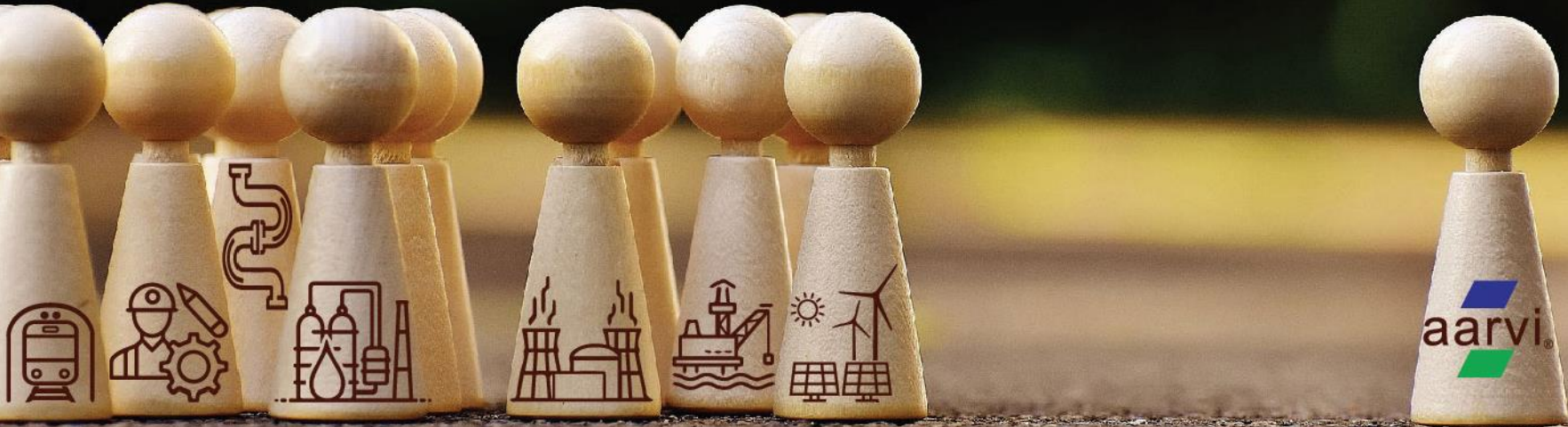




Engineering . Manpower . Outsourcing

Talent on Demand



Earnings Presentation | Q2/H1-FY25

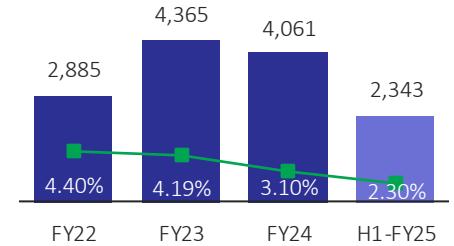
2 Company Overview



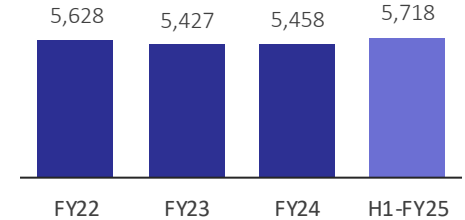
- Incorporated in 1987, Aarvi Encon pioneered the concept of Technical staffing services in India.
- Starting from humble beginnings it is now one of the largest Technical staffing solutions company with more than 5,000+ engineers/ technical personnel on payroll and working at the client location.

- 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 4,500 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.

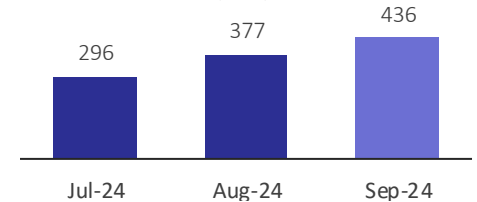
Operational Revenue (INR Mn) & EBITDA Margin (%)



Total Manpower Deputation



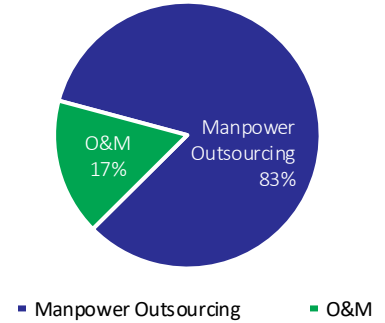
Monthly Deputation



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.

