



February 07<sup>th</sup>, 2025

To  
Listing Operations  
**BSE Limited**  
P J Towers,  
Dalal Street, Fort,  
Mumbai – 400 001.

Dear Sir/ Madam

**Sub: Outcome of Board Meeting held on 07<sup>th</sup> February, 2025**

**Ref: Regulations 51, 52 and 54 read with part-B of Schedule-III and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)**

**Scrip Code: 959773,974327,974714, 975026, 975569, 975853, 975873, 976110, 976173, 976301, 976364**

Pursuant to the provisions of Regulation 51, 52 and 54 together read with Part B of Schedule III of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time and other regulations, if applicable, we hereby inform that the Board of Directors of the Company at its Meeting held today i.e., February 07, 2025, have inter-alia Considered and

1. Approved the Limited review report of financial results for the quarter and Nine Months ended 31<sup>st</sup> December, 2024.
2. Approved the Increase of Authorized Share capital of the company from 105 Cr to 120 Cr
3. Approved the IKF Finance Employee Stock Option Plan 2025

In this connection, we are pleased to enclose the following:

Financial Results (Standalone) of the Company for the quarter and Nine months ended December 31, 2024 together with the Limited Review Report of the Statutory Auditors’ thereon;

Disclosure pursuant to Regulation 52 (4) and other applicable regulations, if any of SEBI Listing Regulations;

Declaration regarding audit report with unmodified opinion under Regulation 52 (3) of SEBI Listing Regulations

**IKF Finance Limited**

**Registered Office:** #40-1-144, Corporate Centre, M.G.Road, VIJAYAWADA - 520 010.

Ph: 91-866-2474644, 2474633 | Fax: 91-866-2485755 | Email: ikffinance@gmail.com | Web: www.ikffinance.com

**Corporate Office:** Plot No's. 30/A, Survey No. 83/1, 11th Floor, My Home Twitza, , APIIC Hyderabad Knowledge City, Raidurg (Panmaqtha) Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad – 500081, Telangana

Ph: 91-40-69268899 | **CIN:U65992AP1991PLC012736**



Kindly take the above on record.

Thanking you,

Yours faithfully,

**For IKF Finance Limited**

**(Ch Sreenivasa Rao)**  
**Company Secretary and Compliance Officer**

**IKF Finance Limited**

**Registered Office:** #40-1-144, Corporate Centre, M.G.Road, VIJAYAWADA - 520 010.

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February 07<sup>th</sup>, 2025

To  
Listing Operations  
**BSE Limited**  
P J Towers,  
Dalal Street, Fort,  
Mumbai – 400 001.

Dear Sir/ Madam

**Sub: Declaration Pursuant to Regulation 52(3) of SEBI (LODR Regulations 2015) regarding Audit Report with Unmodified Opinion**

**Ref: Scrip Code: 959773,974327,974714, 975026, 975569, 975853, 975873, 976110, 976173, 976301, 976364**

In compliance with the provisions of Regulation 52(3) of the SEBI (LODR) Regulations, 2015 as amended from time to time and SEBI Circular No. Cir/CFD/CMD/56/2016 dated May, 27, 2016, we hereby declare that M/s Mukund M Chitale & Co Chartered Accountants, Statutory Auditors of the Company have issued Limited Review Reports with unmodified opinion on the Audited Financial Statements of the Company for the quarter and Nine Months ended 31.12.2024.

This is for your information and records.

Thanking you

Yours faithfully

(Ch Sreenivasa Rao)  
Company Secretary and Compliance Officer

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Ph: 91-40-69268899 | **CIN:U65992AP1991PLC012736**



February 07, 2025

To  
Listing Operations  
**BSE Limited**  
P J Towers,  
Dalal Street, Fort,  
Mumbai – 400 001.

Dear Sir/ Madam

**Sub: Asset Cover Certificate**

**Ref: Regulations 54 read and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)**

**Scrip Code: 959773,974327,974714, 975026, 975569, 975853, 975873, 976110, 976173, 976301, 976364**

Pursuant to the provisions of Regulation 54 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time and other regulations, if applicable, we hereby submit Security Cover Certificate for the quarter and Nine Months ended 31<sup>st</sup> December 2024

Kindly take the above on record.

