

8<sup>th</sup> November 2022

The Bombay Stock Exchange Limited  
Listing /Corporate Listing Department  
Floor No. 25, P.J.Towers,  
Dalal Street,  
Mumbai-400001.

Dear Sir/Madam,

**Sub: Outcome of the third Board Meeting held on 8<sup>th</sup> November 2022 at 4.30 P.M at #26, 22nd Street, Rathinam Nagar, Thiruvanmiyur, Chennai – 600041**

**Scrip Code-530139**

With reference to the above captioned subject, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, We are pleased to inform you that the Board of Directors of the Company at its Meeting held today, has approved and taken on record the Unaudited Financial Results for the Quarter/Half year ended 30.09.2022 along with Limited Review Report issued by the Statutory Auditors of the Company, further it also approves the publication of Unaudited Financial Results in the newspaper and placing a copy of it on the website of the Company. The Board also approved the following matters interalia other subjects:

- Shifting of Registered office from No.12, Mookathal street, Pursawakkam, Chennai- 600 007 to #26, 22nd Street, Rathinam Nagar, Thiruvanmiyur, Chennai – 600041

A copy of Unaudited financial Results, along with the Limited Review Report for the Quarter/Half year ended 30.09.2022 are attached herewith.

The meeting commenced at 4.30 P.M. and concluded at 6.15 P.M.

Kindly consider the same for your records.

Thanking You,  
Yours Faithfully,  
For **Kreon Financial Services Limited**

**Vidyalakshmi R**  
**Company Secretary and Compliance Officer**



**Limited Review Report**

The Board of Directors of **Kreon Financial Services Limited**

We have reviewed the accompanying statement of unaudited standalone financial results of **Kreon Financial Services Limited** (“the Company”) for the quarter and half year ended **30<sup>th</sup> September 2022** attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (listing obligations and Disclosure requirements) Regulations, 2015, as amended to date, except for the disclosures regarding ‘Public Shareholding’ and ‘Promoter and Promoter Group Shareholding’ which have been traced from disclosures made by the management and have not been reviewed by us.

The preparation of the statement is the responsibility of the company’s Management in accordance with applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013, read with relevant rules and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the statement based on our review.

We conducted our review 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 statement is limited primarily to inquiries of persons responsible for financial and accounting matters and analytical procedures applied to the financial data. It is substantially less in scope than an audit conducted in accordance with the generally accepted accounting standards, the objectives of which is expression of opinion regarding the financial statements taken as a whole. We have not performed an audit and accordingly, we do not express an audit opinion.

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 prepared in accordance with the applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder including the amendments, if any, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended to date, including the manner in which it is to be disclosed, or that it contains any material misstatement.

*for J.V. Ramanujam & Co.*  
*Chartered Accountants*  
FRN No.02947S



**SRINARAYANA**  
**JAKHOTIA**

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SRINARAYANA JAKHOTIA  
Date: 2022.11.08 11:59:38  
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**Sri Narayana Jakhotia**

