



# VASCON

Date: October 24, 2019

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.

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

*This document is signed electronically*



VASCON



INVESTOR PRESENTATION | October 2019

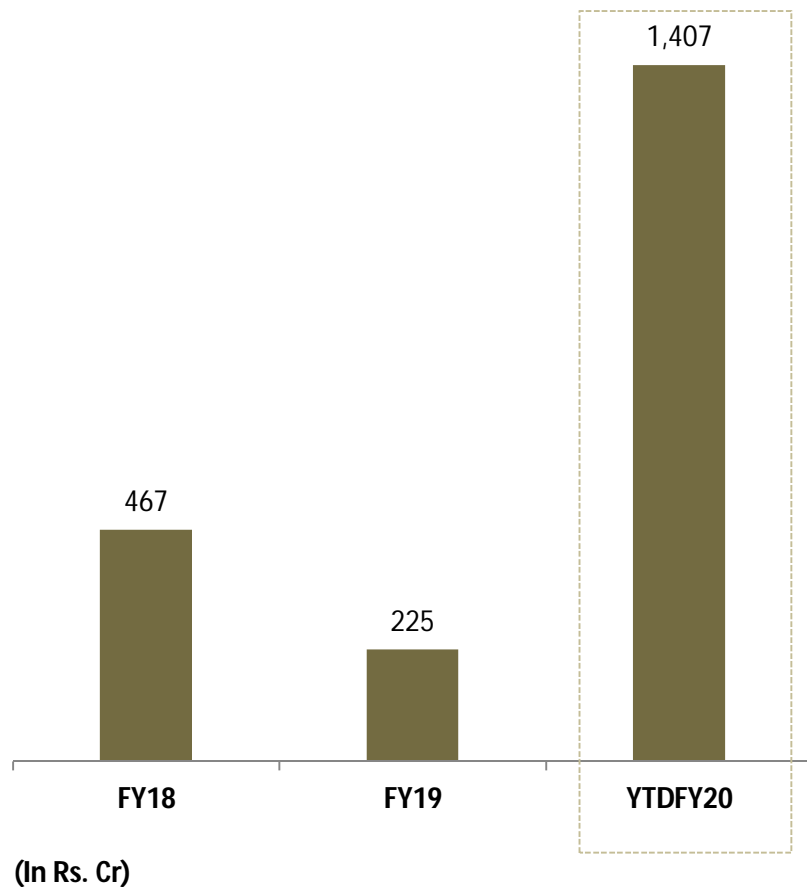
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# HIGHEST-EVER ORDER-INTAKE IN YTD FY20

## EPC Business- External Order-Intake



Order Intake	(In Rs. Cr.)
Bangalore Metro Rail Corporation, Karnataka	160
Public Works Department, Raipur, Chhattisgarh	506
Maharashtra State Police Housing & Welfare Corporation Ltd.	465
Pune Municipal Commission	104
Tycoon Avanti Projects	172
<b>Total</b>	<b>1,407</b>

## KEY HIGHLIGHTS



### EPC Business

**Rs 2,042 Cr**  
Total Order Book

**Rs 1,917 Cr**  
External Orders

**Rs 125 Cr**  
Internal Orders

Order Intake of **Rs 1,407 Cr** in YTD FY20



### Real Estate Business

Witnessing decent traction in sales of  
**Good Life & Windermere projects**

New Sales booking of **64,383 sqft** for a total sales value of **Rs 57 Cr** in H1FY20

