



We were all groomed in and grew up with this organisation. We received a world of exposure which no other organisation offers. We are deeply attached to NABARD emotionally and it gives us a great feeling to serve here. We are ready to die for this organization that has always encouraged us to do the right thing in the right way. It is an equal opportunity employer. Excel, and you can rise to the top on your own merit.



—G.R. Chintala¹



8.1 Management

The management and business of NABARD is vested in the Board of Directors appointed by the Government of India (GOI) in consultation with the Reserve Bank of India (RBI). The Board consists of the Chairman, managing director (vacant), deputy managing directors, and directors comprising experts in relevant fields such as rural economics, rural development, cottage and village industries, cooperative banks, regional rural banks, along with representatives from the RBI, GOI, and state governments.

Dr G.R. Chintala has taken charge as Chairman, NABARD on 27 May 2020 from the outgoing Chairman, Dr H.K. Bhanwala (Table 8.1).

TABLE 8.1: Changes in the Board of Directors in FY2021

<i>Members who joined the Board in FY2021</i>	
<i>Name</i>	<i>Date of appointment</i>
G.R. Chintala, Chairman, NABARD	27 May 2020
Shaji K.V., Deputy Managing Director, NABARD	21 May 2020
P.V.S. Suryakumar, Deputy Managing Director, NABARD	21 May 2020
Nagendra Nath Sinha, Secretary, Ministry of Rural Development, Government of India	28 April 2020
Sanjeev Kaushik, Additional Secretary, Department of Financial Services, Ministry of Finance, Government of India	21 September 2020

<i>Board members whose tenure ended in FY2021</i>	
<i>Name</i>	<i>Date of cessation</i>
Rajesh Bhushan, Secretary, Ministry of Rural Development, Government of India	26 April 2020
H.K. Bhanwala, Chairman, NABARD (retired)	27 May 2020
Debasish Panda, Secretary, Department of Financial Services, Ministry of Finance, Government of India	20 September 2020
Ashok Gulati, Infosys Chair Professor, Agriculture, Indian Council for Research on International Economic Relations, New Delhi	9 February 2021
Lalhmingthanga, Commissioner & Secretary, Agriculture and Rural Development, Government of Mizoram	1 March 2021

TABLE 8.2: Meetings of the Board and its committees in FY2021

<i>Board and its committees</i>	<i>No. of meetings</i>
Board of Directors	7
Executive Committee	4
Sanctioning Committee for loans under the Rural Infrastructure Development Fund (RIDF)	5
Internal Sanctioning Committee for loans under RIDF	26
Management Committee (comprising the Chairman, deputy managing directors, and select chief general managers)	19
Audit Committee	4
Risk Management Committee	4
Information Technology Committee	2
Premises Committee	2

During FY2021, the Board and its Committees met several times to deliberate on key issues of concern to NABARD (Table 8.2).