Thanking you,

Yours faithfully,  
**For IKF Finance Limited**

**(Ch Sreenivasa Rao)**  
**Company Secretary and Compliance Officer**

**IKF Finance Limited**

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Ph: 91-40-69268899 | **CIN:U65992AP1991PLC012736**

**Limited Review Report on unaudited standalone financial results of IKF Finance Limited for the Quarter ended December 31,2024 pursuant to the Regulation 52 read with Regulation 63(2) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended.**

To,  
The Board of Directors  
IKF Finance Limited  
40-1-144,1st Floor,  
Corporate Centre, M.G. Road,  
Vijayawada, Andhra Pradesh-520010.

1. We have reviewed the accompanying standalone unaudited financial results ("the Statement") of **IKF Finance Limited** ("the Company") for the quarter and nine months ended December 31, 2024, being submitted by the Company pursuant to the requirement Regulation 52 read with the Regulation 63 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("IND AS 34") prescribed under section 133 of Companies Act, 2013, as amended ("the Act") read with relevant rules issued thereunder, directions/ guidelines issued by the Reserve Bank of India ('RBI') and other recognized accounting practices generally accepted in India and is in compliance with Regulation 52 read with regulation 63 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations,2015, as amended (the 'Listing Regulations 2015'). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (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 financial statements are free of material misstatement. A review of Interim Financial Information 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 of Auditing specified under section 143(10) of the Act 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 and accordingly, we do not express an audit opinion.



4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results has not been prepared in accordance with applicable Indian accounting standards i.e. Accounting Standards prescribed under Section 133 of the Act, , and read with relevant rules issued there under or by the Institute of Chartered Accountant of India, RBI guidelines and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended including the manner in which it is to be disclosed, or that it contains any material misstatement .

5. Other Matter

- a. The comparative figures for the corresponding quarter and nine months ended December 31, 2023, were reviewed by previous Statutory auditors, whose report dated February 13,2024, expressed an unmodified opinion.
- b. The comparative figures for the corresponding year ended March 31, 2024, were audited by previous Statutory auditors whose report dated May 29, 2024, expressed an unmodified opinion.

We do not express any conclusion /opinion as the case may be, on the figures so reported in comparative figures as mentioned above.

6. A copy of the unaudited quarter and nine months ended financial results of the Company for the period under review, which formed the basis of our limited review, duly initiated by us for the purpose of identification is enclosed to this report.

Mukund M. Chitale & Co  
Chartered Accountants  
FRN: 106655W

Nilesh RS Joshi  
Partner

Place: Mumbai  
Date: February 07,2025

Membership No. 114749  
UDIN: 25114749BMILNU2740

**IKF Finance Limited**

Regd Office: #40-1-144, Corporate Center, M.G.Road, Vijayawada - 520010

CIN: U65992AP1991PLC012736, Tel: 91-866-2474644, Fax: 91-866-2485755,

Website: www.ikffinance.com


**Statement of Unaudited Standalone Financial Results for the Quarter and Nine Months Ended December 31, 2024**

(Rs in Lakhs)