*Partner*

M.No.233192

UDIN: 22233192BCMEFO5030

Place: Chennai

Date: November 8, 2021

**KREON FINNANCIAL SERVICES LTD**

#29, Mookathal Street, Purasawalkkam, Chennai - 600 007

CIN: L65921TN1994PLC029317

**STATEMENT OF ASSETS AND LIABILITIES AS AT 30th SEPTEMBER 2022***Amt.in Rs.Lakhs*

|            | Particulars   | Note No. | As at 30th September 2022 Unaudited | As at 31st March 2022 Audited |
|------------|---|----------|-------------------------------------|-------------------------------|
|            | <b>ASSETS</b>   |          |                                     |                               |
| <b>(1)</b> | <b>Financial Assets</b>   |          |                                     |                               |
| (a)        | Cash and cash equivalents   |          | 165.37                              | 138.86                        |
|            | Bank balances other than Cash and Cash Equivalents  |          | -                                   | 5.18                          |
| (b)        | Receivables   |          | -                                   | -                             |
| (c)        | Loans   |          | 1,649.31                            | 1,303.46                      |
| (d)        | Investments   |          | 252.52                              | 432.33                        |
| (e)        | Other Financial assets  |          | 58.31                               | 4.69                          |
| (f)        | Non current asset held for sale   |          |                                     | 4.60                          |
| <b>(2)</b> | <b>Non-financial Assets</b>   |          |                                     |                               |
| (g)        | Current Tax Assets (Net)  |          | 8.19                                | 14.36                         |
| (h)        | Deferred taxes  |          |                                     | -                             |
| (i)        | Property, Plant and Equipment   |          | 66.42                               | 11.51                         |
| (j)        | ROU Asset   |          | 130.20                              |                               |
| (k)        | Intangible Asset-Under Development  |          | -                                   | 150.32                        |
| (l)        | Intangible Asset  |          | 187.25                              | -                             |
| (m)        | Other non-financial assets  |          | 19.89                               | -                             |
|            | <b>Total Assets</b>   |          | <b>2,537.46</b>                     | <b>2,065.32</b>               |
|            | <b>LIABILITIES AND EQUITY</b>   |          |                                     |                               |
|            | <b>LIABILITIES</b>  |          |                                     |                               |
| <b>(1)</b> | <b>Financial Liabilities</b>  |          |                                     |                               |
| (a)        | Other Payables  |          |                                     |                               |
|            | (i) total outstanding dues of micro enterprises and small enterprises                       |          |                                     | -                             |
|            | (ii) total outstanding dues of creditors other than micro enterprises and small enterprises |          | 13.97                               | 6.72                          |
| (b)        | Borrowings (Other than Debt Securities)   |          | 750.03                              | 657.19                        |
| (c)        | Other financial liabilities   |          | 176.31                              | 17.23                         |
| <b>(2)</b> | <b>Non-Financial Liabilities</b>  |          |                                     |                               |
| (d)        | Deferred tax liabilities(Net)   |          | 58.94                               | 38.02                         |
| (e)        | Other non-financial liabilities   |          | 20.90                               | 10.57                         |
| <b>(3)</b> | <b>Shareholder's Funds</b>  |          |                                     |                               |
| (e)        | Share capital   |          | 1,090.60                            | 1,090.60                      |
| (f)        | Other Equity (Refer statement on Changes to Equity)   |          | (259.54)                            | (253.77)                      |
| (g)        | Money Received Against Warrants   |          | 686.25                              | 498.75                        |
|            | <b>Total Liabilities and Equity</b>   |          | <b>2,537.46</b>                     | <b>2,065.32</b>               |

Kreon Financial Services Ltd

Place: Chennai  
Date: 08.11.2022Jaijash Tatia  
Whole Time Director  
DIN 08085029

