



VASCON

Date: November 02, 2018

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

To,
BSE Limited,
The Department of Corporate Services
Phiroze Jeejeebhoy Towers, Dalal Street,
Fort, Mumbai 400 001

Ref Symbol: VASCONEQ

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,

For **Vascon Engineers Limited,**

Vibhuti Dani
Company Secretary and Compliance Officer



Enclosures: as above

VASCON ENGINEERS LTD.

Registered & Corporate Office: Vascon Weikfield Chambers, Behind Hotel Novotel, Opposite Hyatt Hotel, Pune Nagar Road, Pune Maharashtra, India, 411014

Tel.: +91 20 3056 2100/200/300, Fax: +91 20 3056 2600, Web: www.vascon.com

CIN: L70100PN1986PLC175750

EPC | INDUSTRIAL | RESIDENTIAL | COMMERCIAL | IT PARKS | INSTITUTES | CLEAN ROOM SOLUTIONS



VASCON

VASCON ENGINEERS

INVESTOR PRESENTATION | NOVEMBER 2018

DISCLAIMER

- *This presentation and the accompanying slides (the “Presentation”), which have been prepared by Vascon Engineers Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.*
- *This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.*
- *Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the real estate & infrastructure industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.*

*Key Development &
Financial Highlights*

KEY HIGHLIGHTS – H1FY19



EPC Business

*Rs **930 Cr***
Total Order Book

*Rs **763 Cr***
External Orders

*Rs **167 Cr***
Internal Orders

*Rs **226 Cr** Order Intake in **H1FY19***



Real Estate Business

New Sale booking of **2,48,674 sqft** for a total sales value of Rs **136 Cr** (including Vascon GoodLife) in **H1FY19**

New Launch in current quarter: **Forest County, Kharadi** sold **53,346 sqft** for total value of Rs **58 Cr**

P&L HIGHLIGHTS- STANDALONE

Particulars (Rs. Cr)	Q2 FY19 (with out Ind AS 115)	Q2 FY19	Q2 FY18	H1 FY19 (with out Ind AS 115)	H1 FY19	H1 FY18	FY18
Revenue	73.66	69.65	54.60	172.48	163.53	135.98	335.35
Other Income	11.98	11.98	3.04	16.10	16.10	7.24	24.06
Total Income	85.64	81.63	57.64	188.58	179.63	143.22	359.41
Construction Expenses / Material Consumed	59.07	55.38	32.69	131.35	125.05	95.50	249.45
Employee Cost	13.02	13.02	11.12	24.88	24.88	19.63	46.45
Other Expenses	8.19	8.19	4.97	16.16	16.16	10.33	25.22
EBITDA	5.36	5.04	8.86	16.19	13.54	17.76	38.29
EBIDTA Margin (%)	6%	6%	15%	9%	8%	12%	11%
Depreciation	2.04	2.04	1.83	3.88	3.88	3.50	7.52
Finance Costs	5.12	5.12	5.52	10.29	10.29	11.27	19.36
Profit Before Tax	-1.80	-2.12	1.51	2.02	-0.63	2.99	11.41
Tax	-0.99	-0.99	-	-0.99	-0.99	-	0.02
Profit After Tax	-0.81	-1.13	1.51	3.01	0.36	2.99	11.39
Other Comprehensive Income	-0.21	-0.55	0.11	-0.21	-0.21	-0.03	0.24
Total Comprehensive Income	-1.02	-1.68	1.62	2.80	0.15	2.96	11.63

SEGMENTAL PROFIT & LOSS - AFTER ALLOCATION

Particulars (Rs. Cr)	RE (without effect for Ind AS 115)	RE #	EPC ##	Inventorised	Total	Total (without effect for Ind AS 115)
Revenue	34.73	20.03	175.33		195.36	210.01
Other Income	8.38	8.38	8.12		16.50	16.50
Total Income	43.11	28.41	183.45	-	211.86	226.51
Cost of Sales	29.51	18.94	132.06	4.35	155.35	165.92
Gross Profit	5.22	1.09	43.27		40.01	44.09
Gross Profit Margin %	15%	5%	25%		20%	21%
Employee Cost	12.94	12.96	11.94		24.90	24.88
Other Expenses	10.78	10.51	7.00		17.74	17.78
EBITDA	-10.12	-14.00	32.40		13.87	17.93
EBIDTA Margin (%)			18%		7%	9%
Depreciation	0.60	0.60	3.34		3.93	3.94
EBIT	-10.72	-14.60	29.06		9.93	13.99
EBIT Margin (%)			17%		5%	7%
Finance Costs					10.33	10.33
Profit Before Tax					-0.40	3.66
Tax					-0.76	0.65
Profit After Tax					0.36	3.01