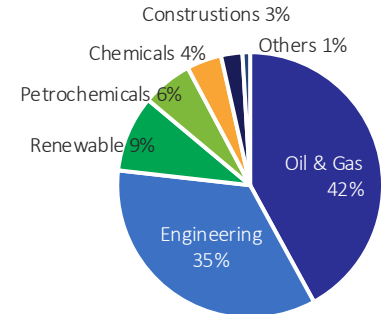
H1-FY25 Business Mix



Niche Area of Service

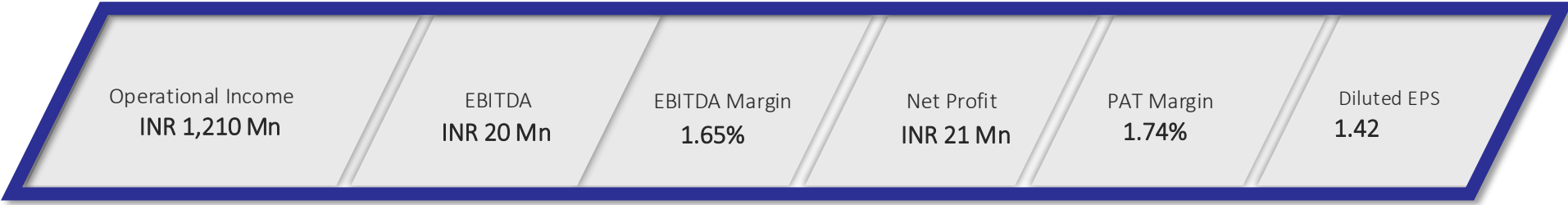


H1-FY25 Industry Wise Revenue



Q2-FY25 Financial Highlights

Q2-FY25 Financial Performance (Consolidated):



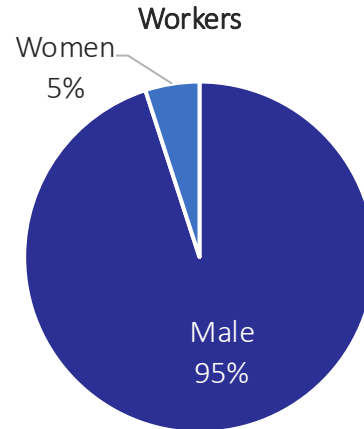
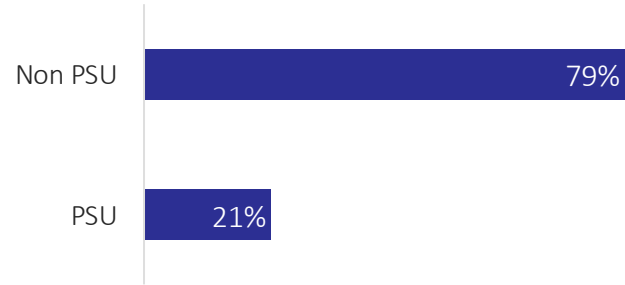
H1-FY25 Financial Performance (Consolidated):



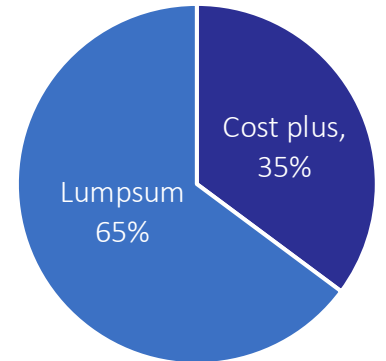
Q2/H1-FY25 Operational Highlights

- Sales increased by 18% year-over-year (YOY).
- Added 9 new clients.
- Secured major orders from Hindustan Petroleum Corporation Limited and Gujarat State Fertilizers & Chemicals Limited this quarter.
- YOY revenue growth has been supported by the addition of new clients, helping maintain consistent revenue levels over the previous quarter.
- EBITDA margins were impacted due to:
 - Notional Loss from the issuance of ESOPs to employees, reflected as a non-cash expense.
 - Low-margin Contracts that are currently in progress.
 - Full-scale Establishment of owned office at Dombivli, Mumbai, introducing additional operational costs.
- Signed the first contract for Operations & Maintenance (O&M) of a port.

