



CERTIFICATE ON KEY PERFORMANCE INDICATORS

Date: 21/06/2023

To

The Board of Directors
PKH Ventures Limited
201, A Wing, Fortune 2000, C-3 Block,
Bandra Kurla Complex, Bandra East
Mumbai - 400 051.

And

IDBI Capital Markets & Securities Limited
6th floor, IDBI Tower, WTC Complex,
Cuffe Parade, Mumbai 400 005,
Maharashtra, India.

Dear Sirs,

Re: Proposed initial public offering of equity shares (the “Equity Shares”) of PKH Ventures Limited (the “Company” and such initial public offering, the “Offer”)

We, Mittal Agarwal & Company, Chartered Accountants, Statutory Auditors of the Company, have been requested to verify the information included in **Annexure A**, which is proposed to be included in the red herring prospectus (“**UDRHP**”) intended to be filed by the Company with the Securities and Exchange Board of India (the “**SEBI**”) and the red herring prospectus (“**RHP**”) and the prospectus (“**Prospectus**”) intended to be filed with the Registrar of Companies, Maharashtra at Mumbai (the “**RoC**”) and thereafter filed with the SEBI and stock exchange(s) where the Equity Shares are proposed to be listed (the “**Stock Exchanges**”), and other materials or documents in relation to the Offer (collectively, the “**Offer Documents**”).

We have performed the procedures agreed with you and enumerated below with respect to the key performance indicators including business metrics of the Company (“**KPIs**”) as on respective dates and for the respective period mentioned against each annexure (the “**Periods**”), set forth in the accompanying schedules. Our engagement was undertaken in accordance with the Standard on Related Services (SRS) 4400, “Engagements to Perform Agreed-upon Procedures regarding Financial Information”, issued by the Institute of Chartered Accountants of India. SRS 4400 is generally adopted to perform agreed upon procedures regarding financial information; however, this standard can also be used as a guide to perform agreed upon procedures regarding non-financial information. We have conducted our examination for this certificate in accordance with the ‘Guidance Note on Reports or Certificates for Special Purposes’ (“**Guidance Note**”) issued by the Institute of Chartered Accountants of India. Our Engagement on the Agreed upon Procedures has been performed in accordance with our Engagement Letter signed on 17 August 2022.

The procedures were performed to assist in evaluating the accuracy, validity and completeness of the KPIs of the Company and the same have been enumerated in **Schedule I**.

On the basis of the procedures set forth in **Schedule I** nothing came to our attention that caused us to believe the KPIs were not accurate, valid and complete.

At your request, we have also read the items identified by you on the attached copy of the RHP and have compared the amounts to the corresponding amounts set out in the **Annexure A** and found them to be in agreement.



Based on such procedures performed by us, our review of the relevant document and discussions with the management of the Company, we confirm that the information in **Annexure A** is true, correct, accurate, not misleading and without omission of any matter that is likely to mislead, and adequate to enable prospective investors to make an informed decision.

This certificate is for information, and for inclusion of contents thereof, in full or part (without disturbing the essence of information), in the Offer Documents prepared in connection with the Offer or any other document to be issued or filed in relation to the Offer, including in any corporate or investor presentation made by or on behalf of the Company, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, Stock Exchanges, any other authority as may be required and / or for the records to be maintained by the BRLM in connection with the Offer, and in accordance with applicable law, and for the purpose of any defense the BRLM may wish to advance in any claim or proceeding in connection with the contents of this certificate.

We confirm that the information herein is true and fair and not misleading and does not contain any untrue statement of a material fact nor omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made.

This certificate may be relied on by the Company, the BRLM, and the legal counsels in relation to the Offer.

To the extent of our knowledge, we shall update you, in writing, of any material changes in the information contained in this certificate until the date the Equity Shares issued/transferred pursuant to the Offer commence trading on the Stock Exchanges. In the absence of any such communication, you may assume that we do not have any knowledge about any material change in respect of the matters covered in this certificate.

We also give our consent to include this certificate as part of “Material Contracts and Material Documents” which will be available to the public for inspection in the Offer Documents.

LIMITATIONS

Our views are based on the information, explanations and representations obtained from the Company and our independent verification of thereof. This certificate has been prepared solely in connection with the proposed initial public offering of equity shares of the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Capitalized terms not defined herein shall have the same meaning as ascribed to them in the Offer Documents.

