

ABOUT COMPANY:

- PKH Ventures is in the business of Construction & Development, Hospitality and Management Services.
- PKH Ventures Limited ("PKH Ventures") was incorporated on March 23, 2000.
- The company execute Civil Construction works for Third Party Developer projects and have been awarded with 2 Government Projects viz., the Hydro Power Project and the Nagpur Project and 3 Government Hotel Development Projects viz., Rajnagar Garhi Project, Pahadikhurd Project and Tara Resort Project, being executed through their Subsidiaries/SPVs/the company.
- The Civil Construction business is executed by their Subsidiary and construction arm, Garuda Construction. Their Hospitality vertical is in the business of owning, managing and operating hotels, restaurants, QSRs, spas and sale of food products. They have concluded the development of the Delhi Police Headquarters in April 2021, which involved the construction of twin towers of 17 storeys each, with a complete glass façade and steel bridge connecting the 2 towers.
- The company managed restaurants, bars, food stalls, lounges, parking spaces, ticket counters, etc at the airports. In a span of 18 years the company managed more than 15 airports in India. The company has constructed more than 15 lakh sq. ft. in various private and government projects making construction & development vertical as the main growth engine. The company had an order book of ₹ 559.75 crore as of March 31, 2022.
- PKH Ventures is in the process of acquiring listed public company, **Amar Remedies**, through the IBC process for a lumpsum consideration of ₹ 31.59 crore. PKH Ventures is proposing to develop their own Forthcoming Development Projects, which include real estate development at Amritsar, Punjab; real estate redevelopment project at Dadar-Matunga, Mumbai; Agro processing cluster at Jalore, Rajasthan; cold storage park/facilities at Indore, Madhya Pradesh; and a wellness centre & resort at Chiplun, Maharashtra.
- The company ventured into the hospitality sector by developing and operating 2 hotels viz., a luxury hotel at Vasai, at the outskirts of Mumbai in the year 2014 and a boutique hotel near the Mumbai International Airport in 2015. They also manage and operate a luxury resort at Aamby Valley, Lonavala, near Mumbai.

ISSUE BREAK-UP

Investor	No. of Equity Shares	₹ In Cr.		% of Allocation
		Lower	Upper	
QIB	12,816,000	179.42	189.68	50%
NIB	3,844,800	53.83	56.90	15%
-NII 1	1,281,600	17.94	18.97	-
-NII 2	2,563,200	35.88	37.94	-
Retail	8,971,200	125.60	132.77	35%
Total	25,632,000	358.85	379.35	100%

NIB-1=NII Bid between ₹ 2 to 10 Lakhs

NIB-2 =NII Bid Above ₹ 10 Lakhs

Issue opens on: Friday, 30th June 2023
Issue closes on: Tuesday, 4th July 2023

Issue Details Fresh Issue of 18,258,400 Equity Shares and Offer for Sale of up to 7,373,600 Equity Shares

Issue size: ₹ 359 - 379 Cr

No. of shares: 25,632,000 Equity Shares

Face value: ₹ 5/-

Price band: ₹ 140 - ₹148

Bid Lot: 100 Equity Shares and thereof multiple

Post Issue Implied Market Cap: ₹ 1152 – 1217 Cr

BRLM IDBI Capital Market

Registrar: Link Intime India Private Limited

Sector: CONSTRUCTION & DEVELOPMENT, HOSPITALITY & MANAGEMENT SERVICES.

Listing: BSE & NSE

INDICATIVE TIMETABLE:

Activity	On or about
Finalization of Basis of Allotment	07-07-2023
Refunds/Unblocking ASBA Fund	10-07-2023
Credit of equity shares to DP A/c	11-07-2023
Trading commences	12-07-2023

SHAREHOLDING (APPROX. NO. OF SHARES):

Pre issue	Post issue
63,992,080	82,250,480

~@LoTheyr price Band ^@ Upper Price Band

SHAREHOLDING PATTERN(%)

	Pre-Issue	Post-Issue
Promoters	63.69%	40.59%
Promoter Group	36.31%	28.25%
Public - Individual Selling	0.00%	31.16%
Total	100%	100%

OBJECT OF THE ISSUE :

Particulars	Amount (in Cr)
Investment by way of equity in the subsidiary, Halaipani Hydro Project for development of Hydro Power Project (Civil Construction and Electromechanical Works)	124.12
Investment by way of equity in the Subsidiary, Garuda Construction, for funding long-term working capital requirements	80
Pursuing inorganic growth through acquisitions and other strategic initiatives	40
General corporate purposes.	-

KEY FINANCIALS:

₹ in Cr

Particulars	As at Dec'31,	As at Mar' 31,		
	2022 (09)	2022	2021	2020
Equity Share Capital	32	32	8	7.51
Other Equity	324.03	295.40	176.75	141.95
Net worth as stated	356.03	327.40	184.75	149.46
Revenue from Operations	125.46	199.35	241.51	165.89
Revenue Growth (%)	-	(17.46%)	45.58%	-
EBITDA as stated	64.67	99.03	78.62	22.62
EBITDA (%) as stated	41.71%	40.35%	29.71%	13.38%
Net Profit for the period	28.64	40.52	30.57	14.09
Net Profit (%) as stated	18.47%	16.51%	11.55%	8.34%
EPS - Basic (₹)	4.47 [^]	6.33	5.06	2.35
RONW(%) as stated	8.04%	12.38 [^]	16.55%	9.43%
NAV (₹) as stated	55.63	51.16	28.87	24.88
ROCE(%)	7.74%	15%	12.94%	10.61%
ROA%	3.08%	5.16%	4.02%	5.76%
Debt to Equity Ratio	0.48	0.30	0.52	0.17

