E-mail : info@aarviencon.com
Website : www.aarviencon.com

Tel. : 91-22-4049 9999
Fax : 91-22-4049 9998

Aarvi Encon Limited

CIN : L29290MH1987PLC045499
(ISO 9001 & 14001 & ISO 45001)
Regd. Office : B1- 603, 6th Floor, Marathon Innova, Marathon Nextgen Complex, Opp. Peninsula Park, Lower Parel, Mumbai - 400 013, India.

AEL/NSE/2024-25/09 Date: May 13, 2024

To,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400051

Kind Attention: Head – Listing
Symbol: AARVI

Sub: - Outcome of the Board Meeting of the Company held on Monday, May 13, 2024 at 6:53 P.M.

Dear Sir/Madam,

Pursuant to Regulation 30 and 33 read with Para A of Part A of Schedule III of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, This is to inform you that the meeting of the Board of Directors of the Company held on Monday, May 13, 2024 at 6:15 P.M, and concluded at 6:53 P.M. at Mumbai considered and approved the following matter:

Financial Results

1. The Audited Standalone and Consolidated Financial Statements for the quarter and year ended March 31, 2024 prepared as per Indian Accounting Standards (IND-AS) along with Statutory Audited Report issued by the Statutory Auditors of the Company;
2. Declaration for Unmodified Opinion under Regulation 33 of SEBI (LODR) Regulation, 2015;

Dividend

3. Recommended Final Dividend of Rs. 2/- per share i.e. 20% on the Equity Shares of the Company of the face value of Rs. 10/- each subject to the approval of the shareholders of the Company for the FY 2023-24 at the ensuing 36th Annual General Meeting of the Company.

The above information is also available on the website of the Company at www.aarviencon.com.
Yours Faithfully,
For Aarvi Encon Limited

Jaydev Sanghavi
Executive Director & CFO
DIN: 00759042

Annexures:

1. Statutory Audit Report as issued by the Statutory Auditors of the Company for the quarter and year ended March 31, 2024;
2. Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2024;
3. Declaration for Unmodified Opinion by Mr. Jaydev Sanghavi, Executive Director & CFO.

Jaydev Sanghavi

AARVI ENCON LTD. MUMBAI

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Opp. Peninsula Park, Lower Parel, Mumbai - 400 013, India.

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EN ISO 45001:2018 20 116 193 006644
EN ISO 14001:2015 20 104 223 015727
CRISIL MSE 1

To,
National Stock Exchange of India Exchange Plaza,
C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai- 400051.

Date: May 13, 2024

Sub: Intimation for Declaration of Unmodified Opinion under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Dear Sir,

We hereby confirm and declare that the Statutory Auditors of the Company i.e. M/s. Jay Shah & Associates., Chartered Accountants, have issued the Audit Report on Standalone & Consolidated Financial Results of the Company for the Quarter and Year ended March 31, 2024 with unmodified opinion.

This is for your information and record.

Thanking you,
Yours faithfully,

For Aarvi Encon Limited

AARVI ENCON LTD. MUMBAI

Jaydev Sanghavi
Executive Director & CFO
DIN: 00759042

JAY SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS

B-wing, 501 Rustomjee Central Park,
Andheri Kurla Road, Chakala,
Andheri (East), Mumbai - 400 093.

Tel. : +91 22 40161675 / 76 / 77 / 78
E-mail : jay@ahsco.in

INDEPENDENT AUDITOR'S REPORT

To The Members of,
AARVI ENCON LIMITED

Report on Consolidated Financial Statements

Opinion

We have audited accompanying consolidated financial statements of **Aarvi Encon Limited** (the "Holding Company") and its subsidiaries, a list of the same is annexed herewith by way of an Annexure 2 to this report (collectively the company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2024, the consolidated Statement of Profit and Loss including other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and Notes to the Consolidated Financial Statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of Reports of other Auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid Consolidated financial statement give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31st 2024, and profit including other comprehensive income, their Consolidated Cash Flows and the Consolidated Statement of Changes in Equities for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standard are future described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statement of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

JAY SHAH & ASSOCIATES
MUMBAI
M No. 134334
FRN - 135424W
CHARTERED ACCOUNTANT

Key Audit Matter

1. *Revenue Recognition*

The Company's contracts with customers include contracts with multiple services. The Company derives revenues from manpower supply and related services. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables involves significant judgement. As certain contracts with customers involve management's judgment in (1) identifying distinct performance obligations, (2) determining whether the Company is acting as a principal or an agent, revenue recognition from these judgments were identified as a key audit matter and required a higher extent of audit effort.

Auditor's Responses

Principal Audit Procedures

Our audit procedures related to the (1) identification of distinct performance obligations, (2) determination of whether the Company is acting as a principal or agent included the following among others:

• We tested the effectiveness of controls relating to the-

(a) identification of distinct performance obligations,

(b) determination of whether the Company is acting as a principal or an agent and

• We selected a sample of contracts with customers and performed the following procedures:

– Obtained and read contract documents for each selection, including master service agreements, and other documents that were part of the agreement.

– Identified significant terms and deliverables in the contract to assess management's conclusions regarding the- (i) identification of distinct performance obligations (ii) whether the Company is acting as a principal or an agent

Key Audit Matter

2. *Evaluation of Uncertain Tax Positions*

The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.

Auditor's Responses

Principal Audit Procedures

Obtained details of completed tax assessments and demands upto the year ending March 31, 2024 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.



Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, Consolidated cash flows and consolidated Statement of Changes in Equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (IND AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the Company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Group and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation by the Consolidated Financial Statements by the directors of the Holding Companies as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the Company included in the Group are also responsible for overseeing the financial reporting process of the Group.



Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statements.

