



# Investor Presentation

Aarvi Encon Limited

Engineering

Manpower

Outsourcing

## Esteemed Corporate Clients

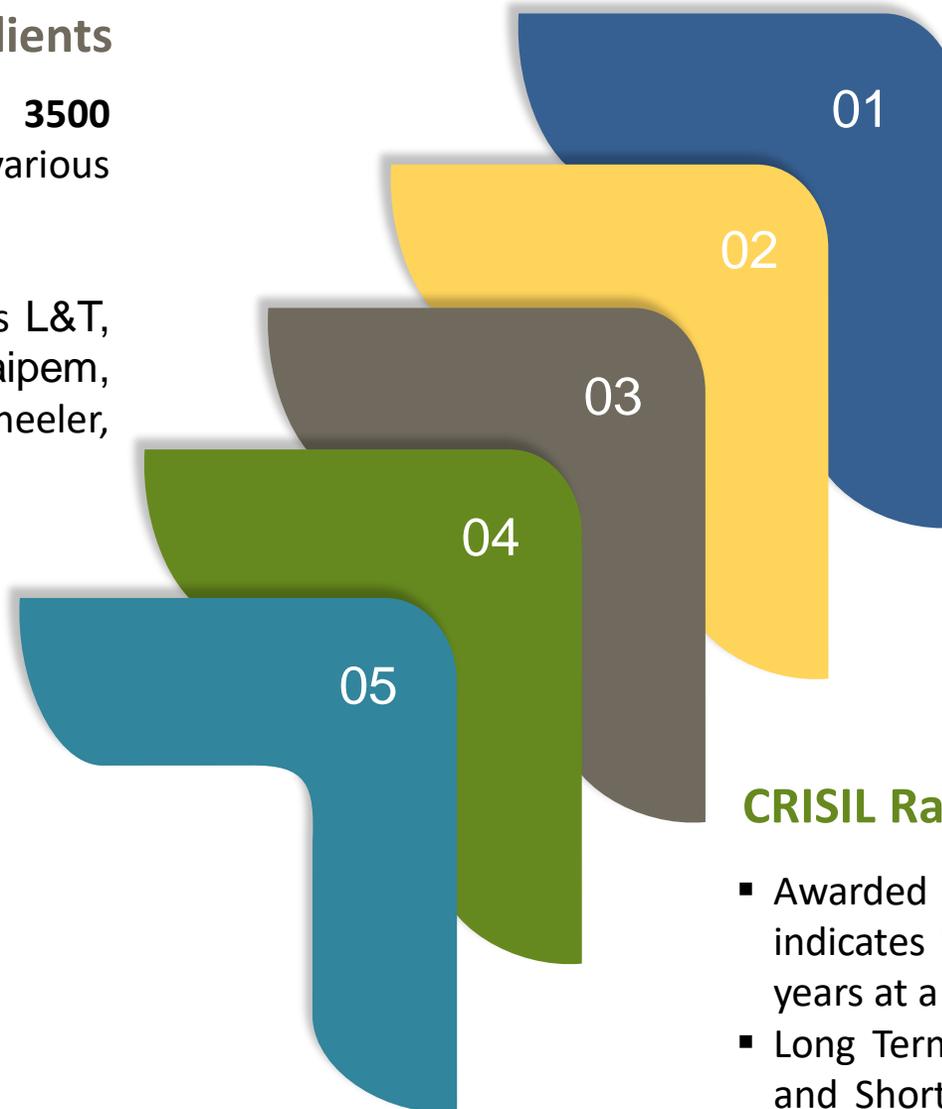
- Deployed more than **3500** technical manpower for various projects and services
- More than **150 Clients**
- Esteemed clientele such as L&T, HPCL, Technip, Fluor, Saipem, Tecnimont, AmecFosterWheeler, Reliance.

## Leadership

- One of the **market leader** in the field of technical manpower

## Certification

- ISO 9001 : 2015
- OHSAS 18001 : 2007



## Leading technical manpower outsourcing company

- Incorporated in the year 1987 head quartered at Mumbai
- Started with 3 engineers, now Employing **3900+ engineers**
- Pan India and Middle East presence

## Niche Service Offering

Company offers :-

- Deputation of technical man power
- O&M Services

## CRISIL Rating- Highest Creditworthiness

- Awarded with **CRISIL SME-1** Rating which indicates **“Highest Creditworthiness”** for 12 years at a stretch.
- Long Term Rating Reaffirmed to BBB/Stable and Short Term rating Reaffirmed to CRISIL A3+ in FY 19.

