

All About



Sector - miscellaneous



Issue Opens - Jun 30, 2023 to Jul 4, 2023

Price Band
₹140 to ₹148

Face Value
₹5

Lot Size
100 Shares

Issue Size
₹379.00 Cr

Issue Type
Book Built

Research@ganeshstock.com

Important Events



Issue Size

25,632,000 shares

Fresh Issue

18,258,400 shares

Offer for Sale

7,373,600 shares of ₹5

Basis of Allotment

Friday, 7 July 2023

Initiation of Refunds

Monday, 10 July 2023

Credit of Shares to Demat

Tuesday, 11 July 2023

PKH Ventures LTD IPO Listing Date

Wednesday, 12 July 2023

Promoters

- Pravin Kumar Agarwal (Chairman and Managing Director)
- Neelam Prakash Sharma , (Chief Financial Officer/CFO)

Promoters collectively hold 100% (Pre Issue) and 68.84%(post-issue)of the Equity Share.

About Company



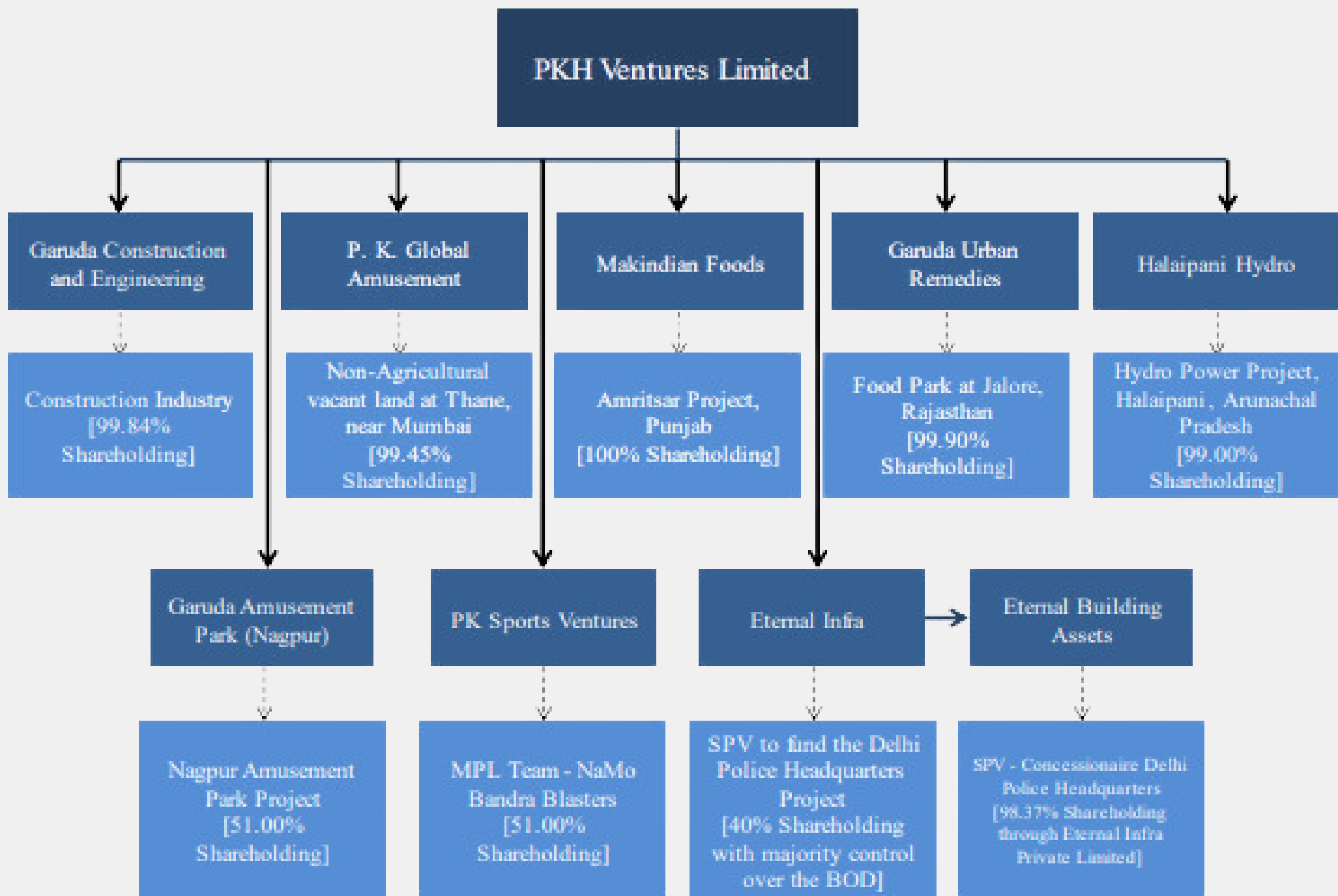
- PKH Ventures Ltd operates in the business of construction and development, hotel and management services. Their management services currently provide a wide range of mechanical, electrical and plumbing ("MEP") services such as annual maintenance on our projects and some O&M contracts. third party. Since its founding in 2000, the company has managed and operated restaurants, lounges, retail outlets, cafeterias, bars, staff canteens and food supplies at numerous airports across the country. water.

