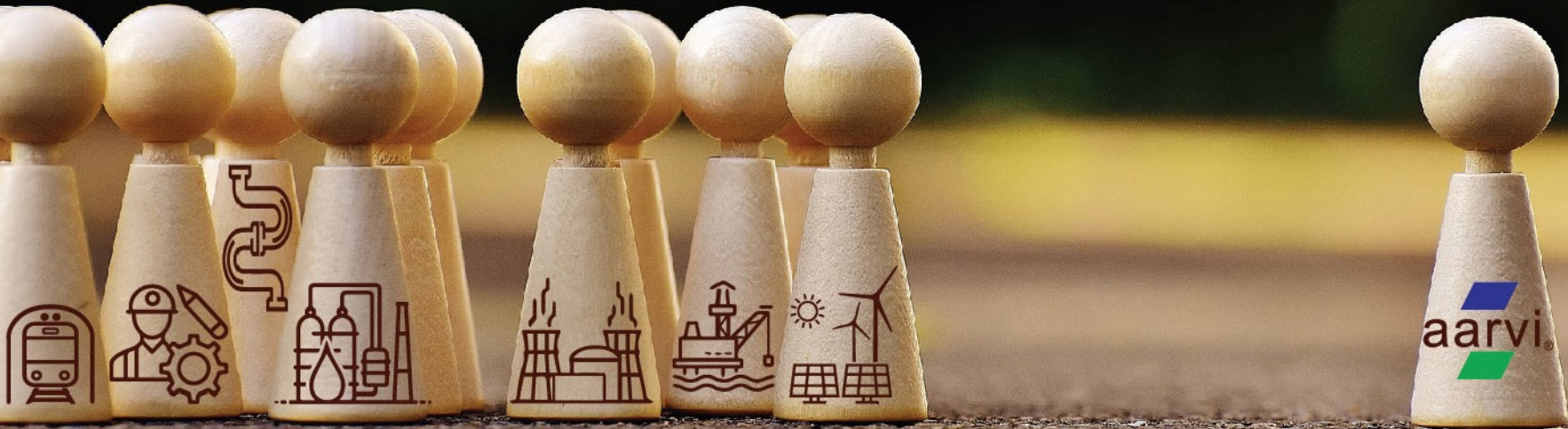




Engineering . Manpower . Outsourcing

Talent on Demand



Earnings Presentation | Q3/9M-FY23

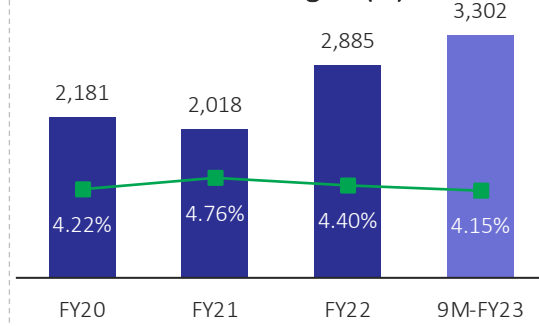
Company Overview



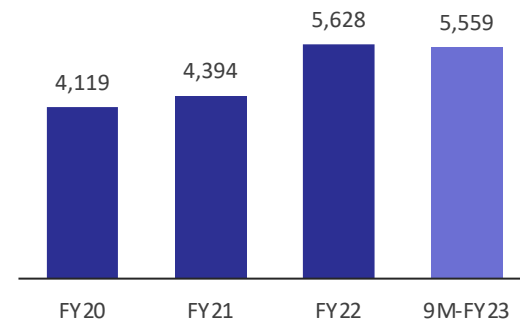
- Incorporated in 1987, Aarvi Encon pioneered the concept of Technical staffing services in India.
- Starting from humble beginnings it is now one of the largest Technical staffing solutions company with more than 6,000 engineers/ technical personnel on payroll and working at the client location.

- 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 6,000 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 United Kingdom.
- 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 (%)



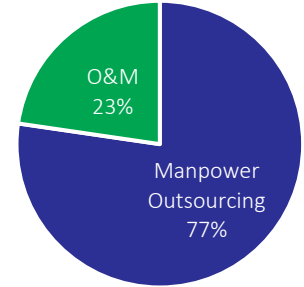
Manpower Deputation



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 800,000 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.

