

Shivam Gupta  
shivamgupta@rathi.com

#### Issue Details

Issue Details	
Issue Size (Value in ₹ million, Upper Band)	2,427.6
Fresh Issue (No. of Shares in Lakhs)	84.7
Offer for Sale (No. of Shares in Lakhs)	10.0
Bid/Issue opens on	19-Aug-25
Bid/Issue closes on	21-Aug-25
Face Value	Rs. 10
Price Band	237-255
Minimum Lot	58

#### Objects of the Issue:

- **Fresh Issue: ₹2,159 million**
  - Repayment/prepayment, in full or part of certain borrowings availed by the company.
  - Funding of working capital requirements of the company.
  - General corporate purposes.
- **Offer For Sale: ₹256 million**

Book Running Lead Managers	
Fedex Securities Private Limited	
Registrar to the Offer	
Bigshare Services Private Limited	

Capital Structure (₹ million)	Aggregate Value
Authorized share capital	351.0
Subscribed paid up capital (Pre-Offer)	248.8
Paid up capital (post-Offer)	333.5

Share Holding Pattern %	Pre Issue	Post Issue
Promoters & Promoter group	98.0%	70.1%
Public	2.0%	29.9%
Total	100.0%	100.0%

#### Financials

Particulars (Rs. In Million)	FY25	FY24	FY23
<b>Revenue from operations</b>	8,207	8,142	10,185
Operating expenses	7,636	7,619	9,766
<b>EBITDA</b>	571	523	420
Other Income	53	35	13
Depreciation	117	100	99
<b>EBIT</b>	<b>507</b>	<b>458</b>	<b>334</b>
Finance cost	164	152	111
<b>PBT</b>	<b>343</b>	<b>306</b>	<b>222</b>
Tax	90	81	59
<b>Consolidated PAT</b>	<b>253</b>	<b>225</b>	<b>164</b>
EPS	<b>7.6</b>	<b>6.8</b>	<b>4.9</b>
Ratio	FY25	FY24	FY23
EBITDAM	7.0%	6.4%	4.1%
PATM	3.1%	2.8%	1.6%
Sales growth	0.8%	-20.1%	

#### Company Description

Patel Retail Limited is primarily engaged as a retail supermarket chain operating in tier-III cities and nearby suburban areas, with focus on “value retail”, offering food, non-food (FMCG), general merchandise and apparel catering to the needs of the entire family. Incorporated in Fiscal 2008, the company started its first store under the brand “Patel’s R Mart” at Ambernath, Maharashtra and since, their operations are spread across the suburban area of Thane and Raigad district in Maharashtra. As on May 31, 2025, they operate and manage forty-three (43) stores, with a Retail Business Area of approx. 1,78,946 sq. ft. With their objective to increase margin and to promote their brand “Patel’s R Mart”, they launched their private label goods comprising of Pulses (“Patel Fresh”) and spices (“Indian Chaska”), which they buy in bulk quantities and package and brand after their quality checks and inspections at their processing and packing facility at Ambernath, Maharashtra (“Facility 1”), and men’s wear (“Blue Nation”), home improving products (“Patel Essentials”), ready-to-cook / instant mix (“Patel Fresh”), ghee and papad (“Indian Chaska”) which they buy from third party vendors under their brands. Since incorporation in Fiscal 2008, they have increased their store offerings and as on May 31, 2025, they offer around 38 product categories with over 10,000 product SKUs in their stores.

As their backward integration strategy and to control their supply chain, they started their production facility at Survey No. 145/1, Bhuj Bachau Highway, Village Dudhai, Taluka Anjar, District Kutch, Gujarat - 370115 (“Facility 2”), where they process peanuts and whole spices, such as coriander seed and cumin seeds. Further, as a part of their strategy to broaden their product offering across the value chain, they built an agri processing cluster spread over 15.9 acres of land area at Bhuj Bachau Highway, Village Dudhai, District Kutch, Gujarat – 370115, comprising of 5 (five) production units collectively (“Facility 3”), 1 (one) fruit pulp processing unit (“F&V Unit”), dry warehouse of 2,546.29 sq. mtr. with storage capacity of 3,040 MT, cold storage with capacity of 3,000 MT, and also their in-house testing & research laboratory (collectively referred to as “Agri-cluster”).

#### Valuation & Outlook:

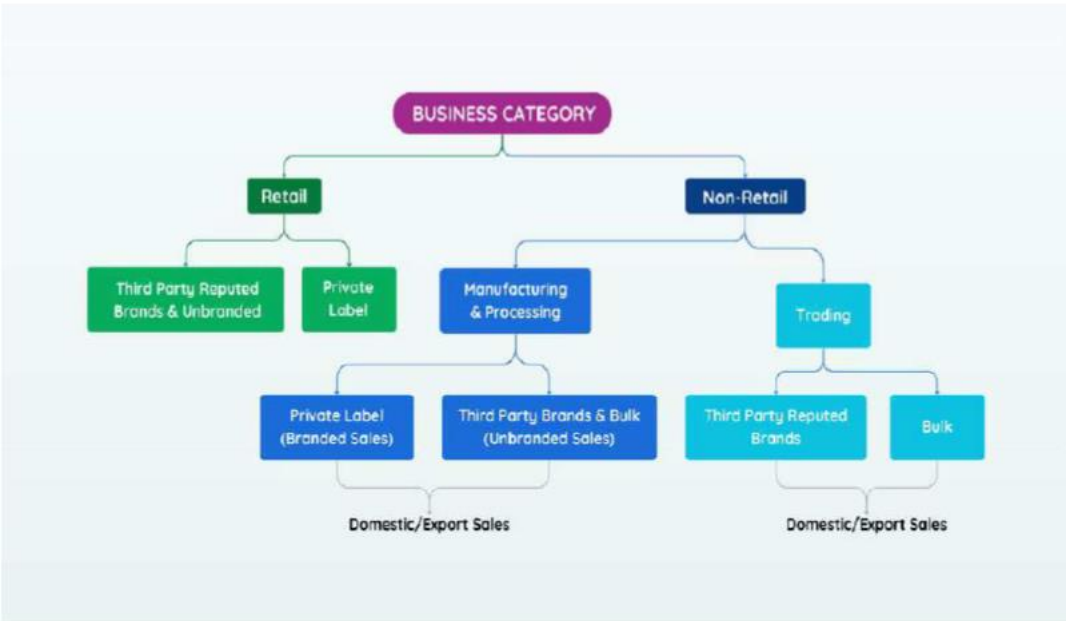
Patel Retail Limited, headquartered in Ambernath, Maharashtra, is a value retail supermarket chain operating under the brand Patel’s R Mart, with 43 stores across Thane and Raigad and a retail space of about 1.79 lakh sq. ft. Incorporated in 2008, the company has expanded into non-retail operations, including food processing, packaging, exports, and trading, offering products under in-house brands such as Patel Fresh, Indian Chaska, Blue Nation, and Patel Essentials.