8.2 Human resource development

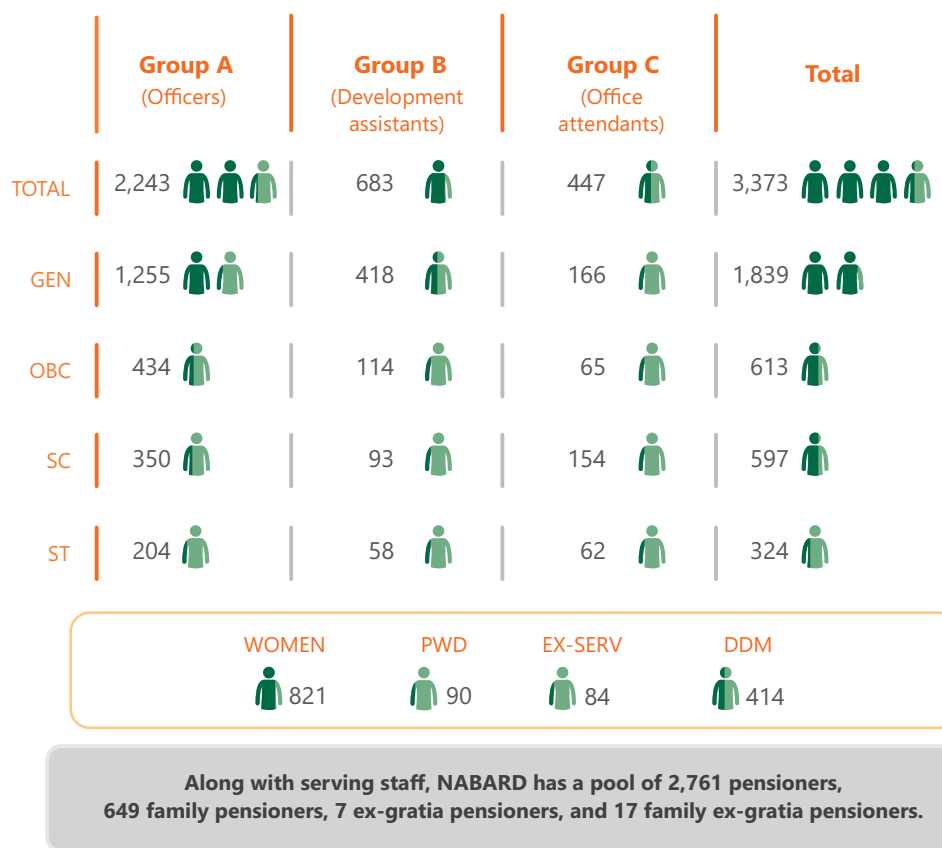
8.2.1 Staff composition

NABARD has consistently maintained high standards of qualified and trained human resources and

recruited knowledgeable experts from relevant fields for specialised inputs, adhering strictly to the prescribed reservation norms of the GOI (Figure 8.1). During FY2021, NABARD recruited 153 officers, 86 development assistants, 44 office attendants, and 13 specialist consultants. A large number of retirements combined with the recruitment of younger staff, has reduced the average age of NABARD staff to 46 years.



FIGURE 8.1: Composition of staff as on 31 March 2021



Notes: DDM = District Development Managers; EX-SERV = Ex-Servicemen; GEN = General; OBC = Other Backward Classes; PWD = Persons with Disabilities; SC = Scheduled Castes; ST = Scheduled Tribes.

8.2.2 Training and development

NABARD’s training policies and programmes create an atmosphere of learning and upskilling of not just its own staff but also client institutions. Most of the training programmes during FY2021 were conducted online (Figure 8.2).

Besides the programmes listed in Figure 8.2, NABARD staff can also avail of its flexible in-house e-learning opportunities. For instance, 1,676 officers completed at least one module of Nabscholar (launched by National Bank Staff College in FY2021) in their respective desk-related operations during the year.

Furthermore, NABARD deputed 42 officers to various off-the-shelf programmes of reputed institutes for building capacities in new and emerging areas such as green financing, climate change, banking technology,

and risk management. Also, 30 officers enrolled into professional and distant learning courses under the Incentive Study Scheme of NABARD, which included an officer pursuing higher studies abroad (Figure 8.2).

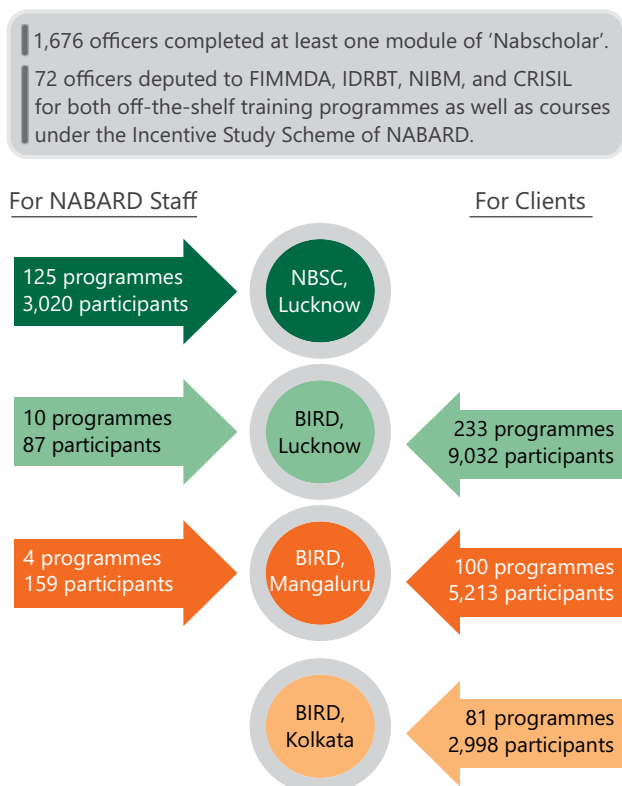
NABARD adheres to the GOI norms of recruitment, training, and promotion of persons belonging to Scheduled Castes (SC), Scheduled Tribes (ST), and Other Backward Classes (OBC). We also arranged pre-recruitment trainings for 366 candidates (including 185 officers and 181 office attendants) and pre-promotion training for 311 candidates from SC/ST/OBC categories.