Source: RHP *Restated Consolidated statement, #Other equity excluding Revaluation Reserve and Capital Reserve and other comprehensive Income; EPS calculated on increased capital; EBITDA % on Total Income

OFFER DETAILS:

The Offer	No. of Shares	
Fresh Issue	Upto 18,258,400 Equity Shares	
The Offer for Sale by:		WACA Per Equity Share (₹)
Ashish Bhat - Promoter Selling Shareholder	Upto 7,373,600 Equity Shares	2.41

WACA = Weighted Average Cost of Acquisition

SHAREHOLDING PATTERN:

Shareholders	Pre-offer		No. of Shares offered	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
Promoters	40,756,680	63.69%	7,373,600	33,383,080	40.59%
Promoters Group	23,235,400	36.31%	0	23,235,400	28.25%
Total for Promoter & Promoter Gr	63,992,080	100%	7,373,600	54,618,480	68.84%
Public - Others	0	0%	0	25,632,000	31.16%
Total for Public Shareholders	0	0%	0	25,632,000	31.16%
Total Equity Share Capital	63,992,080	100%	9,831,461	82,250,480	100%

BACKGROUND:

❖ Company And Directors

The company was incorporated as ‘P. K. Hospitality Services Private Limited’ on March 23, 2000. Pravin Kumar Agarwal is the Promoters of the company and currently holds 40,756,680 Equity Shares, equivalent to 63.69% of the issued, subscribed and paid-up Equity Share capital of the company.

❖ Brief Biographies of Directors

Pravin Kumar Agarwal is the Promoter, Chairman and Managing Director of the company. He is director of the company since incorporation. He has over 25 years of experience in various businesses like Construction & Development, Hospitality and Management Services. He is currently responsible for overall management and affairs of the Company and entire group including devising investment strategies, developing industry networks for further business development and overall development of the business of the company.

Kingston Eric Mendes is the Executive Director of the company. He has an experience of more than 12 years in hospitality industry and has previously worked with Royal Palms (Gold & Country Club) and Golden Chariot Hospitality Pvt Ltd. He is heading the Hospitality vertical of the company.

Ram Niranjana Bhutra is appointed as Non-Executive Director of the company. He has more than 10 years of experience in field of accounting, taxation, finance and audit. He provides his guidance to the company for operational issues and strategy planning for business development of the company.

Venkateshkumar K. Tirupatipanyam is appointed as Independent Director of the company w.e.f. August 27, 2021. Presently, he provides financial and banking consultancy services to various companies.

Priyanka Yadav is appointed as Independent Director of the company w.e.f. August 27, 2021. She has experience of over 3 years in compliance, secretarial and legal advisory. She is also a director of Artemis Electricals and Projects Ltd.

Rajvirendra Singh Rajpurohit is appointed as Independent Director of the company w.e.f. November 1, 2022. He has more than 6 years of experience in compliance and secretarial functions.

◆ Key Managerial Personnel

Clifford D'Souza is the Chief Executive Officer of the company. He has more than 14 years of experience in the hospitality industry, building and managing businesses, franchise operations, and company owned operations. He heads company's Hospitality operations.

Neelam Prakash Sharma is the Chief Financial Officer of the company. He has experience of more than 12 years in the BFSI, FMCG and hydropower EPC sectors.

Vruti Choksi is the Company Secretary and Compliance Officer of the company. She has an experience of over 1 year.

BUSINESS OVERVIEW:

PKH Ventures Limited ("PKH Ventures") is in the business of Construction & Development, Hospitality and Management Services. They execute Civil Construction works for Third Party Developer projects and have been awarded with 2 Government Projects viz., the Hydro Power Project and the Nagpur Project and 3 Government Hotel Development Projects viz., Rajnagar Garhi Project, Pahadikhurd Project and Tara Resort Project, being executed through their Subsidiaries/SPVs by the company.

The Civil Construction business is executed by their Subsidiary and construction arm, Garuda Construction. Their Hospitality vertical is in the business of owning, managing and operating hotels, restaurants, QSRs, spas and sale of food products. They have concluded the development of the Delhi Police Headquarters in April 2021, which involved the construction of twin towers of 17 storeys each, with a complete glass façade and steel bridge connecting the 2 towers. PKH Ventures is proposing to develop their own Forthcoming Development Projects, which include real estate development at Amritsar, Punjab; real estate redevelopment project at Dadar-Matunga, Mumbai; agro processing cluster at Jalore, Rajasthan; cold storage park/facilities at Indore, Madhya Pradesh; and a wellness centre & resort at Chiplun, Maharashtra.