Project & Engineering Design	Start up Pre-Commissioning, Commissioning	Shutdowns / Turn Around	Computer Aided Design - CAD	Operation & Maintenance
<ul style="list-style-type: none"> <li>▪ Process</li> <li>▪ Civil &amp; Structural</li> <li>▪ Electrical</li> <li>▪ Instrumentation &amp; Control</li> <li>▪ Mechanical (Static &amp; Rotary)</li> <li>▪ Material Handling Equipment's</li> <li>▪ Piping &amp; Stress</li> <li>▪ Project / Site Engineering</li> <li>▪ Planning</li> <li>▪ QA/QC (CSWIP / AWS)</li> <li>▪ Procurement &amp; Expediting</li> <li>▪ HVAC / MEP</li> <li>▪ HSE</li> </ul>	<ul style="list-style-type: none"> <li>▪ Commissioning Engineer</li> <li>▪ Commissioning Supervisor</li> <li>▪ DCS / Panel Operator</li> <li>▪ Plant &amp; Process Operator</li> </ul>	<ul style="list-style-type: none"> <li>▪ Commissioning Engineer</li> <li>▪ Commissioning Supervisor</li> <li>▪ DCS / Panel Operator</li> <li>▪ Plant &amp; Process Operator</li> </ul>	<ul style="list-style-type: none"> <li>▪ AutoCAD</li> <li>▪ Micro station</li> <li>▪ PDS / PDMS / SP3D</li> <li>▪ X-Steel</li> <li>▪ Smart Plant</li> </ul>	<ul style="list-style-type: none"> <li>▪ Process</li> <li>▪ Mechanical</li> <li>▪ Electrical &amp; Instrumentation</li> <li>▪ QA / QC</li> <li>▪ Lab</li> <li>▪ Process &amp; Plant operator</li> <li>▪ Maintenance Technician</li> </ul>

