 2021 and reimbursement of expenditure was allowed upto 31 December 2021.

5. To ensure better quality control and supervision through specialised agencies, the expenses on account of Quality Control/PMC/Supervisory Charges/Third Party Monitoring are considered under RIDF upto a maximum of 2% of eligible project cost, wherever an external agency is engaged by the State Government.
6. A dedicated Web-portal and Mobile App for digitization of RIDF operations and real time monitoring of projects was launched.
7. A corporate film on completion of 25 years of RIDF was launched during the year.

8. Important Funds:

A. Micro Irrigation Fund (MIF)

- MIF with a corpus of Rs.5000 crore was operationalized in NABARD in 2019-20 with the Ministry of Agriculture and Farmers Welfare (MoA&FW), GoI being the Nodal Ministry. The fund was fully utilised and the GoI announced additional allocation of Rs.5,000 crore in the Union Budget for 2021-22.
- MIF facilitated State Govts'. efforts in mobilizing additional resources and incentivizing its adoption beyond provisions of Pradhan Mantri Krishi Sinchayee Yojana - Per Drop More Crop.
- During 2020-21, loan amount of Rs.1128.60 crore was sanctioned and Rs.1827.47 crore was released. As on 31 March 2021, the cumulative loan sanctioned and released under MIF was Rs. 3970.17 crore and Rs.1827.47 crore, respectively.

B. Long Term Irrigation Fund (LTIF)

- LTIF was operationalized in NABARD in 2016-17 for fast tracking completion of 99 identified Medium and Major Irrigation projects. Under LTIF, NABARD provides loan towards Central Share as well as State Share. During 2020-21, loan amount of Rs.2461.84 crore was sanctioned and Rs.7761.20 crore was released. As on 31 March 2021, the cumulative loan sanctioned and released stood at Rs.84326.60 crore and Rs.52479.71 crore, respectively.

C. Pradhan Mantri Aawas Yojna - Grameen (PMAY-G)

- PMAY-G aims at providing a pucca house, with basic amenities, to all households / households living in kutchha and dilapidated house, by 2022. Under the scheme, NABARD has extended loan towards part funding of Central Share.
- Under PMAY-G, 2.95 crore houses (1 crore in Phase-I and 1.95 crore in Phase-II) are targeted to be constructed from 2016-17 to 2021-22.
- During 2020-21, loan amount of Rs. 20,000.00 crore was sanctioned and Rs.19999.80 crore was released towards part funding of Central share under PMAY-G. As on 31 March 2021, the cumulative loan sanctioned and released under PMAY-G stood at Rs.61,975.00 crore and Rs.48,819.03 crore, respectively.

D. Swachh Bharat Mission-Gramin (SBM-G)

- SBM-G was launched by Govt. of India on 2nd October 2014 with the goal to achieve universal sanitation coverage in rural areas. Under the scheme, NABARD extended loan during 2018-19 to 2019-20 towards part funding of Central Share.
- The cumulative sanction and disbursement as on 31 March 2020 under SBM-G stood at Rs. 15,000 crore and Rs. 12,298.20 crore, respectively.
- During 2018-19 and 2019-20, total 3.29 crore household toilets (2.23 crore in 2018-19 and 1.06 crore during 2019-20) were constructed (**Source –MoJS, GoI**).

E. Rural Infrastructure Assistance to State Governments (RIAS)

NABARD launched a new product “Rural Infrastructure Assistance to State Governments (RIAS)”, with an initial corpus of Rs. 15000 crore. Under RIAS, NABARD will provide financial assistance to State Governments in Eastern Region, for creating infrastructure that supports rural livelihoods, hinging on 5-J approach – Jan (Human being), Jal (Water), Jameen (Land), Janwar (Livestock) & Jungle (Forest).

1.5 Initiatives on micro Finance

- **Revision of grant support to JLGPIs:** To incentivise promotion of JLGs, the grant assistance to JLGPIs was enhanced from Rs.2,000/- to Rs.4,000/- per JLG.
- **MEDP/LEDP:** To strengthen NABARD’s efforts at skilling SHG members, the grant assistance was enhanced for MEDPs to Rs. 1.00 lakh and for LEDPs to Rs. 8.80 lakh (Farm Sector) and to Rs. 7.15 lakh (Off Farm Sector).
- For 2020-21, the number of MEDPs has tripled and LEDPs doubled from previous year to augment supply for skills required for rural employment.
- **NABFINS as JLGPI:** NABFINS was sanctioned a pilot project as a JLGPI in five States of Assam, Chhattisgarh, Madhya Pradesh, Maharashtra and Jharkhand for a period of three years.
- **MY PAD MY RIGHT:** NABFOUNDATION, through LEDP channel, was sanctioned the Project ‘My Pad My Right’ for Rs.1.99 crore for sanitary pad making machine for producing/marketing the pads to provide livelihood opportunities to SHGs and improve menstrual hygiene of rural women. During 2020-21, an amount of Rs.1.59 crore has been utilized and machines have been installed in 33 districts.
- **EShakti:** As on 31 March 2021, the project was being implemented in 281 districts. The data pertaining to 12.33 lakh SHGs (140.91 lakh members in 1.67 lakh villages was on-boarded to EShakti portal). From 2021-22, the project will be implemented in 130 districts of 16 States/UTs for a focused approach to reduce the credit gap. EShakti portal was used for sending 40 lakh health advisory SMS to SHG members and during the pandemic, the SHGs were also engaged for making face masks, hand sanitizers, PPE kits, etc. for earning additional income.