PKH Ventures, post incorporation in the year 2000, was managing and operating restaurants, lounges, retail outlets, food stalls, bars, staff canteens and food supply at various airports across the country. The knowledge and experience of providing these services laid the foundation of their Hospitality vertical. They developed 2 hotels in Mumbai viz., Golden Chariot Vasai Hotel & Spa and Golden Chariot, The Boutique Hotel near Mumbai International Airport ("Mumbai Hotels") and has been owning, managing and operating the Mumbai Hotels since FY 2015.

PKH Ventures expanded their Hospitality operations into the restaurant space in Mumbai city by opening restaurants in the year 2013 under the brand name Golden Chariot and Balaji. Their Restaurant Casablanca at Sahara Star, Mumbai commenced operations in the year 2017. The QSR business under the brand name Zebra Crossing, Hardy's Burger and Mumbai Salsa were also launched in the year 2017. In November 2021, they extended its Hospitality offering by undertaking the management and operations of Juvana Resort and Spa, a luxury resort at Aamby Valley, Lonavala developed by Golden Chariot Retreats and Infra Pvt Ltd, their Group Company. The company has been awarded with 3 Government Hotel Development Projects namely, Rajnagar Garhi Project, Pahadikhurd Project and Tara Resort Project in the State of Madhya Pradesh on Design, Build, Finance, Operate and Transfer ("DBFOT") basis by way of a letter of award each dated November 4, 2022 from the Madhya Pradesh Tourism Board.

The knowledge and experience gained while developing their Mumbai Hotels led their promoter to venture into the business of Civil Construction through, Garuda Construction, which is now their subsidiary since April 2, 2020. Garuda Construction provides end-to-end construction services for residential and commercial buildings. Its capabilities include constructing concrete building structures as well as composite steel structures. It also provides MEP and finishing works as a part of its construction services. Incorporated in 2010, Garuda Construction constructed the Golden Chariot Vasai Hotel & Spa in the year 2014 and refurbished Golden Chariot, The Boutique Hotel in the year 2015. In the year 2017, Garuda Construction started undertaking Civil Construction works contracts for Third Party Developers and Promoter Group for the development of residential buildings in the MMR. Garuda Construction is currently engaged in the Civil Construction of 6 residential projects for Third Party Developers and Promoter Group in the MMR. As of March 10, 2022, the Garuda Construction's Third Party Developer Order Book was ₹ 468.28 crore.

PKH Ventures has been awarded 2 Government Projects i.e. development of a 16 MW hydropower plant at Halaipani, Anjaw district in the State of Arunachal Pradesh ("Hydro Power Project") and development of 42.42 acres entertainment centre at Ambazari, Nagpur ("Nagpur Project"). The aggregate cost for developing Hydro Power Project and Nagpur Project is estimated at ₹ 213.83 crore.

Further, the company has been awarded with 3 Government Hotel Development Projects namely for restoration and development of heritage hotel at Rajnagar Garhi fort located in Rajnagar, District Chhatarpur, Madhya Pradesh, Development of resort/ hotel/ water park in Pahadikhurd, District Tikamgarh, Madhya Pradesh and development of resort/ adventure and fixed tenting unit in Tara, District Panna, Madhya Pradesh on DBFOT basis by way of a letter of award each dated November 4, 2022 from the Madhya Pradesh Tourism Board. The planning for development of Rajnagar Garhi Project, Pahadikhurd Project and Tara Resort Project is yet to be done. Hence cost of development of these projects is not determined.

PKH Ventures and/or their Subsidiaries/SPVs also propose to develop their Forthcoming Development Projects which include development of:

- The real estate project at Amritsar, Punjab ("**Amritsar Project**");
- Real Estate Redevelopment Project at Dadar-Matunga, Mumbai ("**Mumbai Redevelopment Project**");
- Agro processing cluster spread across 118 acres at Jalore, Rajasthan ("**Jalore Food Park, Rajasthan**");
- Multi-commodity cold storage facility near Indore at District Khargone, Madhya Pradesh ("**Indore Cold Storage**");
- A wellness centre and resort at Chiplun, Maharashtra ("**Wellness Centre & Resort, Chiplun**").

Under Management Services vertical, PKH Ventures in the past managed airport entry ticket counters, retail outlets at airports and toll management services. Presently, there are no such active contracts of these Management Services. Under Management Services vertical, they provide services for the annual maintenance of the Delhi Police Headquarters as per the agreement entered into with the concessionaire (*Eternal Building Assets Pvt Ltd*).

They have also invested in the ownership of a cricket team as a joint venture partner, through their subsidiary, **PK Sports**. Their cricket team i.e. "NaMo Bandra Blasters" plays in the T20 Mumbai League of the Mumbai Cricket Association. As of March 31, 2023, they had 156 employees.

COMPANY PRODUCTS

The Construction & Development Business

PKH Ventures executes Civil Construction works and development of Third-Party Developer projects, Government Projects and Government Hotel Development Projects.

