



Vascon Engineers Limited

CIN: L70100MH1986PLC038511

Registered Office: 15/16, Hazari Baugh, L.B.S. Marg, Vikhroli,
Mumbai-400083

Corporate Office: Vascon Weikfield Chambers, Behind Hotel Novotel,
Opposite Hyatt Hotel, Pune - Nagar Road, Pune-411014.

Date: October 1, 2015

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

Ref: **Scrip Code: 533156**

Dear Sir,

Please find enclosed results Investor Presentation made at of 30th Annual General Meeting of Vascon Engineers Limited held on September 29, 2015.

Thank you,

For Vascon Engineers Limited

MUTHUSWAMY
KRISHNAMURTHI

Digitally signed by MUTHUSWAMY KRISHNAMURTHI
DN: cn=MUTHUSWAMY KRISHNAMURTHI, o=Vascon Engineers Limited,
ou=Vascon Engineers Limited, email=MUTHUSWAMY.KRISHNAMURTHI@VASCON.COM,
c=IN, date=2015.10.01 16:16:55 +05'30'

M. Krishnamurthi

Company Secretary & Compliance Officer



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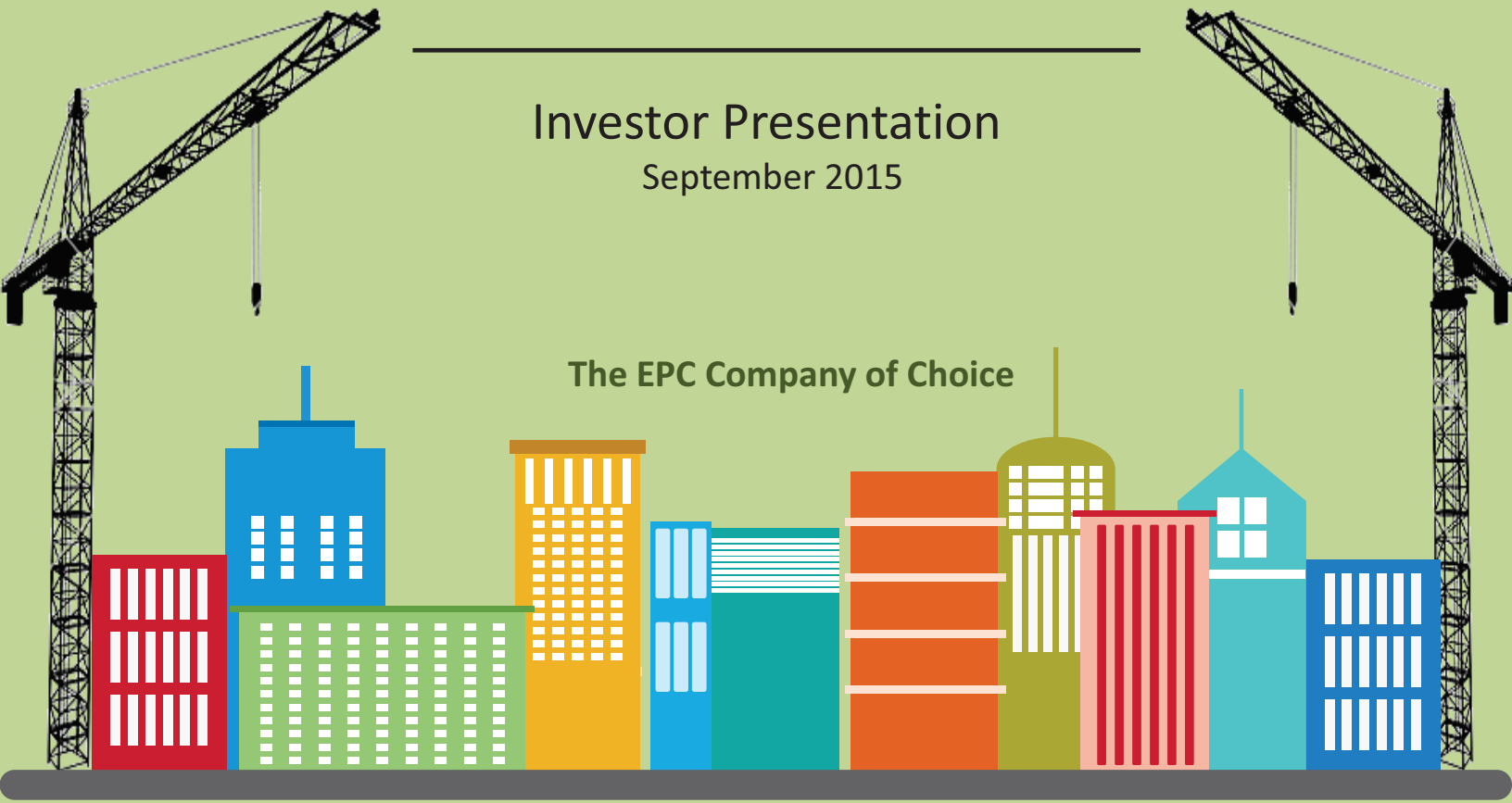
Vascon Engineers Limited

Heading towards better future...