8.2.3 Other human resource initiatives

Industrial relations

Industrial relations continued to remain harmonious during the year. Periodic discussions were held in which

FIGURE 8.2: Training programmes for staff and clients as on 31 March 2021



Notes: BIRD = Bankers Institute of Rural Development; CRISIL = Credit Rating Information Services of India Limited; FIMMDA = Fixed Income Money Market and Derivatives Association of India; IDRBT = Institute for Development & Research in Banking Technology NBSC = National Bank Staff College; NIBM = National Institute of Bank Management.

representatives from NABARD's management, the All-India National Bank Officers' Association, and the All-India NABARD Employees' Association participated.

Prevention of sexual harassment at workplace

NABARD, with 821 women staff members (around one-fourth of total), is sensitive to the issue of sexual harassment at work place. Hence, Central Complaints Committee at the Head Office and Regional Complaints Committee at the regional offices have been instituted in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Insurance

All group insurance schemes for serving staff (Housing Loan Group Insurance Scheme, Optional Group Term Insurance Plan, and Group Motor Vehicle Insurance Policy) and retired staff (Group Mediclaim Policy) were renewed for one year, on mutually agreed terms and conditions.

COVID compliance

During the COVID-19 crisis, NABARD offices across India initiated several measures according to the guidelines of the central and state governments as also local authorities, to ensure health and safety of its employees, and for business continuity (Box 8.1 in Section 8.4). These measures included, *inter alia*, issuance of instructions on preventive measures, guidelines for working from home, providing alternate arrangements for supply of medicines to retired staff, arrangement of isolation rooms in reputed hospitals, etc. Normal office operations resumed gradually as lockdown relaxed, while ensuring proper social distancing and dynamically responding to changing standard operating procedures and protocols issued by the government from time to time.

8.3 Transparency initiatives

8.3.1 Right to Information Act, 2005

Pursuing its goals of transparency, proactive disclosure, and compliance to statutory obligations, NABARD has been effectively providing information sought under the Right to Information (RTI) Act, 2005.

Central public information officers (35 senior officers including 31 at regional offices, 3 at training establishments, and 1 at Head Office) have been designated to comply with the statutory obligations under the RTI Act, 2005. Chief General Manager Nrusingh Prasad Mohapatra is the Appellate Authority. During FY2021, we received 1,801 RTI applications and 184 appeals. Of these, 1,556 applicants were provided with information (including RTI applications transferred to other public authorities) and 176 appeals were disposed of.

8.3.2 Redressing grievances

During FY2021, the Grievance Redressal Committee met twice to dispose of 12 grievance applications which included 6 from FY2020 and 6 (of 10) received in the current year.

8.3.3 Enhancing vigilance

Vigilance is an integral part of NABARD management functions aimed at ensuring robust systems and work practices, along with well laid out processes with effective checks and controls. It comprises preventive, surveillance, and punitive measures, undertaken by the Chief Vigilance Officer (appointed by the GOI), in liaison



with NABARD's management, under the guidance of the Central Vigilance Commission, GOI.

During the Vigilance Awareness Week (from 27 October to 2 November 2020), all NABARD staff took the Integrity Pledge and committed themselves to the theme for 2020, 'Vigilant India, Prosperous India'.

Surveillance measures like perusal of inspection reports and data on non-performing assets, scrutiny of annual property statements and contracts, and random checks were undertaken. Furthermore, the 'list of officers of doubtful integrity' and 'annual agreed list of suspected officers' were prepared.

The Vigilance Cell emphasises on preventive vigilance measures through continued surveillance and checks, system improvements, as also sensitisation and attitudinal orientation of staff. The Cell sees itself as a pillar of support for the management in reinforcing the right work ethics to keep NABARD strong.