They aim to strengthen their retail presence in Maharashtra by deepening market penetration and expanding their store network. Their stores are spread across 17 cities and suburban areas in the Thane and Raigad districts of Maharashtra. Following a cluster-focused expansion strategy, they plan to strengthen their presence in the western suburbs of the MMR, including Mira Road, Bhayander, Virar, and Vasai, as well as expand into the municipal region of Pune, Maharashtra.

At the upper price band, the company is valued at a FY25 P/E of 33.6x, with a post-issue market capitalization of ₹8,504 million. Each retail store offers over 10,000 SKUs, and the company’s strategy focuses on providing a wide product range at value-for-money prices with strong customer service, sustaining competitiveness through everyday low prices driven by efficient procurement, supply, and operations. Based on these factors, the IPO appears fully priced, with a “**SUBSCRIBE – LONG TERM**” recommendation.

Description of Business

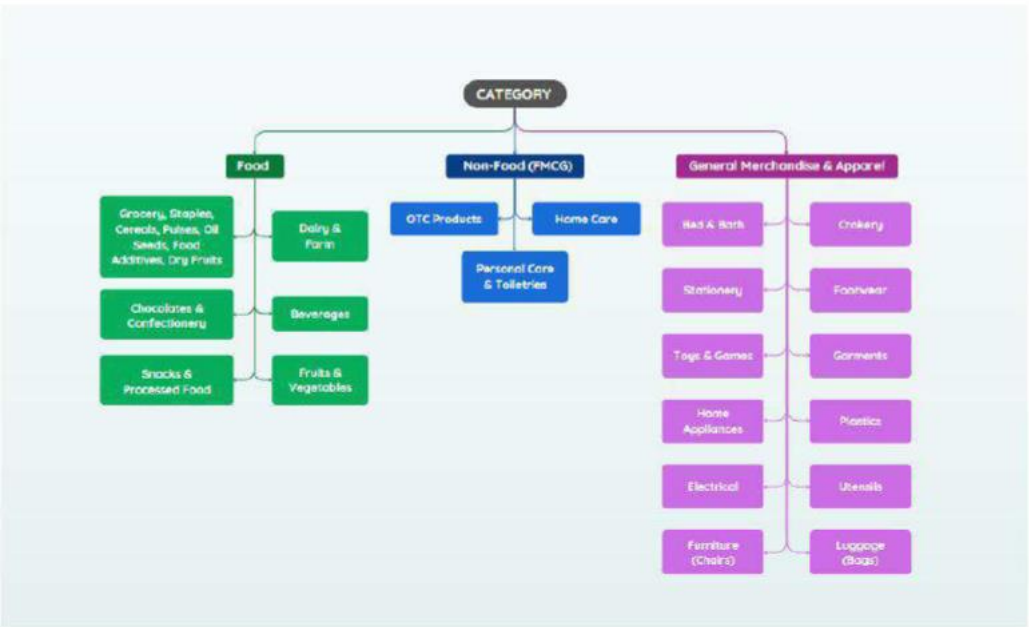
Further, by capitalizing their sourcing strength they ventured into export of staples, groceries, pulses, spices and pulps. They export these products under their brands Patel Fresh and Indian Chaska, as well as under the brands of their customers, from their Manufacturing Facilities. Furthermore, they also undertake domestic and export trading of assorted/mix containers of food and non-food products, such as FMCG goods, household items, kitchen appliances, etc., from reputed third-party brands, and also engage in bulk trading of agri commodities such as rice, sugar, pulses, edible oil, etc. They have exported to over thirty-five (35) countries during the disclosed financial period. The company’s business can be categorized (Retail and Non-Retail) as detailed herein below:



➤ BUSINESS CATEGORIES

• Retail Business

Positioned as a dependable neighborhood supermarket that offers value for money, their retail business runs under the “Patel’s R Mart” brand. They offer convenience by being located in residential areas and cater to both bulk buying and top-up requirements of their customers. Their company follows the concept of value retailing to target the strata of the population belonging to the expanding ‘lower-middle class’, middle class and ‘aspiring upper-middle class’, based on their customers’ socio-economic conditions, purchasing power, demographic details and customer trends. Their business approach is to make available quality goods at competitive prices. The majority of products stocked by them are everyday products forming part of basic rather than discretionary spending. Their store offerings provide customers with distinctive shopping experience, comprising a wide range of everyday value retail products sold in a modern ambience and with the feel of a retail mall. They believe their endeavor to facilitate one-stop-shop convenience for customers’ everyday shopping needs, along with their competitive pricing due to their local market knowledge, careful product assortment and supply chain efficiency, has helped them achieve growth and success. Their wide range of product offerings focuses on foods, non-food (FMCG), general merchandise and apparel. Further, their company was also operating two (2) exclusive ready-made garment outlets under the brand “R Choice”. They also earn rental income from their vendors as display and listing income, shop-in-shop arrangements such as vegetable stalls, sandwich, chat and ice cream stalls. Their store offerings can be summarized as herein below:



Their retail sales (i.e., revenue from their store sales) are based on the product offerings for Fiscal 2025, Fiscal 2024 and Fiscal 2023 as follows:

Category	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Retail sales (₹ in Lakhs)	As a % to revenue from operations	Retail sales (₹ in Lakhs)	As a % to revenue from operations	Revenue (₹ in Lakhs)	As a % to revenue from operations
Food	26,943	32.8%	21,385	26.3%	19,630	19.3%
Non-Food (FMCG)	7,220	8.8%	5,554	6.8%	5,041	5.0%
General Merchandise & Apparel	2,724	3.3%	2,033	2.5%	1,770	1.7%
R Choice	-	-	-	-	214	0.2%
<b>Total</b>	<b>36,887</b>	<b>45.0%</b>	<b>28,972</b>	<b>35.6%</b>	<b>26,656</b>	<b>26.2%</b>