Investor Presentation

September 2015

The EPC Company of Choice



Disclaimer



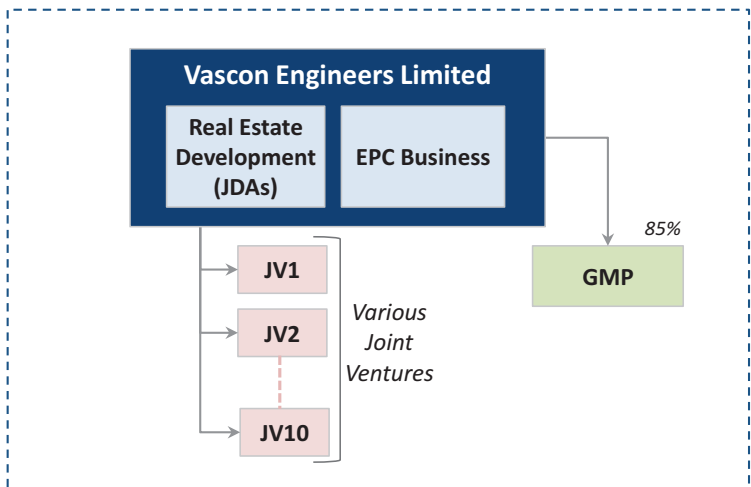
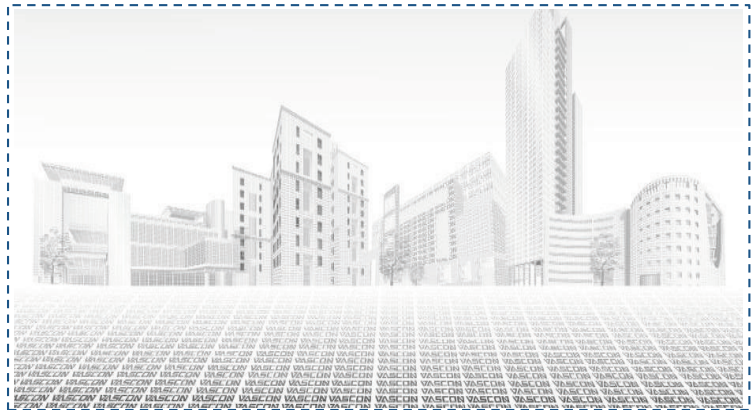
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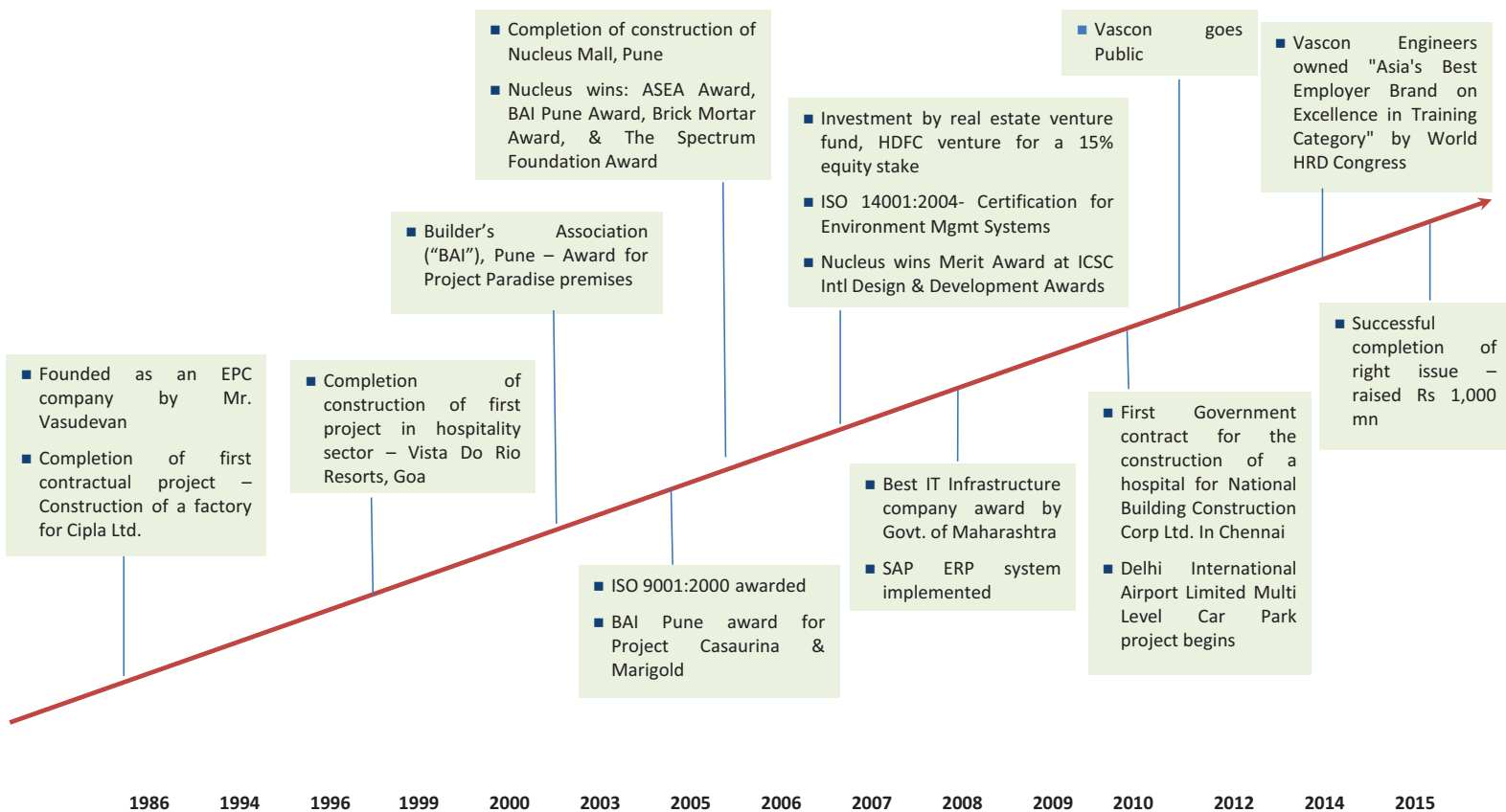
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- 1 **Company Overview**
- 2 **EPC – The EPC Company of Choice**
- 3 **Clean Room Partition – One of the largest player in India**
- 4 **Real Estate – Monetizing current portfolio**
- 5 **Financial Performance Highlights**
- 6 **Annexures**

