



**VISHNU PRAKASH R PUNGLIA LIMITED**

*Engineer Contractor & Designer*



# 2022-23 ANNUAL REPORT

[www.vprp.co.in](http://www.vprp.co.in)



## OUR COMPANY

We are an ISO 9001:2015 certified integrated engineering, procurement and construction (“EPC”) company with experience in design and construction of various infrastructure projects for the Central and State Government, autonomous bodies, and private bodies

across 9 States and 1 Union territory in India. Our principal business operations are broadly divided into four categories:

- (i) Water Supply Projects (“WSP”)
- (ii) Railway Projects
- (iii) Road Projects
- (iv) Irrigation Network Projects

We undertake projects on EPC basis, with or without operation and maintenance services (“O&M”). The scope of our services includes detailed engineering of the project, procurement of key materials, and project execution at the sites with overall project management up to the commissioning of these projects. In addition, we also undertake operation and maintenance of projects in accordance with our contractual arrangements. Our employee resources and fleet of equipment, together with our engineering capabilities, enable us to execute a range of projects on turnkey basis.



### Legacy

*Founded in the year 1986 as a partnership firm, Punglia family is carrying on the rich legacy of 36+ years of experience in the field of Construction (EPC)*



### Diversification

*Diversified business segments such as Water Supply (WSP), Roads, Railways, Irrigation, Sewage and Others with deeper penetration in Jal Jeevan Mission under WSP*



## **Integrated in-house Business Model**

*We undertake our construction business in an integrated manner having key competencies and in house resources to deliver projects from conceptualization to completion.*



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## **Track record of completed projects**

*We have developed a reputation for project management and execution with capabilities that have enabled us to complete projects in a successful manner*



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## **NOTICE OF ANNUAL GENERAL MEETING**



## ENLISTMENTS

S. No.	DEPARTMENTS	S. No.	DEPARTMENTS
1	Assam Patro Chemical Limited (APL), Assam,	19	Public Health Engineering Department (PHED) Rajasthan
2	Assam Urban Water Supply & Sewerage Board (AUWSSB). Assam	20	Public Works Department
3	Atal Mission for Rejuvenation and Urban Transformation (AMRUT) Scheme, Government of India	21	Rajasthan Urban Infrastructure Development Project (RUIDP), Rajasthan
4	Smart Cities Mission Schema, Government of India	22	Public Works Department, Chhattisgarh.
5	Water Resource Department (WRD), Rajasthan	23	State Water & Sanitation Mission (SWSM), Uttar Pradesh
6	Railways with NWR (Northern Western railway), RVNL (Rail Vikas Nigam Ltd), Western Railway, Mumbai Central, West Central Railway, Government of India	24	National Highways & Infrastructure Development Corporation Limited MINISTRY OF ROAD TRANSPORT & HIGHWAYS Manipur
7	Dedicated Freight Corridor Corporation Of India Limited (DFCCIL)	25	Commissioner Municipal Corporation, Gwalior MP
8	Gujarat Industrial Development Corporation (GIDC), Bharuch.	26	Public Work Department, MP.
9	Gujarat Water Supply and Sewerage Board (GWSSB), Gandhinagar, Gujarat	27	Water Supply and Sanitation Circle, Amritsar Punjab.
10	Sardar Sarovar Narmada Nigam Ltd	28	Punjab Water Supply & Sewerage Board. Punjab.
11	Daman Municipal Council, Daman	29	Water Resources Department, Manipur
12	Public Works Department works Division, Daman.	30	Urban Improvement Trust, Kota Rajasthan
13	Indore Smart City Development Limited, Indore. MP.	31	Uttarakhand Integrated Urban Development Project [UIUDP].
14	Indra Gandhi Nahar Pariyojna	32	UTTARAKHAND PEYJAL NIGAM SANSADHAN VIKAS EVAM NIRMAN NIGAM UWSP.
15	Jodhpur Development Authority, (JDA) Jodhpur	33	Rajasthan State Industrial Development and Investment Corporation Ltd. (RIICO).
16	Army, Military Engineering Service (MES), Government of India	34	The Green Environment Services Co-op. Society Ltd, Gujarat
17	Nadiad Municipality	35	WAPCOS LIMITED
18	Panchayat Raj Engineering Department		



# GEOGRAPHICAL DIVERSITY

## RAJASTHAN

- WATER SUPPLY PROJECT AT NARMADA CANAL
- URBAN WATER SUPPLY PROJECT AT SUKET, KOTA
- URBAN WATER SUPPLY PROJECT AT AJMER
- OVER BRIDGE AT PALANPUR SECTION OF AJMER DIVISION
- URBAN WATER SUPPLY PROJECT AT JHALAWAR
- ROB AT MUNABAO BARMER
- CAPACITY ENHANCEMENT OF SEI TUNNEL UDAIPUR
- CONSTRUCTION OF QUARTERS FOR CWR KOTA
- ROAD OVER BRIDGE AT NASIRABAD
- AUGMENTATION OF CANAL BASED WATER AT AMBALA SARDAR
- ROAD OVER BRIDGE AT JALORE
- BARMER LIFT WATER SUPPLY PROJECT PROVIDING FHTC IN 281 VILLAGES
- WATER SUPPLY AT TAKLI DAM

## MADHYA PRADESH

- ROAD OVER BRIDGE AT RAMGANJ MANDI BHOPAL

## MAHARASHTRA

- FOOT OVER BRIDGE AT ANDHERI

## ASSAM

- WATER SUPPLY PROJECT AT ASSAM PETRO CHEMICALS LTD
- WATER SUPPLY PROJECT AT SILCHAR

## DAMAN

- SEWERAGE NETWORK IN NANI DAMAN

## GUJARAT

- RAW WATER TRANSMISSION STORAGE PLANT AT VALSAD
- CONSTRUCTION OF PUMP ROOM AT MEHSANA

## UTTAR PRADESH

- WATER SUPPLY PROJECTS AT 3 DIFFERENT SITES

## MANIPUR

- WATER SUPPLY PROJECT IN RURAL AREAS

## HARYANA

- WATER SUPPLY PROJECT IN RURAL AREAS

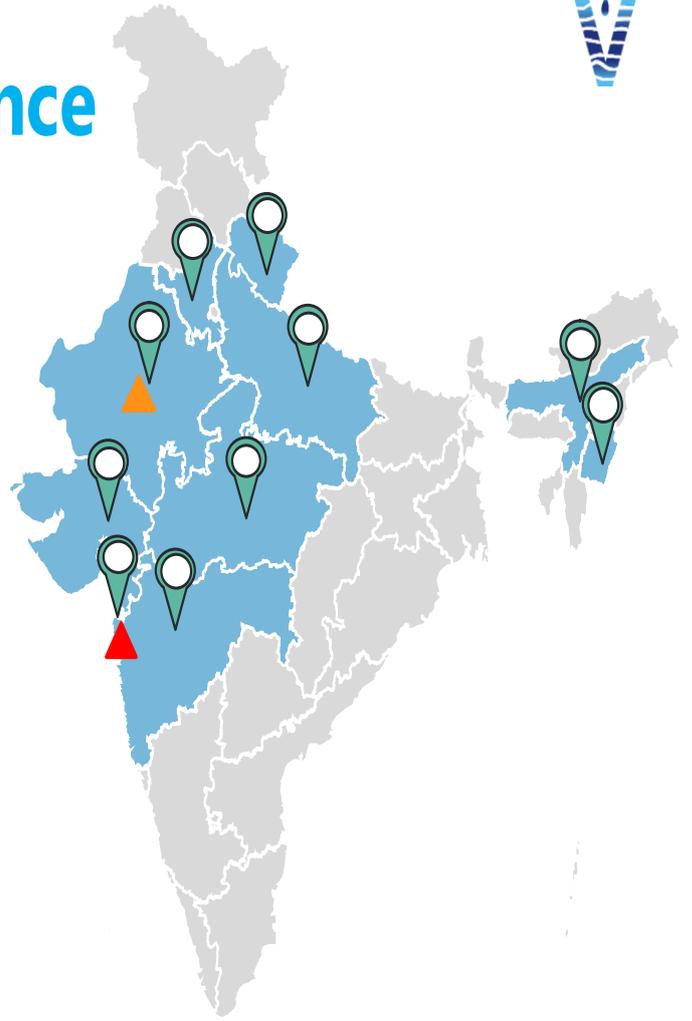
## UTTARAKHAND

- WATER SUPPLY PROJECTS AT 2 DIFFERENT SITES



# Geographical Presence

- ▲ Corporate Office
- ▲ Registered Office
- 📍 On-going projects





## **Business Segments**



**Water Supply Projects (WSP)**



**Railway Projects**



**Road Projects**



**Irrigation Network Projects & Others**



## **CHAIRMAN'S MESSAGE**

It gives me pleasure to welcome you all at the 10th Annual General Meeting of your Company.

Today, we stand before you with immense pride and joy as we celebrate a momentous milestone in the history of our company. It is with great pleasure that I announce the successful completion of a remarkable decade in the construction industry.

Over the past ten years, our company has not only weathered the challenges but has thrived, achieving significant growth in all aspects of our business. I am delighted to share that our profits have soared, marking a remarkable increase year after year.

Our success story extends beyond mere numbers. Geographically, we have spread our wings far and wide, establishing a strong presence in many states of our beloved nation. Today, we proudly stand as a PAN India company, having completed projects in major cities. Our commitment to delivering quality and excellence remains unwavering, regardless of the location.

On behalf of Board of Directors, I am pleased to present to you Annual Report of your Company for the Financial Year (FY) 2022-23, the Directors' Report and the Audited Accounts for the year ended March 31, 2023. With your permission, I take them as read.

In this era of new reviving growth cycle, I believe VPRPL shall grab new opportunities and continue to focus on execution of our operational efficiency along with identifying areas with profitable growth. In the face of global economic volatility and risks driven by socio-political factors, India's macro-fundamentals have been robust. The infrastructure sector has been the government's biggest focus area for several years. Your Company is well positioned to take advantage of rapid infrastructure development and contribute to the India infrastructure growth trajectory. The robust performance is a testimonial to your Company's commitment to ensure best in operational efficiencies across its global facilities.

Company accords utmost importance to quality and is committed to operate every aspect of the business to those standards that offer the highest possible quality of service to all clients. This is supported by a progressive management style that encourages the Quality culture throughout the Company. To reinforce this commitment a quality management system is enforced, and management is committed for continuous improvement of the Quality Management System by establishing and reviewing quality objectives for all areas.

The implementation of these policies has been able to result in a significant tailwind for business environment. During the year Company has taken a number of steps to strengthen itself and is well poised to capitalise on the supportive framework and infrastructure development focus of the government.

The Company CSR policy strictly conforms to the guidelines of Ministry of Corporate Affairs. In line with the CSR policy and in accordance with Schedule VII of the Companies Act 2013, undertook various activities during the FY 2022-23 which had significant impact on the society. Your Company has also continued its tradition of caring for the communities and stakeholders as part of its Corporate Social Responsibility.

Looking ahead for F.Y. 2023-24 we focus to ensure liquidity, business continuity and operational efficiency. From a longer-term perspective, Company will continue to invest in technology and work towards further strengthening and expanding our footprint in the Construction business and identify areas for profitable growth. We have been driving

several initiatives to enhance business prospects in terms of superior customer experiences, revenue enhancement and cost reduction opportunities as well as agile and efficient internal processes.

The trust and confidence of our stakeholders including you, our valued shareholders, have been the vital fuel in our unstopping journey of steady growth and improvement.

I express my heartfelt thanks for the valuable assistance and co-operation extended to the Company by- our management team, clients, vendors, governments, ministries and departments of various states that we operate in. I would also like to extend my gratitude to my fellow directors for their contribution to group. And of course, I look forward to your continued support and best wishes.

I would also like to thank Company's employees for their unstinting support. I look forward to your continued support in our journey ahead.

In conclusion, as we celebrate this momentous occasion, let us remember that our journey has only just begun. The next decade holds boundless potential, and together, we will continue to build a brighter future for our company, our industry, and our nation.

**SD/-**

**VISHNU PRAKASH PUNGLIA**  
**CHAIRMAN**

## **FROM THE DESK OF THE M.D**

The Fiscal Year 2023 was a significant milestone in the journey of Vishnu Prakash R Punglia Limited. Our company is committed towards transparency, sound corporate practices based on conscience, openness, fairness, professionalism and accountability paving the way in building confidence among all its stakeholders for achieving sustainable long-term growth and profitability. Looking forward, we believe that an efficient Corporate Governance goes beyond working results and financial gains and is a pre-requisite for the attainment of excellent performance. Company aims at building and retaining trust with our shareholders, employees, customers, suppliers and diverse stakeholders; and in order to ensure this, we have embedded the best of corporate governance practices in our day-to-day operations.

I am thrilled to report that VPRPL has delivered yet another year of robust financial performance, achieving remarkable growth across various key metrics. Our Profit After Tax (PAT) has witnessed an impressive increase, reflecting our relentless commitment to operational excellence and strategic decision-making. I am pleased to announce that our PAT for the fiscal year 2023 has reached INR 906.43 million as compared to 448.47 Million for previous year.

In addition to our strong profitability, our total revenue for the year has reached INR 11,684.04 million as compared to INR 7856.13 million for last year. This exceptional growth in revenue is a result of our continuing pursuit of excellence, our focus on delivering high-quality projects, and our ability to seize opportunities in the dynamic construction and infrastructure market.

Our ongoing efforts to enhance operational efficiency, optimize costs, and improve productivity have yielded substantial results. These initiatives have contributed to our bottom-line growth and increased shareholder value.

During the year, we formulated a plan to sustain the present momentum and redirected towards new projects which were awarded to us of more than Rs 6000 million. Amidst a dynamic and competitive business landscape, VPRPL has achieved several notable milestones during the year, formulating our presence in 10 states.

The overall industry is undergoing rapid changes and it has become essential to continuously refine and sharpen our capabilities. While responding to these changes is imperative, response capability alone will not be sufficient to generate long term sustainable value for stakeholders. Anticipation of the future shape of the industry and taking steps today, to rightly position the Company is extremely important.

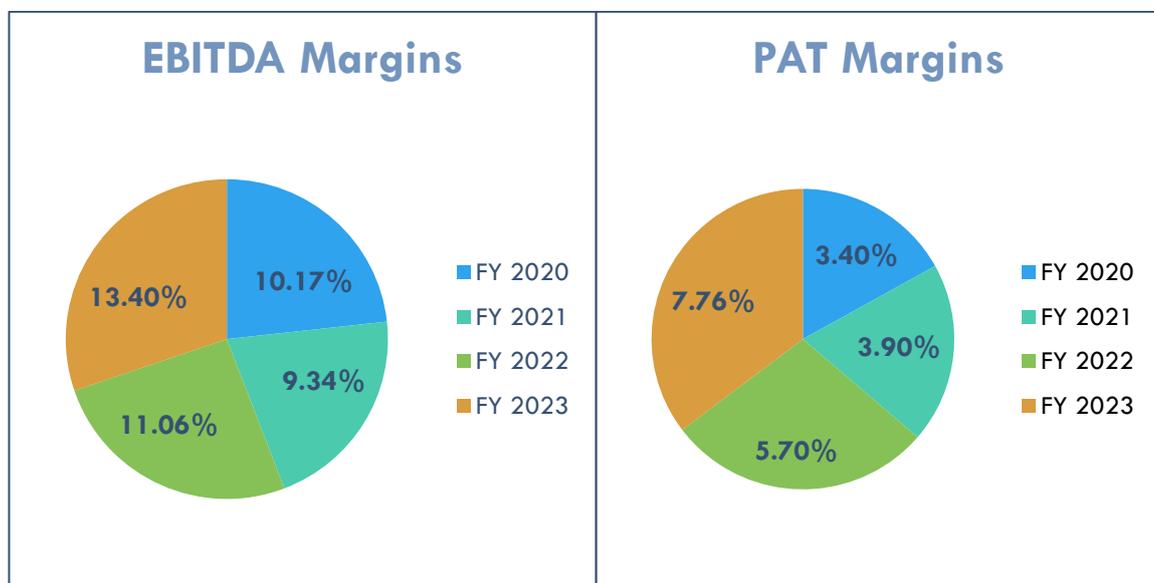
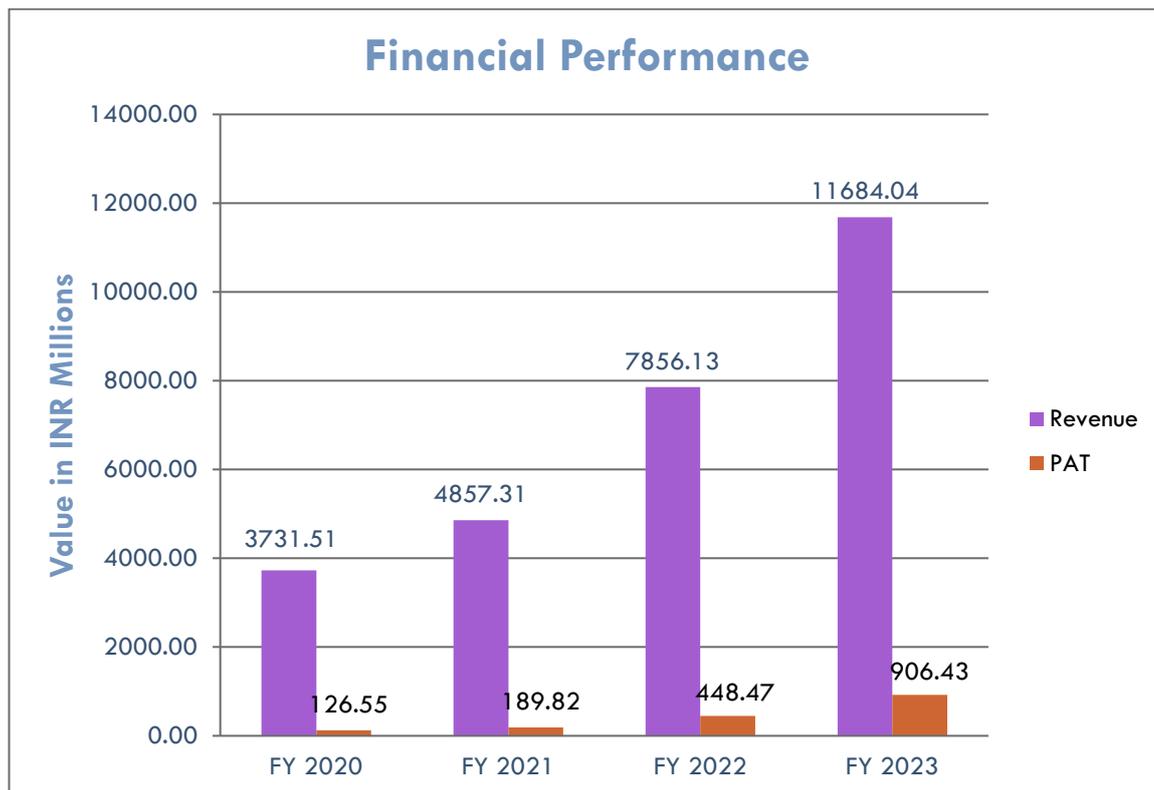
As we embark on a new fiscal year, we remain steadfast in our commitment to sustainable growth and value creation. We will continue to focus on innovation and operational excellence as we navigate evolving market dynamics. With a strong foundation and a talented team, I am confident that VPRPL is well-positioned to overcome any challenges that lie ahead.

In conclusion, I would like to express my sincere gratitude to our shareholders for their trust and continued support. Our achievements would not have been possible without the hard work and dedication of every member of the VPRPL family. Together, we will continue to build a prosperous and resilient future.

SD/-

**Manohar Lal Punglia**  
**Managing Director**

## HIGHLIGHTS 2022-2023



# CORPORATE INFORMATION

BOARD OF DIRECTORS	REFERENCE INFORMATION
<p><b>Executive Directors</b></p> <p>Mr. Vishnu Prakash Punglia (DIN: 02162019) Chairman- Whole Time Director</p> <p>Mr. Manohar Lal Punglia (DIN: 02161961) Managing Director</p> <p>Mr. Ajay Pungalia (DIN: 02162190) Whole Time Director</p> <p>Mr. Sanjay Kumar Punglia (DIN: 02162102) CEO &amp; Whole Time Director</p> <p>Mr. Kamal Kishor Pungalia (DIN:02168426) Whole Time Director</p> <p><b>Independent Directors</b></p> <p>Mr. Shripal Bhansali (DIN: 06954728)</p> <p>Mrs. Nilima Bhansali (DIN: 08197422)</p> <p>Mr. Krishan Murari Lal Mathur (DIN: 08402786)</p> <p>Mr. Ratan Lahoti (DIN: 09773137)</p> <p>Mr. Surendra Sharma (DIN: 09784472)</p> <p>Mr. Uttam Chand Singhvi (DIN:06944435)</p> <p><b>Chief Financial officer</b> Mr. Sarfaraz Ahmed</p> <p><b>Company Secretary</b> Ms. Neha Matnani</p>	<p><b>REGISTERED OFFICE</b> Unit No.3, 5<sup>th</sup> Floor, B-Wing, Trade Star Premises Co-operative Society Limited Building at village Kondivita, Mathuradas Vasani Road, near Chakala Metro Station, Andheri East, Mumbai, Maharashtra- 400059-India</p> <p><b>CORPORATE OFFICE</b> B-31, 32 Second Floor, Industrial Estate, New Power House Road, Jodhpur-342003 Rajasthan</p> <p><b>REGISTRAR &amp; SHARE TRANSFER AGENT</b> Link intime India Pvt. Ltd.C-101, First Floor, 247 Park Lal Bahadur Shastri Marg, Vikroli (West) Mumbai, Maharashtra, 400083</p> <p><b>STATUTORY AUDITOR</b> M/s Banshi Jain &amp; Associates Chartered Accountants</p> <p><b>COST AUDITOR</b> Rajendra Singh Bhati &amp; Co. Cost Accountants</p> <p><b>SECRETARIAL AUDITOR</b> FCS Reeptika Barmera, Company Secretary in Practice</p> <p><b>INTERNAL AUDITOR</b> M/s R.G. Maheshwary &amp; Co.</p> <p><b>BANKERS</b> Bank of Baroda MIA, Basni, Jodhpur Punjab National Bank Pal Road Jodhpur</p>

## **BOARD OF DIRECTORS**



**Vishnu Prakash Punglia**  
Chairman

- He is the founding member of the organization and now spearheading the entire organization from the front and carrying the legacy.



**Manohar Lal Punglia**  
Managing Director

- He is the face of the organization and oversees all the verticals. He is more inclined towards business generation and maintaining a healthy relationship with clients.



**Sanjay Punglia**  
CEO & Whole Time Director

He holds a degree in M. Tech (Civil) and leads the in-house design team. He is actively involved in continuous value engineering and takes care of the procurement function and bidding process as regards new projects.



**Ajay Pungalia**

Whole Time Director

- He is actively involved in the business development of our Company and oversees the core finance function. He is also responsible for the management of capital assets and oversees the Information Technology department.



**Kamal Kishor Pungalia**

Whole Time Director

- He has played an active role in diversifying our Company's business into multiple segments like railways and roads, apart from water supply projects. He takes care of human resource and administrative functions.



**Krishan Murari Lal Mathur**

Independent Director

He was associated with the Public Health Engineering Department ("PHED"), held various posts in it until his retirement as Chief Engineer, PHED in 2008.

He holds memberships of Life fellow of the Institute of Engineers (India), Indian Water Works Association, Institute of Public Health Engineers, Life member of Indian Association of Environment Management, Indian Water Resources Society, India Desalination Association, Vigyan Parishad Prayag, and Member of International Water Association.



**Uttam Chand Singhvi**

Independent Director

He holds a Bachelor of Commerce

Degree from Pali College, Rajasthan University, Rajasthan (Gold Medalist) and is also a qualified Chartered Accountant from the Institute of Chartered Accountants of India. He has an experience of over thirty-seven (37) years with various branches of Bank of Baroda, held various posts and was the Chief Financial Officer and General Manager until his retirement in March 2016. He continues to be associated with Bank of Baroda as an advisor to the corporate and taxation department, post retirement.



**Ratan Lahoti**

Independent Director

He is a retired Indian Administrative Services Officer and has an experience of more than thirty-three (33) years in administrative services. During his tenure, he held key positions such as Divisional Commissioner, Jodhpur; Collector and District Magistrate, Pratapgarh, Rajasthan; Commissioner, Jodhpur Development Authority; CEO and Commissioner Municipal Corporation, Jodhpur. In addition to serving as an Independent Director of our Company, he heads the External Affairs and Community Development Department at Cairn (Oil & Gas) Vedanta.



**Surendra Sharma**

Independent Director

He holds a Bachelor of Engineering Degree in Agriculture from University of Udaipur and a Master of Commerce Degree (in Business Administration) from Rajasthan Vidhyapeeth, Udaipur. He has an experience of over thirty-eight (38) years. Throughout his professional career, he has held various key positions in multiple branches of Bank of Baroda, before retiring as the General Manager from Bank of Baroda.



**Shripal Bhansali**

Independent Director

He holds a Bachelor of Computer Applications Degree from NIMS University, Jaipur (Rajasthan) and a Master of Computer Applications Degree from Jaipur National University, Jaipur. He has a decade of experience in operating a business of construction. In addition to being an Independent Director, he currently runs his own family business.



**Nilima Bhansali**

Independent Director

She holds a Bachelor of Commerce Degree from Jai Narain Vyas University, Jodhpur (erstwhile University of Jodhpur). She has an experience of over fifteen (15) years in the field of accounts and taxation.



**Sarfaraz Ahmed**

Chief Financial Officer

He holds a Bachelor of Commerce Degree from Maharshi Dayanand Saraswati University, Ajmer Rajasthan. He is a Fellow member of the Institute of Chartered Accountants of India.

He has been associated with our Company since incorporation as a financial advisor and has now joined as a Chief Financial Officer of our Company.



**Neha Matnani**

Company Secretary and Compliance Officer

She has been associated with our Company since June 06, 2022. She holds a Bachelor Degree in Accounting (Hons) from Jai Narayan Vyas University Jodhpur Rajasthan. She is an associate member of the Institute of Company Secretaries of India.

## DIRECTOR'S REPORT

To,  
The Members,  
Vishnu Prakash R Punglia Limited

Your directors have pleasure in presenting the 10<sup>th</sup> Annual Report of the Company along with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2023.

### FINANCIAL SUMMARY

The Company's financial performance for the current financial year 2022-23 along with comparative previous year balance sheet prepared in accordance with the Indian Accounting Standards as prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2023 is as under:

(` In Millions)

Particulars	Current Financial Year 2023	Previous Financial Year 2022
Revenue from operations	11,684.04	7,856.13
Other Income	30.60	17.74
Expenses other than Depreciation, Finance Cost, Exceptional Items and Tax Expense	10,118.21	6,987.46
Profit/Loss before Depreciation, Finance Cost, Exceptional Items and Tax Expense	1,596.43	886.41
Depreciation and amortization expenses	69.76	41.87
Finance costs	302.28	240.73
Exceptional & Extraordinary Items	-	-
<b>Profit before tax (PBT)</b>	<b>1,224.39</b>	<b>603.81</b>
Tax expenses	317.96	155.34
<b>Profit after tax (PAT) (1)</b>	<b>906.43</b>	<b>448.47</b>
Other Comprehensive Income (2)	6.74	2.29
<b>Total Comprehensive Income (1+2)</b>	<b>913.17</b>	<b>450.76</b>
<b>Earnings Per Share (in `)</b>	<b>10.41</b>	<b>5.31</b>

### STATE OF AFFAIRS & FUTURE OUTLOOK

During the year under review, the Company has earned net profit after tax during the financial year 2022-23 for Rs. 906.43 million as compared to profit of ₹448.47 million earned during previous Financial Year. During the year the Company has achieved turnover of ₹11,684.04 million as compared to turnover of ₹7,856.13 million in the previous year.

## TRANSFER TO RESERVES

During the year under review, your Company has transferred a sum of INR 622.96 Million from the Retained Earnings which was utilised for issue of Bonus Equity Shares, besides same, the company has not made any reserves and same is mentioned in note no. 16 of the financial statements.

## BUSINESS OVERVIEW

During the year under review, the company has been awarded following projects as detailed below:

Name of project	Authority	Value of Contract (in millions)
Rate Contract for the Work of Construction of Sources Rising Main pipelines CWRS Pump House ESR Internal Village Distribution including One year defect Liability Period of SV and MSVV and thereafter O&M for 5 Years (Estimated Cost 100 Cr) VPRPL - SMCC JAISALMER JV 60:40	PHED	70.618
Providing Drinking Water Facility to Vivek Vihar and Mama Achleshwar Nagar JDA Colony Under City Dn III, Jodhpur including, Construction of ESR, Distribution System and 5 years O&M after 1 year DLP	PHED	224.155
Work of Transmission Main Line, RCC CWR and pumping machinery for Retrofitting of Fatehpur Laxmangarh Supply Project including 10 Years O and M under JJM District Sikar PACKAGE I	PHED	1958.772
Construction of Udaipur Railway Station	NWR	3040.839
Construction and Maintenance of Rajiv Gandhi Knowledge service and Innovation HUB at Jodhpur	RISL	1604.930

The Company undertake the construction business in an integrated manner as it has the key competencies and in-house resources to deliver a project from its conceptualization to completion. Your Company is well prepared for upcoming new projects & contracts and it will continue to strive remain focussed on unveiling new infrastructure areas.

## MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments, occurred from the end of the Financial Year till the date of this report, which may materially affect the financial position of the Company.

## FUTURE PROSPECTS

Vishnu Prakash R Punglia Limited a well-established construction firm based out of Rajasthan with a long track record of successful project execution, spanning over 36 years. Over the years, we have established a reputation for

delivering high-quality projects and are now looking to accelerate our growth and become a major player in the infrastructure sector in India by investing into latest machineries and equipments wherever necessary, to reduce dependencies and improve efficiency.

Our diverse portfolio, with presence in various sectors including water and sanitation, railways, roadways, irrigation and sewage has reduced our reliance on any one sector.

## **CHANGE IN NATURE OF BUSINESS**

During the Financial Year under review, there was no change in the nature of Company's business.