	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		December 31,2024 (Unaudited )	September 30,2024 (Unaudited )	December 31,2023 (Unaudited )	December 31,2024 (Unaudited )	December 31,2023 (Unaudited )	March31,2024 (Audited)
<b>1</b>	<b>Revenue from operations</b>						
	(a) Interest income	16,068.17	14,856.68	11,038.67	44,529.98	30,025.75	42,140.64
	(b) Fees and commission income	189.94	131.38	147.58	436.87	326.63	523.06
	(c) Net gain( Loss) on de recognition of financial instruments under amortised cost	382.86	1,161.27	-175.70	979.66	-723.74	500.93
	(d) Net gain on fair value changes	112.70	13.32	79.11	170.73	210.66	238.27
	(e) Other Operating Income	0.00	0.01	1.07	0.05	2.64	19.64
	<b>Total revenue from operations</b>	<b>16,753.67</b>	<b>16,162.66</b>	<b>11,090.74</b>	<b>46,117.29</b>	<b>29,841.94</b>	<b>43,422.54</b>
<b>2</b>	<b>Other income</b>	<b>202.66</b>	<b>264.53</b>	<b>21.36</b>	<b>704.76</b>	<b>172.58</b>	<b>325.04</b>
<b>3</b>	<b>Total income (1 + 2)</b>	<b>16,956.33</b>	<b>16,427.19</b>	<b>11,112.10</b>	<b>46,822.05</b>	<b>30,014.52</b>	<b>43,747.58</b>
<b>4</b>	<b>Expenses</b>						
	(a) Finance costs	8,755.35	7,891.91	5,784.11	23,761.34	15,780.29	22,022.85
	(b) Impairment on financial instruments	872.33	563.91	495.30	2,078.20	1,148.09	1,640.51
	(c) Employee benefits expenses	2,766.64	2,596.02	1,737.65	7,662.61	5,022.66	7,329.16
	(d) Depreciation, amortization and impairment	84.30	83.45	76.06	253.72	224.93	340.89
	(e) Others expenses	720.07	661.38	525.07	2,157.94	1,502.70	2,076.54
	<b>Total expenses</b>	<b>13,198.69</b>	<b>11,796.67</b>	<b>8,618.19</b>	<b>35,913.81</b>	<b>23,678.67</b>	<b>33,409.95</b>
<b>5</b>	<b>Profit before tax (3 - 4)</b>	<b>3,757.64</b>	<b>4,630.52</b>	<b>2,493.91</b>	<b>10,908.24</b>	<b>6,335.85</b>	<b>10,337.63</b>
<b>6</b>	<b>Tax expenses</b>						
	(a) Current tax	836.72	846.43	759.26	2,530.02	1,884.72	2,600.55
	(b) Deferred tax	112.74	334.28	-127.46	240.71	-271.60	30.82
	(c) Adjustment of tax relating to earlier periods	0.00	0.00	0.03	-8.99	8.82	8.82
<b>7</b>	<b>Profit for the period (5 - 6)</b>	<b>2,808.18</b>	<b>3,449.80</b>	<b>1,862.08</b>	<b>8,146.50</b>	<b>4,713.91</b>	<b>7,697.44</b>
<b>8</b>	<b>Other comprehensive income</b>						
	(A) Items that will not be reclassified to profit or loss						
	(a) Remeasurements of the defined benefit plans	19.72	-31.65	8.65	-1.94	5.58	-4.36
	(b) Income tax relating to items that will not be reclassified to profit or loss	-4.96	7.96	-2.18	0.49	-1.40	1.10
<b>9</b>	<b>Total Comprehensive Income (7 + 8)</b>	<b>2,822.94</b>	<b>3,426.11</b>	<b>1,868.55</b>	<b>8,145.05</b>	<b>4,718.09</b>	<b>7,694.18</b>
<b>10</b>	<b>Earnings per Share (Rs) (Face Value of Rs.10/- each)</b>						
	- Basic (Not Annualised)	<b>4.00</b>	<b>4.92</b>	<b>2.77</b>	<b>11.61</b>	<b>7.01</b>	<b>11.32</b>
	- Diluted (Not Annualised)	<b>3.99</b>	<b>4.91</b>	<b>2.77</b>	<b>11.60</b>	<b>7.00</b>	<b>11.31</b>

- 1 IKF Finance Limited (the 'Company') has prepared un audited financial results (the 'Statement') in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and accordingly, these unaudited financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ("the Act"), directions/ guidelines issued by the Reserve Bank of India ('RBI') and other recognized accounting practices generally accepted in India. The above unaudited standalone financial results are in compliance with regulation 52 read with regulation 63 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations 2015').
- 2 The Material accounting policies that are applied in preparation of these unaudited standalone financial results are consistent with those followed in the Standalone financial statements for the year ended March 31, 2024. Any circular/ direction issued by RBI is implemented prospectively when it becomes applicable, unless specifically required under that circular/direction.
- 3 The above financial results are reviewed and recommended by the Audit Committee and have been approved by the Board of Directors of the Company at their meeting held on February 07, 2025. The Financial results for the quarter and nine months ended December 31, 2024 have been subject to Limited Review by the statutory auditor of the company, Mukund M Chitale & Co. An unmodified review report has been issued by them thereon
- 4 The Company is engaged primarily in the business of financing and accordingly there is no separate reportable segment as per Ind AS 108 dealing with "Operating Segments"
- 5 Details of loans transferred / acquired during the Quarter ended December 31, 2024 under RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

