

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 six months ended September 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 six months ended September 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 : 24032271BKB FPS 8969

Mumbai
November 12, 2024





National Bank for Agriculture and Rural Development

Head Office : Plot No. C-24, G Block, Bandra-Kurla Complex
Bandra (E) Mumbai 400051. Website : www.nabard.org.

Financial Results (Unaudited) for half year ended September 30, 2024

(₹ Crore)

Sr. No.	Particulars	3 months ended	3 months ended	3 months ended	Half year ended	Half year ended	Year ended
		30 Sep 2024	30 June 2024	30 Sep 2023	30 Sep 2024	30 Sep 2023	31 March 2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Interest earned (a)+(b)+(c)+(d)	14,595.51	14,016.46	11,537.62	28,611.97	23,217.25	48,742.60
(a)	Interest on loans and advances	12,483.23	12,531.00	10,352.24	25,014.23	20,950.78	43,432.35
(b)	Income on investments	2,112.28	1,485.46	1,185.38	3,597.74	2,266.47	5,310.25
(c)	Interest on balances with Reserve Bank of India and other interbank funds	0.00	0.00	0.00	0.00	0.00	0.00
(d)	Others	0.00	0.00	0.00	0.00	0.00	0.00
2	Other Income	16.68	8.67	23.21	25.35	46.10	104.00
3	Total Income (1+2)	14,612.19	14,025.13	11,560.83	28,637.32	23,263.35	48,846.60
4	Interest Expended	10,991.15	11,068.26	8,652.00	22,059.41	17,606.86	36,912.84
5	Operating Expenses (i) + (ii)	585.44	514.16	828.75	1,099.60	1,831.33	3,549.04
(i)	Employees cost	409.15	388.37	699.68	797.52	1,594.36	2,885.87
(ii)	Other operating expenses	176.29	125.79	129.07	302.08	236.97	663.17
6	Total Expenditure (4+5) excluding provisions and contingencies	11,576.59	11,582.42	9,480.75	23,159.01	19,438.19	40,461.88
7	Operating Profit before Provisions and Contingencies (3-6)	3,035.60	2,442.71	2,080.08	5,478.31	3,825.16	8,384.72
8	Provisions (other than tax) and Contingencies	24.33	-1.79	-51.24	22.54	-51.24	316.81
9	Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
10	Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	3,011.27	2,444.50	2,131.32	5,455.77	3,876.40	8,067.91
11	Tax expenses	757.88	615.23	571.01	1,373.11	975.69	1,964.79
12	Net Profit (+)/Loss (-) from Ordinary Activities after tax (10-11)	2,253.39	1,829.27	1,560.31	4,082.66	2,900.71	6,103.12
13	Extraordinary items (net of tax expense)	0.00	0.00	0.00	0.00	0.00	0.00
14	Net Profit (+) / Loss (-) for the period (12-13)	2,253.39	1,829.27	1,560.31	4,082.66	2,900.71	6,103.12
15	Paid-up capital	17,080.00	17,080.00	17,080.00	17,080.00	17,080.00	17,080.00
16	Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)						54,909.64



Sr. No.	Particulars	3 months ended	3 months ended	3 months ended	Half year ended	Half year ended	Year ended
		30 Sep 2024	30 June 2024	30 Sep 2023	30 Sep 2024	30 Sep 2023	31 March 2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
17	Net Worth	75,252.44	72,999.04	68,789.23	75,252.44	68,789.23	71,194.77
18	Analytical Ratios						
(i)	Capital Adequacy Ratio (%)						
(a)	Basel- I	NA	NA	20.43	NA	20.43	16.45
(b)	Basel-III	27.09	19.47	NA	27.09	NA	NA
(ii)	Earnings Per Share (EPS)	NA	NA	NA	NA	NA	NA
(iii)	Debt Equity Ratio	9.66	10.11	9.21	9.66	9.21	10.96
(iv)	Percentage of holding of Government of India (%)	100	100	100	100	100	100
(v)	Total Debts to Total Assets (%)	85.18	85.58	84.10	85.18	84.10	86.64
(vi)	Outstanding Redeemable Preference shares	NA	NA	NA	NA	NA	NA
(vii)	Capital Redemption Reserve	NA	NA	NA	NA	NA	NA
(viii)	Debenture Redemption Reserve	NA	NA	NA	NA	NA	NA
(ix)	Debt Service Coverage Ratio	NA	NA	NA	NA	NA	NA
(x)	Interest Service Coverage Ratio	NA	NA	NA	NA	NA	NA
(xi)	Current Ratio	NA	NA	NA	NA	NA	NA
(xii)	Long term debt to working capital	NA	NA	NA	NA	NA	NA
(xiii)	Bad Debts to Account Receivable Ratio	NA	NA	NA	NA	NA	NA
(xiv)	Current Liability Ratio	NA	NA	NA	NA	NA	NA
(xv)	Debtors Turnover Ratio	NA	NA	NA	NA	NA	NA
(xvi)	Inventory Turnover Ratio	NA	NA	NA	NA	NA	NA
(ix)	Operating Profit Margin (%)	20.77	17.42	17.99	19.13	16.44	17.17
(x)	Net Profit Margin (%)	15.42	13.04	13.50	14.26	12.47	12.49
19	NPA Ratios						
(a)	Gross NPA	2,005.83	1,981.50	1,985.01	2,005.83	1,985.01	1,983.29
(b)	Net NPA	0.00	0.00	0.00	0.00	0.00	0.00
(c)	% of Gross NPA to Gross loans & advances	0.27	0.26	0.30	0.27	0.30	0.25
(d)	% of Net NPA to Net loans & advances	0.00	0.00	0.00	0.00	0.00	0.00
20	Return on Assets (%)	0.94	0.83	0.75	0.94	0.75	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 and half year ended 30 September 2024 were reviewed by Audit Committee of the Board in its meeting held on 11 November 2024 and approved by the Board in its meeting held on 12 November 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. Hence 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 and half year ended 30 September 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 and half year ended 30 September 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 September 2024 (including Counter Cyclical Provisioning Buffer) is 186.71%.
 - 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 AIFIs until further notice.
 - 9) The financial results for the quarter and half year ended 30 September 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.
 - 10) During the half year, bank has accounted for ₹ 121.50 crore on estimated basis towards wage settlement effective from November, 2022. The cumulative provision held till 30th September 2024 amounts to ₹ 439.67 crore.



