VASCON

Date: December 13, 2016

To,
National Stock Exchange of India Limited,
Listing Department,
Exchange Plaza,
Bandra (E), Mumbai – 400 051

Ref Symbol: VASCONEQ

To,
BSE Limited,
The Department of Corporate Services
Department of Corporate Services
Mumbai 400 001

Ref: Scrip Code: 533156

Subject: Presentation Update

Dear Sir/ Madam,

Please find enclosed Presentation by the Company Post Board meeting.

This is for your information and records.

Thanking you,

Yours faithfully,

For Vascon Engineers Limited,
MUTHUSWAMY KRISHNAMURTHI

Digitally signed by MUTHUSWAMY KRISHNAMURTHI
DN: c=IN, o=Personal , CID - 4422262, 2.5.4.20=3d73fbc0362b7e511daa9f8f0bf706ea3067c89f0ff76daf98f82452debc1648, postalCode=411014, st=Maharashtra, serialNumber=6d8963e34b786f3f6f548ff260c8665f0dc59c80d802c84993387b2efcc85aed, cn=MUTHUSWAMY KRISHNAMURTHI
Date: 2016.12.13 15:54:29 +05'30'

M. Krishnamurthi
Company Secretary & Compliance Officer

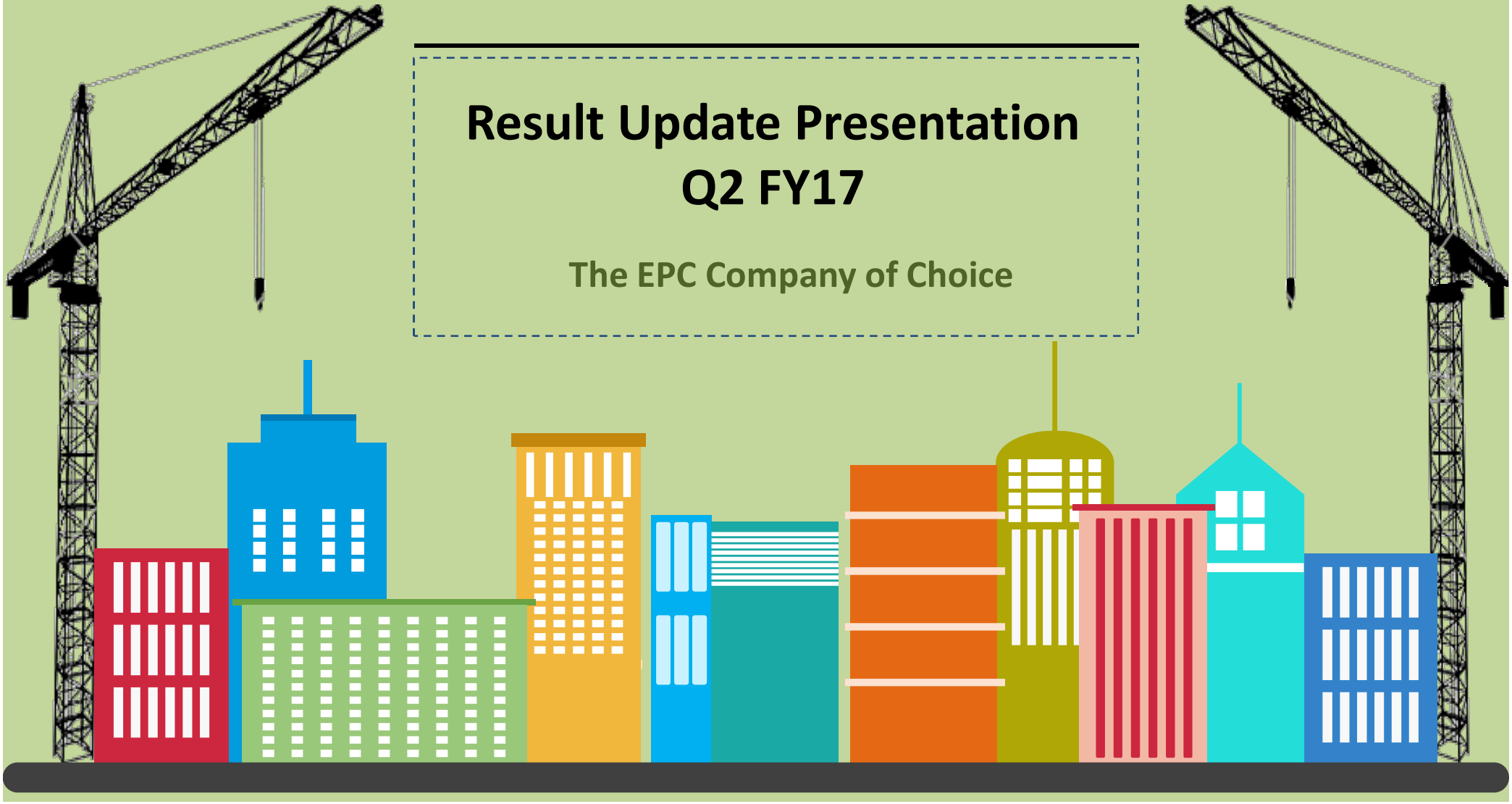
Enclosures: as above

Vascon Engineers Limited

Heading towards better future...

Result Update Presentation
Q2 FY17

The EPC Company of Choice



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Key Updates & Financial Highlights

Key Updates

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- **Focus on improving operational efficiency**
  - ✓ Continuing process of reducing overheads to improve margins
  - ✓ Repayment of debt of Rs. 200 mn in H1 FY17; Consolidated debt at Rs. 2,537 mn
  - ✓ One of the Subsidiary, Vascon Pricol Infrastructure Limited sold Land parcel in Coimbatore for Rs. 64.5 mn.
- **EPC business**
  - ✓ Order Book stands at Rs. 6,182 mn as on 30th September 2016
- **Real Estate business**
  - ✓ New Sale booking of 65,780 sqft for a total value of Rs. 408 mn in H1 FY17
- **Clean Room Partitions & BMS (GMP Technicals)**
  - ✓ Inaugurated third manufacturing plant in Bhiwandi (Thane)