(i) Details of loans not in default transferred through assignment during the Quarter and Nine months ended December 31, 2024

Particulars	Quarter Ended December 31, 2024	Nine Months Period ended December 31, 2024
Aggregate amount of loans transferred (Rs.in lakhs)	11669.68	25070.52
Weighted average maturity (in Months)	29.98	36.25
Weighted average holding period (in Months)	9.98	10.60
Retention of beneficial economic interest by the originator	10%	10%
Tangible security Coverage	100%	100%
Rating-wise distribution of rated loans	Not Applicable	Not Applicable

(ii) The Company has not transferred any non-performing assets (NPAs) during the Quarter and nine months ended December 31, 2024

(iii) The Company has not transferred any Special Mention Account (SMA) and loan not in default during the Quarter and nine months ended December 31, 2024

(iv) The Company has not acquired any loans not in default through assignment during the Quarter and nine months ended December 31, 2024

(v) The Company has not acquired any stressed loan during the Quarter and nine months ended December 31, 2024

- 6 The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.
- 7 In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning), as at December 31, 2024 and accordingly, no amount is required to be transferred to impairment reserve.
- 8 The figures for the quarter ended December 31, 2024 and December 31, 2023 are the Balancing figures between reviewed nine month ended figures and half yearly reviewed figures for the half year ended September 30, 2024 and September 30, 2023 respectively
- 9 All Secured NCDS issued by the company are secured by pari-passu charge and / or exclusive charge on receivables under loan contracts, owned assets and book debts to the minimum extent of 100 % or such higher security as per the respective termsheets of outstanding secured NCDs.
- 10 The Compliance related to disclosure of certain ratios and other financial information as required under Regulation 52 (4) of the Listing Regulations is made in Appendix 1.
- 11 Previous period figures have been regrouped/ reclassified wherever required.



**Appendix 1**
**Analytical Ratios and other disclosures based on Standalone financial results:**

	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		December 31,2024 (Unaudited )	September 30,2024 (Unaudited )	December 31,2023 (Unaudited )	December 31,2024 (Unaudited )	December 31,2023 (Unaudited )	March31,2024 (Audited)
a)	Debt equity ratio (no. of times) (refer note ii )	3.48	3.54	2.74	3.48	2.74	3.10
b)	Debt service coverage ratio	N/A	N/A	N/A	N/A	N/A	N/A
c)	Interest service coverage ratio	N/A	N/A	N/A	N/A	N/A	N/A
d)	Outstanding redeemable preference shares (quantity and value)	-	-	-	-	-	-
e)	Capital redemption reserve	N/A	N/A	N/A	N/A	N/A	N/A
f)	Debenture redemption reserve	N/A	N/A	N/A	N/A	N/A	N/A
g)	Net worth (refer note iii)	96,211.54	93,388.62	85,089.96	96,211.54	85,089.96	88,066.06
h)	Net profit (loss) after tax	2,808.18	3,449.80	1,862.08	8,146.50	4,713.91	7,697.44
i)	Earnings per share (face value of Rs 10/- each) (not annualized for the interim period)						
	-Basic (Rupees)	4.00	4.92	2.77	11.61	7.01	11.32
	-Diluted (Rupees)	3.99	4.91	2.77	11.60	7.00	11.31
j)	Current ratio	N/A	N/A	N/A	N/A	N/A	N/A
k)	Long term debt to working capital	N/A	N/A	N/A	N/A	N/A	N/A
l)	Bad debts to Account receivable ratio	N/A	N/A	N/A	N/A	N/A	N/A
m)	Current liability ratio	N/A	N/A	N/A	N/A	N/A	N/A
n)	Total debts to total assets (refer note iv)	76.39%	76.68%	72.07%	76.39%	72.07%	74.34%
o)	Debtors turnover	N/A	N/A	N/A	N/A	N/A	N/A
p)	Inventory turnover	N/A	N/A	N/A	N/A	N/A	N/A
q)	Operating margin (%)	N/A	N/A	N/A	N/A	N/A	N/A
r)	Net profit margin (%) (refer note v)	16.56%	21.00%	16.76%	17.40%	15.71%	17.60%
s)	Sector specific equivalent ratios, as applicable.						
	1) Capital Adequacy Ratio (%) (refer note vi)	23.13%	23.56%	30.46%	23.13%	30.46%	26.50%
	2) Gross Stage-3 Assets % (refer note vii)	2.11%	2.25%	2.32%	2.11%	2.32%	2.35%
	3) Net Stage-3 Assets % (refer note viii)	1.61%	1.75%	1.85%	1.61%	1.85%	1.80%
	4) Provision Coverage Ratio for Stage-3 assets (PCR %) (refer note ix)	24.28%	22.56%	20.68%	24.28%	20.68%	23.61%

