

Independent Auditor's Report on Standalone Financial Results of the Company Pursuant to the Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**To the Board of Directors of K2 Infragen Limited (previously known as K2 Infragen Private Limited)****Opinion**

We have audited the standalone financial results of K2 Infragen Limited (the "Company") for the six months and year ended 31 March 2024 read with "Other Matter" para below, both included in the accompanying Statement of Standalone Financial Results for the six months and year ended 31 March 2024 ('Statement'), attached herewith, being submitted by the Company pursuant to the requirements of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the net profit, total comprehensive income and other financial information of the Company for the six months and year ended 31 March 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities* 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Statement

This Statement has been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the Statement which includes financial results for the six months and year ended 31 March 2024 that give a true and fair view of the net profit and total comprehensive income and other financial information of the Company in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act as amended, read with relevant rules issued thereunder, and other accounting principles generally accepted in India and in compliance with Regulations 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, 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 Statement

Our objectives are to obtain reasonable assurance about whether the standalone financial results for the six months and year ended 31 March 2024 as a whole, are 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 these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism 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 controls relevant to the audit of standalone financial results in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the Company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- 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 standalone financial results 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 for year, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.



Other Matters

1. The Statement includes the results for the six months period ended 31 March 2024 being the balancing figure between the audited figures in respect of the full financial year and the preceding figures for the six months period from 1 April 2023 to 30 September 2023 which are extracted from the audited restated standalone financial information prepared for the purpose of Initial Public Offer ('IPO') in accordance with Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013.
2. Comparative figures for the year ended 31 March 2023 are extracted from the audited restated standalone financial information prepared for the purpose of Initial Public Offer in accordance with Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013. The statutory standalone financial statements for the year ended 31 March 2023 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 which were audited by predecessor auditors who expressed an unmodified opinion on these financial statements vide their audit report dated 14 July 2023.
3. Corresponding figures for the six months period from 1 October 2022 to 31 March 2023 are based on the management certified financial information which have not been subjected to limited review / audit.

Our opinion is not modified in respect of these matters.

For S.N. Dhawan & CO LLP

Chartered Accountants

Firm's Registration No.: 000050N/ N500045



Rahul Singhal

Partner

Membership No.: 096570

UDIN: 24096570BKCTHU6381



Place: Gurugram

Date: May 27, 2024

K2 Infragen Limited (Previously known as K2 Infragen Private Limited)
Standalone Statement of Asset and Liability as at 31 March 2024

(All amounts are in Rs. Lakhs, unless otherwise stated)

CIN: U74110HR2015PLC076796

Particulars	As at 31 March 2024	As at 31 March 2023
I. ASSETS		
A. Non-current assets		
Property, plant and equipment	901.95	808.38
Right-of-use assets	-	33.44
Intangible assets	0.01	0.01
Intangible assets under development	17.71	-
Financial assets:		
(i) Investments	71.77	71.77
(ii) Other financial assets	75.84	323.71
Deferred tax assets (Net)	168.31	55.91
Sub-total (A)	1,235.59	1,293.22
B. Current assets		
Financial assets:		
(i) Investments	5.50	-
(ii) Trade receivables	6,074.52	3,652.97
(iii) Cash and cash equivalents	40.90	44.36
(iv) Other bank balances	2,134.21	187.52
(v) Other financial assets	103.14	160.55
Current tax assets (Net)	-	-
Other current assets	532.06	354.70
Sub-total (B)	8,890.33	4,400.10
Total Assets (A+B)	10,125.92	5,693.32
II. EQUITY AND LIABILITIES		
C. Equity		
Equity share capital	921.16	224.43
Other equity	3,578.12	1,170.94
Sub-total (C)	4,499.28	1,395.37
Liabilities		
D. Non-current liabilities		
Financial liabilities		
(i) Borrowings	301.02	338.96
Provisions	7.59	8.29
Sub-total (D)	308.61	347.25
E. Current liabilities		
Financial Liabilities		
(i) Borrowings	2,227.97	2,046.71
(ii) Lease liabilities	-	35.67
(iii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	18.38	40.02
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,997.07	1,209.99
(iv) Other financial liabilities	206.34	218.27
Other current liabilities	502.13	365.54
Provisions	1.41	0.42
Current tax liabilities (Net)	364.73	34.08
Sub-total (E)	5,318.03	3,950.70
Total equity and liabilities (C+D+E)	10,125.92	5,693.32