**M/s. KREON FINANCIAL SERVICES LTD**

#29, Mookathal Street, Purasawalkam, Chennai - 600 007

CIN: L65921TN1994PLC029317

**Unaudited Financial Results for the Quarter/Half year ended 30th September 2022**

Email Id: info@kreon.in

*Amt. Rs.in Lacs*

| S.No   | Particulars  | Quarter ended<br>30.09.2022 | Quarter ended<br>30.06.2022 | Quarter ended<br>30.09.2021 | Half Year ended<br>30.09.2022 | Half Year ended<br>30.09.2021 | Year ended<br>31.03.2022 |
|--------|--|-----------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|--------------------------|
|        |  | Unaudited                   | Unaudited                   | Unaudited                   | Unaudited                     | Unaudited                     | Audited                  |
|        | <b>Revenue from operations</b>   |                             |                             |                             |                               |                               |                          |
| (i)    | Interest Income  | 18.26                       | 35.40                       | 33.47                       | 53.67                         | 67.10                         | 146.18                   |
| (ii)   | Fees Income  | 199.57                      | 143.91                      | 45.30                       | 343.48                        | 79.02                         | 202.25                   |
| (v)    | Penalty Income   | 9.80                        | 6.96                        | -                           | 16.76                         | -                             | 33.55                    |
| (I)    | <b>Total Revenue from operations</b>   | <b>227.63</b>               | <b>186.27</b>               | <b>78.77</b>                | <b>413.90</b>                 | <b>146.12</b>                 | <b>381.98</b>            |
| (II)   | Other Income   | 6.16                        | 1.36                        | 7.90                        | 7.53                          | 8.37                          | 46.92                    |
| (III)  | <b>Total Income (I+II)</b>   | <b>233.79</b>               | <b>187.64</b>               | <b>86.67</b>                | <b>421.42</b>                 | <b>154.49</b>                 | <b>428.90</b>            |
|        | <b>Expenses</b>  |                             |                             |                             |                               |                               |                          |
| (i)    | Finance Costs  | 11.70                       | 11.61                       | 8.04                        | 23.32                         | 16.56                         | 39.04                    |
| (ii)   | Employee Benefits Expenses   | 37.36                       | 17.79                       | 14.36                       | 55.15                         | 26.56                         | 55.30                    |
| (iii)  | Depreciation, amortization and impairment  | 13.58                       | 2.55                        | 1.05                        | 16.13                         | 2.06                          | 4.69                     |
| (iv)   | Bad debts  | 11.39                       | 2.95                        | -                           | 14.34                         | -                             | 6.56                     |
| (v)    | Provision for NPA & Standard Assets  | 4.19                        | 4.00                        | -                           | 8.19                          | -                             | 2.01                     |
| (vi)   | Others expenses (to be specified)  | 64.98                       | 44.91                       | 27.15                       | 109.89                        | 44.71                         | 111.29                   |
| (IV)   | <b>Total Expenses (IV)</b>   | <b>143.20</b>               | <b>83.81</b>                | <b>50.60</b>                | <b>227.01</b>                 | <b>89.89</b>                  | <b>218.89</b>            |
| (V)    | Profit / (loss) before exceptional items and tax (III-IV)  | 90.58                       | 103.83                      | 36.07                       | 194.41                        | 64.60                         | 210.01                   |
| (VI)   | Exceptional items  | -                           | -                           | -                           | -                             | -                             | -                        |
| (VII)  | <b>Profit/(loss) before tax (V-VI)</b>   | <b>90.58</b>                | <b>103.83</b>               | <b>36.07</b>                | <b>194.41</b>                 | <b>64.60</b>                  | <b>210.01</b>            |
| (VIII) | Tax Expense:   |                             |                             |                             |                               |                               |                          |
| (1)    | Current Tax  | -                           | -                           | -                           | -                             | -                             | -                        |