Yours faithfully,

For and on behalf of Mittal Agarwal & Company
Chartered Accountants
Firm Registration Number: 131025W

Name: Deepesh Mittal
Designation: Partner
Membership No. 539486
UDIN: 23539486BGVOHX7609
Place: Mumbai
Date: 21/06/2023



Enclosed:

Schedule I: Procedure for evaluation of KPIs
Annexure A: Details of KPIs in the Offer document

cc:

Legal Counsel to the Company

Desai & Diwanji
Lentin Chambers, Dalal Street
Fort, Mumbai 400 001
Maharashtra, India

Legal Counsel to the BRLM

Kanga and Co., Advocates and Solicitors
Readymoney Mansion
43, Veer Nariman Road
Fort, Mumbai 400 001
Maharashtra, India



SCHEDULE I

Procedures performed as per our Engagement Letter (on information provided by the Company)

At your request, we have read the items identified by you in the **Annexure A**, and have performed the following procedures, which were applied as indicated with respect to the letters explained below:

- A. Compared the amounts to the corresponding amounts appearing in the Restated Financial Statements or accounting records or schedules and found them to be in agreement.
- B. Verified and compared the items with the [audited financial statements, relevant accounting records, documents, other records and registers including invoices, management reports, internal documents, reports used for periodic MIS reporting, reports from digital / computerized systems, extracts of minutes of board meetings and any other documents necessary or required for verification of the items] and found them to be in agreement.
- C. Tested the arithmetic and clerical accuracy.

Based on the procedures performed above, we found the information identified by you in **Annexure A** to be true and correct.



ANNEXURE A

The table below also sets forth a brief explanation of and the importance of these KPIs for our business and operations, along with details of KPIs as at/ for the financial years ended March 31 2020, March 31, 2021, March 31, 2022 and the six months period ended December 31, 2022:

(₹ in lakhs except percentages and ratios)

Particulars	For six months period ended December 31, 2022	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2020
Revenue from Operations ⁽¹⁾	12,545.57	19,935.20	24,150.91	16,588.70
EBITDA ⁽²⁾	6,466.84	9,902.66	7,861.88	2,262.00
EBITDA Margin (in %) ⁽³⁾	41.71	40.35	29.71	13.38
Profit after tax and non-controlling interest ⁽⁴⁾	2,863.52	4,051.55	3,056.67	1,409.34
PAT Margin (in %) ⁽⁵⁾	18.47	16.51	11.55	8.34
Net worth ⁽⁶⁾	35,601.44	32,737.91	18,471.68	14,940.45
Debt/Equity ⁽⁷⁾	0.48	0.30	0.52	0.17
RoNW (in %) ⁽⁸⁾	8.04	12.38	16.55	9.43
RoA (in %) ⁽⁹⁾	3.08	5.16	4.02	5.76
Net Asset Value NAV (in ₹) ⁽¹⁰⁾	55.63	51.16	28.87	24.88

- (1) *Revenue from Operations: This represents the income generated by the Company from its core operating operation. This gives information regarding the scale of operations.*
- (2) *EBITDA: calculated as restated profit/(loss) before tax, plus Interest, depreciation and amortization expense and finance costs. This gives information regarding the operating profits generated by the Company in comparison to the revenue from operations of the Company.*
- (3) *EBITDA Margin (in %)-: calculated as the percentage of EBITDA during a given year/period divided by Total Income. This gives information regarding operating efficiency of the Company.*
- (4) *Profit after tax and non-controlling interest - This gives information regarding the overall profitability of the Company.*
- (5) *PAT Margin (in %): calculated as the restated profit after tax and non-controlling interest attributable to equity shareholders of the Company divided by the Total income. This gives information regarding the overall profitability of the Company in comparison to Total Income of the Company.*
- (6) *'Net worth' means aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, capital reserve and credit balance of the non controlling interest. This gives information regarding total value created by the entity and provides a snapshot of current financial position of the entity.*



- (7) *Debt/Equity: The total debt of the Company at the end of the year/period divided by the net worth of the Company at the end of the year/period. This provides information about how much debt a company is using to finance its assets relative to the value of shareholders' equity*
- (8) *RoNW (in %): Restated profit after tax and non-controlling interest attributable to equity shareholders for the year/period attributable to equity shareholders of the Company divided by the net worth of the Company at the end of the year/period. This gives information regarding profitability of the Company on the shareholders' funds deployed in the business.*
- (9) *RoA (in %): Restated profit after tax and non-controlling interest attributable to equity shareholders for the year/period attributable to equity shareholders of the Company for the year attributable to equity shareholders of the company divided by the total asset of the Company at the end of the year/period. The RoA indicates profitability in relation to its total assets*
- (10) *Net Asset Value (NAV) per Equity share is calculated as Restated net worth excluding revaluation reserves, capital reserve and credit balance of the non-controlling interest at the end of the year/period divided by the number of equity shares outstanding at the end of year/period. and adjusted bonus and spilt.*