To
The Board of Directors of
Vishnu Prakash R Punglia Limited
B-31/32, Second Floor, Industrial Estate, New Power House Road
Jodhpur-342003, Rajasthan

Independent Auditors' Report

regarding non applicability of consolidated fianacial results

We, the statutory auditors of **Vishnu Prakash R Punglia Limited ("the company")** having its registered office 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 and Corporate Office at B-31/32, Second Floor, Industrial Estate, New Power House Road, Jodhpur-342003, Rajasthan have been requested to certify the non-applicability of preparing consolidated financial results of the company for the period ended 30th June 2025. This report is required by the company for the purpose of providing clarification, as required by the **National Stock Exchange of the India Limited (NSE), Mumbai** vide its email dated 25th September 2025.

1. **Management's Responsibility**

The responsibility for identification of the facts of non-applicability of preparing consolidated financial results of the company for the period ended 30th June 2025 as contained in Annexed Statement, including the preparation and maintenance of all accounting and other relevant supporting records and documents is the responsibility of the management of the Company. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

2. **Auditor's Responsibility**

It is our responsibility to provide a reasonable assurance regarding the facts of non-applicability of preparing consolidated financial results of the company for the period ended 30th June 2025 as contained in the Annexed Statement, are in agreement with, the books of accounts, relevant documents and other records of the company produced for verification by the management of the company and further based on relevant Indian Accounting Standards (Ind As).

We have conducted our examination in accordance with the 'the Guidance Note on Reports or Certificates for Special Purpose' issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

3. Opinion

Based on our examination as above, and the information and explanations given to us and as per applicable Ind As 110 & Ind As 111, we are of the opinion of non-applicability of preparing consolidated financial results of company for the period ended 30th June 2025 as contained in Annexed Statement.

4. Restriction on use

The report is addressed to and provided to the company to enable them to comply with the requirements of and onward submission to **National Stock Exchange of India Limited, Mumbai** and should not be used by any other person or for any other purpose. We shall not be liable to the Company or to any other concerned for any claims, liabilities or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Banshi Jain & Associates
Chartered Accountants
Firm registration No. 100990W

HEMANT MALU Digitally signed by HEMANT MALU Date: 2025.10.03 20:40:54 +05'30'

Hemant Malu
(Partner)
Membership No. 404017
UDIN No.: **25404017BMNYJS5591**
Place: Jodhpur
Date: 3rd October 2025

Clarification on Submission of Standalone Financial Results for quarter ended 30th June, 2025 by Company

As per Ind AS 110, a parent entity is required to prepare consolidated financial statements when it controls one or more subsidiaries. We confirm that the Company does not have any subsidiaries as defined under Ind AS 110. Accordingly, the requirement for preparation of consolidated financial statements does not arise, and hence, the same has not been prepared.

The Company has entered into joint arrangements that are classified as joint operations in accordance with Ind AS 111 – Joint Arrangements. As per the paragraph 14 and 15 of Ind As-111
" *An entity shall determine the type of joint arrangement in which it is involved. The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.*"

Also according to Ind AS a Joint operator shall recognise in relation to its interest in a joint operation i.e its assets, including its share of any assets held jointly; its liabilities, including its share of any liabilities incurred jointly; its revenue from the sale of its share of the output arising from the joint operation; its share of the revenue from the sale of the output by the joint operation; and its expenses, including its share of any expenses incurred jointly.

Accordingly, the Company has recognized its proportionate share of assets, liabilities, revenues, and expenses from these joint operations directly in its standalone financial statements. The accounting treatment is consistent with the requirements of Ind AS and with the Company's historical financial reporting practices.

The above accounting treatment and the rationale for not preparing consolidated financial statements have been appropriately disclosed in the Company's Red Herring Prospectus (RHP), in line with regulatory requirements and applicable accounting standards.

Additionally, we would like to draw attention to the definition of 'control' as outlined in Ind AS 110 – Consolidated Financial Statements. As per Ind AS 110, two or more investors are considered to collectively control an investee when they are contractually required to act together to direct the relevant activities of the investee. In such cases, no single investor exercises individual control. Accordingly, such an arrangement does not meet the definition of 'control' under Ind AS 110 and does not trigger the requirement for consolidation.

The standard further clarifies that:

VISHNU PRAKASH R PUNGLIA LIMITED

ENGINEER, CONTRACTOR & DESIGNER

An ISO 9001: 2015 Certified Company

"*Each investor should account for its interest in the investee in accordance with the relevant Ind AS, such as Ind AS 111 – Joint Arrangements, Ind AS 28 – Investments in Associates and Joint Ventures, or Ind AS 109 – Financial Instruments.*"

In our case, the joint arrangements entered into by the Company fall within the scope of Ind AS 111 – Joint Arrangements, and are specifically classified as joint operations. Therefore, the Company has recognized its proportionate share of the relevant assets, liabilities, income, and expenses directly in its standalone financial statements, in full compliance with Ind AS 111.

Further your observations regarding the Note No. 8 of the financial results for the period ended 30th June 2025, here the company is producing the facts of not incorporating its portion of interest in one of the joint operation named VPRPL-KALPATRU JV. However there is no requirement to prepare consolidated financial results as the said joint operation is also classified as joint arrangement in accordance with Ind As 111.

In view of the above clarification there is no requirement of submission of consolidated financial results for the quarter ended 30th June, 2025.

For Vishnu Prakash R Punglia Limited

MANOHAR LAL PUNGLIA Digitally signed by MANOHAR LAL PUNGLIA Date: 2025.10.03 18:46:33 +05'30'

Manohar Lal Punglia
Manging Director
DIN- 02162190

For Banshi Jain and Associates
Chartered Accountants
FRN: 100990W

HEMANT MALU Digitally signed by HEMANT MALU Date: 2025.10.03 20:39:31 +05'30'

Hemant Malu
Partner
M. No. - 404017

Date: October 03, 2025
Place: Jodhpur