



The Board of Directors,  
IKF Home Finance Limited,  
# 40-1-44, 1st Floor, Corporate Centre,  
M.G. Road, Vijayawada- 520 010,  
Andhra Pradesh, India.

**Statutory Auditor's Certificate on Compliance of Regulation 54 and 56(1)(d) of the Securities and exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

1. We, M/s. K.S. Rao & Co, Chartered Accountants (Firm Registration No. 003109S), the Statutory Auditors of IKF Home Finance Limited ("the Company") which is having its registered office at the above mentioned address, have been requested by the Company, to certify that the Company has maintained hundred percent or higher security cover for listed secured Non-Convertible Debentures as on December 31, 2024 and generally complied with the applicable covenants as at that date in accordance with Regulation 56(1)(d) of the Securities and exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("LODR Regulations") and SEBI Circular dated May 19, 2022 bearing ref. no. SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 ("SEBI Circular"), for the purpose of onward submission to the SEBI and Debenture Trustees of the Company.
2. Accordingly, this certificate is issued in accordance with the terms of our engagement letter dated 25<sup>th</sup> September, 2022. The "Annexure-A" has been prepared by the Company only for listed secured Non-Convertible Debentures held as of December 31, 2024.

**Management's Responsibility**

3. The preparation of the "Annexure-A" and general compliance with applicable covenants is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Annexure and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management is also responsible for ensuring that the Company complies with requirements of LODR Regulations r.w. SEBI Circular, SEBI Regulations, Companies Act, 2013 and other applicable laws and regulations, general complies with the applicable covenants with the respect to listed secured non-convertible debentures and provides all relevant information to the Debenture Trustees.



**Scope of Work, Procedures performed and Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 56(1)(d) of the LODR Regulations r.w. SEBI Circular, it is our responsibility to provide a reasonable assurance whether the Company has maintained hundred percent or higher security cover for listed secured Non-Convertible Debentures as on December 31, 2024 generally complied with the applicable covenants with respect to listed secured Non-Convertible debentures as at that date.
6. The following documents have been furnished by the Company:
  - a) Annexure-A for the security computation as of December 31, 2024;
  - b) Unaudited books of accounts and other relevant records for the quarter ended December 31, 2024;
  - c) Workings for the computation of the security cover;
  - d) Copy of Balance book of receivables as extracted from the system;
  - e) Flagging report as extracted from the system;
  - f) Term Sheets/ Offer documents of Non-Convertible Debentures, applicable Covenants Listing and related supporting documents;
  - g) Written representations by the Management in this regard.
7. We have verified the computation of the security cover submitted by the Company in the "Annexure-A" to ensure that it is in agreement with the unaudited books of accounts and other relevant records submitted to us. Further, we have verified the general compliance with the applicable covenants as per the term sheets/ offer documents along with the related supporting and documents.
8. We have conducted our examination of the "Annexure-A" in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the "Guidance Note") issued by the institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audit and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI.



**Procedures, Assumptions and Limitations**

**10.** A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned 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:

- a) Obtain the list of listed secured debt securities outstanding as at December 31, 2024.
- b) Obtained and read on a test check basis, the Debenture Trust Deeds and the Information Memorandum in respect of the secured debentures and noted the particulars of security cover and the security cover percentage required to be maintained by the Company in respect of such debentures, as indicated in the Annexure -A.
- c) As part of this Annexure-A, our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial results of the Company taken as a whole as on 31<sup>st</sup> December, 2024. We have not performed an audit (Limited Review was conducted as on 31<sup>st</sup> December, 2024), the objective of which would be the expression of an opinion on the financial results, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion as on 31<sup>st</sup> December, 2024.
- d) Traced and agreed the principal amount of the debentures outstanding as at December 31, 2024 to the unaudited financial statements and the books of account maintained by the Company as at the Quarter ended December 31, 2024.
- e) Traced the book value of Securities indicated in the Annexure-A to the financial statements as at the Quarter ended December 31, 2024 and other relevant records maintained by the company.
- f) The calculation of Security Coverage Ratio is reviewed for compliance with the guidelines provided in Chapter V of SEBI circular bearing reference no. SEBI/HO/DDHS/P/CIR/2023/50 dated March 31, 2023.
- g) The compliances of all covenants of the listed secured debt securities as presented to us by the management of the Company is co-related with the underlying documents produced before us and no further audit on the said documents was performed for the purpose of this certificate.
- h) Performed necessary inquiries with the Management and obtained necessary representations.



