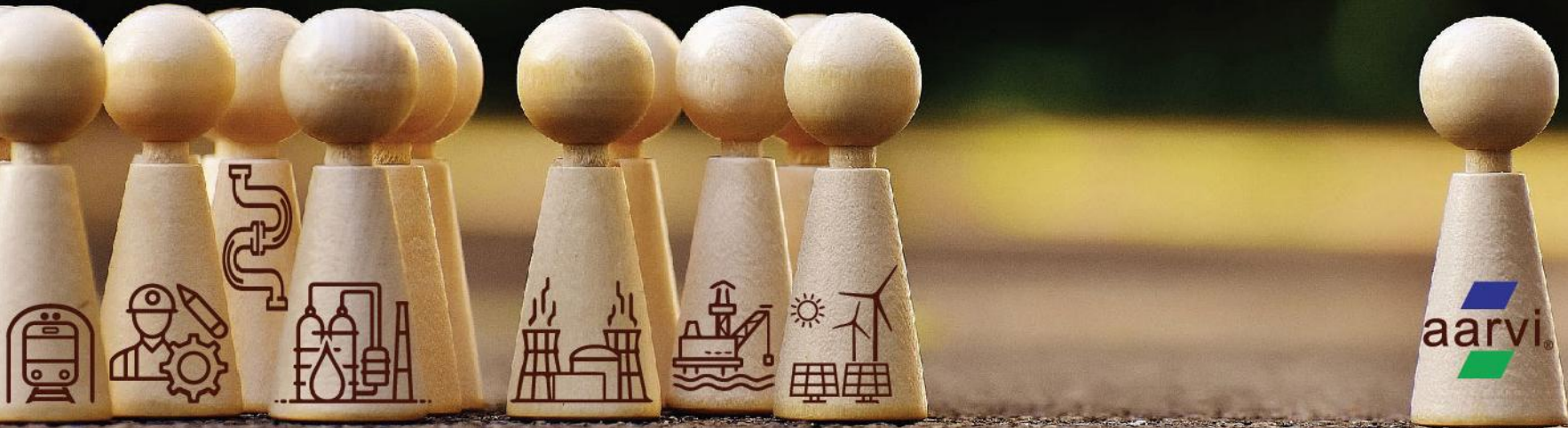




Engineering . Manpower . Outsourcing

Talent on Demand



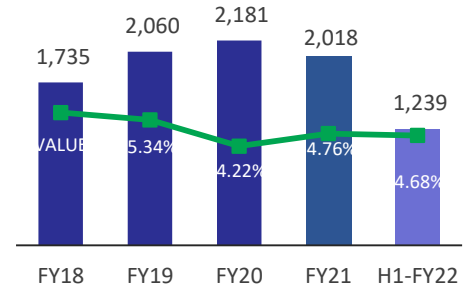
Earnings Presentation | H1/Q2-FY22



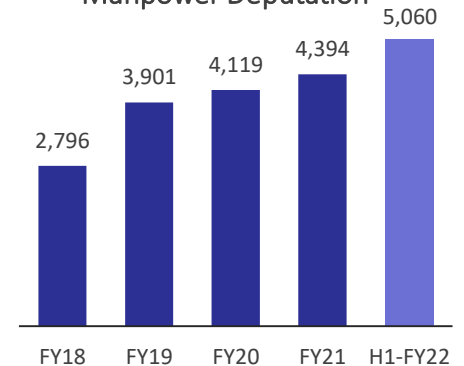
- Incorporated in 1987, Aarvi Encon pioneered the concept of Technical staffing services in India.
- Starting from humble beginnings it is now one of the largest Technical staffing solutions company with more than 4,000 engineers/ technical personnel on payroll and working at the client location.

