

20.05.2022

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 Board Meeting held on 20th May 2022 at the Registered office of the company.

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, have inter-alia considered and approved amongst other subjects the following:

- Proposal for change of name of the Company from Kreon Financial Services Limited to Kreon Fintech Limited.
- Appointment of Internal Auditor and Secretarial Auditors of the Company for the Financial Year 2022-23.
- Approved and taken on record the Audited Financial Results, Statement of Assets and Liabilities for the Quarter and Year ended 31/03/2022 along with Audit Report issued by the Statutory Auditors of the Company, further it also approves the publication of Audited Financial Results in the newspaper and placing a copy of it on the website of the Company.

We declare that M/s. J.V.Ramanujam & Co, Statutory Auditors of the Company have issued Audit Reports with a unmodified opinion on the financial results. A copy of Audited financial Results, Statement of Assets and Liabilities along with Audit Report for the Quarter and Year ended 31/03/2022 are attached herewith.

In addition, the Board at the meeting held today deferred the allotment of shares.

The meeting commenced at 2.30 P.M. and concluded at 7.15 P.M.

Thanking You,
Yours Faithfully,

For Kreon Financial Services Limited

Vidyalakshmi R
Company Secretary and Compliance Officer



Independent Auditor's Report on Standalone Financial Statements

To Board of Directors of Kreon Financial Services Limited

Opinion

We have audited the accompanying standalone quarterly financial results of Kreon Financial Services Limited for the quarter ended March 31, 2022 and the year to date results for the period April 1, 2021 to March 31, 2022, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In our opinion and to the best of our information and according to the explanations given to us, these standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended March 31, 2022 as well as the year to date results for the period from April 1, 2021 to March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the



Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Results.



J.V. RAMANUJAM & CO.,
CHARTERED ACCOUNTANTS

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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



**SRINARAYANA
JAKHOTIA**

Digitally signed by
SRINARAYANA JAKHOTIA
Date: 2022.05.20 10:51:52
+05'30'

Place: Chennai
Date: May 20, 2022

Sri Narayana Jakhotia
Partner
M.No.233192
UDIN: 22233192AJHMJD7179

M/s. KREON FINANCIAL SERVICES LTD

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

CIN: L65921TN1994PLC029317

Email Id: info@kreon.in , Website: www.kreon.in

Audited Financial Results for the Quarter / Year Ended 31st March 2022

Amount (Rs.in Lacs)