## P&L HIGHLIGHTS- Q2 & H1 FY20

Particulars (Rs. Crs)	Standalone				Consolidated			
	Q2 FY20	Q2 FY19	H1 FY20	H1 FY19	Q2 FY20	Q2 FY19	H1 FY20	H1 FY19
<b>Revenue</b>	<b>76.96</b>	<b>69.65</b>	<b>172.59</b>	<b>163.53</b>	<b>121.34</b>	<b>117.27</b>	<b>252.02</b>	<b>254.24</b>
Other Income	2.23	11.98	12.14	16.1	2.69	13.13	13.49	19.84
<b>Total Income</b>	<b>79.19</b>	<b>81.63</b>	<b>184.73</b>	<b>179.63</b>	<b>124.03</b>	<b>130.4</b>	<b>265.51</b>	<b>274.08</b>
Construction Expenses / Material Consumed	53.89	55.38	130.23	125.05	80.02	86.13	177.06	190.84
Employee Cost#	8.4	13.02	19.14	24.88	16.85	20.88	35.06	39.44
Other Expenses	5.05	8.19	10.92	16.16	10.61	13.58	21.53	26.69
<b>EBITDA</b>	<b>11.85</b>	<b>5.04</b>	<b>24.44</b>	<b>13.54</b>	<b>16.55</b>	<b>9.81</b>	<b>31.86</b>	<b>17.11</b>
EBIDTA Margin (%)	<b>15%</b>	<b>6%</b>	<b>13%</b>	<b>8%</b>	<b>13%</b>	<b>8%</b>	<b>12%</b>	<b>6%</b>
Depreciation	2.18	2.04	4.22	3.88	3.77	3.36	7.31	6.51
Finance Costs	7.16	5.12	12.38	10.29	8.12	5.89	14.23	11.95
<b>Profit Before Tax</b>	<b>2.51</b>	<b>-2.12</b>	<b>7.84</b>	<b>-0.63</b>	<b>4.66</b>	<b>0.56</b>	<b>10.32</b>	<b>-1.35</b>
Tax	-	-0.99	-	-0.99	-	-0.99	-	-0.99
<b>Profit After Tax</b>	<b>2.51</b>	<b>-1.13</b>	<b>7.84</b>	<b>0.36</b>	<b>4.66</b>	<b>1.55</b>	<b>10.32</b>	<b>-0.36</b>
<b>Other Comprehensive Income</b>	<b>-0.06</b>	<b>-0.55</b>	<b>0.03</b>	<b>-0.21</b>	<b>-0.06</b>	<b>-0.55</b>	<b>0.03</b>	<b>-0.21</b>
<b>Total Comprehensive Income</b>	<b>2.45</b>	<b>-1.68</b>	<b>7.87</b>	<b>0.15</b>	<b>4.60</b>	<b>1</b>	<b>10.35</b>	<b>-0.57</b>

## SEGMENTAL PROFIT & LOSS - AFTER ALLOCATION

Particulars (Rs. Cr)	RE#	EPC##	GMP	Inventorised	Total
Revenue	69.2	115.13	78.88		263.21
Cost of Sales	53.98	86.64	46.79	0.33	187.74
<b>Gross Profit</b>	<b>15.22</b>	<b>28.49</b>	<b>32.09</b>		<b>75.47</b>
<b>Gross Profit Margin %</b>	<b>22%</b>	<b>25%</b>	<b>41%</b>		<b>29%</b>
Other Income	4.63	7.35	2.27		14.25
Employee Cost	6.61	12.53	15.92		35.06
Other Expenses	6.58	5.36	10.87		22.81
<b>EBITDA</b>	<b>6.66</b>	<b>17.95</b>	<b>7.57</b>		<b>31.85</b>
<b>EBIDTA Margin (%)</b>	<b>10%</b>	<b>16%</b>	<b>10%</b>		<b>12%</b>
Depreciation	0.94	3.37	3		7.31
<b>EBIT</b>	<b>5.72</b>	<b>14.58</b>	<b>4.57</b>		<b>24.54</b>
<b>EBIT Margin (%)</b>	<b>8%</b>	<b>13%</b>	<b>6%</b>		<b>9%</b>
Finance Costs					14.23
<b>Profit Before Tax</b>					10.32
Tax					-
<b>Profit After Tax</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>10.32</b>

# 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

Rs. Crs	Sep- 19	Mar- 19	Rs. Crs	Sep- 19	Mar- 19
<b>Non-current assets</b>	<b>350.64</b>	<b>345.39</b>	<b>Shareholder's Fund</b>	<b>711.39</b>	<b>699.59</b>
Fixed assets	113.64	114.26	Share capital	178.14	178.14
Financial Assets	190.85	187.19	Other Equity	523.64	512.1
Other Non Current assets, Income Tax & Deferred Tax	46.15	43.94	Non Controlling Interest	9.61	9.35
<b>Current assets</b>	<b>976.8</b>	<b>985.34</b>	<b>Non-current liabilities</b>	<b>133.09</b>	<b>159.3</b>
Inventories	472.92	500.23	Long term borrowings	113.8	140.22
Investments	14.39	4.33	Other Financial liabilities	19.29	19.08
Trade receivables	183.23	201.67	<b>Current liabilities</b>	<b>482.96</b>	<b>471.84</b>
Cash and bank balances	50.72	72.12	Short term borrowings	108.03	92.76
Loans & Other Financial assets	230.89	188.96	Trade Payables	198.94	201.67
Other current assets	24.65	18.03	Other Financial liabilities	52.32	31.32
<b>Total Assets</b>	<b>1,327.44</b>	<b>1,330.73</b>	Other current liabilities & Provisions	123.67	146.09
			<b>Total Liabilities</b>	<b>1,327.44</b>	<b>1,330.73</b>



# VASCON – AT PRESENT

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## 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**
  - 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**