1.6 Financial Inclusion

Availability of financial support for Standard Schemes under FIF: Financial support for the following activities was available from NABARD:-

Financial Literacy:

- Financial and Digital Literacy Camps, Financial Literacy Centres, Reimbursement of Examination fee of BC/BF, Mobile Demo Vans and Financial Literacy Centres (FLCs).
- Opening Kiosk Outlets in unbanked villages of North Eastern (NER) States.
- Setting up of Centre for Financial Literacy (CFL)

Banking Technology:

- Deployment of microATM and PoS/mPoS devices, for on-boarding to BHIM UPI Platform, for on-boarding to Public Financial Management System, Implementing Green PIN facility at ATMs and/or microATMs for RuPay Kisan Card activation and On-boarding to Bharat Bill Payment System (BBPS).

Regulatory requirements:

- On-boarding to Central KYC Registry (CKYCR) and Support to obtain AUA/KUA membership of UIDAI.

Connectivity and Power Infrastructure:

- V-SATs deployment in SFDs, Mobile signal boosters' deployment in SFDs and Solar panel/UPS deployment in SFDs.

New initiatives taken during the year 2020-21:

- i. Green PIN facility at ATMs and/or microATMs for RuPay Kisan Card activation was launched under which one-time implementation and application development cost for enabling Green PIN facility is reimbursed.
- ii. Scaling up of the Centre for Financial Literacy (CFL) Project (a Pilot Project of Reserve Bank of India) to 200 CFLs which envisages one CFL per 3 blocks.
- iii. Support for on-boarding to Bharat Bill Payment System (BBPS) was launched to encourage banks to give rural customers benefits of online bill payments. One time integration cost of the Bank with the Bharat Bill Payment Operating Unit (BBPOU) will be reimbursed.
- iv. Support extended to RCBs, in addition to CBs and RRBs for opening Kiosk outlets in unbanked villages of North Eastern States through BCs for providing comprehensive financial services in unbanked villages with population less than 500.
- v. The support for components under connectivity and power infrastructure schemes viz. VSAT deployment, Mobile Signal Boosters deployed and solar power unit / UPS deployment has been extended to all districts.

1.7 Farm Sector Policy – Important Initiatives

I. Sustainable livelihood & NRM- Watershed and Tribal development Project

- i. 101 new watershed projects were sanctioned, covering an area of 1 lakh ha and an amount of Rs.90.42 crore was disbursed.
- ii. A separate web portal and mobile ‘app’ was developed for uploading data on watershed projects.
- iii. 103 KfW Soil projects viz. SEWOH II & III (One World, No Hunger) were under implementation in 5 States.
- iv. An in-house Remote Sensing Cell was established to strengthen the monitoring of watershed projects at NABARD, HO and 39 on-going WDF projects were hosted on the NABARD Bhuvan portal.
- v. Under Tribal Development Programme, 51 projects were sanctioned. Out of the financial target of Rs.108.00 crore, an amount of Rs.93.08 crore was disbursed.
- vi. 04 agri-allied (non-wadi based) TDF projects were sanctioned in Chhattisgarh (apiculture), Tamil Nadu (animal husbandry), Telangana (micro-enterprise development) and West Bengal (pig and goat rearing) under Tribal Development Fund.
- vii. The exercise of GIS mapping of wadi projects was taken up with the support of GIZ.

II. FPO Promotion

- i. An amount of Rs.4.06 crore has been utilised under PODF. Under PODF-ID, an amount of Rs.68.25 crore has been utilised during the year.
- ii. Under Central Sector Scheme on Formation and Promotion of 10,000 FPOs, NABARD has sanctioned 655 FPOs as against the target of 600 FPOs and 257 CBBOs have been empanelled.
- iii. BIRD, Lucknow as the Nodal Training Institute for Central Sector Scheme on FPOs developed 5 basic training modules for FPOs and other stakeholders.
- iv. Steps have been initiated to set up a Credit Guarantee Fund of Rs.1000 crore with matching contributions from GoI and NABARD under NABSANRAKSHAN, a subsidiary of NABARD.

III. FSPF – Innovations & Technology Transfer

Under Farm Sector Promotion Fund (FSPF), an amount of Rs.17.67 crore was disbursed during 2020-21, as against the budget of Rs.22.00 crore. Developmental pilots for improving farmers’ income and for augmenting capacity building, etc. under Beekeeping, Horticulture, Medicinal plants, Livestock, etc. were the major areas supported under FSPF during the year.