Their retail stores sell third-party reputed brand products, unbranded products, and also their private label products. Their revenue from sales of private label products constitutes ₹6,287.44 lakhs, ₹5,671.13 lakhs and ₹4,924.49 lakhs, representing 17.05%, 19.57% and 18.47% of their retail sales and 7.66%, 6.97% and 4.83% of their revenue from operations during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. As on May 31, 2025, they offer around 38 product categories with over 10,000 product SKUs in their supermarkets. They have established their stores in the central suburban area of the MMR, i.e., in Thane district and Raigad district of Maharashtra, focusing on the growing tier-III cities and the suburban areas. Their stores are primarily located using a cluster approach, based on adjacencies and efficient supply chain focus, targeting densely populated residential areas with a majority of lower-middle class, middle class, and aspiring upper-middle class customers, with an average store size of around 4,000 sq. ft. As of May 31, 2025, they have forty-three (43) stores with an aggregate retail business area of approx. 1,78,946 sq. ft. At the end of Fiscal 2025, Fiscal 2024 and Fiscal 2023, they had 42, 33, and 30 stores with retail business areas of approx. 1,74,996 sq. ft., 1,37,296 sq. ft., and 1,22,489 sq. ft., respectively. Their stores are located across 17 cities/suburban areas within Thane and Raigad districts of Maharashtra. They plan to deepen their store network in the western suburban area of the MMR, such as Mira Road, Bhayander, Virar, Vasai, and also in the municipal region of Pune, Maharashtra, following their cluster-focused expansion strategy. They believe that the selection of suitable locations for their stores has been critical to their expansion plans. They aim to enter their target markets to take advantage of the opportunities offered by these underserved regions and actively search for suitable locations. They follow a cluster approach and target densely populated neighborhoods and residential areas with a majority of lower-middle, middle class, and aspiring upper-middle class consumers. Retail sales based on their store location is detailed as herein below:

Location	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	No. of stores	Retail sales (₹ in Lakhs)	No. of stores	Retail sales (₹ in Lakhs)	No. of stores	Retail sales (₹ in Lakhs)
Ambernath	6	5,946	6	5,462	6	5,311
Ambernath (R Choice)	-	-	-	-	2	214
Badlapur	6	5,564	6	5,219	5	4,791
Bhiwandi	4	2,093	2	176	-	-
Diva	1	404	-	-	-	-
Dombivli	7	4,112	7	3,793	7	3,103
Kalyan	7	5,869	5	4,667	5	4,488
Khopoli	1	921	1	825	1	185
Murbad	1	1,211	1	986	1	848
Neral	1	437	-	-	-	-
Padgha	1	297	0	-	-	-
Shahapur	1	2,008	1	1,826	1	1,688
Shahad	1	820	1	758	1	783
Titwala	1	3,222	1	2,987	1	2,854
Ulhasnagar	2	2,523	2	2,273	2	2,389
Vasind	1	1,199	0	-	-	-
Vangani	1	261	0	-	-	-
<b>Total</b>	<b>42</b>	<b>36,887</b>	<b>33</b>	<b>28,972</b>	<b>32</b>	<b>26,656</b>

They have witnessed steady growth in their total number of bill cuts. Their total number of bill cuts were 52.2 lakhs, 39.7 lakhs and 33.7 lakhs for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. During the same period, their average annual revenue per store was ₹878.3 lakhs, ₹877.9 lakhs and ₹832.9 lakhs, respectively. Further, for Fiscal 2025, Fiscal 2024 and Fiscal 2023, their average annual revenue per retail business area sq. ft. was ₹21,078.7, ₹21,101.9 and ₹21,761.7, respectively. Revenue from their stores based on the year of existence for Fiscal 2025, Fiscal 2024 and Fiscal 2023 are as detailed hereunder:

Year since existence of stores	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	No. of stores	Retail sales (₹ in Lakhs)	No. of stores	Retail sales (₹ in Lakhs)	No. of stores	Retail sales (₹ in Lakhs)
0 – 5 years	19	10,626	13	7,894	12	6,930
5 – 10 years	9	13,331	8	10,814	6	9,295
10 + years	14	12,930	12	10,264	12	10,217
<b>Total</b>	<b>42</b>	<b>36,887</b>	<b>33</b>	<b>28,972</b>	<b>30</b>	<b>26,441</b>



- **Non- Retail**

- **Processing**

As their backward integration strategy to control their supply chain, they started their processing and packaging facility and their product testing laboratory to undertake essential quality checks of their raw materials and finished goods at Facility 1, where they process whole spices such as coriander seed, cumin seeds, pulses, staples, and groceries. They undertake the process of cleaning, drying, grading, sorting, and packaging under their own brand or that of their customers, as per their specifications. Their Facility 1, including the testing lab, is spread over an area of 7,678 sq. ft. (excluding Distribution Centre area) and is equipped with modern semi-automated machines and manual machines. Their Facility 1 is accredited with ISO 22000:2018 for Food Safety Management System, BRC, Agricultural and Processed Food Products Export Development Authority (APEDA), Spice Board, and with an FSSAI license under the Food Safety and Standards Act 2006.

Further, they expanded their manufacturing/processing capability by setting up their Facility 2, where they process peanuts and whole spices such as coriander seed and cumin seeds. Their Facility 2 is spread over an area of 3.27 acres of freehold land with a constructed area of 7,460.54 sq. mtr. It is equipped with modern plants and machinery, including imported machinery, to facilitate efficient production processes of cleaning, drying, grading, sorting, and packaging. Their Facility 2 has dedicated and earmarked areas where spices and peanuts are processed separately to avoid any cross-contamination. Spices and peanuts are processed at their Facility 2 with utmost care and by way of natural processes using scientific methods so as to retain the natural properties of the food, with the intended shelf life. They also sell agri-waste material, such as peanut shells generated during their production process, making their Facility 2 a zero-waste processing unit. Their Facility 2 is accredited with ISO 9001:2015 for Quality Management System, ISO 22000:2018 for Food Safety Management System, and holds an FSSAI license under the Food Safety and Standards Act 2006. Further, as a part of their strategy to broaden their product offering across the value chain, they built an agro-processing cluster spread over 15.925 acres at Survey No. 170/2, Bhuj Bachau Highway, Village Dudhai, Taluka Anjar, District Kutch, Gujarat – 370115, in Kutch, Gujarat, under the Pradhan Mantri Kisan SAMPADA Yojana scheme of the Ministry of Food Processing Industries, Government of India. This cluster comprises five (5) production units collectively (“Facility 3”), one (1) fruit pulp processing unit (“F&V Unit”), a dry warehouse of 2,546.29 sq. mtr. with a storage capacity of 3,040 MT, a cold storage facility with a capacity of 3,000 MT, and their in-house testing and research lab (collectively referred to as the “Agri-cluster”). The sales of their manufactured and processed products can be broadly categorized as follows:

Year since existence of stores	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	No. of stores	Retail sales (₹ in Lakhs)	No. of stores	Retail sales (₹ in Lakhs)	No. of stores	Retail sales (₹ in Lakhs)
0 – 5 years	19	10,626	13	7,894	12	6,930
5 – 10 years	9	13,331	8	10,814	6	9,295
10 + years	14	12,930	12	10,264	12	10,217
<b>Total</b>	<b>42</b>	<b>36,887</b>	<b>33</b>	<b>28,972</b>	<b>30</b>	<b>26,441</b>

- **Branded sales (Domestic)**

In the branded sales segment, they manufacture and market spices, wheat flour and refined wheat flour, pulses, staples, groceries, and mango pulp under their own brands. Spices such as whole spices, ground spices, and blended spices are sold under the ‘Indian Chaska’ brand, whereas wheat flour and refined wheat flour are sold under the ‘Indian Chaska’ and ‘Patel Fresh’ brands, while pulses are sold under the ‘Patel Fresh’ brand. They position their ‘Indian Chaska’ brand as a premium product to cater to quality-conscious customers. Presently, most of their sales are derived from the states of Gujarat and Maharashtra. They have built a network of wholesalers and retail touchpoints, to whom they sell through commission agents as well as directly through their sales and marketing team. They sell their products across nine (9) states, with the majority of sales coming from Maharashtra and Gujarat. As of May 31, 2025, they have two (2)-member sales teams to cater to their existing and potential customers. Further, they also sell their branded products to institutional customers in bulk and through their factory outlets situated in Facility 3. They focus on the quality of their products, which pass through stringent quality checks across the processing/manufacturing stages. For packaging, they focus on both design and quality to make the products attractive and user-friendly for customers. Their region-wise sales break-up is as below:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Revenue (₹ in Lakhs)	As a % of Revenue from Operations
Gujarat	7,581	9.2%	1,884	2.3%	1,060	1.0%
Maharashtra	1,179	1.4%	1,079	1.3%	1,229	1.2%
Rest of India	529	0.6%	366	0.5%	283	0.3%
<b>Total</b>	<b>9,289</b>	<b>11.3%</b>	<b>3,329</b>	<b>4.1%</b>	<b>2,572</b>	<b>2.5%</b>

- **Unbranded Sales (Domestic)**

Under the unbranded sales category, the company sells their products such as peanuts, wheat flour, mango kernels (by-product), pulses, staples and groceries, dry fruits, cumin waste, etc., either as unbranded or under the brand of their customer, as per their specifications. They serve their customers across various industries such as the food industry (manufacturers of biscuits and namkeens, snack foods, ready-to-eat, oil industry and food ingredients), cattle feed and others. They sell their product under this category in bulk, i.e., majorly in excess of 30 kgs per bag. They also sell to traders and re-packers, and the products ultimately get sold either in their own brands, in bulk, or get consumed by them. This vertical adds value to their business by ensuring higher capacity utilization and improving overall production efficiency and costs. While they cater to their customers across India for their products such as peanuts, sooji, wheat flour and refined wheat flour, they generate their revenue predominantly from the state of Gujarat. Their revenue based on customer category is as detailed hereunder:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue (₹ in Lakhs)	Revenue as a % of Revenue from Operations	Revenue (₹ in Lakhs)	Revenue as a % of Revenue from Operations	Revenue (₹ in Lakhs)	Revenue as a % of Revenue from Operations
Institutional	2,832	3.5%	3,383	4.2%	1,309	1.3%
Wholesalers	3,858	4.7%	3,477	4.3%	2,770	2.7%
Others	318	0.4%	86	0.1%	81	0.1%
<b>Total</b>	<b>7,008</b>	<b>8.5%</b>	<b>6,946</b>	<b>8.5%</b>	<b>4,161</b>	<b>4.1%</b>

The unbranded export sales add value to their business by ensuring higher capacity utilization and improving overall production efficiency and costs. Their revenue from exports based on the countries to which they export is detailed as herein below:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Export Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Export Revenue (₹ in Lakhs)	As a % of Revenue from Operations	Export Revenue (₹ in Lakhs)	As a % of Revenue from Operations
-Sri Lanka	5,049	6.2%	9,031	11.1%	8,575	8.4%
-China	136	0.2%	118	0.2%	706	0.7%
-Saudi Arabia	1,653	2.0%	4,155	5.1%	2,371	2.3%
-Mauritius	368	0.5%	726	0.9%	2,612	2.6%
-UK	3,937	4.8%	6,154	7.6%	1,733	1.7%
-UAE	167	0.2%	613	0.8%	1,654	1.6%
-Vietnam	100	0.1%	-	-	2,706	2.7%
-Thailand	397	0.5%	694	0.9%	442	0.4%
-Canada	3,324	4.1%	3,222	4.0%	747	0.7%
-USA	1,105	1.4%	645	0.8%	1,228	1.2%
-Others	4,876	5.9%	2,848	3.5%	2,221	2.2%
<b>Total</b>	<b>21,113</b>	<b>25.7%</b>	<b>28,208</b>	<b>34.7%</b>	<b>24,995</b>	<b>24.5%</b>

➤ **Key Strengths:**

• **Deep knowledge and understanding of optimal product assortment and inventory management using IT systems**

Under their retail business, they sell a wide range of goods and merchandise across their product categories, i.e., Food, Non-Food (FMCG), general merchandise and apparels. For instance, each of their retail stores offers over 10,000 SKUs. They focus on using their deep knowledge of the clusters and regions in which they operate to customize their product assortment in each store, keeping in mind local demands and preferences. They also continuously focus on enhancing the goods and merchandise they carry. They have benefitted from their in-depth understanding of local needs and their ability to respond quickly to changing consumer preferences. This has been achieved in part due to their advanced IT systems. They use their IT systems for procurement, sales and inventory management, which enables them to identify and quickly react to changes in customer preferences by adjusting their products available, brands carried, stock levels and pricing in each of their stores and effectively monitor and manage the performance of each of their stores. They believe that their approach of focusing on their inventory management based on customer preference has enabled them to launch products under their brand in a wide range of product categories. Their revenue from sale of private label goods through their network of supermarkets was at ₹6,287.4 Lakhs, ₹5,671.1 Lakhs and ₹4,924.5 Lakhs, which constituted 17.0%, 19.6% and 18.5% of their revenue from retail sales for the Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.