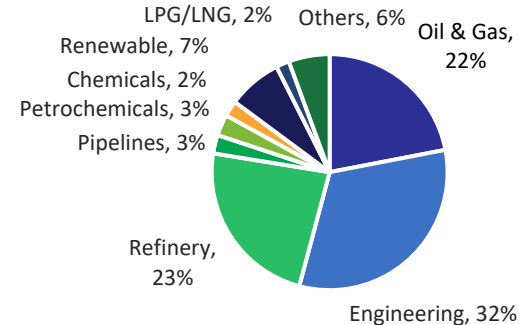
9M-FY23 Business Mix



Niche Area of Service



9M-FY23 Industry Wise Revenue



Q3/9M- FY23 Financial Highlights

Q3-FY23 Financial Performance (Consolidated):

Operational Income INR 1,109 Mn	EBITDA INR 36 Mn	EBITDA Margin 3.25%	Net Profit INR 27 Mn	PAT Margin 2.43%	Diluted EPS INR 1.79
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9M-FY23 Financial Performance (Consolidated):

Operational Income INR 3,302 Mn	EBITDA INR 137 Mn	EBITDA Margin 4.15%	Net Profit INR 111 Mn	PAT Margin 3.36%	Diluted EPS INR 7.48
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Q3/9M-FY23 Operational Highlights

- Revenue growth on a YOY basis has been driven by addition of various new clients which have helped in maintaining consistency in revenues over the previous quarter
- EBITDA Margins were impacted due to the completion of certain high margin contracts in the previous quarter
- Increase in short term working capital has also impacted the bottomline, which the company expects to reduce in a few quarters
- The Company now has 26k+ Followers on Facebook and 203k+ Followers on the LinkedIn platform
- The company has also expanded its scope of service of Social Media Marketing and SEO Activities

Quarterly Consolidated Financial Performance

Particulars (INR Mn)	Q3-FY23	Q3-FY22	Y-o-Y	Q2-FY23	Q-o-Q
Operational Income	1,109	737	50.5%	1,127	(1.6)%
Total Expenses	1,073	697	53.9%	1,073	NA
EBITDA	36	40	(10.0)%	54	(33.3)%
<i>EBITDA Margins (%)</i>	<i>3.25%</i>	<i>5.43%</i>	<i>(218) bps</i>	<i>4.79%</i>	<i>(154) bps</i>
Other Income	3	3	NA	4	(25.0)%
Depreciation	3	3	NA	3	NA
Finance Cost	5	2	NA	4	25.0%
Exceptional Items	0	-	NA	(9)	NA
PBT	31	38	(18.4)%	42	(26.2)%
Tax	4	-	NA	1	NA
Profit After tax	27	38	(28.9)%	41	(34.1)%
<i>PAT Margins (%)</i>	<i>2.43%</i>	<i>5.16%</i>	<i>(273) bps</i>	<i>3.64%</i>	<i>(121) bps</i>
Other Comprehensive Income	1	1	NA	4	(75.0)%
Total Comprehensive Income	28	39	(28.2)%	45	(37.8)%
Diluted EPS (INR)	1.79	2.58	(30.6)%	2.77	(35.4)%

7 9M-FY23 Consolidated Income Statement

Particulars (INR Mn)	9M-FY23	9M-FY22	Y-o-Y
Operational Income	3,302	1,976	67.1%
Total Expenses	3,165	1,878	68.5%
EBITDA	137	98	39.8%
<i>EBITDA Margins (%)</i>	<i>4.15%</i>	<i>4.96%</i>	<i>(81) bps</i>
Other Income	10	9	11.1%
Depreciation	9	8	12.5%
Finance Cost	13	5	NA
Exceptional Items	(9)	-	NA
PBT	116	94	23.4%
Tax	5	-	NA
Profit After tax	111	94	18.1%
<i>PAT Margins (%)</i>	<i>3.36%</i>	<i>4.76%</i>	<i>(140) Bps</i>
Other Comprehensive Income	11	2	NA
Total Comprehensive Income	122	96	27.1%
Diluted EPS (INR)	7.48	6.36	17.6%

