

# Khyati Global Ventures Limited

## 1. Business Overview

Khyati Global Ventures Limited was incorporated as Khyati Advisory Services Limited on May 10, 1993, under the Companies Act, 1956. The company has gone through multiple name changes, with its current name adopted on April 26, 2024. Initially a private company, it transitioned to a public limited company in 2022.

### Nature of Business:

- Khyati Global Ventures Limited operates in the trading and advisory services sector, involving various financial activities.
- The company offers both B2B and B2C services.
- It is primarily involved in trading, not manufacturing, and relies on a network of suppliers to fulfill its operational needs.

### Products and Services:

- The company is an Exporter and Re-packager of variety of FMCG products which include sub-categories of Food stuff, Non-food FMCG products, Household Products, Festive handicraft items and we also deal in the Pharmaceutical products.

## 2. Industry Overview

- Khyati Global Ventures Limited operates in the commodity trading and advisory services industry. This sector is characterized by moderate market competition, regulatory risks, and varying profit margins depending on the specific commodities traded.
- Market demand for their services is influenced by economic growth, regulatory changes, and trade policies.

## 3. Management Profile

- **Promoters:** Ramesh Rughani, Chandrika Rughani, Khyati Rughani, Aditi Raithatha, and Hiren Raithatha.
- **Key Management Personnel:**
  - **Chairman:** Ramesh Rughani
  - **Managing Directors:** Aditi Raithatha and Hiren Raithatha
  - **Chief Financial Officer (CFO):** Kamalakar Samant
  - **Company Secretary and Compliance Officer:** Charu Srivastava

## 4. Top 5 Risk Factors

1. **First Public Issue:** This is the first public issue of the company, meaning there is no formal market history for its equity shares. This brings uncertainty regarding market demand and price performance.

2. **Economic Dependence on Commodities:** Since the company engages in commodity trading, it is highly vulnerable to market fluctuations, including price volatility, government policies, and changes in demand and supply.
3. **Limited Diversification:** The business relies heavily on its existing product line with limited diversification. This could impact revenue if market conditions change unfavorably.
4. **Regulatory Risk:** The company is subject to various regulatory frameworks governing trading activities, which may change unfavorably in the future.
5. **Dependency on Key Personnel:** The success of Khyati Global Ventures is dependent on its key managerial staff. Any loss of key members may negatively impact its business.

## 5. Objects of the Issue

- The total issue size is **₹1,829.52 lakhs**, with the fresh issue comprising **₹1,037.52 lakhs**, and the offer for sale amounting to **₹792.00 lakhs**.
  - **Fresh Issue:** The company plans to use the proceeds for general corporate purposes, which include expanding its operations, financing working capital requirements, and enhancing its product range.
  - **Offer for Sale (OFS): 8,00,000 Equity Shares** at ₹99 each aggregating **₹792.00 lakhs** will be sold by promoters Ramesh and Chandrika Rughani.

Values:

- **Fresh Issue:** 1,048,000 shares (₹10.38 crores)
- **OFS:** 800,000 shares (₹7.92 crores)
- **Total Issue:** 1,848,000 shares (₹18.30 crores)

## 6. Summary of Financial Information

Particulars ( In Lakhs )	2022	2023	2024	3M-FY25
Revenue from Operations	9,190	9,389	10,346	2,679
Other Income	173	228	118	38
<b>Total Revenue</b>	<b>9,363</b>	<b>9,617</b>	<b>10,464</b>	<b>2,717</b>
Purchase of Stock-in-trade	7,261	7,827	9,456	2,132
Change in Inventories	-41	-311	-662	88
Employees Benefit Expenses	195	310	268	59
Other Expenses	1,564	1,357	843	265
<b>EBITDA</b>	<b>384</b>	<b>435</b>	<b>560</b>	<b>173</b>

OPM (%)	4.10%	4.52%	5.35%	6.38%
Depreciation & Amortisation	30	33	30	6
EBIT	354	402	530	167
Finance Cost	160	127	178	42
PBT	195	275	352	125
Tax	-45	-69	99	30
PAT	150	206	253	95
NPM (%)	1.60%	2.14%	2.42%	3.48%
No.of Shares	69.78	69.78	69.78	69.78
EPS	2.14	2.94	3.62	1.35

## 8. Conclusion: Apply or Avoid?

- **Business Prospects:** The company has established experience in trading, with ongoing transformations in corporate structure to adapt to public requirements. However, it relies heavily on its trading operations without diversification into other sectors, presenting both opportunities and vulnerabilities.
- **Risk Factors:** The dependency on key personnel and economic uncertainty in the trading sector are significant concerns. Additionally, this being the first IPO means there's no established market activity for the company's shares, making it relatively high-risk.
- **Avoid:** Due to OFS, nature is trading.
- **Valuation:** P/E is 27.28 , Mcap is 69 Crores.

Based on the preliminary information, **investors should be cautious**. It is recommended to **evaluate post-issue financial performance and wait for more clarity on risk mitigation strategies** before making a decision to apply.