- **Founded by Mr R Vasudevan in 1986**
- **One of the leading EPC company in India**
 - ✓ Expertise across various types of buildings like Residential, Commercial, Industrial, IT Parks, Hospitals, malls & multiplexes, Hotels etc.
 - ✓ Track record of successful & timely execution of Landmark projects
- **Clean room partition manufacturing & HVAC Company**
 - ✓ GMP Technical, acquired in FY2011, one of the largest manufacturer of clean room partitioning systems and Turnkey solution provider
- **Asset light Real Estate business mainly present in Pune & Thane (Mumbai)**
 - ✓ Real estate development carried out through JVs and JDAs



evolved as leading construction company...



3 years of tough challenges ...

- Moderate GDP growth combined with high interest rates and negative consumer and business sentiment
- Increase in raw material & labor cost
- Slowdown in economy resulted in to slowdown in project execution and deferral of capex plans
- Reduced funding from Banks to Construction & Real Estate sector

Resulted in an adverse environment for the construction & real estate sector

... impacted Construction Sector & Vascon as well

- Majority of the construction companies and real estate developers faced challenges of low sales, high cost & longer working capital cycle
- Reduction of fund & non fund based limits by Banks
- Higher exposure to Private Sector Developers

**Impacted Profitability
&
higher receivable provisioning**

Mr. R. Vasudevan, Managing Director



- Over 35 years of experience in the construction industry
- Responsible for the over all management of the Company
- Deep domain knowledge & Industry experience enabled him to lead the Company in challenging time
- Awarded the Top Management Consortium Award of Excellence for the year 2005
- Holds a first class Bachelor's degree in Civil Engineering from Pune University

Dr. Santosh Sundarajan, Chief Executive Officer



- Over 12 years of experience; has worked with Buro Engineers Singapore Pte Limited
- Looks after technical operations, project implementation, planning & budgeting, cost control, conducts technical and feasibility studies
- Holds a Bachelor's degree in Civil Engineering & a Doctorate in Structural Design from the National Institute of Singapore & Masters Degree in Finance from the University of London

Focus on Improving Operational efficiency ...

- **Robust Project Monitoring**
 - ✓ Review progress of the projects regularly & more frequently by MD & CEO
- **Modification in contracting policy**
 - ✓ Renegotiation of old contracts to include labour cost escalations
 - ✓ Escalation Specific Contract Terms
- **Reduce exposure to private sector contracts**
- **Completion of loss making contracts / withdrawal from contracts**

... with Strategic Initiatives

- **Writing-off bad debts to clean up the balance sheet in FY15**
- **Sale of Non Core assets to increase Cash flow in Company**
 - ✓ Sale of IT Parks in Nasik
 - ✓ Divested stake in Hotel Properties
- **Equity infusion of Rs. 1,000 mn through Right Issue**
 - ✓ Fund raised used for reducing high cost debt and kick-start key projects
 - ✓ Mr. Vasudevan & family infused Rs. 600 mn to subscribe the Right Issue; Increasing their stake from ~20% to ~38%

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
Improved balance-sheet after Right Issue of Rs. 1,000 Mn**