Profit & Loss Highlights - Q2 FY17 & H1 FY17 (Standalone)

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Particulars (Rs. Mn)	Q2 FY17	Q2 FY16	H1 FY17	H1 FY16
Revenue	**529**	**761**	**1092**	**1705**
Other Income	99	49	142	146
Total Income	**628**	**810**	**1234**	**1851**
Construction Expenses / Material Consumed	389	582	750	1289
Employee Cost	70	110	155	208
Other Expenses	42	43	91	139
EBITDA	**127**	**75**	**238**	**216**
EBIDTA Margin (%)	***20%***	***9%***	***19%***	***12%***
Depreciation	20	20	38	40
Finance Costs	75	118	152	226
Profit Before Tax	**32**	**-62**	**48**	**-50**
Tax	24	0	24	0
Profit After Tax	**9**	**-63**	**24**	**-50**
Other Comprehensive Income	1	-2	3	0
Total Comprehensive Income	**9**	**-65**	**27**	**-51**

Balance Sheet Highlights (Standalone)

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ASSETS (Rs in mn)	Sep-16	EQUITY & LIABILITIES (Rs in mn)	Sep-16
Non-current assets	**5915**	**Equity**	**5976**
(a) Property, Plant and Equipment	357	(a) Equity Share capital	1613
(b) Investment Property	227	(b) Other Equity	4362
(c) Financial Assets			
(i) Investments	1831		
(ii) Trade receivables	318	**Liabilities**	
(iii) Loans	949		
(iv) Others Financial Assets	645	**Non-current liabilities**	**1251**
(d) Other non-current assets	1589	(a) Financial Liabilities	
		(i) Borrowings	938
Current assets	**5589**	(ii) Other financial liabilities	280
(a) Inventories	2386	(b) Provisions	33
(b) Financial Assets			
(i) Investments	210	**Current liabilities**	**4278**
(ii) Trade receivables	1174	(a) Financial Liabilities	
(iii) Cash and cash equivalents	82	(i) Borrowings	1033
(iv) Bank balances other than (iii) above	223	(ii) Trade payables	1498
(v) Loans	361	(iii) Other financial liabilities	442
(vi) Others Financial Assets	419	(b) Provisions	82
(c) Other current assets	735	(c) Other current liabilities	1224
Total Assets	**11505**	Total Equity and Liabilities	**11505**