S.No	Particulars	Quarter ended 31.03.2022	Quarter ended 31.12.2021	Quarter ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
		Audited	Unaudited	Audited	Audited	Audited
	Revenue from operations					
(i)	Interest Income	59.71	19.36	47.24	146.18	111.92
(ii)	Fees and Commission Income	72.68	61.19	18.36	202.25	59.41
(iii)	Dividend Income	0.02	0.03	0.03	0.06	0.05
(iv)	FD Interest	0.07	0.158	(0.20)	0.287	0.152
(v)	Penalty income	13.61	9.31	-	33.548	-
(I)	Total Revenue from operations	146.08	90.05	65.43	382.33	171.53
(II)	Other Income	9.75	28.53	(0.01)	46.57	0.13
(III)	Total Income (I+II)	155.83	118.58	65.42	428.90	171.66
	Expenses					
(i)	Finance Costs	7.66	7.02	(37.99)	31.24	33.04
(ii)	Employee Benefits Expenses	14.97	13.77	12.64	55.30	124.23
(iii)	Depreciation, amortization and impairment	1.46	1.21	1.82	4.69	7.37
(iv)	Others expenses	35.94	41.15	2.42	127.66	61.12
(v)	Bad Debts written off	5.86	-	-	-	-
(IV)	Total Expenses (IV)	65.89	63.15	(21.11)	218.89	225.76
(V)	Profit / (loss) before exceptional items and tax (III-IV)	89.94	55.43	86.53	210.01	(54.10)
(VI)	Exceptional items	-	-	-	-	-
(VII)	Profit/(loss) before tax (V -VI)	89.94	55.43	86.53	210.01	(54.10)
(VIII)	Tax Expense:					
(1)	Current Tax	-	-	-	-	(5.33)
(2)	Prior Period Tax	-	-	-	-	-
(3)	Deferred Tax	(0.19)	0.06	(0.44)	(0.02)	(0.56)
(IX)	Profit / (loss) for the period from continuing operations (VII-VIII)	90.12	55.38	86.97	210.03	(48.21)
(X)	Profit/(loss) from discontinued operations	-	-	-	-	-
(XI)	Tax Expense of discontinued operations	-	-	-	-	-
(XII)	Profit/(loss) from discontinued operations(After tax) (X-XI)	-	-	-	-	-
(XIII)	Profit/(loss) for the period (IX+XII)	90.12	55.38	86.97	210.03	(48.21)
(XIV)	Other Comprehensive Income					
(A)	(i) Items that will not be reclassified to profit or loss: Remeasurement of the net defined benefit liability / asset, net	1.98	-	0.79	1.98	0.79
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.50)	-	(0.21)	(0.50)	(0.21)
	Subtotal (A)	1.48	-	0.58	1.48	0.58
(B)	(i) Items that will be reclassified to profit or loss: Gain/ (Loss) on valuation of shares	(180.59)	416.24	40.84	324.87	66.85
	(ii) Income tax relating to items that will be reclassified to profit or loss	75.75	(86.58)	(7.14)	(29.38)	(13.90)
	Subtotal (B)	(104.83)	329.66	33.70	295.49	52.95
	Other Comprehensive Income (A + B)	(103.35)	329.66	34.28	296.97	53.53
(XV)	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the	(13.23)	385.04	121.25	507.00	5.32
(XVI)	Paid up Equity Share Capital	105.86	104.36	100.61	105.86	100.61
(XVII)	Reserves excluding Revaluation Reserves	(253.77)	(640.61)	(813.27)	(253.77)	(813.27)
(XVIII)	Earnings per equity share (for continuing operations)					
	Basic (Rs.)	0.86	0.53	0.86	2.04	(0.48)
	Diluted (Rs.)	0.72	0.52	0.86	1.93	(0.48)

Notes to Audited Results

- The Audited results were reviewed by the Audit Committee and were approved by the board of Directors of the company at its meeting held on 20th May 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.
- Out of 6,20,000 CCPS issued earlier to Jinpaad Devloepers Private Limited on account of conversion of loan into shares, 3,00,000 CCPS now converted to 1,50,000 equity shares @Rs. 20/- (face value of Rs.10/- and premium of Rs.10/- each) added during the quarter ended 31.03.2022
- The company has issued warrants at value of Rs.1995 Lacs. Total of 95,00,000 warrants issued @21/- per warrant
- The company has carried out impairment of investments and necessary adjustments have been made in the financial results.
- Few loan creditors and loan debtors have readjusted the interest provisioning as per agreed terms.
- The company is investing in developing its new app being developed to cater loans to wider segment in the market.
- Other income includes recovery of bad debts of Rs.9.74 lakhs.
- Other expenses(Q4) include Marketing expenditure of Rs.17.26 lakhs, Collection Charges of Rs.2.99 Lakhs, Verification Charges of Rs.2.17 Lakhs, Software Customer Care of Rs.1.49 Lakhs & Tech Expenses of Rs.1.57 Lakhs etc.,
- 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.