**Notes:**

- Certain ratios/line items marked with remark "N/A" are not applicable since the Company is a Non banking financial company registered with the Reserve Bank of India
- Debt equity ratio=[Debt Securities + Borrowings (Other than Debt Securities) + Subordinated Liabilities]/[Equity Share capital + Other equity]
- Net worth = [Equity share capital +Other equity]
- Total debts to total assets=[Debt Securities + Borrowings (Other than Debt Securities)+ Subordinated Liabilities]/Total assets
- Net profit margin = Profit after tax/Total income
- Capital Adequacy Ratio has been computed on a standalone basis as per relevant RBI guidelines
- Gross Stage-3 Assets % = Gross Stage-3 Assets/Gross loan assets
- Net Stage-3 Assets % = (Gross Stage-3 Assets less Impairment loss allowance for Stage-3 Assets)/(Gross loan assets less Impairment loss allowance for Stage-3 Assets)
- Provision Coverage Ratio (PCR %) as per Ind AS Carrying amount of Impairment loss allowance for Stage-3 Assets/Gross Stage-3 Assets

Place : Hyderabad  
Date: February 07,2025

For and on behalf of the Board of Directors  
Vasumathi Devi Koganti

Managing Director



2nd Floor, Kapur House,  
Paranjape B Scheme  
Road No. 1, Vile Parle (E),  
M u m b a i 4 0 0 0 5 7  
T: 91 22 2663 3500  
[www.mmchitale.com](http://www.mmchitale.com)

To,  
**The Board of Directors**  
**IKF Finance Ltd**  
40-1-144, 1<sup>st</sup> floor,  
Corporate Centre, M.G. Road,  
Vijayawada, Andhra Pradesh - 520010

**Independent Statutory Auditor's Certificate with respect to maintenance of Security cover with respect to listed non-convertible debentures as at December 31, 2024**

1. We, Mukund M Chitale & Co, Statutory Auditors, have examined the details given in the accompanying statement for security coverage (hereinafter referred as the "Statement") of IKF Finance Ltd ("**the Company**") in relation to assets of the Company offered as security for issue of secured, rated, listed, redeemable, non-convertible debentures in order to certify the same.
2. We understand that this certificate is required by the Company for the purpose of submission with Stock exchange and Trustees with respect to maintenance of asset cover in respect of listed non-convertible debt securities of the Company (as per Regulation 54) of Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulation, 2015 ("Regulations") in the format notified by SEBI vide circular no. SEBI/ HO/ MIRSD/MIRST\_CRADT I CIR/ PI 2022/67 dated May 19,2022.

**Management Responsibility for the Statement**

3. The Compliance with the Regulations & other applicable circulars, as per respective information memorandum ("**IM**") and Debenture Trust Deeds and calculation of security cover as given in the attached Statement is the responsibility of the Company's management. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement.
4. The management is also responsible for ensuring that the Company complies with all the relevant requirements of the Regulations, the circular and for providing all relevant information to the Stock exchange and Debenture Trustee.

**Independent Auditor's Responsibility**

5. Pursuant to the requirements of the Regulations and the circular, it is our responsibility to provide a limited assurance as to whether as at December 31, 2024, the Company has maintained security cover as per the terms of the Information Memorandum and Debenture Trust Deeds.