EPC business: Strong order book of Rs. 6,182 mn

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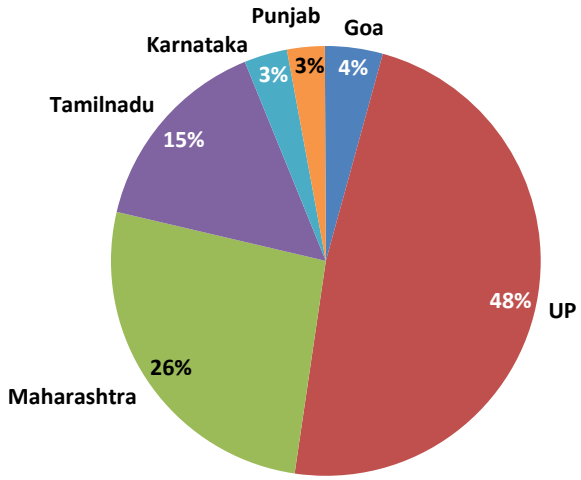
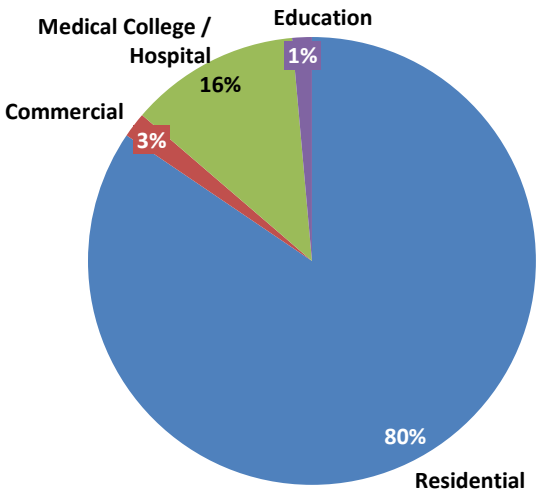
Order book details (as of 30th Sep, 2016)

Sr. No.	Project Name	Place	Type	Backlog (Rs. Mn)
1	Kailash Enclave	Lucknow	Residential	2,428
2	Everest Enclave	Lucknow	Residential	745
3	TNMC Chennai	Chennai	Medical College	551
4	Godrej Chennai	Chennai	Residential	353
5	Sheth Creators-Malad	Mumbai	Residential	303
6	NBCC Parel	Mumbai	Hospital	298
7	Tech Point	Pune	Commercial	173
8	Godrej Ecity	Bangalore	Residential	137
9	Other Projects			1,200
	Total Existing Orders			**6,182**