They concluded the construction and development of the Delhi Police Headquarters in April 2021, which involved the construction of twin towers of 17 storeys each, with a complete glass façade and steel bridge connecting the 2 towers. They also propose to develop their own Forthcoming Development Projects, which include real estate development at Amritsar, Punjab real estate redevelopment project at Dadar-Matunga, Mumbai, Agro processing cluster at Jalore, Rajasthan, cold storage park/facilities at Indore, Madhya Pradesh and a wellness center & resort at Chiplun, Maharashtra. The Civil Construction activity is executed by their Subsidiary and construction arm, Garuda Construction.

Civil Construction Works

Garuda Construction has entered into Civil Construction work contracts with various Third-Party Developers for the construction of residential buildings and apartments. These projects are presently under-construction and have different project completion dates.

The Third-Party Developer Order Book of Garuda Construction consists of contract value of unexecuted or uncompleted portions of the under construction Third Party Developer and Promoter Group projects as reduced by the value of construction work billed till March 15, 2023. The pending Third-Party Developer Order Book of such Third-Party Developer was ₹ 468.28 crore as on March 15, 2023.

Details of the Third-Party Developer Order Book (including Promoter Group projects):

₹ in Cr

Name of the Developer / Promoter Group Entity	Nature of Contract	Sq. ft.	Contract Value (excluding taxes)	Outstanding Order Value	% of Outstanding Order Value
Sangam Ananya Developers Pvt Ltd (Sangam Group)	Construction contract of luxury residential project Sangam Nero at Bandra East, Mumbai.	95,200	32.70	24.93	5.32%
Mumbai based developer	Construction Contract for slum rehabilitation project at Borivali East, Mumbai.	491,800	256.14	256.14	54.707%

₹ in Cr

Name of the Developer/ Promoter Group Entity	Nature of Contract	Sq. ft.	Contract Value (excluding taxes)	Outstanding Order Value	% of Outstanding Order Value
Balaji Construction Company	Construction contract of Trinity Oasis at Ghodbunder Road, Thane.	400,000	108.00	108.00	23.06%
Shree Umiya Builders & Developers	Construction contract for the residential project Garuda Zenith at Borivali West, Mumbai.	287,400	57.48	2.20	0.47%
Shree Umiya Builders & Developers	Complete Finishing works of the residential project Garuda Zenith at Borivali West, Mumbai.	287,400	104.90	56.35	12.04%
Golden Chariot Retreat and Infra Pvt Ltd (Promoter Group)	Construction contract of Celebration Apartments at Aamby Valley City, Lonavala.	55,750	22.00	20.65	4.41%
Total			581.22	468.28	100.00%

Project Details

Sangam Nero

PKH Ventures has entered into a contract with Sangam Ananya Developers Pvt Ltd to carry out civil and finishing works of a residential real estate project situated at Bandra East, Mumbai. The contract involves all RCC works and other works as per the architect's approved plans, RCC consultant's drawings and specifications of 95,200 sq ft and finishing works of 1,30,000 sq ft. in this project. This project is expected to be completed by December 2024. The pending works to be executed for this project is ₹ 24.93 crore.

Mumbai based developer – SRA Project

PKH Ventures has entered into a construction contract with a Mumbai based real estate developer for construction of a slum rehabilitation project (SRA Project). The project is located in Borivali East, Mumbai. It is a lumpsum construction contract for approximately 4,91,800 sq. ft. which will also include finishing works. This project is required to be completed by December 31, 2026. The aggregate value of the works to be executed for this project is ₹ 256.14 crore.

Trinity Oasis

PKH Ventures has entered into a Construction and Management Agreement with Balaji Construction Company, the developer for construction of 3 residential buildings. The project is located on Ghodbunder Road in Thane near Mumbai. It is on a turnkey basis which includes, planning, designing, construction of works, plumbing, electrical and finishing works. The total built up area of all 3 buildings to be constructed is around 4,00,000 sq. ft. This project is expected to be completed within 33 months from the date of physical takeover and the developer obtaining commencement certificate with all approved plans on time. The pending works to be executed for the project is ₹ 108 crore. As per the arrangement with the developer, Garuda Construction will develop 3 residential buildings in lieu of saleable area of 2,20,000 sq. ft. in this project.

Garuda Zenith (Civil Construction Contract)

Garuda Zenith is a redevelopment residential apartment building project being developed by Shree Umiya Builders & Developers, in the western suburb of Mumbai, Borivali West. The rehabilitation part of the project has been completed and the saleable building is under construction. The sale building has a total construction area of 2,87,400 sq. ft. The pending works to be executed for the project is ₹ 21.99 crore.

Garuda Zenith (Finishing Works Contract)

PKH Ventures has entered into a finishing works contract with Shree Umiya Builders & Developers to carry out complete finishing and beautification works of this residential real estate project situated at Borivali West, in Mumbai. The scope of work comprises internal and external finishes with a built-up area of 2,87,400 sq. ft. This project is expected to be completed by February, 2025. The total work order amount for this project is ₹ 56.35 crore.

Celebration Apartments, Aamby Valley (Promoter Group project)

Celebration Apartments is a residential apartment complex of 12 buildings being constructed by Garuda Construction and consisting of 72 luxurious fully furnished apartments with a total construction area of 55,750 sq. ft. This project is being constructed around the west lake area of Aamby Valley City near Lonavala. The scope of work includes construction of complete civil structure to be completed in 36 months by December 2024. The value of the contract is ₹ 20.65crore.