## **DIVIDEND**

The Board of Directors of your company, after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy, has decided that it would be prudent not to recommend any Dividend for the financial year 2023. Dividend Distribution Policy of company is available on the Company's website on <https://vprp.co.in/images/policy/DIVIDEND%20DISTRIBUTION%20POLICY.pdf>

## **CAPITAL STRUCTURE**

The Authorized Share Capital of your Company as on March 31, 2023, stood at ₹1,500 Million divided into 150 million equity shares of the face value of ₹10/- (Rupees Ten Only) each which was increased from ₹350 millions divided into 35 million equity shares of the face value of ₹10/- (Rupees Ten Only) each. The issued Subscribed and Paid-up capital at the end of the financial year stood at ₹ 934.44 million

During the year under review your Company issued and allotted 3 million equity shares having face value Rs 10 on private placement basis pursuant to section 42 of Companies Act, 2013. Subsequently, all the existing shareholders were allotted bonus shares in the ratio of 2:1 amounting to ₹ 622.96 million to be capitalized out of retained earnings pursuant to shareholders resolution dated 28<sup>th</sup> January, 2023. The Company has only one class of equity shares with face value ₹10/- each.

## **ISO CERTIFICATIONS**

Your Company holds ISO 9001:2015 Certification by complying with all the requirements of the said Certification from time to time.

## **OUR JOINT VENTURES**

At the end of the Financial Year, the Company was having 17 Joint Ventures. Following Joint ventures were incorporated during Financial Year under review-

- a) VPRPL-SMCC JAISALMER
- b) VPRPL KSIPL UDAIPUR JV
- c) VPRPL-CIPEL JV

## **ANNUAL RETURN**

The Draft Annual Return (MGT 7) of the Company for the Financial Year 2023 is available on the website of the Company at <https://www.vprp.co.in/annual-report>

## AUDITORS AND AUDITOR'S REPORT

### Statutory Auditors

The Board has duly examined the Statutory Auditors' Report to the Financial Statements, which is self-explanatory. Clarifications, wherever necessary, have been included in the Notes to Financial Statements section of this Annual report. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

Further, The Auditors have not reported any fraud u/s 143(12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act..

M/s Banshi Jain & Associates, Chartered Accountants (Firm Registration No.: 100990W) were appointed by the Shareholders at the Annual General Meeting of the Company held on 30<sup>th</sup> September 2022 as Joint Statutory Auditors for a period of one year i.e. to hold office upto the conclusion of the 10<sup>th</sup> Annual General Meeting, and accordingly the term of Statutory Auditor of the Company is expiring at the conclusion of this Annual General Meeting of the Company. The Board of Directors have proposed the re-appointment of M/s Banshi Jain & Associates, Chartered Accountants (Firm Registration No.: 100990W) as Statutory Auditors of the Company for a period of five years from the conclusion of 10<sup>th</sup> Annual General Meeting till the conclusion of 15<sup>th</sup> Annual General Meeting of the Company to be held in the year 2028.

Further M/s R. P. Mundra & Co., has resigned as Statutory Auditors of the Company w.e.f 16<sup>th</sup> March 2023 as they do not hold the certificate issued by Peer Review Board of The Institute of Chartered Accountants of India.

### Secretarial Auditor

FCS Reeptika Barmera, Practising Company Secretary (C.P. No. 16551, FCS Membership No. 11280), was appointed to conduct Secretarial Audit of the Company for the financial year ended 31<sup>st</sup> March 2023. The Secretarial Audit Report for the said Financial Year is annexed herewith and forms part of this Report as **Annexure – I**.

The Secretarial Audit Report issued by the said Auditor is self explanatory in nature and it does not contain any qualification, reservation or adverse remark. Further, The Secretarial Auditors have not reported any fraud u/s 143(12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

Further the Board has approved the re-appointment of FCS Reeptika Barmera, Practising Company Secretary (C.P. No. 16551, FCS Membership No. 11280) as Secretarial Auditor of the Company for the Financial Year ending 31<sup>st</sup> March 2024.

### Cost Auditors

M/s Rajendra Singh Bhati & Co., Cost Accountants (Membership No. 33509/FRN. 101983) was appointed by the Board, on the recommendation of the Audit Committee of the Company, to conduct audit of Cost Records of the Company for Financial Year 2022-23.

M/s Rajendra Singh Bhati & Co., Cost Accountants have audited the Cost Records of the Company, with respect to Construction of Roads and submitted the Cost Audit Report for the Financial Year ended 31<sup>st</sup> March 2023.

The report does not contain any qualification, reservation or adverse remark. Further, The Cost Auditors have not reported any fraud u/s 143(12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

Further the Board has on the recommendation of the Audit Committee, approved the re-appointment of M/s Rajendra Singh Bhati & Co., Cost Accountants as Cost Auditor of the Company for the Financial Year ending 31<sup>st</sup> March 2024.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, since the remuneration payable to the Cost Auditors has to be ratified by the Shareholders, the Board recommends the same for approval by shareholders at the ensuing AGM.

### **Internal Auditors**

Pursuant to the provisions of section 138 of the Companies Act, 2013 read with rule 13 of Companies (Accounts) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors had appointed M/s R. G. MAHESHWARY & CO (Firm Registration No. 012124C) as an Internal Auditor to conduct internal audit of the Company for one year.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In terms of applicable provisions of the Act and the Articles of Association of the Company, Mr. Kamal Kishor Pungalia (DIN: 02168426), and Mr. Sanjay Kumar Punglia (DIN:02168426) Director of the Company are liable to retire by rotation at this Annual General Meeting and being eligible, have offered themselves for re-appointment.

Further, Mrs. Nilima Bhansali (DIN: 08197422), was appointed by the Shareholders at the Annual General Meeting of the Company held on 30<sup>th</sup> September 2018 as an Independent & Women Director for a period of five years, and accordingly her term as Independent Director of the Company is expiring on 29<sup>th</sup> September 2023. The Board of Directors have on the recommendation of the Nomination and Remuneration Committee, proposed the re-appointment of Mrs. Nilima Bhansali (DIN: 08197422) as an Independent & Women Director of the Company for the second term of five years with effect from 30-09-2023 upto 29-09-2028.

**Mr. Krishan Murari Lal Mathur** (DIN: 08402786) has attained the age of 75 years on 14-06-2023. As per the provisions of Regulation 17 (1A) of the SEBI Listing Regulations, continuation of his appointment requires the approval of the members in the General Meeting by way of Special Resolution.

Additionally, his term as an Independent Director of the Company is upto 29-04-2024. The Board of Directors has, on the recommendation of Nomination and Remuneration Committee, proposed the re-appointment of Mr. Krishan Murari Lal Mathur (DIN: 08402786) as an Independent Director of the Company for the second term of five years with effect from 30-04-2024 upto 29-04-2029.

The strength of the Board of Directors has been broadened by appointment of three new Directors viz Mr. Ratan Lahoti (DIN: 09773137), Mr. Surendra Sharma (DIN: 09784472) and Mr. Uttam Chand Singhvi (DIN: 06944435) as an Independent Director w.e.f. 08<sup>th</sup> November 2022 For period of 5 years till 07<sup>th</sup> November, 2027.

Further, Mr. Anil Punglia (DIN: 06461425) and Mr. Vijay Punglia (DIN: 02161975), has resigned from Directorship of the Company w.e.f. 08-11-2022. The Board places on record their appreciation for valuable contribution made by them during their tenure as Director of the Company.

During the Year under review, Mr. Ajay Pungalia (DIN: 02162190) was re-designated from Chief Financial Officer & Whole Time Director to Whole Time Director w.e.f. 28-02-2023.

Mr. Sarfaraz Ahmed, Chartered Accountant, was appointed as Chief Financial Officer of the Company with effect from 01-03-2023.

Ms. Neha Matnani, associate member of ICSI, was appointed as Company Secretary of Company with effect from 06-06-2022.

## **DIRECTORS RESPONSIBILITY STATEMENT**

In terms of Section 134(5) of the Companies Act, 2013, the Board of Directors hereby confirms that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures; wherever applicable;
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2023 and of the profit and loss of the company for the year ended on that date;
- (c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (d) The directors have prepared annual accounts on a going concern basis; and
- (e) That the proper systems have devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are set out hereunder.

### **Conservation of Energy**

The Company continues its efforts to reduce and optimize the use of energy consumption at sites running at various locations by installing hi-tech energy monitoring and conservation systems to monitor usage, minimize wastage and increase overall efficiency at every stage of power consumption. Your Company constantly evaluates and invests in new technology to make its infrastructure more energy efficient.

### **Technology Absorption**

Research and Development is being carried out with the objectives of continual efficiency enhancement, reductions in material costs, process development, improving speed, enhancement of construction quality, sustainability, etc. These efforts are undertaken through interdisciplinary engineering within the organization and vendor consultants and academia having similar interests.

### **Foreign Exchange Earnings & Outgo**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows: NIL

## DEPOSITS

Details relating to deposits covered under chapter V of companies act, 2013 (under Rule 8(5) of Companies (Accounts) Rules, 2014:

Particulars		Details
Deposits accepted during year		Nil
Deposits remained unpaid or unclaimed at end of year		Nil
Default in repayment of deposits or payment of interest thereon		Nil
Particulars of Default	Amount of Deposit	Number of Cases
At the beginning of year	-	-
During year	-	-
At the end of year	-	-
Details of deposits which are not in compliance with requirements of chapter v of act		Nil

Details of money accepted form the Directors of the Company (under the proviso to Rule 2(1)(c)(viii) of Companies (Acceptance of Deposit) Rules, 2014:

Name of Director	Accepted during the year (figures in INR million)
Ajay Punglia	46.20
Manohar Lal Punglia	41.10
Sanjay Kumar Punglia	16.50
Vishnu Prakash Punglia	27.10
Kamal Kishor Punglia	1.30
Anil Punglia	1.70
Vijay Punglia	1.10

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which require member's approval in excess of the limits prescribed under Section 188 and related rules prescribed therein. The routine related party transactions were placed before the Audit Committee for their omnibus approval. A statement of all related party transactions entered

was presented before the Audit Committee specifying the nature, value and any other related terms and conditions of the transactions.

The details of Material Related Party Transactions to be reported in Form AOC-2 in terms of Section 134 of the Act read with Companies (Accounts) Rules, 2014, including the details of the transactions with related parties are provided in **Annexure – II** of this Board Report. The Related Party transactions policy formulated by Company is placed on the website of the company at:

<https://vprp.co.in/images/policy/POLICY%20ON%20RELATED%20PARTY%20TRANSACTIONS.pdf>

## **VIGIL MECHANISM**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. In pursuance of the same, the Company has established a vigil mechanism in accordance with the provisions of section 177(10) of the Companies Act, 2013 and shall oversee through the audit committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

Further, the Company has adopted “Whistle Blower Policy” through its Board of Directors vide its Meeting held on 01-03-2023. During Financial Year under review no complaint was received by the Company. Web link to the policy as placed on the website of the company

<https://www.vprp.co.in/images/policy/WHISTLE%20BLOWER%20POLICY.pdf>

## **INTERNAL FINANCIAL CONTROLS**

The company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. The company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The Company has adopted accounting policies, which are in line with the Accounting Standards and the Act.

The Statutory Auditors of the Company have reported unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting for the FY 2023.

## **ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS ETC.**

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's Operation in future.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year under review, Company was having investment and has given Guarantee, the respective details of which are given under Note No. 5 and Note No. 35(i)(b) of the Standalone Financial Statements of the Company. Your Company falls within scope of the definition “Infrastructure Company” as provided by the Companies Act, 2013. Accordingly, the Company is exempted from the provisions of Section 186 of the Act with regards to Loans, Guarantees and Investments.

## **DECLARATION BY INDEPENDENT DIRECTORS**

During the Financial Year under review, your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under section 149 of the Companies Act, 2013. In the opinion of the Board, Independent Directors fulfill the conditions specified in the Act and Rules made thereunder.

The Independent Directors of the company have conducted one Meeting among themselves to evaluate the performance of the Board and Directors of the company on 11th February 2023.

## **BOARD EVALUATION**

During the year under review, the Board conducted formal evaluation of Board of Directors and reviewed the work and performance of the Committees. The summary of all such evaluations are as under:

Evaluation of Chairperson of the Board- The performance of Chairperson was evaluated on the factors such as- Demonstration of leadership qualities, promoting shareholder confidence in the Board, Personal attributes i.e. Integrity, Honesty, Knowledge, etc.

Evaluation of Board as a whole- It was observed that every member of the Board is taking active participation in the decision making process at the Board Meeting/s and is equally involved in the affairs of the Company.

Evaluation of Committees- The performance of the committees is evaluated on the basis of the terms of reference of the committees. Other factors which were considered are- Process and procedures followed for discharging its functions, Effectiveness of suggestions and recommendations received and Conduct of its meetings and procedures followed in this regard.

Overall, it was observed that the Board and Committees has taken great strategic decisions, obtained timely positions, taken timely risk management decisions, ensured that there exists timely flow of information and implemented internal financial controls across the entire organization.

## **NUMBER OF MEETINGS OF BOARD OF DIRECTORS**

Details of Composition of Board and their meetings is attached in [Annexure – IV](#).

## **AUDIT COMMITTEE**

Your Company has a duly constituted Audit Committee, its composition as well as charter are in line with the requirements of the Companies Act, 2013 and SEBI Listing Regulations. As on 31st March 2023, Audit Committee comprised three Directors viz. Mr. Uttam Chand Singhvi as Chairman, Mr. Surendra Sharma as Member and Mr. Krishan Murari Lal Mathur as Member.

During Financial year 2022-23, Four meetings of the Audit Committee were held. For details of composition and meetings of the Audit Committee, please refer to [Annexure – IV](#) forming part of this report.

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

## **NOMINATION & REMUNERATION COMMITTEE**

The composition and charter of the Nomination and Remuneration Committee is in compliance with the provisions of Section 178 of the Act and SEBI Listing Regulations. As on March 31, 2023, Nomination and Remuneration Committee comprises of 3 Directors and all are Independent Directors. The Nomination & Remuneration Committee of Board of Directors is re-constituted with following members by the Board of Directors vide its resolution passed in the meeting held on 01-03-2023: Mr. Shripal Bhansali, Mrs. Nilima Bhansali and Mr. Krishan Murarilal Mathur.

During Financial Year 2022-23, two meeting of the NRC were held. Further, the Company has adopted “Nomination & Remuneration Policy”. The details of the attendance at the meeting during the financial year is provided herewith in [Annexure – IV](#).

The Nomination and Remuneration Policy is placed on the website of the company at <https://vprp.co.in/images/policy/NOMINATION%20AND%20REMUNERATION%20POLICY.pdf>

## **CORPORATE SOCIAL RESPONSIBILITY**

The brief outline of CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities, along with other details for Financial Year 2022-23 forms part of Annual Report on Corporate Social Responsibility as Annexure – III to this Report. This CSR Policy is placed on the website of the Company at <https://vprp.co.in/images/policy/CORPORATE%20SOCIAL%20RESPONSIBILITY%20POLICY.pdf>

## **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

The Company has zero tolerance for sexual harassment at workplace and has adopted an “INTERNAL POSH POLICY” on prevention, prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules there under. The policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The policy covers all employees, irrespective of their nature of employment and also applicable in respect of all allegations of sexual harassment made by an outsider against an employee.

The Company has constituted committee (known as the Internal Complaints Committee (ICC)) under the sexual harassment of women at workplace (prevention, prohibition, and Redressal) Act, 2013 and complied with the provisions of the same. The Committee comprises of:

Presiding Officer: CS NEHA MATNANI

Internal Members: Mr. Manohar Lal Punglia and Ms. Aditi Phophaliya

One External Member: Ms. Bhawar Kanwar

The Company is committed to provide a safe and conducive work environment to its employees during the financial year. Your Directors, further, state that during the financial year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **RISK MANAGEMENT SYSTEM**

The Company has been regular in ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures. Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily.

The Company has already formulated an Audit Committee which holds its meeting time to time to review the financial results, internal financial controls and risk management system, auditor's independence and performance etc. The Company has also appointed R. G. Maheshwary & Company as an Internal Auditor who perform his duty on the basis of the scope of work allotted to them time to time. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and corrective actions thereon are presented to Audit Committee from time to time. The company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. The company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The Company has adopted accounting policies, which are in line with the applicable Accounting Standards and the Act.

## **COMPLIANCE WITH SECRETARIAL STANDARDS**

Pursuant to the provisions of Section 118 of the Companies Act, 2013, the Company has complied with the applicable provisions of Secretarial Standard 1 on Meetings of the Board of Directors and Secretarial Standard 2 on General Meetings during the FY 2023.

## **HUMAN RESOURCE MANAGEMENT**

Manpower is one of the key resources which company deploys for its business activities, and it is an asset to support the business in achieving sustainable growth. Your Company always takes initiatives for the betterment and welfare of its employees. Over More than 800 employees, skilled, semi-skilled and highly skilled are working with VPRP Group to execute, maintain and operate various infrastructural projects running in various states. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

## **OTHER REGULATORY DISCLOSURES**

The Company has neither made any application, nor any proceedings are pending under the Insolvency and Bankruptcy Code, 2016.

The Company has not entered into any one-time settlement with any Bank or Financial Institutions, hence disclosure under rule (8)(5)(xii) of Companies (Accounts) Rules 2014 is not applicable.

## **APPRECIATION**

Your Company has been able to perform better with the continuous improvement in all functions and areas which coupled with an efficient utilisation of the Company's resources led to sustainable and profitable growth of the Organization. Company accords utmost importance to quality and is committed to operate every aspect of the business to those standards that offer the highest possible quality of service to all clients. This is supported by a progressive management style that encourages the Quality culture throughout the Company. Your directors express their deep sense of appreciation and extend their sincere thanks to every employee and associates for their dedicated and sustained contribution and Governments of various states in India, concerned Government departments and agencies including National Highways Authority of India, Ministry of Road Transport & Highways, Public Works Departments, Ministry of Railways, Central and State Governments and Shareholders for their support, continuous co-operation and guidance and they look forward the continuance of the same in future.

For and on behalf of the board of directors of  
**VISHNU PRAKASH R PUNGLIA LIMITED**

S.D  
Manohar Lal Punglia  
(Managing Director)  
DIN: 02161961

S.D  
Vishnu Prakash Punglia  
(Whole-time Director)  
DIN: 02162019

Date: 24<sup>th</sup> June, 2023  
Place: Jodhpur

**ANNEXURE-I**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
VISHNU PRAKASH R PUNGLIA LIMITED  
(CIN: U45203MH2013PLC243252)  
Unit no. 3, 5th floor, B-wing, trade Star premises co-opertive society limited  
building at village Kondivita, Mathuradas Vasanji road,  
near Chakala Metro Station, Andheri East,  
Mumbai Maharashtra- 400059.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vishnu Prakash R Punglia Limited having the CIN: U45203MH2013PLC243252 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under; To the extent Applicable
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; Not Applicable
- (v) Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; to the extent Applicable.
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; to the extent Applicable.

- c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; to the extent Applicable.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standard issued by The Institute of Company Secretaries of India (ICSI).
- (ii) Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; to the extent Applicable.

I further report that the Company has, in my opinion, complied with the provisions of other Laws applicable to the company namely:

- Employees State Insurance Act, 1948 is applicable to the Company and the Company has complied with all the provisions of the act.
- Employees Provident Fund and Miscellaneous Provisions Act, 1952 is applicable to the Company and the Company has complied with all the provisions of the act.
- Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act 2013.
- All other Labour, Employee and Industrial Laws to the Extent applicable to the Company.

In case of Direct and Indirect Tax Laws like Income Tax Act, 1961, Goods and Services Tax Law, Excise & Custom Laws, I have relied on the Reports given by the Statutory Auditors of the Company.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice(s) were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting member's view, if any are captured and recorded as part of Minutes.

I further report that as represented by the Company and relied upon by me there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that, during the audit period the company has taken following actions and entered into following events having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

- The Company has altered and adopted new set of Article of Association of the Company.
- The Company has increased its Authorised Share Capital from 350,00,000 (Three Crore Fifty Lacs) Equity Shares of INR.10 Each to 15,00,00,000 (Fifteen Crores) Equity Shares of INR.10 Each and altered the Capital Clause of Memorandum of Association of the Company
- During the period under review the Company has issued and allotted 30,00,000 (Thirty Lakh) Equity shares of face value of INR.10 each at the premium of INR 205 each on Private Placement Basis.

- During the period under review the Company has Capitalised a sum of INR.62,29,60,000 out of Reserve of the Company for the purpose of Bonus issue of the shares in the Ratio of 2:1 i.e. issue of two new share of the face value of INR 10 each for every one existing share of INR 10 each held by Shareholder.
- During the period under review the Company has appointed Ms. R.G. Maheshwary & Co. as new Internal Auditor of the Company.
- During the period under review the Company has appointed Ms. BANSHI JAIN & ASSOCIATES as new Statutory Auditor to hold the office till the conclusion of Annual General Meeting to be held in the year 2023.
- The Company has reconstituted Audit Committee and Nomination and Remuneration Committee and constituted the Stakeholder relationship Committee and POSH Committee (Internal Complaint Committee).
- The Company has appointed Mr. Rajendra Singh Bhati as Cost Auditor of the Company.
- The Company, after the period under review and before the date of this Report has filed its Draft Red Herring Prospectus (DRHP) with The Securities and Exchange Board of India. So, as preliminary action that are required, the Company adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, Policy on determination of materiality of events or information, Policy for Reservation of Documents in alignment with various other policies required as per SEBI rules.

S.D

Signature;  
Name: Reeptika Barmera  
Practising Company Secretary  
FCS No.11280  
C P No.16551  
PR NO. 2228/2022

UDIN: F011280E000495335  
Place: Jodhpur  
Date: 24th June 2023

Note: This report is to be read with our letter of even date which is annexed as "Annexure-A" as an integral part of this report.

**Annexure A**

To,  
The Members,  
**VISHNU PRAKASH R PUNGLIA LIMITED**

(CIN: U45203MH2013PLC243252)

Unit no. 3, 5th floor, B-wing, trade Star premises Co-opertive society limited  
building at village Kondivita, Mathuradas Vasanji road,  
near Chakala metro station, Andheri East,  
Mumbai Maharashtra- 400059.

The Secretarial Audit Report for the financial year ended 31st March 2023 of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. I have relied on report of Statutory Auditors, Tax auditors and Cost Auditors for compliances of the applicable Financial Laws including Direct and Indirect Tax Laws, Accounting Standards, the correctness and appropriateness of Financial Records, Cost Records and Books of Accounts of the company since the same have been subject to review by respective Auditors and other designated professionals.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules, regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. The audit was conducted based on the verification of the Company's books, papers, minutes books, forms and returns filed, documents and other records furnished by them or obtained from the Company electronically and also the information provided by the company and its officers by audio and/or visual means.

Signature

Name: Reeptika Barmera

Practising Company Secretary

FCS No.11280

C P No.16551

PR NO. 2228/2022

Place: Jodhpur

Date: 24<sup>th</sup> June 2023

**ANNEXURE-II**  
**FORM NO. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.**

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances (if any)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL						

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances (if any)
Vishnu Infrastructures (a firm, in which a director, manager or his relative is a partner)	Payment to Sub-contractors	Continuous	Amount of transaction = ₹808.15 million	27-06-2022	NA

For and on behalf of the board of directors of  
**VISHNU PRAKASH R PUNGLIA LIMITED**

Manohar Lal Punglia  
(Managing Director)  
DIN: 02161961

Vishnu Prakash Punglia  
(Whole-time Director)  
DIN: 02162019

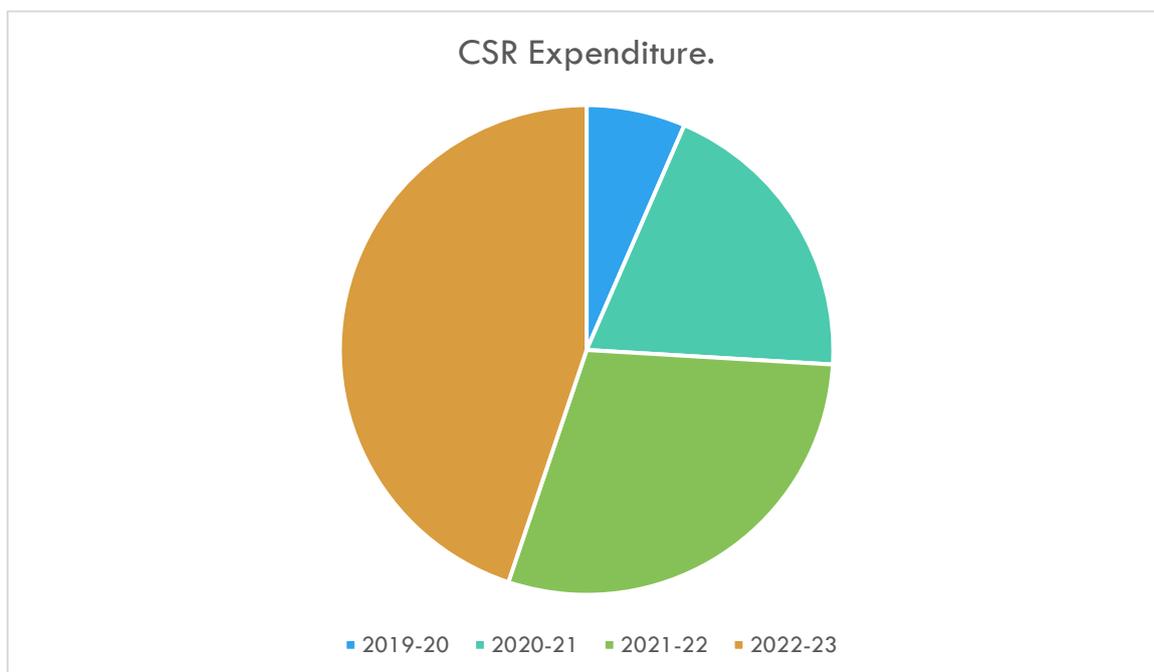
**ANNEXURE-III**  
**ANNUAL REPORT ON CSR ACTIVITIES**  
**For Financial Year ending March 31<sup>st</sup>, 2023**

**1. Brief outline on CSR activities of the Company:**

We are pleased to present our commitment to Corporate Social Responsibility (CSR) and the significant strides we have made in this area over the past years. At Vishnu Prakash R Punglia Limited, we recognize our responsibility to positively impact the communities and environment in which we operate. We firmly believe that by incorporating sustainable practices and contributing to the well-being of society, we can create long-term value for all stakeholders. Our focus areas include Animal Welfare, Human Welfare, Health care and Children Protection.

We have increased our CSR expenditure each year and ended spending ₹8.33 million for the Financial Year 2022-23, allowing us to expand our reach and make a greater impact. This upward trajectory reflects our dedication to continuously improve and contribute meaningfully to society.

By aligning our business goals with sustainable practices and social responsibility, we aim to create a brighter and more inclusive future for all.



**Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ajay Pungalia	Chairperson / Wholetime Director	2	2

2	Mr. Shripal Bhansali	Member / Independent Director	2	2
3	Mr. Manohar Lal Punglia	Member / Managing Director	2	2

2. Provide the web-link where Composition of **CSR Committee**, **CSR Policy** and CSR projects approved by the board are disclosed on the website of the company. <https://www.vprp.co.in/composition-of-committees>

3. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable, as the Company did not have CSR obligation of Ten Crore Rupees or more in preceding 3 financial years

4. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹in million)	Amount required to be set-off for the financial year, if any (₹in million)
1	2022-23	1.04	Nil
2	2021-22	1.07	Nil
3	2020-21	Nil	Nil
4	2019-20	Nil	Nil

(₹in million)

5. Average **net profit** of the company as per **section 135(5)**

**364.76**

6. (a) Two percent of average **net profit** of the company as per **section 135(5)**

**7.29**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

**0**

(c) Amount required to be set off for the financial year, if any

**0**

(d) **Total CSR obligation for the financial year (7a+7b-7c)**

**7.29**

**7. (a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in ₹million)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹8.33	0	NA	NA	0	NA

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

1	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in Rs.).	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District.						Name	CSR Registration number.
<b>-- Not Applicable --</b>												

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹ million).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District.			Name	CSR Registration number.
1	Animal Welfare	Animal welfare	Yes	Rajasthan	Barmer	0.2	Yes	Shree Aalam Gaushala Sansthan	CSR00027822
2	Community, personal & Social Services	Human Welfare	Yes	Rajasthan	Barmer	1	Yes	Shree Maheshwari Panchayat Sansthan	CSR00014858
3	Community, personal & Social Services	Human Welfare	Yes	Rajasthan	Mumbai	3	Yes	ABMM Maheshwari relief foundation	CSR000014175
4	Animal Welfare	Animal welfare	Yes	Rajasthan	Barmer	0.1	Yes	Shree Aalam Gaushala Sansthan	CSR00027822
5	Community, personal & Social Services	Human Welfare	Yes	Rajasthan	Barmer	0.5	Yes	Shree Maheshwari Panchayat Sansthan	CSR00014858

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹ million).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District.			Name	CSR Registration number.
6	Health Care	Human Welfare	Yes	Rajasthan	Jodhpur	0.15	Yes	Sudarshan Sewa Sansthan	CSR00020659
7	Community, personal & Social Services	Human Welfare	Yes	Rajasthan	Jodhpur	0.25	Yes	Prabandh Samiti	CSR00003913
8	Animal Welfare	Animal welfare	Yes	Rajasthan	Umed Nagar	0.41	Yes	Shri Ram Gausahala Trust	CSR00043134
9	Animal Welfare	Animal welfare	Yes	Rajasthan	Barmer	0.1	Yes	Shree Aalam Gausahala Sansthan	CSR00027822
10	Community welfare	Human Welfare	Yes	Rajasthan	Jodhpur	0.12	Yes	Jodhpur Industries Association	CSR00028112
11	Community, personal & Social Services	Human Welfare	Yes	Rajasthan	Barmer	1	Yes	Shree Maheshwari Panchayat Sansthan	CSR00014858

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No.	Name of the Project.	Item from the list of activities in Schedule VII to the <u>Act</u> .	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹ million).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District.			Name	CSR Registration number.
12	Community, personal & Social Services	Human Welfare	Yes	Rajasthan	Jodhpur	1.5	Yes	ABMM Maheshwari relief foundation	CSR000014175
	<b>Total</b>					<b>8.33</b>			

(d) Amount spent in Administrative overheads **Nil**

(e) Amount spent on Impact Assessment, if applicable **NA**

(f) Total amount spent for the Financial Year **₹8.33 millions**  
(8b+8c+8d+8e)

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹million)
(i)	Two percent of average <u>net profit</u> of the company as per <u>section 135(5)</u>	7.29
(ii)	Total amount spent for the Financial Year	8.33
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.03
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1.03

8. (a) Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under <u>section 135 (6)</u> (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per <u>section 135(6)</u> , if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer.	
- - Not Applicable - -							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project Completed /Ongoing.
- - Not Applicable - -								

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (**asset-wise details**).