As a part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern, If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements, including the disclosure, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other Auditors, such other Auditors remain

JAY SHAH & ASSOCIATES
MUMBAI
M No. 134334
FRN - 135424W
CHARTERED ACCOUNTANT

responsible for the directions, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings. Including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We conducted our audit in accordance with the Standards on Auditing Specified under Section 143(10) of the Act. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparations of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Other Matters

The unaudited Consolidated financial statements of foreign subsidiary Aarvi Encon (FZE), whose financial statements reflect total assets of Rs. 2,360.35 Lacs (AED 1,04,02,587/-) as at 31st March, 2024, total revenue of Rs. 2,726.06 Lacs (AED 1,21,02,796/-) and net cash inflow of Rs. 609.11 Lacs (AED 26,84,490/-) for the year then ended. The unaudited financial statements of other foreign subsidiary Aarvi Encon Resources Ltd whose financial statements reflect total assets of Rs.21.55 Lacs (GBP 20,495/-) as at 31st March, 2024, total revenue of Rs. (0.79) Lacs (GBP -762.40) and net cash outflow of Rs. 29.13 Lacs (GBP 27,681/-) is not required to be audited as per the statutory requirements of the respective country. Also, the unaudited financial statements of associate entities, Aarvi Encon Staffing Services W.L.L. reporting



total assets of Rs. 57.31 Lacs (QAR 352,280/-), total revenue of Rs. 44.73 Lacs (QAR 196,786/-) and net cash inflow of Rs. 26.39 Lacs (QAR 1,15,255).

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure 1, a statement on the matters specified in paragraph 3(xxi) of the Order.

2. A) As required by section 143(3) of the Act, based on our audit and the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the other matters paragraph we report to the extent applicable, that:

   a) We / the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief was necessary for the purpose of our audit of the aforesaid consolidated financial statements;

   b) In our opinion proper books of account as required by law relating to preparations of the aforesaid Consolidation of the Financial Statements have been kept so far as it appears from our examinations of those books except for the matters stated in para 2(B)(f) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and reports of the other auditors;

   c) The consolidated Balance Sheet, the consolidated Statement of Profit and loss including the statement of other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement and Changes in Equity dealt with by this Report are in agreement with the books of accounts maintained for the purpose of preparation of Consolidated Financial Statements;

   d) In our opinion, the aforesaid Consolidated Financial Statements comply with the applicable Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

   e) On the basis of written representations received from the directors of the Holding Company as on 31st March, 2024 and taken on record by the Board of Directors of the holding company and the report of the Statutory Auditors who are appointed under section 139 of the Act of its subsidiaries, none of the directors of the group companies incorporated in India is disqualified as on 31 March, 2024, from being appointed as a director in terms of Section 164(2) of the Act.

   f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and para 2(B)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.



g) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our report in 'Annexure 3', which is based on the auditors' reports of the subsidiary companies incorporated in India.

B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The group does not have any pending litigations which would impacts its financial position.

ii. The group did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the group.

iv. a) The respective managements of the Holding Company and its subsidiaries whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such Subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been received by the Holding Company or any of such Subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.



v. The dividend declared/paid during the year and subsequent to the year-end by the Holding Company and subsidiary companies, as and where dividend declared/paid, is in compliance with Section 123 of the Act.

vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the response software.

(i) In case of the Holding company and its subsidiary company incorporated in India, the feature of recording audit trail (edit log) facility has not been enabled at the database level to log any direct data changes for the accounting softwares used for maintaining the records relating to payroll.

(ii) In case of the Holding company and its subsidiary company incorporated in India, the feature of recording audit trail (edit log) facility has not been enabled at the database level to log any direct data changes for the accounting softwares used for maintaining the records relating to Consolidation.

(iii) In case of the Holding company and its subsidiary company incorporated in India, the feature of recording audit trail (edit log) facility was not enabled at the application layer of the accounting softwares relating to payroll for the period 1 April 2023 to 31 March 2024. Further, in case of subsidiary incorporated in India, the feature of recording audit trail (edit log) facility was not enabled at the application layer of the accounting softwares relating to revenue, Trade Receivables and general ledger for the period 01 April 2023 to 31 March, 2024.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.



C. Companies Act the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For **Jay Shah & Associates.**
Chartered Accountants
Firm Reg. No. 135424W



CA. Jay Shah
(Proprietor)
Membership No. 134334
UDINo. : 24134334BKBEEA3412

Place : Mumbai.
Date : 13th May, 2024

Aarvi Encon Limited

Annexure to the Independent Auditors' Report of Consolidated Financial Statements

Annexure – 1: Referred to In Paragraph 1 under the Heading "Report on Other Legal and Regulatory Requirements" Of Our Report of Even Date

In Case of subsidiaries incorporated in India, there are no instances of qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order, 2020 ("CARO") reports of the companies included in the consolidated financial statements of the companies. Accordingly, the requirement to report under Clause 3(xxi) is not applicable to the company.

Annexure – 2: Details of the Group

A. Parent Company;

Sr. No.	Name of the Parent Company
1.	Aarvi Encon Limited

B. Subsidiaries held directly

Sr. No.	Name of the Subsidiary
1.	Aarvi Engineering and Consultants Private Limited
2.	Aarvi Encon (FZE)
3.	Aarvi Encon Resources Limited

C. Subsidiaries held indirectly

Sr. No.	Name of the Subsidiary
1.	Aarvi Encon LLC, Muscat Sultanate of Oman [Subsidiary of Aarvi Encon (FZE)] w.e.f. 13th January, 2021.
2.	MNR Technical Services LLLC [Subsidiary of Aarvi Encon (FZE)] w.e.f. 14th June, 2023

D. Associate Entities

Sr. No.	Name of the Entity
1.	PT. Aarvi Encon Services, Indonesia [Associate entity of Aarvi Encon (FZE) – Stake held 49%] w.e.f. 10th June, 2021.
2.	Aarvi Encon Staffing Services W.L.L., Qatar [Joint Venture – Stake held 49%] w.e.f. 02nd March, 2022.

