

6th November 2024

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 6th November 2024
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, inter-alia, has approved and taken on record the Unaudited Financial Results for the Quarter/half year ended 30th September 2024 along with Limited Review Report issued by the Statutory Auditors of the Company,

Further it also approved the publication of Unaudited Financial Results in the newspaper and placing a copy of it on the website of the Company www.kreon.in .

A copy of unaudited financial results, along with the Limited Review Report for the Quarter/Half year ended 30th September 2024 is attached herewith.

The meeting commenced at 3.30 P.M. and concluded at 4.30 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



DARPAN & ASSOCIATES

CHARTERED ACCOUNTANT

#11/2, Shyam Avenue, College Road, Nungambakkam, Chennai - 600006

darpanassociates@gmail.com

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 **30th September 2024** 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 **Darpan & Associates**

Chartered Accountants

ICAI Firm Reg.n No. 0161565

(CA. Darpan Kumar)

Partner

M. No. 235817

UDIN: 24235817BKFBM8796



Place: Chennai

Date: November 06, 2024

M/s. KREON FINANCIAL SERVICES LTD
Reg. off: No.26, 22nd Street, Rathinam Nagar, Thiruvanniyur, Chennai - 600041
CIN: L65921FN1994PLC029317
Email Id: info@kreon.in, Website: www.kreon.in
Unaudited Financial Results for the Quarter ended 30th Sep 2024

S.No	Particulars	(Rs.in Lakhs)					
		Quarter ended 30.09.2024	Quarter ended 30.06.2024	Quarter ended 30.09.2023	Half Year ended 30.09.2024	Half Year ended 30.09.2023	Year ended 31.03.2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(I)	Revenue from operations						
(i)	Interest Income	28.59	19.55	12.59	48.14	25.88	90.11
(ii)	Fees & Commission Income	434.70	420.67	326.96	855.37	622.66	1,431.11
(v)	Other Operating Income	33.21	28.83	22.71	62.04	39.36	95.52
(II)	Total Revenue from operations	496.50	469.05	362.26	965.55	687.90	1,616.74
(vi)	Other Income	50.42	72.28	4.50	122.70	8.53	20.54
(vii)	Net gain on fair Value changes	94.28	10.92	-	105.20	-	-
(III)	Total Income (II+III)	641.21	552.25	366.76	1,193.46	696.43	1,637.28
	Expenses						
(i)	Finance Costs	67.27	61.36	12.23	128.63	25.28	95.96
(ii)	Employee Benefits Expenses	88.27	83.04	65.77	171.31	132.88	278.37
(iii)	Depreciation, amortization and impairment	18.61	18.13	16.78	36.74	33.17	70.50
(iv)	Bad debts	230.51	211.15	12.94	441.66	21.36	670.80
(v)	Provision for NPA & Standard Assets	(2.30)	3.90	21.99	1.60	46.68	19.39
(vi)	Others expenses	190.11	159.83	90.64	349.94	172.09	406.00
(IV)	Total Expenses (IV)	592.45	537.41	220.35	1,129.86	431.46	1,541.02
(V)	Profit / (loss) before exceptional items and tax (III-IV)	48.75	14.84	146.41	63.59	264.97	96.26
(VI)	Exceptional items	-	-	-	-	-	-
(VII)	Profit / (loss) before tax (V-VI)	48.75	14.84	146.41	63.59	264.97	96.26
(VIII)	Tax Expense:						
	(1) Current Tax	18.09	8.38	2.65	26.47	2.65	8.82
	(2) Prior Period Tax	-	-	-	-	-	-
	(3) Deferred Tax	15.03	-14.34	34.24	0.69	64.04	25.12
(IX)	Profit / (loss) for the period from continuing operations(VII-VIII)	15.63	20.80	109.52	36.43	198.57	62.32
(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)	15.63	20.80	109.52	36.43	198.57	62.32
(XIV)	Other Comprehensive Income						
	(A) (i) Items that will not be reclassified to profit or loss (specify items and amounts)	-	-	-	-	-	-
	*Investment in Equity Instruments	157.77	230.24	177.99	388.01	265.12	243.92
	*Defined Benefit Obligation	-	-	-	-	-	(6.88)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(18.66)	(46.35)	(21.29)	(65.01)	(31.71)	(26.70)
	Subtotal (A)	139.11	183.89	156.70	323.00	233.41	210.34
	(B) (i) Items that will be reclassified to profit or loss: Gain/ (Loss) on valuation of shares	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Subtotal (B)	-	-	-	-	-	-
	Other Comprehensive Income (A + B)	139.11	183.89	156.70	323.00	233.41	210.34
(XV)	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)	154.74	204.69	266.21	359.43	431.98	272.66
(XVI)	Paid up Equity Share Capital	2,022.20	2,022.20	2,022.20	2,022.20	2,022.20	2,022.20
(XVII)	Reserves excluding Revaluation Reserves	1,088.81	1,040.06	(31.66)	1,088.81	(31.66)	1,019.24
(XVII)	Earnings per equity share (for continuing operations)						
	Basic (Rs.)	0.08	0.10	0.54	0.18	1.17	0.34
	Diluted (Rs.)	0.08	0.10	0.54	0.18	1.17	0.34

Notes to Un-audited Results:

- The Un-audited results were reviewed by the Audit Committee and were approved by the board of Directors of the company at its meeting held on 06.11.2024
- Investments in equity instruments are initially measured at fair value. The company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The company makes such election on an instrument-by-instrument basis.
- Other Income includes Recovery of Bad Debts of Rs. 25.71 Lakhs
- Other Expenses(Q2 FY25) includes Marketing expenses of Rs.62.12 Lakhs, Tech Expenses of Rs. 16.70 Lakhs, Customer Verification & communication cost of Rs.16.13 Lakhs & Collection charges of Rs.69.96 Lakhs etc.,
- The company has not declared any interim Dividend.
- The company is primarily engaged in the business of financing and there are no separate reportable segments identified as per the Ind As 108 - Operating Segments.
- The figures have been re-grouped / re-classified / re-arranged where ever necessary to present better comparison.