(a) Date of creation or acquisition of the capital asset(s). Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset. Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). Not Applicable

**10. Reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).**

Not applicable, as during the year under review, the company has spent the requisite amount as is required under section 135(5) of the Act.

**ANNEXURE-IV**

**OUR PHILOSOPHY ON CORPORATE GOVERNANCE**

With effective corporate governance in place, compliance with various laws is taken care of easily by abiding with rules, regulations and policies. Moreover, good governance supports rapid and accurate prioritising of actions, thereby streamlining the executive decision-making process and its associated performance results. There is a strong correlation between good governance and improved organisational performance. We believe our company shall go beyond adherence to regulatory framework. Our corporate structure, business operations and disclosure practices have been strictly aligned to our corporate governance philosophy. We accord highest priority to these systems and protect the interests of all our shareholders, particularly the minority shareholders. The Company has adopted a Code of Conduct for Directors and Senior Management Personnel. The Company's Corporate Governance philosophy has been further strengthened through Code of Conduct for Prevention of Insider Trading Policy and Whistle Blower Policy.

**Board of Directors**

Our governance structure typically comprises of Board of Directors, Committees of the Board. The Board composition and categories of Directors, Committee Membership(s)/ Chairmanship(s) as on 31st March 2023, attendance of each Director at the Board Meetings of the Company held during Financial Year 2022-23 and at the last Annual General Meeting ('AGM') of the Company as at 31st March 2023 are given below: -

**A. Board Meeting held During FY 2022-23**

S. No.	Date of Meeting	Board Strength	No. of Directors Present
1.	08-04-2022	10	6
2.	29-04-2022	10	5
3.	05-05-2022	10	5
4.	25-05-2022	10	5
5.	06-06-2022	10	5
6.	10-06-2022	10	6
7.	23-06-2022	10	7
8.	27-06-2022	10	8
9.	01-07-2022	10	6
10.	26-07-2022	10	5
11.	08-08-2022	10	5
12.	23-08-2022	10	5
13.	02-09-2022	10	4
14.	03-09-2022	10	7
15.	09-09-2022	10	5
16.	27-09-2022	10	6

S. No.	Date of Meeting	Board Strength	No. of Directors Present
17.	04-10-2022	10	5
18.	19-10-2022	10	5
19.	25-10-2022	10	6
20.	08-11-2022	11	5
21.	21-11-2022	11	7
22.	14-12-2022	11	6
23.	28-12-2022	11	4
24.	20-01-2023	11	7
25.	03-02-2023	11	6
26.	14-02-2023	11	6
27.	01-03-2023	11	5
28.	17-03-2023	11	5
29.	27-03-2023	11	5

S. No.	Name of Director	No of Board Meeting		Whether Attended Last AGM held on 30-09-2022
		Entitle to Attend	Attended	
1.	Manohar Lal Punglia	29	20	YES
2.	Vishnu Prakash Punglia	29	23	YES
3.	Sanjay Kumar Punglia	29	19	YES
4.	Kamal Kishor Pungalia	29	19	YES
5.	Ajay Pungalia	29	19	YES
6.	Vijay Pungalia	19	7	YES
7.	Anil Punglia	19	10	YES
8.	Shripal Bhansali	29	13	YES
9.	Nilima Bhansali	29	11	YES
10.	Krishan Murari Lal Mathur	29	11	YES
11.	Ratan Lahoti	10	4	NA
12.	Surendra Sharma	10	2	NA
13.	Uttam Chand Singhvi	10	4	NA

## B. Nomination and Remuneration Committee Meetings held During FY 2022-23

S. No.	Date of Meeting	Member Strength	No. of Members Present
1.	06-04-2022	4	4
2.	11-02-2023	4	4

S. No.	Name of Member of Committee	No. of Meetings of Committee	
		Entitled to Attend	Attended
1.	Mr. Shripal Bhansali	2	2
2.	Mrs. Nilima Bhansali	2	2
3	Mr. Krishna Murarilal Mathur	2	2
4	Mr. Ajay Pungalia	2	2

### The role and scope of the Nomination and Remuneration Committee be as follows:

- (i) To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board, a Policy relating to the remuneration of directors, KMP and other employees;
- (ii) Evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the roles and responsibilities of required of an ID;
- (iii) To identify persons who are qualified to become Directors and who may be appointed as SMP in accordance with the criteria laid down;
- (iv) To recommend / guide the Board in relation to appointment and removal of Directors, KMP, SMP;
- (v) To formulate the criteria for evaluation of performance of IDs and the Board;
- (vi) To specify the manner for effective evaluation of performance of Board, its Committees and individual Directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance;
- (vii) On the basis of performance evaluation report of the ID, to assess whether to extend or continue the term of the ID;
- (viii) To recommend to the Board, all remuneration (in whatever form) payable to senior management;
- (ix) To devise a policy on Board Diversity;
- (x) To retain and promote talent to ensure long term sustainability of talented managerial persons and create competitive advantage;
- (xi) To develop a succession plan for the Board;
- (xii) To review that the Company does not appoint or continue the employment of any person as-
  - (A) a managing director, whole-time director or manager who has not attained the age of 21 years or attained the age of seventy (70) years, provided however, that the term of the person holding this position may be extended beyond the age of seventy (70) years with the approval of shareholders by passing a special resolution;
  - (B) a non-executive director who has attained the age of seventy-five (75) years unless a special resolution is passed to that effect;
- (xiii) To consider the term / tenure of appointment and conditions for appointment of managing director / whole-time director which shall be subject to the provisions of the Act including any modifications, amendments, enactments, re-enactments thereof for the time being in force.

**Details of Remuneration paid to Directors:**

Name of Director	Remuneration (Annual in millions)	Sitting Fees	Commission
Vishnu Prakash Punglia	7.50	-	-
Manohar Lal Punglia	7.50	-	-
Sanjay Kumar Punglia	6.40	-	-
Kamal Kishor Pungalia	6.40	-	-
Ajay Pungalia	6.40	-	-

**C. Audit Committee Meetings held During FY 2022-23**

S. No.	Date of Meeting	Member Strength	No. of Members Present
1.	25-06-2022	3	3
2.	20-10-2022	3	3
3.	15-02-2023	3	3
4.	25-03-2023	3	3

S. No.	Name of Member of Committee	No. of Meetings of Committee	
		Entitled to Attend	Attended
1.	Mr. Shripal Bhansali	3	3
2.	Mr. Ajay Pungaliya	3	3
3.	Mrs. Nilima Bhansali	3	3
4.	Mr. Krishan Murari Lal Mathur	1	1
5.	Mr. Uttam Chand Singhvi	1	1
6.	Mr. Surendra Sharma	1	1

### **Brief Terms of Reference of Audit Committee:**

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - (ii) Changes, if any, in accounting policies and practices and reasons for the same;
  - (iii) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (iv) Significant adjustments made in the financial statements arising out of audit findings;
  - (v) Compliance with listing and other legal requirements relating to financial statements;
  - (vi) Disclosure of any related party transactions;
  - (vii) Qualifications in the draft audit report
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence, performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non – payment of declared dividends) and creditors;
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases;
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
21. To investigate any other matters referred to by the Board;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### **D. Corporate Social Responsibility Committee Meetings held During FY 2022-23**

S. No.	Date of Meeting	Member Strength	No. of Members Present
1.	15-04-2022	3	3
2.	27-02-2023	3	3

S. No.	Name of Member of Committee	No. of Meetings of Committee	
		Entitle to Attend	Attended
1.	Mr. Shripal Bhansali	2	2
2.	Mr. Ajay Pungalia	2	2
3.	Mr. Manohar Punglia	2	2

**Brief Terms of Reference of CSR Committee:**

1. To outline the development areas in which the Company shall get involved in.
2. To define the governance structure for CSR management within the Company.
3. To guide the Company in crafting unique models to support creation of sustainable livelihoods together with environmental re-generation.
4. To formulate and place before the Board, an annual action plan which shall include the following:
  - (i) The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
  - (ii) The manner of execution of such projects or programmes;
  - (iii) The modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - (iv) Details of impact assessment, if any, for projects undertaken by the Company.
5. To review the report on the CSR activities undertaken and keep the Board apprised, once every six (6) months, on the status of implementation of the CSR Programmes.
6. To consider an Annual Report on CSR activities and recommend the same for the approval of the Board at the end of every financial year.

**E. Separate Independent Director's Meetings held During FY 2022-23**

S. No.	Date of Meeting	Member Strength	No. of Members Present
1.	11-02-2023	6	6

S. No.	Name of Member of Committee	No. of Meetings of Committee	
		Entitle to Attend	Attended
1.	Mr. Shripal Bhansali	1	1
2.	Mr. Krishan Murari Lal Mathur	1	1
3.	Mrs. Nilima Bhansali	1	1
4.	Mr. Ratan Lahoti	1	1
5.	Mr. Uttam Chand Singhvi	1	1
6.	Mr. Surendra Sharma	1	1

## **INDEPENDENT AUDITORS' REPORT**

To  
The Members of  
Vishnu Prakash R. Punglia Limited

### ***Report on the Audit of the Financial Statements***

#### **Opinion**

We have audited the accompanying financial statements of **Vishnu Prakash R. Punglia Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended and notes to the financial statements including a summary of the significant accounting policies and other explanatory information, which includes 15 jointly controlled operations incorporated on a proportionate basis (Refer Note 38 to attached financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards as prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2023, its profit including other comprehensive income, changes in equity and its cash flows for the year then ended.

#### **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 for the Audit of the Financial Statements 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements 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 Code of Ethics. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 13 of the Other Matter Paragraph below, is sufficient and appropriate to provide a basis for our audit opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have

determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p><b>Revenue recognition for long term construction contracts</b></p> <p>(Refer to note 2.2(K) and 23 of the financial statements).</p> <p>The Company's significant portion of business is undertaken through long term construction contracts which is in nature of engineering, procurement and construction basis. The contract prices are fixed and, in some cases, subject to price variance clauses.</p> <p>Revenue from these contracts, where the performance obligation satisfied over time, is recognised in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to survey of work performed.</p> <p>Revenue recognition from these contracts involves significant degree of judgments and estimation including identification of contractual obligations, the Company's rights to receive payments for performance obligation completed till date which includes measuring and recognition of contract assets, change of scope and determination of onerous obligations which include estimation of contract costs.</p> <p>Revenue recognition is significant to the financial statements based on the quantitative materiality and nature of construction contracts involves significant judgements as explained above. Accordingly, we considered this as a key audit matter.</p>	<p>Our procedures over the recognition of revenue included the following:</p> <ul style="list-style-type: none"> <li>• Read the Company's revenue recognition accounting policy and assessed compliance of the policy in terms of Ind AS 115 - Revenue from Contracts with Customers.</li> <li>• Obtained an understanding of the Company's processes and controls for revenue recognition process, evaluated the design, and tested the operating effectiveness of the controls over revenue recognition with specific focus on determination of stage of completion, considering impact of change in scope and estimation of contract cost.</li> <li>• For a sample of contracts, we obtained the percentage of completion calculations, agreed key contractual terms to the signed contracts, tested the mathematical accuracy of the cost to complete calculations and re-performed the calculation of revenue recognized during the year based on the percentage of completion.</li> <li>• For costs incurred to date, we tested samples to appropriate supporting documentation and performed cut off procedures.</li> <li>• To test the forecast cost to complete, we obtained the breakdown of costs forecasts and tested elements of the forecast by obtaining executed purchase orders and agreements, evaluating reasonableness of management's judgements and assumptions using past trends and comparing the estimated costs to the actual costs incurred for the similar completed projects.</li> <li>• Assessed the relevant disclosures made by the company in accordance with Ind AS 115.</li> </ul> <p>Based on the above procedures performed, we considered the manner of estimation of contract cost and recognition of revenue to be reasonable.</p>

## **Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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 financial statements, 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. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Conclude on the appropriateness of management's 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 Company's ability 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements 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 Matter**

We did not audit the financial statements of 15 jointly controlled operations included in the financial statements of the Company, which constitute total assets of Rupees 627.37 Million as

at March 31, 2023, total revenue of Rupees 2493.15 Million, and net cash inflow/(outflow) amounting to Rupees 17.74 Million. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management, and our opinion on the financial statements (including other information) in so far as it relates to the amounts and disclosures included in respect of these jointly controlled operations is based solely on the reports of such other auditors.

Our opinion on the financial statements, and our report on Other legal and regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Foot note 2 of note no. 38 regarding not incorporating joint operation assets, liabilities revenues and expenses in the financial statements on accounts of dispute with joint venture partner. Our respective opinion on the financial statements is not modified in respect of this matter.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in clauses 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company and its joint operation so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls refer to our separate Report in "Annexure B".
  - (g) The company has not declared or paid any dividend during the year.

- (h) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact, if any, of pending litigations as at 31<sup>st</sup> March 2023, on its financial position in its financial statements,
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned or invested any funds (either from the borrowed funds or share premium or any other source or kinds of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entities, with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on such audit procedures considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause iv(a) and iv(b) contain any material mis-statement.

**For BANSHI JAIN & ASSOCIATES**  
**Chartered Accountants**  
Firm Registration No. 100990W

Place: JODHPUR  
Date: 24<sup>th</sup> June, 2023

**HEMANT MALU**  
Partner  
Membership No. 404017  
UDIN:23404017BGZRAP9529

## **Annexure A to Independent Auditors' Report**

Annexure referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Vishnu Prakash R. Punglia Limited.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i) (a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, right of use assets and investment property.  
  
(B) The Company does not own any intangible assets, accordingly reporting under clause 3(i)(a)(B) of the said Order is not applicable to the company.  
  
(b) The Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals in a phased manner so as to generally cover all the assets over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.  
  
(c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.  
  
(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.  
  
(e) No proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the company
- ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as

compared to book records were not 10% or more in aggregate for each class of inventory and have been appropriately dealt with in the books of account.

(b) The Company has been sanctioned working capital limits in excess of Rs 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account of the company of the respective quarters.

- iii) (a) The Company has made investment in three mutual fund schemes, granted unsecured loans to two companies & two firms during the year.

The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans to subsidiaries, joint Venture, associates and parties other than subsidiaries, joint Venture, associates are as per the table given below:

Particulars	Amount (in INR Millions)
<b><u>Aggregate Amount granted/provided during the year:</u></b>	
- Subsidiaries, joint venture, associates	-
- Others	181.19
<b><u>Balance outstanding as at balance sheet date in respect of above cases</u></b>	
- Subsidiaries, joint venture, associates	-
- Others	89.73

The Company has not provided any guarantee or security to companies, firms, limited liability partnerships or other parties.

(Also refer Note 5, 8, and 41 to the financial statements)

(b) In respect of the aforesaid investments, guarantees and loans, the terms and conditions under which such loans were granted, investments were made and guarantees provided are not prejudicial to the Company's interest.

(c) In respect of the aforesaid loans, no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in the absence of stipulation of repayment terms, we are unable to comment on the regularity of repayment of principal and payment of interest.

(d) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) Following loans were granted to related parties under Section 2(76), which are repayable on demand or where no schedule for repayment of principal and payment of interest has been stipulated by the Company as follow:

Particulars	(Amount in INR Millions)	
	All Parties	Related Parties
<b><u>Aggregate of loan/advances in nature of loan:</u></b>		
-Repayable on demand	181.19	173.69
-Without specifying any terms or period of repayments	0.00	0.00
<b><u>% of loans/advances in nature of loan to the total loans</u></b>	100	95.86

- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. Further, as no guarantees/security has been given towards the parties specified in section 185, hence clause with regard to these matters are not applicable to the Company.
- v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have any unclaimed deposit as at March 31, 2023 and therefore, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder are not applicable to the Company. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.
- vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii) (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax and any other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of these statutory dues were in arrears as at 31<sup>st</sup> March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, goods and service tax, duty of customs, duty of excise, value added tax which have not been deposited with the appropriate authorities on account of any dispute, except the following income tax dues:

Nature of the Statute	Nature of Dues	Amount (in Million Rupees)	Period to which the amount relates	Forum Where Dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	0.68	FY 2019-20	Commissioner Income Tax (Appeals)	
Income Tax Act, 1961	Income Tax	0.38	FY 2016-17	Commissioner Income Tax (Appeals)	Amount of demand comprise of Company's share in Joint Operation - VPRPL RBIPL JV
Income Tax Act, 1961	Income Tax	0.36	FY 2017-18	Commissioner Income Tax (Appeals)	Amount of demand comprise of Company's share in Joint Operation - VPRPL RBIPL JV
Income Tax Act, 1961	Income Tax	1.07	FY 2017-18	Commissioner Income Tax (Appeals)	Amount of demand comprise of Company's share in Joint Operation - VPRPL WABAG JV

- viii) In our opinion and according to the information and explanations given to us, the company does not have any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly reporting under clause 3(viii) of the Order is not applicable.
- ix) (a) According to the records of the company examined by us and the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans taken were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in subsidiary, joint ventures or associate companies and hence reporting under clause 3(ix)(f) of the Order is not applicable.

- x) (a) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable
- (b) According to the information and explanation given to us, during the year the Company has made private placement of shares and has complied the requirements of section 42 and section 62 of the Companies Act 2013 and the fund raised have been used for the purpose for which the funds were raised. Further the company has not made any preferential allotment of shares or convertible debentures during the year.
- xi) (a) During the course of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud done by the company or any fraud done on the company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- (b) No case or report under sub-section (12) of section 143 of the Companies Act has been committed to be filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) The report of the internal auditor for the period under audit have been considered by us.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, reporting under clause 3(xv) of the Order is not applicable.

- xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditor.
- xix) According to the information and explanations given to us and based on our examination of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx) The Company has fully spent the required amount towards Corporate Social Responsibility (“CSR”) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Act, or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3 (xx) of the Order is not applicable for the year.

**For BANSHI JAIN & ASSOCIATES**  
**Chartered Accountants**  
Firm Registration No. 100990W

Place: JODHPUR  
Date: 24<sup>th</sup> June, 2023

**HEMANT MALU**  
Partner  
Membership No. 404017  
UDIN: 23404017BGZRAP9529

## **Annexure B to Independent Auditors' Report**

Annexure B referred to in paragraph 2(f) under the heading Report on Other Legal and Regulatory Requirements of our report of even date to the members of Vishnu Prakash R. Punglia Limited

### **Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Act**

We have audited the internal financial controls over financial reporting of Vishnu Prakash R. Punglia Limited ("the Company") as of 31st March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that -

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For BANSHI JAIN & ASSOCIATES**  
**Chartered Accountants**  
Firm Registration No. 100990W

Place: JODHPUR  
Date: 24<sup>th</sup> June, 2023

**HEMANT MALU**  
Partner  
Membership No. 404017  
UDIN: 23404017BGZRAP9529

**VISHNU PRAKASH R PUNGLIA LIMITED**

**Balance Sheet as at March 31, 2023**

(All amounts are in Rupees Millions, unless otherwise stated)

Particulars	Note No.	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
<b>ASSETS</b>				
<b>Non - Current Assets</b>				
Property, Plant and Equipment	3	1,253.67	720.44	484.98
Capital Work - in - Progress	3A	55.56	3.27	-
Investment Property	4	93.84	94.42	68.82
<b>Financial Assets</b>				
i. Investments	5	8.63	5.44	2.41
ii. Other Financial Assets	5A	97.10	42.97	62.20
Other Non Current Assets	6	15.12	0.26	11.73
<b>Total Non - Current Assets (A)</b>		<b>1,523.92</b>	<b>866.80</b>	<b>630.14</b>
<b>Current assets</b>				
Inventories	7	3,125.50	1,768.13	1,053.38
<b>Financial assets</b>				
i. Loans & Advances	8	89.73	17.22	1.79
ii. Trade receivables	9	1,977.40	1,168.69	1,000.90
iii. Cash and cash equivalents	10	150.01	131.91	44.89
iv. Other Balance with Bank	11	549.50	254.88	232.78
v. Other Financial Assets	12	104.55	80.19	75.98
Current Tax Assets (Net)	13	84.92	80.08	32.71
Other Current Assets	14	649.30	610.22	237.88
<b>Total current assets (B)</b>		<b>6,730.91</b>	<b>4,111.32</b>	<b>2,680.31</b>
<b>Total Assets (A+B)</b>		<b>8,254.83</b>	<b>4,978.12</b>	<b>3,310.45</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	15	934.44	281.48	281.48
Other Equity	16	2,210.63	1,305.42	854.66
<b>Total Equity (A)</b>		<b>3,145.07</b>	<b>1,586.90</b>	<b>1,136.14</b>
<b>LIABILITIES</b>				
<b>Non Current liabilities</b>				
<b>(a) Financial Liabilities</b>				
Long Term Borrowings	17	602.97	418.62	190.56
(b) Provisions	18	9.10	9.79	6.48
(c) Deferred Tax Liability	19(c)	31.82	22.77	21.56
		<b>643.89</b>	<b>451.18</b>	<b>218.60</b>
<b>Current liabilities</b>				
<b>(a) Financial Liabilities</b>				
i. Short Term Borrowings	17	1,900.77	1,347.15	917.26
ii. Trade payables	20			
Due to micro and small enterprise		291.91	101.69	315.27
Due to other than micro and small enterprise		1,770.11	1,079.67	625.84
iii. Other Financial Liabilities	21	91.12	123.47	69.01
(b) Other current liabilities	22	350.22	287.78	27.35
(c) Provisions	18	0.33	0.28	0.98
(d) Current Tax Liabilities (Net)	13A	61.41	-	-
		<b>4,465.87</b>	<b>2,940.04</b>	<b>1,955.71</b>
<b>Total liabilities (B)</b>		<b>5,109.76</b>	<b>3,391.22</b>	<b>2,174.31</b>
<b>Total Equity and Liabilities (A+B)</b>		<b>8,254.83</b>	<b>4,978.12</b>	<b>3,310.45</b>

The above Annexure should be read with the basis of preparation and Significant Accounting Policies and Notes to the Financial Statements.

**For and on Behalf of Board of  
VISHNU PRAKASH R PUNGLIA LIMITED**

**Manohar Lal Punglia**  
Managing Director  
DIN : 02161961

**Ajay Pungalia**  
Whole Time Director  
DIN : 02162190

**Sarfaraz Ahmed**  
Chief Financial  
Officer

**Neha Matmani**  
Company Secretary  
Membership No.  
A69247

As per our report of even date  
**For Banshi Jain & Associates**  
Chartered Accountants  
FRN : 0100990W

**Hemant Malu**  
Partner  
Membership No. 404017

Date: 24th June 2023  
Place: Jodhpur

**VISHNU PRAKASH R PUNGLIA LIMITED**

**Statement of Profit and Loss for the year ended March 31, 2023**

(All amounts are in Rupees Millions, unless otherwise stated)

Particulars	Note No.	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>REVENUE :</b>			
Revenue from Operations	23	11,684.04	7,856.13
Other Income	24	30.60	17.74
<b>Total Income</b>		<b>11,714.64</b>	<b>7,873.87</b>
<b>EXPENSES :</b>			
Purchase Cost	25	4,884.34	3,456.23
Construction Expenses	26	6,150.63	4,001.26
Changes in Inventories	27	(1,357.37)	(714.75)
Employee Benefits Expense	28	265.29	149.71
Finance Costs	29	302.28	240.73
Depreciation and Amortisation Expense	30	69.76	41.87
Other Expenses	31	175.32	95.01
<b>Total Expenses</b>		<b>10,490.25</b>	<b>7,270.06</b>
<b>Profit before Tax</b>		<b>1,224.39</b>	<b>603.81</b>
<b>Tax Expenses</b>	19(a)		
Current Tax		308.88	154.13
Deferred Tax		9.08	1.21
<b>Profit / [Loss] for the year</b>		<b>906.43</b>	<b>448.47</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>A. Other Comprehensive income not to be reclassified to profit and loss in subsequent years:</b>			
Financial Instruments through Other Comprehensive Income		0.02	0.04
Gain on sale of Equity Instruments through Other Comprehensive Income		0.02	0.18
Remeasurements of defined employee benefit		6.67	2.07
Deferred Tax on revaluation of financial instruments		0.03	(0.00)
<b>B. Other Comprehensive income to be reclassified to profit and loss in subsequent periods:</b>			
<b>TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>6.74</b>	<b>2.29</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>		<b>913.17</b>	<b>450.76</b>
<b>Earnings Per Share (EPS) attributable to Equity Shareholder</b>	32		
Basic EPS & Diluted EPS (INR)		10.41	5.31

The above Annexure should be read with the basis of preparation and Significant Accounting Policies and Notes to the Financial Statements.

**For and on Behalf of Board of  
VISHNU PRAKASH R PUNGLIA LIMITED**

**Manohar Lal Punglia**  
Managing Director  
DIN : 02161961

**Ajay Pungalia**  
Whole Time Director  
DIN : 02162190

**Sarfraz Ahmed**  
Chief Financial Officer

**Neha Matnani**  
Company Secretary  
Membership No.  
A69247

*As per our report of even date*  
**For Banshi Jain & Associates**  
Chartered Accountants  
FRN : 0100990W

**Hemant Malu**  
Partner  
Membership No. 404017

Date: 24th June 2023  
Place: Jodhpur

**VISHNU PRAKASH R PUNGLIA LIMITED**

**Statement of Changes in Equity for the year ended March 31,2023**

(All amounts are in Million Rupees, unless otherwise stated)

**A. Equity Share Capital**

Particular	Amount
Balance as at 1st April, 2021	281.48
Changes in equity share during the year	-
Balance as at 31st March 2022	<b>281.48</b>
Changes in equity share during the year	652.96
Balance as at 31st March 2023	<b>934.44</b>

**B. Other Equity**

Particular	Reserves and Surplus		Other Comprehensive Income	Total
	Securities Premium	Retained Earnings		
<b>Balance as at April 1, 2021</b>		<b>852.39</b>	<b>2.27</b>	<b>854.66</b>
Profit for the year		448.47	-	448.47
Other Comprehensive Income for the year		-	2.29	2.29
Transfer on disposal of financial instruments		0.19	(0.19)	
<b>Balance as at March 31, 2022</b>		<b>1,301.05</b>	<b>4.37</b>	<b>1,305.42</b>
<b>Balance as at April 1, 2022</b>	-	<b>1,301.05</b>	<b>4.37</b>	<b>1,305.42</b>
Additions During the year	615.00	-	-	615.00
Profit for the year	-	906.43	-	906.43
Other Comprehensive Income for the year	-	-	6.74	6.74
Transfer on disposal of financial instruments	-	0.05	(0.05)	-
Utilised for issue of bonus equity shares	-	(622.96)		(622.96)
<b>Balance as at March 31, 2023</b>	<b>615.00</b>	<b>1,584.57</b>	<b>11.06</b>	<b>2,210.63</b>

The above Annexure should be read with the basis of preparation and Significant Accounting Policies and Notes to the Financial Statements.

**For and on Behalf of Board of  
VISHNU PRAKASH R PUNGLIA LIMITED**

**Manohar Lal Punglia**  
Managing Director  
DIN : 02161961

**Ajay Pungalia**  
Whole Time Director  
DIN : 02162190

**Sarfaraz Ahmed**  
Chief Financial Officer

**Neha Matnani**  
Company Secretary  
Membership No.  
A69247

As per our report of even date  
**For Banshi Jain & Associates**  
Chartered Accountants  
**FRN : 0100990W**

**Hemant Malu**  
Partner  
Membership No. 404017

Date: 24th June 2023  
Place: Jodhpur

**VISHNU PRAKASH R PUNGLIA LIMITED**

**Statement of Cash Flow for the year ended March 31, 2023**

(All amounts are in Million Rupees, unless otherwise stated)

<b>PARTICULARS</b>	<b>For the year ended 31st March 2023</b>	<b>For the year ended 31st March 2022</b>
<b>Cash Flow From Operating Activities :</b>		
Net Profit/(Loss) before taxation	<b>1,224.39</b>	<b>603.81</b>
<u>Adjustments for:</u>		
Depreciation	69.76	41.87
Finance Cost	302.28	240.73
Interest received	(27.24)	(14.66)
Rental Income	(0.40)	(0.49)
Remeasurement of Defined Employee Benefit	6.67	2.07
(Gain)/Loss on sale of PPE	(0.41)	0.20
Operating Profit before Working Capital changes	<b>1,575.05</b>	<b>873.53</b>
Adjustments for :		
(Increase)/Decrease in Non Current Assets	(14.86)	11.47
(Increase)/Decrease in Inventories	(1,357.37)	(714.75)
(Increase)/Decrease in Loans and advances	(72.52)	(15.43)
(Increase)/Decrease in Other Financial Assets	(24.35)	(4.21)
(Increase)/Decrease in Trade Receivables	(808.72)	(167.79)
(Increase)/Decrease in Other Current Assets	(39.08)	(372.34)
Increase/(Decrease) in Trade payables	880.66	240.25
Increase/(Decrease) in Other Financial Liabilities	(32.35)	54.46
Increase/(Decrease) in Provisions	(0.65)	2.61
Increase/(Decrease) in Other Current Liabilities	62.44	260.43
Cash generated from operations	<b>168.25</b>	<b>168.23</b>
Less : Taxes paid (Net of Refunds)	252.31	201.50
<b>Net cash generated in operating activities (A)</b>	<b>(84.06)</b>	<b>(33.27)</b>
<b>Cash Flow From Investing Activities :</b>		
Purchase of Investments	(3.60)	(5.00)
Sale of Investments	0.46	2.19
Purchase of Investment Property	(0.14)	(26.32)
Purchase of Property Plant & Equipments	(655.61)	(285.50)
Sale of Property Plant & Equipments	1.48	5.42
Investments in Fixed Deposits (net)	(348.75)	(2.87)
Rental Income	0.40	0.49
Interest received	27.24	14.66
<b>Net cash from investing activities (B)</b>	<b>(978.52)</b>	<b>(296.93)</b>
<b>Cash Flow From Financing Activities</b>		
Proceeds from Long Term Borrowings	606.13	440.93
Repayment of Long Borrowings	(256.40)	(141.16)
(Repayment) / Proceeds from Short Term Borrowings (Net)	388.23	358.18
Proceeds from issue of shares	645.00	-
Finance Cost	(302.28)	(240.73)
<b>Net cash used in financing activities (C)</b>	<b>1,080.68</b>	<b>417.22</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A + B + C)</b>	<b>18.10</b>	<b>87.02</b>
Cash & Cash Equivalents as at beginning of the year	131.91	44.89
Cash & Cash Equivalents as at end of the year	150.01	131.91
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>18.10</b>	<b>87.02</b>
<b>Components of cash and cash equivalents :</b>		
-Cash on hand	1.42	1.03
-Balances with Banks	-	-
-In Currents Accounts	148.59	130.88
<b>Total</b>	<b>150.01</b>	<b>131.91</b>

**NOTE :**

Cash flow has been prepared under the indirect method as set out in Ind AS 7 on "Statement on Cash Flows".