PSU v/s Non PSU Sales



Cost Plus V/s Lumpsum Sales



Quarterly Consolidated Financial Performance

Particulars (INR Mn)	Q2-FY25	Q2-FY24	Y-o-Y	Q1-FY25	Q-o-Q
Operational Income	1,210	1,023	18.3%	1,133	6.8%
Total Expenses	1,190	992	20.0%	1,100	8.2%
EBITDA	20	31	(35.5)%	33	(39.4)%
<i>EBITDA Margins (%)</i>	<i>1.65%</i>	<i>3.03%</i>	<i>(138) Bps</i>	<i>2.91%</i>	<i>(126) Bps</i>
Other Income	10	3	NA	5	NA
Depreciation	3	3	NA	3	NA
Finance Cost	8	3	NA	7	14.3%
PBT	19	28	(32.1)%	28	(32.1)%
Tax	(2)	2	NA	2	NA
Profit After tax	21	26	(19.2)%	26	(19.2)%
<i>PAT Margins (%)</i>	<i>1.74%</i>	<i>2.54%</i>	<i>(80) BPS</i>	<i>2.29%</i>	<i>(55) Bps</i>
Other Comprehensive Income	1	2	(50.0)%	(1)	NA
Total Comprehensive Income	22	28	(21.4)%	25	(12.0)%
Diluted EPS (INR)	1.42	1.75	(18.9)%	1.76	(19.3)%

Historical Consolidated Income Statement

Particulars (INR Mn)	H1-FY25	H1-FY24	Y-o-Y
Operational Income	2,343	2,032	15.3%
Total Expenses	2,289	1,958	16.9%
EBITDA	54	74	(27.0)%
<i>EBITDA Margins (%)</i>	<i>2.30%</i>	<i>3.64%</i>	<i>(134) Bps</i>
Other Income	15	4	NA
Depreciation	6	6	NA
Finance Cost	15	7	NA
Exceptional Items	-	-	NA
PBT	48	65	(26.2)%
Tax	1	6	(83.3)%
Profit After tax	47	59	(20.3)%
<i>PAT Margins (%)</i>	<i>2.01%</i>	<i>2.90%</i>	<i>(89) Bps</i>
Other Comprehensive Income	-	2	NA
Total Comprehensive Income	47	61	(23.0)%
Diluted EPS (INR)	3.17	3.98	(20.4)%

Historical Consolidated Income Statement

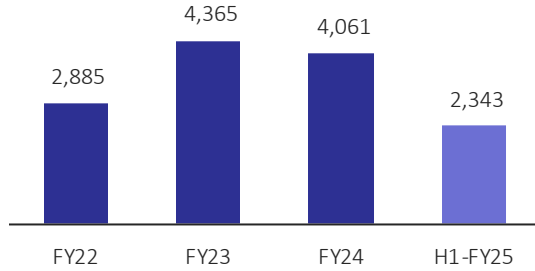
Particulars (INR Mn)	FY22	FY23	FY24	H1-FY25
Operational Income	2,885	4,365	4,061	2,343
Total Expenses	2,758	4,182	3,935	2,289
EBITDA	127	183	126	54
<i>EBITDA Margins (%)</i>	<i>4.40%</i>	<i>4.19%</i>	<i>3.10%</i>	<i>2.30%</i>
Other Income	12	13	23	15
Depreciation	10	12	13	6
Finance Cost	7	18	15	15
Exceptional Items	-	9	-	-
PBT	122	157	121	48
Tax	1	12	8	1
Profit After tax	121	145	113	47
<i>PAT Margins (%)</i>	<i>4.19%</i>	<i>3.32%</i>	<i>2.78%</i>	<i>2.01%</i>
Other Comprehensive Income	5	11	-	-
Total Comprehensive Income	126	156	113	47
Diluted EPS (INR)	8.16	9.79	7.61	3.17