IT INCLUDES REVENUE & EXPENSES RELATED TO AJANTA ENTERPRISE & PHOENIX VENTURES, IN FINANCIALS SHARE OF PROFIT IS TAKEN (AS PER IND AS)

IT INCLUDES INTERNAL EPC ORDER REVENUE AND CONSTRUCTION EXPENSES

BALANCE SHEET- STANDALONE

Rs. Cr	Sep -18	Mar-18	Rs. Cr	Sep -18	Mar-18
Non-current assets	367.65	374.40	Shareholder's Fund	664.89	651.83
Fixed assets	56.39	56.44	Share capital	178.14	174.14
Financial Assets	270.38	268.35	Reserves & Surplus	486.75	477.69
Other Non Current assets, Income Tax & Deferred Tax	40.88	49.61	Non-current liabilities	90.40	113.15
Current assets	836.25	819.53	Long term borrowings	61.04	89.13
Inventories	475.74	455.33	Other Financial liabilities	29.36	24.02
Investments	6.34	7.79	Current liabilities	448.61	428.95
Trade receivables	119.32	130.89	<i>Short term borrowings</i>	86.82	80.70
Cash and bank balances	37.35	38.82	Trade Payables	171.95	154.30
Loans & Other Financial assets	174.42	165.01	Other Financial liabilities	97.94	86.81
Other current assets	23.08	21.69	Other current liabilities & Provisions	91.90	107.14
Total Assets	1,203.90	1,193.93	Total Liabilities	1,203.90	1,193.93

VASCON – AT PRESENT



ENGINEERING PROCUREMENT & CONSTRUCTION

One of the leading EPC Company in India

REAL ESTATE DEVELOPMENT

Focus on Affordable Housing



200+
COMPLETED
PROJECTS



PROJECTS
ACROSS
30+ Cities



AN ISO 9001:2000
& ISO 14001:2004
COMPANY



50+ MILLION
SQUARE FEET
DELIVERED

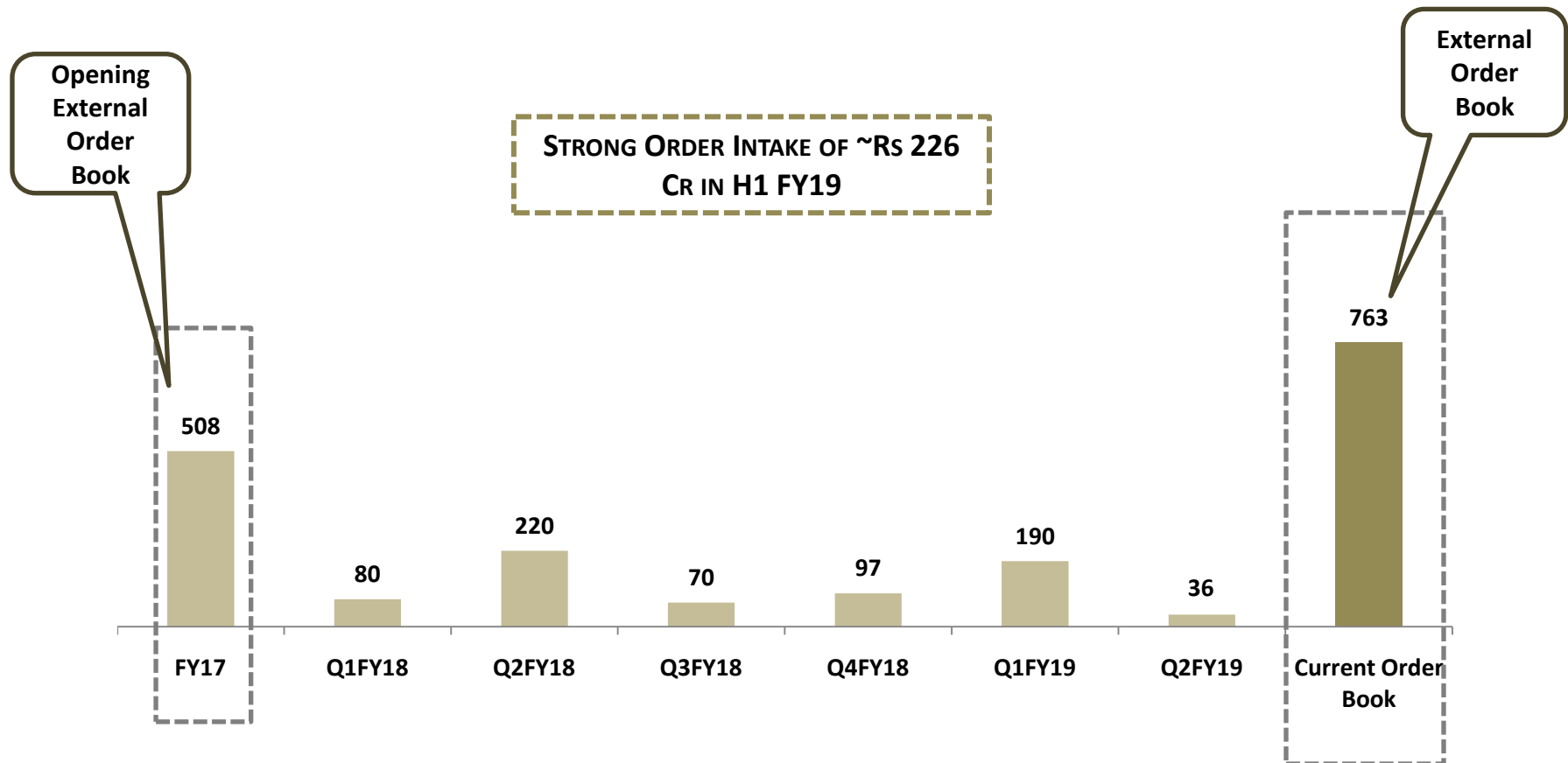
***Engineering
Procurement &
Construction***