The above Annexure should be read with the basis of preparation and Significant Accounting Policies and Notes to the Financial Statements.

**For and on Behalf of Board of  
VISHNU PRAKASH R PUNGLIA LIMITED**

**Manohar Lal Punglia**  
Managing Director  
DIN : 02161961

**Ajay Pungalia**  
Whole Time Director  
DIN : 02162190

**Sarfraz Ahmed**  
Chief Financial Officer

**Neha Matnani**  
Company Secretary  
Membership No. A69247

As per our report of even date  
**For Banshi Jain & Associates**  
Chartered Accountants  
FRN : 0100990W

**Hemant Malu**  
Partner  
Membership No. 404017

**Date: 24th June 2023**  
**Place: Jodhpur**

# VISHNU PRAKASH R PUNGLIA LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 1. Corporate Information

**Vishnu Prakash R. Punglia Limited (VPRP) (CIN - U45203MH2013PLC243252)** (hereinafter referred as “The Company”) was incepted in year 1986 having its registered office at Unit No. 3, 5Th Floor, B-Wing, Trade Star Premises Co-Operative Society Limited building At Village Kondivita, Mathuradas VasANJI Road, Near Chakala Metro Station, Andheri East Mumbai MH-400059, as a Construction & infrastructure Development partnership firm, later in April 2013 Converted as a limited company under Part IX of Indian Companies act 1956.

The company is registered with the Registrar of Companies, Mumbai (Maharashtra) India and engaged in the business of engineering, procurement and construction of infrastructure projects.

### 2. Basis of Preparation, Measurement and Significant Accounting Policies

#### 2.1 Basis of Preparation and Measurement

##### A. Financial Statement of Compliance

The financial statements of the Company comprise the Balance Sheet as at 31<sup>st</sup> March 2023, the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year ended 31<sup>st</sup> March 2023, the summary of significant accounting policies and explanatory notes (collectively, the ‘Financial Statements’).

These Financial Statements have been prepared by the management in accordance with applicable provision of the Companies Act 2013 and to comply in all material respects with the Indian Accounting Standards (“Ind AS”) as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Act, as applicable to the financial statements and other relevant provisions of the Act.

Pursuant to the Companies (Indian Accounting Standard) Second Amendment Rules, 2015, the Company has prepare its first set of statutory financial statements as per Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) for the year ended 31<sup>st</sup> March 2023 and consequently 1<sup>st</sup> April 2021 is the transition date for preparation of such statutory financial statements. Up to the financial year ended 31<sup>st</sup> March 2022, the Company prepared its financial statements in accordance with accounting standards prescribed under Section 133 of the Companies Act, 2013 (“Indian GAAP”).

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented an explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows (Refer to Note 42).

These Financial Statements were approved for issue by the Company’s Board of Directors on June 2023.

##### B. Basis of Preparation:

The accounting policies set out below have been applied consistently to the periods presented in the Financial Statements. These Financial Statements have been prepared on a going concern basis.

##### C. Basis of Measurement:

The Financial Statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value or amortised cost method (refer accounting policy regarding financial instruments) or revalued amount.

# VISHNU PRAKASH R PUNGLIA LIMITED

## NOTES TO FINANCIAL STATEMENTS

### **D. Current and Non-Current Classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities only.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The operating cycle of the Company's operations varies from contract to contract depending on the size of the contract and related approvals. Accordingly, contract related assets and liabilities are classified into current and non-current based on the operating cycle of the contract. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

### **E. Functional and Presentation Currency**

The Financial Statements has been presented in Indian Rupees (Rs. or INR). All amounts have been rounded-off to the nearest millions and decimals thereof, unless otherwise mentioned.

### **F. Use of estimates, assumptions and judgements**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires, management to make judgements, estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented.

Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

### **Assumption and estimation uncertainties:**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the amounts recognised in the

Financial Statements is included in the following notes:

- (i) Impairment test of non-financial assets and financials assets
- (ii) Measurement of defined benefit obligations: key actuarial assumptions
- (iii) Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used

# VISHNU PRAKASH R PUNGLIA LIMITED

## NOTES TO FINANCIAL STATEMENTS

(iv) Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

### **G. Fair value measurement**

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

## **2.2 Significant accounting policies**

### **A. Property, plant and equipment**

#### **Recognition and Measurement**

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land is stated at cost.

The cost of an item of property, plant and equipment comprises:

- a) its purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment and depreciated accordingly.

#### **Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

# VISHNU PRAKASH R PUNGLIA LIMITED

## NOTES TO FINANCIAL STATEMENTS

### Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

### Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on written down value basis using the useful lives as prescribed under Schedule II to the Companies Act, 2013. If the management's estimate of the useful life of a property plant & equipment at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life.

Assets	Useful Life
Building & Property	60 years
Furniture & Fixtures	10 years
Plant & Equipment	5 - 15 years
Computer & Peripherals	3 years
Vehicles	8 - 10 years
Leasehold Land and Improvements	Over Lease Period

Depreciation on additions during the year is provided on pro rata basis with reference to month of addition/installation.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term. Leasehold land is amortised on a straight-line basis over the balance period of lease.

The residual values are not more than 5% of the original cost of the asset.

### Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

### B. Capital Work In Progress

Cost of assets not ready for intended use, as on balance sheet date is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as other non-current assets.

### C. Investment Property

#### Recognition and Measurement

Land and Building held to earn rental or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes: or sale in the ordinary course of business is recognised as investment property. Land held for a currently undetermined future use is also recognised as Investment Property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the

# VISHNU PRAKASH R PUNGLIA LIMITED

## NOTES TO FINANCIAL STATEMENTS

cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

### **Gain or Loss on Disposal**

Any gain or loss on disposal of an Investment Property is recognised in the Statement of Profit and loss.

### **D. Impairment**

#### **i. Impairment of financial Assets**

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost;
- contract assets recognised under contract with customers; and
- financial assets measured at FOCI- debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by each entity in the Company on terms that such entity would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured as 12 month expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Twelve months expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Companies historical experience and informed credit assessment and including forward-looking information.

#### **ii. Impairment of non-financial assets**

The Companies non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each GU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the GU (or the asset).

# VISHNU PRAKASH R PUNGLIA LIMITED

## NOTES TO FINANCIAL STATEMENTS

The Companies assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or GU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the GU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### **E. Inventories**

Inventories include finished goods, raw materials and Work in Progress. The inventory is valued at cost or Net Realisable Value, whichever is lower. Cost is ascertained on weighted average basis.

The cost of inventory include expenditure in purchasing the materials, production and conversion cost and other relevant costs incurred in bringing them to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### **F. Financial Instruments**

#### **i. Financial assets**

##### **Initial recognition and measurement**

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

##### **Classification:**

#### **a. Cash and Cash Equivalents**

Cash comprises cash/cheques on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investment that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### **b. Debt Instruments**

The Company classifies its debt instruments, as subsequently measured at amortised cost or fair value through Other Comprehensive Income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset

##### **i. Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal

# VISHNU PRAKASH R PUNGLIA LIMITED

## NOTES TO FINANCIAL STATEMENTS

and interest. Interest income from these financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

### **ii. Financial assets at fair value through Other Comprehensive Income (FVOCI)**

Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest. Movements in the carrying value are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Statement of Profit and Loss.

### **iii. Financial assets at fair value through profit or loss (FVTPL)**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on such debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship as well as interest income is recognised in the Statement of Profit and Loss.

### **c. Equity Instruments**

The Company subsequently measures all equity investment (other than the investments in subsidiaries, joint ventures and associates which are measured at cost) at fair value. Where the Company has elected to present fair value gains and losses on equity investments in Other Comprehensive Income ("OCI"), there is no subsequent reclassification of fair value of gains and losses to profit or loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payment is established.

The Company has made an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value of equity investments that are not held for trading (except investments in subsidiaries, joint ventures and associates which are measured at cost).

When the equity investment is de-recognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Retained Earnings directly.

### **De-recognition**

A financial asset is de-recognised only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### **ii. Financial liabilities**

#### **Initial recognition and measurement**

Financial liabilities are recognised when and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

# VISHNU PRAKASH R PUNGLIA LIMITED

## NOTES TO FINANCIAL STATEMENTS

All financial liabilities are recognised initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

### **Subsequent measurement**

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised, and through the amortisation process

### **De-recognition**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

### **Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

### **G. Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

### **H. Cash and Cash Equivalent**

Cash and cash equivalent includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

### **I. Statement of Cash Flows**

Cash flows are reported using the indirect method, whereby net profit before taxes for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### **J. Earnings per share**

#### **Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued.

# VISHNU PRAKASH R PUNGLIA LIMITED

## NOTES TO FINANCIAL STATEMENTS

### Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the profit attributable to owners of the company
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### K. Revenue Recognition

#### Revenue from contracts with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes taxes or other amounts collected from customers in its capacity as an agent. In determining the transaction price, the Company considers below, if any:

**a. Variable consideration** - This includes bonus, incentives, discounts etc. It is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

**b. Significant financing component** - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

**c. Consideration payable to a customer** - Such amounts are accounted as reduction of transaction price and therefore, of revenue unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the Company.

In accordance with Ind AS 37, the Company recognises a provision for onerous contract when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

#### Contract modifications

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to the existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if additional services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.

#### Cost to fulfil the contract

The Company recognises asset from the cost incurred to fulfil the contract such as set up and mobilisation costs and amortises it over the contract tenure on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

# VISHNU PRAKASH R PUNGLIA LIMITED

## NOTES TO FINANCIAL STATEMENTS

### Contract balances

#### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs its obligations by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the Customer.

#### Trade receivables

A receivable represents the Companies right to an amount of consideration that is unconditional ie. only the passage of time is required before payment of consideration is due.

#### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

### The accounting policies for the specific revenue streams of the Company are summarised below:

#### i. Sale of products

Revenue from the sale of products is recognised at point in time when the control of the goods is transferred to the customer based on contractual terms i.e. either on dispatch of goods or on delivery of the products at the customer's location.

#### ii. Construction contracts

Revenue, where the performance obligation is satisfied over time is recognised in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed. Otherwise, contract revenue is recognised as an expense in the statement of Profit and Loss in accounting periods in which work to which they relate is performed. An expected loss on a contract is recognised immediately in the Statement of Profit and Loss.

The Company recognises revenue at an amount for which it has right to consideration (i.e. right to invoice) from customer that corresponds directly with the value of the performance completed to the date.

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work and claims payments, to the extent that it is probable that they will result in revenue and can be measured reliably. The Company recognises bonus/ incentive revenue on early completion of the project upon acceptance of the corresponding claim by the Customer.

#### iii. Job work income

Job work income is recognized when the services are rendered and there are no uncertainties involved to its ultimate realization.

#### iv. Interest income

Interest income, including income arising from other financial instruments measured at amortised cost, is recognised using the effective interest rate method.

#### v. Dividend income

Revenue is recognised when the company's right to receive the payment is established, when it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when shareholders approve the dividend.

#### vi. Rental Income

Lease income from operating leases where the Company is a lessor is recognized as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation

# VISHNU PRAKASH R PUNGLIA LIMITED

## NOTES TO FINANCIAL STATEMENTS

to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

vii. Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

### L. Leases

In accordance with IND AS 116, the Company recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost which comprise the initial amount of lease liability adjusted for any lease payments made before the commencement date. The right of use asset is subsequently depreciated using the straight-line method of the balance lease term. In addition, the right of use asset is periodically reduced by impairment loss, if any and adjusted for certain remeasurements of lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the implicit rate in the lease or the incremental borrowing rate, if that rate cannot be readily available at the commencement date of the lease for the estimated term of the obligation.

Lease payments included in the measurement of the lease liability comprise the amounts expected to be payable over the period of lease. The lease liability is measured at amortised cost using effective interest rate method. It is remeasured when there is a change in future lease payments arising from change in the index or rate.

The Company has applied the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and low-value assets recognition exemption.

### M. Joint Arrangements

Under Ind AS 111 Joint arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Company has joint operations.

#### Joint Operations

The company recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings. The details of joint operations are set out in note 38.

### N. Employee benefits

#### (i) During Employment benefits

##### Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### (ii) Post Employment benefits

##### (a) Defined contribution plans

# VISHNU PRAKASH R PUNGLIA LIMITED

## NOTES TO FINANCIAL STATEMENTS

A defined contribution plan is a post-employment benefit plan under which a Company pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

### **(b) Defined benefit plans**

The Company pays gratuity to the employees who have completed five years of service with the Company at the time when employee leaves the Company.

The gratuity liability amount is unfunded and formed exclusively for gratuity payment to the employees. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the periods during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to Other Comprehensive Income.

**Compensated Absences:** Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulated compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

### **(iii) Termination benefits**

Termination benefits are payable when employment is terminated by the Company before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits. In case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer.

## **O. Taxes**

### **i. Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### **ii. Deferred tax**

Deferred income tax is recognised using the balance sheet approach, deferred tax is recognised on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

# VISHNU PRAKASH R PUNGLIA LIMITED

## NOTES TO FINANCIAL STATEMENTS

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **P. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

### **Q. Operating Segment**

The company is exclusively engaged in the business of construction and infrastructure development in India. Based on the management approach, the Chief Operating Decision Maker evaluates the company's performance and allocates the resources based on an analysis of overall performance indicators. The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial Statements of the Company.

## **3. Recent Pronouncement**

Ministry of Corporate Affairs ("MCA") notified new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April 2023, as below:

### **Ind AS 1 - Presentation of Financial Statements**

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose

# **VISHNU PRAKASH R PUNGLIA LIMITED**

## **NOTES TO FINANCIAL STATEMENTS**

their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1<sup>st</sup> April 2023. Consequential amendments have been made in Ind AS 107.

### **Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1st April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The Company is currently assessing the impact of the amendments.

### **Ind AS 12 - Income Taxes**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1<sup>st</sup> April 2023.

The Company is currently assessing the impact of the amendments.

**VISHNU PRAKASH R PUNGLIA LIMITED**

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

<b>3. PROPERTY, PLANT AND EQUIPMENT (PPE)</b>								
Particulars	Lease hold Land & Improvements	Freehold Land & Improvements	Building	Computer & Peripherals	Plant & Equipment	Furniture & Fixtures	Vehicles	Total
<b>COST OR DEEMED COST - GROSS CARRYING VALUE</b>								
As at April 1, 2021	12.07	56.68	208.14	1.71	162.40	2.76	41.22	484.98
Additions	40.71	83.49	27.08	1.77	105.49	0.41	23.28	282.23
Disposals	-	5.33	-	-	1.16	-	-	6.49
As at March 31, 2022	52.78	134.84	235.22	3.48	266.73	3.17	64.50	760.72
Additions	4.08	60.94	62.88	2.87	420.73	0.68	51.15	603.33
Disposals	-	-	-	-	-	-	2.81	2.81
As at March 31, 2023	56.86	195.78	298.10	6.35	687.46	3.85	112.84	1,361.24
<b>ACCUMULATED DEPRECIATION / AMORTISATION</b>								
As at April 1, 2021	-	-	-	-	-	-	-	-
Depreciation for the year	0.79	-	3.86	0.81	26.58	1.07	8.04	41.15
Deductions\Adjustments during the period	-	-	-	-	0.87	-	-	0.87
As at March 31, 2022	0.79	-	3.86	0.81	25.71	1.07	8.04	40.28
Depreciation for the year	0.96	-	4.25	1.45	49.69	0.31	12.38	69.04
Deductions\Adjustments during the period	-	-	-	-	-	-	1.75	1.75
As at March 31, 2023	1.75	-	8.11	2.26	75.40	1.38	18.67	107.57
Net Carrying value as at March 31, 2023	55.11	195.78	289.99	4.09	612.06	2.47	94.17	1,253.67
Net Carrying value as at March 31, 2022	51.99	134.84	231.36	2.67	241.02	2.10	56.46	720.44
Net Carrying value as at April 1, 2021	12.07	56.68	208.14	1.71	162.40	2.76	41.22	484.98

Notes :

1. Title deeds not held in the name of the company

The Company does not have any immovable property for the reporting year the title deed of which is not held in the name of the company.

2. The Company has not revalued its property, plant and equipments.

3. Reconciliation of deemed cost to values under the previous GAAP

Particulars	Lease hold Land & Improvements	Freehold Land & Improvements	Building	Computer & Peripherals	Plant & Equipment	Furniture & Fixtures	Vehicles	Total
Gross Block as at April 1, 2021	12.44	56.68	228.02	6.20	308.66	7.98	82.66	702.64
Accumulated Depreciation / Amortisation as at April 1, 2021	0.37	-	19.88	4.49	146.26	5.22	41.44	217.66
Deemed Cost as at April 1, 2021	12.07	56.68	208.14	1.71	162.40	2.76	41.22	484.98

**3A. CAPITAL WORK - IN - PROGRESS**

Capital work-in-progress	Balance as at 1st April 2022	Additions	Disposals /Transfer to PPE	Balance as at 31st Mar 2023
Building	3.27	44.66	-	47.93
Furniture & Fixtures	-	0.72	-	0.72
Plant & Equipment	-	6.91	-	6.91
<b>Total</b>	<b>3.27</b>	<b>52.29</b>	<b>-</b>	<b>55.56</b>
Capital work-in-progress	Balance as at 1st April 2021	Additions	Disposals /Transfer to PPE	Balance as at 31st March 2022
Building	-	3.27	-	3.27
<b>Total</b>	<b>-</b>	<b>3.27</b>	<b>-</b>	<b>3.27</b>

Note:

1. Ageing Schedule

Ageing Schedule as at 31st March 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in Progress</b>					
Building	44.66	3.27	-	-	47.93
Furniture & Fixtures	0.72	-	-	-	0.72
Plant & Equipment	6.91	-	-	-	6.91
Projects temporarily Suspended	-	-	-	-	-

Ageing Schedule as at 31st March 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in Progress</b>					
Building	3.27	-	-	-	3.27
Projects temporarily Suspended	-	-	-	-	-

2. There are no Capital work-in-progress as on 1st April 2021.

3. For Capital work-in-progress, completion is not overdue nor has exceeded its cost compared to its original plan and thus completion schedule is not given.

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

Note : 4 - Investment in Property :	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
<b>Investment in Property</b>			
<b>Ordinary</b>			
Leasehold Land			
<b>At Cost</b>			
Opening	71.43	71.43	71.43
Additions	-	-	-
Disposals	-	-	-
<b>Balance</b>	<b>71.43</b>	<b>71.43</b>	<b>71.43</b>
<b>Accumulated Depreciation / Amortisation</b>			
Opening	3.33	2.61	-
Additions	0.72	0.72	2.61
Disposals	-	-	-
<b>Balance</b>	<b>4.05</b>	<b>3.33</b>	<b>2.61</b>
<b>Carrying Amount (Net)</b>	<b>67.38</b>	<b>68.10</b>	<b>68.82</b>
<b>Under Construction</b>			
Building			
<b>At Cost</b>			
Opening	26.32	-	-
Additions	0.14	26.32	-
Disposals / Tranfer	-	-	-
<b>Balance</b>	<b>26.46</b>	<b>26.32</b>	<b>-</b>
<b>Total (C+D)</b>	<b>93.84</b>	<b>94.42</b>	<b>68.82</b>

**Note:**

The Company obtains valuation for its investment properties from Technical Department (other than those under construction) once in three years. The best evidence of fair value is District Level Committee (DLC) rate / Circle rate in case of land and management's technical valuation for building constructed. Fair value of investment property is equivalent to its cost presented in table above.

Note : 5 - Investments :	No. of Units			Amount		
	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
<b>Non Current Investments</b>						
<b>Quoted</b>						
<b>Investment in Mutual Fund - At fair value through other comprehensive income (FVCI)</b>						
Baroda BNP Paribas Credit Risk Fund	-	-	-	-	-	-
Baroda BNP Paribas Balanced Advantage Fund 2021	-	-	139,650.84	-	-	2.01
Baroda BNP Paribas Business Cycle Fund	249,977.50	249,977.50	-	2.46	2.48	-
Baroda BNP Paribas Balanced Advantage Fund	189,088.96	155,555.38	-	3.14	2.52	-
Baroda BNP Paribas Flexi Cap Fund	209,979.50	-	-	2.03	-	-
Baroda BNP Paribas Multi Asset Fund	99,985.00	-	-	1.00	-	-
Baroda BNP Paribas Equity Saving Fund	-	-	-	-	-	-
<b>Investment in Equity Shares - At fair value through other comprehensive income</b>						
Just Dial Limited (FV - Rs. 10\per share)	-	100.00	100.00	-	0.07	0.08
Suzlon Energy (FV - Rs. 2\per share)	-	3,500.00	3,500.00	-	0.03	0.02
Unitech Limited (FV - Rs. 2\per share)	-	17,000.00	17,000.00	-	0.03	0.03
Va Tech Wabag Limited (FV - Rs. 2\per share)	-	200.00	200.00	-	0.06	0.05
<b>Investment in Gold Bond - At fair value through other comprehensive income</b>						
Government of India SGB 17MR25 S IV	50.00	50.00	50.00	-	0.25	0.22
<b>Total</b>	<b>749,080.96</b>	<b>426,382.88</b>	<b>160,500.84</b>	<b>8.63</b>	<b>5.44</b>	<b>2.41</b>
Aggregate amount of impairment					-	-
Aggregated amount of quoted Investment				8.63	5.44	2.41
Market value of Quoted Investment				8.63	5.44	2.41
Aggregate carrying amount of unquoted investment				-	-	-
<b>Total</b>				<b>8.63</b>	<b>5.44</b>	<b>2.41</b>

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

Note : 5A Other Financial Assets :	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Fixed Deposits with Banks (Maturity more than 12 months.) (Lien against Bank Guarantee, Collateral Security & Others)	94.10	39.97	59.20
Security Deposits	3.00	3.00	3.00
<b>Total</b>	<b>97.10</b>	<b>42.97</b>	<b>62.20</b>

Note : 6 Other Non - current assets :	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Capital Advance	14.86	-	11.47
Other assets	0.26	0.26	0.26
<b>Total</b>	<b>15.12</b>	<b>0.26</b>	<b>11.73</b>

Note : 7 - Inventories :	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
<b>Classification of Inventories :</b> Work-in-Progress (At Cost or Net Realisable Value which ever is Lower)	3,125.50	1,768.13	1,053.38
<b>Total</b>	<b>3,125.50</b>	<b>1,768.13</b>	<b>1,053.38</b>

Note : 8- Loans & Advances :	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Loans & Advances - Repayable on demand Unsecured, Considered Good			
Related Parties	78.92	7.42	0.56
others	10.81	9.80	1.23
<b>Total</b>	<b>89.73</b>	<b>17.22</b>	<b>1.79</b>

Note : Details of Loans and advances to promoters, directors, KMPs & related parties :-

Type of Borrower	Amount of loan or advance in the nature of loan outstanding			Percentage to the total Loans and Advances in the nature of loans (%)		
	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Promoters	-	-	-	-	-	-
Directors	-	-	-	-	-	-
KMPs	-	-	-	-	-	-
Related Parties	78.92	7.42	0.56	87.95%	43.08%	31.37%

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

Note : 9 - Trade Receivables :	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Trade receivables considered good - Secured	-	-	-
Trade receivables considered good - Unsecured	1,992.30	1,178.61	1,008.49
Trade receivable which have significant increase in credit risk - Unsecured	-	-	-
Trade receivable Credit Impaired - Unsecured	-	-	-
	<b>1,992.30</b>	<b>1,178.61</b>	<b>1,008.49</b>
Allowance for Expected Credit Loss	(14.90)	(9.92)	(7.59)
<b>Total</b>	<b>1,977.40</b>	<b>1,168.69</b>	<b>1,000.90</b>
<b>Category wise details of allowance for expected credit loss</b>			
Allowance for expected credit loss for Trade Receivables considered good - Unsecured	14.90	9.92	7.59

**Note:**

1. The Company applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for trade receivables at an estimated rate decided by the management. The ECLs are calculated on outstanding balance as at period / year end.
2. The Company's exposure to credit risk, currency risk and loss allowances related to trade receivables are disclosed in Note 40.
3. Trade Receivables includes retention money receivable from the customers on expiry of the defect liability period. However the company has an option to get the refund of the above receivables if performance bank guarantee is provided. Accordingly, the same has been classified as current. Further contract related assets and liabilities are classified into current and non-current based on the operating cycle of the respective contracts (Note No. para 2.1(D))
4. Trade receivables does not include any debts from related parties

**5. Retention money relating to construction contracts are included in above trade receivables as they are recoverable within the operating cycle of the Company:**

Particulars	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Retention Money	1,557.74	770.52	701.57
<b>Total Amount</b>	<b>1,557.74</b>	<b>770.52</b>	<b>701.57</b>

**6. Movement in allowance for Expected Credit Loss :**

Particulars	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
<b>Balance at the beginning of the period / year:</b>	9.92	7.59	6.58
Change in Allowance during the period / year	4.98	2.33	1.01
Written Back during the period / year	-	-	-
<b>Balance at the end of the period / year:</b>	<b>14.90</b>	<b>9.92</b>	<b>7.59</b>

**7. Trade Receivable Ageing Schedule**

Ageing Schedule as at 31st March 2023	Outstanding For Following periods from due date							
Particulars	Less than 6 Months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Undue	Unbilled	Total
i) Undisputed Trade Receivables - Considered Good	538.35	52.85	65.60	72.33	103.41	1,036.85	0.56	1,869.95
ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
iv) Disputed Trade Receivables - Considered Good	-	74.88	-	-	-	47.47	-	122.35
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>538.35</b>	<b>127.73</b>	<b>65.60</b>	<b>72.33</b>	<b>103.41</b>	<b>1,084.32</b>	<b>0.56</b>	<b>1,992.30</b>

Ageing Schedule as at 31st March 2022	Outstanding For Following periods from due date							
Particulars	Less than 6 Months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Undue	Unbilled	Total
i) Undisputed Trade Receivables - Considered Good	413.98	66.73	97.53	51.33	67.20	480.79	1.05	1,178.61
ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>413.98</b>	<b>66.73</b>	<b>97.53</b>	<b>51.33</b>	<b>67.20</b>	<b>480.79</b>	<b>1.05</b>	<b>1,178.61</b>

Ageing Schedule as at 1st April 2021	Outstanding For Following periods from due date							
Particulars	Less than 6 Months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Undue	Unbilled	Total
i) Undisputed Trade Receivables - Considered Good	314.39	68.69	53.37	11.36	71.86	487.29	1.53	1,008.49
ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>314.39</b>	<b>68.69</b>	<b>53.37</b>	<b>11.36</b>	<b>71.86</b>	<b>487.29</b>	<b>1.53</b>	<b>1,008.49</b>

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

Note : 10 - Cash and Bank Balance :	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Cash and cash equivalents			
-Cash on hand	1.42	1.03	1.25
Balances with Banks			
-In Currents Accounts	148.59	130.88	43.64
<b>Total</b>	<b>150.01</b>	<b>131.91</b>	<b>44.89</b>

Note : 11 - Other Balance with Bank :	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Fixed Deposits with Banks (Maturity within 12 months.) (Lien against Bank Guarantee, Collateral Security & Others)	549.50	254.88	232.78
<b>Total</b>	<b>549.50</b>	<b>254.88</b>	<b>232.78</b>

Note : 12 - Other Financial Assets :	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Security Deposits	75.40	50.25	48.05
Other Receivables	29.15	29.94	27.93
<b>Total</b>	<b>104.55</b>	<b>80.19</b>	<b>75.98</b>

Note : 13 - Current Tax Assets (Net) :	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Income Tax	84.92	80.08	32.71
<b>Total</b>	<b>84.92</b>	<b>80.08</b>	<b>32.71</b>

Note : 13A - Current Tax Liabilities (Net) :	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Income Tax	61.41	-	-
<b>Total</b>	<b>61.41</b>	<b>-</b>	<b>-</b>

Note : 14 - Other current assets :	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Advances to Suppliers & Contractors	255.68	169.23	74.51
Balance with Govt Authorities (GST)	386.15	440.89	163.37
Other Receivables	7.47	0.10	-
<b>Total</b>	<b>649.30</b>	<b>610.22</b>	<b>237.88</b>

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

Note : 15 - Share Capital :			
Particulars	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
<b>Authorised Share Capital</b> 15,00,00,000 Equity Shares of Rs. 10 Each (31st March 2022 - 3,50,00,000 Equity Shares of Rs. 10 Each)	1,500.00	350.00	350.00
<b>Issued, Subscribed and Paid up</b> 9,34,44,000 Equity shares of Rs.10 Each (31st March 2022 - 2,81,48,000 Equity Shares of Rs. 10 Each)	934.44	281.48	281.48
<b>Total</b>	<b>934.44</b>	<b>281.48</b>	<b>281.48</b>

**Note :**

**1. Terms\Right attached to Equity Shares**

The Company has only one class of equity shares having a face value of INR 10 each. Each holder of an equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees, if any.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the shares held by the shareholder.

**2. The reconciliation of the Shares outstanding as at 31st March 2023 and 31st March 2022**

Equity Share of Rs.10 each fully Paid	As At 31st March 2023		As At 31st March 2022	
	No of shares	Amount	No of shares	Amount
Balance as at the beginning of the year	28,148,000	281.48	28,148,000	281.48
Issued During The Year	3,000,000	30.00	-	-
Bonus Issued During The Year*	62,296,000	622.96	-	-
<b>Balance as at the end of the year</b>	<b>93,444,000</b>	<b>934.44</b>	<b>28,148,000</b>	<b>281.48</b>

\*During the year, the Company has issued 6,22,96,000 equity shares of 10/- each as fully paid bonus shares in the ratio of two equity share of 10/- each for every one equity share by utilising Retained Earnings.

