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LLP Identity No. AAB-7509

To,
The Board of Directors
National Bank for Agriculture and Rural Development
Plot No. C-24, 'G' Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai- 400051

Independent Auditors' Report on the utilisation of funds raised by National Bank for Agriculture and Rural Development ('NABARD' or 'the Bank') of Listed, Unsecured, Rated, Redeemable, Taxable, Non-Convertible Debt Securities in the nature of Bonds ('Bonds') through various tranches during the quarter ended June 30, 2025.

1. This certificate is issued in accordance with the terms of engagement vide letter dated 25 March 2025.
2. We, Suresh Surana & Associates LLP, Chartered Accountants, the statutory auditors of the Bank have been requested to issue a certificate on the details of utilisation of funds raised for issue of Listed, Unsecured, Rated, Redeemable, Taxable, Non-Convertible Debt Securities in the nature of Bonds ('Bonds') through various tranches during the quarter ended June 30, 2025 ("Statement") pursuant to the requirements of Regulation 52(7)/ 52 (7A) and 56(1)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "Regulation") and for submission to National Stock Exchange of India Limited and Bombay Stock Exchange of India Limited (collectively, the "Stock Exchanges") and 'Axis Trustees Services Limited' (the 'Trustee'). The accompanying Statement has been prepared by the management of the Bank and certified by the Compliance Officer of the Bank. We have stamped on the Statement for identification purposes only.

Management's Responsibility

3. The preparation of the accompanying Statement from the unaudited books of account and other relevant records of the Bank for the quarter ended June 30, 2025, is the responsibility of the Management of the Bank, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
4. The Management of the Bank is also responsible for the adherence with the conditions mentioned in the Regulation framed by SEBI in relation to the end use of proceeds from issue of Listed, Unsecured, Rated, Redeemable, Taxable, Non-Convertible Debt Securities in the nature of Bonds under Private Placement.



Auditor's Responsibility

5. Pursuant to the requirements mentioned in the paragraph 2 above, our responsibility for the purpose of this certificate is to provide a limited assurance in the form of conclusion, based on the examination of books of account and other records maintained by the Bank as to whether any matter has come to our attention that causes us to believe that the funds have not been utilised for the purpose it has been raised. This did not include the evaluation of adherence by the Bank with all the applicable guidelines and the SEBI regulations.
6. A limited assurance engagement includes performing procedures to obtain sufficient and appropriate audit evidence on the reporting criteria mentioned in paragraph 2 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the reporting criteria. Accordingly, we have performed the following procedures in relation to the Statement. The procedure selected depends on our judgment, including the assessment of the risk associated.
 - a) Obtained and read the object and utilisation of proceeds clauses with the respective Trust Deed / Key information Document/ General Information Memorandum and other transaction documents.
 - b) Obtained the bank statements and verified the total proceeds received from the Bond holders;
 - c) Obtained the listing and details of disbursements made and verified the details of utilisation of proceeds for funding loans and advances to eligible institutions, exclusively for financing agriculture/allied activities and non-farm sector;
 - d) Obtained system generated disbursement report, inflow report and outflow report for RTGS and NEFT on sample basis and verified the amounts from bank statements.
 - e) Verified the lending interest rates duly approved by ALCO meetings and other relevant documents.
 - f) Obtained the representation letter from management.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than, for a reasonable assurance. Consequently, the level of assurance obtained in a limited assurance is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

7. We have carried out our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (2016), issued by the Institute of Chartered Accountants of India ("ICAI") and Standards on Auditing issued by ICAI, in so far as applicable for the purpose of this report. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Service Engagements.



Conclusion

Based on our examination as mentioned in paragraph 6 above, and according to the information, explanations and representations provided to us by the Management of the Bank, nothing has come to our attention, that causes us to believe that the funds on overall basis have not been utilised for the purpose it has been raised except in case of ISIN no. INE261F08EN9 where the fund to the extent of Rs. 218.21 crores has not been fully utilised.

