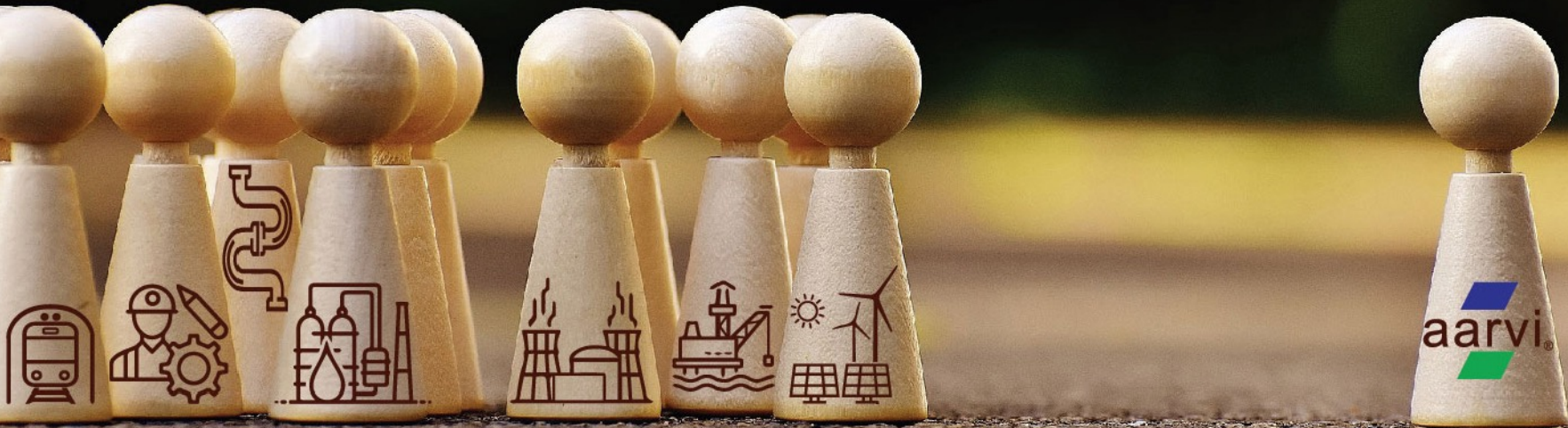




Engineering . Manpower . Outsourcing

Talent on Demand



Earnings Presentation | Q1-FY22

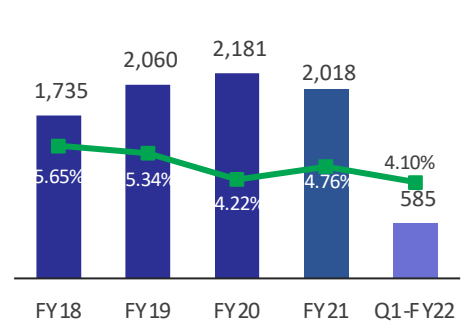
Company Overview



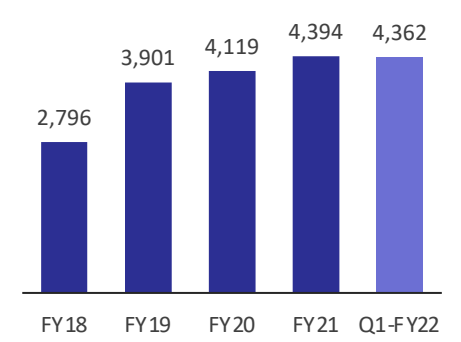
- Incorporated in 1987, Aarvi Encon pioneered the concept of Technical staffing services in India.
- Starting from humble beginnings it is now one of the largest Technical staffing solutions company with more than 4,000 engineers/ technical personnel on payroll and working at the client location.

- Aarvi is India's leading technical staffing company, which specializes in providing expert engineering staffing solutions.
- Services Offered include Deputation of Technical Staffing, Project Management, Construction supervision, Inspection Services, Pre-Commissioning & Commissioning Assistance and O&M Services.
- Aarvi offers services that are highly effective and affordable, giving significant cost savings to clients.
- The company has deployed over 30,000 personnel since inception and has a current deployed team strength of more than 4,000 professionals.
- It has leveraged its track record in India to successfully expand its operations internationally, providing a wide range of engineering services on various international projects, particularly in the UAE, and Kingdom of Saudi Arabia.
- The company has an esteemed clientele list including marquee names like, Larsen & Turbo Industries, Cairn, Reliance Industries Limited, Engineering India Limited, Indian Oil, Technip etc.