| (2)    | Prior Period Tax   | -                           | -                           | -                           | -                             | -                             | -                        |
| (3)    | Deferred Tax   | 4.18                        | 0.05                        | 0.06                        | 4.24                          | 0.11                          | (0.02)                   |
| (IX)   | Profit / (loss) for the period from continuing operations(VII-VIII)  | 86.40                       | 103.77                      | 36.01                       | 190.18                        | 64.49                         | 210.03                   |
| (X)    | Profit/(loss) from discontinued operations   | -                           | -                           | -                           | -                             | -                             | -                        |
| (XI)   | Tax Expense of discontinued operations   | -                           | -                           | -                           | -                             | -                             | -                        |
| (XII)  | Profit/(loss) from discontinued operations(After tax) (X-XI)   | -                           | -                           | -                           | -                             | -                             | -                        |
| (XIII) | <b>Profit/(loss) for the period (IX+XII)</b>   | <b>86.40</b>                | <b>103.77</b>               | <b>36.01</b>                | <b>190.18</b>                 | <b>64.49</b>                  | <b>210.03</b>            |
| (XIV)  | <b>Other Comprehensive Income</b>  |                             |                             |                             |                               |                               |                          |
| (A)    | (i) Items that will not be reclassified to profit or loss (specify items and amounts)  | -                           | -                           | -                           | -                             | -                             | 1.98                     |
| (ii)   | Income tax relating to items that will not be reclassified to profit or loss   | -                           | -                           | -                           | -                             | -                             | (0.50)                   |
|        | <b>Subtotal (A)</b>  | <b>-</b>                    | <b>-</b>                    | <b>-</b>                    | <b>-</b>                      | <b>-</b>                      | <b>1.48</b>              |
| (B)    | (i) Items that will be reclassified to profit or loss: Gain/ (Loss) on valuation of shares   | 46.74                       | (226.55)                    | 24.81                       | (179.81)                      | 89.22                         | 324.87                   |
| (ii)   | Income tax relating to items that will be reclassified to profit or loss   | (5.59)                      | 27.10                       | (5.16)                      | 21.51                         | (18.56)                       | (29.38)                  |
|        | <b>Subtotal (B)</b>  | <b>41.15</b>                | <b>(199.46)</b>             | <b>19.65</b>                | <b>(158.31)</b>               | <b>70.66</b>                  | <b>295.49</b>            |
|        | <b>Other Comprehensive Income (A + B)</b>  | <b>41.15</b>                | <b>(199.46)</b>             | <b>19.65</b>                | <b>(158.31)</b>               | <b>70.66</b>                  | <b>296.97</b>            |
| (XV)   | <b>Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)</b> | <b>127.55</b>               | <b>(95.68)</b>              | <b>55.66</b>                | <b>31.87</b>                  | <b>135.15</b>                 | <b>507.00</b>            |
| (XVI)  | <b>Paid up Equity Share Capital</b>  | <b>1,058.60</b>             | <b>1,058.60</b>             | <b>1,043.60</b>             | <b>1,058.60</b>               | <b>1,043.60</b>               | <b>1,058.60</b>          |
| (XVII) | <b>Reserves excluding Revaluation Reserves</b>   | <b>(259.54)</b>             | <b>(387.10)</b>             | <b>(640.61)</b>             | <b>(259.54)</b>               | <b>(640.61)</b>               | <b>(253.77)</b>          |
| (XVII) | <b>Earnings per equity share (for continuing operations)</b>   |                             |                             |                             |                               |                               |                          |
|        | Basic (Rs.)  | 0.82                        | 0.98                        | 0.35                        | 1.80                          | 0.64                          | 2.04                     |
|        | Diluted (Rs.)  | 0.43                        | 0.51                        | 0.35                        | 0.94                          | 0.64                          | 1.93                     |