## MARQUEE CLIENTS

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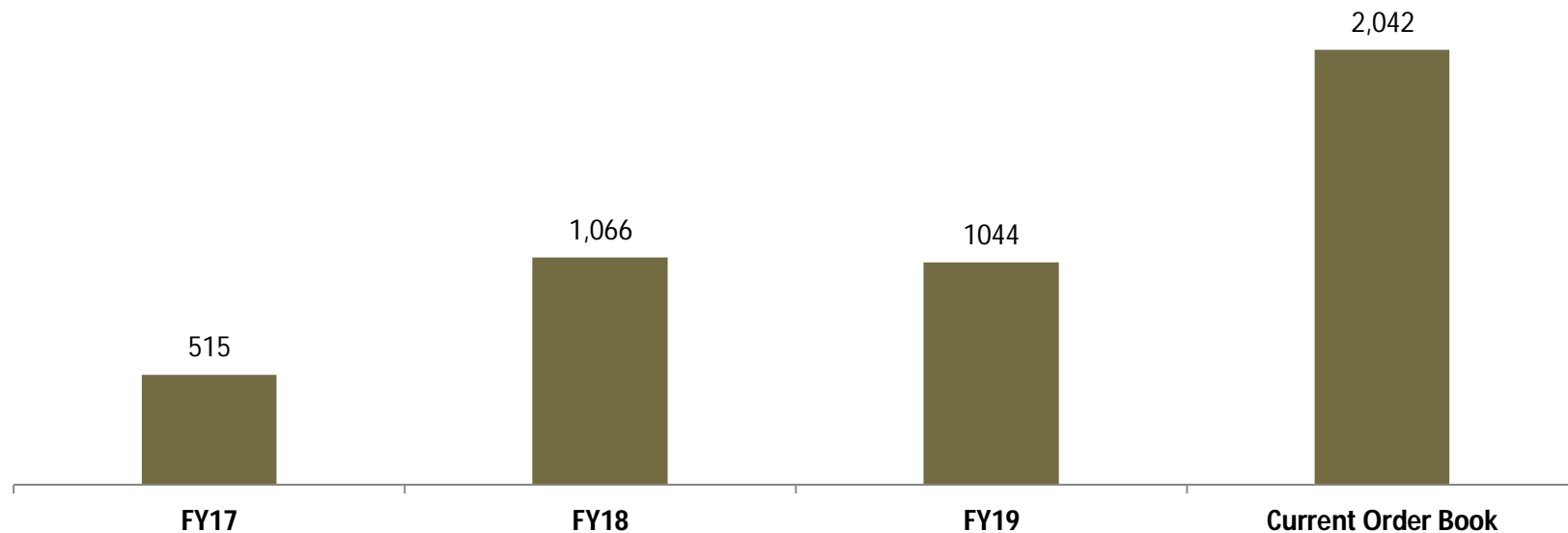


MAINTAINING CONSISTENT QUALITY STANDARDS ENSURING REPEAT ORDERS

## ORDER BOOK BUILD-UP

(In Rs. Cr)

RECEIVED ORDER WORTH **RS. 1,407 CRORE** SINCE THE BEGINNING OF THE CURRENT FINANCIAL YEAR



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

## EXISTING ORDER BOOK

Project	Location	Amt (Rs. Cr)
<b>External Order book</b>		
PWD, Raipur	Raipur	505
Maharashtra State Police Housing	Mumbai	465
Tycoon	Mumbai	168
Bangalore Metro Rail Corporation	Bangalore	160
Adhiraj	Mumbai	117
PMC-Affordable Housing	Pune	103
Kailash Enclave	Lucknow	79
Adampur Airport	Adampur	77
Other Projects		243
<b>Total</b>		<b>1,917</b>
<b>Internal Order book</b>		
Windermere-Bunglows	Pune	29
Forest Edge	Pune	25
Katvi-Affordable Housing	Talegaon, Pune	71
<b>Total</b>		<b>125</b>
<b>Total EPC Business Order book</b>		<b>2,042</b>

# READY TO CAPITALIZE ON THE GROWTH OPPORTUNITIES



## Housing for all 2022

1. Opportunity under PMAY(U), Smart Cities, AMRUT, HIRDAY.
2. Housing shortage of 19 million in Urban Areas
3. Government investment of Rs. 2 trillion for Housing for all 2022



## Education & Hospitality

1. Government focus on developing Educational Institutions and Hospitals
2. Higher Education funding agency (HEFA) outlaid funding of Rs. 53 billion for development of IITs, IIMs, IISERs, IISc, NIT and 44 new KVs



## Airports

1. Government aims to spend Rs. 250 billion for development of 20 plus airports over the next 5 years



## Growing demand for Commercial and Retail Space

1. Organised Retail to grow by 25-30% annually
2. Huge Demand for Commercial Space in Metros due to rapid growth in service Sector