# Industries



Engineering



City Gas Distribution



Renewable Energy



Metro / Rail



Oil & Gas



Refinery/Petrochemical



Pipeline

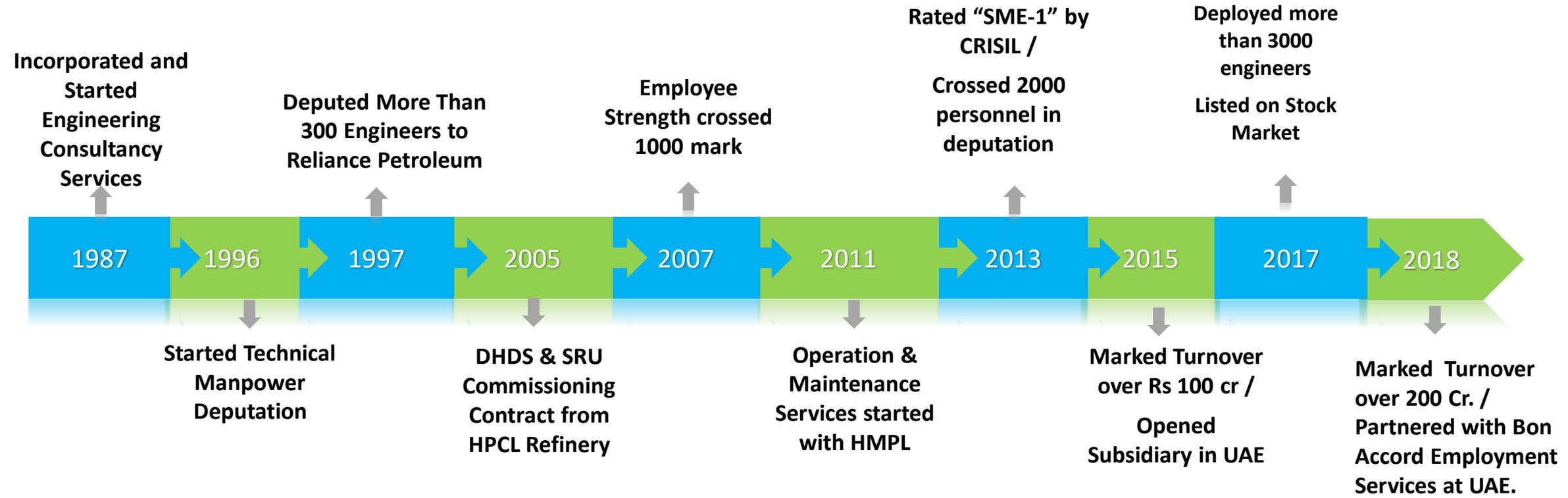


LNG / Tank Terminal



Power

Milestones



# Esteemed Clientele



Paradeep Phosphates Limited



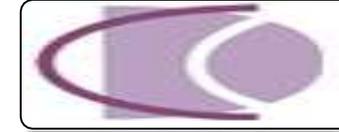
# Awards and Certifications



NOCIL Award from Indian Institute of Chemical Engineers - 1993



CFBP Jamnalal Bajaj Awards for Fair Business Practices for 2015 given by late President Dr. APJ Abdul Kalam



CDC National Award for Excellence in Consultancy Services from Consultancy Development Centre - 1997



HSE Excellence Award in recognition for Safe Contractor from Cairn India Limited - 2013



Certificate of Excellence For "25 Fastest Growing BPM Companies in India"



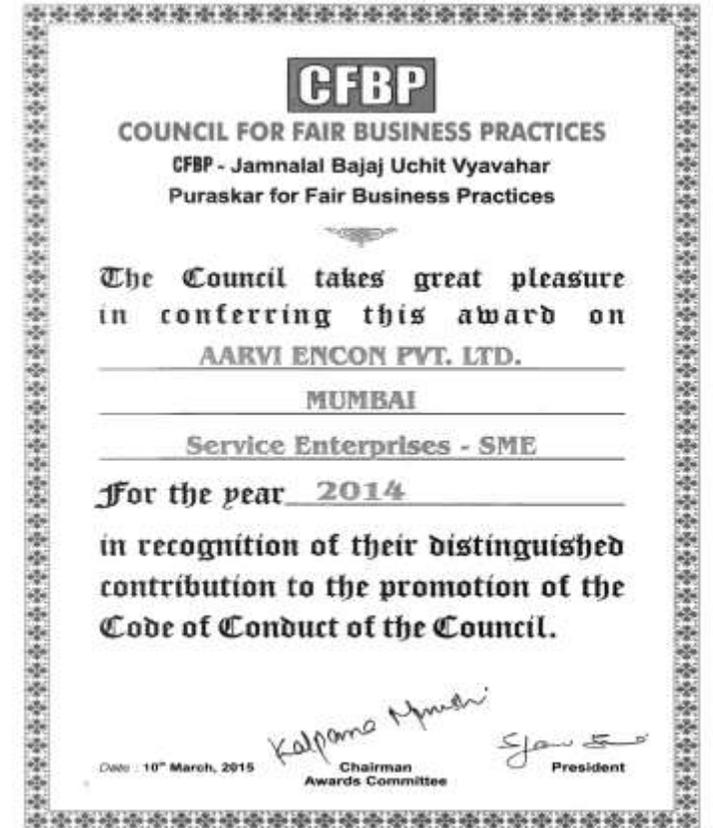
SME Business Excellence Award 2014 from Times Group, Dun & Broadcasting and Federal Bank - 2014



Yes Bank Star SME Award from Business Today - 2011



India Business Excellence from Worldwide Business Review - 2017



**CFBP – Jamnalal Bajaj Award for Fair Business Practices in 2014  
Presented by  
Dr. Abdul Kalam, Former President of India**

# Board of Directors



**Virendra Sanghvi**

**Managing Director**

- More than 45 years experience and excellent track record in design, development, construction and operation of process plants in India and Internationally
- Previously working with various Engineering, Lubricant, Petrochemical, and Pharmaceutical companies such as Merck Sharp & Dohme India Ltd.

**Jaydev Sanghavi**

**Executive Director and CFO**



- Chemical Engineering Graduate from Mumbai University and joined Aarvi 25 years ago
- Played a crucial role in developing strategic Business Tie-ups and delivering several large & complex projects successfully
- In 1996 he identified a niche Business Opportunity in the project consulting of HR and thus came about a Manpower (Temp) Supply division which he heads today

**Padma V Devarajan**

**Independent Director**

- PhD (Tech), is Professor in Pharmacy and former Head, Department of Pharmaceutical Sciences and Technology at the Institute of Chemical Technology (ICT), Mumbai
- She is consultant to the Pharmaceutical and Allied Industry both national and international, and also on the Advisory board of Pharmaceutical Companies.