6. We have carried out limited review of the unaudited financial results of the Company for the quarter ended December 31, 2024, and issued an unmodified conclusion vide our report dated February 7, 2024. 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.
7. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' issued by the Institute of Chartered Accountants of India (ICAI) in so far as applicable for the purpose of this Certificate. The Guidance note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures performed vary in nature and timing from and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement:
  - i. Reviewed Debenture Trust Deeds executed between the Company and Trustees;
  - ii. Traced the amounts as mentioned in Statement from the Unaudited Standalone Financial Results of the Company for the quarter and nine months ended December 31, 2024.
  - iii. Verified the amount of security cover as at December 31, 2024, certified by the management.
  - iv. Obtained statement of receivables hypothecated to Lenders for Listed non-convertible Debentures as at December 31, 2024, certified by the management and M/s. Hanumaiah & Co. Chartered Accountants dated February 05, 2025 and relied upon the same.
  - v. Obtained the list of security created in the register of charges maintained by the Company, 'Form No CHG-9' filed with Ministry of Corporate Affairs. Traced the value of Security cover relating to principal value of listed non-convertible debt securities.
  - vi. Performed necessary inquiries with the management and obtained necessary representations.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality control for firms that performs Audits and Review of Historical Financial Information, and other Assurance and Related Services Engagements.

## **Conclusion**

Based on the procedures mentioned in para 8 above, according to information and explanation given to us by the management of the Company nothing has come to our attention that causes us to believe that the Company has not maintained asset cover as per the terms of the Debenture Trust Deed. The security cover provided by the Company is 1.11 times of the amount borrowed through non-



convertible debentures, as mentioned in the attached statement which is in accordance with the terms of issue.

**Restriction on Use**

10. This Certificate has been issued at the request of the Company solely for the purpose of submission by the Company to the Stock Exchange and should not be used for any other purpose or by any person other than the addressees of this report. 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. This certificate relates only to the items specified above and does not extend to any financial statements of the company taken as a whole.

**For Mukund M Chitale & Co.**  
Chartered Accountants  
FRN: 106655W

Place : Mumbai  
Date : February 07, 2025

Nilesh RS Joshi  
Partner  
MRN: 114749  
UDIN: 25114749BMILNW4941





ISIN DETAILS									
S No	ISIN	Facility	Type of Charge	Sanctioned Amount	Outstanding Amount as on 31.12.2024	Cover Required	Security Required	Amounts in Lacs	
								Actual Cover	Actual Security
1	INE859C07154	Non Convertible Debentures	Fixed Charge	10000	3,801	1.1	4,181	1.11	4223
2	INE859C07162	Non Convertible Debentures	Fixed Charge	5000	3,755	1.1	4,131	1.11	4172
3	INE859C07170	Non Convertible Debentures	Fixed Charge	7000	7,130	1.1	7,843	1.11	7922
4	INE859C07188	Non Convertible Debentures	Fixed Charge	6000	6,102	1.1	6,712	1.11	6779
5	INE859C07196	Non Convertible Debentures	Fixed Charge	6000	6,111	1.1	6,722	1.11	6790
6	INE859C07204	Non Convertible Debentures	Fixed Charge	6000	6,079	1.1	6,687	1.11	6755
7	INE859C07212	Non Convertible Debentures	Fixed Charge	8500	8,502	1.1	9,353	1.11	9447
Total				48,500	41,480	1.10	45,628		46,089

**IKF Finance Limited**

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Paranjape B Scheme  
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To,  
**The Board of Directors**  
**IKF Finance Ltd**  
40-1-144, 1<sup>st</sup> floor,  
Corporate Centre, M.G. Road,  
Vijayawada, Andhra Pradesh - 520010

**Independent Statutory Auditor's Certificate on Compliance with Financial Covenants with respect to listed non-convertible debentures as at December 31, 2024 for submission to Debenture Trustee**

1. We, Mukund M. Chitale & Co., Statutory Auditors, have examined the details given in the accompanying Annexure-1 for Compliance with Financial Covenants for the listed non-convertible debentures as per the Debenture Trust Deed of IKF Finance Ltd ("**the Company**") in relation to issuance of Financial Covenants Compliance certificate.
2. We understand that this certificate is required by the Company for the purpose of submission to the Debenture Trustees with respect to Compliance with Financial Covenants of listed non-convertible debt securities as per the Debenture Trust Deed of the Company (as per Regulation 54) of Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulation, 2015 ("Regulations") in the format notified by SEBI vide circular no. SEBI/ HO/ MIRSD/MIRST\_CRADT I CIR/ PI 2022/67 dated May 19,2022.