Operational Revenue (INR Mn) & EBITDA Margins (%)



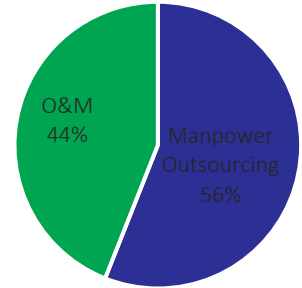
Manpower Deputation



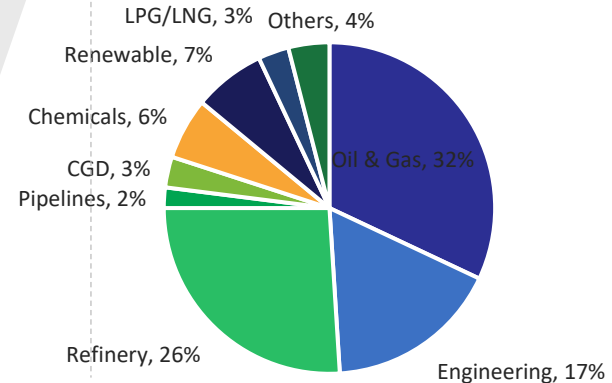
Business Overview

- Aarvi provides engineers /designers/technicians right from conceptualization of the project to Design to Construction to Pre-commissioning & Commissioning to Operations and Maintenance of the plant.
- It can also mobilize large manpower for shutdown assignment of 15 days to a few months
- Aarvi has a large in-house database i.e. more than 700,000 resume data base and a very strong referral program to attract talent from the industry
- Its recruiters are well trained and can identify the candidates meeting the client’s project requirements.
- The company targets sectors like oil & gas, power, LNG, PNG, refinery, petrochemical, pipeline, wind power, solar power, offshore, E&P, infrastructure, ports & terminals, telecom, fertilizers, cement, automobile, metro & monorail, railway, metals and minerals, information technology.

Q1-FY22 Business Mix



Q1-FY22 Industry Wise Revenue



Niche Area of Service



Financial Highlights

Q1-FY22 Financial Performance (Consolidated):

Operational Income INR 585 Mn	EBITDA INR 24 Mn	EBITDA Margin 4.10%	Net Profit INR 22Mn	PAT Margin 3.76%	Diluted EPS INR 1.50
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- Revenue and Margin decline can be attributed to lower contribution from International projects as International business was impacted due to continued travel restrictions driven by the Covid-19 pandemic.
- The company has expanded internationally by forming joint ventures in Oman and Indonesia to provide its services in the high-growth market for manpower deputation and operation and maintenance services in Asia.
- Overall business gaining good momentum, during the quarter the company signed 10+ new contracts with private companies and received new orders worth INR 50 Cr during the quarter.

Quarterly Financial Performance - Consolidated

Particulars (INR Mn)	Q1-FY22	Q1-FY21	Y-o-Y	Q4-FY21	Q-o-Q
Operational Income	585	484	20.9%	570	2.6%
Total Expenses	561	454	23.6%	547	2.6%
EBITDA	24	30	(20.0)%	23	4.3%
<i>EBITDA Margins (%)</i>	<i>4.10%</i>	<i>6.20%</i>	<i>(210) Bps</i>	<i>4.04%</i>	<i>6 Bps</i>
Other Income	2	6	(66.7)%	6	(66.7)%
Depreciation	2	3	(33.3)%	2	NA
Finance Cost	1	2	(50.0)%	1	NA
PBT	22	31	(29.0)%	26	(15.4)%
Tax	-	2	NA	(4)	NA
Profit After tax	22	29	(24.1)%	30	(26.7)%
<i>PAT Margins (%)</i>	<i>3.76%</i>	<i>5.99%</i>	<i>(223) Bps</i>	<i>5.26%</i>	<i>(150) Bps</i>
Other Comprehensive Income	2	-	NA	2	NA
Total Comprehensive Income	24	29	(17.2)%	32	(25.0)%
Diluted EPS (INR)	1.50	1.93	(22.3)%	2.05	(26.8)%