**Devendra Jashwantraai Shrimanker**  
**Independent Director**

- Devendra is a chartered accountant and a fellow member of Institute of Chartered Accountants of India. He has more than 28 years of experience in the field of accounting, auditing, taxation and advisory services. He has served as advisors to many PSU's and private ltd companies, HNI's and family managed business groups

- A solicitor practicing mainly in civil and corporate laws since 1991
- Part of the external committee of Larsen & Toubro Limited, L & T Infotech, Thyssenkrup India Pvt. Ltd and Macleods Pharmaceuticals Ltd to deal with complaints filed under the Sexual Harrassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

**Sonal Nitin Doshi**  
**Independent Director**



**Niranjana Virendra Sanghavi**  
**Non Executive Director**

- Mrs. Niranjana Virendra Sanghavi is a graduate in Economics from Gujarat University
- Responsible for overall management activities including managerial decisions, finance and HR activities of the company



## Highly Experienced Core Team



### Mr. Tushar Shah VP – Business Development

- Graduate in Commerce
- 20+ Years of Experience in Business Development and Operations in India and abroad.
- 20 years of Experience with Aarvi.



### Mr. Manoj Ramakrishnan VP – International Sales

- Bachelor's in Computer Science from Andhra University, India.
- Heading the Aarvi Encon FZE at UAE.
- 16+ years of Experience in Business Development and operations in India and Abroad.



### Mr. Mathew Eappen VP – Finance & Accounts

- Masters in Commerce and Law Graduate in Mumbai.
- Total 26 years of Experience in Finance and Accounts field.
- 14 years of Experience with Aarvi.



## Highly Experienced Core Team



**Mr. Reyaz Khan**  
**General Manager – Business Development**

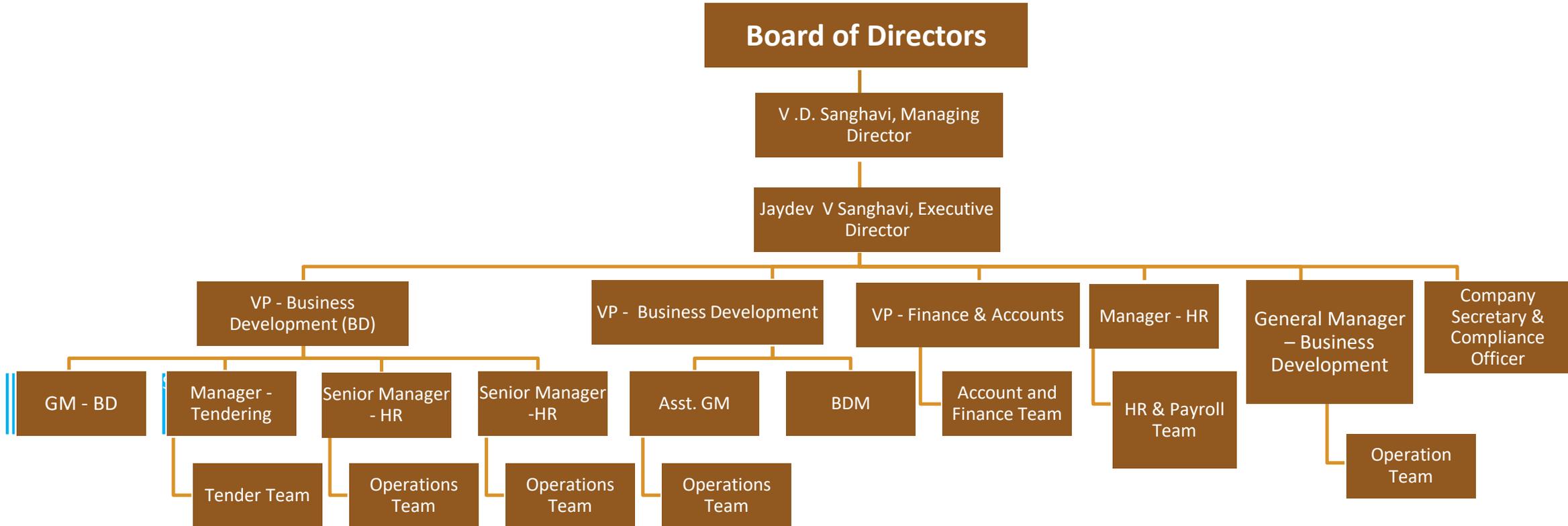
- Graduate with English (Honours) and MBA in Marketing.
- 18+ years of Experience in Business Development, Office Administration and Human Resource Management.
- 10 years of Experience with Aarvi.