K2 Infragen Limited
Hemraj Sharma

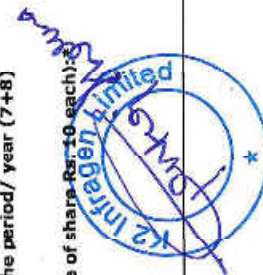


K2 Infracore Limited (Previously known as K2 Infracore Private Limited)
Statement of standalone financial results for the half year and year ended 31 March 2024
 (All amounts in ₹ lakhs, unless otherwise stated)

CIN: U74110HR2015PLC076796

Particulars	Six Months (Half Year) ended		Year ended	
	31 March 2024 (Audited) [Refer Note 10]	30 September 2023 (Audited) [Refer Note 8]	31 March 2023 (Unaudited) [Refer Note 9]	31 March 2024 (Audited) [Refer Note 8]
1 Revenue from operations				
(I) Revenue from Engineering, Procurement & Construction				
- Revenue from Sale of Services	1,194.91	681.73	3,653.90	3,653.90
- Contract Revenue	3,738.04	5,257.14	2,094.78	2,717.04
			205.02	284.47
Total Revenue from operations	4,932.95	5,938.87	5,953.70	6,655.41
2 Other income	23.97	29.11	8.70	53.08
3 Total Income (1+2)	4,956.92	5,967.98	5,962.40	10,924.50
4 Expenses				
(i) Cost of construction	3,165.28	4,260.26	3,059.97	3,249.01
(ii) Purchase of Stock in Trade	-	-	203.44	281.32
(iii) Changes in inventories	(1.15)	0.32	-	107.07
(iv) Net gain/(loss) on fair value changes	264.38	196.03	175.86	-
(v) Employee benefits expense	151.70	117.99	100.39	460.41
(vi) Finance costs	102.79	93.81	90.08	229.38
(vii) Depreciation and amortisation expenses	425.93	471.25	665.72	196.40
(viii) Other expenses	4,108.93	5,139.66	4,295.46	897.8
Total expenses	847.99	829.32	1,666.94	1,676.31
5 Profit before tax (3-4)				
	4,108.93	5,139.66	4,295.46	9,248.19
6 Tax expense				
Current tax	273.44	271.69	462.30	545.3
Tax related to earlier years	(9.77)	3.22	-	(6.55)
Deferred tax charge/ (credit)	(54.05)	(58.42)	(31.04)	(112.47)
	209.62	216.49	431.26	426.11
7 Profit for the period/ year (5-6)	638.37	611.83	1,235.68	1,250.20
8 Other comprehensive income/ (loss), net of tax				
(a) Items that will not be reclassified to profit or loss				
Remeasurement (loss)/ gain on defined benefit plans	4.12	(3.83)	-	0.29
Income tax benefit/ (charge) on above	(1.03)	0.96	-	(0.07)
Other comprehensive income/ (loss), net of tax	3.09	(2.87)	0.22	(1.17)
9 Total comprehensive income for the period/ year (7+8)	641.46	608.96	1,235.68	1,126.86
10 Earnings per share (nominal value of share ₹5 to each):				
Basic (in ₹)	7.05	6.88	19.65	17.94
Diluted (in ₹)	7.05	6.88	16.78	15.31

* not annualised for the half year ended.



K2 Infragen Limited (Previously known as K2 Infragen Private Limited)
Statement of standalone Cash Flows for the year ended 31 March 2024

(All amounts are in Rs. Lakhs, unless otherwise stated)