8.4 Information technology initiatives

8.4.1 Enhancements in enterprise level software application

NABARD is currently implementing seven software solutions which are updated regularly based on user feedback. These include Human Resources Management System (HRMS), Centralised Loan Management and Accounting System (CLMAS), Fixed Asset Management System, Treasury and Asset Liability Management System, Electronic Submission of Returns (ENSURE), Enterprise Content Management (ECM) System, and NABARD Corporate Intranet.

8.4.2 ENSURE: Call centre for follow up

More than 228 returns and 411 reports were generated/published on ENSURE in FY2021. An outbound call centre has been assigned the task of following up on the submission of periodic returns by client institutions, freeing up valuable staff time for other productive activities.

8.4.3 Upgrading of CLMAS

The CLMAS is being upgraded to Intellect Digital Core Suite 2.0 with application programming interface capabilities, enhanced reporting tools, and portals for client institutions among other features.

8.4.4 Strengthening IT infrastructure and enhancing IT security

1. To strengthen security efforts, preliminary works on Network Access Control (NAC) solutions have been taken up. The NAC would provide centralised management of all edge devices that can have access to the LAN/WAN of NABARD.
2. Cyber Insurance policy has been obtained to mitigate cyber risks according to industry best practices.
3. Managed Print Solution has been installed across all departments at the Head Office to save time, improve efficiency, and cut costs (revenue and capital), besides reducing carbon footprint.
4. NABARD has embarked on a project to prepare an enterprise architecture document through consultants qualified in The Open Group Architecture Framework.

Box 8.1: Enabling work-flow environment in times of the pandemic

As the COVID-19 pandemic raged around the world, businesses were forced to adapt to the new normal of working from home and facilitate online collaboration among their personnel. NABARD rose effortlessly to the task with its officers and staff working smoothly from home using various online tools.

The following initiatives were taken to ensure business continuity during the pandemic:

1. VPN connections were given to the officers and staff members with detailed 'dos and don'ts' to ensure security and ease of work.
2. Uninterrupted and seamless staff-training programmes were enabled through WebEx training tools for training institutions.
3. Video conferencing tools like WebEx, Teams, and Google Meet were used for meeting internal and external stakeholders, provision of applications through internet, etc.
4. Minicomputer labs were set up in the staff quarters of the Head Office, with an adequate complement of personal computers, printers and scanners, and a separate video conferencing facility for the top management.

8.5 Corporate communication initiatives

NABARD has been making concerted effort to promote the brand amongst its target groups through documentation of success stories, YouTube videos, etc. During the year, NABARD produced nine films on North Eastern states reaching a cumulative number of 246 films.

NABARD's YouTube channel, www.youtube.com/nabardonline, is a repository of documentaries on the best practices in agriculture, natural resource management, farmer producers' organisations, self-help groups, rural infrastructure, rural innovations, etc. The channel has over 40,000 subscribers. As on 17 November 2020, the 283 films uploaded on the channel had garnered 35 lakh views and 45 lakh minutes of watch time from over 214 countries. NABARD's Facebook page has about 27,000 followers so far.

NABARD won 'Champion of Champions' award fourth time in a row at the Annual Awards of the Association of Business Communicators of India. In addition, NABARD received nine awards in different categories for its in-house publications, viz., NABARD *Parivar*, *Srijana*, schematic brochures, coffee table books, wallpapers, etc.

8.6 Risk management

NABARD has integrated a comprehensive and reliable risk management system into all its business activities, thus ensuring the alignment of the borrower's risk profile with its own risk appetite.

8.6.1 Credit risk

To safeguard against credit risk, a rigorous credit appraisal system and post-disbursement monitoring, including legal audit, has been designed. It aims to ensure high quality of loan assets with minimum probability of default. Exposure limits for client institutions at individual and group levels for managing NABARD's concentration risk is monitored. An internal risk rating system assesses the level of risk associated with the borrowers and ensures loading of appropriate risk premiums.

8.6.2 Market risk

Market risk is managed through interest rate and liquidity risk analysis; bucket-wise assets and liabilities (dynamic and static) gap analysis; liquidity and interest rate stress testing; contingency fund planning;

behavioural analysis of repayments under short-term loans; etc. Aspects related to market risk parameters are reviewed by the Asset Liability Management Committee and Risk Management Committee of the Board (RMCB).