**3. Details of Shareholders holding more than 5% shares in the company**

Equity Share of Rs.10 each fully Paid	As At 31st March 2023		As At 31st March 2022	
	No. of Shares	% of Total Holding	No. of Shares	% of Total Holding
Ajay Punglia	9,600,000	10.27%	3,200,000	11.37%
Anil Punglia	8,100,000	8.67%	2,700,000	9.59%
Kamal Kishore Punglia	8,400,000	8.99%	2,800,000	9.95%
Manohar Lal Punglia	8,220,000	8.80%	2,740,000	9.73%
Pushpa Devi Punglia	7,110,000	7.61%	2,370,000	8.42%
Pushpa Punglia	7,590,000	8.12%	2,530,000	8.99%
Ramjeevan Punglia	-	-	3,310,000	11.76%
Sanjay Kumar Punglia	8,310,000	8.89%	2,770,000	9.84%
Vijay Punglia	8,190,000	8.76%	2,730,000	9.70%
Vishnu Prakash Punglia	13,125,000	14.05%	2,850,000	10.13%
<b>Total</b>	<b>78,645,000</b>	<b>84.16%</b>	<b>28,000,000</b>	<b>99.48%</b>

**4. Details of Promoter's holding in the company**

Equity Share of Rs.10 each fully Paid	As at March 31, 2023		As At 31st March 2022		% Change during the Period
	No. of Shares	% of Total Holding	No. of Shares	% of Total Holding	
Vishnu Prakash Punglia	13,125,000	14.05	2,850,000	10.13	3.92
Manohar Lal Punglia	8,220,000	8.80	2,740,000	9.73	(0.93)
Kamal Kishore Punglia	8,400,000	8.99	2,800,000	9.95	(0.96)
Sanjay Kumar Punglia	8,310,000	8.89	2,770,000	9.84	(0.95)
Ajay Punglia	9,600,000	10.27	3,200,000	11.37	(1.10)
<b>Total</b>	<b>47,655,000</b>	<b>51.00</b>	<b>14,360,000</b>	<b>51.02</b>	

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

Note : 16 - Other Equity	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Securities Premium	615.00	-	-
Retained Earnings	1,584.57	1,301.05	852.39
Other Comprehensive Income	11.06	4.37	2.27
<b>Total Other Equity</b>	<b>2,210.63</b>	<b>1,305.42</b>	<b>854.66</b>

### Notes

#### 1. Securities Premium

Balance at the beginning of the period / year	-	-	-
Addition during the period / year	615.00	-	-
<b>Balance at the end of the period / year</b>	<b>615.00</b>	<b>-</b>	<b>-</b>

#### 2. Retained Earnings

Balance at the beginning of the period / year	1,301.05	852.39	852.39
Profit/(Loss) for the period	906.43	448.47	-
Transfer from OCI on disposal of financial instruments	0.05	0.19	-
Utilised for issue of bonus equity shares	(622.96)	-	-
<b>Balance at the end of the period / year</b>	<b>1,584.57</b>	<b>1,301.05</b>	<b>852.39</b>

#### 3. Other Comprehensive Income

Balance at the beginning of the period / year	4.37	2.27	-
Gains/Loss on Sales of equity instruments through OCI	0.02	0.18	-
Transfer to retained earnings on disposal of financial instruments	(0.05)	(0.19)	-
Changes in fair value of Equity Instruments through OCI	0.02	0.04	0.28
Deferred Tax on revaluation of financial instruments	0.03	(0.00)	(0.03)
Remeasurements of defined employee benefit	6.67	2.07	2.02
<b>Balance at the end of the period / year</b>	<b>11.06</b>	<b>4.37</b>	<b>2.27</b>

**VISHNU PRAKASH R PUNGLIA LIMITED**

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

<b>Note : 17 - Borrowings</b>			
<b>Long Term Borrowings:</b>	<b>As At 31st March 2023</b>	<b>As At 31st March 2022</b>	<b>As At 1st April 2021</b>
<b>Secured</b>			
Term Loans from Banks & Financial Institutions (Refer Note 1 below)	592.93	385.18	187.79
<b>Unsecured</b>			
Term Loans from Banks & Financial Institutions (Refer Note 2 below)	10.04	33.44	2.77
<b>Total</b>	<b>602.97</b>	<b>418.62</b>	<b>190.56</b>
<b>Short Term Borrowings :</b>			
<b>Short Term Borrowings :</b>	<b>As At 31st March 2023</b>	<b>As At 31st March 2022</b>	<b>As At 1st April 2021</b>
<b>Secured</b>			
Working Capital Loans - (Refer Note 3 below)			
Bank of Baroda	580.26	759.89	621.19
Punjab National Bank	133.65	147.28	-
Term Loan Installments (Refer Note 1 below)	334.69	173.99	97.52
<b>Unsecured</b>			
Term Loan Installments (Refer Note 2 below)	7.45	2.76	7.54
Loans Repayable on Demand			
Banks (Working Capital Loan)	341.13	-	-
Financial Institutions (Working Capital Loan)	174.26	20.18	-
Related Parties	22.21	28.75	45.78
Others	307.12	214.30	145.23
<b>Total</b>	<b>1,900.77</b>	<b>1,347.15</b>	<b>917.26</b>

Note :

**1 Secured Term loans from Banks and Financial Institutions**

Sl. No.	Particulars	As At 31st March 2023			As At 31st March 2022			As At 1st April 2021			Security	Repayment Terms
		Total	Non-Current	Current	Total	Non-Current	Current	Total	Non-Current	Current		
	<b>Term loan (Rupee loan except otherwise stated)</b>											
i)	Axis Bank Limited	0.54	0.00	0.54	3.01	0.54	2.47	5.86	3.01	2.85	Hypothecation by way of various equipments and Vehicles	Monthly instalments along with interest rate ranging from 7.80% to 9.50% p.a.
ii)	Bank of Baroda	25.52	15.94	9.58	1.58	0.70	0.88	2.41	1.58	0.83	Hypothecation by way of various equipments and Vehicles	Monthly instalments along with interest rate of 7.45% p.a. to 8.95% p.a.
iii)	HDFC Bank Limited	135.11	74.56	60.55	52.55	35.58	16.97	1.13	-	1.13	Hypothecation by way of various equipments and Vehicles	Monthly instalments along with interest rate ranging from 6.51% to 9.26% p.a.
iv)	Kotak Mahindra Bank Limited	263.69	155.55	108.14	66.72	34.23	32.49	16.55	4.12	12.43	Hypothecation by way of various equipments and Vehicles	Monthly instalments along with interest rate ranging from 6.60% to 12% p.a.
v)	Tata Capital Finance Limited	227.51	144.86	82.65	177.57	106.06	71.51	11.21	0.86	10.35	Hypothecation by way of various equipments and Vehicles	Monthly instalments along with interest rate ranging from 9.00% to 10.50% p.a.
vi)	Yes Bank Limited	-	0.00	-	-	-	-	0.75	-	0.75	Hypothecation by way of various equipments and Vehicles	Monthly instalments along with interest rate ranging from 9.00% to 11.07% p.a.
vii)	ICICI Bank Limited	7.83	5.19	2.64	-	-	-	-	-	-	Hypothecation by way of various equipments and Vehicles	Monthly instalments along with interest rate of 8.40% p.a.
viii)	Tata Motors Finance Limited	52.02	34.28	17.74	-	-	-	-	-	-	Hypothecation by way of various equipments and Vehicles	Monthly instalments along with interest rate ranging from 8.76% to 9.01% p.a.
ix)	Mercedes Benz Financial Services India Pvt Ltd Loan	6.85	4.80	2.05	-	-	-	-	-	-	Hypothecation by way of Vehicle	Monthly instalments along with interest rate 7.47% p.a.
x)	Bank of Baroda	194.56	148.34	46.22	239.51	194.57	44.94	228.50	160.50	68.00	BCCEL-secured by way of extension of charge on the Hypothecated Premises Securities detail is given in short term borrowings schedule.	Monthly Instalments along with interest rate ranging from 8.15% to 8.30% p.a.
xi)	Kotak Mahindra Bank Limited	13.99	9.41	4.58	18.23	13.50	4.73	18.90	17.72	1.18	Emergency Credit Line Guarantee scheme (ECLGS) - Second charge on existing 13 loans against securities of construction equipment & vehicle.	Monthly Instalments along with interest rate 8.00% p.a.
	<b>Total</b>	<b>927.62</b>	<b>592.93</b>	<b>334.69</b>	<b>559.17</b>	<b>385.18</b>	<b>173.99</b>	<b>285.31</b>	<b>187.79</b>	<b>97.52</b>		

**2 Unsecured Term loans from Banks and Financial Institutions**

Sl. No.	Particulars	31st March 2023			31st March 2022			As At 1st April 2021		
		Total	Non-Current	Current	Total	Non-Current	Current	Total	Non-Current	Current
	<b>Term loan (Rupee loan except otherwise stated)</b>									
i)	Axis Bank Limited	-	-	-	-	-	-	-	-	-
ii)	HDFC Bank Limited	-	-	-	-	-	-	-	-	-
iii)	Kotak Mahindra Bank Limited	16.57	10.04	6.53	25.12	22.36	2.76	10.31	2.77	7.54
iv)	ICICI Bank Limited	-	-	-	-	-	-	-	-	-
v)	IDFC Bank First Capital	-	-	-	-	-	-	-	-	-
vi)	Tata Capital Finance Limited	0.92	-	0.92	11.08	11.08	-	-	-	-
	<b>Total</b>	<b>17.49</b>	<b>10.04</b>	<b>7.45</b>	<b>36.20</b>	<b>33.44</b>	<b>2.76</b>	<b>10.31</b>	<b>2.77</b>	<b>7.54</b>

### 3 Security for Working capital loans from Banks

The Company has taken working capital loans under consortium finance - (Lead bank - Bank of Baroda and other member bank - Punjab National Bank). The security details are as follows:-  
 Exclusive 1st charge by way of hypothecation of entire unencumbered machineries, electrical installation, furniture & fixture, office equipments, and other movable fixed assets of the company, present & future.  
 Exclusive 1st charge by way of hypothecation of all types of raw materials, stock in progress, consumables stores and finished goods, book debts & entire current assets, present & future.

\*Exclusive 1st charge by way of Equitable mortgage of immovable properties listed below.

\*\*Further secured by way personal guarantees as listed below.

#### \* Equitable Mortgage of following Immovable properties

Details of Immovable Properties	Belongs to
1. H-399. Mini Growth Centre II Phase, Sangaria Jodhpur.	VPRP Art ( Prop. Mr Kamal Kishore Punglia)
2. Office at Shivalik H-1, first floor, Sardarpura, Jodhpur.	Kamal Kishor and Vishnu Prakash Punglia
3. 17 E 798, Chopasani Housing Board, Jodhpur.	Ajay Punglia
4. Plot No. 17, Vijaya Rajee nagar Scheme, Near N H 65, Jodhpur.	Manohar Lal Punglia
5. Plot No. 63, Adeshwar Nagar, Part of Khasara No. 110/2, Chopasani Jagir.	Smt. Pushpa Devi Punglia W/o Vishnu Prakash Punglia.
6. Plot No. 64, Adeshwar Nagar, Part of Khasara No. 110/2, Chopasani Jagir.	Smt. Pushpa Devi Punglia W/o Vishnu Prakash Punglia
7. Plot No. 65, Adeshwar Nagar, Part of Khasara No. 110/2, Chopasani Jagir.	Smt. Pushpa W/o Manohar Lal Punglia
8. 22 A & 22 B, Subhash Nagar, Pali road, Jodhpur.	Vishnu Prakash and Manohar Lal Punglia
09. Plot No. 138 to 141, East/West Pal Road, Shasara No. 98, Village	Anil Punglia S/o Ramjeevan Punglia
10. Plot No. 216, Shree Ram Nagar, Part of Khasara No. 311 of Village Kuri	Vishnu Prakash S/o Ranchod Das Punglia
11. Plot No. 217, Shree Ram Nagar, Part of Khasara No. 311 of village Kuri	Vishnu Prakash S/o Ranchod Das Punglia
12. Plot No. 226, Shree Ram Nagar, Part of Khasara No. 311 of village Kuri	Vishnu Prakash S/o Ranchod Das Punglia
13. Plot No. 227, Shree Ram Nagar, Part of Khasara No. 311 of village Kuri	Vishnu Prakash S/o Ranchod Das Punglia
14. Plot No. 248-249, Shree Ram Nagar, Part of Khasara No. 311 of village Kuri	Sanjay Punglia S/o Sh Ram Jeevan Punglia
15. Plot No. 239, Shree Ram Nagar, Part of Khasara No. 311 of village Kuri	Sh Anil Punglia
16. Plot No. 238, Shree Ram Nagar, Part of Khasara No. 311 of village Kuri	Sh Anil Punglia
17. Plot No 08, Patta No. 10, Misal No 08/1986, market Road, Mahajano Ka	Sh Anil Punglia
18. Patta No.93, Misal No 36/2001, Market Road, Mahajano Ka Bas,	Sh. Kamal Kishor Punglia
19. Patta No.94, Misal No 60/2001, market Road, Mahajano Ka Bas,	Sh. Vishnu Prakash
20. P No. 194 and 194/1 K No. 98, Ram Nagar Chosasni Jagir, Jodhpur.	Smt. Pooja Punglia
21. plot.435,sector D, shankar nagar yozna khasra no.114,chopasani	Mrs.Rakhi punglia
22. Plot no. 1 to 4, 5 and 10 and 11-19 Khasra no. 304-305 Sant Vihar Yojana	Sh Anil and Vishnu Prakash Punglia
23. Flat situated at 104, Coral Crown, D-227, Tulsi Marg, Bani Park, Jaipur.	Vishnu Prakash Punglia S/o Ranchore Das Punglia
24. Office at Shivalik H-2, first floor, Sardarpura, Jodhpur.	Company
25. Plot situated at CH/16, Mahveer Nagar Barmer.	Manohar Lal Punglia
26. House & Plot No. 10A Vijay Nagar New Pali Road Bhagat Ki Kothi Jodhpur.	Mrs. Pushpa Devi Punglia W/o Mr. Vishnu Prakash Punglia and Mrs. Neetu Punglia W/o Mr Anil
27. Plot No. 13 & 14 Khasara No. 178/5/2 Village Pal Jodhpur.	Company
28. Plot No. 47 Khasara No 1877 of Village Mandore Jodhpur.	Smt.Sushila Rathi W/o Sh Purushottam Rathi
29. Plot No. 66, Adeshwar Nagar, Part of Khasara No. 110/2, Chopasani Jagir.	Mr. Sanjay Punglia and Mr. Vishnu Prakash Punglia
30. Plot No F 37 Industrial Area Kishan Ghat Jaisalmer.	Company
31. H No 425/B D Road Sardarpura Jodhpur.	Company
32. Industrial Plot No D-223 Industrial Area, Abu Road.	Company
33. H No 4 B-1 New Land Scheme Housing Board, Pali Marwar.	Mr Arvind Kumar Sharma S/o Keshav Dev Sharma
34. Plot no 7 K No 1324 Chak No 02 Near Manpura Bhakri Pali Marwar.	Smt Vibha Sharma W/o Mr Arvind Sharma
35. ½ West part of house no 130, Veer Durga Das Nagar Pali Marwar.	Vibha Sharma
36. Flat no 502 lying on 5 <sup>th</sup> floor Ridhi Siddhi consisting of ground floor plus	Company
37. Flat no 504 lying on 5 <sup>th</sup> floor Ridhi Siddhi consisting of ground floor plus	Company
48. Plot no 17 E 720 & 721 Sector 17 Chopasni Housing board.	Company
39. Plot no 30 Veer Durgadas Nagar Marwar Junction.	Company
40. Plot no F-252 Agro Food Park Boradana Jodhpur.	M/s Vishnu Prakash R Punglia Agro Food
41. Shop no R-1 Mandore Krishi Mandi Jodhpur.	M/s Vishnu Prakash R Punglia Agro Food
42. Plot no 56 Umaid Heritage, Defence Lab Road, Jodhpur.	Mr Rajesh Lohiya and Sannu Lohiya
43. House no 33 Section 7 Extension Jodhpur.	Mr. Rajesh Lohiya and Sannu Lohiya

**\*\*Details of Personal Guarantees**

<b>Personal Guarantee - Directors &amp; KMP</b>	Sh. Vishnu Prakash Punglia S/o Sh. Ranchod das Punglia
	Sh. Ajay Punglia s/o Sh. Vishnu Prakash Punglia
	Sh. Vijay Punglia S/o Sh. Vishnu Prakash Punglia (Resigned from Directorship w.e.f. 8th November 2022)
	Sh. Manohar Lal Punglia S/o Sh. Ramjeevan Punglia
	Sh. Sanjay Kumar Punglia S/o Sh. Ramjeevan Punglia
	Sh. Kamal Kishor Punglia S/o Sh. Ramjeevan Punglia
	Sh. Anil Punglia S/o Sh. Ramjeevan Punglia (Resigned from Directorship w.e.f. 8th November 2022)
	M/s VPRP Art – Through Its Proprietor. Mr Kamal Kishore Punglia
<b>Personal Guarantee - Relatives of Director &amp; KMP</b>	M/s Vishnu Prakash R Punglia Agro Food through All Partners (Vishnu Prakash Punglia, Manoharlal Punglia, Ajay Punglia and Kamal Kishore Punglia)
	Smt. Pushpa Devi Punglia W/o Sh. Vishnu Prakash Punglia
	Smt. Pushpa Punglia W/o Sh. Manohar Lal Punglia
	Smt. Pooja Punglia W/o Sh. Sanjay Punglia
	Smt. Neetu Punglia W/o Sh. Anil Punglia
	Smt. Rakhi Punglia W/o Sh. Vijay Punglia
<b>Personal Guarantee - Others</b>	Smt. Sushila Rathi W/o Sh. Purushottam Rathi
	Mr Arvind Sharma S/o Keshav Deo Sharma
	Mrs. Vibha Sharma W/o Arvind Sharma
	Mr Rajesh Lohiya
	Mrs Sannu Lohiya W/o Rajesh Lohiya

In respect of working capital borrowings from banks on the basis of security of current assets, the returns / statements submitted to the banks / financial institutions are in agreement the books of accounts.

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

Note : 20 - Trade Payables :	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
a) Trade Payables to micro enterprises and small enterprises	291.91	101.69	315.27
b) Trade Payables to other than micro enterprises and small enterprises	1,770.11	1,079.67	625.84
<b>Total</b>	<b>2,062.02</b>	<b>1,181.36</b>	<b>941.11</b>

**Note:**

1. Trade Payables includes dues in respect of goods purchased or services received (including from employees, professionals and other under contract) in the normal course of business.
2. Trade Payables includes retention money payable to vendors on expiry of the defect liability period. Accordingly, the same has been classified as current. Further contract related assets and liabilities are classified into current and non-current based on the operating cycle of the respective contracts (Note No. para 2.1(D))

**3. Of the above, Trade Payable to related parties are as below:**

Particulars	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Total Trade Payable from related parties	319.88	92.68	56.16
<b>Total</b>	<b>319.88</b>	<b>92.68</b>	<b>56.16</b>

**4. Retention money relating to construction contracts are included in above trade payables as they are recoverable within the operating cycle of the Company:**

Particulars	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Retention Money	883.54	554.50	488.82
<b>Total Amount</b>	<b>883.54</b>	<b>554.50</b>	<b>488.82</b>

**5. Trade Payable Ageing Schedule**

Ageing Schedule as at 31st March 2023	Outstanding For Following periods from due date					Total
Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Undue	Total
i) MSME	259.62	2.92	1.77	1.98	25.62	291.91
ii) Other than MSME	1,033.37	17.60	7.82	19.15	692.17	1,770.11
iii) Disputed Dues - MSME	-	-	-	-	-	-
iv) Disputed Dues - Other than MSME	-	-	-	-	-	-
<b>Total</b>	<b>1,292.99</b>	<b>20.52</b>	<b>9.59</b>	<b>21.13</b>	<b>717.79</b>	<b>2,062.02</b>

\* There are no Unbilled Trade Payable as on 31st March 2023

Ageing Schedule as at 31st March 2022	Outstanding For Following periods from due date					Total
Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Undue	Total
i) MSME	87.22	3.04	0.11	0.13	11.19	101.69
ii) Other than MSME	542.05	16.22	6.51	20.21	494.68	1,079.67
iii) Disputed Dues - MSME	-	-	-	-	-	-
iv) Disputed Dues - Other than MSME	-	-	-	-	-	-
<b>Total</b>	<b>629.27</b>	<b>19.26</b>	<b>6.62</b>	<b>20.34</b>	<b>505.87</b>	<b>1,181.36</b>

\* There are no Unbilled Trade Payable as at 31st March 2022

Ageing Schedule as at 1st March 2021	Outstanding For Following periods from due date					Total
Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Undue	Total
i) MSME	135.93	1.16	0.89	0.46	176.83	315.27
ii) Other than MSME	334.12	15.63	10.87	5.53	259.69	625.84
iii) Disputed Dues - MSME	-	-	-	-	-	-
iv) Disputed Dues - Other than MSME	-	-	-	-	-	-
<b>Total</b>	<b>470.05</b>	<b>16.79</b>	<b>11.76</b>	<b>5.99</b>	<b>436.52</b>	<b>941.11</b>

\* There are no Unbilled Trade Payable as at 1st April 2021

**6. Disclosure in respect of Micro, Small and Medium Enterprises:**

Particulars	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Principal amount remaining unpaid to any supplier (micro enterprises and small enterprises) as at the year end	291.91	101.69	315.27
Interest due thereon	0.91	1.06	1.18
Amount of interest paid by the Company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-	-
Amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the year but without adding the interest specified under the MSMED Act	0.87	2.41	5.12
Amount of interest accrued and remaining unpaid at the end of the accounting year	1.78	3.47	6.30
Amount of further interest remaining due and payable in succeeding years, until such date when the interest dues as above are actually paid to the small and micro enterprise, for the purpose of disallowance as a deductible expenditure	15.45	11.98	5.68
The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium			

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

Note : 18 - Provisions	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
<b>Non Current</b>			
Provision for Gratuity (Refer Note 33)	9.10	9.79	6.48
<b>Current</b>			
Provision for Gratuity (Refer Note 33)	0.33	0.28	0.98
<b>Total</b>	<b>9.43</b>	<b>10.07</b>	<b>7.46</b>

### Note : 19 - Taxation

a) - Tax Charge in the Statement of Profit & Loss :	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Current Tax</b>		
Current Year	311.94	154.13
Adjustment relating to earlier Years	(3.06)	-
	308.88	154.13
<b>Deferred tax Charge / (credit)</b>	9.08	1.21
<b>Income Tax Expense for the year</b>	<b>317.96</b>	<b>155.34</b>

Income tax has been provided for at reduced rate as per section 115BAA of the Income-tax Act, 1961

b). Reconciliation of effective tax rate :	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit before tax	1,224.39	603.81
Enacted tax rate in India	25.1680%	25.1680%
<b>Income tax on accounting profits</b>	<b>308.15</b>	<b>151.97</b>
<b>Tax Effect of</b>		
Depreciation	0.42	(0.07)
Expenditure allowable on payment basis and other disallowances	9.67	(1.08)
Exempt Income	(2.97)	(6.39)
Tax Reversal of earlier years	(3.06)	-
Other adjustments	5.75	10.91
<b>Tax at effective income tax rate</b>	<b>317.96</b>	<b>155.34</b>

c) - Deferred Tax Liability :	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
<b>Deferred tax liability relates to the following:</b>			
Temporary Difference in carrying value of Property, Plant and Equipment as per books and as per Tax base	37.94	27.94	25.44
Revaluation of financial instruments routed through other comprehensive income	0.00	0.03	0.03
<b>Deferred tax Asset relates to the following:</b>			
Disallowance u/s 43B - Employee Benefits	2.37	2.62	1.94
Allowance for Expected Credit Loss	3.75	2.58	1.97
<b>TOTAL</b>	<b>31.82</b>	<b>22.77</b>	<b>21.56</b>
<b>Net Deferred Tax Liability</b>	<b>31.82</b>	<b>22.77</b>	<b>21.56</b>

d) Movement in deferred tax (liabilities)/assets	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Opening balance</b>	(22.77)	(21.56)
Tax income/(expense) during the period recognised in profit or loss	(9.08)	(1.21)
Tax income/(expense) during the period recognised in OCI	0.03	(0.00)
Other Adjustments	-	-
<b>Closing balance</b>	<b>(31.82)</b>	<b>(22.77)</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note : 21 - Other Financial Liabilities :	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Security Deposits	59.05	108.01	57.03
Other Payables	32.07	15.46	11.98
<b>Total</b>	<b>91.12</b>	<b>123.47</b>	<b>69.01</b>

Note : 22 - Other Current Liabilities :	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Payable to Statutory Authority	31.61	29.09	8.45
Contract Liabilities - Advances from Customers	318.61	258.69	18.90
<b>Total</b>	<b>350.22</b>	<b>287.78</b>	<b>27.35</b>

## VISHNU PRAKASH R PUNGLIA LIMITED

### Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

Note : 23 - Revenue from Operations :	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Revenue from Contracts with Customers</b>		
<b>Sale of Services</b>		
Work Contract Services	11,617.48	7,815.56
<b>Sale of Products</b>	61.56	36.54
<b>Other Operating Revenue</b>		
Technical & Professional Services	5.00	4.03
<b>Total</b>	<b>11,684.04</b>	<b>7,856.13</b>

Note : 24 - Other Income :	For the year ended 31st March 2023	For the year ended 31st March 2022
Dividend Income	-	-
Interest Income	27.24	14.66
Rent Income	0.40	0.49
Other Income	2.55	2.59
Profit on Sale of Property, Plant & Equipments	0.41	-
<b>Total</b>	<b>30.60</b>	<b>17.74</b>

Note : 25 - Purchase Cost :	For the year ended 31st March 2023	For the year ended 31st March 2022
Cost of Purchases	4,884.34	3,456.23
<b>Total</b>	<b>4,884.34</b>	<b>3,456.23</b>

Note : 26- Construction Expenses	For the year ended 31st March 2023	For the year ended 31st March 2022
Sub-Contract Charges	5,519.93	3,654.28
Hire/Rent Charges for Equipment	43.93	13.17
Drawing, Design & Survey Expenses	37.03	33.16
Power, Fuel & Water Expense	363.27	184.31
Site Expense	37.40	26.79
Testing & Quality Control	10.11	6.26
Royalty Expenses	17.29	3.87
Tender fees	1.49	2.69
Transportation Expenses	14.97	6.37
Labour Welfare Cess	100.69	69.26
Other Expenses	4.52	1.10
<b>Total</b>	<b>6,150.63</b>	<b>4,001.26</b>

Note : 27 - Changes in Inventories	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Work-in-Progress</b>		
Opening Stock	1,768.13	1,053.38
Less : Closing Stock	3,125.50	1,768.13
<b>Total</b>	<b>(1,357.37)</b>	<b>(714.75)</b>

Note : 28 - Employee Benefits Expense	For the year ended 31st March 2023	For the year ended 31st March 2022
Salary & Wages	257.23	143.46
Contribution to Employee Benefits (Gratuity, Provident and Other Funds)	6.47	5.19
Staff Welfare Expenses	1.59	1.06
<b>Total</b>	<b>265.29</b>	<b>149.71</b>

## VISHNU PRAKASH R PUNGLIA LIMITED

### Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

Note : 29 - Finance Cost :	For the year ended 31st March 2023	For the year ended 31st March 2022
Bank Interest	149.11	92.20
Other Interest	92.48	60.62
Other Borrowing Cost	60.69	87.91
<b>Total</b>	<b>302.28</b>	<b>240.73</b>

Note : 30 - Depreciation and Amortisation Expense :	For the year ended 31st March 2023	For the year ended 31st March 2022
Depreciation & Amortisation	69.76	41.87
<b>Total</b>	<b>69.76</b>	<b>41.87</b>

Note : 31 - Other Expenses :	For the year ended 31st March 2023	For the year ended 31st March 2022
Audit Fees (Refer Foot Note 1)	0.53	0.08
Insurance Expenses	5.76	7.92
Bank Charges	0.34	0.19
Repair & Maintenance Expenses	56.28	31.89
Donation Exp	1.02	0.81
Corporate Social Responsibility Expenses (Refer Foot Note 2)	8.33	5.43
Loss on Sale of Property, Plant & Equipments	-	0.20
Postage Printing & Courier Charges	2.83	2.21
Telephone & Internet Expenses	2.60	2.20
Travelling Expenses	4.59	2.92
Advertisement Expenses	4.71	1.13
Professional & Consultancy Fees	51.42	22.13
Office & Administrative Expenses	3.51	1.31
Rent & Lease	7.78	6.22
Road Tax & Toll Tax	6.95	3.17
Miscellaneous expenses	0.07	0.24
Rates & Taxes	13.53	3.98
Goods and Service Tax Written off	-	0.65
Allowance for Expected Credit Loss	4.99	2.33
Director's Sitting Fees	0.08	-
<b>Total</b>	<b>175.32</b>	<b>95.01</b>

**Note :**

**1. Payment to statutory auditors of the Company**

Auditors' Remuneration	For the year ended 31st March 2023	For the year ended 31st March 2022
Statutory Audit Fees:	0.50	0.03
Tax Audit Fees:	-	0.01
<b>Total</b>	<b>0.50</b>	<b>0.04</b>

**2. Details of Corporate Social Responsibility Expenses**

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
(i) Gross amount required to be spent by the company during the year as per section 135 of the Companies Act, 2013 read with Schedule VII	7.29	4.36
(ii) amount of expenditure incurred (nature of CSR Activities)	8.33	5.43
a) Construction/Acquisition of an asset		
b) For purposes other than (a) above	8.33	5.43
(iii) shortfall at the end of the period / year*	-	-
(iv) total of previous years shortfall	-	-
(v) Details of related party transactions	NA	NA
(vi) Details related to Movement of Provision	NA	NA

## VISHNU PRAKASH R PUNGLIA LIMITED

### Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

Note : 32 - Earning Per Share (EPS):	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Face Value per Equity Share (In Rs)</b>	10.00	10.00
(a) Profit for the year attributable to equity shareholders	906.43	448.47
(b) Number of equity shares at the beginning of the year / period	28,148,000	28,148,000
(c) Number of equity shares at the end of the year / period	93,444,000	28,148,000
(d) Weighted average number of equity shares for calculating basic and diluted earnings per share	87,107,013	84,444,000
<b>Earnings Per Share (in Rs):</b>		
- Basic and Diluted earnings per share (a/d)	<b>10.41</b>	<b>5.31</b>

**Note :**

In accordance with Ind AS 33-Earning per share, the Equity shares and basic/diluted earning per share has been presented to reflect the adjustments for issue of bonus shares. Pursuant to the approval of shareholders granted in the extra-ordinary General meeting held on 28th January 2023, the company issued and allotted fully paid up 'bonus share' on 14th February 2023 at par in proportion of Two new equity share of INR 10 each for every one existing fully paid up equity share of INR 10 each held.

## VISHNU PRAKASH R PUNGLIA LIMITED

### Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

#### **Note 33 : Employee Benefit obligation**

##### **Defined Benefits : Gratuity**

The Company operates a defined benefit plan (the gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and tenure of employment. The Gratuity Plan is unfunded.