**Mr. Girish B.V**  
**General Manager – Business Development**

- M.E in Power Systems ( Specialization in Power Electronics) and B.E in Electrical Engineering from Bangalore University.
- 26+ years of Experience in Business Development, IT Recruitment & Staffing , Corporate Training, Learning & Development, Business Analysis, Program Management.

# Organization Structure



We have a defined strategy in place to propel the company into the next phase of growth

**Options:**

**Increase Share of Business**

**Offer Additional Services**

**Attract New Clients**

**Enter New Sectors**

**International Foray**

**Objectives:**

Increase share of business from existing clients

Offer additional manpower services to existing clients

Service new clients in existing sectors of Oil & Gas, CGD, Renewable and Others

Offer manpower services to new industries/sectors

Focus on international manpower deputation

**Key Activities:**

*Increase the share of business from existing clients by supplying additional manpower*

*Identify Cross Sell and Up sell opportunity*

*Offer additional manpower services to existing clients in Refinery & Petrochemicals, Telecom and CGD space*

*Eg. Shutdown, O&M, Inspection*

*Provide manpower services to new clients in existing verticals*

*Take client referral*

*Eg. ONGC, Halliburtin, baker Hughes, GE, Vodafone, etc*

*Venture into new industries/verticals for supplying manpower services*

*Eg. Automobile, Marine, Airports/Ports / Defence*

*Dedicated Sale team*

*Offer international deputation of manpower develop a stronger international brand image*