Geographical order book split



Segment-wise order book split



Current Real Estate projects under development

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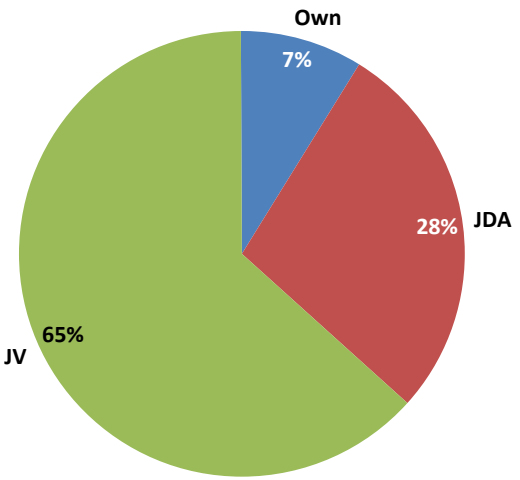
Project Name	Location	Vascon Share		Total				Vascon Share		
				Project Area	Area Sold	Sale Value	Collection	Sale Value	Collection	Rev. Recognised
		Equity	Revenue	msft	msft	Rs. mn	Rs. mn	Rs. mn	Rs. mn	Rs. mn
Willows Phase (D,E,F)	Pune	100%	80%	0.21	0.20	925	921	740	737	738
Vista - Phase II	Nashik	100%	100%	0.14	0.12	315	299	315	299	315
Forest County Ph-I	Pune	50%	100%	0.84	0.82	3328	3299	1664	1650	1659
Forest County Ph-II	Pune	50%	100%	0.52	0.41	2561	2343	1281	1172	1198
Tulips - Phase II	Coimbatore	100%	70%	0.13	0.12	544	544	381	381	389
Windmere Residential	Pune	100%	45%	0.38	0.16	1597	852	703	375	524
Windmere Commercial	Pune	100%	100%	0.04	0.02	278	123	278	123	0
Xotech	Pune	50%	100%	0.04	0.03	144	120	72	60	71
Ela	Pune	100%	100%	0.12	0.09	463	411	463	411	438
Garnets Bay	Pune	50%	100%	0.03	0.03	191	123	95	62	75
ECO Tower	Pune	100%	100%	0.03	0.03	197	195	197	195	190
Platinum Square	Pune	100%	70%	0.09	0.05	389	196	272	137	299
Total				**2.58**	**2.09**	**10931**	**9425**	**6461**	**5599**	**5897**

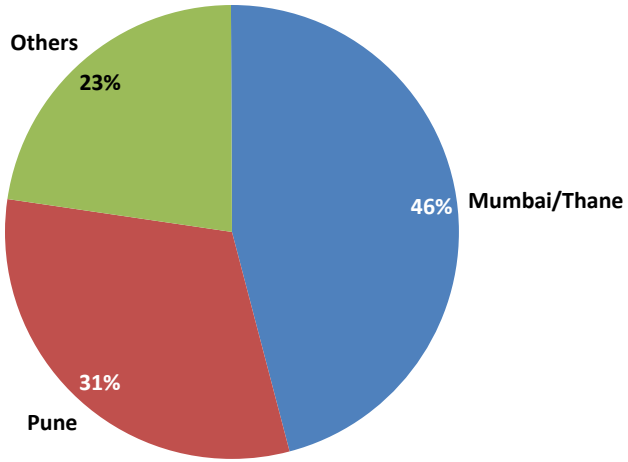
Real Estate Portfolio

Particulars	Project Area (Acres)	Saleable area (msft)	Vascon Share Saleable Area (msft)
JDA	**86.6**	**7.1**	**4.6**
Pune	29.4	2.6	1.4
Chennai	25.0	1.6	1.3
Madurai	18.2	1.6	1.0
Coimbatore	14.0	1.2	0.9
JV	**200.5**	**22.3**	**10.1**
Thane	145.1	19.0	8.4
Pune	55.4	3.3	1.7
Owned	**23.1**	**1.5**	**1.5**
Pune	14.1	0.7	0.7
Aurangabad	9.0	0.8	0.8
Grand Total	**310.2**	**30.9**	**16.2**

Focus on asset light JDA/JVs model



Geographical land bank split



Expanding capacity of clean room partition manufacturing

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Well-positioned to capture opportunity

- **Clean room market size in India - Rs. 15 bn**
  - ✓ GMP has a market share of ~7%; potential to tap the current opportunity
- **Used extensively in pharma and healthcare industry with great demand potential from**
  - ✓ New and existing pharma factories
  - ✓ Healthcare industry for operation theatres
  - ✓ Defense and auto component paint sector
- **Semi-conductor and solar industries opening up new growth opportunity**
  - ✓ Average ticket size of orders greater than other sectors

Additional Manufacturing Unit at Bhivandi

- **Inaugurated manufacturing facilities at Bhivandi in Thane, Mumbai**
  - ✓ To Cater high demand of Clean Room Partition
  - ✓ Annual capacity of the new plant will be 20,00,000 sq.ft panel & 36,000 steel doors

Strategy going forward

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EPC

- Focus on diversified order book across segments
- Stringent criteria for client selection – work with reputed developers with better credential
- Selection based on need and urgency of clients
- Focus on Design, Build & Turnkey projects

