Vishnu Prakash R Punglia Limited

November 23, 2026

Rating Action

Total Bank Loan Facilities Rated	**Rs. 960.00 Crore**	**Regulator^**
Long Term Rating	**IVR D (Rating Downgraded)**	**RBI**
Short Term Rating	**IVR D (Rating Downgraded)**	**RBI**
^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.		

Refer Annexures for details of facilities/instruments, facility wise lender details, and detailed explanation of covenants.

Note: *None of the Directors on Infomerics Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.*

Rationale

The bank loan ratings of Vishnu Prakash R Punglia Limited (VPRPL) were downgraded to IVR D following the invocation of Performance Bank Guarantees (PBGs) amounting to INR 19.947 crore. The downgrade was assessed in the context of the company's Q2FY27 financial results published on November 14, 2026. During its subsequent assessment, the analyst team obtained confirmation from one of the company's lenders, dated November 19, 2026, stating that VPRPL had not yet repaid the entire amount pertaining to the invoked PBGs, with approximately INR 5.00 crore remaining outstanding. It was further observed that VPRPL had been submitting monthly no-default statements to Infomerics at the beginning of each month, indicating timely servicing of its debt obligations as of November 2026. However, Infomerics has subsequently identified certain inconsistencies in the information provided by VPRPL regarding its debt servicing track record. These discrepancies raise concerns regarding the company's management practices and transparency and overall liquidity position. Furthermore, the benefits arising from the company's order pipeline remain contingent upon timely execution of projects and effective conversion of the order book into revenue and cash flows.

Outlook: Not Applicable

Analytical Approach

Approach	Comments
Consolidation/ Standalone	Standalone
Parent/ Group Support	Not Applicable

Key Rating Drivers with Detailed Description

Strengths

Experienced management and long-standing presence in the infrastructure industry

VPRPL is an integrated engineering, procurement and construction (EPC) company with long standing presence of more than four decades in construction and execution of infrastructure projects especially water supply projects (WSP). The company is promoted by the Punglia family and derive comfort from the decades of promoter's experience and well qualified team of management personnel.

Weaknesses

Delay in servicing of debt

Vishnu Prakash R Punglia Limited (VPRPL) has witnessed stress in its debt servicing track record, reflecting pressure on its liquidity position. As disclosed in the company's Q2FY27 financial results, Performance Bank Guarantees (PBGs) amounting to INR 19.947 crore were encashed on October 05, 2026, which was reported as an exceptional item. Subsequently, during its due diligence, Infomerics received confirmation from one of the company's lender stating that approximately INR 5.00 crore pertaining to the invoked PBGs remained unpaid for more than 30 days as on November 19, 2026 i.e. more than 30 days past due. It was also observed that VPRPL had been regularly submitting monthly no-default statements to Infomerics, indicating timely servicing of its debt obligations. However, the subsequent confirmation received from lender revealed inconsistencies in the information furnished by the company regarding its debt servicing track record. Such discrepancies raise concerns regarding the company's management practices and transparency, reliability of financial disclosures, as well as its liquidity management.

Liquidity –Poor

The company's liquidity position remains poor in line with continued operational losses during H1FY27, high working capital intensity and delays in realisation of receivables. The encashment of PBGs amounting to INR 19.947 crore, with approximately INR 5.00 crore remaining unpaid as confirmed by one of their lenders further highlights the constrained liquidity. Additionally, instances of delays in servicing principal obligations on unsecured short-term working capital borrowings, as disclosed in the FY26 Annual Report/CARO, indicate continued stress in debt servicing capabilities.

Rating Sensitivities

Upward Factors

- A consistent track record of timely debt servicing for a minimum period of 90 consecutive days from the date of first regularisation.