Completed Civil Construction Works:

Garuda Construction has been executing various construction projects since 2015. These include Civil Construction for residential & commercial buildings, certain civil works projects, their Mumbai Hotels and a Government Project. The details of all the completed projects:

Description of the Project	Nature of Contract	Financial Year of Completion	Value of the Contract (₹ in Cr)
Civil Works at Patna, Bihar; Gangavati in Karnataka and Tamil Nadu	Civil Works	2015	24.19
Golden Chariot Vasai Hotel & Spa	Civil Construction	2014	28.10
Golden Chariot, The Boutique Hotel at Andheri (East)	Renovation and Refurbishment of the building from commercial premises to a hotel	2015	5.82
Residential building - Riwali Park, Kandivali, Mumbai	Civil Construction	2017	3.15
Finishing Contract of NHAI Headquarters, Delhi	Civil Construction	2018	2.42
Construction of Delhi Police Headquarters	Civil Construction	2021	448.00
Shiv Shivam Developers Private Limited (Sangam Group)	Finishing Works contract of a luxury residential project Sangam Veda at Andheri East, Mumbai	2022	14.86
		Total	526.54

Government Projects

PKH Ventures undertakes the development of projects offered by the Central & State Governments and their departments for construction/development by selective participation in the competitive bidding process. They have completed construction of the Delhi Police Headquarters in April 2021. The Government Projects awarded to them are Hydro Power Project and the Nagpur Project. They have completed construction of the Delhi Police Headquarters in April 2021, which involved the construction of twin towers of 17 storeys each, with complete glass façade and steel bridge connecting the two towers.

Forthcoming Development Projects

PKH Ventures developed the Mumbai Hotels which gave them the knowledge and experience as a developer. The company, as a developer, has plans to develop certain projects across business segments like real estate development, hotel/resort development and food & cold storage facilities in different areas of the country. These Forthcoming Development Projects are currently at initial stages of planning and approvals from relevant government authorities. The construction works for these projects will commence once necessary approvals are received by them.

THE HOSPITALITY BUSINESS

PKH Ventures, post incorporation in the year 2000, was contracted for providing Management Services at various airports in the country such as airport entry ticket counters and toll management. The knowledge and experience of providing these services for almost two decades laid the foundation of their Hospitality vertical.

The company ventured into the hospitality sector by developing and operating 2 hotels viz., a luxury hotel at Vasai, at the outskirts of Mumbai in the year 2014 and a boutique hotel near the Mumbai International Airport in 2015. They also manage and operate a luxury resort at Aamby Valley, Lonavala, near Mumbai. Further, the company forayed into the managing and operating of restaurants under the name/brands Balaji, Golden Chariot, Casablanca, Oriental Bistro and Buno & Kaffa.

The details of these hotels & restaurants:

Particulars	For the 9 months period ended Dec'31	Financial Year		
	2022	2022	2021	2020
Golden Chariot Vasai Hotel & Spa				
Available keys (in Nos.)	60	60	60	60
ADR* (in ₹)	2,900	2,900	2,750	3,000
Average Occupancy** (in %)	34.41%	23.48%	13.77%	31.50%
Total Room Revenue (₹ in lakhs)	161.68	149.14	82.95	206.93
Golden Chariot, The Boutique Hotel				
Available keys (in Nos.)	28	28	28	28
ADR* (in ₹)	3,200	3,000	2,040	3,685
Average Occupancy** (in %)	22.15%	14.10%	9.00%	12.65%
Total Room Revenue (₹ in lakhs)	53.48	43.19	18.76	47.64

Juvana Resort and Spa at Aamby Valley, Lonavala

The company has entered into a business arrangement with their Group Company, Golden Chariot Retreats and Infra Pvt Ltd ("GCR IPL") for running the operations and management of Juvana Resort and Spa at Aamby Valley, Lonavala, Maharashtra for a period of 18 years with effect from April 1, 2020. The resort has 18 suites and 10 rooms, a restaurant, a tower bar and spa. The resort is located at the area next to the lakeside at Aamby Valley City, which is a hill area city spread across 11,000 acres near Lonavala, near Mumbai.

The operational details for the period from November 27, 2022 to March 31, 2022 and as on December 31, 2022 are as under:

Particulars	For 9 months period ended Dec' 31, 2022	For the period from Nov' 27, 2022 to Mar'31, 2022
Available keys (in Nos.)	28	28
ADR* (in ₹)	2,750	2,750
Average Occupancy** (in %)	100%	100
Total Room Revenue (₹ in lakhs)	207.90	92.40

The Management Services Business

PKH Ventures commenced business by providing Management Services at various airports in the country such as airport entry ticket counters and toll management. The company in 2009 was offering these services to 13 airports in India. They had also set up kitchens for inflight catering near Ahmedabad airport and had tie-ups with several domestic and international airlines. Presently there are no such active contracts of these Management Services.