JAY SHAH & ASSOCIATES CHARTERED ACCOUNTANT MUMBAI M No. 134334 FRN - 135424W

Annexure – 3:

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our Audit of the consolidated Financial Statements of the holding Company as of and for the year ended 31st March, 2024, we have audited the internal financial controls over financial reporting of **Aarvi Encon Limited** (hereinafter referred to as "the holding company") and its subsidiaries (the holding company and its subsidiaries together referred as to "the Group"), as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the holding companies and its subsidiaries which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company and its Subsidiaries, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

JAY SHAH & ASSOCIATES CHARTERED ACCOUNTANT MUMBAI M No. 134334 FRN - 135424W

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its Subsidiary companies which are incorporated in India has, in all material respects, an adequate internal financial controls system over financial reporting commensurate to its size and nature of business and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Jay Shah & Associates.**
Chartered Accountants
Firm Reg. No. 135424W

JAY SHAH & ASSOCIATES ★ CHARTERED ACCOUNTANT ★
MUMBAI
M No. 134334
FRN - 135424W

CA. Jay Shah
(Proprietor)
Membership No. 134334
UDINo. : 24134334BKBEEA3412

Place : Mumbai.
Date : 13th May, 2024

AARVI ENCON LIMITED
CIN: L29290MH1987PLC045499
Statement of unaudited Consolidated Assets and Liabilities as on Mar 31, 2024
(All amounts are Rupees in lakhs unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
ASSETS		
(1) Non-current assets		
(a) Property, Plant and Equipment	903.04	959.45
(b) Goodwill on Consolidation	25.34	20.12
(c) Right of Use Asset	-	-
(d) Other Intangible Assets	37.16	30.77
(e) Intangible Asset Under Development	-	-
(f) Investment in equity accounted joint venture	-	-
(g) **Financial Assets**		
(i) Investments	-	-
(ii) Loans and Advances	235.55	226.58
(iii) Others	1,547.46	1,448.90
(h) Deferred Tax Asset, Net	10.61	18.56
(i) Other non current assets	887.97	1,804.48
	3,647.14	**4,508.85**
(2) Current Assets		
(a) Financial Assets		
(i) Investments	39.74	37.16
(ii) Trade Receivable	8,297.16	9,502.64
(iii) Cash and cash equivalents	1,068.45	438.55
(iv) Other Bank Balances	1,264.79	228.56
(v) Loans and Advances	189.32	84.76
(vi) Others	2,260.12	807.93
(b) Other current assets	335.39	236.18
	13,454.97	**11,335.78**
Total Assets	**17,102.11**	**15,844.63**
EQUITY & LIABILITIES		
Equity		
(a) Equity Share capital	1,478.40	1,478.40
(b) Other Equity	10,191.68	9,327.56
Equity attributable to owners of Holding Company	**11,670.08**	**10,805.96**
Liabilities		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	-	-
(ii) Lease Liability	-	-
(iii) Others	149.19	45.80
(b) Provisions	-	-
(c) Deferred Tax Liabilities (Net)	26.37	37.06
(d) Other Non-current liabilities	-	-
	175.56	**82.86**
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	975.11	340.30
(ii) Lease Liability	-	-
(iii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	2.74	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	792.97	1,021.47
(iv) Others	2,372.50	2,125.52
(b) Other current liabilities	1,076.72	1,458.67
(b) Provisions	36.44	9.85
(c) Liabilities for current tax (net)	-	-
	5,256.47	**4,955.81**
Total Equity and Liabilities	**17,102.11**	**15,844.63**

As per our report of even date

For and on behalf of the Board of Directors

For Jay Shah & Associates
Firm Registration No. 135424W
Chartered Accountants

Jay Shah
Proprietor
M.No. 134334

JAY SHAH & ASSOCIATES MUMBAI M No. 134334 FRN - 135424W CHARTERED ACCOUNTANT

UDIN: 24134334BGPFEA3412

Place : Mumbai
Date : 13th May, 2024

Virendra D. Sanghavi
Managing Director
DIN: 00759176

Jaydev V. Sanghavi
Executive Director & CFO
DIN: 00759042

Leela S. Bisht
Company Secretary & Compliance Officer
Membership No. ACS 59748

AARVI ENCON LTD. MUMBAI

Place : Mumbai
Date : 13th May, 2024

AARVI ENCON LIMITED
CIN: L29290MH1987PLC045499
Statement of audited consolidated Results for the Quarter and Year ended March 31, 2024
(All amounts are Rupees in lakhs unless otherwise stated)