**Management Responsibility for the Statement**

3. The Compliance with the Financial Covenants as given in Annexure-1, as per the Debenture Trust Deeds is the responsibility of the Company's management. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement.
4. The management is also responsible for ensuring that the Company complies with all the relevant requirements of the Regulations, the circular and for providing all relevant information to the Debenture Trustee.

**Independent Auditor's Responsibility**

5. Pursuant to the requirements of the Regulations and the circular, it is our responsibility to provide a limited assurance as to whether as at December 31, 2024, the Company has complied with the financial covenants as per the terms of Debenture Trust Deeds.



6. We have carried out limited review of the unaudited financial results of the Company for the quarter ended December 31, 2024, and issued an unmodified conclusion vide our report dated February 7, 2025. 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.
7. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' issued by the Institute of Chartered Accountants of India (ICAI) in so far as applicable for the purpose of this Certificate. The Guidance note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures performed vary in nature and timing from and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement:
  - i. Reviewed Debenture Trust Deeds executed between the Company and Trustees;
  - ii. Traced the amounts as mentioned in Statement from the Unaudited Standalone Financial Results of the Company for the quarter and nine months ended December 31, 2024.
  - iii. Verified the calculation of financial covenants as at December 31, 2024, certified by the management in Annexure-1.
    - a. Obtained the computation of financial covenants as at December 31, 2024 and verified the figures included in such computation with the Standalone Financial Statements as at December 31, 2024 and other records maintained by the company on test check basis.
    - b. Compared on a test check basis, the financial covenants computed by the management at December 31, 2024 with the requirements stipulated in the Debenture Trust Deeds to verify whether such covenants are in compliance with the requirements of the Debenture Trust Deeds.
  - iv. Performed necessary inquiries with the management and obtained necessary representations.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality control for firms that performs Audits and Review of Historical Financial Information, and other Assurance and Related Services Engagements.





### **Conclusion**

10. Based on the procedures mentioned in para 8 above, according to information and explanation given to us by the management of the Company nothing has come to our attention that causes us to believe that the Company has not complied with the financial covenants as per the terms of the Debenture Trust Deeds.

### **Restriction on Use**

11. This Certificate has been issued at the request of the Company solely for the purpose of submission by the Company to the Debenture Trustees and should not be used for any other purpose or by any person other than the addressees of this report. 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. This certificate relates only to the items specified above and does not extend to any financial statements of the company taken as a whole.

**For Mukund M Chitale & Co.**  
Chartered Accountants  
FRN: 106655W

Place : Mumbai  
Date: February 07, 2025

Nilesh RS Joshi  
Partner  
MRN: 114749  
UDIN: 25114749BMILNX4275



# Annexure 1

Financial Covenants		
Neo/KMIL/Other		
Sr. No	Requirement	As Per Verification
1	Maintain CRAR At 18%	23.13%
2	Cumulative ALM (Excluding CC limits) should always be positive in all the buckets upto 1 year	Positive
3	Tangible Networth to Gross Loan Portfolio minimum 12%	20.88%
4	Sum of PAR > 90 and write offs on Borrowers entire Portfolio maximum 5%	1.82%
5	Leverage Ratio below 4x or per the regulatory minimum prescribed by the Reserve Bank of India under the NBFC Master Directions, whichever is higher	3.48
6	Promoter Group Shareholding not fall below 35%	42.84%
Piramal		
Sr. No	Requirement	As Per Verification
1	Debt to Networth is less than 5 %	3.48
2	Maintain CRAR At 20%	23.13%
3	Gross NPA- Less than 5 %	2.11%
4	NNPA is not more than 4%	1.61%
5	The earnings of the company after tax shall remain positive	Positive
Northern Arc Capital/Others		
Sr. No	Requirement	As Per Verification
1	Maintain CRAR At 20%	23.13%
2	Cumulative ALM (Excluding CC limits) should always be positive in all the buckets upto one year to the extent of at least 10%	Positive
3	Tangible Networth to Gross Loan Portfolio minimum 12%	20.88%
4	Gross NPA- Less than 5 %	2.11%
5	Leverage Ratio below 4x or per the regulatory minimum prescribed by the Reserve Bank of India under the NBFC Master Directions, whichever is higher	3.48
6	Sum of PAR > 90 and write offs on Borrowers entire Portfolio maximum 5%	1.82%