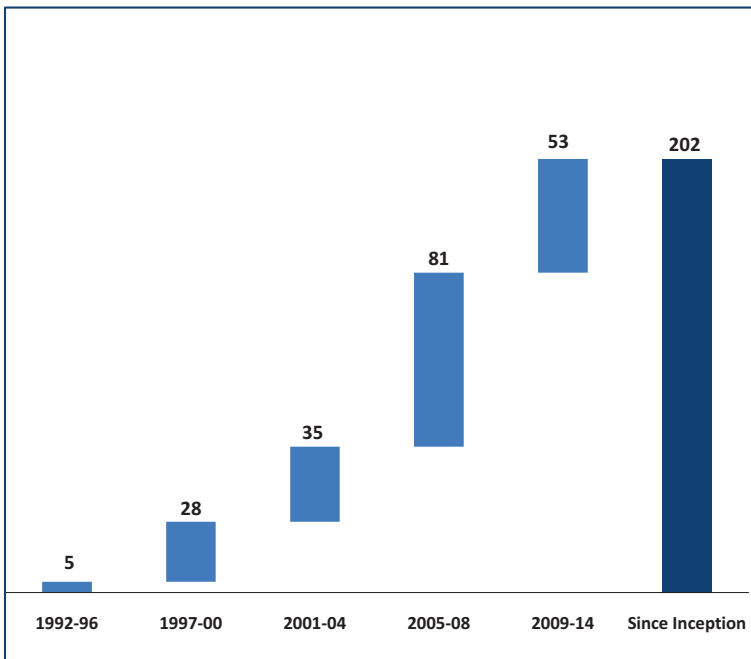
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EPC Business

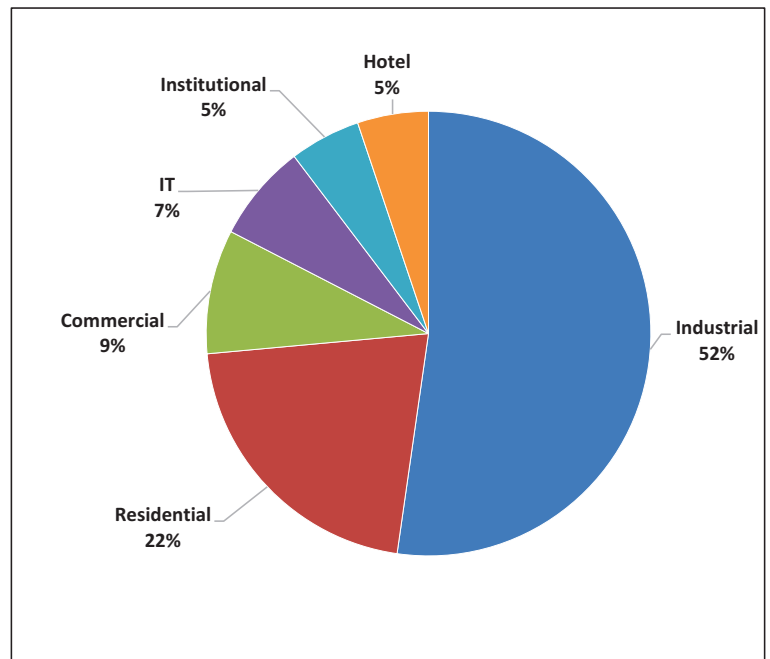


EPC business on a strong footing

Over 200 projects with total area of > 34 mn Sqft ..

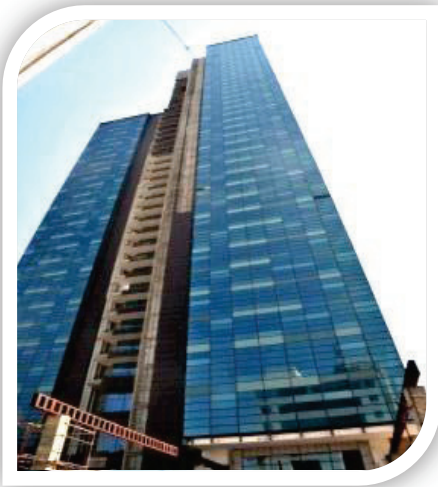


... across all building segments



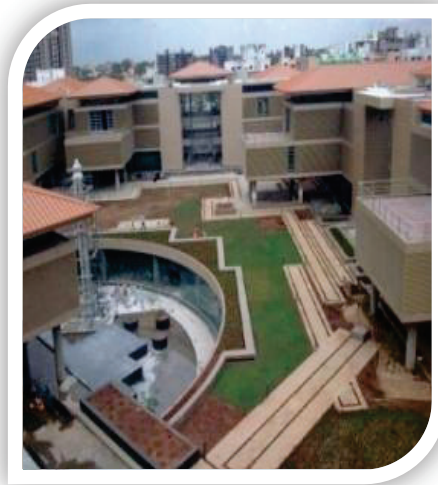
Execution capability of ~ 8 mn sqft per year

Ruby Mills
Mumbai



Tallest commercial building
in India

Suzlon One Earth
Pune



Awards from BAI - Pune

Nucleus Mall & Offices
Pune



LEED Platinum Certification

Consistent quality standards ensuring repeat orders

Pharmaceuticals	IT & Software	Infra/Real Estate	Hotels	Institutions/Hospitals
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EPC business: clear revenue visibility based on strong order book

