



VASCON®
Development with Conscience

Vascon Engineers Limited

Development With
Conscience

Analyst Presentation Q3 FY 2013 Result Update

February, 2013



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Consolidated Profitability Statement



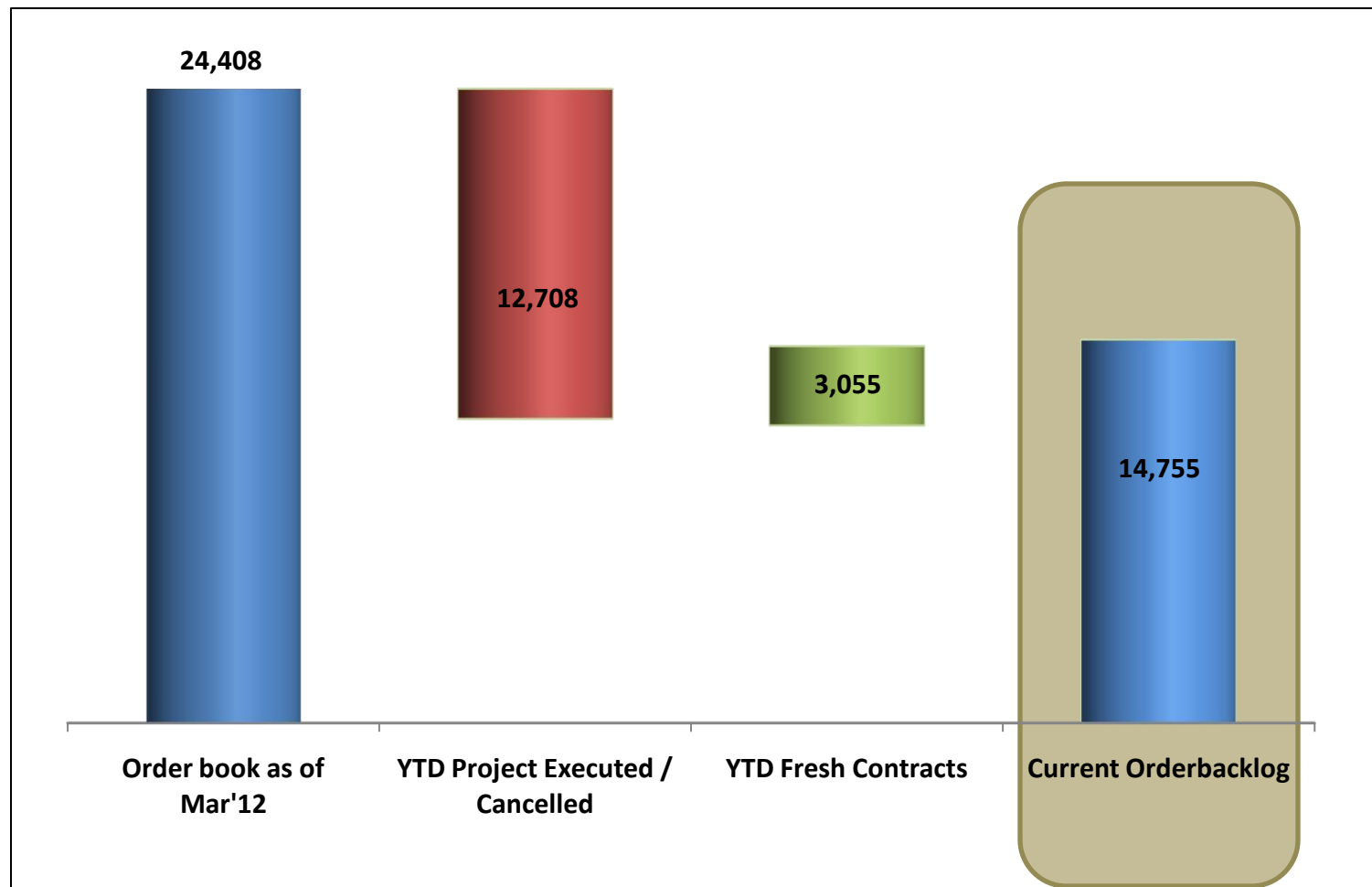
Rs. Mn	Q3 FY13	Q3 FY 12	9M FY 13	9M FY 12	FY 2012
Revenue	1,391	1,684	5,202	5,314	7,121
Other Income	61	40	174	115	158
Total Income	1,451	1,724	5,376	5,429	7,279
Construction Expenses / Material Consumed	1,109	1,167	3,956	3,789	5,467
Employee Cost	215	190	560	557	697
Other Expenses	167	123	497	375	680
EBITDA	-40	245	363	708	436
EBITDA Margin	-2.8%	14.2%	6.7%	13.0%	6.0%
Interest	105	133	274	372	370
Depreciation	59	49	146	134	182
Exceptional Items	-1	-23	18	-46	-391
PBT	-203	87	-76	247	275
Tax	21	54	61	149	120
PAT	-225	33	-137	98	155
PAT Margin	-15.5%	1.9%	-2.6%	1.8%	2.1%