- i) During our review process, the necessary records /documents were made available to us by the Company in the form of scanned documents /spread sheets through electronic mode and not in original. Accordingly, the same were relied upon as evidence for issuing this certificate.
- j) Examined and verified the arithmetical accuracy of the computation of asset cover indicated in Annexure A of the Statement.

### **Conclusion**

- 11.** Based on our verification of the furnished details, unaudited books of accounts and other relevant records, and according to the information explanations and representation given to us by the Company, we certify that:
- a) The Company has maintained hundred percent or higher security cover for listed secured Non-Convertible Debentures as on December 31, 2024 as detailed in the Annexure-A; and
  - b) The Company has generally complied with the applicable covenants as per the terms sheets/ offer documents with respect to listed secured Non-Convertible Debentures to the extent applicable to them, nothing has come to our notice that causes us to believe that details stated in the Annexure- A are incorrect.

### **Restriction on Use**

- 12.** Our work was performed solely to assist the Company in meeting its responsibilities in relation to the compliance with the requirements of the SEBI Regulations. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as statutory auditors of the Company or otherwise. Nothing in this report nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
- 13.** This certificate is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of Regulation 54 read with Regulation 56(1)(d) of the Securities and Exchange Board of India (listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) for onward submission to SEBI and Debenture Trustees 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.



**K.S. RAO & Co**  
CHARTERED ACCOUNTANTS

14. We have no responsibility to update this certificate for any events or circumstances occurring after the date of this certificate.

**For K.S. Rao & CO**  
**Chartered Accountants**  
(Firm Registration No: 003109S)

KURICHETI  
VAMSI  
KRISHNA

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KRISHNA  
Date: 2025.02.10  
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K. Vamsi Krishna  
Partner  
Membership No. 238809  
ICAI UDIN: 25238809BMHZQC6616

Place: Vijayawada  
Date: 10<sup>th</sup> February, 2025.

Encl:  
Annexure-A: Certificate for security cover as on 31<sup>st</sup> December, 2024.

ANNEXURE A- Security Cover Certificate for Listed Secured Non-Convertible Debentures aggregating of Rs.40 Crores issued by IKF Home Finance Limited

(₹ in crore)

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-passu Charge	Pari-passu Charge	Pari-passu Charge	Assets not offered as Security	Elimination (amount in negative )	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate is being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with paripassu charge) other debt with paripassu charge)	Other assets on which there is pari-Passu charge		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K +L+M+N)
		Book Value	Book Value	Yes/ No	Book Value	Book Value						Relating to Column F		
<b>ASSETS</b>														
Property, Plant and Equipment							1.07		1.07					
Capital Work-in-Progress														
Right of Use Assets							4.44		4.44					
Goodwill														
Intangible Assets							0.56		0.56					
Intangible Assets under Development														
Investments														
Loans***	Book Debts/Receivables	44.0	955.20				81.06		1,080.26		44.0			44.0
Inventories														
Trade Receivables														
Cash and Cash Equivalents							44.99		44.99					
Bank Balances other than Cash and Cash							5.26		5.26					-

Equivalents													
Others						63.56		63.56					
<b>Total</b>		44.0	955.20			200.94		1,200.14		44.0		-	44.0
<b>LIABILITIES</b>													
Debt securities to which this certificate pertains	Secured and listed non-convertible debts**	40.00				(0.76)		39.24		40.00		-	40.00
Other debt sharing pari-passu charge with above debt													
Other Debt#													
Subordinated debt													
Borrowings													
Bank	Term loans and cash credit from banks					730.90		730.90					
Debt Securities#	Unsecured and listed non-convertible debts					35.13		35.13					
Others	Term loans from NBFCs					129.92		129.92					
Trade Payables						1.03		1.03					
Lease Liabilities						4.41		4.41					
Provisions						0.53		0.53					
Others						258.98		258.98					
<b>Total</b>		40.0	900.42			1,160.14		1,200.14		40.00			40.00
<b>Cover on Book Value</b>		1.10								1.10			1.10
<b>Cover on Market Value</b>													

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