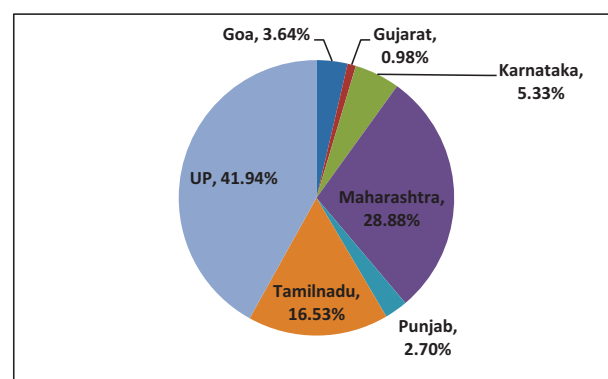


Order book details (as of 30th June, 2015)

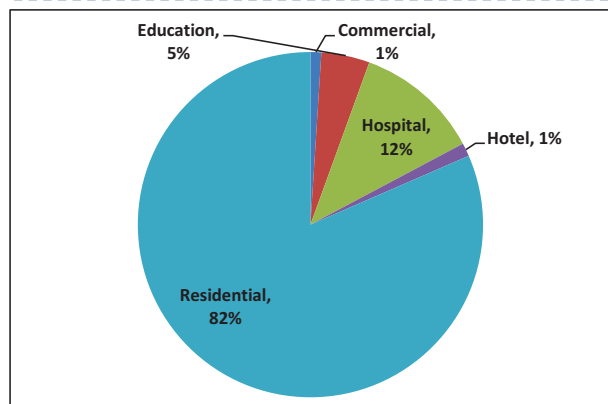
Sr. No.	Project Name	Place	Type	Backlog
				(Rs. Mn)
1	Everest Enclave Lucknow	Lucknow	Residential	1,145
2	Kailash, Lucnow	Lucknow	Residential	2,860
3	Sheth Creators-Malad	Mumbai	Residential	1,062
4	NBCC Mumbai	Mumbai	Hospital	910
5	Godrej Ecity	Bangalore	Residential	509
6	TNLA-Medical College	Chennai	Education	237
7	Mosaic Landmarks LLP (Godrej)	Pune	Residential	203
8	Godrej Chennai	Chennai	Residential	467
9	Delanco - DLF- GOA	Goa	Residential	347
10	North Town, Chennai	Chennai	Residential	206
11	Other Projects*			1,520
Total Existing Orders				9,550

* Projects with order backlog less than Rs. 200 Mn

Geographical order book split



Segment-wise order book split





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GMP Technical Solutions



- Established in 2005
- ISO 9001: 2000 certified company



- State-of-the-art manufacturing facilities
 - ✓ Baddi in Himachal Pradesh
 - ✓ Bhivandi in Thane

- One of the largest manufacturers of Clean Room Partitioning Systems
- Turnkey Solution Provider within the Indian subcontinent



- Corporate office at Mumbai
- Branch offices in major Indian cities like Noida, Goa, Bangalore, Indore, Hyderabad

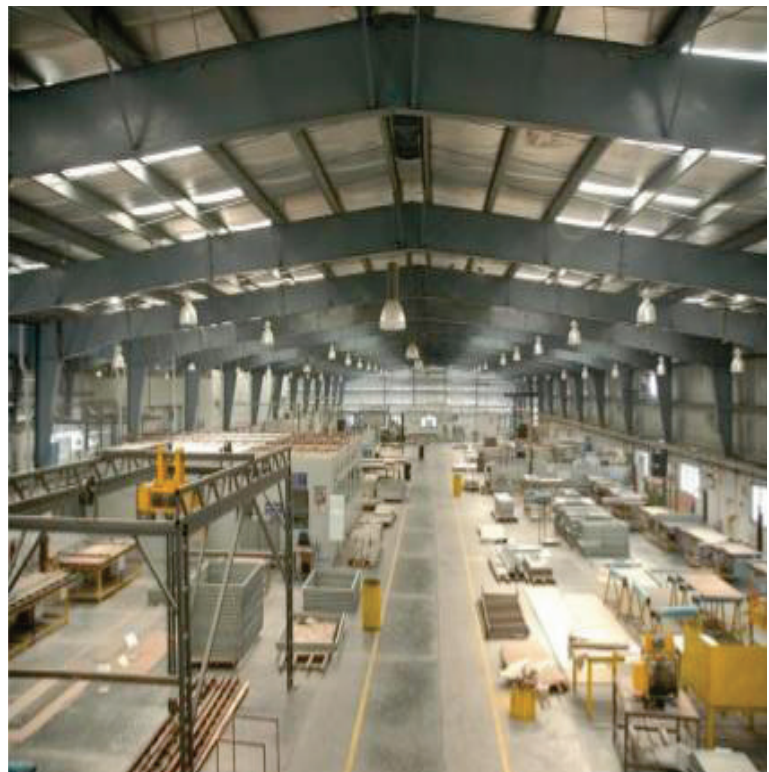
Business segments includes Clean Room Technology; Modular Furniture; Building Management Systems; IBMS; IT & Networking; HVAC and Electricals