# GOVERNMENT INITIATIVES IN REAL ESTATE SECTOR

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**Pradhan Mantri Awas Yojana – Urban** - Sanctioned **Rs. 4.83 lakh crore** for the Construction of over **81 lakh houses**, construction started of about 47 lakh houses



**Pradhan Mantri Awas Yojana – Gramin** aims to achieve "Housing for All" by 2022- In Second Phase i.e. 2019-20 to 2021-22, to provide **1.95 crore houses** with basic amenities



Investment of **Rs. 100 lakh crore** in infrastructure intended over the next five years



To use Joint development and concession mechanisms for public infrastructure and affordable housing on land parcels held by the Central Government and CPSEs



Government launched **The Liquidity Infusion Facility (LIFT)** scheme to infuse **Rs. 10,000 crore** in housing finance sector which will be valid upto 30<sup>th</sup> June 2020. HFCs registered with NHBs with minimum internal rating of 'B' will be eligible to withdraw maximum amount of **Rs. 500 crore** under this scheme





***REAL-ESTATE DEVELOPMENT***

# REAL ESTATE BUSINESS

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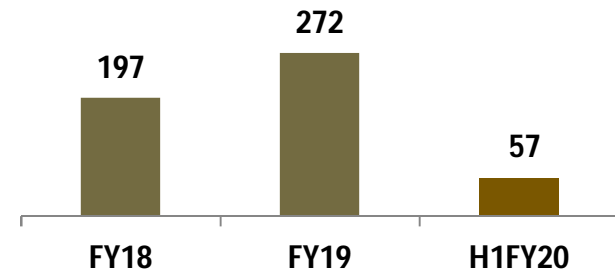


# SUCCESSFULLY LAUNCHED REAL ESTATE PROJECTS

Projects	Dev. Area (msft)	Launch	Status
Forest Edge (JV) A	0.08	Jan-18	Fully sold
Forest Edge (JV) B	0.08	Sep-19	12% sold
Windermere (JV)#	0.38	Mar-18	55% sold
Vascon Goodlife – Value Home (Own)	0.3	May-18	60% sold
Forest County	0.18	Dec-18	83% sold
Xotech C	0.04	Oct-18	Fully Sold

#Relaunch

## REAL ESTATE SALES (RS CR)



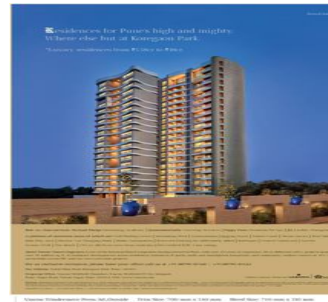
**"FOREST EDGE" –  
KHARADI, PUNE**

**VASCON GOODLIFE -  
KATVI, TALEGAON**

**RE-LAUNCH OF  
WINDERMERE#**

**XOTECH- PUNE**

**FOREST COUNTY -  
KHARADI**



**NEW SALE BOOKING OF ~64,383 SQFT FOR A TOTAL SALES VALUE OF ~RS. 57 CR IN H1FY20 AGAINST SALE BOOKING OF 4,20,998 SQFT FOR A TOTAL SALES VALUE OF ~RS. 272 CR IN FY19**

## 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
				msft	msft	Rs. Cr	Rs. Cr	Rs. Cr	Rs. Cr	Rs. Cr
Forest Edge (A&B)	Pune	JV	50%	0.16	0.09	60	32	30	16	-
Forest County	Pune	JV	50%	0.18	0.15	105	9	53	5	-
Windmere Residential	Pune	JDA	45%	0.38	0.21	244	192	110	86	109
Platinum Square (I&II)	Pune	JV	70%	0.13	0.13	133	115	93	81	93
Vascon GoodLife	Talegaon	Own	100%	0.46	0.18	64	17	64	17	-
Xotech (I&II)	Hinjewadi	JV	50%	0.08	0.08	36	30	18	15	18
<b>Total</b>				<b>1.39</b>	<b>0.84</b>	<b>642</b>	<b>395</b>	<b>367</b>	<b>219</b>	<b>220</b>

## REAL ESTATE PROJECTS PIPELINE

Sr. No.	Projects	Type	Segment	Saleable Area	Expected Sales Value
				msft	(Rs. in Cr)
1	Coimbatore	JDA	Residential	0.33	179
2	Madurai	JDA	Residential	0.49	220
3	Bavdhan - Comm	JDA	Commercial	0.23	158
4	Willows - Comm	JV	Commercial	0.23	191
5	4 Acre HDH	JV	Residential	0.35	245
6	Kalyani Nagar - Comm	JDA	Commercial	0.30	330
7	Kalyani Nagar	JDA	Residential	0.50	550
	<b>Total</b>			<b>2.41</b>	<b>1,873</b>



# THANK YOU!



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