CIN: U74110HR2015PLC076796

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
A. Cash flow from operating activities:		
Profit/(Loss) for the year	1,676.31	1,528.26
Adjustment for :		
Depreciation and amortisation expense	196.60	180.16
Remeasurement of defined benefit plan	0.29	(1.57)
Finance cost	269.69	229.38
Interest on bank deposits	(38.43)	(7.34)
Interest on security deposit	(0.84)	(2.79)
Interest on income tax refund	-	(0.13)
Loss/(Gain) on Fair value changes	(0.83)	-
Loss on sale of fixed asset	-	3.26
Assets written off	3.27	-
Dividend Income	(0.55)	-
Expected Credit Loss Allowance on Trade Receivables and Advances	427.77	230.51
Operating cash flow before working capital changes	2,533.28	2,159.74
Adjustments for working capital changes:		
(Increase)/ Decrease in trade receivables	(2,846.70)	(2,925.30)
(Increase)/ Decrease in other financial assets	320.78	(428.06)
(Increase)/ Decrease in other assets	(179.98)	(153.55)
(Increase)/ Decrease in inventories	-	107.07
Increase/ (Decrease) in trade payables	765.44	1,071.37
Increase/ (Decrease) in other financial liabilities	(3.36)	165.72
Increase/ (Decrease) in other liabilities	136.59	354.45
Increase/ (Decrease) in provisions	0.29	4.91
Cash generated from/(used in) operations	726.34	356.35
Income-tax paid (net of refund)	(207.93)	(414.60)
Net cash flow from/(used in) operating activities (A)	518.41	(58.25)
Cash flow from investing activities:		
Purchase of property, plant and equipment, Intangible Assets, Intangible Assets under development and capital advances	(272.79)	(59.60)
Proceeds from sale of Property, Plant and Equipment and advance for sale of capital goods	-	0.31
Investment in Securities	(4.67)	-
Investment in subsidiaries and associates	-	(9.00)
Deposit/ maturity of bank deposits	(1,946.68)	(44.67)
Dividend received	0.55	-
Interest received	23.77	7.34
Net cash flow from/(used in) from investing activities (B)	(2,199.82)	(105.62)
Cash flow from financing activities:		
Proceeds from issue of share capital (including securities premium)	538.29	139.99
Share application money pending allotment	1,315.19	-
Net proceeds/ repayment from borrowings other than short term loans from banks	(915.85)	193.82
Net proceeds/ repayment from short term loans from banks	1,059.17	130.99
Payment of lease liabilities	(37.32)	(37.32)
Interest paid	(281.53)	(224.35)
Net cash generated from/(used in) financing activities (C)	1,677.95	203.13
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(3.46)	39.26
Cash and cash equivalents at beginning of the year	44.36	5.10
Cash and cash equivalents at end of the year	40.90	44.36
Components of cash and cash equivalents		
Cash on hand	21.87	16.77
Current accounts	3.75	27.59
Bank Deposits	15.28	-
Total	40.90	44.36



K2 Infracore Limited (Previously known as K2 Infracore Private Limited)

CIN: U74110HR2015PLC076796

Notes forming part of standalone financial results for the six months and year ended 31 March 2024

- 1 The above standalone financial results for the six months and year ended 31 March 2024 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 27 May 2024. The report is being filed with National Stock Exchange Limited ("NSE") and is also available on the Company's website in compliance with Regulation 33 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- 2 The Company has adopted Indian Accounting Standards ("Ind AS") w.e.f., 1 April 2023 (with a transition date of 1 April 2022) and accordingly, these standalone financial results have been prepared in accordance with applicable Indian Accounting Standards, as notified under the Companies (Indian Accounting Standards) Rules, 2015, and as specified under section 133 of the Companies Act 2013.
- 3 The standalone financial results for the year ended 31 March 2024 have been audited by statutory auditors under regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- 4 On 7 August 2023, the Board of Directors of the Company have approved to convert the Company from private limited company to public company. The necessary approvals from registrar of company received and accordingly, status of the Company changed to Public Limited from Private Limited w.e.f. 6 November 2023.
- 5 The Company has completed the Initial public offer of ('IPO') 3,406,800 equity shares of face value of Rs. 10 each at the issue price of Rs. 119 per equity share as fresh issue. The equity shares of the Company are listed on National Stock Exchange Limited on 08 April 2024.
- 6 On 20 July 2023, the Board of Directors of the Company has approved the issue of 6,508,551 bonus shares in the ratio of 1:2.90 which has been approved by the shareholders in their extra-ordinary general meeting held on 21 July 2023.
- 7 On 20 July 2023, the Board of Directors of the Company has approved the issue of 458,715 equity shares on preferential/private placement basis at the price of Rs. 119 per share.
- 8 The Company was not mandatorily required to report and publish the results for six months and year ended 31 March 2023 and for the six months period ended 30 September 2023. Comparative figures for the year ended 31 March 2023 and figures for the preceding six months period ended 30 September 2023 are extracted from the audited restated standalone financial information prepared for the purpose of Initial Public Offer ('IPO') in accordance with Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013.
- 9 Corresponding figures for the six months period from 1 October 2022 to 31 March 2023 are based on the management certified financial information have not been subjected to audit / limited review.
- 10 The results for the six months period ended 31 March 2024 being the balancing figure between the audited figures in respect of the full financial year and the preceding figures for the six months period ended 30 September 2023 (read with note 8).
- 11 The Company is engaged primarily in the business of Engineering, Procurement & Construction and all its operations are in India only. Accordingly, there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
- 12 Figures for the prior year / period have been regrouped and / or reclassified wherever considered necessary.

For and on behalf of the Board of Directors of

K2 Infracore Limited (Previously known as K2 Infracore Private Limited)

Pankaj Sharma
Managing Director
DIN: 03318951

Place: Gurugram
Date: 27 May 2024