Wide product range & state-of-the-art manufacturing facilities

- Manufacturing area of 150,000 Sq. ft. with a over all supportive infrastructure area of 450,000 Sq. ft.
- **Product range** includes
 - ✓ Clean Room Modular Partitions
 - ✓ Clean room & Fire Proof Doors
 - ✓ Clean room Equipments,
 - ✓ Containment Solutions / Isolators
 - ✓ Heating Ventilation & Air Conditioning - HVAC
 - ✓ Modular Operation Theater
 - ✓ Hygiene flooring, Lab furniture, Environmental Monitoring System – BMS
- **Industries** served
 - ✓ Pharmaceuticals (Onco, Sterile, OSD, Injectible, R&D Labs) API, Biopharmaceuticals etc.)
 - ✓ Hospitals
 - ✓ Solar Panels (Photovoltaic Cells)

Manufacturing facility at Baddi



Reputed clientele



Product range

Galvanized Iron Clean Room



Glass Reinforced Polymer Clean Room



Clean Room Doors



Barrier Isolator



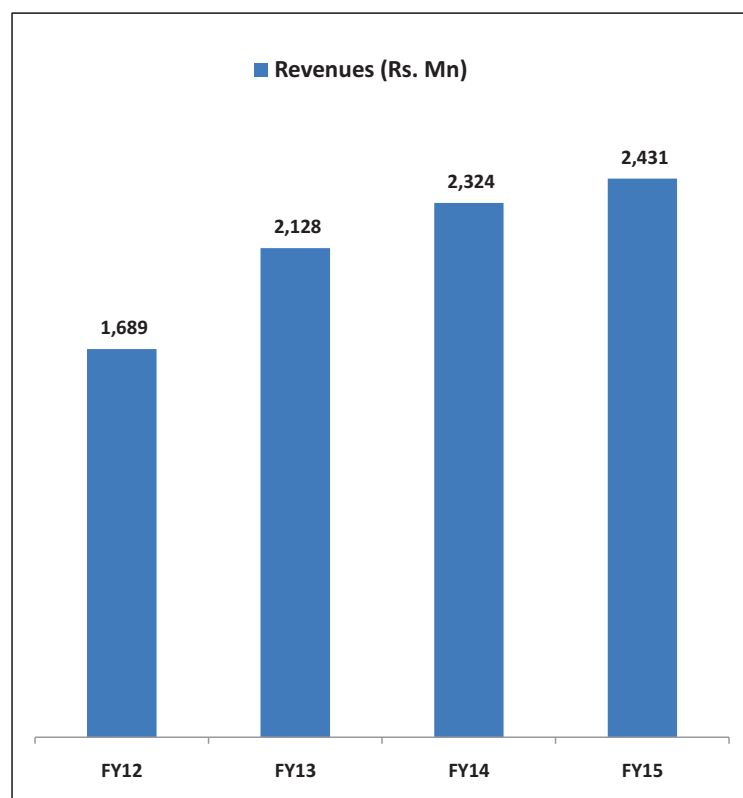
Huge opportunity in the clean room partition business



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

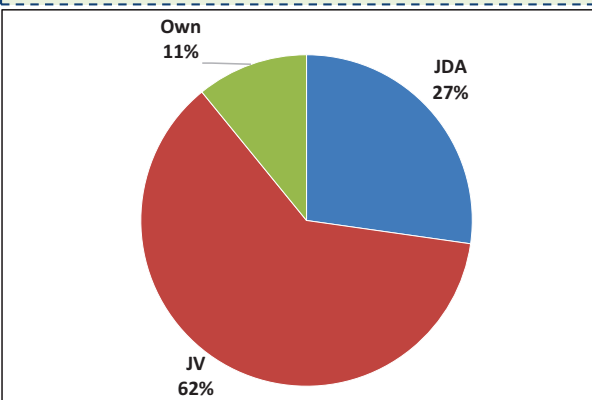
Strong revenue growth



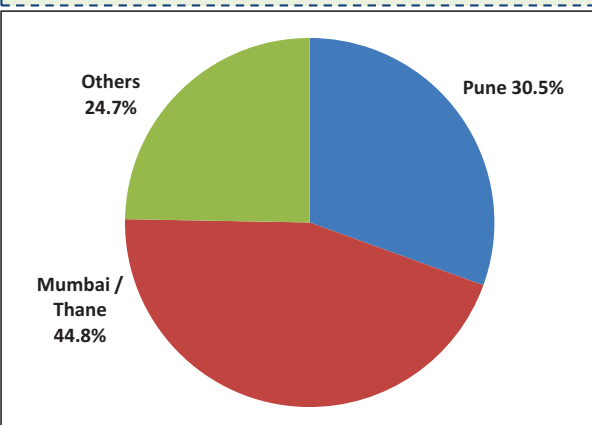
Real Estate Portfolio

Particulars	Project Area (Acres)	Saleable area (msft)	Vascon Share Saleable Area (msft)
JDA	88.3	7.2	4.7
Pune	29.4	2.6	1.4
Chennai	25.0	1.7	1.3
Coimbatore	14.0	1.2	0.9
Madurai	18.2	1.6	1.1
JV	200.5	22.3	10.1
Pune	55.4	3.3	1.7
Thane	145.1	19.0	8.4
Owned	35.3	2.4	2.4
Pune	14.1	0.7	0.7
Aurangabad	9.0	0.8	0.8
Coimbatore	4.6	0.4	0.4
Goa	7.6	0.5	0.5
Grand Total	324.1	31.9	17.1