EPC BUSINESS



- **Construction Experience across various verticals**
 - Executed over 200 projects with construction area of over 50 msft
- **Ability to execute around 8 msft per annum**
 - Currently executing around **3 msft p.a.** – operating at 40% utilization
 - Number of Personnel in Project / Engineering team - 489
- **Higher margins Because of Turnkey Capabilities**
 - In-house Design and Engineering team
 - Ability to demand premium over other construction companies
- **New Orders Target**
 - **Rs 500 Cr** in current FY 2019
 - Focus on Affordable Housing
 - Focus on large and high value civil contracts by Government Agencies and reputed Private Companies
- **Generate positive cash flows from all the projects and re-invest to drive growth**

CONSISTENT ORDER INTAKE



**EXECUTION OF NEW ORDERS TO IMPROVE REVENUE & CAPACITY UTILISATION...
LEADING TO BETTER OPERATING MARGINS IN FY19**

EXISTING ORDER BOOK

Project	Location	Amt (Rs. Cr)
External Order book		
Adhiraj	Mumbai	148
Kailash Enclave	Lucknow	110
Godrej Greens	Pune	83
Ayyalur	Ayyalur, Andhra Pradesh	79
Sheth Creators – Malad (I&II)	Mumbai	60
Adoni	Adoni, Andhra Pradesh	57
Sriram Educational Turst	Chennai	54
TNMC	Chennai	42
Everest Enclave	Lucknow	35
Godrej Laguna	Chennai	34
Other Projects		61
Total		763
Internal Order book		
Platinum Square	Pune	2
Windermere-Tower I & II	Pune	11
Windermere-Bunglows	Pune	34
Hadapsar School	Pune	19
Forest Edge	Pune	19
Katvi-Affordable Housing	Talegaon, Pune	82
Total		167
Total EPC Business Order book		930

***REAL-ESTATE
DEVELOPMENT***

REAL ESTATE BUSINESS



BRAND EQUITY

Landmark developments (Windermere, Forest County and Willows) have established the Brand Vascon in Pune Market



END-TO-END CAPABILITIES

In-house Design and Construction team gives us a unique advantage over other Real Estate Developers