**Notes to Un Audited Results**

- The UnAudited results were reviewed by the Audit Committee and were approved by the board of Directors of the company at its meeting held on 08.11.2022
- The Company has adopted Segment reporting and furnished data for each of the reportable primary segments as identified in accordance with Ind AS-108.
- The company has carried out impairment of investments and necessary adjustments have been made in the financial results.
- Other Expenses(Q2) includes Marketing expenditure of Rs.19.37 Lakhs
- The company has not declared any interim dividend.
- The figure have been re-grouped / re-classified / re-arranged where ever necessary to present better comparison.

Kreon Financial Services Ltd

Place: Chennai  
Date: 08.11.2022

Jaijash Tatia  
Whole Time Director  
DIN 08085029

**KREON FINNANCIAL SERVICES LIMITED**  
**Old No. 12, New No.29, Mookathal Street, Purasawalkkam, Chennai - 600 007.**  
**CIN: L65921TN1994PLC029317**

**CASH FLOW STATEMENT**

| PARTICULARS  | No         | for 6 months ended<br>30 09 2022<br>Rs. In Lakhs | for 6 months ended<br>30 09 2021<br>Rs. In Lakhs |
|--|------------|--|--|
| <b><u>A. CASH FLOW FROM OPERATING ACTIVITIES</u></b>             |            |  |  |
| Net Profit before tax and extraordinary items                    |            | 194.41   | 64.61  |
| <b>Adjustments for :</b>   |            |  |  |
| Add : Miscellaneous Expenditure w/off                            |            |  |  |
| Add : Depreciation and Amortization                              |            | 16.13  | 2.06   |
| Add : Finance Costs  |            | 23.32  | 16.56  |
| Add: Provisions  |            | 8.19   | -  |
| Less: Interest Income on Loans                                   |            | (53.67)  | -  |
| Less: Others   |            | 7.55   | -  |
| Add: Bad Debts   |            | 14.34  | -  |
|  |            | <b>210.27</b>                                    | <b>83.22</b>                                     |
| Operating Profit before working Capital Changes                  |            |  |  |
| Adjustments for  |            |  |  |
| Increase/(Decrease) in current Liabilities                       |            |  | 7.89   |
| Increase/(Decrease) in Other Non-Financial Liabilities           |            | 10.33  | -  |
| Increase/(Decrease) in Financial Liabilities                     |            | 166.33   | -  |
| Decrease/(Increase) in Loans                                     |            | (345.85)   | (112.73)   |
| Decrease/(Increase) in Other financial assets                    |            | (48.44)  | -  |
| Decrease/(Increase) in Other Non-financial assets                |            | (145.49)   | -  |
| Decrease/(Increase) in Current Tax Assets                        |            | 6.17   | -  |
| Decrease/(Increase) in Current Assets                            |            | -  | 5.74   |
| <b>Cash Flow From Operating activities</b>                       |            | <b>(146.68)</b>                                  | <b>(15.87)</b>                                   |
| Less: Finance Costs paid   |            | -  | (1.26)   |
| Less: Income Tax paid  |            | -  | -  |
|  | <b>(A)</b> | <b>(146.68)</b>                                  | <b>(17.13)</b>                                   |
| <b><u>B.CASH FLOW FROM INVESTING ACTIVITIES</u></b>              |            |  |  |
| Purchase of Fixed Assets   |            | (67.10)  | (0.26)   |
| Payment towards intangible assets under development              |            | (40.06)  | (57.21)  |
| Proceeds from Sale of Investments                                |            | -  | -  |
| <b>Cash Flow From Investment Activities</b>                      | <b>(B)</b> | <b>(107.15)</b>                                  | <b>(57.47)</b>                                   |
| <b><u>C.CASH FLOW FROM FINANCE ACTIVITIES</u></b>                |            |  |  |
| Proceeds From share Warrants                                     |            | 187.50   | -  |
| Proceeds from Borrowing (Net)                                    |            | 92.84  | 23.42  |
| Redemption of Bank Deposits                                      |            | -  | -  |
| Investment in Bank Deposits                                      |            | -  | (0.06)   |
| <b>Cash Flow From finance Activities</b>                         | <b>(C)</b> | <b>280.34</b>                                    | <b>23.36</b>                                     |
| <b>Increase / (Decrease) in cash and cash equivalent (A+B+C)</b> |            | <b>26.51</b>                                     | <b>(51.23)</b>                                   |
| Cash and cash Equivalents at the beginning of the year           |            | 138.86   | 128.36   |
| Cash and cash Equivalents as on date                             |            | 165.37   | 77.13  |
| <b>Net Increase/(Decrease) in Cash Balances</b>                  |            | <b>26.51</b>                                     | <b>(51.23)</b>                                   |
|  |            | <b>0.00</b>                                      | <b>0.00</b>                                      |

**Kreon Financial Services Limited**

Place: Chennai  
Date: 08.11.2022

**Jaijash Tatia**  
**Whole Time Director**  
**DIN: 08085029**

**M/s. KREON FINANCIAL SERVICES LTD**  
#29, Mookathal Street, Purasawalkkam, Chennai - 600 007  
CIN: L65921TN1994PLC029317  
**Segment wise Revenue, Results, Assets and Liabilities**  
**for the Quarter/Half year ended 30th September 2022**  
Email Id: info@kreon.in

