



“ *Like tiny seeds with potent power to push through tough ground and become mighty trees, we hold innate reserves of unimaginable strength. We are resilient.* ”

—Catherine DeVrye

---

**The Annual Report for FY2021 is unlike any of its predecessors. For it was an incredibly challenging year like none witnessed ever in our collective memories. It was also an exceptional year that demonstrated the indomitable spirit and the resilience of humankind. This, then, is a report on response, rehabilitation, recovery, reinvention, and yes... *resilience* that can infuse immense confidence in the power of grit, determination, and the human capacity to face and fight against all adversities.**

—G. R. Chintala

---



**From the Chairman**

The country has just battled one of the worst tragedies of human history due to the COVID-19 pandemic. Entire families have been wiped out, millions of livelihoods lost and the economy ravaged. But during these gloomy and desperate times, the courage and unassailable spirit of the masses shone through, and with the steadfast and unflinching support of the government, the country rallied together and remained resilient throughout.

NABARD, amidst all this, stood tall and delivered. We strove to fulfil our objectives and mission of promoting and supporting agriculture and rural development through various interventions and initiatives, and succeeded enormously. I am happy to present the Annual Report for FY2021 as a testament to our excellent performance during these testing times.

But before I say anything further, let me place on record my deep gratitude for the sacrifices made by our staff who braved the pandemic to serve our partners in need, despite the loss of their near and dear ones. We too lost some of our employees to the deadly virus. I express my heartfelt condolences to the bereaved and I promise that NABARD will continue to do everything in its power to provide succour to the grieving families.

NABARD's remarkable performance was achieved by reorienting our products and policies to suit the emerging situation. We took care of the needs of our ultimate client, the farmer; constantly interacted with highest policy level functionaries; dovetailed our projects to the Government of India's (GOI's) economic revival packages; and adopted information and communication technology to deal with the challenges of the changed work scenario during lockdown.

I am glad to announce that NABARD's balance sheet size reached ₹6.57 lakh crore as on 31 March 2021, most of which is on account of non-idle (earning) assets that, in turn, helped create private and public investments at the ground level. We achieved a record year-on-year growth of 24% in our total assets and similar impressive growth in loan portfolio.

Thanks to the GOI's AatmaNirbhar Bharat package and our hardworking farmers, the agricultural sector recorded a growth of 3.6% last year and is likely to repeat the performance in FY2022. Agricultural credit outstanding grew at 12.3% in FY2021, highest across all sectors. This gives us confidence to meet the target of ₹16.5 lakh crore rural credit flow set by the Union Budget 2022, as the monsoon during current year too is expected to be normal.

Our loans and advances grew faster at 25.2% in FY2021 compared to 11.5% in previous year. Notably, half of the total loans outstanding of ₹6 lakh crore was for credit support of production activities at the grassroots and a third for infrastructure development. The ₹25,500 crore Special Liquidity Facility (SLF) and ₹1,567 crore additional SLF given upfront to cooperative banks, regional rural banks, and micro-finance institutions enabled unhindered flow of credit to farmers for seasonal agricultural operations while the Long Term Rural Credit Fund helped enhance on-farm capital formation.

NABARD has been a major player in the infrastructure space with 7.1 lakh projects (including Bharat Nirman) sanctioned since inception of RIDF under agriculture, irrigation, connectivity, and social infrastructure categories. We designed a new line of credit to partake in the \$5 trillion economy drive, viz., Rural Infrastructure Assistance to the State Governments (RIAS). The RIAS aims to create infrastructure to support livelihoods in Eastern India, which not only lagged behind in physical and social infrastructure, but also bore the brunt of post-pandemic reverse migration. We continued to support post-harvest infrastructure creation—the process of geo tagging of agri-storage infrastructure across the country was completed by our subsidiary NABCONS, which I'm sure, will pave way for a storage-on-call revolution.

To address the issue of reverse migration and boost agricultural and rural growth in the post-pandemic era, special refinance schemes for NABARD-supported watershed and wadi areas, a scheme for promoting micro- food processing units, and a special refinance scheme on water, sanitation, and hygiene (WASH) projects were introduced.

We also launched an agriculture infrastructure scheme for primary agricultural credit societies at an effective interest rate of just 1%.

I strongly believe that the future of agriculture lies in the use of technology and hence, we intensified our efforts to encourage start-ups and the innovation ecosystem through agri-business incubation centres. We funded the Madurai Agri-Business Incubation Forum at Tamil Nadu Agricultural University, which has been enabling product fine-tuning, market validation, business plan preparation, and even providing legal assistance to new ventures.

Our philosophy of building strong grassroots institutions as long-term social investment was vindicated last year when self-help groups (SHGs) and farmer producers' organisations (FPOs) effectively engaged in the larger cause of fighting the pandemic. More than one crore SHGs were financially empowered with ₹1.03 lakh crore outstanding loan and over 5,000 FPOs were formed and handheld to build their capacity to participate in, contribute to, and thrive in the growth process. Further, to facilitate bank financing to FPOs, a Credit Guarantee Fund of ₹1,000 crore with matching contributions from the GOI and NABARD was set up under NABSANRAKSHAN, a new subsidiary of NABARD. We also intensified our efforts in addressing climate change issues through cumulative disbursement reaching ₹868.5 crore to the sanctioned projects under various national and global funding arrangements.

NABARD sincerely acknowledges the support extended by the GOI (especially, the Department of Financial Services, Ministry of Finance), the Reserve Bank of India, and our partners from the banking fraternity, civil society organisations, and most importantly, farmers.

I also express my gratitude to the international community for appointing me as the Chairman of Asia-Pacific Rural and Agricultural Credit Association (APRACA). I am positive that fruitful partnerships among the nations of the Asia Pacific through the APRACA will lead to the creation of a more robust rural and agricultural ecosystem.

As I write this message, the second pandemic wave is receding, vaccination drive has intensified, and despite the shadow of a third wave looming large, I am unhesitatingly and unwaveringly hopeful of a vibrant rural economy and a rejuvenated agricultural ecosystem. Having just celebrated the 40th Foundation Day of our venerable institution, I seek your blessings for NABARD to embark on an awe-inspiring journey ahead and take leave of you with this motivating quote by Gregory S. Williams:

'On the other side of a storm is the strength that comes from having navigated through it. Raise your sail and begin.'

**Dr G. R. Chintala**  
**Chairman**