Consolidated Balance Sheet

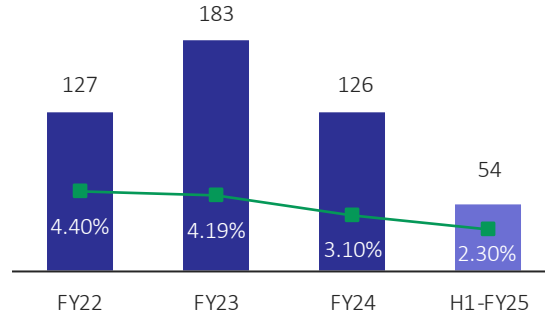
Particulars (INR Mn)	FY23	FY24	H1-FY25
EQUITIES & LIABILITIES			
Shareholder Funds	1,081	1,167	1,190
(A) Share Capital	148	148	148
(B) Other Equity	933	1,019	1,042
Non-Current Liabilities	8	18	64
(A) Financial Liabilities			
i. Borrowings	-	-	47
ii. Others	4	15	15
(B) Deferred Tax Liabilities	4	3	2
Current Liabilities	495	525	713
(A) Financial Liabilities			
i. Borrowings	34	97	290
ii. Trade Payables	102	80	106
iii. Others	212	237	249
(B) Other Current Liabilities	146	107	64
(C) Provisions	1	4	4
GRAND TOTAL - EQUITIES & LIABILITIES	1,584	1,710	1,967

Particulars (INR Mn)	FY23	FY24	H1-FY25
ASSETS			
Non-Current Assets	451	365	490
(A) Property, Plant and Equipment	96	90	176
(B) Goodwill on Consolidation	2	3	3
(C) Other Intangible Assets	3	4	3
(D) Intangible Asset Under Development	-	-	-
(E) Financial Assets			
i. Loans and Advances	23	24	26
ii. Others	145	155	150
(F) Deferred Tax Asset	2	1	1
(G) Other Non-Current Assets	180	88	131
Current Assets	1,133	1,345	1,477
(A) Financial Assets			
i. Investments	4	4	4
ii. Trade Receivable	950	830	770
iii. Cash and Cash Equivalents	44	107	59
iv. Other Bank Balances	23	126	151
v. Loans and Advances	8	19	20
vi. Others	80	226	440
(B) Other Current Assets	24	33	33
GRAND TOTAL- ASSETS	1,584	1,710	1,967

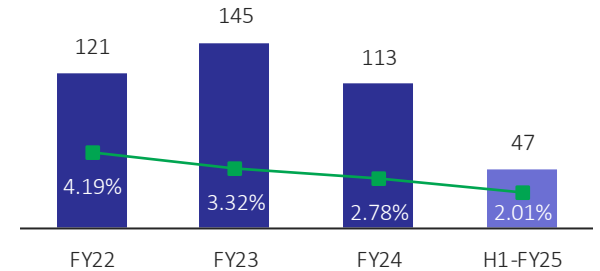
Operational Revenue (INR Mn)



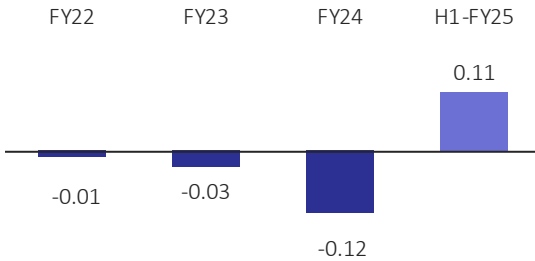
EBITDA (INR Mn and EBITDA Margin (%))



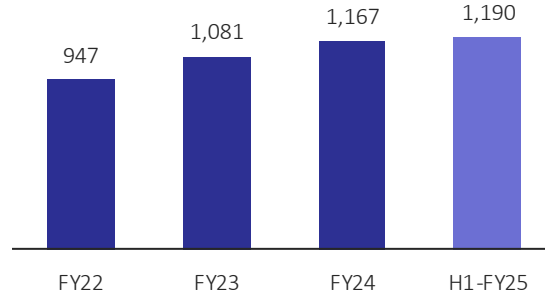
PAT (INR Mn) and PAT Margin (%)