The summarized position of the gratuity plan benefits as recognized in the Financial Statement as at Balance Sheet date are as under:

<b>Net Asset / (Liability) recognised in the Balance Sheet</b>	<b>As At 31st March 2023</b>	<b>As At 31st March 2022</b>
Present Value of Obligations	9.43	10.07
Fair Value of Plan Assets	-	-
<b>Net Asset / (Liability) recognised in the Balance Sheet</b>	<b>(9.43)</b>	<b>(10.07)</b>

<b>Particulars</b>	<b>As At 31st March 2023</b>	<b>As At 31st March 2022</b>
Provision for Gratuity (Non-Current) Refer Note 18	9.10	9.79
Provision for Gratuity (Current) Refer Note 18	0.33	0.28
<b>Net Asset / (Liability) recognised in the Balance Sheet</b>	<b>9.43</b>	<b>10.07</b>

<b>Change in Present Value of Obligation during the year</b>	<b>As At 31st March 2023</b>	<b>For the year ended 31st March 2022</b>
Present Value of Obligation at the beginning of the Period / Year	10.07	7.46
Current Service Cost	5.03	3.93
Interest Cost	1.00	0.75
Actuarial (Gain)/Loss on Obligation	-6.67	-2.07
Benefits Paid	-	-
<b>Present Value of Obligation at the end of the year</b>	<b>9.43</b>	<b>10.07</b>

<b>Change in Fair Value of Plan Assets during the year</b>	<b>As At 31st March 2023</b>	<b>For the year ended 31st March 2022</b>
Fair Value of Plan Assets at the Beginning of the year	-	-
Expected Return on Plan Assets	-	-
Contributions Made	-	-
Benefits Paid	-	-
Actuarial Gain/(Loss) on Plan Assets	-	-
<b>Fair value of plan Assets at the end of the year</b>	<b>-</b>	<b>-</b>

<b>Amount recognised in the Statement of Profit and Loss</b>	<b>As At 31st March 2023</b>	<b>For the year ended 31st March 2022</b>
<b>Expense recognised</b>		
Current Service Cost	5.03	3.93
Interest Cost	1.00	0.75
Expected Return on Plan Asset	-	-
Past Service cost recognised	-	-
<b>Total Expense charged to Profit and Loss</b>	<b>6.03</b>	<b>4.68</b>
<b>Remeasurement recognised in other comprehensive income (OCI)</b>		
Due to effect of Change in Financial Assumption	0.97	-
Due to effect of Change in Demographic Assumption	-	-
Due to effect of Experience Adjustments	5.70	2.07
<b>Actuarial (Gain)/Losses</b>	<b>6.67</b>	<b>2.07</b>
Return on Plan Assets (excluding Interest)	-	-
<b>Total Re-measurements recognised in OCI</b>	<b>6.67</b>	<b>2.07</b>

<b>Amount recognised in other comprehensive income</b>	<b>As At 31st March 2023</b>	<b>As At 31st March 2022</b>
Opening amount recognised in OCI	2.07	-
Re-measurements recognised in OCI	6.67	2.07
<b>Amount recognised in OCI at the end of the year</b>	<b>8.74</b>	<b>2.07</b>

<b>Reconciliation of amounts in Balance Sheet</b>	<b>Period Ended 31-Mar-2023</b>	<b>As At 31st March 2022</b>
Opening Net Defined Benefit Liability /(Asset)	10.07	7.46
Total Expense (Income) recognised in Income and Expenditure	6.03	4.68
Actual Employer Contribution	-	-
Total Re-measurements recognised in Other Comprehensive (Income)/Loss	-6.67	-2.07
<b>Liability / (Asset) recognised in the Balance sheet</b>	<b>9.43</b>	<b>10.07</b>

#### Actuarial assumptions

With the objective of presenting the plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

<b>Particulars</b>	<b>As At 31st March 2023</b>	<b>As At 31st March 2022</b>
Discount Rate	7.50%	6.60%
Expected Rate of Return on Assets	-	-
Employee Attrition Rate	7% p.a.	7% p.a.
Future Salary Increases considering Inflation, Seniority, Promotion	5.00%	5.00%

#### Sensitivity Analysis

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

<b>Particulars</b>			<b>As At 31st March 2023</b>	<b>As At 31st March 2022</b>
Discount rate (per annum)	Increase	0.25%	(9.19)	(9.81)
	Decrease	0.25%	9.68	10.35
Salary Growth rate (per annum)	Increase	2.00%	11.48	12.36
	Decrease	2.00%	(7.84)	(8.29)
Employee Attrition rate (per annum)	Increase	2.00%	(9.40)	(10.04)
	Decrease	2.00%	9.40	10.05
<b>Expected Cash Flow</b>			<b>As At 31st March 2023</b>	<b>As At 31st March 2022</b>
1 year			0.34	0.28
2 to 5 years			2.16	3.12
6 to 10 years			5.22	4.27

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

### Note : 34 Disclosures pursuant to Indian Accounting standard (Ind AS) 115, Revenue from Contracts with Customers.

#### 1. Disaggregation of revenue

The Company believes that the information provided under note 23, Revenue from Operations is sufficient to meet the disclosure objectives with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers.

#### 2. Reconciliation of the amount for revenue recognised in the Statement of Profit and Loss with the contracted price.

Particulars	Note no.	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2021
Revenue as per contracted price		11,684.04	7,856.13	4,857.31
Adjustments		-	-	-
<b>Revenue from contract with customers</b>	<b>19</b>	<b>11,684.04</b>	<b>7,856.13</b>	<b>4,857.31</b>

#### 3. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	Note no.	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Trade receivables	9	1,977.40	1,168.69	1,000.90
Contract Liabilities - Advances from Customers	22	318.61	258.69	18.90

#### 4. Unsatisfied performance obligation

The Company Applies the practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligation where the company has a right to consider from customer in an amount that corresponds directly with the value to the customer of the Company's performance completed to date. Accordingly the Company recognizes revenue by an amount to which the Company has a right to invoice.

Note 35 : CONTINGENT LAIBILITIES AND COMMITMENTS	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
(i) Contingent liabilities			
(a) Claims against the company not acknowledged as debt;			
Income tax demand (Refer Foot Note 1)	2.49	1.81	0.74
Others ((Refer Foot Note 2)	120.34	-	-
(b) Guarantees given to third parties (Refer Foot Note 3)	2,653.75	1,805.33	2,017.12
(c) Other money for which the company is contingently liable.	-	-	-
(ii) Commitments			
Estimated amount of contracts remaining to be executed on capital account (net of advances)	42.93	-	-

#### Note :

1. Income Tax demand comprise demand raised by the Income Tax Authorities, mainly on account of disallowances of expenses, addition to income and penalty. The matters are pending and / or company is in process of filing appeal with Jurisdictional Commissioner Income Tax (Appeals). Further It also includes company's share of demand raised by the Income Tax Authorities in respect of 2 Joint Operations.

2. Chief Executive Officer, Indore Smart City Development Limited has wrongfully encashed the bank guarantee and forfeited security deposit amounting to aggregate of Rs. 74.87 million and Security Deposit / Retention of Rs. 45.47 million respectively. Against this the Company has filed Contempt Petition vide Civil No. 2397 of 2022 against Chief Executive Officer, Indore Smart City Development Limited & Others before the Madhya Pradesh High Court, Indore. The matter is currently pending for final hearing and adjudication.

3. Guarantees given to third parties represents guarantees given to various entities for the projects.

### Note 36 : Operating Segment

The company is exclusively engaged in the business of construction and infrastructure development in India. Based on the management approach, the Chief Operating Decision Maker evaluates the company's performance and allocates the resources based on an analysis of overall performance indicators. The Managing Director and Chief Financial Officer of the Company, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Operating Decision Maker (CODM). There is only one reporting segment and has no reportable segment as per IND AS 108 - Operating Segment.

### Note 37 : Capital Management

For the purpose of the Company's capital management, capital includes paid-up equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the company's capital management is to ensure that it maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, to equity share holders.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using Debt-Equity ratio, which is net debt divided by total equity. The Company's policy is to keep the net debt to equity ratio below 3. The Company includes within net debt, interest bearing loans and borrowings, less cash and short-term deposits

Particulars	As At 31st March 2023	As At 31st March 2022
Total Borrowings	2,503.74	1,765.77
Less : Cash and Cash Equivalents	150.01	131.91
<b>Adjusted Net Debt</b>	<b>2,353.73</b>	<b>1,633.86</b>
Equity Share Capital	934.44	281.48
Other Equity	2,210.63	1,305.42
<b>Total Equity</b>	<b>3,145.07</b>	<b>1,586.90</b>
<b>Adjusted net debt to equity ratio</b>	<b>0.75</b>	<b>1.03</b>

No changes were made in the objectives, policies or processes for managing capital during the years presented.

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

<b>Note 38 : INTEREST IN OTHER ENTITIES</b>			
The Company has interest in following Joint Operations which was set up as an Un-incorporated AOPs for construction contracts.			
<b>Particulars</b>	<b>Country of Incorporation</b>	<b>Date of Incorporation</b>	<b>Proportion of Company's Interest</b>
PUNGLIA RAKESH JV	India	18-Feb-2009	66.67%
VPRPL-RBIPL JV	India	30-Sep-2015	49.00%
VPRPL WABAG JV	India	3-Jul-2015	42.24%
VPRPL-MCL JV	India	12-Mar-2015	60.00%
VPRPL-RBIPL JAWALI JV	India	14-Jul-2016	49.00%
VPRPL-RBIPL RANI JV	India	14-Jul-2016	49.00%
VPRPL-KALPATRU JV	India	1-Jun-2018	60.00%
VPRPL-KCLPL HARRA JV	India	30-Oct-2020	60.00%
VPRPL-SMCC JV	India	2-Jun-2020	60.00%
VPRPL-PEL JV	India	26-May-2021	49.00%
VPRPL-SSNR JV	India	29-Jun-2021	60.00%
VPRPL-KCC JV	India	14-Jul-2021	76.00%
VPRPL-VI JV	India	30-Oct-2021	51.00%
VPRPL-VI BHILWARA JV	India	30-Oct-2021	51.00%
VPRPL-KSIPL UDAIPUR JV	India	11-Jul-2022	74.00%
VPRPL-SMCC JAISALMER JV	India	24-Jan-2022	60.00%
VPRPL-CIPEL JV	India	27-Feb-2023	90.00%

**Note :**

**1. Classification of joint arrangements:**

The joint venture agreements in related to above joint operations require unanimous consent from all parties for relevant activities. The Joint Operations partners have direct rights to the assets of joint arrangement and are jointly and severally liable for the liabilities incurred by joint arrangement. Thus, the above entities are classified as joint operation and the Company recognises its direct right to the jointly held assets, liabilities, revenue and expenses.

2. The company has 1 joint arrangements named VPRPL-KALPATARU JV where there has been dispute between the Vishnu Prakash R. Punglia Ltd. and Kalpataru Enterprises (JV Partners). The books of account of the Joint Venture are managed by Kalpataru Enterprises. On account of the ongoing dispute the company does not have any access to the financials of the joint Venture and hence the same has not been incorporated in the financials of the company.

3. During the Financial year 2022-23 there are no financial transactions in VPRPL-CIPEL JV.

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

### 39. FAIR VALUE MEASUREMENTS

The carrying value and fair value of financial instruments by categories as at 31st March 2023 are as follows:

Particulars	Note No.	Carrying Amount			Fair Value measurement			
		FVCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>FINANCIAL ASSETS</b>								
Non - Current Investments	5	8.63	-	8.63	8.63	-	-	8.63
Other Non - Current Financial Assets	5A	-	97.10	97.10	-	-	-	-
Loans & Advances	8	-	89.73	89.73	-	-	-	-
Trade Receivables	9	-	1,977.40	1,977.40	-	-	-	-
Cash and Cash Equivalents	10	-	150.01	150.01	-	-	-	-
Other balances with bank	11	-	549.50	549.50	-	-	-	-
Other Current Financial Assets	12	-	104.55	104.55	-	-	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>8.63</b>	<b>2,968.29</b>	<b>2,976.92</b>	<b>8.63</b>	-	-	<b>8.63</b>
<b>FINANCIAL LIABILITIES</b>								
Long Term Borrowings	17	-	602.97	602.97	-	-	-	-
Short Term Borrowings	17	-	1,900.77	1,900.77	-	-	-	-
Trade Payables	20	-	2,062.02	2,062.02	-	-	-	-
Other Financial Liabilities	21	-	91.12	91.12	-	-	-	-
<b>TOTAL FINANCIAL LIABILITIES</b>		-	<b>4,656.88</b>	<b>4,656.88</b>	-	-	-	-

The carrying value and fair value of financial instruments by categories as at 31st March 2022 are as follows:

Particulars	Note No.	Carrying Amount			Fair Value measurement			
		FVCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>FINANCIAL ASSETS</b>								
Non - Current Investments	5	5.44	-	5.44	5.44	-	-	5.44
Other Non - Current Financial Assets	5A	-	42.97	42.97	-	-	-	-
Loans & Advances	8	-	17.22	17.22	-	-	-	-
Trade Receivables	9	-	1,168.69	1,168.69	-	-	-	-
Cash and Cash Equivalents	10	-	131.91	131.91	-	-	-	-
Other balances with bank	11	-	254.88	254.88	-	-	-	-
Other Current Financial Assets	12	-	80.19	80.19	-	-	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>5.44</b>	<b>1,695.85</b>	<b>1,701.29</b>	<b>5.44</b>	-	-	<b>5.44</b>
<b>FINANCIAL LIABILITIES</b>								
Long Term Borrowings	17	-	418.62	418.62	-	-	-	-
Short Term Borrowings	17	-	1,347.15	1,347.15	-	-	-	-
Trade Payables	20	-	1,181.36	1,181.36	-	-	-	-
Other Financial Liabilities	21	-	123.47	123.47	-	-	-	-
<b>TOTAL FINANCIAL LIABILITIES</b>		-	<b>3,070.60</b>	<b>3,070.60</b>	-	-	-	-

The carrying value and fair value of financial instruments by categories as at 1st April 2021 are as follows:

Particulars	Note No.	Carrying Amount			Fair Value measurement			
		FVCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>FINANCIAL ASSETS</b>								
Non - Current Investments	5	2.41	-	2.41	2.41	-	-	2.41
Other Non - Current Financial Assets	5A	-	62.20	62.20	-	-	-	-
Loans & Advances	8	-	1.79	1.79	-	-	-	-
Trade Receivables	9	-	1,000.90	1,000.90	-	-	-	-
Cash and Cash Equivalents	10	-	44.89	44.89	-	-	-	-
Other balances with bank	11	-	232.78	232.78	-	-	-	-
Other Current Financial Assets	12	-	75.98	75.98	-	-	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>2.41</b>	<b>1,418.54</b>	<b>1,420.95</b>	<b>2.41</b>	-	-	<b>2.41</b>
<b>FINANCIAL LIABILITIES</b>								
Long Term Borrowings	17	-	190.56	190.56	-	-	-	-
Short Term Borrowings	17	-	917.26	917.26	-	-	-	-
Trade Payables	20	-	941.11	941.11	-	-	-	-
Other Financial Liabilities	21	-	69.01	69.01	-	-	-	-
<b>TOTAL FINANCIAL LIABILITIES</b>		-	<b>2,117.94</b>	<b>2,117.94</b>	-	-	-	-

#### Notes :

i. The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, loans & advances and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

**There have been no transfers among Level 1, Level 2 and Level 3 during the period**

**Level 1** - Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2** - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3** - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

#### ii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

**iii. Valuation processes**

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

### 40. FINANCIAL RISK MANAGEMENT

#### (A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as equity price risk and commodity/real estate risk.

#### (i) Foreign currency risk

Currency risk is not material as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

#### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. Any movement in the reference rate could have an impact on the company's cash flows as well as costs. The company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The company seeks to mitigate such risk by maintaining an adequate proportion of variable and fixed rate debts.

#### Exposure to interest rate risk

The interest rate profile of the Company's debt obligations as reported to management is as follows:

Particulars	As At 31st March 2023	As At 31st March 2022	As At 1st April 2021
Fixed Rate Debt Obligations	773.90	408.69	244.52
Variable Rate debt Obligations	1729.83	1357.07	863.30

#### Interest Rate Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of variable rate debt instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	Impact on Profit Before Tax		
	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest Rate			
- Increase by 100 basis points	(17.30)	(13.57)	(8.63)
- Decrease by 100 basis points	17.30	13.57	8.63

#### (B) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade receivables, loans, deposits with banks and other financial assets.

Trade Receivables, deposits with banks and Other financial assets like security deposits, are mostly with government bodies, banks, employees and group entities, hence, the Company does not expect any credit risk with respect to these financial assets.

The carrying amount of financial assets represents the maximum credit exposure.

#### (C) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include both interest and principal cash flows.

Contractual maturities of financial liabilities				
Particulars	Carrying Amount	Less than 1 year	1 to 5 years	More Than 5 Years
<b>As at 31st March 2023</b>				
Trade Payables	2,062.02	2,062.02	-	-
Long Term Borrowings	602.97	-	589.80	13.17
Short Term Borrowings	1,900.77	1,900.77	-	-
Other financial Liabilities	91.12	91.12	-	-
<b>Total financial liabilities</b>	<b>4,656.88</b>	<b>4,053.91</b>	<b>589.80</b>	<b>13.17</b>
<b>As at 31st March 2022</b>				
Trade Payables	1,181.36	1,181.36	-	-
Long Term Borrowings	418.62	-	405.45	13.17
Short Term Borrowings	1,347.15	1,347.15	-	-
Other financial Liabilities	123.47	123.47	-	-
<b>Total financial liabilities</b>	<b>3,070.60</b>	<b>2,651.98</b>	<b>405.45</b>	<b>13.17</b>
<b>As at 1st April 2021</b>				
Trade Payables	941.11	941.11	-	-
Long Term Borrowings	190.56	-	190.56	-
Short Term Borrowings	917.26	917.26	-	-
Other financial Liabilities	69.01	69.01	-	-
<b>Total financial liabilities</b>	<b>2,117.94</b>	<b>1,927.38</b>	<b>190.56</b>	<b>-</b>

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

Note : 41 - Related Party Transactions :	
<b>A) Related parties with whom the company had transactions during the period / years</b>	
<b>(a) Key Management Personnel ("KMP"):</b>	
Vishnu Prakash Punglia	Whole Time Director & Chairman
Manohar Lal Punglia	Managing Director
Ajay Punglia	Whole Time Director & Chief Financial Officer (Redesignated as Whole Time Director only w.e.f. 28th February 2023)
Sanjay Kumar Punglia	Whole Time Director & Chief Executive Officer
Anil Punglia	Whole Time Director (Resigned from Directorship w.e.f. 8th November 2022)
Kamal Kishor Punglia	Whole Time Director
Vijay Punglia	Whole Time Director (Resigned from Directorship from 8th November 2022)
Manisha Daga	Company Secretary (Resigned w.e.f. 31st December 2021)
Neha Matnani	Company Secretary (w.e.f. 6th June 2022)
Sarfraz Ahmed	Chief Financial Officer (w.e.f. 1st March 2023)
<b>(b) Relatives of KMPs</b>	
Arti Punglia	
Dipanshu Punglia	
Mamta Punglia	
Naresh Punglia	
Nitu Punglia	
Pooja Punglia	
Rakhi Punglia	
Pushpa Devi Punglia	
Pushpa Punglia	
Ram Jeevan Punglia	
Jayant Punglia	
Nidhi Punglia	
<b>(c) Enterprises over which KMP and Relatives of KMP's exercise significant influence</b>	
Vishnu Shree Test labs Pvt Ltd	
Vishnu Infrastructures	
Avyay Infra	
Vishnu Prakash R Punglia Construction Limited	
VPRP Consulting India LLP	

### B) Transactions with key management personnel, relatives of KMP and their closing balances:

The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm's length basis. The aggregate value of the Company's transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence is as follows:

Nature of Transaction	Nature of Relationship	Transaction Value	
		For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Sale of Products</b>		-	-
Avyay infra	Significant influence of Relatives of KMP	2.93	-
<b>Sale of Services</b>		-	-
Avyay Infra	Significant influence of Relatives of KMP	-	4.75
<b>Interest Income</b>			
Avyay Infra	Significant influence of Relatives of KMP	0.24	0.99
Vishnu Infrastructures	Significant influence of KMP & Relatives of KMP	3.85	-
Manohar Lal Punglia	KMP	-	0.47
<b>Payment to Sub-contractors</b>			
Vishnu Infrastructures	Significant influence of KMP & Relatives of KMP	808.15	54.25
Avyay Infra	Significant influence of KMP & Relatives of KMP	381.40	260.42
<b>Testing Expenses/Purchase of Diesel / Administrative Expenses</b>			
Vishnu Shree Test labs Pvt Ltd	Significant influence of Relatives of KMP	204.80	11.90
VPRP Consulting India LLP	Significant influence of Relatives of KMP	0.09	-
<b>Rent Expense</b>			
Vishnu Prakash R Punglia Construction Limited	Significant influence of KMP & Relatives of KMP	-	0.46
<b>Consultancy Fees</b>			
Nidhi Punglia	Relative of KMP	0.96	0.30
<b>Salaries (Employee Benefits)</b>			
Ajay Punglia	KMP	6.40	2.55
Anil Punglia	KMP	6.40	2.55
Arti Punglia	Relative of KMP	2.40	1.05

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

Nature of Transaction	Nature of Relationship	Transaction Value	
		For the year ended 31st March 2023	For the year ended 31st March 2022
Dipanshu Punglia	Relative of KMP	2.40	0.83
Kamal Kishor Punglia	KMP	6.40	2.55
Mamta Punglia	Relative of KMP	2.40	1.05
Manohar Lal Punglia	KMP	7.50	3.15
Naresh Punglia	Relative of KMP	6.40	2.55
Nitu Punglia	Relative of KMP	2.40	1.05
Pooja Punglia	Relative of KMP	2.40	1.05
Pushpa Devi Punglia	Relative of KMP	2.40	1.05
Pushpa Punglia	Relative of KMP	2.40	1.05
Rakhi Punglia	Relative of KMP	2.40	1.05
Sanjay Kumar Punglia	KMP	6.40	2.55
Shri Devi Punglia	Relative of KMP	2.40	1.05
Vijay Punglia	KMP	6.40	2.55
Vishnu Prakash Punglia	KMP	7.50	3.15
Jayant Punglia	Relative of KMP	2.40	-
Manisha Daga	KMP	-	0.38
Neha Matnani	KMP	0.33	-
Sarfaraz Ahemd	KMP	0.13	-
<b>Interest Paid</b>			
Ajay Punglia	KMP	1.10	2.20
Anil Punglia	KMP	0.18	0.08
Arti Punglia	Relative of KMP	-	0.26
Kamal Kishor Punglia	KMP	0.13	0.16
Manohar Lal Punglia	KMP	0.66	0.12
Pooja Punglia	Relative of KMP	-	0.07
Pushpa Devi Punglia	Relative of KMP	0.12	0.12
Pushpa Punglia	Relative of KMP	0.24	0.30
Rakhi Punglia	Relative of KMP	-	0.27
Sanjay Kumar Punglia	KMP	0.14	0.04
Vijay Punglia	KMP	0.07	0.06
Vishnu Prakash Punglia	KMP	0.60	0.14
Vishnu Shree Test labs Pvt Ltd	Significant influence of Relatives of KMP	-	0.10
Vishnu Infrastructures	Significant influence of KMP & Relatives of KMP	-	0.21
<b>Purchase of Immovable Property</b>			
Vishnu Prakash R Punglia Construction Limited	Significant influence of KMP & Relatives of KMP	-	6.14
Dilip Punglia	Relative of KMP	1.20	-
Sanjay Kumar Punglia	KMP	0.20	-
Kamal Kishore Punglia	KMP	0.20	-
Manohar Lal Punglia	KMP	0.20	-
Anil Punglia	KMP	0.20	-
Vishnu Prakash Punglia	KMP	0.80	-
<b>Loans Given</b>			
Vishnu Shree test labs Pvt ltd	Significant influence of Relatives of KMP	-	0.36
Avyay Infra	Significant influence of Relatives of KMP	6.50	56.75
Vishnu Infrastructures	Significant influence of KMP & Relatives of KMP	167.19	3.68
<b>Loans Received Back</b>			
Vishnu Shree Test Labs pvt ltd	Significant influence of Relatives of KMP	-	0.92
Avyay Infra	Significant influence of Relatives of KMP	9.55	53.90
Vishnu Infrastructures	Significant influence of KMP & Relatives of KMP	96.87	-
<b>Loan taken during the year</b>			
Ajay Punglia	KMP	46.20	16.10
Anil Punglia	KMP	1.70	1.20
Vijay Punglia	KMP	-	0.30
Manohar Lal Punglia	KMP	41.10	0.60
Pooja Punglia	Relative of KMP	-	0.90
Pushpa Devi Punglia	Relative of KMP	-	0.54
Pushpa Punglia	Relative of KMP	-	0.60
Rakhi Punglia	Relative of KMP	-	0.90
Sanjay Kumar Punglia	KMP	16.50	0.60
Vishnu Prakash Punglia	KMP	27.10	1.60
Vijay punglia	KMP	1.10	0.30
Vishnu Shree Test labs Pvt Ltd	Significant influence of Relatives of KMP	-	5.49
Vishnu Infrastructures	Significant influence of KMP & Relatives of KMP	50.50	49.61
Kamal Kishor Punglia	KMP	1.30	-

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

Nature of Transaction	Nature of Relationship	Transaction Value	
		For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Loan repayment during the year</b>			
Ajay Punglia	KMP	59.02	27.03
Anil Punglia	KMP	0.20	0.82
Arti Punglia	Relative of KMP	-	2.68
Kamal Kishor Punglia	KMP	0.20	1.62
Manohar Lal Punglia	KMP	39.80	4.91
Pooja Punglia	Relative of KMP	-	1.33
Pushpa Devi Punglia	Relative of KMP	-	0.50
Pushpa Punglia	Relative of KMP	-	1.26
Rakhi Punglia	Relative of KMP	-	3.46
Sanjay Kumar Punglia	KMP	15.30	0.87
Vishnu Prakash Punglia	KMP	25.95	1.71
Vijay Punglia	KMP	-	1.14
Vishnu Shree Test labs Pvt ltd	Significant influence of Relatives of KMP	3.98	1.60
Vishnu Infrastructures	Significant influence of KMP & Relatives of KMP	50.50	49.61

Particulars	Nature of Relationship	Balances Outstanding	
		As At 31st March 2023	As At 31st March 2022
<b>Loans &amp; Advances at the year end</b>			
Avyay Infra	Significant influence of Relatives of KMP	0.70	3.74
Vishnu Infrastructure	Significant influence of KMP & Relatives of KMP	78.01	3.68
<b>Advances to Vendors / Sub Contractors / Employees</b>			
Avyay Infra	Significant influence of Relatives of KMP	19.81	-
Naresh Punglia	Relative of KMP	-	0.08
Dipanshu Punglia	Relative of KMP	0.04	-
Sarfaraz Ahmed	KMP	0.03	-
<b>Loans (Short term Borrowings)</b>			
Ajay Punglia	KMP	6.92	18.76
Anil Punglia	KMP	2.51	0.84
Kamal Kishor Punglia	KMP	1.78	0.57
Manohar Lal Punglia	KMP	2.24	0.34
Pushpa Devi Punglia	Relative of KMP	1.12	1.01
Pushpa Punglia	Relative of KMP	2.23	2.02
Sanjay Kumar Pungalia	KMP	1.42	0.09
Vijay Punglia	KMP	1.21	0.05
Vishnu Prakash Punglia	KMP	2.78	1.09
Vishnu Shree Test labs Pvt ltd	Significant influence of Relatives of KMP	-	3.98
<b>Trade Payables (Employees / Subcontractors / Vendors)</b>			
<b>Payables (Salaries - Employee Benefits)</b>			
Ajay Punglia	KMP	-	0.31
Anil Punglia	KMP	-	0.23
Arti Punglia	Relative of KMP	0.37	0.12
Dipanshu Punglia	Relative of KMP	-	0.24
Kamal Kishor Punglia	KMP	-	0.24
Mamta Punglia	Relative of KMP	0.37	0.19
Manohar Lal Punglia	KMP	-	0.43
Nidhi Punglia	Relative of KMP	0.07	0.02
Nitu Punglia	Relative of KMP	0.37	0.19
Pooja Punglia	Relative of KMP	0.37	0.19
Pushpa Devi Punglia	Relative of KMP	0.37	0.20
Pushpa Punglia	Relative of KMP	0.22	0.19
Rakhi Punglia	Relative of KMP	0.37	0.19
Sanjay Kumar Punglia	KMP	-	0.39
Shri Devi Punglia	Relative of KMP	0.20	0.19
Vijay Punglia	KMP	-	0.12
Jayant Punglia	Relative of KMP	0.71	-
Vishnu Prakash Punglia	KMP	-	0.43
Neha Matnani	KMP	0.05	-
<b>Payable to Subcontractors / Vendors</b>			
Vishnu Shree Test Labs pvt ltd	Significant influence of Relatives of KMP	3.18	0.23
Avyay Infra	Significant influence of Relatives of KMP	145.58	87.42
Vishnu Infrastructure	Significant influence of KMP & Relatives of KMP	167.65	1.14

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

### Note 42 : First Time Adoption

These are the company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended March 31, 2023, the comparative information presented in these financial statements for the year ended March 31, 2022 and in the preparation of an opening Ind AS balance sheet at April 1, 2021 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

#### A. Exemptions and exceptions availed on first time adoption of Ind AS

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

##### 1. Ind AS optional exemptions

###### Cumulative translation differences

###### Deemed cost for Property, Plant and Equipment and Intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and Intangible assets as recognised in the financial statement as at the date of transition to Ind AS, measured as per previous GAAP and used that as its deemed cost as at the date of transition after making necessary adjustment for decommissioning liabilities. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value as at transition date.

##### 2. Ind AS mandatory exceptions

###### i. Estimates

On assessment of the estimates made under the previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date. Key estimates considered in preparation of financial statements that were not required under the previous GAAP are listed below:

- i. Fair valuation of financial instruments carried at FVTPL
- ii. Determination of the discounted value for financial instruments carried are amortised cost.
- iii. Impairment of financial assets based on the expected credit loss model.