*Eg: Setting up office at ME, UK,*

## INDIA

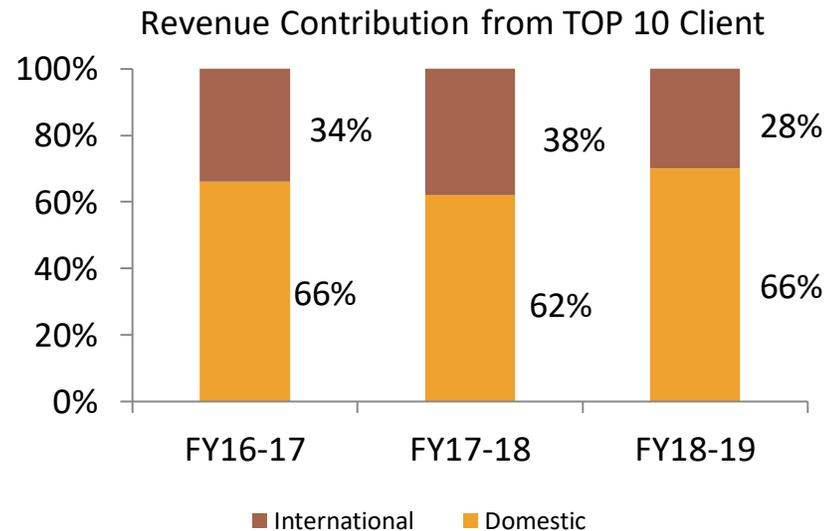
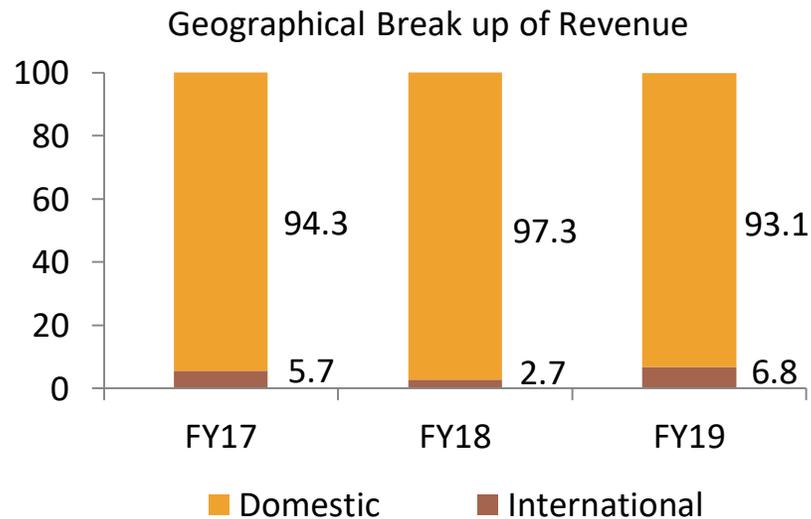
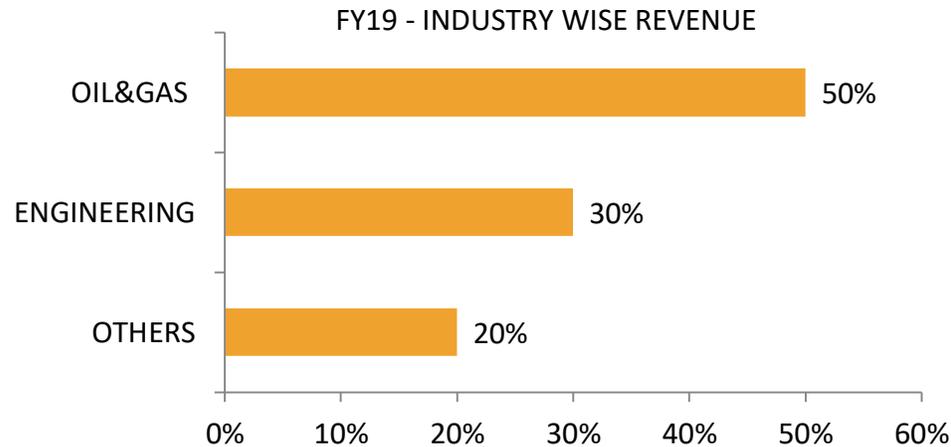
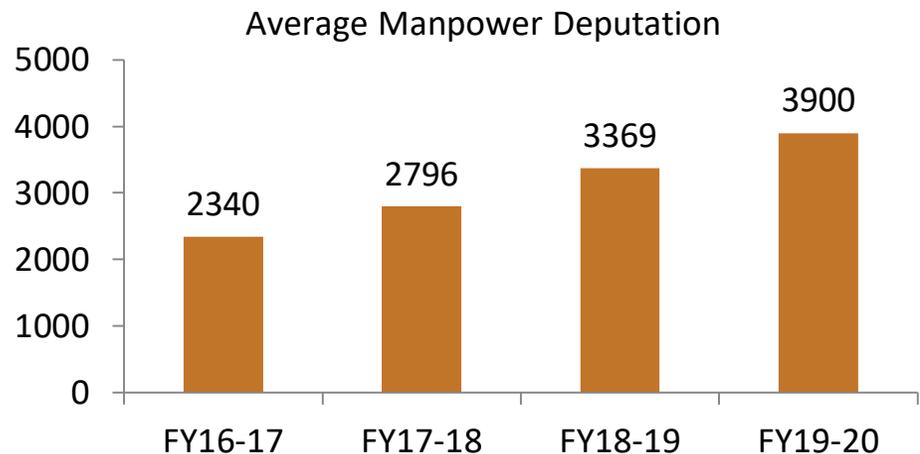
1. Mumbai – Maharashtra
2. Pune - Maharashtra
3. Chennai – Tamil Nadu
4. Baroda - Gujarat
5. New Delhi / NCR
6. Bangalore - Karnataka

