

Vascon Engineers Limited

CIN: L70100PN1986PLC175750

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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

Sr. No.	PARTICULARS	STANDALONE					(Rs. In Lakhs)
		Quarter Ended		Nine Months Ended		Year Ended	
		December 31, 2018	September 30, 2018	December 31, 2017	December 31, 2018	December 31, 2017	March 31, 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	a) Revenue from Operations	8,213	6,965	9,351	24,566	22,949	33,535
	b) Other income	774	1,198	174	2,384	898	2,406
	Total Income	8,987	8,163	9,525	26,950	23,847	35,941
2	Expenses						
	a) Construction Expenses / Cost of materials consumed including cost of land	6,259	7,134	5,416	20,940	17,878	28,163
	b) Purchase of stock-in-trade	-	5	-	5	-	-
	c) Changes in inventories of finished goods, work in progress and stock-in-trade	(813)	(1,601)	1301	(2,994)	(1,611)	(3,218)
	d) Employee benefits expenses	1,028	1,302	1,300	3,516	3,263	4,645
	e) Finance costs	662	512	378	1,691	1,505	1,936
	f) Depreciation and amortisation expenses	213	204	195	601	545	752
	g) Other expenses	842	819	689	2,458	1,722	2,522
	Total Expenses	8,191	8,375	9,279	26,217	23,302	34,800
3	Profit/(Loss) before tax (1-2)	796	(212)	246	733	545	1,141
4	Tax Expense						
	a) Current tax (includes earlier year taxation)	(3)	(99)	-	(102)	-	(55)
	b) Deferred tax	-	-	-	-	-	57
	Total Tax Expense	(3)	(99)	-	(102)	-	2
5	Net profit/(Loss) after tax (3-4)	799	(113)	246	835	545	1,139
6	Other comprehensive income						
	Items that will not be reclassified to profit or loss (Net of Tax)	(15)	(55)	11	(36)	8	24
7	Total Comprehensive income/(loss) (5+6)	784	(168)	257	799	553	1,163
8	Paid-up Equity Share Capital (Face Value Rs. 10/- per share)	17,814	17,814	16,766	17,814	16,766	17,414
9	Other Equity						47,769
10	Earnings Per Share (EPS) *						
	a) Basic EPS (in Rs.)	0.45	(0.07)	0.15	0.47	0.33	0.67
	b) Diluted EPS(in Rs.)	0.45	(0.07)	0.14	0.47	0.32	0.66
	* Basic and diluted EPS for all periods except for the year ended March 31, 2018 are not annualised						



Segment wise Revenue, Results, Assets and Liabilities for quarter ended and Nine Month ended December 31, 2018

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	December 31, 2018	September 30, 2018	December 31, 2017	December 31, 2018	December 31, 2017	March 31, 2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
Engineering, Procurement and Construction (EPC)	6,563	6,125	5,201	21,038	15,685	24,855
Real Estate Development	1,650	840	4,150	3,528	7,264	8,680
Net Sales/Income from operations	8,213	6,965	9,351	24,566	22,949	33,535
Particulars	Quarter Ended			Nine Months Ended		Year Ended
	December 31, 2018	September 30, 2018	December 31, 2017	December 31, 2018	December 31, 2017	March 31, 2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
2. Segment Results						
Engineering, Procurement and Construction (EPC)	1,588	976	1,208	4,440	2,937	5,079
Real Estate Development	903	(508)	719	192	1,895	1,266
Subtotal	2,491	468	1,927	4,632	4,832	6,345
Less: Interest	(662)	(512)	(378)	(1,691)	(1,505)	(1,936)
Other Unallocable expenditure net off Unallocable income	(1,033)	(168)	(1,303)	(2,208)	(2,782)	(3,268)
Total Profit before Tax	796	(212)	246	733	545	1,141
Particulars	Quarter Ended			Nine Months Ended		Year Ended
	December 31, 2018	September 30, 2018	December 31, 2017	December 31, 2018	December 31, 2017	March 31, 2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
3. Segment Assets and Liabilities						
Segments Assets						
Engineering, Procurement and Construction (EPC)	33,293	32,153	28,312	33,293	28,312	33,754
Real Estate Development	67,345	65,849	64,507	67,345	64,507	62,463
Unallocable	21,852	22,388	22,248	21,852	22,248	23,176
Total	122,490	120,390	115,067	122,490	115,067	119,393
Segments Liabilities						
Engineering, Procurement and Construction (EPC)	18,023	18,970	17,544	18,023	17,544	19,677
Real Estate Development	24,987	22,353	19,331	24,987	19,331	20,002
Unallocable	12,077	12,612	15,250	12,077	15,250	14,531
Total	55,087	53,935	52,125	55,087	52,125	54,210

Notes:

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on February 13, 2019

2. The Company has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108) read with SEBI circular dated 5th July, 2016. The identification of operating segments is consistent with performance assessment and resource allocation by the Chief Operating Decision Maker (CODM). The Company's Chief Operating Decision Maker (CODM) is CEO and Managing Director.