###### ii. Share based payment transactions

A first-time adopter is encouraged, but not required, to apply Ind AS 102 Share-based Payment to equity instruments that were vested on or before the date of transition to Ind AS. However, if a first-time adopter elects to apply Ind AS 102 to such equity instruments, it may do so only if the entity has disclosed publicly the fair value of those equity instruments determined at the measurement date as defined in Ind AS 102. If a first-time adopter modifies the terms or conditions of a grant of equity instruments to which Ind AS 102 has not been applied, the entity is also not required to apply Ind AS 102 requirements for modifications of awards if the modification occurred before the date of transition to Ind AS

###### iii. Classification and measurement of financial assets:

The Company has classified the financial assets in accordance with IndAS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

#### B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile other equity and total comprehensive income for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

##### (i). Reconciliation of Other equity giving impact of First Time Adoption of IND AS and other Adjustments

Particulars	Foot Note No.	As At 31st March 2022	As At 1st April 2021
<b>Other Equity as per Audited Financial Statements as per Previous GAAP (A)</b>		1,374.55	915.29
<b>Adjustments in Retained Earnings :</b>			
Amortisation of Cost of Lease hold Land and improvements	1	(4.50)	(2.99)
Provision for Gratuity	2	(14.16)	(9.48)
Goods & Service Tax Written Off	3	(31.13)	(30.48)
Allowance for Expected Credit Loss (Trade Receivables)	4	(9.92)	(7.59)
Profit on Sale of Mutual Funds	5	(0.19)	-
Profit of Joint Operations	6	0.22	-
Interest Income	7	0.43	0.23
Interest Expense	8	(15.46)	(11.99)
Tax effects of adjustments		1.02	(0.60)
Transfer from OCI on disposal of financial instruments		0.19	-
<b>Total Adjustments in Retained Earnings (B)</b>		<b>(73.50)</b>	<b>(62.90)</b>

## VISHNU PRAKASH R PUNGLIA LIMITED

Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

<b>Adjustments in Other Comprehensive Income:</b>			
Financial Instruments through Other Comprehensive Income	9	0.32	0.28
Gain on sale of Equity Instruments through Other Comprehensive Income	9	0.18	-
Remeasurements of defined employee benefit	10	4.09	2.02
Deferred Tax on revaluation of financial instruments	11	(0.03)	(0.03)
Transfer to retained earnings on disposal of financial instruments		(0.19)	
Total Adjustments in OCI (C)		<b>4.37</b>	<b>2.27</b>
<b>Total Adjustment (D= (B+C))</b>		<b>(69.13)</b>	<b>(60.63)</b>
<b>Other Equity after giving impact of First Time Adoption of IND AS and other Adjustments (A+D)</b>		<b>1,305.42</b>	<b>854.66</b>

### (ii) Reconciliation of Net Profit between previous GAAP and Ind AS for the Year ended March 31, 2022

Particulars	Foot Note No.	ended 31st March 2022
<b>Net Profit as per previous GAAP</b>		459.26
<b>Adjustments:</b>		
Amortisation of Cost of Lease hold Land and improvements	1	(1.51)
Provision for Gratuity	2	(4.68)
Goods & Service Tax Written Off	3	(0.65)
Allowance for Expected Credit Loss (Trade Receivables)	4	(2.33)
Profit on Sale of Mutual Funds	5	(0.19)
Profit of Joint Operations	7	0.22
Interest Income	8	0.20
Interest Expense	9	(3.47)
Deferred Tax Impact	10	1.62
<b>Total Adjustment</b>		<b>-10.79</b>
<b>Net Profit after IND AS adjustments</b>		<b>448.47</b>

### (ii) Reconciliation of Other comprehensive income between previous GAAP and Ind AS for the year ended March 31, 2022

Particulars	Foot Note No.	For the year ended 31st March 2022
<b>Other Comprehensive Income as per previous GAAP (A)</b>		-
<b>Adjustments:</b>		
Financial Instruments through Other Comprehensive Income	5	0.04
Gain on sale of Equity Instruments through Other Comprehensive Income	5	0.18
Remeasurements of defined employee benefit	2	2.07
Deferred Tax on revaluation of financial instruments	10	(0.00)
<b>Total Adjustment (B)</b>		<b>2.29</b>
<b>Other Comprehensive Income as per IND AS (A+B)</b>		<b>2.29</b>

#### Notes to Adjustments

- In the financial Statements the cost of lease hold land and improvements has been amortised over the lease period in compliance with Ind AS 16 (Property, Plant & Equipments).
- In the financial Statements the liability on account of Gratuity payable to employees has been provided on actuarial basis in compliance with Ind AS 19 (Employee Benefits). Further the Actuarial gain/loss on account of change in assumptions as per IND AS 19 has been appropriately adjusted in Other Comprehensive income.
- In the financial Statements the balance with government authorities towards Goods & Service Tax (GST) has been written Off and adjusted in the respective financial year.
- The Company applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for trade receivables at an estimated rate decided by the management and the ECLs calculated on outstanding balance as at year end has been appropriately adjusted in respective financial year.
- In the financials statements the mutual funds, bonds and Equity shares have been remeasured as per the provision of Ind AS 109. The impact of remeasurement is given. The gain/loss on sale/retirement of Financials instruments as per IND AS 109 have been appropriately adjusted in the respective years. Also the gain shown in the profit and loss account has been removed since the same is routed through OCI as per IND AS.
- The Company has 16 Joint Arrangements classified as Joint operations as per Ind AS 111. For the purpose of this statement and in compliance with Ind AS 111, the company recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings. The net effect on profit / loss is nil.
- In the financial Statement for the year ended 31st March 2022, profit of one of the Joint Operations was not considered. For the purpose of this statement, the said amount has been appropriately adjusted in the respective financial year to which they relate.
- In the financial Statements, certain interest on income tax refund has been appropriately adjusted in the respective financial year.
- In the financial Statements, interest on dues to micro and small enterprises has been appropriately adjusted in the respective financial year.
- The Tax rate applicable for the respective years has been used to calculate the deferred tax impact on the adjustments made on account of IND AS conversion.

## VISHNU PRAKASH R PUNGLIA LIMITED

### Notes to the Financial Statements for the year ended March 31, 2023

(All amounts are in Million Rupees, unless otherwise stated)

#### Note 43 : OTHER STATUTORY DISCLOSURES

- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- The Company has not traded or invested in Crypto currency or Virtual Currency during reporting periods.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- The Company does not have any borrowings from banks and financial institutions that are used for any other purpose other than the specific purpose for which it was taken at the reporting balance sheet date.
- The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- The Company is not declared as a wilful defaulter by any bank or financial institution or other lender during the any reporting period.
- Section 8 of the Companies Act, 2013 Company is required to disclose grants or donations received during the year. Since, the Company is not covered under Section 8 of the Companies Act, 2013, the said disclosure is not applicable.
- There are no scheme of arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the reporting period / year.
- The Company has not identified any transactions or balances in any reporting periods with companies whose name is struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- There are no charge or satisfaction yet to be registered with ROC beyond the statutory period by the Company as at the reporting period / years.
- The Company has neither declared nor paid any dividend during the reporting period.

#### 14 Ratio Analysis

Ratio	Numerator	Denominator	FY 2022-23	FY 2021-22	Variance
Current Ratio (in times)	Current Assets	Current Liabilities	1.51	1.40	7.86%
Debt-equity ratio (in times)	Total Debt	Total Equity	0.80	1.11	-27.93%
Debt Service Coverage Ratio (in times)	(Profit after tax + Interest expense + depreciation and amortisation expense+loss/(profit) on sale of PPE	Interest Paid + Principal Repayments made during the period for long term loans	2.29	1.91	19.90%
Return on Equity Ratio (in %)	Net Profit After Tax	Average Total equity	38.31%	32.94%	16.31%
Inventory Turnover Ratio (in times)	Purchase cost + Construction Expenses + Changes in Inventory	Average Inventory	3.96	4.78	-17.15%
Trade Receivables Turnover Ratio (in times)	Revenue from operations	Average Trade Receivables	7.43	7.24	2.62%
Net Profit Ratio (in %)	Net Profit After Tax	Total Income	7.74%	5.70%	35.85%
Trade payables turnover ratio (in times)	Purchases + Construction Expenses	Average Trade Payable	6.80	7.03	-3.27%
Net capital turnover ratio (in times)	Revenue from operations	Working capital (Current Assets - Current Liabilities)	5.16	6.71	-23.10%
Return on Capital employed (in %)	Earnings before interest and taxes (EBIT)	Average Capital Employed ( Total equity + Total Debt + Deferred Tax Liability)	33.72%	29.94%	12.60%
Return on investment (in%)	Capital Gain + Dividend + Financial Instrument through other comprehensive income	Average Financial investments	0.59%	5.63%	-89.57%

Note :

#### 1. Reasons for variance of more than 25% in above in ratios

- Debt equity ratio has improved from 1.11 times to 0.80 times in FY 2022-23 in comparison to FY 2021-22 is mainly due to increase in equity share capital through private placement.
- Net profit ratio has improved from 5.70% to 7.81% in FY 2022-23 due to significant improvement in its scale of operations while maintaining the overheads at similar level with effective cost management.
- Return on Investment ratio has weakened from 5.63% to 0.59% in FY 2022-23 mainly due to change in fair value of investments.

Note 44 : Previous year figures have been recast / regrouped wherever necessary, to make these comparable with current year figures.

For and on Behalf of Board of

VISHNU PRAKASH R PUNGLIA LIMITED

**Manohar Lal Punglia**  
Managing Director  
DIN : 02161961

**Ajay Punglia**  
Whole Time Director  
DIN : 02162190

**Sarfraz Ahmed**  
Chief Financial Officer

**Neha Matnani**  
Company Secretary  
Membership No.  
A69247

As per our report of even date  
For **Banshi Jain & Associates**  
Chartered Accountants  
FRN : 0100990W

**Hemant Malu**  
Partner  
Membership No. 404017  
Date: 24th June 2023  
Place: Jodhpur

## NOTICE OF 10<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the Tenth (10<sup>th</sup>) **Annual General Meeting** of the members of **Vishnu Prakash R Punglia Limited** is scheduled to be held on **Monday, 24<sup>th</sup> July, 2023** at 3:00 p.m. **at the Registered office of the Company situated at Unit No. 3, 5th Floor, B Wing, Trade Star Premises Co-Operative Society Limited, Village Kondivita, Mathuradas VasANJI Road, Near Chakala Metro Station, Andheri (East), Mumbai 400059 Maharashtra** to transact the following business:

### **ORDINARY BUSINESS:**

#### **Ordinary Resolutions**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023 together with the Report of Board of Directors and Auditor's thereon.
2. To appoint a director in place of **Mr. Kamal Kishor Pungalia (DIN: 02168426)** who retires by rotation at this Annual general Meeting and being eligible, offers himself for re-appointment.
3. To appoint a director in place of **Mr. Sanjay Kumar Punglia (DIN: 02162102)** who retires by rotation at this Annual general Meeting and being eligible, offers himself for re-appointment.
4. Re-appointment of Statutory Auditors.

In this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

*“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies(Audit and Auditors) Rules, 2014 and other applicable provisions [including any modification or re-enactment thereof] if any, of the Companies Act, 2013, and on the recommendation of Audit Committee and Board of Directors, M/s **Banshi Jain & Associates**, Chartered Accountants, (Firm Registration No. 100990W) be and is hereby appointed as the Statutory Auditor of the Company to hold the office for a term of **5 years** commencing from the conclusion of the ensuing Annual General Meeting till the conclusion of 15th Annual General Meeting of the Company to be held in the year 2028, on such terms & Conditions and such Remuneration, out of pocket, travelling and living expenses as may be mutually agreed upon between the Auditors and Board of Directors of the Company”.*

*“RESOLVED FURTHER THAT all the Directors and the Company Secretary of the Company be and are hereby severally authorized to do all such acts and deeds as may be required and to sign and submit e-form ADT-1 or any other e-forms, as may be required, with the Registrar of Companies and further to sign all such papers and documents as may be necessary to implement the decision.”*

### **SPECIAL BUSINESS:**

#### **Ordinary Resolution**

5. **To approve Cost Auditor's Remuneration.**

In this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

*“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory*

modification(s) or re-enactment(s) thereof, for the time being in force), **M/s. RAJENDRA SINGH BHATI & CO., COST ACCOUNTANTS, JODHPUR, RAJASTHAN** (Membership No. 33509/FRN. 101983) re-appointed by the Board of Directors of the Company to conduct the audit of cost records maintained by the company pertaining to **Construction of Roads (ROB)**, be paid a remuneration of Rs. 21,000 /-, for the Financial Year ending March 31, 2024, plus, applicable taxes and re-imbursment of out-of-pocket expenses incurred by them in connection with the aforesaid audit as approved.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall include any committee of the Board) be and are hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do and perform all such acts, deeds, matters and things, as it may in its sole and absolute discretion considered necessary, desirable or expedient to give effect to this resolution and to delegate all or any of its powers herein conferred to any Director(s)/Officer(s) of the Company”

**SPECIAL BUSINESS:**

**Special Resolution**

- 6. To re-appoint Mrs. Nilima Bhansali (DIN: 08197422) as an Independent Director of the Company.**

In this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), on the basis of the recommendation of the Nomination and Remuneration Committee and the Board of directors of the Company, Consent of the Members be and is hereby accorded to re-appoint **Mrs. Nilima Bhansali (DIN: 08197422)**, who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment as an Independent & Women Director of the Company to hold office for five (5) years with effect from 30-09-2023 upto 29-09-2028, not liable to retire by rotation.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall include any committee of the Board) be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do and perform all such acts, deeds, matters and things, as it may in its sole and absolute discretion considered necessary, desirable or expedient to give effect to this resolution and to delegate all or any of its powers herein conferred to any Director(s)/Officer(s) of the Company and to sign, submit, execute, deliver and file any documents, signing manually or digitally all such forms, documents and papers, as may be required to be filed or submitted with the Registrar of Companies.”

- 7. To re-appoint Mr. Krishan Murari Lal Mathur (DIN: 08402786) as an Independent Director of the Company**

In this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), on the basis of the recommendation of the Nomination and Remuneration Committee and the Board of directors of the Company, Consent of the Members be and hereby is accorded to re-appoint **Mr. Krishan Murari Lal Mathur (DIN: 08402786)**, who has submitted a declaration that he meets the criteria for independence as provided

in section 149(6) of the Act and who is eligible for appointment as an Independent Director of the Company to hold office for five (5) years with effect from 30-04-2024 upto 29-04-2029, not liable to retire by rotation.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall include any committee of the Board) be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do and perform all such acts, deeds, matters and things, as it may in its sole and absolute discretion considered necessary, desirable or expedient to give effect to this resolution and to delegate all or any of its powers herein conferred to any Director(s)/Officer(s) of the Company and to sign, submit, execute, deliver and file any documents, signing manually or digitally all such forms, documents and papers, as may be required to be filed or submitted with the Registrar of Companies.”

**8. To retain Mr. Krishan Murari Lal Mathur (DIN: 08402786) as an Independent Director as he had attained the age of 75 years.**

In this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution**:

**“RESOLVED THAT** pursuant to the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) including any amendment, modification, variation or re-enactment thereof for the time being in force and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of directors of the Company, consent of the Members be and hereby is accorded for continuation of directorship of **Mr. Krishan Murari Lal Mathur (DIN: 08402786)** as an Independent Director of the Company, who has attained the age of 75 years on 14-06-2023.”

**“RESOLVED FURTHER THAT** the terms of his appointment, including the remuneration and other benefits, if any, shall remain unchanged.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall include any committee of the Board) be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do and perform all such acts, deeds, matters and things, as it may in its sole and absolute discretion considered necessary, desirable or expedient to give effect to this resolution and to delegate all or any of its powers herein conferred to any Director(s)/Officer(s) of the Company and to sign, submit, execute, deliver and file any documents, signing manually or digitally all such forms, documents and papers, as may be required to be filed or submitted with the Registrar of Companies.”

**9. Re-appointment of Mr. Ajay Pungalia (DIN: 02162190) as Whole Time Director of the Company**

To consider, and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), on the recommendation of Nomination & Remuneration Committee and Board of Directors, consent of the members be and is hereby accorded to re-appoint **Mr. Ajay Pungalia (DIN: 02162190)** as a Whole-time Director, designated as Executive Director of the Company, for a period of 5 (five) years with effect from 30-09-2023 upto 29-09-2028 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to determine, vary, alter, enhance or widen the scope of and modify the terms and conditions of the said re-appointment and/ or his remuneration and/ or any other term in his agreement/ appointment letter with the Company during his tenure, as may be agreed to between the Board and Mr. Ajay Pungalia, without being required to seek any further consent or approval of the members of the Company”

**“RESOLVED FURTHER THAT** the Board be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do and perform all such acts, deeds, matters and things, as it may in its sole and absolute discretion considered necessary, desirable or expedient to give effect to this resolution and to delegate all or any of its powers herein conferred to any Director(s)/Officer(s) of the Company and to sign, submit, execute, deliver and file any documents, signing manually or digitally all such forms, documents and papers, including Form MGT-14; Form DIR-12; Form MR-1, as may be required to be filed or submitted with the Registrar of Companies.”

**10. Re-appointment of Mr. Vishnu Prakash Punglia (DIN: 02162019) as Whole Time Director of the Company.**

To consider, and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint **Mr. Vishnu Prakash Punglia (DIN: 02162019)** as a Whole-time Director, designated as Executive Director of the Company, for a period of 5 (five) years with effect from 30-09-2023 upto 29-09-2028, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to determine, vary, alter, enhance or widen the scope of and modify the terms and conditions of the said re-appointment and/ or his remuneration and/ or any other term in his agreement/ appointment letter with the Company during his tenure, as may be agreed to between the Board and Mr. Vishnu Prakash Punglia, without being required to seek any further consent or approval of the members of the Company”

**“RESOLVED FURTHER THAT** the Board be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do and perform all such acts, deeds, matters and things, as it may in its sole and absolute discretion considered necessary, desirable or expedient to give effect to this resolution and to delegate all or any of its powers herein conferred to any Director(s)/Officer(s) of the Company and to sign, submit, execute, deliver and file any documents, signing manually or digitally all such forms, documents and papers, including Form MGT-14; Form DIR-12; Form MR-1, as may be required to be filed or submitted with the Registrar of Companies.”

**11. Re-appointment of Mr. Kamal Kishor Punglia (DIN: 02168426) as Whole Time Director of the Company**

To consider, and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint **Mr. Kamal Kishor Punglia (DIN: 02168426)** as a Whole-time Director, designated as Executive Director of the Company, for a period of 5 (five) years with effect from 30-09-2023 upto 29-09-2028 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to determine, vary, alter, enhance or widen the scope of and modify the terms and conditions of the said re-appointment and/ or his remuneration and/ or any other term in his agreement/ appointment letter with the Company during his tenure, as may be agreed to between the Board and Mr. Kamal Kishor Punglia, without being required to seek any further consent or approval of the members of the Company”

**“RESOLVED FURTHER THAT** the Board be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do and perform all such acts, deeds, matters and things, as it may in its sole and absolute discretion considered necessary, desirable or expedient to give effect to this resolution and to delegate all or any of its powers herein conferred to any Director(s)/Officer(s) of the Company and to sign, submit, execute, deliver and file any documents, signing manually or digitally all such forms, documents and papers, including Form MGT-14; Form DIR-12; Form MR-1, as may be required to be filed or submitted with the Registrar of Companies.”

## **12. Re-appointment of Mr. Sanjay Kumar Punglia (DIN: 02162102) as Whole Time Director of the Company**

To consider, and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint **Mr. Sanjay Kumar Punglia (DIN: 02162102)** as a Whole-time Director, designated as Executive Director of the Company, for a period of 5 (five) years with effect from 30-09-2023 upto 29-09-2028, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to determine, vary, alter, enhance or widen the scope of and modify the terms and conditions of the said re-appointment and/ or his remuneration and/ or any other term in his agreement/ appointment letter with the Company during his tenure, as may be agreed to between the Board and Mr. Sanjay Kumar Punglia, without being required to seek any further consent or approval of the members of the Company”

**“RESOLVED FURTHER THAT** the Board be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do and perform all such acts, deeds, matters and things, as it may in its sole and absolute discretion considered necessary, desirable or expedient to give effect to this resolution and to delegate all or any of its powers herein conferred to any Director(s)/Officer(s) of the Company and to sign, submit, execute, deliver and file any documents, signing manually or digitally all such forms,

documents and papers, including Form MGT-14; Form DIR-12; Form MR-1, as may be required to be filed or submitted with the Registrar of Companies.”

**13. To authorise the directors to provide as Security or to mortgage the Whole or Substantially the whole of undertaking of the company**

To consider, and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

**“RESOLVED THAT** in supersession of the resolution passed by the Members of the Company at the Extra Ordinary General Meeting of the Company held on Thursday, November 25, 2021 and pursuant to section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof and in terms of Articles of Association of the Company, the consent of the members be and is hereby accorded to authorize Board of Directors of the Company (hereinafter referred to as “the Board” which terms shall be deemed to include any Committee thereof) to sell, lease or create such mortgages/ hypothecation and charge in addition to the existing charges/ mortgages and hypothecations created/ to be created by the Company in such form and manner and on such terms as the Board may determine on all or any of the moveable and/ or immoveable properties, both present and future or substantially the whole of the undertaking(s) or the undertaking(s) of the Company for securing any loans/ credit facility obtained or as may be obtained from any lender, financial institution or person or persons from time to time together with interest, costs, charges, expenses and any other money payable by the Company, shall not at any time exceed the limit of Rs. 2,000 Crores (Rupees Two Thousand Crores only).”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise, settle and execute such documents/ deeds/ writings/ papers/ agreements as may be required and do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary, proper or requisite and to sign, submit, execute, deliver and file any documents, signing manually or digitally all such forms, documents and papers, including Form MGT-14 as may be required to be filed or submitted with the Registrar of Companies.”

**14. To Borrow money in excess of the prescribed limit in terms of the provisions of Section 180(1)(c) of the Companies Act, 2013**

To consider, and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

**“RESOLVED THAT** in supersession of the resolution passed by the Members of the Company at the Extra Ordinary General Meeting of the Company held on Thursday, November 25, 2021 and pursuant to the provisions of Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, the consent of the Members, be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) to borrow any sum or sums of money from time to time, for the purpose of the Company on such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, notwithstanding that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company’s Banker in the ordinary course of Business) may exceed the aggregate paid up share capital of the Company and its free reserves and securities premium provided however that the total borrowings outstanding at any one time including the monies already borrowed shall not exceed a sum of Rs. 2,000 Crore (Rupees Two Thousand Crores only).”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise, settle and execute such documents/ deeds/ writings/ papers/ agreements as may be required and do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary, proper or requisite and

*to sign, submit, execute, deliver and file any documents, signing manually or digitally all such forms, documents and papers, including Form MGT-14, as may be required to be filed or submitted with the Registrar of Companies.”*

**15. To advance any loan including any loan represented by a book debt or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested for an amount not exceeding a sum of Rs. 100 crores.**

To consider, and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

**“RESOLVED THAT** *in supersession of all the earlier resolution passed by the members and Board in this regard, and pursuant to provisions of Section 185(2) and all other applicable provisions, if any, of the Companies Act, 2013, read with the relevant Rules thereof (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to advance an amount not exceeding Rupees One Hundred Crores (Rs. 100 Crores) towards any loan including any loan represented by a book debt or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, on the Condition that the said funds will only be utilized by the borrowing company for the purpose of its principal business activities.*

**RESOLVED FURTHER THAT** *the Board be and is hereby authorized to take all such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed investments or loans or guarantees or securities and to do all such acts, deeds, matters and things and to execute all such deeds, documents and to sign, submit, execute, deliver and file any documents, signing manually or digitally all such forms, documents and papers, as may be required to be filed or submitted with the Registrar of Companies.”*

**Registered Office:**

Unit No. 3, 5th Floor, B Wing, Trade  
Star Premises Co-Operative Society  
Limited, Village Kondivita, Mathuradas  
Vasanji Road,  
Near Chakala Metro Station, Andheri  
(East), Mumbai 400059 Maharashtra  
E-mail: [accounts@vprp.co.in](mailto:accounts@vprp.co.in)  
Website: [www.vprp.co.in](http://www.vprp.co.in)  
Telephone : 0291- 2434396

**By Order of the Board of Directors  
For Vishnu Prakash R Punglia Limited**

**Sd/-  
Neha Matnani  
Company Secretary  
(M. No. – A69247)**

**Date: 29<sup>th</sup> June, 2023**

**Place: Jodhpur**

**Notes:**

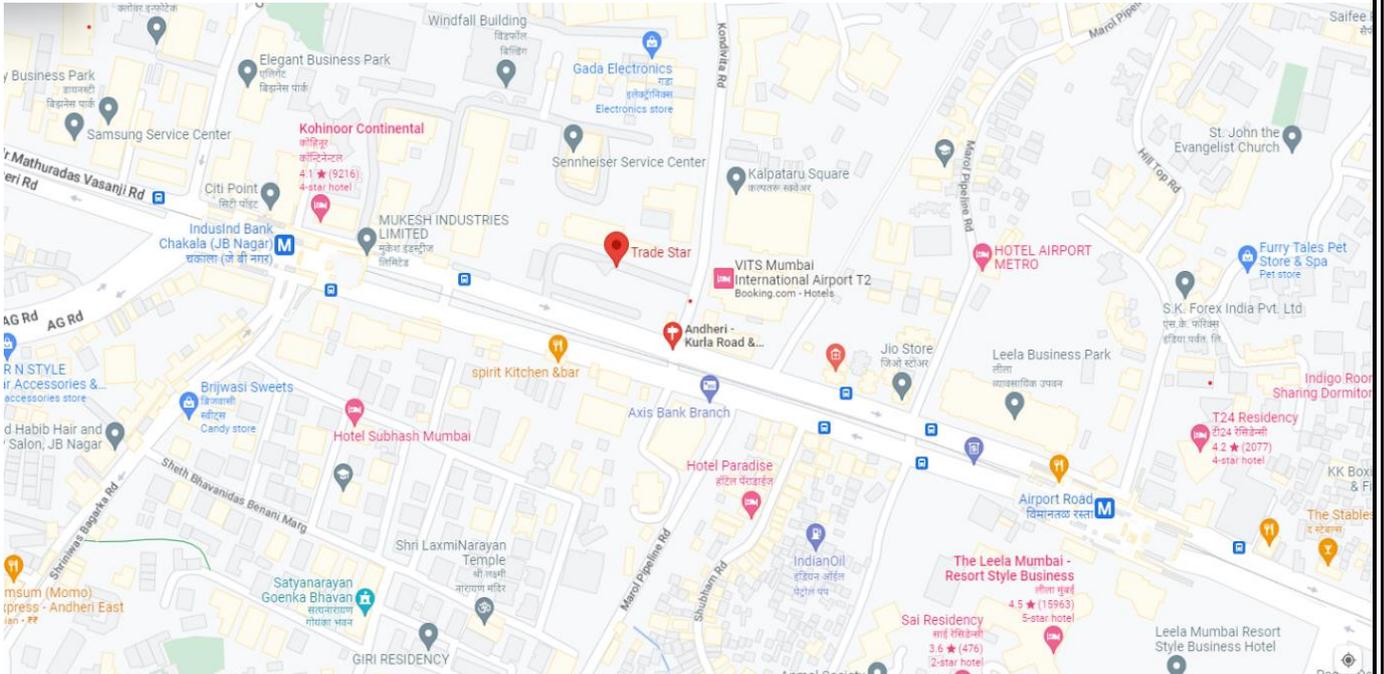
1. The Explanatory Statement pursuant to Section 102(1), and other applicable provisions of the Act, the Rules made thereunder, and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India stating all material facts and the reasons thereof, for the special business to be transacted at the Meeting, forming part of this Notice, is annexed herewith.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS ENCLOSED WITH THIS NOTICE.**
3. **PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED IN THE ENCLOSED PROXY FORM AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME FIXED FOR THE MEETING.**
4. A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than ten per cent. of the total share capital of the company carrying voting rights. A Member holding more than ten percent of total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. A Corporate Member intending to send its Authorized Representatives to attend, vote and to act as its representative at the Meeting in terms of Section 112 and 113 of the Companies Act, 2013 is requested to send to the company a certified copy of Resolution of its Board of Directors or other Governing Body or any other Authorization Letter authorizing such representative to attend and vote on its behalf at the Meeting.
6. Members/Proxies/Authorized Representatives are requested to bring the Attendance Slips duly filled in for attending the Meeting. Attendance Slip is enclosed with this Notice.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a member would be entitled to inspect the proxies lodged at any time between **9 A.M. (IST) and 6 P.M. (IST)**, provided that not less than three days' notice in writing of the intention so to inspect is given to the Company.
9. The Register of Directors and Key Managerial Personnel and their shareholding, and all other documents, including constitutional documents of the Company, referred to in the Notice and explanatory statement are available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email at [info@vprp.co.in](mailto:info@vprp.co.in) mentioning their Name, Client ID and DP ID.
10. The route map for the AGM Venue is annexed to this Notice.
11. Company has entrusted its Registrar & Share Transfer activities to Link INTIME India Pvt Ltd. Members are requested to do all future correspondence at the address of RTA situated at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai-400083, Maharashtra.
12. The Notice of the 10th Annual General Meeting and Annual Report for the financial year 2022-23 of the Company is also available on the website of the Company (<https://www.vprp.co.in/>).

**Notice of AGM**

Vishnu Prakash R Punglia Limited

10<sup>th</sup> Annual Report – 2022-23

13. Members are requested to send their queries, if any, on the Accounts and Operations of the Company at [accounts@vprp.co.in](mailto:accounts@vprp.co.in) at least 7 days before the AGM.



**Explanatory Statements**  
(Pursuant to Section 102 of the Companies Act, 2013)

**FOR ITEM NO. 05**

The Board of Directors at its Meeting held on 24<sup>th</sup> June 2023, approved the re-appointment of **M/s. RAJENDRA SINGH BHATI & CO., COST ACCOUNTANTS, JODHPUR, RAJASTHAN** (Membership No. 33509/FRN. 101983) to conduct the audit of the Cost records of the Company on a remuneration of Rs. 21,000 /- as agreed (excluding all applicable taxes and reimbursement of out-of-pocket expenses) for the financial year ending March 31, 2024.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, (as amended or re-enacted from time to time) the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024, as set out in the Ordinary Resolution for the aforesaid services to be rendered by them.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said Resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 05 of the Notice for approval by the Members.