## INTERNATIONAL

1. UAE
  - Sharjah
  - Abu Dhabi
2. Saudi Arabia
3. Kuwait



# Operational Overview



## Financial Highlights FY 19 Vs FY 18



**Revenue**  
Rs. 206.03 Crs

**19%**



**EBITDA**  
Rs. 12.40 Crs

**9%**



**EBIT**  
Rs. 10.58 Crs

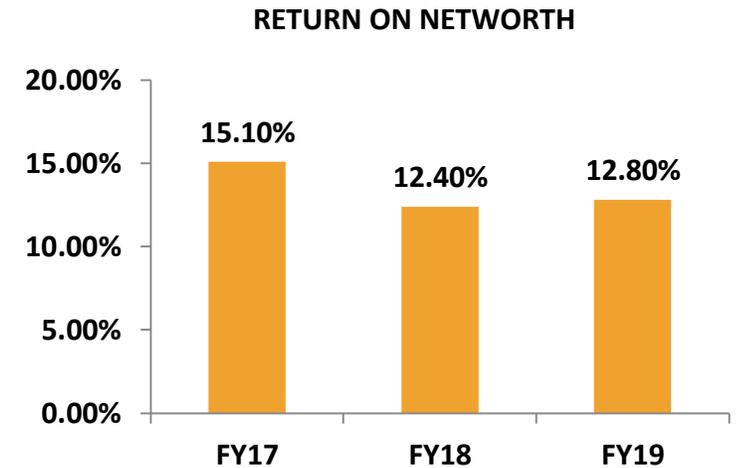
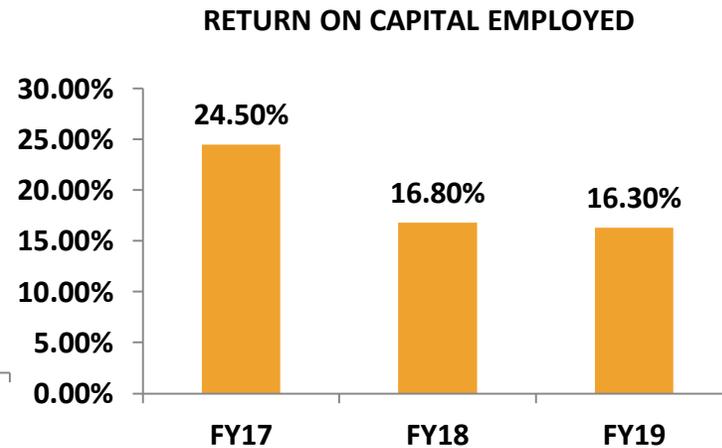
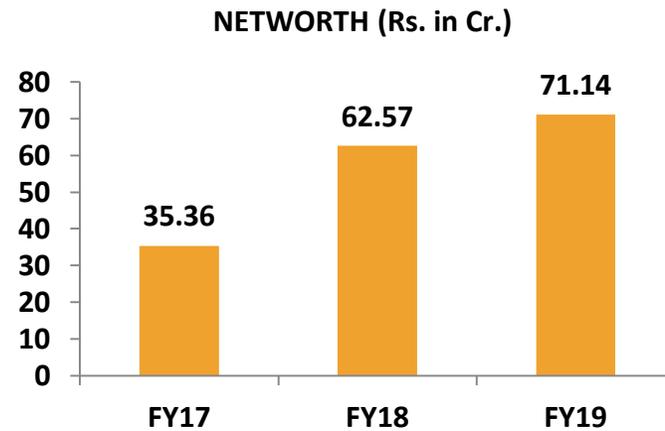
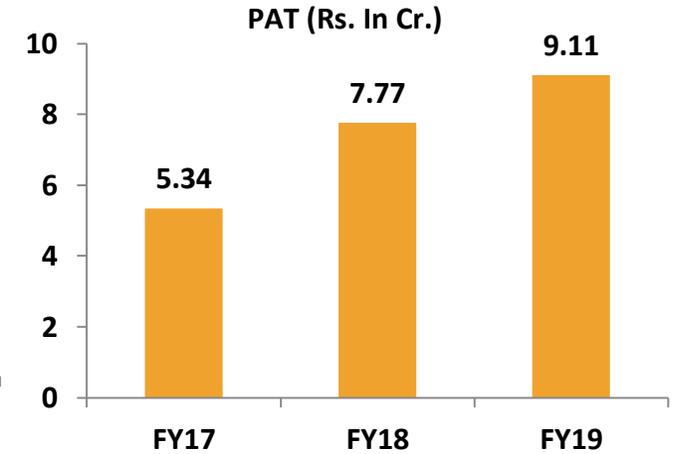
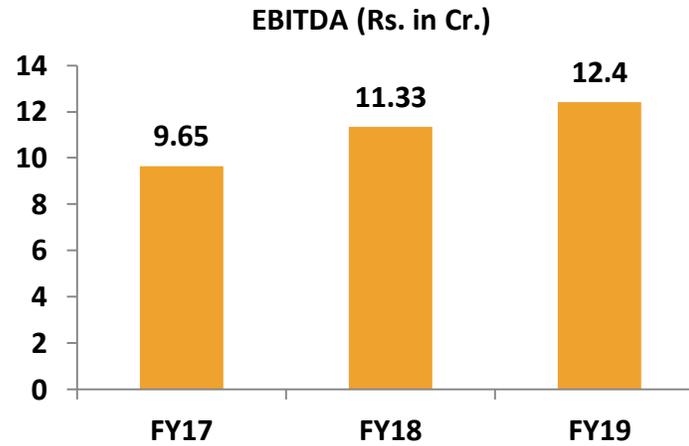
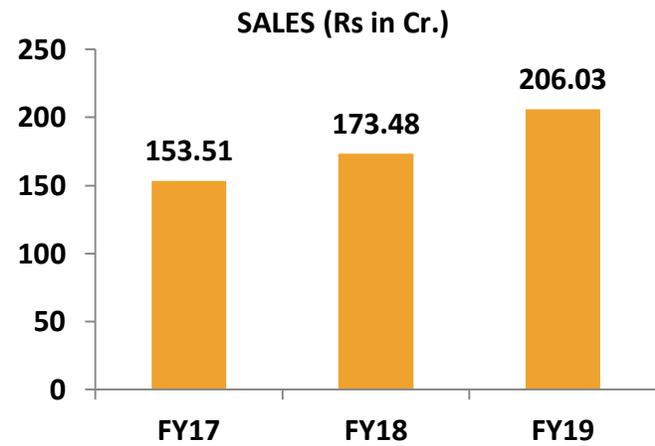
**10%**