The company obtained its first toll contract of managing the entry point of Delhi in the year 2008 which was operated for more than 4 years. Thereon, they managed more than 8 toll projects pan-India in places such as Hyderabad (Andhra Pradesh), Punjab, Odisha, Gujarat, Sriakulam (Andhra Pradesh), Gorakhpur (Uttar Pradesh), Madapam (Andhra Pradesh) and Vishakapatnam (Andhra Pradesh). The above Management Services have also ceased to operate due to the Covid-19 or conclusion of the contract period.

As a part of their Management Services, at present they provide services for the annual maintenance of the Delhi Police Headquarters as per the agreement entered into with the concessionaire.

Other Ventures:

Acquisition of Amar Remedies

PKH Ventures is in the process of acquiring a NSE and BSE listed public company, **Amar Remedies**, through the IBC process for a lumpsum consideration of ₹ 31.59 crore. The NCLT, Mumbai has already approved their resolution plan and the Resolution Professional has also handed over the physical possession of the immovable assets of this company to them after deposit of the initial funds as per terms of the resolution plan. The stock exchanges had passed a circular and public notice in 2019 delisting this company from the bourses due to historical non-compliances which has been challenged by the company by way of a Writ Petition before the Bombay High Court and an appeal before the NCLAT, which is pending for hearing.

Company's Revenue sharing agreements:

Particulars	Sharing of revenue details
Golden Chariot, The Boutique Hotel	The company has entered into a revenue sharing arrangement with their Promoter by which 10% of gross revenue of the hotel will be shared with their Promoter on a per month basis with effect from March 1, 2020 for a period of 20 years.
Juvana Spa, Casablanca, and West Block at Sahara Star Hotel, Mumbai	Revenue sharing arrangement with the Group Company, Golden Chariot Retreats and Infra Pvt Ltd ("GCR IPL") under which 30% of the net turnover of the hotel will be shared with GCR IPL on a per month basis with effect from April 1, 2020 for the period of 18 years.
Juvana Resort and Spa at Aamby Valley	Revenue sharing arrangement with GCR IPL under which 70% of the net turnover of the hotel will be shared by the company with GCR IPL on a per month basis with effect from April 1, 2020 for the period of 18 years.
Golden Chariot restaurant at Hub Mall, Goregaon East, Mumbai	Revenue sharing arrangement with the Group Company, Golden Chariot Hospitality Services Pvt Ltd ("GCHSPL") for operating the Golden Chariot restaurant at Hub Mall, Goregaon East, Mumbai under which 10% of the net turnover of this restaurant will be shared with GCHSPL on a per month basis with effect from September 13, 2021 on a perpetual basis. This restaurant was shut down due to the Covid-19 pandemic and has not yet resumed operations.
Balaji Restaurants at R City Mall at Ghatkopar (East) and Grishma Garden, Vasai (East)	For operating the Balaji Restaurants at R City Mall at Ghatkopar (East) and Grishma Garden, Vasai (East) under which 10% of the net turnover of these restaurants will be shared with GCHSPL on a per month basis with effect from September 13, 2021 on perpetual basis. The Balaji Restaurant at Grishma Garden, Vasai (East) had shut down since the onset of the Covid-19 pandemic in 2020 and has not yet resumed operations.
Buno & Kaffa, a coffee shop	Revenue sharing arrangement with the Group Company, Aroma Coffees Pvt Ltd ("Aroma") under which 5% of the net turnover of the Buno & Kaffa will be shared on a perpetual basis with Aroma on a per month basis with effect from June 1, 2022 for use of trademark 'Buno & Kafai – Coffee Something' belonging to Aroma by the company.
Oriental Bistro	Revenue sharing arrangement with the Promoter under which 15% of the net turnover of the Oriental Bistro will be shared on a perpetual basis with the Promoter on a per month basis with effect from June 1, 2022. Presently, Oriental Bistro is non-operational due to proposed change in its location.
Multi-commodity cold storage facility near Indore at District Khargone in the State of Madhya Pradesh	The revenue sharing agreement 7% of the net turnover of the Indore Cold Storage Facility will be shared with the Promoter on a per month basis once this facility gets operational.
Celebration Apartments at Aamby Valley, Lonavala	The Group Company, GCR IPL has entered into a contract with their Subsidiary Garuda Construction for the construction of Celebration Apartments at Aamby Valley, Lonavala. Company's Promoter will be deemed to be interested directly and/or indirectly in the above commercial arrangements.

COMPETITIVE STRENGTH

Established Track Record

PKH Ventures, for over 15 years, had been managing and operating restaurants, quick service restaurants, lounges, F&B counters, vending machines and other catering services at various airports in the country. The knowledge and experience gained from this business enabled the company to venture into owning, managing and operating hotels, restaurants, banquets and QSRs. They currently own and manage 2 hotels and manage and operate 1 resort, 4 restaurants, 4 banquets and 1 Spa at Golden Chariot Vasai Hotel & Spa, have been non-operational since the beginning of the Covid-19 pandemic and 1 Restaurant namely, Oriental Bistro have recently been non-operational due to proposed change in its location.