8.6.3 Operational risk

NABARD proactively manages operational risk through comprehensive internal systems and controls. The measures include introduction of a business continuity management programme, digitised risk control and self-assessment, review of disaster recovery drills for IT applications, and monitoring of submission of statutory and regulatory returns to mitigate compliance risks. Operational risk management policy has been put in place to identify and manage major operational risks, report and manage incidents, and manage risks associated with outsourcing and new products/processes. The aim is to mitigate risk from inadequate or failed internal processes, people, systems, and external events.

8.6.4 Risk governance structure

NABARD has established procedures to periodically place risk assessment and management strategies before the Enterprise Risk Management Committee, RMCB, and the Board of Directors.

8.6.5 Creating organisation-wide risk awareness

NABARD conducts various staff training programmes on risk management towards building a more sustainable and profitable growth profile.

8.7 Inspection

NABARD ensures compliance with the regulations and norms pertaining to financial transactions and operations through periodic inspections. During FY2021, 55 inspections of regional offices (24), Head Office departments (23), training establishments (2), and subsidiaries (6) were done. Further, NABARD has formulated a policy and roadmap for Risk-Based Internal Inspection and Audit based on the recommendations of the Basel Committee on Banking Supervision.

8.8 Promotion of Rajbhasha

The provisions of the Official Languages Act, 1963 and the Official Languages Rules, 1976 were complied with and efforts made to increase the use of Hindi in day-to-day functioning of the office during FY2021. Steps were taken to achieve the targets stipulated under the Annual



Programme 2020-21 issued by the GOI. Achievements in respect of progressive use of Hindi were reviewed regularly in quarterly meetings of Official Languages Implementation Committees constituted in all our offices.

NABARD continued its efforts towards capacity building of officers and employees in Rajbhasha communication through *Parangat* classes in Hindi. During the year, members of the staff were trained in preparing office notes and drafts in Hindi and use of IT tools through Hindi workshops and desk training sessions. Hindi Day was celebrated in all our offices and prizes were awarded to winners of various Hindi competitions. Rajbhasha inspection of eight Head Office departments and seven regional offices and one training institute was completed during the year.

8.9 NABARD chairs the Asia-Pacific Rural and Agricultural Credit Association

NABARD has taken numerous initiatives over the last 40 years towards financial inclusion and building

people's institutions based on its shared understanding and partnerships with national and international associations. The regional policy forum of Asia-Pacific Rural and Agricultural Credit Association (APRACA) held in March 2021 on farmers collectivisation and credit guarantee co-hosted by NABARD is a testimony to such partnership. After a gap of two decades, Chairman, NABARD took over as the Chairman of APRACA with effect from 5 March 2021 during the 22nd General Assembly Meeting of APRACA. This can strengthen our alliances with member countries and provide an opportunity for us to leverage NABARD's long experience in the sector to play an effective leadership role (Box 8.2).

Note

1. Excerpt from Dr G.R. Chintala's address to Direct Recruit Officers 2021, 28 June 2021.

Box 8.2: NABARD roots for cross-country learning and cooperation

Asia-Pacific Rural and Agricultural Credit Association (APRACA), currently chaired by Dr G.R. Chintala (Chairman, NABARD), is a rural and agricultural finance organisation that helps promote productivity, inclusive growth, self-reliance, and welfare of the rural poor in the Asia-Pacific region. Its stated mission is 'to promote the efficiency and effectiveness of rural finance and improve access to financial services through a network of knowledge sharing and learning, capacity-building, research and exchange of expertise.'

Addressing common concerns, APRACA and NABARD can collaborate in areas such as financial inclusion, value chain financing, and smallholder finance, with rich experience-sharing across 43 member countries. There is scope for cross-country learning and mutual cooperation which would help in getting through the difficult times together, as Dr Chintala articulated in his maiden speech.





NABARD was awarded 'The Sustainable Development Award 2020' under SME Development category at the 43rd Annual Meeting of Association of Development Financing Institutions in Asia and Pacific, Philippines in recognition of its role in facilitating an ecosystem for growth of agri-business and income generation in rural areas through agri-business incubation centres.