Their IT systems are built with a wide range of data management tools specific to their business needs and support key aspects of their business, including procurement, sales and inventory control on a daily basis. Their IT systems also support their cash management, in-store systems, logistics systems, human resources and other administrative functions. Their IT systems run on ERP applications and are robust and scalable. Together with their supply chain management systems and their internal controls to minimize product shortage and the occurrence of out-of-stock situations and pilferage, they are able to operate efficiently and productively with minimal disruptions to their day-to-day operations. The combination of their IT system and internal control has helped them to reduce their losses from pilferage from ₹94.7 lakhs in Fiscal 2021 to ₹8.9 lakhs in Fiscal 2025. Further, their inventory turnover ratio (computed by dividing revenue from retail sales by average inventory of their Retail Business, which is an average of opening inventory and closing inventory of their Retail Business) was 5.2, 6.3 and 7.4, respectively, in the Fiscals 2025, 2024 and 2023, respectively.

• **Steady footprint expansion using a distinct store acquisition strategy and ownership model**

Their business has grown steadily in recent years, primarily through expansion of their store network from one store in Fiscal 2008 to 42 stores as of March 31, 2025, across 16 cities/suburban areas within the Thane and Raigad District in the state of Maharashtra. Key highlights of their expansion in the last three Fiscals are set out below:

Parameters	Fiscal 2025	Fiscal 2024	Fiscal 2023
New stores opened in Fiscal/period	9	3	4
Cumulative number of Stores	42	33	30
Retail Business Area at Fiscal/period end (in sq. ft.)	174,996	137,296	1,22,959
Retail sales per Retail Business Area sq. ft. (in ₹)	21,079	21,102	21,678
Number of bill cuts	5,215,116	3,973,081	33,73,032

They have expanded their footprint using a cluster-based approach. They have strengthened their existing presence in locations where they operate by opening new stores within a radius of a few kilometers of their existing stores. This has ensured the creation of a cluster of stores within a region in which they believe they have developed a better understanding of local needs and preferences, enabling them to tailor their offering. Such clusters have also led to increased penetration and presence in under-served markets, higher cost efficiency due to economies of scale achieved in their supply chain and inventory management, and greater and concentrated brand visibility due to focused implementation of marketing and advertising initiatives.

➤ **Their Presence:**

They are primarily engaged as a retail supermarket chain operating in tier-III cities and nearby suburban areas, with a focus on “value retail,” offering food, non-food (FMCG), general merchandise and apparel catering to the needs of the entire family. Their operations are spread across the suburban area of Thane and Raigad district in Maharashtra. Further, revenue from their stores based on the year of existence for the Fiscal 2025, Fiscal 2024, and Fiscal 2023 are as detailed here below:

Year since existence of stores**	Fiscal 2025		Fiscal 2024		Fiscal 2023*	
	No. of stores	Revenue (₹ in lakhs)	No. of stores	Revenue (₹ in lakhs)	No. of stores	Revenue (₹ in lakhs)
0 – 5 years	19	10,626	13	10,626	12	10,626
5 – 10 years	9	13,331	8	13,331	6	13,331
10 + years	14	12,930	12	12,930	12	12,930
<b>Total</b>	<b>42</b>	<b>36,887</b>	<b>33</b>	<b>36,887</b>	<b>30</b>	<b>36,887</b>

➤ **Diversified product portfolio:**

Under their retail business, the Company’s principal nature of business is to procure everyday use products from reputed brands/manufacturers and provide the same to end consumers through their network of retail stores. Further, they also sell food products such as whole spices, powder spices, wheat flour and refined wheat flour, pulses, mango pulp, staples and groceries, and home improvement products under their own brands Indian Chaska, Patel Fresh, and Patel Essentials through their network of retail stores and also through wholesalers and retailers, both in the domestic and export market. Further, they are also engaged in trading of food and non-food products of reputed third-party brands and in unbranded bulk quantity. These products are available in different varieties. Their unique business model enables them to provide diversified products and the ability to deal with a varied customer base. They believe that their ability to identify market trends and develop quality products catering to Indian consumers are significant factors that have contributed to the growth of their business. Their diversified product portfolio enables them to cater to a wide range of taste preferences and consumer segments. Their ability to continuously upgrade their product range to address shifts in customer preferences, ensure just-in-time inventory availability, and adapt to changes in demand has helped them maintain a diversified product portfolio. They have launched packages of various sizes for their products. For example, their powder spices are available in packages of 100 gms to 10 kg, whereas their blended spices are available in pouches as small as 10–15 grams to 500-gram box packs (consumer packs). They also deal in whole wheat atta (wheat flour), refined flour (maida), tandoori atta, and semolina flour (sooji), thereby effectively addressing a large consumer base.

Moreover, the Company also deals in the wholesale supply of food grains such as wheat, peanut, sesame seeds, sugar, and whole spices like coriander, cumin, ajwain, methi, mustard, fennel, etc. The Company’s presence in the agro commodity trading segment enables them to identify opportunities and enter into trading from one commodity to another in accordance with changes in demand or inconsistencies in pricing for any commodity during any season. Their management team continuously monitors and undertakes deep research into the current trends and demand for agricultural produce and commodities in the market, and accordingly, they can easily switch over to the agricultural produce or commodity in demand. For instance, their revenue from trading in agro commodities for the Fiscal 2025, Fiscal 2024, and Fiscal 2023 is as detailed herein below:

Parameters	Fiscal 2025	Fiscal 2024	Fiscal 2023
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Sugar	12	6,392	35,114
Rice	3,135	309	3,152
Others	1,986	4,166	1,140
<b>Total</b>	<b>5,133</b>	<b>10,867</b>	<b>39,406</b>

➤ **Key Strategies:**

- **Further strengthen their market position by expanding their store network in existing clusters as well as new clusters**

They intend to further enhance their position in the retail business in Maharashtra by increasing their market penetration and expanding their store network in the state. As on May 31, 2025, their stores are located across 17 cities/suburban areas within the Thane & Raigad District of Maharashtra. They plan to deepen their store network in the western suburban area of the MMR such as Mira Road, Bhayander, Virar, Vasai and also in the municipal region of Pune, Maharashtra, following their cluster-focused expansion strategy. They believe that selection of suitable locations for their stores has been critical to their expansion plans. They aim to enter their target markets to take advantage of the opportunities offered by these underserved regions and actively search for suitable locations. They follow a cluster approach and target densely populated neighborhoods and residential areas with a majority of lower-middle, middle and aspiring upper-middle class consumers. Their total store count grew from 30 stores in Fiscal 2023 to 42 stores as of March 31, 2025, while their Retail Business Area grew from 1,22,489 sq. ft. to 1,74,996 sq. ft. over this period. As on May 31, 2025, they have 43 stores with a retail business area of 178,946 sq. ft. With over a decade of experience and successful growth, they believe they are well positioned to take advantage of the growth potential and opportunities offered by the state of Maharashtra, especially the tier III cities and the nearby suburban areas.