Visible growth through increasing Third-Party Developer Order Book, Government Projects, Government Hotel Development Projects and Forthcoming Development Projects

In the construction industry, an order book is considered as one of the key indicators of future performance as it represents a portion of anticipated future revenue. Company's strategy is not focused solely on order book addition but, rather, on adding quality projects with potentially higher margins and/or prestigious projects that helps enhance their growing reputation, market penetration and perception. They are currently engaged in the Civil Construction of 6 residential projects for Third Party Developers and Promoter Group in the MMR. As of March 15, 2023, the Garuda Construction's Third-Party Developer Order Book was ₹ 468.28 crore.

Diverse Business Model

PKH Ventures is in the business of Construction & Development, Hospitality and Management Services. Their businesses generate income from diverse activities completely independent of each other.

Their step-down subsidiary, Eternal Building Assets has already received annuity for a period of 3 years on part COD and will receive the annuity of ₹ 78 crore per year till FY 2033. Considering the 40% equity stake in Eternal Infra, the company will be entitled a pre-tax amount of ₹ 27.86 crore p.a. Civil Construction works for Third Party Developers generates revenue from works contract charges and their Hospitality vertical generates income from hotels, restaurants, and sale of foods. Further, under the Hydro Power Project awarded by the State of Arunachal Pradesh, they will receive income from the sale of power once the Hydro Power Project is commissioned by June 2024. In the past, they have generated revenue from providing Management Services at various airports and managing tolls across India.

Asset light model of the Civil Construction business

The company has adopted the **asset light model approach for the Civil Construction business** and rely mostly on third party suppliers for equipment and labour. Further, it is difficult and unviable to mobilise heavy equipment and machinery from one place to another for execution of projects at such diverse locations. In addition to the difficulty in mobilisation of equipment and machinery, a large amount of capital is required to acquire construction equipment and machinery. Deployment of equipment and labour through third party contractors at these locations help them reduce fixed costs, make execution of construction projects cost efficient and increase margins.

Strong financial performance and robust balance sheet

Covid-19 has led management to recalibrate the group's businesses and they are continuing to evaluate the manner in which they can grow their margins.

Experienced Promoter, Directors & Management Team

Pravin Kumar Agarwal is the Promoter, Chairman and Managing Director of the company. He has over 25 years of experience in various businesses like Construction & Development, Hospitality and Management Services. He is currently responsible for overall management and affairs of the company and entire group including devising investment strategies, developing industry networks for further business development and overall development of the business of the Company. The company has attracted experienced senior management team with operational and technical capabilities, management skills, business development experience and financial management skills. The combined strength of the Promoter, Directors and senior management team provides access in securing new work orders, executing projects and expanding the business.

KEY BUSINESS STRATEGIES

Expand into diversified projects within the Construction & Development vertical including bidding for higher margin DBFOT and HAM projects

The construction and development sector will be a major driver for growth in India. The construction sector is the country's 2nd largest economic segment after agriculture. The sector contributed 8% to the national GVA (at constant price) in FY22. PKH Ventures provides end-to-end construction services for residential and commercial buildings. They also provide Civil Construction services to Third Party Developers for their residential real estate projects. While they continue to focus on Construction & Development, they intend to diversify into and continue to bid for high margin DBFOT and HAM projects. Additionally, the company proposes to develop a multi-commodity cold storage facility near Indore at District Khargone in the State of Madhya Pradesh.

Expanding the Hospitality portfolio by developing new hotels and expanding restaurants operations

PKH Ventures presently own and manage a luxury hotel at Vasai, at the outskirts of Mumbai and a boutique hotel near the Mumbai International Airport. They also manage and operate a luxury resort at Aamby Valley at Lonavala, near Mumbai.

The company has been awarded by MTDC the development of the Nagpur Project spread across a land parcel of 42.42 acres which will include recreational clubhouse/cottages/sports and other facilities. They also intend to develop a Wellness Centre & Resort, at Chiplun, Maharashtra on a land parcel owned by their promoter.

Leverage the business growth by identifying and forming strategic joint venture relationships for mutual benefit through sharing of resources and business skills

The company enter joint ventures with another entity(ies) complementing the capabilities and strengths. They intend to build on their existing relationships with their joint venture partners and also create new joint venture relationships for their future projects, particularly for large value projects in their existing business segments and also for entering into new business segments.

Identifying capital investment opportunities in select projects that have clear visibility for growth potential and profitability

The company seeks investment opportunities in select projects which have clear visibility for growth potential and profitability. They continue to evaluate potential targets for capital investments, acquisitions and partnerships. The company, through its Subsidiary Makindian Foods Pvt Ltd, had acquired the immovable assets, including plant and machinery, of a company at Amritsar, Punjab through an IARC in the year 2014. They have also invested in a sports franchise in 2018, as a joint venture partner, by acquiring cricket team by the name "NaMo Bandra Blasters" in the Mumbai Premier League ("MPL") promoted by Mumbai Cricket Association.