Consolidated Income Statement

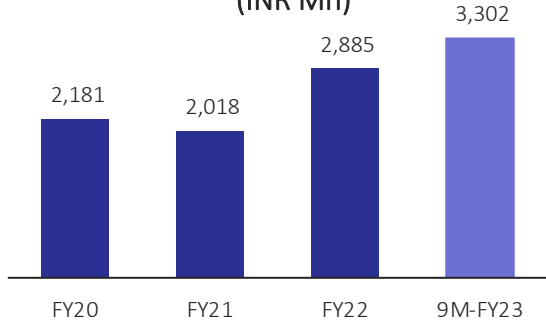
Particulars (INR Mn)	FY20	FY21	FY22	9M-FY23
Operational Income	2,181	2,018	2,885	3,302
Total Expenses	2,089	1,922	2,758	3,165
EBITDA	92	96	127	137
<i>EBITDA Margins (%)</i>	<i>4.22%</i>	<i>4.76%</i>	<i>4.40%</i>	<i>4.15%</i>
Other Income	6	23	12	10
Depreciation	12	10	10	9
Finance Cost	16	6	7	13
Exceptional Items	-	-	-	(9)
PBT	70	103	122	116
Tax	(2)	(2)	1	5
Profit After tax	72	105	121	111
<i>PAT Margins (%)</i>	<i>3.30%</i>	<i>5.20%</i>	<i>4.19%</i>	<i>3.36%</i>
Other Comprehensive Income	7	(3)	5	11
Total Comprehensive Income	79	102	126	122
Diluted EPS (INR)	4.86	7.08	8.16	7.48

Consolidated Balance Sheet

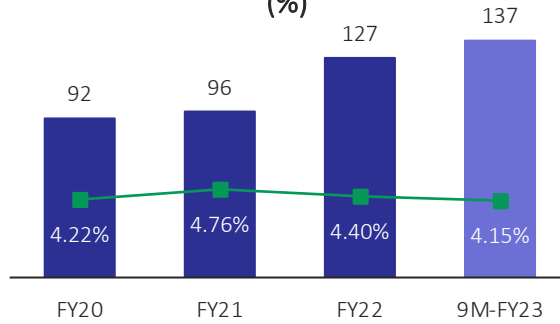
Particulars (INR Mn)	FY21	FY22	H1-FY23
EQUITIES & LIABILITIES			
Shareholder Funds	851	947	1,018
(A) Share Capital	148	148	148
(B) Other Equity	703	799	870
Non-Current Liabilities	16	19	20
(A) Financial Liabilities			
i. Others	13	16	16
(B) Deferred Tax Liabilities	3	3	4
Current Liabilities	335	524	592
(A) Financial Liabilities			
i. Borrowings	35	65	143
ii. Trade Payables	54	102	108
iii. Others	172	245	269
(B) Other Current Liabilities	74	112	72
(C) Provisions	0	0	0
GRAND TOTAL - EQUITIES & LIABILITIES	1,202	1,490	1,630

Particulars (INR Mn)	FY21	FY22	H1-FY23
ASSETS			
Non-Current Assets	361	447	475
(A) Property, Plant and Equipment	100	98	100
(B) Goodwill on Consolidation	2	2	2
(C) Other Intangible Assets	0	1	4
(D) Intangible Asset Under Development	2	-	-
(E) Financial Assets			
i. Loans and Advances	18	24	25
ii. Others	163	183	169
(F) Deferred Tax Asset	2	2	2
(G) Other Non-Current Assets	74	137	173
Current Assets	841	1,043	1,155
(A) Financial Assets			
i. Investments	3	3	4
ii. Trade Receivable	534	810	752
iii. Cash and Cash Equivalents	164	51	54
iv. Other Bank Balances	41	22	22
v. Loans and Advances	3	4	5
vi. Others	78	135	299
(B) Other Current Assets	17	18	19
GRAND TOTAL- ASSETS	1,202	1,490	1,630

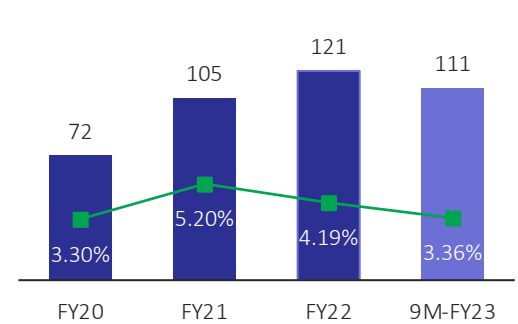
Operational Revenue (INR Mn)