- 11) The amounts for three month ended 30 September 2024 are balancing figures between the amounts as per financial statements for half year ended 30 September 2024 and quarter ended 30 June 2024.
- 12) The amounts for three month ended 30 September 2023 are balancing figures between the amounts as per financial statements for half year ended 30 September 2023 and quarter ended 30 June 2023.
- 13) Previous period figures have been regrouped / rearranged / reclassified wherever necessary to conform to the current period's classification.

Place : Mumbai
Date : November 12, 2024


Shaji K V
Chairman



NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT
STANDALONE BALANCE SHEET AS ON 30 SEPTEMBER 2024

(Amount in ₹ crore)

Sr. No.	FUNDS AND LIABILITIES	As on 30.09.2024	As on 31.03.2024
		Unaudited	Audited
1	Capital (Under Section 4 of the NABARD Act, 1981)	17,080.00	17,080.00
2	Reserve Fund and other Reserves	59,870.05	55,787.40
3	National Rural Credit Funds	16,108.00	16,106.00
4	Gifts, Grants, Donations and Benefactions	6,669.66	6,691.17
5	Government Schemes	790.97	1,506.36
6	Deposits	2,94,491.44	3,01,958.07
7	Bonds and Debentures	2,99,222.25	2,86,150.10
8	Borrowings	1,41,149.75	2,01,082.58
9	Current Liabilities and Provisions	27,381.96	24,500.88
	Total	8,62,764.08	9,10,862.56

(Amount in ₹ crore)

Sr. No.	PROPERTY AND ASSETS	As on 30.09.2024	As on 31.03.2024
		Unaudited	Audited
1	Cash and Bank Balances	29,193.57	37,354.14
2	Investments	75,624.96	69,827.79
3	Advances	7,46,872.91	7,95,104.30
4	Property, Plant and Equipment (Fixed Assets)	546.98	548.84
5	Other Assets	10,525.66	8,027.49
	Total	8,62,764.08	9,10,862.56



NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT

CASH FLOW FOR THE HALF YEAR ENDED 30 SEPTEMBER 2024

(Amount in ₹ crore)

Particulars	As on 30.09.2024	As on 30.09.2023
	Unaudited	Unaudited
(a) Cash flow from Operating activities		
Net Profit as per Profit and Loss a/c before tax	5,455.77	3,876.40
Adjustment for:		
Depreciation	24.27	22.93
Depreciation in Value of Investments	0.00	8.50
Provision for Non-performing Assets	22.54	-59.74
Provision for Standard Assets	0.00	0.00
Profit / Loss on sale of Fixed Assets	0.35	-0.07
Interest credited to various Funds (including addition/ adjustment made to Interest Differential Fund)	94.81	94.70
Income from Investment (including Discount Income)	-3,597.74	-2,266.47
Operating profit before changes in operating assets	1,999.99	1,676.26
Adjustment for changes in working capital :		
(Increase) / Decrease in Current Assets	-5,872.74	-11,521.01
Increase / (Decrease) in Current Liabilities	2,511.00	3,088.49
Increase in Loans and Advances (Including Housing Loan & Other Advances to Staff	48,229.98	66,315.73
Cash generated from operating activities	46,868.24	59,559.46
Income Tax paid - Net of refund	-1,003.03	-925.98
Net cash flow from operating activities (A)	45,865.21	58,633.48
(b) Cash flow from Investing activities		
Income from Investment (including Discount Income)	3,597.74	2,266.47
Net (Purchase/Sale) of Fixed Assets	-22.76	-28.22
Purchase of Investment (net)	-5,831.08	-1,007.25
Net cash used / generated from investing activities (B)	-2,256.10	1,231.00
(c) Cash flow from financing activities		
Grants / contributions received	-829.71	888.05
Increase / (Decrease) in Bonds	13,072.15	7,912.25
Increase / (Decrease) in Borrowings	-52,747.81	-56,172.65
Increase / (Decrease) in Deposits	-7,466.63	-17,409.44
Transfer to Reserve Fund	0.00	0.00
Increase in Share capital	0.00	0.00
Net cash raised from financing activities (C)	-47,972.00	-64,781.80
Net increase in cash and cash equivalent (A)+(B)+(C)	-4,362.90	-5,747.32
Cash and Cash equivalent at the beginning of the period	7,308.82	9,311.26
Cash and cash equivalent at the end of the period	2,945.92	4,393.95

1. Cash and cash equivalent at the end of the period includes :	As on 30.09.2024	As on 30.09.2023
Cash in hand	0.00	0.00
Balance with Reserve Bank of India	538.26	468.16
Balances with other Banks in India	2,407.66	2,095.78
STDs maturing within 3 months	0.00	1,830.00
Total	2,945.92	4,393.95