Consolidated Income Statement

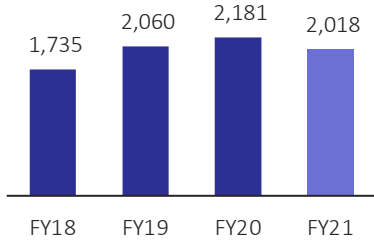
Particulars (INR Mn)	FY19	FY20	FY21	Q1-FY22
Operational Income	2,060	2,181	2,018	585
Total Expenses	1,950	2,089	1,922	561
EBITDA	110	92	96	24
<i>EBITDA Margins (%)</i>	<i>5.34%</i>	<i>4.22%</i>	<i>4.76%</i>	<i>4.10%</i>
Other Income	12	6	23	2
Depreciation	10	12	10	2
Finance Cost	11	16	6	1
PBT	101	70	103	22
Tax	15	(2)	(2)	-
Profit After tax	86	72	105	22
<i>PAT Margins (%)</i>	<i>4.17%</i>	<i>3.30%</i>	<i>5.20%</i>	<i>3.76%</i>
Other Comprehensive Income	3	7	(3)	2
Total Comprehensive Income	89	79	102	24
Diluted EPS (INR)	5.84	4.86	7.08	1.50

Consolidated Balance Sheet

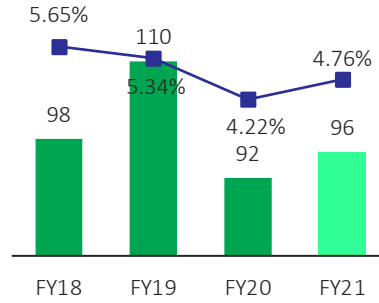
Particulars (INR Mn)	FY20	FY21	Q1-FY22
EQUITIES & LIABILITIES			
Shareholder Funds	763	851	875
(A) Share Capital	148	148	148
(B) Other Equity	615	703	727
Non-Current Liabilities	19	16	16
(A) Financial Liabilities			
i. Borrowings	1	-	-
ii. Lease Liability	5	-	-
iii. Others	10	13	13
(B) Provisions	-	-	-
(C) Deferred Tax Liabilities	3	3	3
(D) Other Non Current-Liabilities	-	-	-
Current Liabilities	398	335	313
(A) Financial Liabilities			
i. Borrowings	87	35	37
ii. Lease Liability	2	-	-
iii. Trade Payables	95	54	78
iv. Others	141	172	167
(B) Other Current Liabilities	72	74	31
(C) Provisions	1	-	-
(D) Liabilities for Current Tax	-	-	-
GRAND TOTAL - EQUITIES & LIABILITIES	1,180	1,202	1204

Particulars (INR Mn)	FY20	FY21	Q1-FY22
ASSETS			
Non-Current Assets	472	330	343
(A) Property, Plant and Equipment	106	100	100
(B) Goodwill on Consolidation	2	2	2
(C) Right of Use Asset	6	-	-
(D) Other Intangible Assets	-	-	-
(E) Intangible Asset Under Development	1	2	1
(F) Financial Assets			
i. Loans and Advances	23	18	16
ii. Others	91	132	139
(G) Deferred Tax Asset	2	2	2
(H) Other Non-Current Assets	241	74	83
Current Assets	708	872	861
(A) Financial Assets			
i. Investments	3	3	3
ii. Trade Receivable	580	534	421
iii. Cash and Cash Equivalents	49	164	87
iv. Other Bank Balances	16	72	72
v. Loans and Advances	3	3	4
vi. Others	46	78	260
(C) Other Current Assets	11	18	14
GRAND TOTAL- ASSETS	1,180	1,202	1204

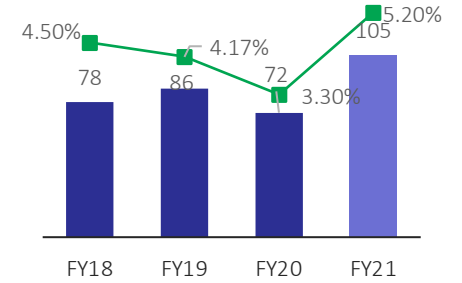
Operational Revenue
(INR Mn)