	Particulars	Quarter Ended March 24	Quarter Ended Dec 23	Quarter Ended March 23	Year ended March 31, 2024	Year ended March 31, 2023
I	Revenue from Operations	10,310.67	9,988.49	10,629.68	40,614.66	43,652.19
II	Other Income	99.60	89.63	27.26	232.79	131.34
III	**Total Revenue (I + II)**	**10,410.27**	**10,078.12**	**10,656.93**	**40,847.45**	**43,783.52**
IV	**Expenses:**					
	Employee Benefit Expenses	7,684.28	7,314.87	7,042.09	29,347.27	29,160.52
	Finance Cost	41.53	39.32	46.39	146.80	175.90
	Depreciation and amortisation expense	33.69	34.60	34.78	126.78	122.83
	Other Expenses	2,329.51	2,450.58	3,124.37	10,015.89	12,670.60
	Total Expenses (IV)	**10,089.00**	**9,839.37**	**10,247.64**	**39,636.74**	**42,129.85**
	Profit before exceptional Item and tax (III-IV)	**321.27**	**238.75**	**409.29**	**1,210.71**	**1,653.68**
	Exceptional items/Tax Recovery of earlier years	-	-	0.00	-	86.01
V	**Profit/(Loss) Before Tax (III-IV)**	**321.27**	**238.75**	**409.29**	**1,210.71**	**1,567.66**
VI	Tax Expense					
	1. Current Tax	17.25	2.65	69.40	79.09	111.25
	2. Short/Excess Provision of Tax	-	-	-		
	3. Deferred Tax	0.31	(1.65)	(5.35)	(2.74)	5.27
	Total Tax Expenses (VI)	**17.56**	**1.00**	**64.05**	**76.35**	**116.52**
VII	**Profit/(Loss) for the year (V-VI)**	**303.71**	**237.75**	**345.24**	**1,134.36**	**1,451.15**
VIII	**Other comprehensive income**					
A	(i) Items that will not be reclassified to profit or loss	-	-	-		
	Re-measurement gains/ (losses) on defined benefit plans	(13.81)	-	2.31	(13.81)	2.31
	tax effect thereon	-	-	-	-	-
		-	-			
	(ii) Items that will be reclassified to profit or loss	-	-	-	-	-
	Changes in foreign currency translation reserve	(7.12)	1.82	(4.31)	10.86	105.29
	tax effect thereon	-	-	-		
		-	-			
	Other Comprehensive Income for the year, net of tax	**(20.93)**	**1.82**	**(2.00)**	**(2.95)**	**107.60**
IX	**Total comprehensive income for the year**	**282.78**	**239.58**	**343.24**	**1,131.42**	**1,558.75**
X	**Net Profit attributable to:**					
	Owners of the Holding Company Profit / (Loss)	303.71	237.75	345.24	1,134.36	1,451.15
	Non-Controlling Interest Profit /(Loss)					
		303.71	237.75	345.24	1,134.36	1,451.15
XI	**Other Comprehensive Income attributable to:**					
	Owners of the Holding Company	(20.93)	1.82	(2.00)	(2.95)	107.60
	Non-Controlling Interest					
		(20.93)	**1.82**	**(2.00)**	**(2.95)**	**107.60**
XII	**Total Comprehensive Income attributable to:**					
	Owners of the Holding Company	282.78	239.58	343.24	1,131.42	1,558.75
	Non-Controlling Interest Profit /(Loss)					
		282.78	**239.58**	**343.24**	**1,131.42**	**1,558.75**
XIII	Earnings per Share					
	Basic	2.05	1.61	2.34	7.67	9.82
	Diluted/Diluted(Restated)	2.05	1.60	2.33	7.65	9.79
	Nominal Value per share of Rs.10 each					

Notes

1 In terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, as amended, the aforesaid statement of audited consolidated financial results for quarter and year ended March 31, 2024, audited statement of assets and liabilities as at March 31, 2024 of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 13, 2024. The aforesaid results for the quarter and year ended March 31, 2024 have been audited by the statutory auditors of the Company.

2 The financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (IND-AS) prescribed under section 133 of the Companies Act, 2013, as amended, read with the relevant rules issued thereunder.

3 The Company hereby gives a declaration that the signing directors are duly authorized by the board of directors to sign the financial results.

4 The Company has only one business segment i.e. "Technical Manpower Outsourcing".

5 The figures for the quarter ended March 31, 2024 and corresponding quarter ended March 31, 2023 are the balancing figures between audited figures in respect of the full financial year upto March 31, 2024 and March 31, 2023 respectively and the unaudited year to date figures upto December 31, 2023 and December 31, 2022 respectively, being the date of the end of the third quarter of the respective financial year, which were subjected to limited reviews.

6 The figures of the previous periods have been regrouped/ reclassified, wherever necessary.

7 The Board of Directors has proposed a Final Dividend @ 20% on the Equity shares of face value of Rs. 10/- each i.e. Re. 2/- (Rupees Two only) per share subject to the approval of the members of the Company at the ensuing 36th Annual General Meeting of the Company.

8 The above consolidated financial results of the Company are available on the Company's website (www.aarviencon.com) and also on the website of NSE (www.nseindia.com), where the shares of the Company are listed.

As per our report of even date

For Jay Shah & Associates
Firm Registration No. 135424W
Chartered Accountants

Jay Shah
Proprietor
M.No. 134334
UDIN: 24134334BKBEEA3412
Place : Mumbai
Date : 13th May, 2024

For and on behalf of the Board of Directors

Virendra D. Sanghavi
Managing Director
DIN: 00759176

Jaydev V. Sanghavi
Executive Director & CFO
DIN: 00759042

Leela S. Bisht
Company Secretary & Compliance Officer
Membership No. ACS 59748
Place : Mumbai
Date : 13th May, 2024

AARVI ENCON LIMITED
CIN: L29290MH1987PLC045499
Consolidated Cash Flow Statement for the period ended March 31, 2024
(All amounts are Rupees in lakhs unless otherwise stated)