Objects of the offer

Following are the Objectives of the issue by the company

1. Invest by joining our subsidiary, Halaipani Hydro Project Private Limited to develop hydroelectric projects (civil construction and electromechanical works),
2. Invest in Garuda Construction project, to finance long term working capital needs,
3. acquisitions and other strategic initiatives; And
4. To finance expenses for general business purposes

Product Portfolio



Track Record Of Financial Performance

(₹ in lakhs)

Particulars	For the six (6) months period ended September 30, 2021	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2019
Revenue from Operations	11,084.27	27,668.23	46,982.75	30,864.31
EBITDA	8,143.68	11,141.51	9,869.66	5,208.89
EBITDA Margin (in %)	60.34	34.57	20.81	16.43
Profit after tax and non-controlling interest	2,632.42	3,063.87	1,813.57	826.12
PAT Margin (in %)	19.50	9.51	3.82	2.61

(₹ in lakhs)

Business Segments	For the six (6) months period ended September 30, 2021	% of total	For the Financial Year ended March 31, 2021	% of total	For the Financial Year ended March 31, 2020	% of total	For the Financial Year ended March 31, 2019	% of total
Construction and Development	8,553.10	77.16	14,928.83	53.96	30,394.06	64.69	14,823.10	48.03
Hospitality and Sale of Food Products	2,527.61	22.80	3,826.38	13.83	5,524.87	11.76	15,615.19	50.59
Management Services	Nil	0.00	8,754.10	31.64	10,401.89	22.14	Nil	0.00
Other Operating Revenue	3.56	0.03	158.92	0.57	661.94	1.41	426.02	1.38
Total	11,084.27	100	27,668.23	100.00	46,982.75	100	30,864.31	100

Particulars	For and as at six (6) months period ended September 30, 2021	For and as at the Financial Year ended March 31, 2021	For and as at the Financial Year ended March 31, 2020	For and as at the Financial Year ended March 31, 2019
EBITDA Margin (in %)	60.34	34.57	20.81	16.43
Profit after tax and non- controlling interest	2,632.42	3,063.87	1,813.57	826.12
PAT Margin (in %)	19.50	9.51	3.82	2.60
Net worth	21,104.31	18,471.68	11,966.50	9,226.95
D/E ⁽¹⁾	0.50	0.52	0.68	0.49
RONW (in %) ⁽²⁾	12.47	16.59	15.16	8.95
ROA (in %) ⁽³⁾	3.12	4.03	2.32	1.38

Strengths

- The company has a history of more than 20 years in the field of hotel management services, which is a core strength in developing strategies compared to other companies in the same industry.
- The company has shown remarkable growth thanks to the increased number of orders during the year and thanks to strong government projects in the construction and hotel sectors.

Risks

- The company operates diverse businesses without a clear specialisation, lacking synergy in its corporate structure.
- PKH Ventures has secured a contract for the construction of a hydropower plant, but the management lacks prior experience in this particular field.

Valuation and Outlook

The issue's price range, in terms of valuation, is INR 140 to 148 per share. A P/E ratio of 23.38x is based on a price range above INR 148 and FY22 EPS of INR 6.33.

Company engages in diversified business activity, and we think there are no other listed companies in India that do so in a way that is comparable to what their Company does. As a result, it is impossible to compare their company to others in its field.

Three government hotel development projects have been awarded to the company, while its subsidiary Garuda Construction is now working on the civil construction of six residential developments. Additionally, PKH is working on a number of upcoming development projects.

We advise SUBSCRIBING to the issue because to the positive business outlook, respectable financials, expertise in the hospitality sector, synergies created by the purchase of Amar Remedies, and experienced management.