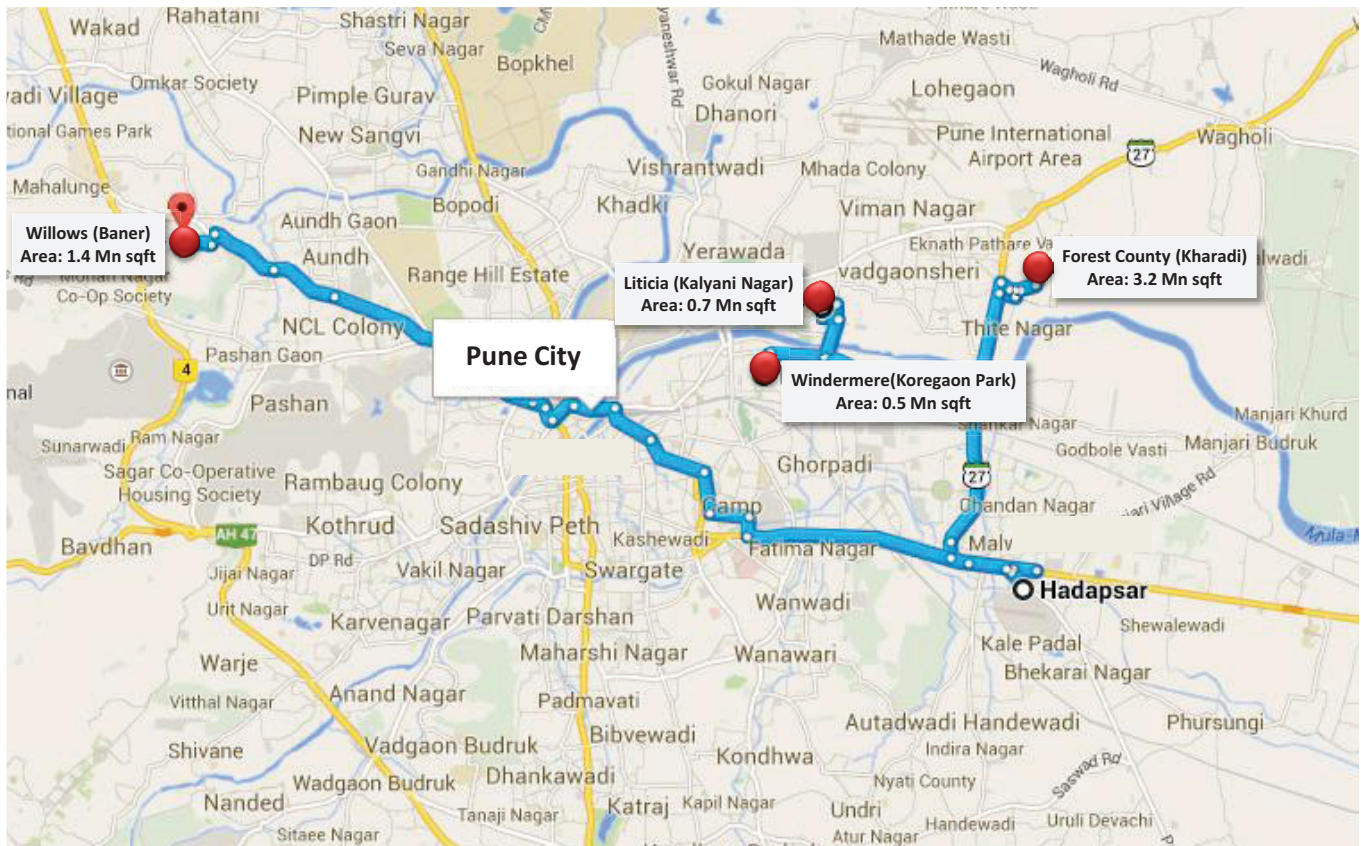
Focus on asset light JDA/JVs model



Geographical land bank split



Key Pune Real Estate Projects – Around 6 Mn Sqft



Current Real Estate projects under development



Project Name	Location	Vascon Share		Total (As on 30 th June 2015)				Vascon Share (As on 30 th June 2015)		
				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	911	881	729	705	711
Vista - Phase II	Nashik	100%	100%	0.14	0.12	287	287	287	287	282
Forest County Ph-I	Pune	50%	100%	0.84	0.82	3,542	3,404	1,771	1,702	1,613
Forest County Ph-II	Pune	50%	100%	0.52	0.29	1,874	1,123	937	562	428
Tulips - Phase II	Coimbatore	100%	70%	0.13	0.11	505	503	354	352	297
Xotech	Pune	50%	100%	0.06	0.03	128	100	64	50	50
Ela	Pune	100%	100%	0.12	0.08	400	299	400	299	349
Garnets Bay	Pune	50%	100%	0.03	0.03	191	121	95	61	52
ECO Tower	Pune	100%	100%	0.03	0.03	191	173	191	173	176
Sub-total				2.08	1.71	8,029	6,891	4,828	4,191	3,958
Windmere Residential	Pune	100%	45%	0.38	0.16	1,597	779	703	343	470
Windmere Commercial	Pune	100%	100%	0.04	0.02	278	108	278	108	0
Total				2.50	1.88	9,903	7,779	5,808	4,641	4,426

Targeting mid income market
Rs. 4,700 / sft - Average Realization of Project Portfolio (Ex Windmere)

Consolidated Financials



Particulars (Rs. Mn)	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	
Revenue	10,315	7,280	7,370	6,255	6947	
EBIDTA	1,070	440	520	310	124	
<i>EBIDTA Margin (%)</i>	<i>10.4%</i>	<i>6.0%</i>	<i>7.1%</i>	<i>4.8%</i>	<i>1.7%</i>	
Exceptional Item	(210)	(391)	59	-	968	
PAT	650	160	(170)	(432)	(1,448)	Post
<i>PAT Margin (%)</i>	<i>6.2%</i>	<i>2.1%</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	Right Issue
Networth	7,180	7,310	7,130	6,751	5,185	6,185
Gross Debt	3,700	3,820	3,030	3,600	3322	2,555
Net Current Assets	3,186	3,134	3,100	1950	737	
Cash & Bank	1100	440	460	498	584	

Proceeds from Right Issue of Rs. 1,000 mn used mainly for reducing Debt

Consolidated Quarterly Performance



Particulars (Rs. Mn)	Q1 FY16	Q1 FY15
Revenue	1,446	1,389
Other Income	99	32
Total Income	1,545	1,421
Construction Expenses/Material Consumed	1,001	948
Employee Cost	188	189
Other Expenses	174	172