EBITDA (INR Mn and
EBITDA Margin (%))



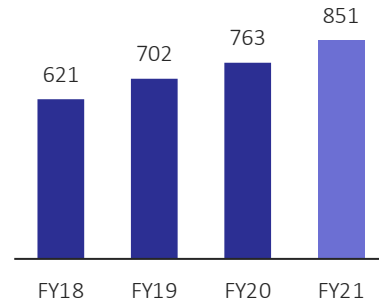
PAT (INR Mn) and PAT
Margin (%)



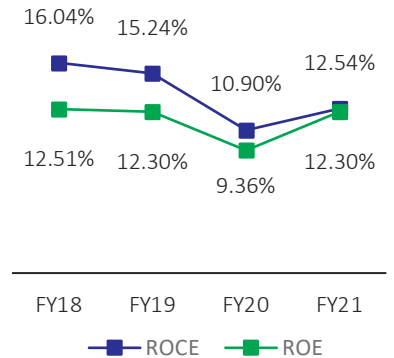
Debt to Equity (x)



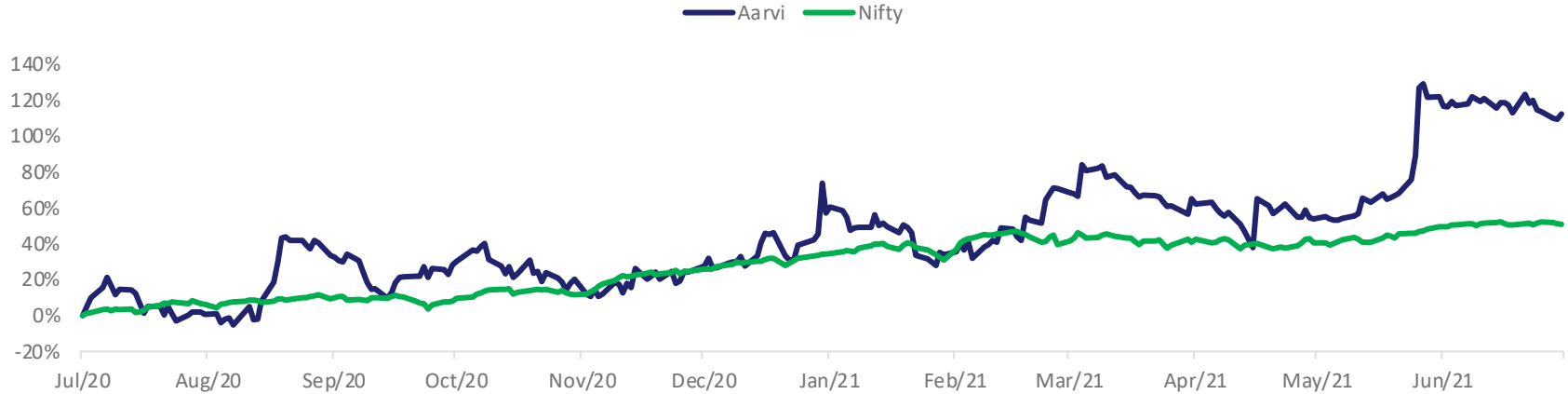
Net worth (INR Mn)



ROE and ROCE (%)



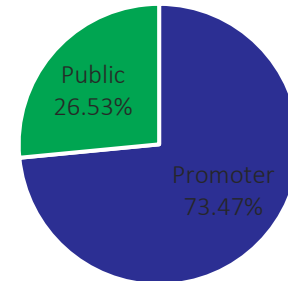
Share Price Data as on 30th June, 2021



Price Data (30th June, 2021)

Face Value	10.0
Market Price	66.5
52 Week H/L	78.0/27.0
Market Cap(Mn)	982.4
Equity Share Outstanding (Mn)	14.7
1 Year Avg Trading Volume ('000)	27.2

Shareholding Pattern as on 30th June, 2021



Aarvi Encon Limited

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Thank
You