LOW OPERATING COST

Flat organization structure with agile decision reduces operating cost



ASSET LIGHT MODEL

JV and JDA with land owners with low upfront deposit



REAL ESTATE - KEY BUSINESS DRIVERS

Affordable Housing – the Focus Area

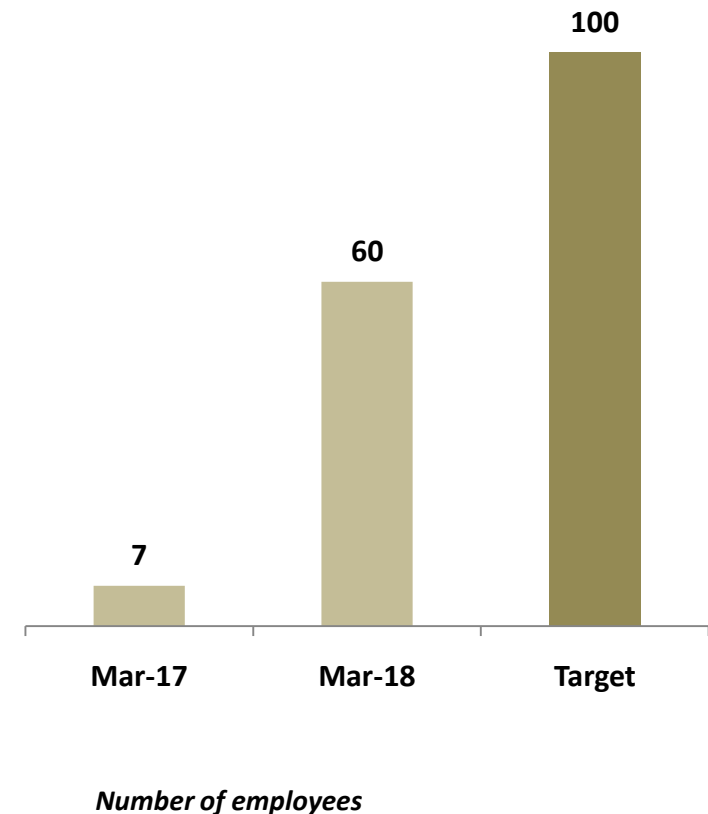
- Focus on developing Affordable Housing projects
- Perfect the Affordable Housing model in Pune and replicate in other cities
- Launch of new phases in existing projects with clear sales visibility
- Liquidate significant inventory at launch (Positive cashflows from the beginning of the Project)



Key Steps taken in last Financial Year

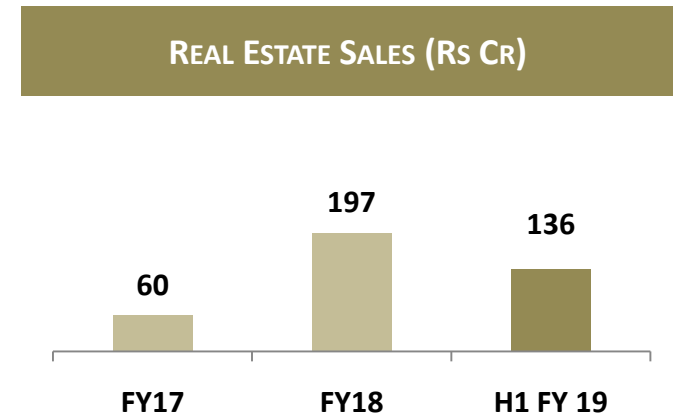
- CEO (Real Estate) appointed with clear focus on Real Estate business
- Appointed separate heads for Sales, Marketing and CRM Function
- Real Estate team size grew from 7 people in March 2017 to 60 professionals at present; target to increase it to 100 people dynamic team

INVESTED IN STRENGTHENING REAL ESTATE TEAM



SUCCESSFULLY LAUNCHED REAL ESTATE PROJECTS

PROJECTS	DEV. AREA (MSFT)	LAUNCH	STATUS
Platinum Square (JV)	0.05	Sep 2017	Fully Sold
Forest Edge (JV)	0.08	Jan 2018	Fully sold
Windermere (JV)#	0.38	Mar 2018	
Vascon Goodlife – Value Home (Own)	0.46	May 2018	Fully Sold



**PLATINUM SQUARE,
PHASE II**



**“FOREST EDGE” –
KHARADI, PUNE**



**VASCON GOODLIFE -
KATVI, TALEGAON**



**RE-LAUNCH OF
WINDERMERE#**



NEW SALE BOOKING OF ~2,48,674 SQFT FOR A TOTAL SALES VALUE OF ~Rs. 136 CR IN H1 FY19 AGAINST SALE BOOKING OF ~2,46,867 SQFT FOR A TOTAL SALES VALUE OF ~Rs. 197 CR IN FY18

CURRENT REAL ESTATE PROJECTS UNDER DEVELOPMENT

Project Name	Location	Vascon Share		Total				Vascon Share		
				Project Area	Area Sold	Sale Value	Collection	Sale Value	Collection	Rev. Recognized
		Type	Share	msft	msft	Rs. Cr	Rs. Cr	Rs. Cr	Rs. Cr	Rs. Cr
Forest Edge	Pune	JV	50%	0.08	0.07	51	19	26	10	-
Windmere Residential	Pune	JDA	45%	0.38	0.18	189	127	85	57	78
Platinum Square	Pune	JV	70%	0.13	0.13	132	98	92	69	75
Vascon GoodLife	Talegaon	Own	100%	0.46	0.18	64	2	64	2	-
Total				1.05	0.56	436	246	267	128	147

THANK YOU!



Mr. M. Krishnamurthi / Mr. Punit Bhayani
mk_murthi@vascon.com punit@vascon.com

Vascon Weikfield Chambers, Pune - 411014



Mr. Vikash Verma / Ms. Hina Agarwal
vikash.verma@stellar-ir.com hina@stellar-ir.com

Kanakia Wall Street, Andheri (East), Mumbai 400 093