Increasing their penetration with a greater number of stores will enable them to enter new catchment areas and optimize their infrastructure. Further, they plan to expand to other cities across western and central India organically or inorganically by acquiring controlling stakes or through acquisition. Enhancing their reach to cover additional cities will enable them to reach a larger population and become a preferred shopping destination for their daily needs. The key factors affecting the expansion of their stores will be the selection of suitable locations based on local population density, accessibility and proximity to competitors, population demography, and real estate cost and rental rates. They will continue to adopt a methodical approach in evaluating and selecting suitable locations for the establishment of new stores.



- **Enhancing sales volumes by continuing to prioritize customer satisfaction through optimal product assortment and offering value for money using EDLC/EDLP strategy**

Their strategy is to provide their customers with a comprehensive range of products at value-for-money prices and maintain optimal customer service standards. In order to maintain and enhance their competitive position, they will continue to offer their products at everyday low prices achieved through their low procurement, supply, operational, and other costs. They will continue to focus on optimal product assortment in each cluster of their operations, keeping in mind local needs and preferences. They plan to leverage their knowledge of consumer spending patterns and behavior and rely on the data available to keep abreast of changes in consumption behavior. They will continue to introduce new products depending on customer needs at one or several of their stores. They believe a continuous review of their merchandise according to their evolving understanding of customer preferences will help them better cater to their customers' needs, enhance their shopping experience, and maximize their sales. Shopping is considered a family activity in the region where they operate. They endeavor to provide a one-stop shopping experience. All their stores are air-conditioned, and they aim to provide a pleasant ambience and functional store layout. They have installed computerized billing points coupled with convenient payment options, including credit and debit cards, which provide greater flexibility and convenience to their customers. They intend to improve their customers' shopping experience by improving the checkout time and continuing to undertake periodic renovation of their stores.

- **Further strengthening their procurement network and increasing their share of private labels**

They intend to strengthen their sourcing capability by identifying new and more efficient suppliers to reduce costs, increase speed of delivery, and reduce lead times, including by identifying large manufacturers. They intend to develop new products and further strengthen their product offering under their private labels, as they have noted that their target customers normally do not shop for products with a pre-decided brand in mind but look for good quality and affordable products, thereby providing them with an opportunity to develop their private labels. They aim to achieve this by developing new products across categories and developing stronger relationships with their existing and new third-party manufacturers. They believe their private label initiative will offer them a differentiating factor as compared to their competition and at the same time help them improve margins and strengthen their merchandise mix. The Company intends to adopt an integrated product-centric and customer-centric approach in developing its business. Their customer-centric strategy aims at acquiring in-depth customer preferences and securing customer loyalty. They intend to continuously improve the product mix offered to customers as well as strive to understand and anticipate future customer requirements and cater to such needs.

- **Continue to launch new products and enhance their customer base**

They plan to launch new products to capture consumer trends. They have been evaluating new products in adjacent categories based on a set of criteria, including their ability to create a differentiated offering, competitive intensity, go-to-market capability, back-end product fitment, category, scale, and profitability of the new products. Their potential new products may include varieties of blended spices, an increase in their ready-to-cook/instant mix range, and the launch of a ready-to-eat range of products. They expect new products to increase their market share and further expand their customer base. They will sell these products across their stores and also through their network of wholesalers, retailers, and distributors in the domestic and export market, including through online e-commerce platforms. For instance, they launched over 20 varieties of blended spices under the brand name "Indian Chaska" during the month of October in Fiscal 2025. As part of the product launch, they appointed 25 distributors, stockists, and a sole selling agent across select cities of Maharashtra, Gujarat, and Uttar Pradesh. Their revenue from these products in Fiscal 2025 was ₹170.64 Lakhs.

- **Focus on increasing brand awareness**

They will continue to invest in strengthening their brands. In the financial years 2025, 2024 and 2023, their advertising expenses and sales promotion expenses were ₹154.71 lakhs, ₹55.44 lakhs, and ₹154.77 lakhs, or 0.19%, 0.07% and 0.15% of their revenue from operations, respectively. While they have used traditional means of advertising such as print media, social media, and banners on autos and transport vehicles to create brand awareness within the regions where they operate their supermarkets, going forward they will employ celebrity endorsements, digital advertising, and other brand-building initiatives in their marketing campaigns to increase brand awareness. To market their brands, they use:

- **Product brand advertising** – As part of the product brand strategy, they will strive to maintain their market share in existing categories and at the same time grow the categories they plan to launch. While they will be strategically pricing their new products, their focus will be to differentiate their products based on quality, range, and taste in order to compete with regional brands and capture market share.
- **Range advertising** – Range advertising will be conceptualized with a focus on highlighting their entire range of kitchen essentials across spices, staples and groceries, ready-to-cook/instant mix, home improvement products, and apparels.
- **Digital connect** – They will also focus on increasing their digital reach by tying up with influencers and bloggers and driving e-commerce sales to communicate with the young demographic.

However, they will continue to focus on and increase spending on traditional advertisement approaches to create visibility of their stores in the regions where they operate. They believe that their cluster approach in establishing their store network helps them in maximizing the value of their advertisement and brand expenses.