For Kreon Financial Services Ltd

Date: 20.05.2022

Place: Chennai

Jaijash Tatia
Whole Time Director
DIN 08085029

M/s. KREON FINANCIAL SERVICES LTD

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

CIN: L65921TN1994PLC029317

Email Id: info@kreon.in , Website: www.kreon.in

Statement of Assets & Liabilities*Amount (Rs. in Lakhs)*

S.no	Particulars	As at 31st March 2022 Audited	As at 31st March 2021 Audited
	ASSETS		
(1)	Financial Assets		
(a)	Cash and cash equivalents	138.86	128.36
	Bank balances other than Cash and Cash Equivalents	5.18	5.06
(b)	Receivables	-	-
(c)	Loans	1,303.46	674.31
(d)	Investments	432.34	107.47
(e)	Other Financial assets	4.69	13.95
(f)	Non-Current Asset held for sale	4.60	4.60
(2)	Non-financial Assets		
(g)	Current Tax Assets (Net)	14.36	14.42
(h)	Deferred Taxes	-	-
(i)	Property, Plant and Equipment	11.51	11.56
(j)	Intangible assets under development	150.32	33.00
(k)	Other non-financial assets	-	-
	Total Assets	2,065.32	992.73
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	Financial Liabilities		
(a)	Other Payables		
	(i) total outstanding dues of micro enterprises and small		-
	(ii) total outstanding dues of creditors other than micro	6.72	20.59
(b)	Borrowings (Other than Debt Securities)	657.19	751.40
(c)	Other financial liabilities	17.23	13.30
(2)	Non-Financial Liabilities		
(a)	Deferred Tax Liability	38.02	8.15
(b)	Other Non-financial liabilities	10.57	6.45
(3)	Shareholder's Funds		
(a)	Share capital	1,090.60	1,006.10
(b)	Other Equity (Refer statement on Changes to Equity)	(253.77)	(813.26)
(c)	Money received against warrants	498.75	-
	Total Liabilities and Equity	2,065.32	992.73

For Kreon Financial Services LtdDate: 20.05.2022
Place: Chennai**Jaijash Tatia**
Whole Time Director
DIN 08085029

M/s. KREON FINANCIAL SERVICES LTD

CIN: L65921TN1994PLC029317

Segment wise Revenue, Results, Assets and Liabilities**for the Quarter / Year Ended 31st March 2022***Amount (Rs. in Lakhs)*

Particulars	Previous 3 months ended 31.03.2022	Previous 3 months ended 31.12.2021	Corresponding 3 months ended in the previous year 31.03.2021	Current year ended 31.03.2022	Previous Year Ended 31.03.2021
	Audited	Unaudited	Audited	Audited	Audited
1. Segment Revenue (net sale/income from each segment should be disclosed under this head)					
(a) Commercial Lending Division	69.39	48.02	47.07	192.88	112.13
(b) Digital Lending Division - StuCred	86.43	70.56	18.36	236.01	59.41
Net sales/Income From Operations	155.83	118.58	65.43	428.90	171.54
2. Segment Results (Profit)(+)/ Loss (-) before tax from Each segment)					
(a) Commercial Lending Division	77.98	47.04	90.12	204.07	110.17
(b) Digital Lending Division - StuCred	11.96	8.40	-3.59	5.94	-164.26
Total Profit Before Tax	89.94	55.43	86.53	210.01	-54.09
3. Segment Assets					
(a) Commercial Lending Division	2509.08	2198.10	1453.56	2509.08	1453.56
(b) Digital Lending Division - StuCred	609.78	467.45	192.07	609.78	192.07
(c) Inter segment assets	-1053.55	-592.22	-652.90	-1053.55	-652.90
Total Segment Assets	2065.31	2073.33	992.73	2065.31	992.73
4. Segment Liabilities					
(a) Commercial Lending Division	699.00	859.60	778.31	699.00	778.31
(b) Digital Lending Division - StuCred	1084.28	957.90	674.49	1084.28	674.49
(c) Inter segment Liabilities	-1053.55	-592.22	-652.90	-1053.55	-652.90
Total Segment Liabilities	729.74	1225.28	799.90	729.74	799.90

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.

For Kreon Financial Services Ltd**Jaijash Tatia****Whole Time Director****DIN 08085029**

Date: 20.05.2022

Place: Chennai