IV. Fostering Partnership

- i. NABARD entered into an MOU with APEDA for promotion of agri exports. The potential of FPOs will be leveraged for encouraging exports.

- ii. Grant assistance to MCCIA, Pune was sanctioned for establishing Agriculture Export Facilitation Centre (AEFC) which shall function as a ‘One Stop Centre’ for agri export services and capacity building of farmers in traceability, Good Agriculture Practices, etc.
- iii. NABARD entered into an MoU with ICAR to collaborate in facilitating action research and up-scaling of various technologies / innovative farming models developed by ICAR, including successful climate resilient sustainable farming models and integrated / high-tech farming practices in participatory mode, through adapting research on watershed platform.

V. Climate Action

- i. Under climate change initiatives, NABARD has released an amount of Rs.135.07 crore under the three funding mechanisms viz. Adaptation Fund (AF), Green Climate Fund (GCF) and National Adaptation Fund for Climate Change (NAFCC).
- ii. Under Climate Change Fund (CCF), an amount of Rs.0.97 crore was disbursed, for activities like co-sponsorship towards World Sustainable Development Summit 2021, installation of Customized Automated Weather Stations in Nagaland, etc.
- iii. Developed a Web Portal and Mobile App, for digitization of all data/information pertaining to physical & financial progress, monitoring observations along with photos of pre & post development scenarios in Climate Change adaptation /mitigation projects.

VI. COVID-19 Initiatives

- i. Status notes on major agri-allied sectors were prepared viz. Horticulture, Fisheries, Animal Husbandry and Water Resources.
- ii. Out of box solutions were provided by FPOs promoted by NABARD to restore disrupted supply chain using digital technologies, adoption of farm to home delivery mechanism, ensuring timely supply of critical inputs to farmer members, extending helping hand to migrant labour and sanitary workers, etc.

1.8 Off Farm Sector Initiatives

1. Initiatives during COVID-19

- A mega project on “Rapid Reskilling and Quick Employment for 10,000 Reverse Migrants” was supported in Uttar Pradesh (Raebareli, Gorakhpur, Mirzapur, Maharajganj and Allahabad), Bihar (Muzaffarpur, Vaishali, Rohtas and Gaya) and Jharkhand (Hazaribagh).
- NABARD collaborated with NSDC affiliated training institutes for capacity building of rural youth in new age skills like Mechatronics, Arc welding, Refrigeration, etc.
- NABARD supported projects for training rural women in the manufacturing of face masks and PPE kits that were in much demand to adhere to the Covid-19 protocols.

- NABARD partnered with CSR corporates like Ambuja Cement Foundation, Lupin Human Welfare and Research Foundation, ‘TATA Strive’ to provide capacity building of rural youth with skills and linking them with placement or self-employment.
 - NABARD supported online training programmes to build capacity, develop entrepreneurship as well as to connect the producers to the markets.
 - Revolving Fund Assistance of Rs.5 lakh each to 22 registered OFPOs for restarting their business activities impacted by COVID 19 was provided.
- 2 The rural mart scheme was revised to permit purchase of mobile vans by PACS and Producer Organisations to serve as mobile rural marts.
 - 3 Virtual B2B Exhibition was organised for OFPOs to provide opportunities to rural producers to bring their products closer to the users.
 - 4 Rural/Agri business Incubation Centres - As on date, NABARD has supported 7 Rural/Agri Business Incubation Centres with total financial support of Rs.63.29 crore. These 7 centres will provide direct and indirect benefit to about 22 lakh farmers.
 - 5 Catalytic Capital Fund (CCF) – To support start-ups in farm and non-farm sector in the stage of ‘Valley of Death’, NABARD sanctioned Rs.1.00 crore to MABIF, a NABARD supported RBIC and Rs.5.00 crore to NABKisan Pvt Ltd, a NABARD subsidiary, during 2020-21.
 - 6 Promotion of GI Products - NABARD extended support for enabling GI registration of 72 products, including Black Pottery (Nizamabad), Wall Hangings (Ghazipur), Soft Stone Jali Work (Varanasi), Gulabi Minakari (Banaras), Handmade Dari (Mirzapur), etc.
 - 7 Launching of Sanitation Literacy Campaign - NABARD launched a campaign from 02 October 2020 to 26 January 2021 to create awareness on Water, Sanitation and Hygiene (WASH) to sustain attitudinal changes for adopting safe sanitation and hygiene practices covering about one lakh people in more than 2000 villages benefitted from this awareness campaign.

1.9 Agri- Market Infrastructure Fund (AMIF)

- A dedicated Agri Market Infrastructure Fund (AMIF) with a corpus of Rs.2,000 crore was established with NABARD to provide low cost funds to the State Governments for:
 - Upgradation of Rural Haats to Gramin Agriculture Markets (GrAMs)
 - Creation of electronic display mechanism and linking of GrAMs with Agriculture Produce Market Committees (APMC); and
 - Upgradation of 585 e-NAM enabled APMCs.

MoA & FW GoI has issued the scheme guidelines to the State Governments