(Amt Rs in Lakhs)

| Particulars  | 3 months ended | Previous 3 months ended | Corresponding 3 months ended in the previous year | Half year ended | Half year ended | Previous accounting year ended |
|--|----------------|-------------------------|---|-----------------|-----------------|--------------------------------|
|  | 30.09.2022     | 30.06.2022              | 30.09.2021  | 30.09.2022      | 30.09.2021      | 31.03.2022                     |
|  | Unaudited      | UnAudited               | Unaudited   | Unaudited       | Unaudited       | Audited                        |
| <b>1. Segment Revenue</b>  |                |                         |   |                 |                 |                                |
| (a) Commercial Lending Division  | 23.76          | 35.42                   | 33.49   | 59.18           | 118.93          | 192.88                         |
| (b) Digital Lending Division - StuCred   | 210.03         | 151.66                  | 45.30   | 361.69          | 79.02           | 236.01                         |
| <b>Net sales/Income From Operations</b>  | <b>233.79</b>  | <b>187.08</b>           | <b>78.79</b>                                      | <b>420.87</b>   | <b>197.95</b>   | <b>428.89</b>                  |
| <b>2. Segment Results (Profit)(+/-) Loss (-) before tax from Each segment)</b> |                |                         |   |                 |                 |                                |
| (a) Commercial Lending Division  | 48.30          | 43.86                   | 45.33   | 92.17           | 79.05           | 204.07                         |
| (b) Digital Lending Division - StuCred   | 42.28          | 59.97                   | -9.26   | 102.24          | -14.45          | 5.94                           |
| <b>Total Profit Before Tax</b>   | <b>90.58</b>   | <b>103.83</b>           | <b>36.07</b>                                      | <b>194.41</b>   | <b>64.60</b>    | <b>210.01</b>                  |
| <b>3. Segment Assets</b>   |                |                         |   |                 |                 |                                |
| (a) Commercial Lending Division  | 2718.34        | 2730.10                 | 1658.87   | 2718.34         | 1658.87         | 2509.08                        |
| (b) Digital Lending Division - StuCred   | 1543.68        | 1027.72                 | 328.15  | 1543.68         | 328.15          | 609.78                         |
| (c ) Inter segment assets  | -1731.74       | -1397.28                | -793.85   | -1731.74        | -793.85         | -1053.55                       |
| <b>Total Segment Assets</b>  | <b>2530.29</b> | <b>2360.54</b>          | <b>1193.17</b>                                    | <b>2530.29</b>  | <b>1193.17</b>  | <b>2065.31</b>                 |
| <b>4. Segment Liabilities</b>  |                |                         |   |                 |                 |                                |
| (a) Commercial Lending Division  | 770.14         | 896.94                  | 697.01  | 770.14          | 697.01          | 699.00                         |
| (b) Digital Lending Division - StuCred   | 1922.81        | 1441.96                 | 825.02  | 1922.81         | 825.02          | 1084.28                        |
| (c ) Inter segment Liabilities   | -1731.74       | -1397.28                | -793.85   | -1731.74        | -793.85         | -1053.55                       |
| <b>Total Segment Liabilities</b>   | <b>961.21</b>  | <b>941.62</b>           | <b>728.18</b>                                     | <b>961.21</b>   | <b>728.18</b>   | <b>729.73</b>                  |

**Notes:**

(a) Segment Revenue, Segment Results, Segment assets and Segment liabilities shall have the same meaning as defined in the Accounting Standards on Segment Reporting (Ind AS-108) issued by ICAI /Company (Accounting Standards) Rules, 2006.

(b) The above information has been furnished for each of the reportable primary segments as identified in accordance with Ind AS-108.

**Kreon Financial Services Ltd**

Place: Chennai  
Date: 08.11.2022

**Jaijash Tatia**  
**Whole Time Director**  
**DIN 08085029**