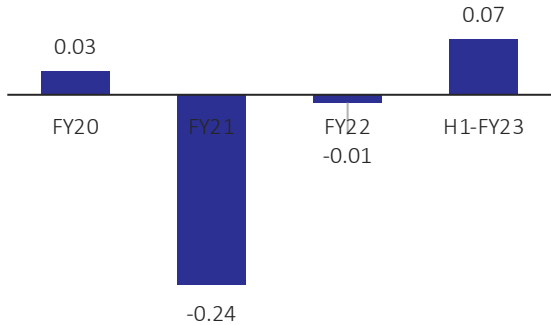
EBITDA (INR Mn and EBITDA Margin (%))



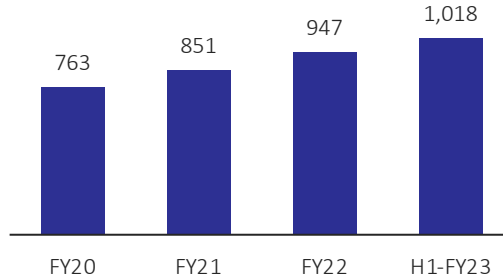
PAT (INR Mn) and PAT Margin (%)



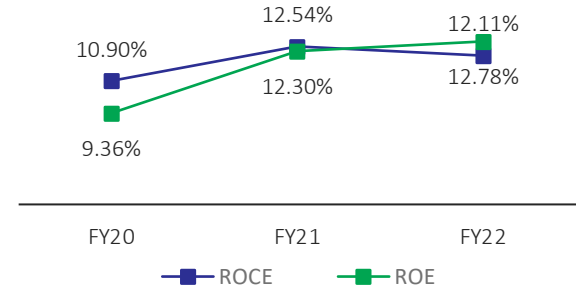
Debt to Equity (x)



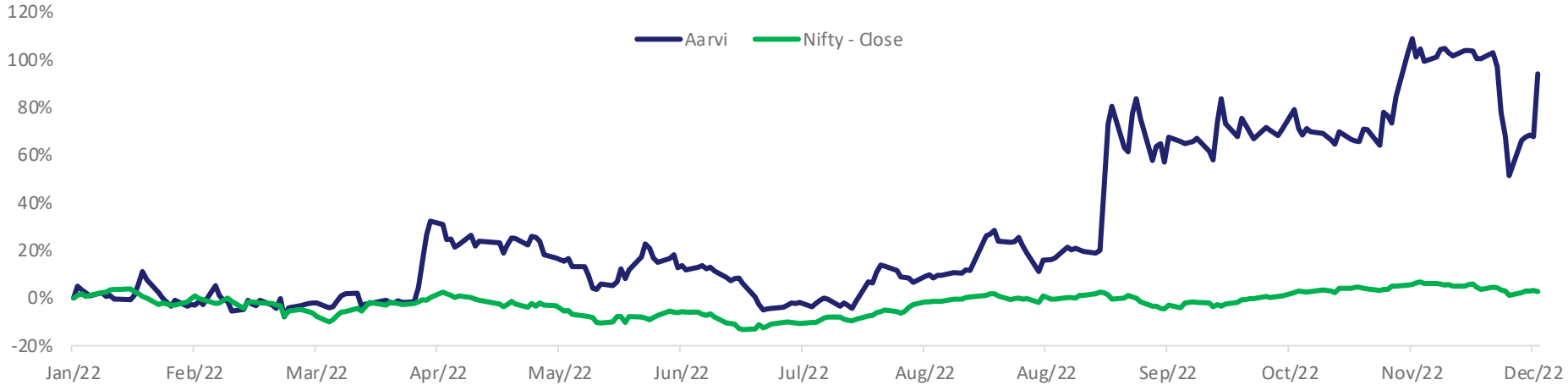
Net worth (INR Mn)



ROE and ROCE (%)



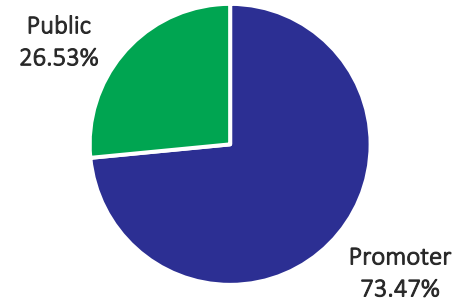
Share Price Data as on 31st December, 2022



Price Data (As on 31st December, 2022)

Face Value	10.00
Market Price	177.65
52 Week H/L	203.0/83.4
Market Cap(Mn)	2,626.38
Equity Share Outstanding (Mn)	14.78
1 Year Avg Trading Volume ('000)	39.36

Shareholding Pattern (As on 31st December, 2022)



Aarvi Encon Limited

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Thank
You

