

Independent Auditor's Review Report on Unaudited Standalone Financial Results of the National Bank for Agriculture and Rural Development ("NABARD" or "the bank") Limited for the quarter and three months ended June 30, 2024 pursuant to Regulation 52 read with 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,

The Board of Directors of National Bank for Agriculture and Rural Development

INTRODUCTION

1. We have reviewed the accompanying statement of unaudited standalone financial results of the bank for the quarter and three months ended June 30, 2024 ('the Statement') being submitted by the Bank pursuant to the requirements of Regulation 52 read with 63(2) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation').

The preparation of 'the Statement' is the responsibility of the Bank's Management and the same approved by the Board of Directors. Our responsibility is to issue a report on 'the Statement' based on our review.

SCOPE OF REVIEW

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the standalone financial results are free of material misstatement. A review consists of making inquiries primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



CONCLUSION

3. Based on our review conducted as above, subject to limitation in scope as mentioned in para 2 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with the applicable accounting standards and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of 'the Regulation' including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of Income Recognition, Asset Classification, Provisioning and other related matters.

For MKPS & Associates
Chartered Accountants
Firm Regn. No- 302014E

M. Ramakrishnan Mani

CA. Ramakrishnan Mani
Partner
Membership No. 032271
UDIN : 24032271BKBF0K7357
Mumbai
July 30, 2024



INDIA



National Bank for Agriculture and Rural Development

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Bandra (E) Mumbai 400051. Website: www.nabard.org.

Unaudited Standalone Financial Results for the Quarter ended June 30, 2024

(₹ Crore)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2024	31.03.2024	30.06.2023	31.03.2024
		[Unaudited]	[Audited]	[Unaudited]	[Audited]
1	Interest earned (a)+(b)+(c)+(d)	14,016.46	13,306.82	11,679.63	48,742.60
(a)	Interest on loans and advances	12,531.00	11,688.90	10,598.54	43,432.35
(b)	Income on investments	1,485.46	1,617.92	1081.09	5,310.25
(c)	Interest on balances with Reserve Bank of India and other inter-bank funds	0.00	0.00	0.00	0.00
(d)	Others	0.00	0.00	0.00	0.00
2	Other Income	8.67	36.79	22.89	104.00
3	Total Income (1+2)	14,025.13	13,343.61	11,702.52	48,846.60
4	Interest Expended	11,068.26	10,224.01	8,954.86	36,912.84
5	Operating Expenses (i) + (ii)	514.16	773.01	1002.58	3,549.04
(i)	Employees cost	388.37	502.48	894.68	2885.87
(ii)	Other operating expenses	125.79	270.53	107.90	663.17
6	Total Expenditure (4+5) excluding provisions and contingencies	11,582.42	10,997.02	9,957.44	40,461.88
7	Operating Profit before Provisions and Contingencies (3-6)	2,442.71	2,346.59	1,745.08	8,384.72
8	Provisions (other than tax) and Contingencies	-1.79	285.27	0.00	316.81
9	Exceptional Items	0.00	0.00	0.00	0.00
10	Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	2,444.50	2,061.32	1,745.08	8,067.91
11	Tax expenses	615.23	453.11	404.68	1,964.79
12	Net Profit (+)/Loss (-) from Ordinary Activities after tax (10-11)	1,829.27	1,608.21	1,340.40	6,103.12
13	Extraordinary items (net of tax expense)	0.00	0.00	0.00	0.00
14	Net Profit (+) / Loss (-) for the period (12-13)	1,829.27	1,608.21	1,340.40	6,103.12
15	Paid-up capital	17,080.00	17,080.00	17,080.00	17,080.00
16	Reserves excluding Revaluation Reserves				54,909.64
17	Net Worth	72,999.04	71,194.77	66,459.27	71,194.77



Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2024	31.03.2024	30.06.2023	31.03.2024
		[Unaudited]	[Audited]	[Unaudited]	[Audited]
18	Analytical Ratios				
(i)	Capital Adequacy Ratio				
(a)	Basel-I	NA	16.45%	18.60%	16.45%
(b)	Basel-III	19.47%	NA	NA	NA
(ii)	Earnings Per Share (EPS)	NA	NA	NA	NA
(iii)	Debt-Equity Ratio	10.11	10.96	9.70	10.96
(iv)	Percentage of shares held by Government of India	100%	100%	100%	100%
(v)	Total Debts to Total Assets (%)	85.58	86.64	84.86	86.64
(vi)	Outstanding Redeemable Preference shares	NA	NA	NA	NA
(vii)	Capital Redemption Reserve	NA	NA	NA	NA
(viii)	Debenture Redemption Reserve	NA	NA	NA	NA
(ix)	Debt Service Coverage Ratio	NA	NA	NA	NA
(x)	Interest Service Coverage Ratio	NA	NA	NA	NA
(xi)	Current Ratio	NA	NA	NA	NA
(xii)	Long term debt to working capital	NA	NA	NA	NA
(xiii)	Bad Debts to Account Receivable Ratio	NA	NA	NA	NA
(xiv)	Current Liability Ratio	NA	NA	NA	NA
(xv)	Debtors Turnover Ratio	NA	NA	NA	NA
(xvi)	Inventory Turnover Ratio	NA	NA	NA	NA
(ix)	Operating Margin	17.42%	17.59%	14.91%	17.17%
(x)	Net Profit Margin	13.04%	12.05%	11.45%	12.49%
19	NPA Ratios				
(a)	Gross NPA	1,981.50	1,983.29	2,041.78	1,983.29
(b)	Net NPA	0.00	0.00	0.00	0.00
(c)	% of Gross NPA to Gross loans & advances	0.26	0.25	0.29	0.25
(d)	% of Net NPA to Net loans & advances	0.00	0.00	0.00	0.00
20	Return on Assets	0.83%	0.77%	0.72%	0.77%

NA = Not Applicable Return on Assets = Net Profit (after tax) divided by total average assets

Notes:

- 1) The financial results for the quarter ended 30 June 2024 have been reviewed by Audit Committee of the Board in its meeting held on 29 July 2024 and approved by the Board in its meeting held on 30 July 2024 at Mumbai.
- 2) The Financial Results have been reviewed by the Statutory Auditors as required under Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3) In accordance with the RBI Guidelines RBI/DoR/2023-24/105 DoR.FIN.REC.40/01.02.000/2023-24 dated September 21,2023 , AIFI's are required to disclose capital adequacy ratio computed under Basel III capital regulations from the quarter ended June 30, 2024. Accordingly, corresponding details for previous period are not applicable. The details of Pillar 3 Disclosure including leverage ratio under



Basel III capital regulations are available on NABARD website: www.nabard.org. These disclosures are not subjected to audit/ review by the statutory auditors.

- 4) Details of loans transferred / acquired during the quarter ended 30 June 2024 under the Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions 2021, dated September 24, 2021 are given below:
During the quarter ended 30 June 2024:
i. The Bank has not acquired any loan not in default through assignment.
ii. The Bank has not transferred any non-performing assets (NPAs) to Asset Reconstruction Companies (ARCs)/ to permitted transferees/ to other transferees.
iii. The bank has not acquired any stressed loans and not transferred any loan not in default / Special Mention Accounts (SMA).
iv. The bank has not invested in Security Receipts (SR) issued by Asset Reconstruction Companies (ARC) in respect of stressed loans transferred to ARCs.
- 5) Details required to be disclosed pursuant to the Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021 - Nil.
- 6) Provision Coverage Ratio (PCR) as at 30 June 2024 (including Counter Cyclical Provisioning Buffer) is 187.63%.
- 7) Details of resolution plan implemented under Resolution Framework for stressed assets including those for COVID 19 related stress as per RBI Circular RBI/2018-19/203 DBR.No.BP. BC.45/21.04.048/2018-19 dated June 7, 2019; RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020 and RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021: NIL.
- 8) As per RBI's letter dated 15 May 2019, the implementation of Ind AS has been deferred for AIFI's until further notice.
- 9) In accordance with guidelines of RBI, the bank during the quarter has shifted the Government Securities from AFS to HTM category with face value of ₹ 4,090.67 crores which has resulted in shifting loss of ₹ 375.84 crore and the same duly accounted for. Further, there has been shifting of investments in Alternate Investment Funds (AIF) category from HTM to AFS category of ₹ 20.98 crore at book value and this has no impact on revenue.
- 10) The financial results for the quarter ended 30 June 2024 have been arrived at after considering provision for non-performing assets, restructured assets, standard assets, depreciation on investments on the basis of prudential norms issued by Reserve Bank of India and other usual and necessary provisions including employee benefits, other operating expenses, depreciation on fixed assets, income tax made on estimate / proportionate basis wherever required and subject to adjustments as at the year end.
- 11) During the quarter, bank has accounted for ₹ 60.75 Crore on estimated basis towards wage settlement effective from November, 2022.
- 12) The figures for the quarter ended March 31, 2024 are the balancing figures between the audited figures for the year ended March 31, 2024 and the unaudited / reviewed figures for the nine months period ended December 31, 2023.
- 13) Previous period figures have been regrouped / rearranged / reclassified wherever necessary to conform to the current period's classification.

Place : Mumbai
Date : July 30, 2024




Shaji K V
Chairman