Real Estate

- Current land bank is fully paid; No additional investment in Land bank
- Focus on completion of current land portfolio with preference on new phases of current fast moving projects
- Project conceptualize targeting mid income clients
- Design based on current preferences

GMP Technical Solutions

- Better utilization of the manufacturing facilities
- Focus on cost optimization to improve operating margin
- Established presence in Overseas markets – Focus to increase export business
- Target to increase service business, which offers better margin

Well placed to capture growth in all segments

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Annexure

Landmark projects executed

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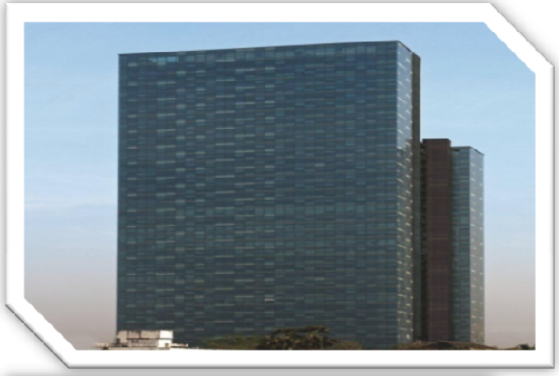

Ruby Mills

- Tallest commercial building in Mumbai.
- Total Constructed area around 1.55 mn sq. ft
- Winner of "Well Built Structure" by Builder's Associaton of India

Symbiosis College

- Educational Institute Located at Viman Nagar, Pune
- Total Constructed area around 0.3 mn sq. ft
- Completed much before scheduled deadline in March 2007
- Won the BAI-Pune Centre award

Nucleus Mall

- Mall cum office space with state of the art facilities located in Camp, Pune
- Total Constructed area around 0.32 mn sq. ft
- Recipient of awards like BAI – Pune , Brick Mortar (West Zone) and Spectrum Foundation awards for its innovative design & development

Landmark projects executed

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Suzlon One Earth

- Rated: Platinum by LEED and 5-star by GRIHA
- Awarded as Best Corporate Building by AESA
- Acclaimed as "greenest corporate headquarters on earth"
- CREDAI Real Estate Award, Best Commercial & Retail Office Complex – Non Metro
- Total Constructed area around 0.82 mn sq. ft

Delhi Airport MLCP

- India's Largest car parking building. IGI Airport, New Delhi
- Total Constructed area around 1.2 mn sq. ft
- Completed within 15 months.

Cipla SEZ, Indore

- Total Constructed area around 1.55 mn sq. ft
- Construction tenure - 18 months

Awards and Recognition

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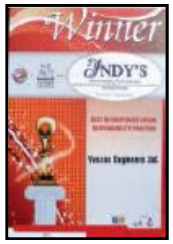
- *Global CSR Award – 2012*
- *Winner of 5th Indy's Award for Corporate Social Responsibility 2011*
- *Best Safety Performance Award for Yamazaki Technology Centre Project Pune 2011*
- *Asia's Best Employers Brand Award*
- *Winner of BAI –Universal Well Built Structure Competition 2011 for Altimo Project at Altamount Road, Mumbai*
- *Best IT Infrastructure Company Award Govt. of Maharashtra 2008*
- *Well Equipped & Mechanized Site Award for Ruby Mills, Mumbai*
- *BAI – Pune Centre*
- *Construction World Top 10 Awards 2007*
- *Eco Housing Certification for Windermere 2010*
- *Brick & Mortar Award (West Zone) of the "a+d" & Spectrum Foundation Nucleus & Marisoft III 2005*
- *AESA (Architects, Engineers, & Surveyor's Association) Nucleus & Marisoft III 2005*
- *Top Management Consortium Award of excellence to R. Vasudevan*



LET'S CONNECT

VASCON

Mr. M. Krishnamurthi / Mr. Punit Bhayani

mk_murthi@vascon.com punit@vascon.com

Vascon Weikfield Chambers, Pune - 411014

STELLAR INVESTOR RELATIONS

Mr. Gaurang Vasani / Mr. Vikash Verma

vgaurang@stellar-ir.com vikash.verma@stellar-ir.com

Dynasty Business Park, Andheri (East), Mumbai 400 065