



FROM THE CHAIRMAN...



In FY2024, the Indian economy demonstrated resilience against significant global challenges, achieving robust growth of 8.2%. By maintaining a growth rate exceeding 7% for the third consecutive fiscal year, India has emerged as the world's fifth-largest economy, establishing a formidable presence on the global stage.

This accomplishment is remarkable, particularly against the backdrop of a global economy grappling with rising geopolitical tensions, persistent but decreasing inflation, and subdued activity levels. It highlights India's potential as a hub of innovation and opportunity, poised to make an even more dynamic contribution to the global economy in the coming years. India's unwavering focus on capital formation has fuelled this growth momentum, with substantial government spending addressing infrastructure and logistics bottlenecks.

NABARD has been investing extensively in rural infrastructure and agriculture to enhance the productivity of the rural economy. Over the past decades, NABARD's rural infrastructure financing has reached a cumulative sanction of ₹8.2 lakh crore, including ₹61,000 crore during FY2024. Our flagship Rural Infrastructure Development Fund has had a transformational impact on the rural landscape, creating irrigation potential for 422.2 lakh ha, laying 5.6 lakh km of rural roads, constructing 14.1 lakh meter of rural bridges, and generating 3,096 crore person-days of non-recurring employment.

Cooperatives in India play a transformative role in promoting equitable development, fostering economic inclusivity, and building resilient communities. Recognising their importance, NABARD has dedicated a theme chapter to cooperatives in the Annual Report 2023–24.

The rural credit structure is pivotal for financial inclusion and delivering credit to rural areas. NABARD has strengthened local economies and contributed to an inclusive financial and credit structure across India's rural landscape. We are facilitating the digitisation of 63,000 primary agricultural credit societies (PACS) over 5 years. This digitisation effort is set to enhance transaction speed, access to payment services, and supervision for rural stakeholders. On 24 February 2024, 18,000 digitised PACS were inaugurated by the Prime Minister of India at Bharat Mandapam, New Delhi.

NABARD has remained responsive to emerging needs of India, aligning its policies with national priorities. The shrinking average size of agricultural landholdings poses a challenge to diversification of agricultural activities and increase in farmer earnings. To address this, NABARD has promoted 7,355 farmer producers' organisations with 25 lakh farmer members, of which about 82% are small and marginal farmers.

NABARD has pioneered various sustainable and inclusive development models for fostering rural prosperity. Notably, the Self-Help Group-Bank Linkage Programme (SHG-BLP), launched in 1992, has grown to link 1.44 crore SHGs with savings and 77.4 lakh SHGs with credit, involving ₹65,089.20 crore in deposits and ₹2.59 lakh crore in outstanding loans.

Climate change presents significant risks for agriculture and rural livelihoods. NABARD is making best efforts for safeguarding livelihoods by promoting climate resilience and sustainable rural development. As the National Implementing Entity of three key climate financing funds, we have funded 40 projects worth ₹1,971.5 crore. NABARD has also developed a green taxonomy to classify its development and business portfolio for prioritising investments and mobilising resources for the green portfolios.

I am pleased to announce that NABARD's balance sheet reached ₹9.1 lakh crore as of 31 March 2024, reflecting a 13.6% growth over FY2023. NABARD also mobilised ₹1,040.5 crore through India's first AAA Rated rupee-denominated social bonds in FY2024, aligning investments with social impact. Through NABARD's social bonds, investors can play a role in building a more equitable and sustainable future for all.

NABARD's vision for the future is encapsulated in its Five-Year Strategic Plan, 'Pragati 1.0,' starting 1 April 2023, and the repositioning initiative 'UNNATI' to enhance our internal capabilities. We remain committed to making a meaningful impact through partnerships, innovative solutions, and prudent financial stewardship. Together with our stakeholders, we envision a future where every rural household thrives and contributes to sustainable prosperity.

I extend my gratitude to our stakeholders, partners, and the committed team at NABARD for their unwavering support and commitment. Let us continue our journey towards a prosperous and resilient rural India.

Shaji K. V.
Chairman

NABARD