Primary reporting business segments are as follows :

- Engineering, Procurement and Construction (EPC)
- Real Estate Development

The Company is engaged in its business mainly within India.

The Company has changed the structure of its internal organization that has caused the composition of its reportable segments to change, as a result of which the corresponding information for earlier periods, including interim periods, has been restated. As a result, the segment assets for EPC are higher by Rs. 7,485 lakhs and segment liabilities for EPC are higher by Rs. 7,042 lakhs with a corresponding decrease in unallocable segment assets and segment liabilities as at December 31, 2018



3. The Company has applied the modified retrospective approach to its real estate residential contracts that were not completed as of April 1, 2018 and has given impact of adoption of Ind AS 115 by debit to retained earnings as at the said date by Rs. 413 lakhs.

a) Due to the application of Ind AS 115 for the nine months ended December 31, 2018 Revenue from Operations is lower by Rs. 1266 lakhs (including impact of Ind AS 115 on share of profit from partnership firm, which has also applied modified retrospective approach), Construction Expenses / Cost of materials consumed including cost of land is lower by Rs. 1028 lakhs and net profit after tax is lower by Rs. 238 Lakhs (Including impact of Ind AS 115 on share of profit from partnership firm, which has also applied modified retrospective approach). Similarly, the basic and diluted EPS for the period are Rs. 0.47 instead of Rs 0.61 per share. These changes are due to recognition of revenue based on satisfaction of performance obligation (at a point in time), as opposed to the previously permitted percentage of completion method. Accordingly, the comparatives have not been restated for the nine months ended December 31, 2018 and hence not comparable with previous period figures.

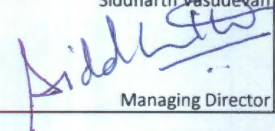
b) Due to application of Ind AS 115 for the quarter ended December 31, 2018 Revenue from Operations is lower by Rs. 370 lakhs (including impact of Ind AS 115 on share of profit from partnership firm, which has also applied modified retrospective approach), Construction Expenses / Cost of materials consumed including cost of land is lower by Rs. 398 lakhs and net profit after tax is higher by Rs. 28 Lakhs (Including impact of Ind AS 115 on share of profit from partnership firm, which has also applied modified retrospective approach). Similarly, the basic and diluted EPS for the quarter are Rs. 0.45 instead of Rs 0.44 per share. Accordingly, the comparatives have been not been restated for the quarter ended December 31, 2018 and hence not comparable with previous period figures.

4. During the period ended September 30, 2018, the Company renegotiated the terms with debenture holders and agreed for full and final payment of Rs. 3,865 lakhs towards Zero coupon, rupee denominated unrated unlisted secured non-convertible debentures of Rs. 4,865 lakhs. The terms of debenture deed were earlier negotiated on March 30, 2018 wherein the settlement was agreed at Rs. 5,865 lakhs. Accordingly, the Company paid an instalment of Rs. 1,000 lakhs on April 30, 2018 as per the initially negotiated terms. Subsequent to September 30, 2018, the Company further paid an instalment of Rs. 500 lakhs on October 30, 2018 and Rs. 500 lakhs on November 30, 2018 as per the renegotiated terms and balance outstanding as on December 31, 2018 is Rs 2,864 lakhs

5. The figures for the corresponding period/year have been regrouped and reclassified wherever necessary to confirm to current period's classification.

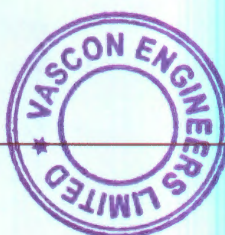
By Order of the Board of Directors

Siddharth Vasudevan


Managing Director

Place : Pune

Date: February 13, 2019



INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF VASCON ENGINEERS LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **VASCON ENGINEERS LIMITED** ("the Company"), for the quarter and nine months ended December 31, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)


Hemant M. Joshi
Partner
(Membership No. 038019)

Pune, February 13, 2019