- Construction Expenses in Q3FY13 includes Rs. 124.1 mn on account of write-off and provisions provided on various projects
- Employee Expenses in Q3FY13 includes Rs. 50 mn towards ex-gratia payments

- **Orderbook Review was necessary as**
 - Delay in Projects resulting in cost overruns
 - Projects stalled due to non payment by developers affected execution cycle and resulted in significant cost overrun
- **Economically not viable to continue execution of Projects on same commercial terms**
- **Initiated discussion and renegotiation of the EPC contract with the Clients**
- **Current Status :**
 - Projects Cancelled / exited : Rs. 11,240 mn
 - Projects terms renegotiated : Rs. 916 mn
 - Projects under negotiation : Rs. 1,746 mn

Current EPC Orderbook of Rs. 14,755 mn

EPC Order backlog

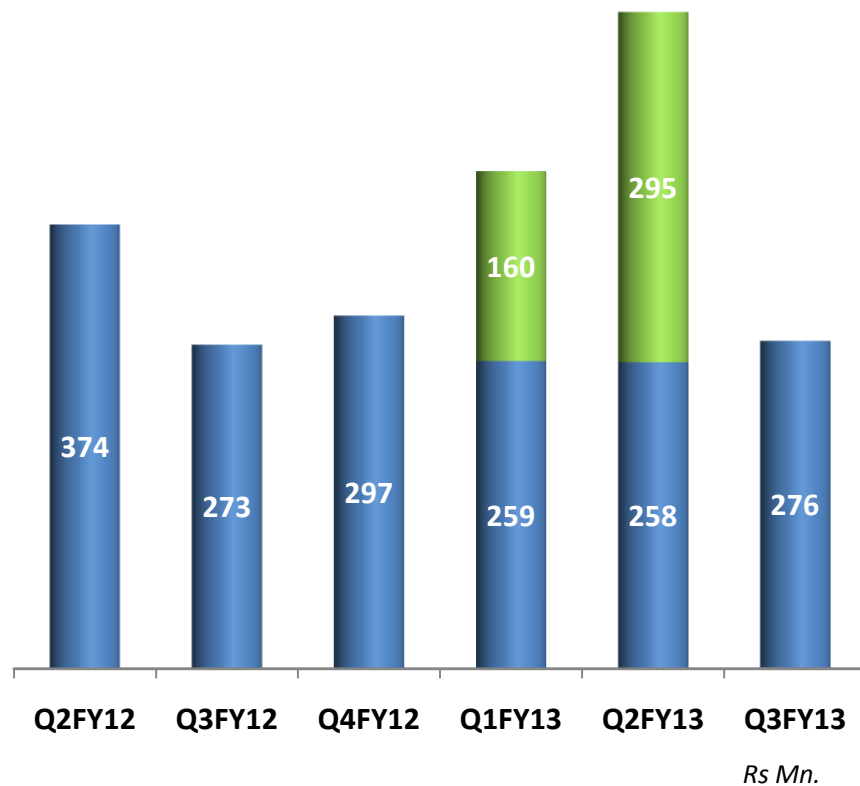


Rs Mn.