Particulars	2023-24		2022-23	
Cash flows from operating activities				
Profit /(loss) before tax		1,210.71		1,567.66
Adjustments:				
Depreciation & amortisation	126.78		122.83	
Re-measurement of defined benefit obligation	(13.81)		2.31	
Interest expense	138.41		179.93	
Interest expense on Lease Liability	-		-	
Interest income	(196.80)		(80.97)	
Liabilities no longer required written back	-		-	
Expected Credit Loss	95.65		95.67	
Profit on sale of property, plant and equipment	-		-	
Exchange (gain) / loss	3.18		1.26	
Interest Income on Financial Assets at FVTPL	(2.59)		(1.42)	
Share based payments expenses	28.38		-	
Loss on sale of property, plant and equipment	-		(1.05)	
		179.20		318.56
Operating cash flows before working capital changes and other assets		**1,389.91**		**1,886.23**
Decrease/ (increase) in Trade receivables	1,119.00		(1,393.17)	
Decrease/ (increase) in Financial Assets	(2,739.30)		867.53	
Decrease/ (increase) in Other Assets	(99.60)		(58.91)	
(Decrease)/increase in Trade Payables	(225.45)		(0.38)	
(Decrease)/increase in Financial Liabilities	379.78		(432.20)	
(Decrease)/increase in Other Liabilities	(347.39)		348.66	
		(1,912.94)		(668.45)
Cash generated from operations		**(523.03)**		**1,217.77**
Income taxes refund / (paid), net		837.41		(544.46)
Net cash generated from in operating activities		**314.38**		**673.32**
Cash flows from investing activities				
Purchase of property, plant and equipment and CWIP	(76.77)		(118.35)	
Proceeds from sale of property, plant and equipment	-		-	
Purchase of intangible assets	-		-	
Loan to Joint venture	-		-	
Investment in Joint Venture	-		-	
Movement in other bank balance	-		-	
Movement in term deposits	-		-	
Investment in Mutual funds	-		-	
Interest Received	196.80		80.97	
Goodwill paid during the year	(5.22)			
Investment in shares Capital				
Cash flows from investing activities		**114.81**		**(37.38)**
Proceeds from /(Repayment of) Short-term borrowings	634.80		(302.73)	
Net Proceeds from short -term borrowings	(0.00)		-	
Proceeds from long -term borrowings	(0.00)		-	
Lease Liability:	-		-	
Principal	-		-	
Interest	-		-	
Dividend paid during the year	(295.68)		(221.76)	
Interest paid	(138.41)		(179.93)	
Net cash used in financing activities		**200.71**		**(704.43)**
Net increase / decrease in cash and cash equivalents		**629.90**		**(68.49)**
Cash and cash equivalents at the beginning of the period		438.55		507.04
Cash and cash equivalents at the end of the period		1,068.45		438.55
		629.90		**(68.49)**

As per our report of even date

For Jay Shah & Associates
Firm Registration No. 135424W
Chartered Accountants

Jay Shah
Proprietor
M.No. 134334

UDIN: 24134[illegible]3412

Place : Mumbai
Date : 13th May, 2024

For and on behalf of the Board of Directors of

Virendra D. Sanghavi
Managing Director
DIN:00759176

Jaydev V. Sanghavi
Executive Director & CFO
DIN:00759042

Leela S. Bisht
Company Secretary & Compliance Officer
Membership No. ACS 59748

Place : Mumbai
Date : 13th May, 2024

JAY SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS

B-wing, 501 Rustomjee Central Park,
Andheri Kurla Road, Chakala,
Andheri (East), Mumbai - 400 093.

Tel. : +91 22 40161675 / 76 / 77 / 78
E-mail : jay@ahsco.in

INDEPENDENT AUDITOR'S REPORT

To The Members of
Aarvi Encon Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited accompanying standalone financial statements of **Aarvi Encon Limited** (the "company"), which comprise the standalone Balance Sheet as at March 31, 2024, the standalone Statement of Profit and Loss, including the statement of Other Comprehensive Income, the standalone statement of Cash Flow Statement and the standalone Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements sections of our report. We are independent of the Company in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statement of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter
1. Revenue Recognition

The Company's contracts with customers include contracts with multiple services. The Company derives revenues from manpower supply and related services. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables involves significant judgement.

JAY SHAH & ASSOCIATES MUMBAI M.No. 134114 FRN - 135424W CHARTERED ACCOUNTANTS

As certain contracts with customers involve management's judgment in (1) identifying distinct performance obligations, (2) determining whether the Company is acting as a principal or an agent, revenue recognition from these judgments were identified as a key audit matter and required a higher extent of audit effort.

Auditor's Responses

Principal Audit Procedures

Our audit procedures related to the (1) identification of distinct performance obligations, (2) determination of whether the Company is acting as a principal or agent included the following among others:

- We tested the effectiveness of controls relating to the-
  - (a) identification of distinct performance obligations,
  - (b) determination of whether the Company is acting as a principal or an agent and
- We selected a sample of contracts with customers and performed the following procedures:
  - – Obtained and read contract documents for each selection, including master service agreements, and other documents that were part of the agreement.
  - – Identified significant terms and deliverables in the contract to assess management's conclusions regarding the- (i) identification of distinct performance obligations (ii) whether the Company is acting as a principal or an agent

Key Audit Matter

2. Evaluation of Uncertain Tax Positions

The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.

Auditor's Responses

Principal Audit Procedures

Obtained details of completed tax assessments and demands upto the year ending March 31, 2024 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As a part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we

JAY SHAH & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI M No. 134334

are Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern, If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements, including the disclosure, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

JAY SHAH & ASSOCIATES
MUMBAI
M.No. 124334
FRN - 135424W
CHARTERED ACCOUNTANTS

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure 1, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

2. A. As required by section 143(3) of the Act, we further report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In ou(r opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books except for the matters stated in the paragraph 2B(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

   c) The standalone Balance Sheet, the standalone Statement of Profit and Loss including the Statement of Other Comprehensive Income, the standalone statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid standalone financial statements comply with the applicable Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounts Standard) Rules, 2015, as amended.

   e) On the basis of written representations received from the directors as on 31 March 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024, from being appointed as a director in terms of Section 164(2) of the Act.

   f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and para 2(B)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls refer to our separate report in 'Annexure 2'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial control over financial reporting.

