



VISHNU PRAKASH R PUNGLIA LIMITED

ENGINEER, CONTRACTOR & DESIGNER
An ISO 9001: 2015 Certified Company

June 02, 2026

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
21st Floor, Dalal Street, Fort,
Mumbai – 400 001

BSE Scrip Code: 543974

To,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1,
Block G, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051

NSE Scrip Symbol: VPRPL

Sub: Press Release

Dear Sir/Madam,

We are enclosing herewith a press release dated June 02, 2026, titled “*Vishnu Prakash R Punglia Ltd Navigates One-Time Challenges; Management Confident of Recoveries and Long-Term Growth*” issued by Vishnu Prakash R Punglia Limited.


The above information will also be available on the website of the Company i.e., www.vprp.co.in

Please note that while the attached disclosure will not qualify as “Material Information”, the Company is making this disclosure voluntarily.

You are requested to take the same on record.

Thanking you,

FOR VISHNU PRAKASH R PUNGLIA LIMITED


Manohar Lal Punglia
Managing Director
DIN: 02161961



CIN: L45203MH2013PLC243252

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Vishnu Prakash R Punglia Ltd Navigates One-Time Challenges; Management Confident of Recoveries and Long-Term Growth

Justification for Loss During the Quarter

The Company has reported a loss before tax of approximately ₹151.77 crore during the quarter. Management believes that the reported loss is primarily attributable to certain exceptional, non-recurring and timing-related factors rather than any deterioration in the Company's underlying business fundamentals, operational capabilities or long-term prospects.

The key factors contributing to the loss are summarized below:

1. Termination of Jaipur–Sawai Madhopur Project – Total Impact of ₹22.42 Crore

During the year, the Jaipur–Sawai Madhopur project was terminated by the employer. Pursuant to such termination, inventories, work-in-progress and other project-related assets were reassessed and carried at their estimated net realisable value in accordance with applicable accounting standards and the principle of prudence.

This resulted in a one-time charge of approximately ₹12.46 crore to the Statement of Profit and Loss. Further, an exceptional item amounting to ₹9.96 crore was recognised during the previous quarter resulting in an aggregate impact of ₹22.42 crore.

The matter relating to project termination and associated contractual claims is presently sub-judice before the appropriate judicial/forum authorities. Based on legal advice received, contractual entitlements available to the Company and the merits of the case, management remains confident of a favourable outcome and expects substantial recovery of the amounts claimed. Accordingly, the loss recognised at present may not represent the ultimate economic outcome of the project.

2. Reversal of Revenue Due to Pending Departmental Approval – Impact of ₹17.65 Crore

The Company had raised invoices on the concerned department in accordance with the tendered contract price and contractual terms. However, approval for certain billed amounts aggregating to ₹17.65 crore remained pending as at the reporting date.

Considering the prolonged pendency of approval and following a prudent and conservative accounting approach, the Company issued credit notes and reversed the corresponding revenue amounting to ₹17.65 crore during the quarter.

The adjustment has been made solely on account of pending administrative approvals and does not necessarily indicate non-recoverability of the underlying claim. Management continues to actively pursue the matter with the concerned authorities and remains hopeful of obtaining the requisite approvals and recoveries in due course.

3. Additional cost Arising from Delayed Payments by Government Departments – Impact of approx. ₹31.00 Crore

Certain ongoing infrastructure projects experienced delays in receipt of certified payments from the respective departments and authorities.

The delayed realisation of contractual dues resulted in extended execution periods, increased deployment of manpower and machinery, higher site overheads, costs and escalation in material and operating expenses. Consequently, the Company incurred additional project costs aggregating approximately ₹32.00 crore during the year.

Under the terms of the respective contracts, the Company is entitled to seek recovery of such costs through **price escalation provisions, extension of time claims**, compensation events and other contractual mechanisms. Necessary claims have been submitted and/or are under preparation for submission to the concerned authorities.

Management is of the view that a substantial portion of these costs is recoverable and therefore the present impact is largely timing-related in nature rather than indicative of a permanent economic loss.

4. Expected Credit Loss (ECL) and Other Provisions – Approximate Impact of ₹65 Crore

In line with the requirements of applicable accounting standards and adopting a conservative financial reporting approach, the Company recognised Expected Credit Loss (ECL) provisions and certain other accounting provisions aggregating approximately ₹65 crore during the quarter.

These provisions are largely accounting-driven adjustments based on prudential assessment parameters and do not necessarily represent actual cash losses incurred by the Company.

Overall Assessment

Out of the total reported loss before tax of approximately ₹151.77 crore, a significant portion pertains to exceptional items, prudential accounting adjustments, project-specific events and timing differences relating to recovery of contractual claims and receivables.

Management believes that these factors are either non-recurring and/or substantially recoverable in nature and therefore do not indicate any material deterioration in the Company's underlying operational strength. The Company continues to maintain a healthy order book, ongoing execution of major infrastructure projects, long-standing relationships with government authorities and a reasonable expectation of recovery of the aforesaid claims and receivables.

Accordingly, management remains confident regarding the Company's operational continuity, future business prospects and long-term financial viability.