- 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 (%)



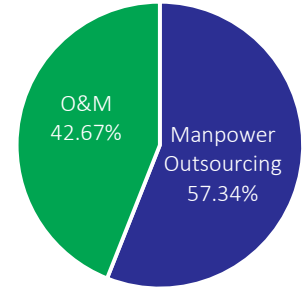
Manpower Deputation



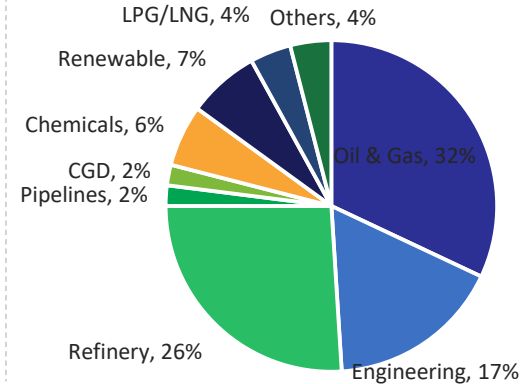
Business Overview

- 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.

H1-FY22 Business Mix



H1-FY22 Industry Wise Revenue



Niche Area of Service



Financial Highlights

Q2-FY22 Financial Performance (Consolidated):



H1-FY22 Financial Performance (Consolidated):



- Consolidate revenue for Q2-FY22 was reported at INR 65.4 Cr, which represents an increase of 40% YoY and 12% QoQ basis and the consolidated Net Profit was INR 3.4 Cr, a increase of 79% YoY and 55% QoQ basis
- The PAT margin for Q2-FY22 is 5.20%, a significant increase of 112 Bps YoY and 144 Bps QoQ basis.
- The company's Domestic Sales has grown by 13% in Q2 as compared to Q1 in manpower deputation and operation & maintenance, along with that the margin percentage has also been consistent
- During the quarter company on boarded eight new clients
- The company had expanded internationally by setting up offices in Indonesia and Oman, are in progress to provide its services in the high-growth Asian market.
- Currently the company is in process of evaluating an IT Staffing company for future acquisition
- Overall business gaining good momentum, the company received new orders worth INR 56.97 Cr. from companies like Nayara, Cairn India, Jindal Steel & Power Ltd, Wood Engineering, etc during the quarter.

Quarterly Financial Performance - Consolidated

Particulars (INR Mn)	Q2-FY22	Q2-FY21	Y-o-Y	Q1-FY22	Q-o-Q
Operational Income	654	466	40.3%	585	11.8%
Total Expenses	620	441	40.6%	561	10.5%
EBITDA	34	25	36.0%	24	41.7%
<i>EBITDA Margins (%)</i>	<i>5.20%</i>	<i>5.36%</i>	<i>(16) Bps</i>	<i>4.10%</i>	<i>110 Bps</i>
Other Income	4	1	NA	2	100.0%
Depreciation	3	2	50.0%	2	50.0%
Finance Cost	1	1	NA	1	NA
PBT	34	23	47.8%	22	54.5%
Tax	-	4	NA	-	NA
Profit After tax	34	19	78.9%	22	54.5%
<i>PAT Margins (%)</i>	<i>5.20%</i>	<i>4.07%</i>	<i>112 Bps</i>	<i>3.76%</i>	<i>144 Bps</i>
Other Comprehensive Income	-	(3)	NA	2	NA
Total Comprehensive Income	34	16	112.5%	24	41.7%
Diluted EPS (INR)	2.28	1.31	74.0%	1.50	52.0%

H1-FY22 Financial Performance - Consolidated

Particulars (INR Mn)	H1-FY22	H1-FY21	Y-o-Y
Operational Income	1,239	950	30.4%
Total Expenses	1,181	895	32.0%
EBITDA	58	55	5.5%
<i>EBITDA Margins (%)</i>	<i>4.68%</i>	<i>5.79%</i>	<i>(111) Bps</i>
Other Income	6	7	(14.3)%
Depreciation	5	5	NA
Finance Cost	3	3	NA
PBT	56	54	3.7%
Tax	-	6	NA
Profit After tax	56	48	16.7%
<i>PAT Margins (%)</i>	<i>4.52%</i>	<i>5.05%</i>	<i>(53) Bps</i>
Other Comprehensive Income	2	(3)	(33.3)%
Total Comprehensive Income	58	45	28.9%
Diluted EPS (INR)	3.78	3.23	17.0%