   B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The company has disclosed the impact of pending litigations as at 31 March, 2024 on its financial position in its standalone financial statements.

      ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

JAY SHAH & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ MUMBAI M No. 134734 FRN - 135424W

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend declared/paid during the year and subsequent to the year-end by the Company is in compliance with Section 123 of the Act.

vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the response software.

(i) The feature of recording audit trail (edit log) facility has not been enabled at the database level to log any direct data changes for the accounting softwares used for maintaining the records relating to payroll.

(ii) The feature of recording audit trail (edit log) facility was not enabled at the application layer of the accounting softwares relating to payroll for the period 1 April 2023 to 31 March 2024.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.



C. Companies Act the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For **Jay Shah & Associates.**
Chartered Accountants
Firm Reg. No. 135424W



CA. Jay Shah
(Proprietor)
Membership No. 134334
UDINo. : 24134334BKBEDZ5841

Place : Mumbai.
Date : 13th May, 2024.

Aarvi Encon Limited

Annexure – 1 to the Independent Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2024, we report that

(I) (a) [A] The company is in process of maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

[B] The company is in process of maintaining proper records showing full particulars of Intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has a regular program of physical verification of its property, plant and equipment by which property, plant and equipment are verified in a phased manner over a period of three years. According to information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information & explanations given to us and on the basis of examination of the records of the Company, the title deeds of immovable properties are held in the name of company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(II) (a) The Company being in service sector, does not hold any physical inventories. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned and disbursed working capital limits of seven crore rupees during the year, in aggregate, from the banks or financial institutions on the basis of security of current assets and fixed assets. In our opinion, the statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

(III) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments and also provided advances in the nature of loans to companies, firms, limited liability partnerships or any other parties during the year.



Particulars	Investment (Rs.)	Advances in the nature of Loan (Rs.)
Aggregate Amount During the Year		
- Subsidiary Companies	10,43,064/-	52,68,500/-
- Associate Company	Nil	91,42,900/-
Amount Outstanding at the Balance Sheet date		
- Subsidiary Companies	77,86,392/-	4,44,47,640/-
- Associate Company	22,05,973/-	93,73,511/-

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the guarantees provided during the year and the terms and conditions of the grant of loans and advances in the nature of loans during the year are not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans and advances in the nature of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans and advances in the nature of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the over dues of existing loans or advances in the nature of loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, to following Promoters, related parties as defined in the clause (76) of section 2 of the Companies Act, 2013.

(IV) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(V) The Company has not accepted deposits from the public during the year and does not have any unclaimed deposits as at March 31, 2024 and therefore, the provisions of the clause 3(v) of the Order are not applicable to the Company.

(VI) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.

(VII) (a) According to the information and explanation given to us and on the basis of our examination of books of accounts and records, the Company has been regular in depositing the statutory dues applicable to the company with the appropriate authorities.

JAY SHAH & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI M No. 134334 FRN - 135424W

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Service tax, provident fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, value added tax were in arrears, as at March 31, 2024 for a period of more than 6 months from the date on when they became payable, however an amount of Rs.5,21,370/- towards outstanding demand for TDS which is undisputed is unpaid for a period of more than 6 months as at 31st March 2024.

(c) According to the information and explanation given to us, there are no dues of sales tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax outstanding on account of any dispute subject to dues as per Income Tax Act, 1961 as given below :

Name of the Statute	**Nature of Dues**	**Amounts (In Rs.)**	**Period to which the amount relates**	**Forum Where the dispute is pending**
Income Tax Act, 1961	Income tax	Nil	A.Y-2018-19	CIT (Appeal)
Income Tax Act, 1961	Income tax	Nil	A.Y. 2020-21	CIT (Appeal)

(VIII) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no such transactions found unrecorded in the books of accounts of the company which have been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.

(IX) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the reporting under clause 3(x)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that no funds raised on short term basis have been utilized for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries

JAY SHAH & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI M No. 134334 FRN - 135424W

(X) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (x)(a) of the Order is not applicable.

(b) Further according to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year.

(XI) (a) A case involving embezzlement of funds to the extent of Rs. 7,00,000/- (Rupees Seven Lakhs only), by the employee of the company, by falsification of records and documents reported during the year, out of which an amount of Rs. 6,00,000/- (Rupees Six Lakhs only) is outstanding as on date of this report. Apart from the above, during the course of our examination of books of accounts carried out by us in accordance with the generally accepted auditing practice in India, prima-facie no other instances of fraud on or by the company was noticed or reported during the year.

(b) According to the information and explanation given to us no report under section 143(12) of Companies Act, was required to be filed by the Auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit & Auditors) Rules 2014, with the Central Government.

(c) As per information and explanation given by management and/or audit committee there were no whistle blower complaints received by the company during the year.

(XII) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

(XIII) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(XIV) (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

(XV) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with the Directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(XVI) (a) & (b) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Hence reporting under clause 3 (xvi)(a) and clause 3 (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

JAY SHAH & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ MUMBAI M No. 134334 FRN - 135424W

(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.

(XVII) The company is generally profit-making company and there was no cash loss in the last financial year also.

(XVIII) There has been no resignation of the statutory auditors of the company during the year and hence reporting under clause 3(xviii) of the Order is not applicable.