EBITDA	182	112
<i>EBIDTA Margin (%)</i>	<i>11.80%</i>	<i>7.89%</i>
Interest	122	87
Depreciation	47	35
Exceptional Items	-	61
PBT	13	(70)
Tax	25	37
PAT	(12)	(107)

Key Management Personnel

**Santosh
Sundararajan,
Chief Executive
Officer**

- Over 12 years of experience; has worked with Buro Engineers Singapore Pte Limited
- Looks after technical operations, project implementation, planning and budgeting, cost control, conducts technical and commercial feasibility studies
- Holds a Bachelor's degree in Civil Engineering & a Doctorate in Structural Design from the National Institute of Singapore & Masters Degree in Finance from the University of London

**Siddharth
Vasudevan
Chief Operating
Officer**

- Looks after Legal & Liaison activities, Human Resource
- He holds a diploma in civil engineering from Sinhgad Institute of Technology, Pune & Bachelor of Applied Science in Construction Management from Singapore Institute of Management

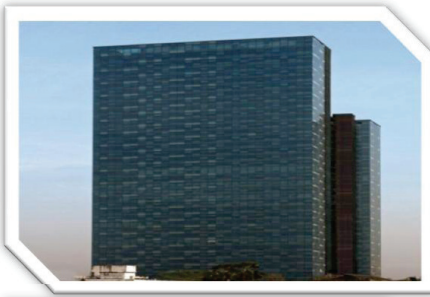
**D. Santhanam,
Chief Financial
Officer**

- In charge of the taxation and the finance activities of the Company
- B.Com and CA with 24 years of experience in the construction industry

**M. Krishnamurthi,
Chief Corporate
Affairs**

- Looks after corporate affairs, strategy and project finance
- B. Com, CA, CS, CMA and BGL with 26 years of experience in construction, hospitality and bio-technology sectors

Landmark projects executed



Ruby Mills

- Tallest commercial building in Mumbai.
- Total Constructed area around 1.55 mn sq. ft
- Winner of “Well Built Structure” by Builder’s Association 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



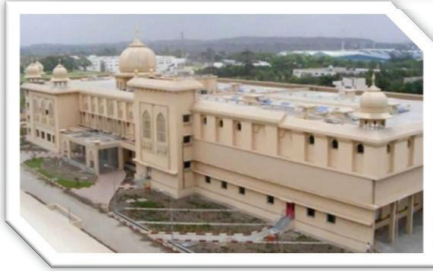
Suzlon One Earth

- 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.

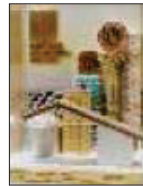


Cipla SEZ, Indore

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

Awards and Recognition

-  **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**





VASCON

Thank You

For further information, please contact:

Company :

Investor Relations Advisors :

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