Consolidated Income Statement

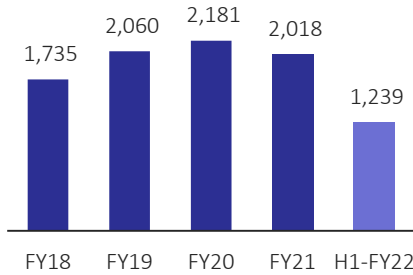
Particulars (INR Mn)	FY19	FY20	FY21	H1-FY22
Operational Income	2,060	2,181	2,018	1,239
Total Expenses	1,950	2,089	1,922	1,181
EBITDA	110	92	96	58
<i>EBITDA Margins (%)</i>	<i>5.34%</i>	<i>4.22%</i>	<i>4.76%</i>	<i>4.68%</i>
Other Income	12	6	23	6
Depreciation	10	12	10	5
Finance Cost	11	16	6	3
PBT	101	70	103	56
Tax	15	(2)	(2)	-
Profit After tax	86	72	105	56
<i>PAT Margins (%)</i>	<i>4.17%</i>	<i>3.30%</i>	<i>5.20%</i>	<i>4.52%</i>
Other Comprehensive Income	3	7	(3)	2
Total Comprehensive Income	89	79	102	58
Diluted EPS (INR)	5.84	4.86	7.08	3.78

Consolidated Balance Sheet

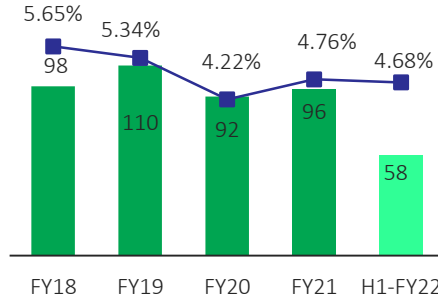
Particulars (INR Mn)	FY20	FY21	H1-FY22
EQUITIES & LIABILITIES			
Shareholder Funds	763	851	886
(A) Share Capital	148	148	148
(B) Other Equity	615	703	738
Non-Current Liabilities	19	16	16
(A) Financial Liabilities			
i. Borrowings	1	-	-
ii. Lease Liability	5	-	-
iii. Others	10	13	13
(B) Provisions	-	-	-
(C) Deferred Tax Liabilities	3	3	3
(D) Other Non Current-Liabilities	-	-	-
Current Liabilities	398	335	331
(A) Financial Liabilities			
i. Borrowings	87	35	22
ii. Lease Liability	2	-	-
iii. Trade Payables	95	54	70
iv. Others	141	172	189
(B) Other Current Liabilities	72	74	50
(C) Provisions	1	-	-
(D) Liabilities for Current Tax	-	-	-
GRAND TOTAL - EQUITIES & LIABILITIES	1,180	1,202	1,233

Particulars (INR Mn)	FY20	FY21	H1-FY22
ASSETS			
Non-Current Assets	472	330	389
(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	17
ii. Others	91	132	170
(G) Deferred Tax Asset	2	2	2
(H) Other Non-Current Assets	241	74	97
Current Assets	708	872	844
(A) Financial Assets			
i. Investments	3	3	4
ii. Trade Receivable	580	534	427
iii. Cash and Cash Equivalents	49	164	87
iv. Other Bank Balances	16	72	41
v. Loans and Advances	3	3	4
vi. Others	46	78	267
(B) Other Current Assets	11	18	14
GRAND TOTAL- ASSETS	1,180	1,202	1,233

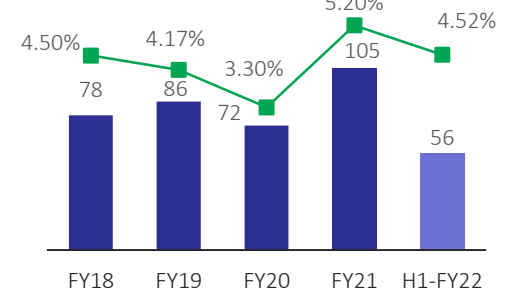
Operational Revenue (INR Mn)