(XIX) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans based on our examination of evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of audit report that Company is not capable of meeting its liabilities existing as at the balance date as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give no guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(XX) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **Jay Shah & Associates.**
Chartered Accountants
Firm Reg. No. 135424W



CA. Jay Shah
(Proprietor)
Membership No. 134334
UDINo.: 24134334BKBEDZ5841

Place : Mumbai.
Date : 13th May, 2024

Aarvi Encon Limited

Annexure – 2 to the Independent Auditor's Report

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Aarvi Encon Limited** ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance



with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting commensurate to its size and nature of business and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Jay Shah & Associates.**
Chartered Accountants
Firm Reg. No. 135424W



CA. Jay Shah
(Proprietor)
Membership No. 134334
UDINo. : 24134334BKBEDZ5841

Place: Mumbai.
Date : 13th May, 2024

AARVI ENCON LIMITED
CIN: L29290MH1987PLC045499

aarvi

Statement of Audited Standalone Assets and Liabilities as on March 31, 2024
(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
ASSETS		
(1) Non-current assets		
(a) Property, Plant and Equipment	900.26	955.85
(b) Right of Use Asset	-	-
(c) Other Intangible Assets	37.16	30.76
(d) Intangible Asset Under Development	-	-
(e) **Financial Assets**		-
(i) Investments	99.92	89.49
(ii) Loans and Advances	639.86	472.62
(iii) Others	1,532.10	1,430.07
(f) Other non current assets	885.60	1,803.98
	4,094.90	**4,782.77**
(2) Current Assets		
(a) Financial Assets		
(i) Investments	-	-
(ii) Trade Receivable	7,174.99	7,873.50
(iii) Cash and cash equivalents	44.05	21.49
(iv) Other Bank Balances	1,264.79	227.20
(v) Loans and Advances	31.86	30.95
(vi) Others	2,298.22	826.60
(b) Other current assets	322.79	225.98
	11,136.70	**9,205.72**
Total Assets	**15,231.60**	**13,988.49**
EQUITY & LIABILITIES		
Equity		
(a) Equity Share capital	1,478.40	1,478.40
(b) Other Equity	8,650.48	7,896.97
	10,128.88	**9,375.37**
Liabilities		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	-	-
(ii) Lease Liability	-	-
(ii) Others	149.19	45.80
(b) Provisions	-	-
(c) Deferred Tax Liabilities (Net)	26.37	37.06
(d) Other Non-current liabilities	-	-
	175.56	**82.86**
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	975.10	340.30
(ii) Lease Liability	-	-
(iii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	2.74	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	508.27	623.51
(iv) Others	2,340.92	2,103.30
(b) Other current Liabilities	1,063.69	1,453.30
(b) Provisions	36.44	9.85
(c) Liabilities for current tax (net)	-	-
	4,927.16	**4,530.26**
Total Equity and Liabilities	**15,231.60**	**13,988.49**

As per our report of even date

For and on behalf of the Board of Directors

V. D. Sanghavi Jaydev Sanghavi

For Jay Shah & Associates
Firm Registration No. 135424W
Chartered Accountants

Jay Shah
Proprietor
M.No. 134334
UDIN: 24134334BKBAO25841
Place : Mumbai
Date : 13th May, 2024

JAY SHAH & ASSOCIATES MUMBAI M No. 134334 FRN - 135424W CHARTERED ACCOUNTANT

Virendra D. Sanghavi
Managing Director
DIN: 00759176

Jaydev V. Sanghavi
Executive Director & CFO
DIN: 00759042

Bisht

Leela S. Bisht
Company Secretary & Compliance Officer
Membership No. ACS 59748
Place : Mumbai
Date : 13th May, 2024

AARVI ENCON LTD. MUMBAI

AARVI ENCON LIMITED
CIN: L29290MH1987PLC045499
Statement of Audited Standalone Results for the Quarter and Year ended March 31, 2024
(All amounts are in Rupees lakhs, unless otherwise stated)

	Particulars	Quarter Ended March 24	Quarter Ended Dec 23	Quarter Ended March 23	Year ended March 31, 2024	Year ended March 31, 2023
I	Revenue from Operations	9,752.18	9,356.05	9,162.32	37,764.92	38,269.49
II	Other Income	112.98	99.23	36.74	272.44	160.98
III	**Total Revenue (I + II)**	**9,865.16**	**9,455.27**	**9,199.06**	**38,037.36**	**38,430.47**
IV	**Expenses:**					
	Employee Benefit Expenses	7,521.00	7,145.69	6,935.29	28,797.15	28,858.18
	Finance Cost	41.44	39.32	46.55	146.70	175.90
	Depreciation and amortisation expense	33.16	34.15	33.74	125.03	119.07
	Other Expenses	1,984.19	1,960.10	1,883.56	7,865.46	7,747.56
	Total Expenses (IV)	**9,579.79**	**9,179.26**	**8,899.13**	**36,934.34**	**36,900.71**
V	**Profit/(Loss) Before Tax (III-IV)**	**285.38**	**276.02**	**299.93**	**1,103.02**	**1,529.76**
VI	Tax Expense					
	1. Current Tax	17.25	2.65	69.40	79.09	111.25
	2. Short/Excess Provision of Tax	-	-	-	-	
	3. Deferred Tax (Credit)/Charge	(7.64)	(1.65)	(4.72)	(10.69)	6.84
	Total Tax Expenses (VI)	**9.61**	**1.00**	**64.68**	**68.40**	**118.09**
VII	**Profit/(Loss) for the year (V-VI)**	**275.77**	**275.02**	**235.25**	**1,034.62**	**1,411.66**
VIII	**Other comprehensive income**					
A	(i) Items that will not be reclassified to profit or loss			-		
	Re-measurement gains/ (losses) on defined benefit plans	-	-	2.31	(13.81)	2.31
	(ii) Income Tax relating to items that will not be reclassified to statement of profit and loss	-	-	-		-
	Other Comprehensive Income for the year, net of tax	-	-	2.31	(13.81)	2.31
XIV	**Total comprehensive income for the year**	**275.77**	**275.02**	**237.56**	**1,020.81**	**1,413.97**
	Earnings per Share					
	Basic	1.87	1.86	1.59	7.00	9.55
	Diluted/Diluted(Restated)	1.86	1.86	1.59	6.98	9.52
	Nominal Value per share of Rs.10 each					

Notes

1 In terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, as amended, the aforesaid statement of audited standalone financial results for quarter and year ended March 31, 2024, audited statement of assets and liabilities as at March 31, 2024 of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 13, 2024. The aforesaid results for the quarter and year ended March 31, 2024 have been audited by the statutory auditors of the Company..