REVENUE FROM OPERATIONS

₹ in Cr

Particulars	For the 9 months ended 31st December	For the year ended 31st March		
	2022	2022	2021	2020
	Amount	Amount	Amount	Amount
Sale of Products				
- Sales	34.23	72.94	38.60	51.74
- Sale of events			-	3.74
Sale of Services				
- Room Sales	4.23	3.82	1.02	2.55
- Sale of Wind Power	-	0.07	0.23	0.34
- Revenue arising out of Toll collections	-	-	87.55	104.02
- Revenue arising from Construction services	76.83	91.86	70.12	-
- Maintenance of Building	9.15	29.49	-	-
- Add: Accretion/(Decretion) in Work in Progress	-	1.18	20.58	-
- Operating Revenue	1.02	-	23.41	3.51
Total Revenue from Operations	125.46	199.35	241.51	165.89

Segmental Revenue Details:

₹ in Cr

Particulars	For 9 months period ended Dec'31		Financial Year Ended March 31,					
	2022		2022		2021		2020	
	Revenue	% to Total	Revenue	% to Total	Revenue	% to Total	Revenue	% to Total
Construction and Development	76.82	61.24%	93.04	46.68%	114.12	47.26%	Nil	Nil
Hospitality and Sale of Food Products	38.46	30.66%	76.75	38.50%	38.26	15.84%	55.25	33.31%
Management Services	9.15	7.29%	29.49	14.79%	87.54	36.25%	104.02	62.70%
Other Operating Revenue	1.02	0.81%	0.07	0.03%	1.59	0.65%	6.62	3.99%
Total	125.46	100.00%	199.35	100.00%	241.51	100.00%	165.89	100.00%

PEER COMPARISON OF HOSPITALITY SEGMENT (31ST MARCH 2022)



Particulars	PKH Ventures Ltd	Sayaji Hotels Limited	Graviss Hospitality Limited	Kamat Hotels (India) Limited	Indian Hotels Co. Ltd	Chalet Hotels Ltd.	Lemon Tree Hotels	EIH LTD
Revenue	24,540	17,200	5,307	14,563	2,15,242	50,147	13,217	91,076
EBITDA	9,902	5,620	(138)	3,782	48,042	11,340	4,297	1,570
EBITDA Margin	40%	33%	-3%	26%	22%	23%	33%	2%
Net Profit	6,642	3,305	(650)	(2,267)	(3,445)	(7,105)	-1,606	(11,821)
Net Profit Margin	27%	19%	-13%	-16%	-2%	-14%	-12%	-13%
EPS	6.33	18.3	(0.92)	(9.61)	(0.27)	(3.1)	(0.2)	-1.89

Source: RHP Page 189 - 193

HENSEX OUTLOOK:

Rating: Apply for Medium to Long Term Investment

- ✓ **PKH Ventures is in the business of Construction & Development, Hospitality and Management Services**
- ✓ **The company execute Civil Construction works for Third Party Developer projects and have been awarded with 2 Government Projects viz., the Hydro Power Project and the Nagpur Project and 3 Government Hotel Development Projects viz., Rajnagar Garhi Project, Pahadikhurd Project and Tara Resort Project, being executed through their Subsidiaries/SPVs/the company.**
- ✓ **The company managed restaurants, bars, food stalls, lounges, parking spaces, ticket counters, etc at the airports. In a span of 18 years the company managed more than 15 airports in India. The company has constructed more than 15 lakh sq. ft. in various private and government projects making construction & development vertical as the main growth engine. The company had an order book of ₹ 559.75 crore as of March 31, 2022.**

MAJOR RISK FACTOR:

- **According to company's objects of the issue, company plans to infuse Rs. 12,411.90 Lakhs into their new Hydro Power Project. The Company states; it has no prior experience of developing and operating a hydro power project. Also Hydro Power Project is subject to risk of change in weather, calamities like flood, cyclone might effect the productivity of the project and might lead to a major capital and revenue loss.**
- **The Company have experienced negative cash flows in the past, this may adversely affect their cash flow requirements, which in turn may adversely affect the company's ability to operate their business.**

Rs. In Lakhs

Particulars	For 9 months period ended December 31, 2022	FY 2022	FY 2021	FY 2020
Net cash (used in)/ generated from operating activities	(511.23)	2,388.39	(42,683.33)	580.79
Net cash generated from/ (used in) Investing activities	(411.52)	(182.40)	31,115.54	(183.58)
Net cash generated from/ (used in) Financing activities	6,656.94	(1,044.59)	11,427.74	(278.46)

- **The company derives significant revenues from the Construction & Development vertical hence, if the company fails to obtain new contracts or to sustain current contracts it might adversely effect the company's financial condition**
- **PKH Venture owns, manages and operates various businesses directly or through their subsidiaries and there is no consistency in revenues from one business segment. Company's inability to maintain consistency in revenues from the businesses may adversely affect their business, results of operations and financial condition**

Our Branches

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2, Keshav Bhavan, 9th Chopasani Road, Near HDFC Bank, Jodhpur, 342003

MUMBAI

12 A, 2nd Floor, Sonawala Building, Opp. Bombay Stock Exchange, Fort Mumbai, 400001

JAIPUR

5th Floor, Okay Plus Tower, Government Hostel Circle, Ajmer Road, Jaipur, 302001 (Raj).

UDAIPUR

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AHMEDABAD

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VADODARA

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BENGALURU

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Source: RHP (Red Herring Prospectus)
(For Additional & Detailed information, please refer RHP.)

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