**FOR ITEM NO. 06**

Pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed, at the 5<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2018, **Mrs. Nilima Bhansali** was appointed as an Independent & Women Director of the Company for a period of 5 (five) consecutive years for a term upto 29-09-2023. Since, Mrs. Nilima Bhansali has completed her initial term as an Independent Director of the Company, she is eligible for re-appointment for one more term. The provision of Section 149(10) requires that an Independent Director can be re-appointed for another term of five years on passing of special resolution by the Company.

**Mrs. Nilima Bhansali**, aged 47 years, being a commerce Graduate and Accounts & Tax practitioner holds rich experience in the area of Taxation, Finance, Accounting and Local Laws of India. She is on the Board of the Company since 30<sup>th</sup> September, 2018 as an Independent & Women Director. She is also a member in Nomination and Remuneration Committee of the Company. As on 31<sup>st</sup> March, 2023, she does not hold any shares of the Company.

The Nomination and Remuneration Committee and the Board of Directors in their meetings has approved, based on her skills, experience, knowledge, continued valuable guidance to the management during her tenure and outcome of performance evaluation of the Independent Directors, her appointment and recommended her appointment for further term of 5 years. w.e.f. 30-09-2023 till 29-09-2028.

The Company has received a declaration from **Mrs. Nilima Bhansali** confirming that she meets the criteria of the independence as provided in Section 149(6) and is eligible for re-appointment as an Independent Director for the another term of 5 years. **Mrs. Nilima Bhansali** is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013. In the opinion of the Board, she fulfills the conditions specified in the Companies Act, 2013 and is independent of the management. The Company has also received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mrs. Nilima Bhansali as a director of the Company.

A copy of the draft letter for re-appointment of **Mrs. Nilima Bhansali** setting out the terms and conditions of re-appointment is available for inspection between 11.00 a.m. to 1.00 p.m. during office hours on all working days except Sundays and Holidays at the Registered Office of the Company.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail her services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of **Mrs. Nilima Bhansali** as an Independent & Women Director of the Company.

The required detail as per the Secretarial Standards ("SS-2") is provided at as under:

1	<b>Name</b>	<b>Mrs. Nilima Bhansali</b>
2	DIN	8197422
3	Proposed Designation	Independent & Women Director
4	Age	47 Years
5	Date of Appointment on Board	30-09-2018
6	Qualifications	Graduate
7	Nature of expertise & experience	Accounts & Tax practitioner
8	Relationship with other Directors, Managers and other KMP of the Company	Not related to any Director, Manager or other KMP of the Company.
9	Terms & Conditions of Appointment or Re-appointment	It is proposed to re-appoint Mrs. Nilima Bhansali as an Independent & Women Director, for a further period of 5 (Five) years with effect from 30 <sup>th</sup> September, 2023.  She shall not be liable to retire by rotation.  Further terms & conditions as per Nomination and Remuneration Policy of the Company.
10	Remuneration last drawn	Nil
11	Remuneration proposed to be paid	No remuneration to be paid, however the Sitting Fees can be paid as per the Nomination and Remuneration Policy of the Company

12	No. Of Meetings of Board attended during FY 2022-23	11
13	Directorship held in other companies	Nil
14	Memberships / Chairmanships of committees of other companies	Nil
15	No. of Shares in the Company	0

None of the Directors, Key managerial personnel of the company or their relative or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 are, in any way, concerned or interested, financially or otherwise, in the above resolution except that **Mrs. Nilima Bhansali** who is proposed to be re-appointed as an Independent & Women director of the company is Paternal Aunt of the existing Independent director Mr. Shripal Bhansali.

The Board of Directors recommends the Special Resolution set out in Item No. 06 of the Notice for approval by the Members.

**FOR ITEM NO. 07**

Pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed, at the Extra Ordinary General Meeting held on 29<sup>th</sup> April, 2019, **Mr. Krishan Murari Lal Mathur** was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years for a term upto 28-04-2024. Since, Mr. Krishan Murari Lal Mathur is about to complete his initial term as an Independent Director of the Company, he is eligible for re-appointment for one more term. The provision of Section 149(10) requires that an Independent Director can be re-appointed for another term of five years on passing of special resolution by the Company.

**Mr. Krishan Murari Lal Mathur**, aged 75 years, holds a bachelor's degree in Civil Engineering from MBM Engineering College, Jodhpur University, Jodhpur. He has worked in PHED Department for 39 years on various posts and has retired from the post of Chief Engineer. He is also a Life fellow of Institute of Engineers (India), Indian Water Works Association, Institute of Public Health Engineers, Life member of Indian Association of Environment Management, Indian Water Resources Society, India Desalination Association, Vigyan Parishad Prayag, & Member of International Water Association. He is on the Board of the Company since 29<sup>th</sup> April, 2019 as an Independent Director.

He is also a member in Audit Committee and Nomination and Remuneration Committee of the Company. As on 31st March, 2023, he does not hold any shares of the Company.

The Nomination and Remuneration Committee and the Board of Directors in their meetings has approved, based on his skills, experience, knowledge, continued valuable guidance to the management during his tenure and outcome of performance evaluation of the Independent Directors, his appointment and recommended his appointment for further term of 5 years. w.e.f. 30-04-2024 upto 29-04-2029.

The Company has received a declaration from **Mr. Krishan Murari Lal Mathur** confirming that he meets the criteria of the independence as provided in Section 149(6) and is eligible for re-appointment as an Independent Director for the another term of 5 years. **Mr. Krishan Murari Lal Mathur** is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and is independent of the management. The Company has also received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Krishan Murari Lal Mathur as a director of the Company.

A copy of the draft letter for re-appointment of **Mr. Krishan Murari Lal Mathur** setting out the terms and conditions of re-appointment is available for inspection between 11.00 a.m. to 1.00 p.m. during office hours on all working days except Sundays and Holidays at the Registered Office of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of **Mr. Krishan Murari Lal Mathur** as an Independent Director of the Company.

The required detail as per the Secretarial Standards (“SS-2”) is provided at as under:

1.	<b>Name</b>	<b>Mr. Krishan Murari Lal Mathur</b>
2.	DIN	08402786
3.	Proposed Designation	Independent Director
4.	Age	75 Years
5.	Date of Appointment on Board	29-04-2019
6.	Qualifications	Graduate
7.	Nature of expertise & experience	He has worked in PHED Department for 39 years on various posts and has retired from the post of Chief Engineer. He is also a Life fellow of Institute of Engineers (India), Indian Water Works Association, Institute of Public Health Engineers, Life member of Indian Association of Environment Management, Indian Water Resources Society, India Desalination Association, Vigyan Parishad Prayag, & Member of International Water Association
8.	Relationship with other Directors, Managers and other KMP of the Company	Not related to any KMP of the Company.
9.	Terms & Conditions of Appointment or Re-appointment	It is proposed to re-appoint Mr. Krishan Murari Lal Mathur as an Independent Director, for a further period of 5 (Five) years with effect from 30-04-2024.  Not Eligible for Liable to retire by rotation.

		Further details as per Nomination and Remuneration Policy of the Company.
10.	Remuneration last drawn	Nil
11.	Remuneration proposed to be paid	No remuneration to be paid, however the Sitting Fees can be paid as per the Nomination and Remuneration Policy of the Company
12.	No. Of Meetings of Board attended during FY 2022-23	11
13.	Directorship held in other companies	Nil
14.	Memberships / Chairmanships of committees of other companies	Nil
15.	No. Of Shares in the Company	0

None of the Directors, Key managerial personnel of the company or their relative or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, concerned or interested, financially or otherwise, in the above resolution.

The Board of Directors recommends the Special Resolution set out in Item No. 07 of the Notice for approval by the Members.

**FOR ITEM NO. 08**

Pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), **Mr. Krishan Murari Lal Mathur** was appointed as an Independent Director of the Company with effect from 29-04-2019.

He has been serving as an Independent Director of the Company since 2019. **Mr. Krishan Murari Lal Mathur** has demonstrated exceptional dedication, expertise, and professionalism throughout his tenure as an Independent Director.

**Mr. Krishan Murari Lal Mathur** has attained the age of 75 years on 14-06-2023, which as per the provisions of Regulation 17 (1A) of the SEBI Listing Regulations, requires the approval of the members in the General Meeting to continue his directorship.

The Board of Directors believes that **Mr. Krishan Murari Lal Mathur's** continued presence on the Board would be highly beneficial to the Company given his vast experience, in-depth knowledge and valuable contributions. Also, his presence on the Board has played a vital role in enhancing corporate governance practices, providing strategic guidance and fostering a culture of accountability and transparency within the Company.

None of the Directors, Key managerial personnel of the company or their relative or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, concerned or interested, financially or otherwise, in the above resolution

The Board of Directors recommends the Special Resolution set out at Item No. 08 of the Notice for approval by the Members.

**FOR ITEM NO. 09**

Pursuant to Section 196, and 197 of the Companies Act, 2013, the current term of appointment as a Whole Time Director of the Company of **Mr. Ajay Pungalia** (DIN: 02162190) will expire in the ensuing AGM. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company, at its meeting held on 24<sup>th</sup> June 2023, approved the re-appointment of **Mr. Ajay Pungalia** as a Whole-time Director, for a further period of 5 (Five) years with effect from 30<sup>th</sup> September 2023 to 29<sup>th</sup> September 2028, and payment of the remuneration to him.

For the financial year 2023-24, remuneration of a sum not exceeding 78,00,000/- (Rupees Seventy Eight lakhs only) has been recommended by the Nomination and Remuneration Committee and the same is approved by the Board of Directors of the Company. The remuneration for subsequent financial years shall be determined by the Nomination and Remuneration Committee & Board of Directors by giving annual increments to the aforesaid remuneration, as may be deemed appropriate, which shall be merit-based taking into account other relevant factors subject to the approval of the members, in accordance with the limits specified under the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time in this regard.

Further, the Contract of service is available for inspection at the registered office.

The Board of Directors recommends the resolution in relation to the re-appointment of **Mr. Ajay Pungalia** as a Whole-Time Director and payment of remuneration to him, for the approval of the members of the Company.

The required detail as per the Secretarial Standards ("SS-2") is provided at Annexure A of this Notice.

The Company has received, inter alia, • Consent in writing to act as director in form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014; • Intimation in form DIR-8 pursuant to Rule 14 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, from Mr. Ajay Pungalia to the effect that he is not disqualified in accordance with Section 164(1) or 164(2) of the Act; and • A notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Ajay Pungalia as a Whole Time Director of the Company.

None of the Directors, Key managerial personnel of the company or their relative or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, concerned or interested, financially or otherwise, in the above resolution except that **Mr. Ajay Pungalia** who is proposed to be appointed as director of the company is member of the Company and relative of the existing directors of the Company.

The resolution as set out in item no. 09 of this Notice is accordingly re-commended for your approval.

**FOR ITEM NO. 10**

Pursuant to Section 152(6) of the Companies Act, 2013, the current term of appointment as an Whole Time Director of the Company of **Mr. Vishnu Prakash Punglia** (DIN: 02162019) will expire in the ensuing AGM. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company, at its meeting held on 24<sup>th</sup> June 2023, approved the re-appointment of **Mr. Vishnu Prakash**

**Punglia** as a Whole-time Director, for a further period of 5 (Five) years with effect from 30<sup>th</sup> September 2023 to 29<sup>th</sup> September 2028, and payment of the remuneration to him.

For the financial year 2023-24, remuneration of a sum not exceeding 96,00,000/- (Rupees Ninety Six lakhs only) has been recommended by the Nomination and Remuneration Committee and the same is approved by the Board of Directors of the Company. The remuneration for subsequent financial years shall be determined by the Nomination and Remuneration Committee & Board of Directors by giving annual increments to the aforesaid remuneration, as may be deemed appropriate, which shall be merit-based taking into account other relevant factors subject to the approval of the members, in accordance with the limits specified under the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time in this regard.

Further, the Contract of service is available for inspection at the registered office.

The Board of Directors recommends the resolution in relation to the re-appointment of **Mr. Vishnu Prakash Punglia** as a Whole-Time Director and payment of remuneration to him, for the approval of the members of the Company.

The required detail as per the Secretarial Standards ("SS-2") is provided at Annexure A of this Notice. The Company has received, inter alia, • Consent in writing to act as director in form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014; • Intimation in form DIR-8 pursuant to Rule 14 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, from Mr. Ajay Pungalia to the effect that he is not disqualified in accordance with Section 164(1) or 164(2) of the Act; and • A notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Ajay Pungalia as a Whole Time Director of the Company.

None of the Directors, Key managerial personnel of the company or their relative or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, concerned or interested, financially or otherwise, in the above resolution except that **Mr. Vishnu Prakash Punglia** who is proposed to be appointed as director of the company is member of the Company and relative of the existing directors of the Company.

The resolution as set out in item no. 10 of this Notice is accordingly re-commended for your approval.

#### **FOR ITEM NO. 11**

Pursuant to Section 152(6) of the Companies Act, 2013, the current term of appointment as an Whole Time Director of the Company of **Mr. Kamal Kishor Pungalia** (DIN: 02168426) will expire in the ensuing AGM. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company, at its meeting held on 24<sup>th</sup> June 2023, approved the re-appointment of **Mr. Kamal Kishor Pungalia** as a Whole-time Director, for a further period of 5 (Five) years with effect from 30<sup>th</sup> September 2023 to 29<sup>th</sup> September 2028, and payment of the remuneration to him.

For the financial year 2023-24, remuneration of a sum not exceeding 78,00,000/- (Rupees Seventy Eight lakhs only) has been recommended by the Nomination and Remuneration Committee and the same is approved by the Board of Directors of the Company. The remuneration for subsequent financial years shall be determined by the Nomination and Remuneration Committee & Board of Directors by giving annual increments to the aforesaid remuneration, as may be deemed appropriate, which shall be merit-based taking into account other relevant factors subject to the approval of the members, in accordance with the limits specified under the Companies Act, 2013 (including any statutory modifications or re-enactments

thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time in this regard. The

Further, the Contract of service is available for inspection at the registered office.

The Board of Directors recommends the resolution in relation to the re-appointment of **Mr. Kamal Kishor Pungalia** as a Whole-Time Director and payment of remuneration to him, for the approval of the members of the Company.

The required detail as per the Secretarial Standards ("SS-2") is provided at Annexure A of this Notice.

The Company has received, inter alia, • Consent in writing to act as director in form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014; • Intimation in form DIR-8 pursuant to Rule 14 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, from Mr. Ajay Pungalia to the effect that he is not disqualified in accordance with Section 164(1) or 164(2) of the Act; and • A notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Ajay Pungalia as a Whole Time Director of the Company.

None of the Directors, Key managerial personnel of the company or their relative or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, concerned or interested, financially or otherwise, in the above resolution except that **Mr. Kamal Kishor Pungalia** who is proposed to be appointed as director of the company is member of the Company and relative of the existing directors of the Company.

The resolution as set out in item no. 11 of this Notice is accordingly re-commended for your approval.

#### **FOR ITEM NO. 12**

Pursuant to Section 152(6) of the Companies Act, 2013, the current term of appointment as an Whole Time Director of the Company of **Mr. Sanjay Kumar Punglia** (DIN: 02162102) will expire in the ensuing AGM. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company, at its meeting held on 24<sup>th</sup> June 2023, approved the re-appointment of **Mr. Sanjay Kumar Punglia** as a Whole-time Director, for a further period of 5 (Five) years with effect from 30<sup>th</sup> September 2023 to 29<sup>th</sup> September 2028, and payment of the remuneration to him.

For the financial year 2023-24, remuneration of a sum not exceeding 78,00,000/- (Rupees Seventy Eight lakhs only) has been recommended by the Nomination and Remuneration Committee and the same is approved by the Board of Directors of the Company. The remuneration for subsequent financial years shall be determined by the Nomination and Remuneration Committee & Board of Directors by giving annual increments to the aforesaid remuneration, as may be deemed appropriate, which shall be merit-based taking into account other relevant factors subject to the approval of the members, in accordance with the limits specified under the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time in this regard. The

Further, the Contract of service is available for inspection at the registered office.

The Board of Directors recommends the resolution in relation to the re-appointment of Mr. **Sanjay Kumar Punglia** as a Whole-Time Director and payment of remuneration to him, for the approval of the members of the Company.

The required detail as per the Secretarial Standards ("SS-2") is provided at Annexure A of this Notice.

The Company has received, inter alia, • Consent in writing to act as director in form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014; • Intimation in form DIR-8 pursuant to Rule 14 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, from Mr. Ajay Punglia to the effect that he is not disqualified in accordance with Section 164(1) or 164(2) of the Act; and • A notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Ajay Punglia as a Whole Time Director of the Company.

None of the Directors, Key managerial personnel of the company or their relative or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, concerned or interested, financially or otherwise, in the above resolution except that **Mr. Sanjay Kumar Punglia** who is proposed to be appointed as director of the company is member of the Company and relative of the existing directors of the Company.

The resolution as set out in item no. 12 of this Notice is accordingly re-commended for your approval.

### **FOR ITEM NO. 13**

In terms of the provisions of Section 180(1)(a) of the Companies Act, 2013, a company cannot sell, lease or otherwise dispose-off the whole or substantially the whole of the undertaking or undertakings of the Company without the consent of the Shareholders of the Company by way of a Special Resolution.

The Members of the Company at their Extra Ordinary General Meeting held on Thursday, November 25, 2021 had accorded their consent to the Board of Directors to borrow upto Rs. 1000 crores of by way of various long term and short term borrowing and facilities. However, the operations of the Company have increased substantially and in order to meet the growing fund requirements of the Company, additional funds are required to be raised by creation of security on the immovable/ movable properties of the Company, it shall be necessary to pass a Special Resolution under Section 180 (1) (a) of the Companies Act, 2013. Hence it is proposed to increase the maximum borrowing limits from Rs. 1000 Crores to Rs. 2000 Crores for the Company.

It is proposed to authorize the Board of Directors of the Company to provide as security or to mortgage the any or all of the properties of the company so as to secure the loans/borrowings obtained or as may be obtained, which may exceed the paid-up capital and free reserves and securities premium in the ordinary course of business but not exceeding 2,000 Crores (Rupees Two Thousand Crores only) at any point of time in terms of provisions of Section 180(1)(a) of the Companies Act, 2013 and the Rules made there under and any other statutory and procedural formalities to be complied with in this regard.

The Board of Directors of the Company at its Meeting held on 24th Day of June 2023 has approved the above proposal and recommends the passing of the proposed Special Resolution as contained in the Notice, by Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives may deemed to be concerned or interested, financially or otherwise, in the resolution set out at Item No. 13 of this Notice except to the extent of their shareholding in the Company, if any.

### **FOR ITEM NO. 14**

The Company requires to borrow funds from time to time to meet both its short term and long terms business objectives, from various external agencies like banks, financial institutions, bodies corporate, individuals or other kind of lenders. According to section 180(1)(c) of the Companies Act, 2013, the total amount of such

borrowings as well as the outstanding at any time cannot exceed the aggregate of paid-up capital, free reserves, and securities premium of the Company, except with the consent of the members.

The Members of the Company at their Extra Ordinary General Meeting held on Thursday, November 25, 2021, had accorded their consent to the Board of Directors to borrow upto Rs. 1000 crores of Term Loans. However, in view of the expanding activities of the Company, it is anticipated that the fund requirement of the Company may substantially grow which will exceed the present approved limit. Therefore, the consent of the Members by way of special resolution is sought under Section 180(1)(c) of the Companies Act, 2013, for increasing the borrowing limit from Rs. 1000 Crores (Rupees Thousand Crores only) to Rs. 2,000 Crores (Rupees Two Thousand Crore only) to cover the further requirement of borrowings.

The Board of Directors of the Company at its Meeting held on 24th day of June 2023 has approved the above proposal and recommends the passing of the proposed Special Resolution as contained in the Notice, by Members of the Company.

None of the Directors, Key managerial personnel of the company or their relative or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, concerned or interested, financially or otherwise, in the above resolution.

The resolution as set out in Item no. 14 of this Notice is accordingly recommended for your approval.

#### **FOR ITEM NO. 15**

Pursuant to Provisions of Section 185(2) of the Companies Act, 2013, A company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, subject to the condition that same is approved by way of Special Resolution in the General Meeting of the Members and the said funds are utilized by the borrowing company for its principal business activities.

Company in its day to day operations advance some funds to its other group companies with a view to staggered increase in the group exposure, thereby to increase the value of the Group by Synergy effect. Company is having some ideal funds and seeking to cater the Business opportunities which are available to Group Companies by way of utilising the funds in their business.

Therefore, the Board of Directors of the Company has sought the consent of the Members to approve the proposal of granting loans represented by a book debt or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested for an amount not exceeding Rs. 100 Crores on the condition that the said funds will be used by the borrowing Companies for the purpose of its principal business activity only.

Save and except the interest of Directors in the Borrowing Companies, None of the Directors, Key managerial personnel of the company or their relative or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, concerned or interested, financially or otherwise, in the above resolution.

The Special Resolution as set out in item no. 15 of this Notice is accordingly recommended for your approval.

**Form No. MGT-11**  
**PROXY FORM**  
**[Pursuant to section 105(6) of the Companies Act, 2013 and**  
**Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

**Vishnu Prakash R Punglia Limited**  
**CIN: U45203MH2013PLC243252**

Reg. Office – Unit No. 3, 5th Floor, B Wing, Trade Star Premises Co-Operative Society Limited,  
Village Kondivita, Mathuradas Vasanji Road, Near Chakala Metro Station, Andheri (East),  
Mumbai 400059 Maharashtra

Corporate Office: B-31/32, Second Floor, Industrial Estate, New Power House Road, Jodhpur-  
342003, Rajasthan

Tel: +91 0291 2634396, Website: [www.vprp.co.in](http://www.vprp.co.in)

Email id: [accounts@vprp.co.in](mailto:accounts@vprp.co.in)

**10<sup>th</sup> Annual General Meeting**

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of ..... shares of the above-named company, hereby  
appoint:

1. Name:

\_\_\_\_\_  
\_\_\_\_\_

2. Address:

\_\_\_\_\_  
\_\_\_\_\_

3.E-mail Id:

\_\_\_\_\_  
\_\_\_\_\_

4.Signature:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Or failing him/her

1. Name:

\_\_\_\_\_

_____
2. Address: _____ _____
3.E-mail Id: _____ _____
4.Signature: _____ _____

Or failing him/her

1. Name: _____ _____
2. Address: _____ _____
3.E-mail Id: _____ _____
4.Signature: _____ _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 10<sup>th</sup> Annual General Meeting to be held on Monday, 24<sup>th</sup> July, 2023 at 03:00 p.m. at the registered office of the company and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.-**

1. Adoption of Financial Statements for the Financial Year ended March 31, 2023 and the Reports of the Board of Directors and Auditors thereon.
2. Appointment of a Director in place of Mr. Kamal Kishor Pungalia (DIN: 02168426), who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of a Director in place of Mr. Sanjay Kumar Punglia (DIN: 02162102), who retires by rotation and being eligible, offers himself for re-appointment.
4. Re-appointment of Statutory Auditors- M/s Banshi Jain & Associates (Firm Registration No. 100990W)
5. Approval of Cost Auditor's Remuneration.
6. Re-appointment of Mrs. Nilima Bhansali (DIN: 08197422) as an Independent & Women Director of the Company.
7. Re-appointment of Mr. Krishan Murari Lal Mathur (DIN: 08402786) as an Independent Director of the Company.
8. Retainment of Mr. Krishan Murari Lal Mathur (DIN: 08402786) as an Independent Director of the Company.

9. Re-appointment of Mr. Ajay Pungalia (DIN: 02162190) as Whole Time Director of the Company
10. Re-appointment of Mr. Vishnu Prakash Punglia (DIN: 02162019) as Whole Time Director of the Company.
11. Re-appointment of Mr. Kamal Kishor Punglia (DIN: 02168426) as Whole Time Director of the Company.
12. Re-appointment of Mr. Sanjay Kumar Punglia (DIN: 02162102) as Whole Time Director of the Company.
13. To authorise the directors to provide as Security or to mortgage the Whole or Substantially the whole of undertaking of the company
14. To Borrow money in excess of the prescribed limit in terms of the provisions of Section 180(1)(c) of the Companies Act, 2013
15. To advance any loan including any loan represented by a book debt or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested for an amount not exceeding a sum of Rs. 100 crores.

Signed this

Signature of shareholder:

Signature of Proxy holder(s):

Affix  
revenue  
stamp of not  
less than  
Re 1

**Notes:**

**1.This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

**2.Please complete all details including details of member(s) before submission.**

**Notice of AGM**

Vishnu Prakash R Punglia Limited

10<sup>th</sup> Annual Report – 2022-23**Vishnu Prakash R Punglia Limited**

CIN: U45203MH2013PLC243252

Reg. Office – Unit No. 3, 5th Floor, B Wing, Trade Star Premises Co-Operative Society Limited, Village Kondivita, Mathuradas VasANJI Road, Near Chakala Metro Station, Andheri (East), Mumbai 400059 Maharashtra

Corporate Office: B-31/32, Second Floor, Industrial Estate, New Power House Road, Jodhpur-342003, Rajasthan

Tel: +91 0291 2634396, Website: [www.vprp.co.in](http://www.vprp.co.in)

Email id: [accounts@vprp.co.in](mailto:accounts@vprp.co.in)

**ATTENDANCE SLIP**

Please fill Attendance Slip and hand it over at the entrance of the Meeting Hall

Name of the Member(s) / Proxy* (in Block Letters)	
Folio No.	
DP ID	
Client ID	
No. of Shares held	

I hereby record my presence at the 10<sup>th</sup> Annual General Meeting (AGM) of the Company held on Monday, 24<sup>th</sup> July, 2023 at 03:00 p.m. at the registered office of the Company at "Unit No. 3, 5th Floor, B Wing, Trade Star Premises Co-Operative Society Limited, Village Kondivita, Mathuradas VasANJI Road, Near Chakala Metro Station, Andheri (East), Mumbai 400059 Maharashtra"

\_\_\_\_\_  
Signature of Member(s) / Proxy\*

**Notes:**

1. Members are requested to bring their copies of Annual Report at the AGM.
2. \*Please strike off whichever is not applicable.

**ANNEXURE-A**

**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL  
GENERAL MEETING**

<b>Name of the Director</b>	<b>Mr. Vishnu Prakash Punglia</b>	<b>Mr. Kamal Kishor Pungalia</b>
<b>Date of Birth &amp; Age</b>	10-05-1956, 67 years	12-04-1978, 45 years
<b>Date of Appointment</b>	13/05/2013	13/05/2013
<b>Qualifications</b>	Primary Education	Graduate
<b>Relationship between Directors inter-se</b>	Father of Ajay Pungalia (Director) and relative of other Directors	Brother of Manohar Lal Punglia and Sanjay Kumar Punglia Directors of the Company and relative of other Directors
<b>Directorship in other companies</b>	Vishnu Prakash R Punglia Construction Limited	Vishnu Prakash R Punglia Construction Limited
<b>Position held in committees</b>	-	Member of Stakeholder's Relationship Committee
<b>Remuneration Drawn for the FY 2022-23</b>	75,00,000/-	64,00,000/-
<b>Shareholding as on 31.03.2023</b>	1,31,25,000 shares, 14.05%	84,00,000 shares 8.99%
<b>Terms and Conditions of appointment</b>	As per the Contract of Service	As per the Contract of Service

<b>Details of Remuneration sought to be paid</b>	8,00,000/- p.m.	6,50,000/- p.m.
<b>Number of meetings of the Board attended during FY 2022-23</b>	23	19
<b>Brief Resume</b>	<p>He has over 38 years of experience in Water supply turnkey projects. He has been a Director on our Board since the incorporation of our Company and has been instrumental in the growth of our Company. He was awarded the Excellence Award by the Distt. Collector, Jodhpur for his contribution in “Mukhyamantri Jal Swawlamban Yojna”.</p>	<p>He is Technical Engineer (Equivalent to Diploma) from ICE (I), MHRD, Government of India. He has experience of over 21 years in the Water Supply Turnkey Projects. He has been a Director on our Board since incorporation of the Company. He has been looking after the projects related to Central Government like, Railways, DRDA, NHAI, &amp; MES etc. He has awarded the Indian Icon award during the year 2021 by National Human Rights Organization, New Delhi.</p>

<b>Name of the Director</b>	<b>Mr. Sanjay Kumar Punglia</b>	<b>Mr. Ajay Pungalia</b>
<b>Date of Birth &amp; Age</b>	01-07-1980, 43 years	25-01-1982, 41 years
<b>Date of Appointment</b>	13/05/2013	13/05/2013
<b>Qualifications</b>	M.TECH	B.com 1 <sup>st</sup> Year
<b>Relationship between Directors inter-se</b>	Brother of Manohar Lal Punglia and Kamal Kishor Pungalia Directors of the Company	Son of Vishnu Prakash Punglia Director of the Company
<b>Directorship in other companies</b>	Vishnu Prakash R Punglia Construction Limited	Vishnu Prakash R Punglia Construction Limited
<b>Position held in committees</b>	-	Chairman of CSR Committee
<b>Remuneration Drawn for the FY 2022-23</b>	64,00,000/-	64,00,000/-
<b>Shareholding as on 31.03.2023</b>	83,10,000 shares, 8.89 %	96,00,000 shares 10.27%
<b>Terms and Conditions of appointment</b>	As per the Contact of Service	As per the Contract of Service
<b>Details of Remuneration sought to be paid</b>	6,50,000/- p.m.	6,50,000/- p.m.
<b>Number of meetings of the Board attended during FY 2022-23</b>	19	19

<p><b>Brief Resume</b></p>	<p>He holds a bachelor's degree in Civil Engineering from Janardan Rani Nagar, Rajasthan Vidyapeeth University, Udaipur and M. Tech degree in Civil Engineering from Himalayan University, Itanagar, Arunachal Pradesh. He has experience of over 18 years in the Water Supply Projects. He has been a Director on Board since incorporation of our Company. He has been heading the in-house design team and is actively involved in continuous value engineering using the latest specifications and methodologies.</p>	<p>He has passed B.Com. Ist Year from Jai Narayan University, Jodhpur He has experience of over 18 years in the Water supply turnkey projects. He has been a Director on Board since incorporation of our Company and is responsible for all financial management activities of the company. He is having Rich Experience in the area of Construction business.</p>
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VISHNU PRAKASH R PUNGLIA LIMITED

Registered Office: Unit No. 3, 5<sup>th</sup> Floor, B-Wing,  
Trade Star Premises Co-operative Society Limited  
Building At Village Kondivita, Mathuradas VasANJI Road,  
Near Chakala Metro Station,  
J.B Nagar Andheri East  
Mumbai 400059

Cooperate office: B-31-32 second floor  
Industrial Estate, New Power House Road  
Jodhpur-342003 Rajasthan