- **Expand their market presence to other states of India and increase their distribution reach**

Presently, most of their sales are derived from the states of Gujarat and Maharashtra. They also sell in other states such as Tamil Nadu, Telangana, Madhya Pradesh, Karnataka, Delhi, Bihar, Andhra Pradesh, Uttar Pradesh, and Rajasthan. They continually seek to enhance their addressable market through their network of wholesalers and by creating a network of distributors and dealers across these states. They gradually intend to expand their business operations to other states in the country. To sell products to end consumers, they intend to use modern trade channels, which comprise 321 supermarkets and hypermarkets, as well as general trade channels that include smaller retail stores. They plan to continue their strategy of diversifying and expanding their presence in other states to support business growth. Through further geographical diversification of their operations, they aim to hedge against risks associated with operating in only specific areas and protect themselves from fluctuations arising from business concentration in

limited geographical locations. The appointment of distributors across India to undertake stocking and distribution enables them to reach customers faster by reducing transportation time, optimizing inventory, and limiting trade overdues.

➤ **Industry Snapshot:**

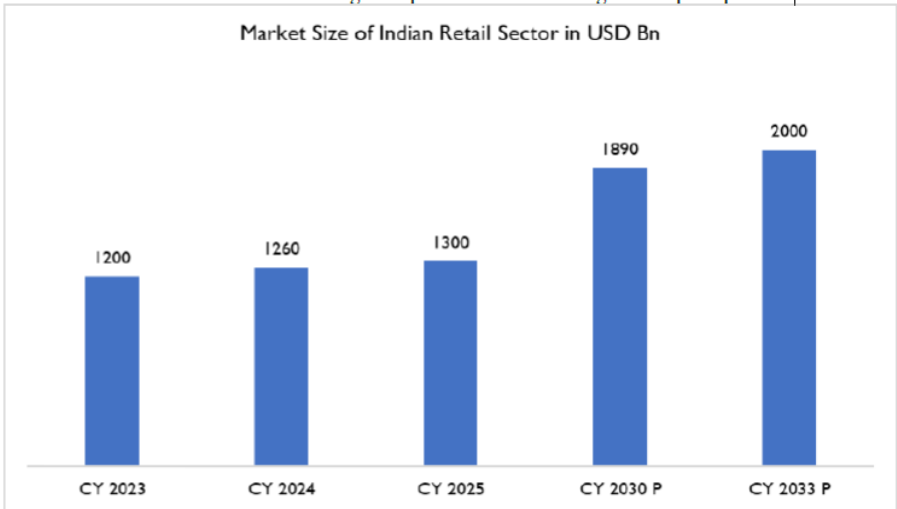
The Indian retail market valued at INR 1,260 billion in CY 2024, is expected to witness sustained growth, with its size projected to rise to USD 1,300 billion in CY 2025 and further to USD 2,000 billion by CY 2033, translating into a CAGR of 5.27% between CY 2024-33. Within this, the organized retail segment is anticipated to expand at a CAGR of 4.13%, growing from USD 186 billion in CY 2024 to USD 267 billion in CY 2033. In the product category landscape, India’s bakery and snacks segment is experiencing strong momentum, with the market expected to grow at an 11.01% CAGR, increasing from INR 129.58 billion in CY 2024 to INR 242.56 billion by CY 2030. The spice segment has shown robust agricultural output, with total spice production in India growing from 10.1 million tons in FY 2019 to 12 million tons in FY 2025, registering a CAGR of 5.00%. Conversely, in the milled wheat products category, wheat production grew modestly at a 2.00% CAGR, from 104 million tons in FY 2019 to 117 million tons in FY 2025. Among its processed derivatives, wheat brand showed marginal growth of 1.44% CAGR, whereas wheat flour production declined at a CAGR of -2.85% during the same period. In the broader food processing industry, groundnut production increased at a 3.80% CAGR, rising from 10.24 million tons in FY 2021 to 11.90 million tons in FY 2025. Similarly, fruit production climbed from 102.0 million tons in FY 2020 to 113.2 million tons in FY 2025, posting a CAGR of 2.10%. The mango segment registered slightly better performance, with fresh mango output growing at 2.70% CAGR, and mango pulp production seeing a minimal rise from 358.4 thousand tons in FY 2019 to 372.3 thousand tons in FY 2024, at a CAGR of 0.76%. Lastly, India’s food and grocery retailing market is projected to grow steadily from USD 850 billion in CY 2025 to USD 1000 billion by CY 2030, delivering a CAGR of 3.29%.

The Indian retail sector is experiencing a significant transformation owing to a range of shifting socio-economic factors, increasing digital and new age technology influence along with a rapidly transforming consumer landscape. Over the year, India has evolved as a thriving consumer-driven economy, making it the 4th largest retail market globally after US, China, and Japan and has thus become one of the most attractive markets for global retailer to expand their footprints in India. The country ranked 1st in Kearney’s Global Retail Development Index (GRDI) in 2024 which features 30 key retail markets in developing countries while in Kearney FDI Confidence Index 2024, it ranked 18 and 4th amongst the emerging countries after China UAE and Saudi Arabia.

OF1 Retail Sector Contribution and Major Highlight1F2:

- At present the retail sector in India accounts for over 10% of the country’s GDP2F3.
- The sector contributes 8% of the workforce (35+ Mn). The sector is expected to create 25 Mn new jobs by 2030.
- The market size of the Indian retail sector reached USD 1,300 Bn in the year CY 2025 and it is expected to reach USD 1,890 billion by 2030 and USD 2,000 billion by 2033 growing at 5.27% CAGR between CY 2024-33.
- Food & Grocery, Apparel & footwear, and consumer electronics are the largest retail segments, constituting 63%, 9% and 7% respectively of the retail market.
- The share of organized retail in the total retail industry is currently estimated at 12%-15%.
- The Indian e-commerce industry was estimated to be worth over USD 70 Bn in Gross Merchandise Value in 2022 and is expected to cross USD 350 Bn mark by 2030, growing at a CAGR of 32% between 2022-30.

For analysis purpose, the Indian retail industry is primarily segmented in organized and unorganized; based on key product segment it is segmented into consumer non-durable goods such as food & grocery and consumer durable goods such as Clothing & Footwear, Personal Care product, and Consumer Electronics etc. The industry is also segment based on distribution channels that include brick and mortar (B&M) and online (e-commerce). The B&M segment include many formats such as independent convenience store, drug stores, and health & beauty stores, in the unorganized segment as well as hypermarkets, supermarkets etc. and specialized independent store that operate in shopping Centre or mall space under the modern retail format in the organized retail. Current Scenario and Historical growth review in the past two year The Indian retail industry is a key driver of the Indian economy, and its contribution is significant in terms of value and its share in country’s total workforce. It contributed around 10% to the country’s total GDP and employs around 8% of the total workforce3F4. The sector is growing at a brisk pace fueled by the rapid urbanization, a growing middle class, steady increase in national wages and disposable incomes, and expanding consumer spending. Furthermore, the government steady efforts to improve India’s ease of doing business and to strengthen the overall digital ecosystem have facilitated the entry of foreign investors in India which today have better access to the connected rural consumers than before. The Indian retail sector, valued at USD 1,260 billion in 2024, is expected to grow steadily, reaching USD 1,300 billion by 2025 and further expanding to USD 1,890 billion by 2030 and USD 2,000 billion by 2033. This translates to a robust CAGR of approximately 7% during the 2024-2030 period, driven by rising consumer demand, urbanization, and increasing penetration of organized retail formats. Post 2030, the growth is projected to moderate, with the sector anticipated to reach USD 2,000 billion by 2033, marking a CAGR of around 2% over 2030-2033. This growth trajectory underscores the sector's resilience and long-term potential amid evolving consumption patterns.