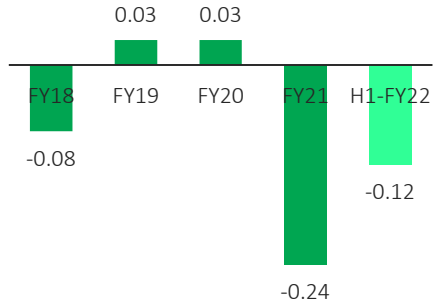
EBITDA (INR Mn and EBITDA Margin (%))



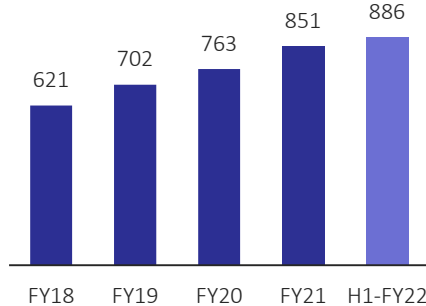
PAT (INR Mn) and PAT Margin (%)



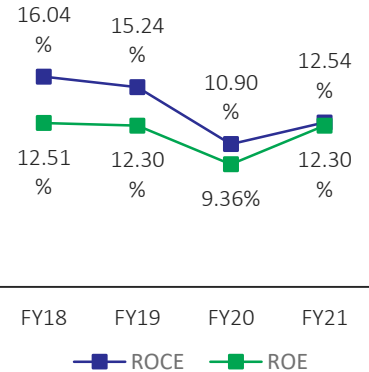
Debt to Equity (x)



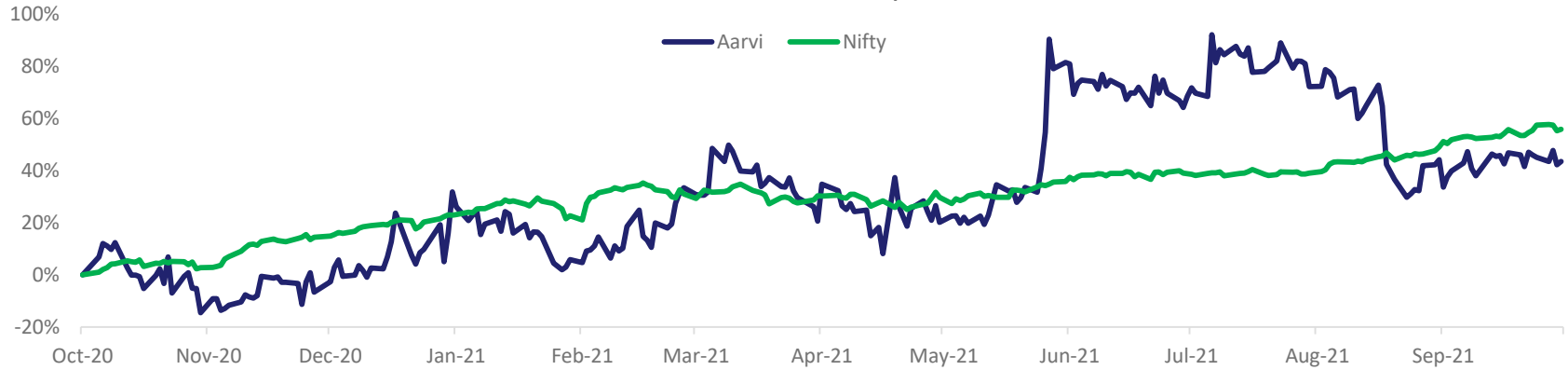
Net worth (INR Mn)



ROE and ROCE (%)



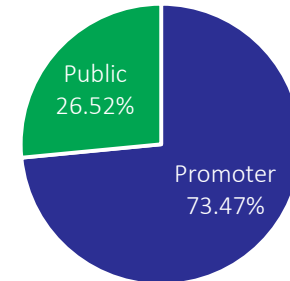
Share Price Data as on 30th September, 2021



Price Data (30th September, 2021)

Face Value	10.0
Market Price	59.8
52 Week H/L	78.4/33.75
Market Cap(Mn)	884.08
Equity Share Outstanding (Mn)	14.7
1 Year Avg Trading Volume ('000)	39.51

Shareholding Pattern as on 30th September, 2021



Aarvi Encon Limited

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Thank
You