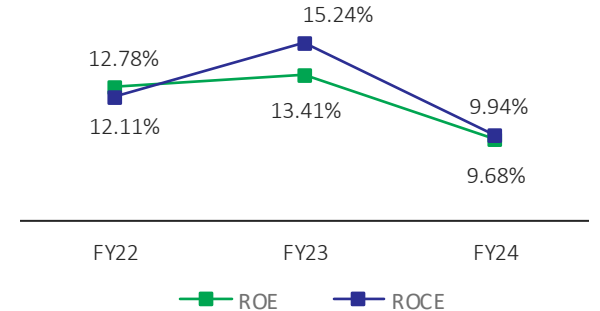
Net Debt to Equity (x)



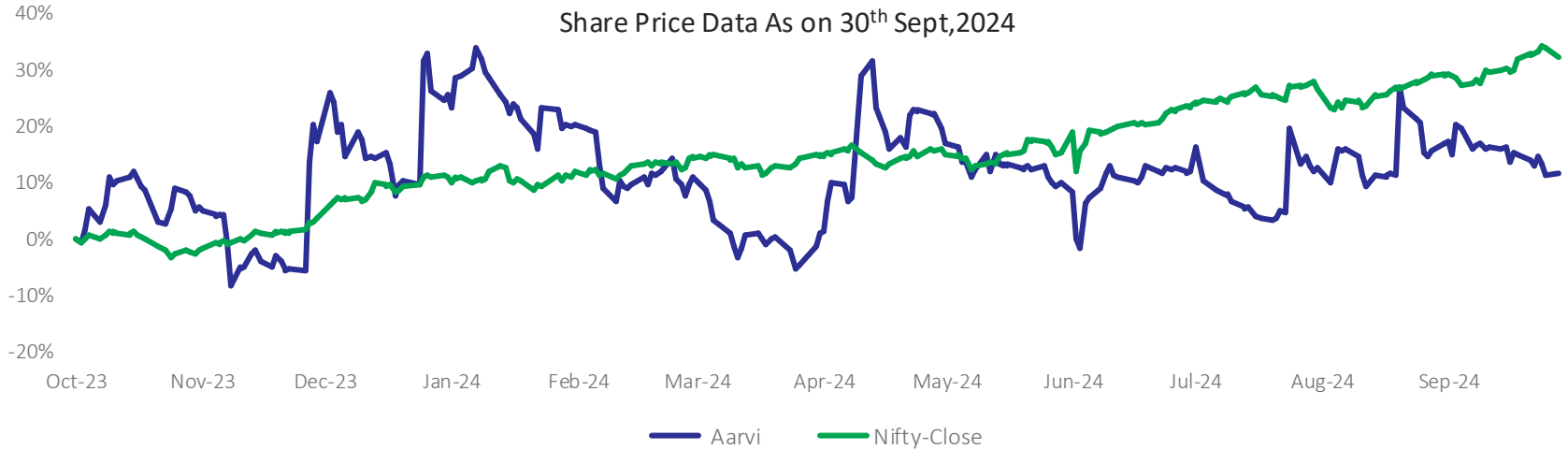
Networth (INR Mn)



ROE and ROCE (%)

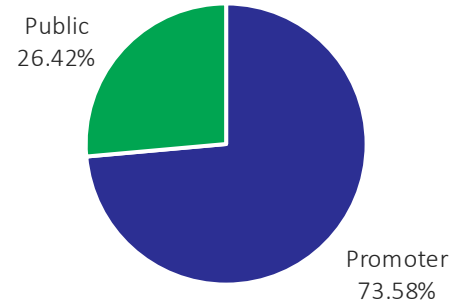


Capital Market Data



Price Data (As on 30 th Sept, 2024)	
Face Value	10.00
Market Price	139.45
52 Week H/L	184.25/112.95
Market Cap(Mn)	2,061.63
Equity Share Outstanding (Mn)	14.78
1 Year Avg Trading Volume ('000)	42.36

Shareholding Pattern (As on 30th Sept, 2024)



Aarvi Encon Limited

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Thank
You