**PAT**  
Rs. 9.11 Crs

**17 %**

# Financial Snapshots



# Consolidated Financials in Rs. crore



(Rs. In Crores)

Income Statement	FY17	FY18	FY19
<b>Total Revenue</b>	153.50	173.48	206.03
<b>Expenses</b>			
Direct Expenses	122.00	148.30	180.49
Employee Cost	17.50	11.10	10
Other Expenses	4.40	4.30	4.24
<b>Total Expenses</b>	143.90	164.44	195.57
EBITDA	9.70	11.30	12.40
Depreciation	0.90	0.80	0.74
EBIT	8.80	10.60	11.66
Interest	1.60	1.00	1.04
EBT	7.10	9.60	10.62
Tax	1.80	1.80	1.50
<b>PAT</b>	<b>5.30</b>	<b>7.80</b>	<b>9.11</b>

(Rs. In Crores)

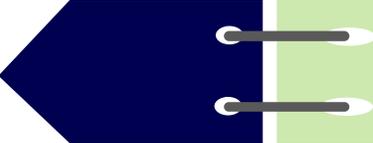
Balance Sheet	FY17	FY18	FY19
Share Capital	3.1	14.78	14.78
R & S	32.46	47.79	56.36
<b>Net Worth</b>	35.56	62.57	71.14
Long Term Debt	0.34	0.26	0.17
Deferred Tax Liabilities	0.16	0.15	0.37
Short Term Borrowings	12.76	3.49	7.12
Trade Payables	13.14	8.81	17.37
Other Current Liabilities	5.23	7.22	7.56
Total Current Liabilities	31.14	19.78	32.06
<b>Total Liabilities</b>	67.19	82.76	103.75
Fixed Assets	7.28	6.67	11.65
Deferred Tax Assets	-	0.14	0.16
Loans & Advances	12.2	16.33	27.63
Other non Current Assets	2.69	7.23	4.14
Receivables	35.54	41.01	49.65
Cash & Bank Balance	6.64	8.73	4.78
Short term loans and advances	2.29	1.41	1.73
Other Assets	0.53	1.23	3.97
Total Current Assets	45.02	52.39	60.14
<b>Total Assets</b>	67.19	82.77	103.75

## Financial Ratios



Ratio	FY17	FY18	FY19
EBITDA Margin	6.3%	6.5%	6%
EBIT Margin	5.7%	6.0%	5.6%
EBT Margin	4.6%	5.5%	5.1%
PAT Margin	3.5%	4.4%	4.4%
EPS	*172.1	5.2	6.17
Book Value	1140.5	42.3	48.1%
RoCE	24.5%	16.8%	16.3%
RoNW	15.1%	12.4%	12.8%

\*\*FY17 EPS and book value is based on is based on face value of Rs 100 per equity shares



## Disclaimer



- This presentation contains certain forward looking statements concerning Aarvi's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements.
- The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and the ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions with respect to investments.
- Past performance may not be indicative of future performance. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.

# Thank you.

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