

Dated: 15.02.2024

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

**Sub: Statement on Deviation or Variation of funds raised through Preferential Issue
for the Quarter Ended 31st December 2023
Scrip Code -530139 - Kreon Financial Services Limited**

Dear Sir/Madam,

As per the SEBI Circular No. CIR/CFD/CMD1/162/2019 dated December 24, 2019, issued by the SEBI titled "Format on Statement of Deviation or Variation for proceeds of public issue, rights issue, preferential issue, Qualified Institutions Placement (QIP) etc." and pursuant to Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that there is no deviation or variation in use of proceeds raised through preferential issue. A statement of no deviation is attached herewith as **Annexure A**. This is for the information of the exchange and the members.

Thanking You,

For Kreon Financial Services Limited

Vidyalakshmi R
Company Secretary & Compliance officer

ANNEXURE A

Statement of Deviation or Variation in utilization of funds raised

Mode of Fund Raising	Preferential Issues (Funds raised against issue of warrants)
Description of mode of fund raising	Not applicable
Date of Raising Funds	Not applicable
Amount Raised (in Rs. Crores)	19.912 Crores
Report filed for Quarter ended	31.12.2023
Monitoring Agency	Not applicable
Monitoring Agency Name, if applicable	Not applicable
Is there a Deviation / Variation in use of funds raised	No
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	Not applicable
If Yes, Date of shareholder Approval	Not applicable
Explanation for the Deviation / Variation	Not applicable
Comments of the Audit Committee after review	Nil
Comments of the auditors, if any	Nil

Objects for which funds have been raised and where there has been a deviation, in the following table

(Rs. in Crores)

Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Amount of Deviation/ Variation for the quarter according to applicable object	Remarks
Working capital requirement	NA	19.95	19.899*	19.899	0.000	The Company has received a total amount of Rs.19.912 Crores in aggregate towards Preferential issue of warrants till 30 th September 2023. Of this, an amount of Rs.1.26 Lakhs were forfeited, and the Company has utilized Rs.19.899 Crores till 31 st December 2023 including Rs.4.081 Crores utilized from the remaining amount during the quarter ended 31 st December 2023 for the specified purpose.

*24000 Warrants remaining unexercised were forfeited due to lapse of warrants.

Deviation or variation could mean:

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

For Kreon Financial Services Limited

Vidyalakshmi R
Company Secretary & Compliance officer