2 The financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (IND-AS) prescribed under section 133 of the Companies Act, 2013, as amended, read with the relevant rules issued thereunder.

3 The Company hereby gives a declaration that the signing directors are duly authorized by the board of directors to sign the financial results.

4 The Company has only one business segment i.e. "Technical Manpower Outsourcing".

5 The figures for the quarter ended March 31, 2024 and corresponding quarter ended March 31, 2023 are the balancing figures between audited figures in respect of the full financial year upto March 31, 2024 and March 31, 2023 respectively and the unaudited year to date figures upto December 31, 2023 and December 31, 2022 respectively, being the date of the end of the third quarter of the respective financial year, which were subjected to limited reviews.

6 The Board of Directors has proposed a Final Dividend @ 20% on the Equity shares of face value of Rs. 10/- each i.e. Re. 2/- (Rupees Two only) per share subject to the approval of the members of the Company at the ensuing 36th Annual General Meeting of the Company.

7 The figures of the previous periods have been regrouped/ reclassified, wherever necessary.

8 The above standalone financial results of the Company are available on the Company's website (www.aarviencon.com) and also on the website of NSE (www.nseindia.com), where the shares of the Company are listed.

As per our report of even date

For Jay Shah & Associates
Firm Registration No. 135424W
Chartered Accountants

Jay Shah
Proprietor
M.No. 134334
UDIN: 24134334BKBKZ4
Place : Mumbai
Date : 13th May, 2024

JAY SHAH & ASSOCIATES MUMBAI M No. 134334 FRN - 135424W CHARTERED ACCOUNTANT

For and on behalf of the Board of Directors

V. D. Sanghavi

Mr Virendra D. Sanghavi
Managing Director
DIN: 00759176

Jaydev Sanghavi

Mr Jaydev V. Sanghavi
Executive Director & CFO
DIN: 00759042

Leela S. Bisht
Company Secretary & Compliance Officer
Membership No. ACS 59748

Place : Mumbai
Date : 13th May, 2024

AARVI ENCON LTD. MUMBAI

AARVI ENCON LIMITED
CIN: L29290MH1987PLC045499
Standalone Cash Flow Statement for the Year ended March 31, 2024
(All amounts are in Rupees lakhs unless otherwise stated)

Particulars	2023-24		2022-23	
Cash flows from operating activities				
Profit /(loss) before tax		1,103.02		1,529.76
Adjustments:				
Depreciation & amortisation	125.03		119.07	
Re-measurement of defined benefit obligation	(13.81)		2.31	
Interest expense	146.70		175.90	
Interest income	(236.23)		(105.98)	
Share based payments expenses	28.38			
Expected Credit Loss	94.41		95.67	
Loss on sale of property, plant and equipment	-		(1.05)	
		144.49		285.93
Operating cash flows before working capital changes and other assets		**1,247.49**		**1,815.68**
Decrease/ (increase) in Trade receivables	604.10		(1,045.59)	
Decrease/ (increase) in Financial Assets	(2,779.39)		542.84	
Decrease/ (increase) in Other Assets	(96.81)		(58.79)	
(Decrease)/increase in Trade Payables	(112.50)		59.64	
(Decrease)/increase in Financial Liabilities	341.01		(450.25)	
(Decrease)/increase in Other Liabilities	(363.02)		354.42	
		(2,406.62)		(597.74)
Cash generated from /used in operations		**(1,159.12)**		**1,217.95**
Income taxes refund / (paid), net		839.29		(544.10)
Net cash generated from / used in operating activities		**(319.83)**		**673.85**
Cash flows from investing activities				
Purchase of property, plant and equipment and CWIP	(75.83)		(117.65)	
Investment in Shares of Wholly Owned Subsidiary	(10.43)		(22.06)	
Interest Received	236.23		105.98	
Net cash generated from investing activities		**149.97**		**(33.73)**
Cash flows from financing activities				
Repayment of short -term borrowings	634.80		(302.73)	
Dividend & Dividend Distribution tax	(295.68)		(221.76)	
Interest paid	(146.70)		(175.90)	
Net cash used in financing activities		**192.42**		**(700.39)**
Net increase / decrease in cash and cash equivalents		**22.56**		**(60.27)**
Cash and cash equivalents at the beginning of the period		21.49		81.76
Cash and cash equivalents at the end of the period		44.05		21.49
		22.56		**(60.27)**

As per our report of even date

For Jay Shah & Associates
Firm Registration No. 135424W
Chartered Accountants

Jay Shah
Proprietor
M.No. 134334

JAY SHAH & ASSOCIATES ★ CHARTERED ACCOUNTANT ★ MUMBAI M No. 134334 FRN - 135424W

UDIN: 24134334BKBZ5841

Place : Mumbai
Date : 13th May, 2024

For and on behalf of the Board of Directors of

V. D. Sanghavi

Virendra D. Sanghavi
Managing Director
DIN:00759176

Jaydev Sanghavi.

Jaydev V. Sanghavi
Executive Director & CFO
DIN:00759042

Bisht

Leela S. Bisht
Company Secretary & Compliance Officer
Membership No. ACS 59748

AARVI ENCON LTD. MUMBAI

Place : Mumbai
Date : 13th May, 2024