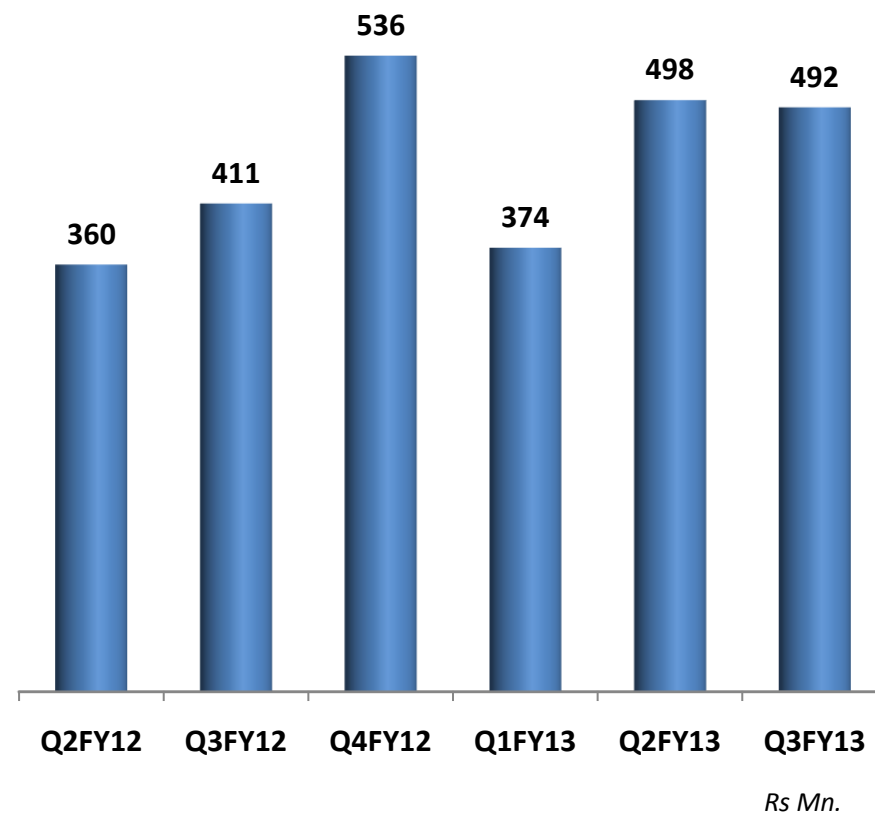
Consistent Revenue in other Segments




Real Estate Segment



Clean Room Partition & BMS Segment



 Revenue from sale of commercial buildings

Real Estate Projects Progress

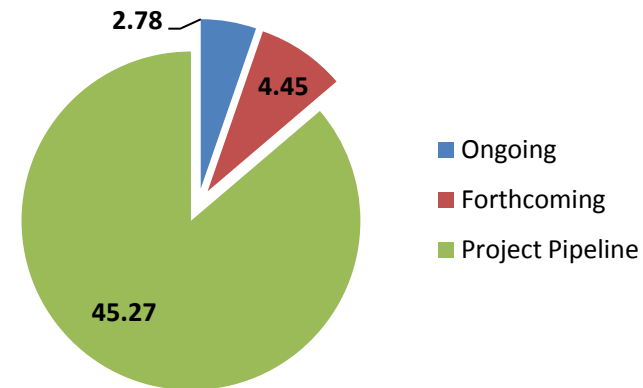


As on December 31, 2012

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 (C,D)	Pune	100%	56%	0.11	0.10	475	438	266	245	249
Willows Phase (E,F)	Pune	100%	56%	0.16	0.14	585	416	328	233	244
Vista - Phase II	Nashik	100%	100%	0.14	0.11	265	192	265	192	198
Forest County (11 bld.)	Pune	50%	100%	0.84	0.72	2,662	1,686	1,331	843	619
Tulips – Phase I	Coimbatore	70%	70%	0.05	0.05	193	175	135	123	135
Tulips - Phase II	Coimbatore	70%	70%	0.20	0.10	394	144	276	101	0
Windmere Duplex	Pune	100%	45%	0.17	0.05	438	104	193	46	32
Windmere Apartments	Pune	100%	45%	0.21	0.09	879	207	387	91	39
Xotech	Pune	50%	100%	0.15	0.03	113	86	56	43	23
Nature Spring	Pune	100%	65%	0.26	0.06	177	33	122	23	0
Nature Nest	Pune	100%	65%	0.25	0.03	85	15	59	10	0
Ela	Pune	100%	100%	0.12	0.05	253	65	253	65	73
Garnets Bay	Pune	50%	100%	0.03	0.02	150	12	75	6	0
ECO Tower	Pune	100%	100%	0.04	0.02	100	34	100	34	17
Total				2.72	1.57	6,769	3,608	3,845	2,055	1,629

City	Area	Dev. Area	Vascon Share
	Acres	msft	Msft
Pune	267.9	16.6	9.9
Thane	145.1	19.0	8.4
Oragadam	105.0	8.7	6.6
Coimbatore	37.2	2.9	1.5
Madurai	28.2	2.7	1.8
Aurangabad	9.0	0.8	0.8
Nashik	14.8	0.7	0.6
Goa	7.6	0.5	0.5
Hyderabad	3.5	0.6	0.4
Belgaum	1.7	0.2	0.1
Total	620.0	52.7	30.6

Development Break up



- **Total Vascon Investment for Real estate Development - ~ Rs. 4,000 mn**
 - No further payment towards Land is required
- **52.5 msft Total Developable Area**
 - Share of Vascon – 30.6 msft
- **Development Plan**
 - Targeting to mid price segment development (Rs. 3000 – 5000 psft)

Land Bank of 52.5 msft totally paid for, available for development

Investment in Hospitality Business



Hotel	Galaxy Resorts	Hyatt	Holiday Inn	Coimbatore
Location	Goa	Pune	Pune	Coimbatore
Holding	43.83%	19%	28.70%	70%
Category	3 Star	5 Star	5 Star	4 Star
No. of Keys	65	306	187	129
Total Area (Sft)	70,000	4,50,000	1,09,769	1,06,500
Operator	Royal Orchids	Hyatt	Holiday Inn	To be tied up
Operational	Jan 2005	Nov 2010	April 2011	FY 2013
Vascon Investment (Rs. Mn.)	37	304	240	140

Exploring divestment of Hospitality portfolio

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