Kreon Financial Services Ltd

Place: Chennai
Date: 6.11.2024

Jaijash Tatia
Managing Director
DIN 08085029

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STATEMENT OF ASSETS AND LIABILITIES

(Rs.in Lakhs)

S.No	Particulars	Note No.	As at 30th September 2024 Unaudited	As at 31st March 2024 Audited
	ASSETS			
(1)	<u>Financial Assets</u>			
(a)	Cash and cash equivalents		267.43	299.26
	Bank balances other than Cash and Cash Equivalents		1,848.92	1,820.13
(b)	Receivables		-	-
(c)	Loans		3,003.03	2,707.29
(d)	Investments		1,323.88	1,034.16
(e)	Other Financial assets		3.46	2.86
			6,446.71	5,863.70
(2)	<u>Non-financial Assets</u>			
(f)	Current Tax Assets (Net)		(47.92)	12.23
(g)	Deferred Tax Assets (Net)		(6.89)	9.14
(h)	Property, Plant and Equipment		92.90	105.42
(i)	Other Intangible Assets		121.27	134.64
(j)	Intangible Assets under Development		12.16	-
(k)	ROU Asset		101.68	107.66
(l)	Other non-financial assets		274.54	100.96
(m)	Non-Current Assets held for sale		4.60	4.60
			552.35	474.65
	Total Assets		6,999.06	6,338.35
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	<u>Financial Liabilities</u>			
(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		41.79	27.50
(b)	Borrowings (Other than Debt Securities)		3,122.98	2,796.75
(c)	Lease Liabilities		117.11	121.33
(d)	Other financial liabilities		25.70	45.60
			3,307.58	2,991.18
(2)	<u>Non-Financial Liabilities</u>			
(e)	Provisions		19.45	13.41
(f)	Deferred tax liabilities(Net)		-	-
(g)	Other non-financial liabilities		24.26	45.54
			43.71	58.95
(3)	<u>EQUITY</u>			
(h)	Equity Share capital		2,022.20	2,022.20
(i)	Other Equity		1,625.56	1,266.02
			3,647.76	3,288.22
	Total Liabilities and Equity		6,999.06	6,338.35

Kreon Financial Services Ltd

Place: Chennai
Date: 6.11.2024

Jaijash Tatia
Managing Director
DIN 08085029

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CASH FLOW STATEMENT

(Rs.in Lakhs)

	As at 30th September 2024	As at 31st March 2024
	Unaudited	Audited
A. Cash flow from operating activities		
Net profit / (loss) before taxation	63.59	264.96
<i>Adjustments for:</i>		
Depreciation and amortisation	36.74	33.17
Impairment on Financial Instruments	1.60	46.68
Loan Write Offs - Bad Debts	441.66	21.36
Net Gain on Fair Value Changes	(105.20)	-
Interest received on Bank Deposits	(41.75)	-
Dividend	(10.01)	-
Finance Cost	128.63	25.28
Operating profit before working capital changes	515.25	391.45
Change in Operating Assets and Liabilities		
(Increase) / Decrease in loan Assets	(738.99)	(652.65)
(Increase) / Decrease in non-Financial Assets	(173.58)	(13.25)
(Increase) / Decrease in other Financial Assets	(0.60)	0.97
Increase / (Decrease) in trade payables and other payables	14.29	(3.50)
Increase / (Decrease) in other non-Financial liabilities	(21.28)	0.58
Increase / (Decrease) in other Financial liabilities	(19.90)	2.34
Increase / (Decrease) in other Provisions	6.04	-
Cash generated from operations	(418.77)	(274.06)
Direct taxes paid (Net of refunds)	15.72	
Net cash flow from / (used) in operating activities (A)	(434.50)	(274.06)
B. Cash flow from investing activities		
Purchase of property plant and equipment	(5.02)	(4.25)
Dividend Income	10.01	-
Payment towards intangible assets under development	(12.16)	-
Net Investments in bank deposits (having original maturity of more than three months)	(28.79)	-
Net investment in equity instruments	203.50	-
Interest received on bank deposits	41.75	-
Net cash flow from / (used) in investing activities (B)	209.29	(4.25)
C. Cash flow from financing activities		
Proceeds from share warrants	-	933.34
Proceeds/(Repayment) from Borrowings (Net)	326.23	57.50
Payment of Lease Liabilities	(9.90)	(9.90)
Finance Cost excluding lease finance cost	(122.95)	(131.92)
Net cash flow from / (used) in financing activities (C)	193.38	849.02
D. Net increase / (decrease) in cash and cash equivalents (A + B + C)	(31.83)	570.72
E. Cash and cash equivalents as at beginning of period	299.26	138.00
F. Cash and cash equivalents as on date (D + E)	267.43	708.72
Net increase / (decrease) in cash and cash equivalents	(31.83)	570.72
Components of cash and cash equivalents as at September 2024		
Balances with scheduled banks		
- in current accounts	259.49	707.67
Wallets	2.60	0.98
Cash in Hand	5.35	0.07
Total cash and cash equivalents	267.43	708.72

Kreon Financial Services Ltd

Place: Chennai
Date: 6.11.2024

Jaijash Tatia
Managing Director
DIN 08085029