Downward Factors

- Nil

About the Company

Established in the year 1986 as a partnership firm and converted into a public limited company in 2013, Vishnu Prakash R Punglia Limited (VPRPL) is an integrated engineering, procurement and construction (EPC) company with experience in design and construction of infrastructure projects. The company got listed on the BSE and NSE on September 5, 2023. The company is promoted by the Punglia family who are in the EPC business for last 4 decades. VPRPL's principal business operations are broadly divided into four categories i.e. water supply projects, railway projects, road projects and civil construction. The company primarily serves Central and State Governments, autonomous bodies, and select private sector clients. VPRPL operates across 11 states Rajasthan, Uttarakhand, Uttar Pradesh, Assam, Chhattisgarh, Goa, Gujarat, Haryana, Maharashtra, Manipur and Madhya Pradesh. The Company focuses exclusively on EPC contracts in roads and highways, with or without operations and maintenance, while avoiding Hybrid Annuity Model (HAM) and Build-Operate-Transfer (BOT) models to ensure prudent debt management and stable cash flows, and remains aligned with national infrastructure initiatives such as Jal Jeevan Mission (JJM) and Atal Mission for Rejuvenation and Urban Transformation (AMRUT).

Key Financial Indicators (Standalone) **(Rs. in crore)**

For the year ended/ As on*	31-03-2025	31-03-2026	H1FY27
	Audited	Audited	Unaudited
Total Operating Income	1237.42	851.20	306.36
EBITDA	155.46	-82.08	-24.33
PAT	58.60	-150.11	-64.61
Total Debt	707.23	654.83	NA#
Tangible Net Worth (TNW)	773.33	583.62	NA#
EBITDA Margin (%)	12.56	-9.64	-7.94
PAT Margin (%)	4.70	-17.43	-20.15
Overall Gearing (times)	0.91	1.12	NA#
Interest Coverage (times)	2.29	-1.11	-0.90

**Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Company*

Applicable Criteria

Rating Methodology for Infrastructure Companies

Financial Ratios & Interpretation (Non-Financial Sector).

Criteria for assigning Rating outlook.

Policy on Default Recognition

Complexity Level of Rated

Status of non-cooperation with previous CRA: Care Ratings Limited through its press release dated September 11, 2026, continued the rating of Vishnu Prakash R Punglia

Limited under 'Issuer Not Cooperating' category on account of inadequate information received from the entity to carry out the review.

Any other information: None

Rating History for last three years

Sr. No.	Instruments/ Facilities	Current Ratings (Year 2026-27)					Rating History for the past 3 years		
		Type (Long Term /Short Term)	Amount outstanding (Rs. Crore)	Rating			Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24
				November 23, 2026	September 18, 2026	August 26, 2026	-	-	-
1.	Fund based facilities	LT	200.00	IVR D	IVR C+/ Stable	IVR BB+/ Stable	-	-	-
2.	Non-Fund based facilities	ST	760.00	IVR D	IVR A4	IVR A4+	-	-	-

Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook	Listing Status	Regulator^	Complexity Indicator
Overdraft	-	-	-	-	100.00	IVR D	NA	RBI	Simple
Overdraft	-	-	-	-	70.00	IVR D	NA	RBI	Simple
Overdraft	-	-	-	-	5.00	IVR D	NA	RBI	Simple
Overdraft	-	-	-	-	15.00	IVR D	NA	RBI	Simple
Overdraft	-	-	-	-	10.00	IVR D	NA	RBI	Simple
Bank Guarantee	-	-	-	-	275.00	IVR D	NA	RBI	Simple
Bank Guarantee	-	-	-	-	285.00	IVR D	NA	RBI	Simple
Bank Guarantee	-	-	-	-	75.00	IVR D	NA	RBI	Simple
Bank Guarantee	-	-	-	-	85.00	IVR D	NA	RBI	Simple
Bank Guarantee	-	-	-	-	40.00	IVR D	NA	RBI	Simple

^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure 2: Facility wise lender details:
https://infomericstorage.blob.core.windows.net/uploads/len_Vishnu_Prakash_nov26_953f214ce1.pdf

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for Consolidated/Combined analysis: Not Applicable

Annexure 5: List of activities / instruments and names of regulators:

Sr. No.	Instrument / activity Name	Regulator of the instruments
1	Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* $	RBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)*	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)*	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11a	Fixed Deposits raised by NBFCs, HFCs, FIs	RBI
11b	Fixed Deposits raised by Banks	+
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts $	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (for Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/Fis)	+
22	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
23	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
24	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

Footnotes:

** Includes securitisation transactions involving assignee payout, acquirer's payout.*

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Infomerics Valuation and Rating Limited shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

 # There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.

$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

+ To be finalized following a discussion with the regulatory authorities.

***Note:** For activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.*

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