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<b>Northern Arc Capital/Others</b>		
<b>Sr. No</b>	<b>Requirement</b>	<b>As Per Verification</b>
1	Maintain CRAR At 20%	23.13%
2	Cumulative ALM (Excluding CC limits) should always be positive in all the buckets upto one year to the extent of at least 10%	Positive
3	Tangible Networth to Gross Loan Portfolio minimum 12%	20.88%
4	Gross NPA- Less than 5 %	2.11%
5	Leverage Ratio below 4.5x or per the regulatory minimum prescribed by the Reserve Bank of India under the NBFC Master Directions, whichever is higher	3.48
6	Sum of PAR > 90 and write offs on Borrowers entire Portfolio maximum 5%	1.82%
<b>Dezerv/Others</b>		
<b>Sr. No</b>	<b>Requirement</b>	<b>As Per Verification</b>
1	Maintain CRAR At 20%	23.13%
2	Cumulative ALM (Excluding CC limits) should always be positive in all the buckets upto one year to the extent of at least 10%	Positive
3	Tangible Networth to Gross Loan Portfolio minimum 12%	20.88%
4	Gross NPA- Less than 5 %	2.11%
5	Leverage Ratio below 4.5x or per the regulatory minimum prescribed by the Reserve Bank of India under the NBFC Master Directions, whichever is higher	3.48
6	Sum of PAR > 90 and write offs on Borrowers entire Portfolio maximum 5%	1.82%
7	Promoter Group Shareholding not fall below 25%	42.84%
<b>Equirus/Others</b>		
<b>Sr. No</b>	<b>Requirement</b>	<b>As Per Verification</b>
1	Maintain CRAR At 20%	23.13%
2	Cumulative ALM (Excluding CC limits) should always be positive in all the buckets upto one year to the extent of at least 10%	Positive
3	Tangible Networth to Gross Loan Portfolio minimum 12%	20.88%
4	Gross NPA- Less than 5 %	2.11%

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5	Leverage Ratio below 4.5x or per the regulatory minimum prescribed by the Reserve Bank of India under the NBFC Master Directions, whichever is higher	3.48
6	Sum of PAR > 90 and write offs on Borrowers entire Portfolio maximum 5%	1.82%
7	Promoter Group Shareholding not fall below 35%	42.84%
<b>Yubi/Unifi/Others</b>		
Sr. No	Requirement	As Per Verification
1	Maintain CRAR At 20%	23.13%
2	Cumulative ALM (Excluding CC limits) should always be positive in all the buckets upto one year to the extent of at least 10%	Positive
3	Tangible Networth to Gross Loan Portfolio minimum 12%	20.88%
4	Leverage Ratio below 4.5x or per the regulatory minimum prescribed by the Reserve Bank of India under the NBFC Master Directions, whichever is higher	3.48
5	Promoter Group Shareholding not fall below 35%	42.84%
6	Sum of PAR > 90 and write offs on Borrowers entire Portfolio maximum 5%	1.82%
<b>Northern Arc/Others</b>		
Sr. No	Requirement	As Per Verification
1	Maintain CRAR At 20%	23.13%
2	Cumulative ALM (Excluding CC limits) should always be positive in all the buckets upto one year to the extent of at least 10%	Positive
3	Tangible Networth to Gross Loan Portfolio minimum 12%	20.88%
4	Gross NPA- Less than 5 %	2.11%
5	Leverage Ratio below 4.5x or per the regulatory minimum prescribed by the Reserve Bank of India under the NBFC Master Directions, whichever is higher	3.48
6	Promoter Group Shareholding not fall below 26%	42.84%

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