Restriction on Use

1. This certificate is provided to the management of the Bank solely for the purpose to comply with the Regulation 52(7)/ 52 (7A) and 56(1)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and submit to stock exchange(s) and the Trustee, particularly in respect of utilization of funds for the purpose it has been raised and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Suresh Surana & Associates

Chartered Accountants

Firm registration No: 121750W/W100010


Ramesh Gupta
Partner

Membership No.: 102306

Certificate No.: RG/2025-26/115

UDIN No.: 251023068MHKSO

Place: Mumbai

Date: 01 August 2025





NB(FD)/854/BBO/10/2025-26

August 01, 2025

Sub: End Use Utilization Certificate for Listed, Unsecured, Rated, Redeemable, Taxable, Non-Convertible Debt Securities in the nature of Bonds (NCDs) issued during Quarter (April-June) F.Y. 2025-26

A. Statement of utilization of issue proceeds:

We hereby confirm that the amount raised from the NCDs issued during Quarter (April-June) F.Y. 2025-26, as given in table below, is used for the purposes for which the funds have been raised, as mentioned in their respective Term-Sheets.

Name of Issuer	ISIN number	Mode of fund raising (Public issue/ Private Placement)	Type of Instrument	Date of raising funds	Amount Raised (Rs. In crore)	Funds utilized (Rs. In crore)	Any deviation	If 8 is Yes, then specify the purpose of for which the funds were utilized	Remarks, if any
1	2	3	4	5	6	7	8	9	10
NABARD	INE261F08EN9	Private Placement	Redeemable, Unsecured, Taxable, Non-Convertible	28-Feb-25	4,060.00	3,841.79*	No	NA	NA
NABARD	INE261F08E07	Private Placement	Redeemable, Unsecured, Taxable, Non-Convertible	16-Apr-25	7,000.00	7,000.00	No	NA	NA
NABARD	INE261F08E07	Private Placement	Redeemable, Unsecured, Taxable, Non-Convertible	29-May-25	4,225.00	4,225.00	No	NA	NA
NABARD	INE261F08E07	Private Placement	Redeemable, Unsecured, Taxable, Non-Convertible	13-Jun-25	4,403.00	4,403.00	No	NA	NA
TOTAL					19,688.00	19,469.79			

* Out of 3841.79 crores, Funds amounting to Rs. 2558.24 crores were utilized until 31 March 2025 and balance funds amounting to Rs. 1283.55 crores were utilized during the quarter ended 30 June 2025.





B. Statement of deviation/ variation in use of Issue proceeds:

Particulars	Remarks
Name of listed entity	National Bank for Agriculture and Rural Development
Mode of fund raising	Private placement
Type of instrument	Redeemable, Unsecured, Taxable, Non-Convertible
Date and amount of funds raised	a) 28-Feb-2025 – Rs 4060.00 crores b) 16-Apr-2025 - Rs 7000.00 crores c) 29-May-2025 - Rs 4225.00 crores d) 13-Jun-25 – Rs. 4403.00 crores
Report filed for quarter ended	30 th June 2025
Is there a deviation/ variation in use of funds raised	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	NA
If yes, details of the approval so required?	NA
Date of approval	NA
Explanation for the deviation/ variation	NA
Comments of the audit committee after review	Nil
Comments of the auditors, if any	Nil
Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:	NA




Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilized	Amount of Deviation / Variation for the quarter according to applicable object (in Rs. Crore and in %)	Remarks, if any
NA						

Deviation could mean:

- Deviation in the objects or purposes for which the funds have been raised.
- Deviation in the amount of funds actually utilized as against what was originally disclosed.
- Change in terms of a contract referred to in the fund-raising document i.e. prospectus, letter of offer, etc.

For **National Bank for Agriculture and Rural Development**


 (Vinod Chandrasekharan)
 Compliance officer