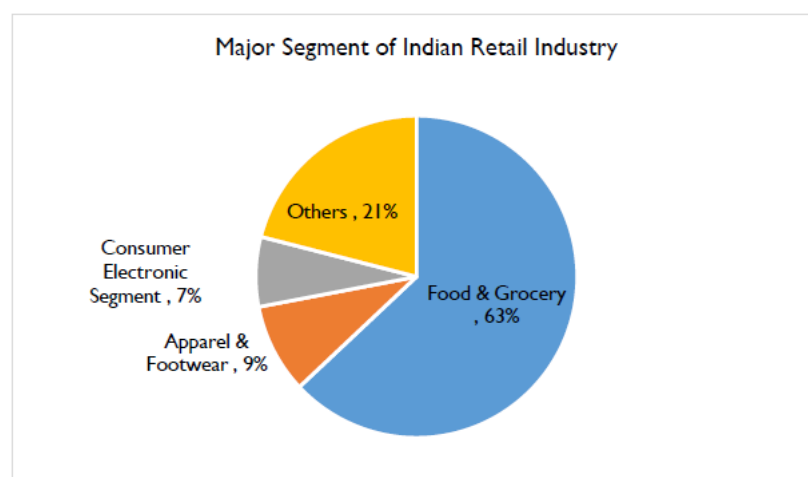
The Indian retail sector experienced a significant disruption in 2020 due to the COVID-19 pandemic. The nationwide lockdown severely impacted consumer spending, leading to a decline in both essential and non-essential goods. This was driven by factors such as reduced disposable income,



subdued consumer sentiment, and economic uncertainty. However, the sector witnessed a strong recovery in the following years. The revival of e-commerce activities during the unlock phases, coupled with pent-up demand, contributed to a gradual resurgence. The government's swift response, including widespread vaccination drives and containment measures, played a crucial role in restoring normalcy. The organized retail sector demonstrated remarkable resilience, with the Retailers Association of India (RAI) reporting a significant growth of 34% in FY2022-23.<sup>4F5</sup>. This surpassed pre-pandemic sales figures, indicating a strong recovery and a positive outlook for the sector.

- **Major Market Segmentation**

The retail industry comprises of various segments like - Food & Grocery, Jewellery, Apparel, Furniture, Pharmacy, Consumer Electronics and Durables, Beauty & Personal care, Footwear, and others. Amongst all, the food & Grocery is the largest segment of retail sector comprising 63% share in the total retail industry followed by apparel and footwear, and consumer electronics segments that account for 9%, and 7% share, respectively.

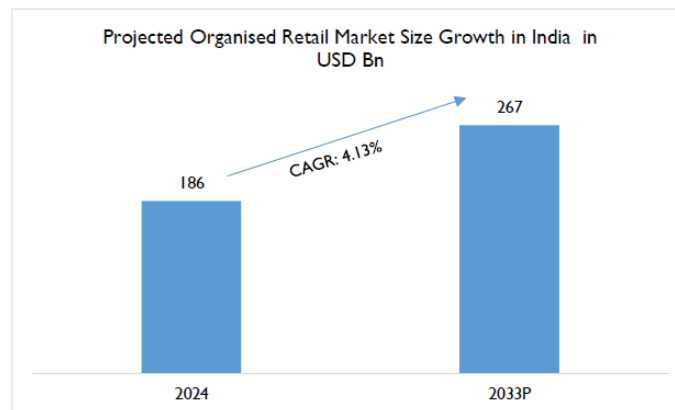


- **Indian Food & Grocery Retail**

India's food retail market has undergone a significant transformation over the past decade and is projected to reach approximately USD 850 billion by 2025<sup>6F7</sup>. This growth has been propelled by rising per capita income, rapid urbanization, the emergence of dual-income households, and the expansion of modern trade channels such as cash-and carry formats and e-commerce platforms. The country supports a vast distribution network with over 12 million grocery stores and more than one million wholesalers and distributors, catering to the needs of retail, food processing, and food service sectors. Consumer preferences are also evolving, with growing interest in health and wellness products, including organic, vegan, sugar-free, gluten-free, and immunity-boosting items. Simultaneously, there is a rising demand for premium, hygienically packaged, and convenient food options, such as ready-to-cook and ready-to-eat products, reflecting a shift toward quality, safety, and convenience in Indian food consumption habits. The country's demographic dividend coupled with the higher investment, and the favorable regulatory framework are expected to continue fuelling the food and grocery growth in India which is projected to grow 10% CAGR between 2022- 2030. The increasing consumption of processed foods, rising demand of quality goods and services, premiumization trends and wider access to rural market will continue to push the Indian food and grocery retail market. Over the past decade, this sector has undergone rapid expansion and modernization, driven by various factors such as technological advancements, changing consumer preferences, and increasing disposable incomes. In terms of retail formats, India boasts a diverse ecosystem that includes supermarkets, hypermarkets, grocery shops, convenience stores, and specialty shops. These formats cater to a wide range of consumer needs and preferences, offering both convenience and variety. While some retail outlets are part of larger networks, others operate independently, showcasing the coexistence of traditional kirana shops alongside modern organized retail chains. This blend of traditional and modern retail formats reflects the dynamic nature of India's retail sector, where innovation and tradition converge to meet the evolving demands of consumers. The emergence of organized retail complements the longstanding presence of kirana shops, creating a competitive retail landscape that continues to drive growth and innovation across the industry.

- **Organized Vs Unorganized retail in India and Growth trend in organized retail in India**

The traditional and unorganized retail segment is still the dominant one in the country, accounting for nearly 85-88% share while organized retail accounts for the balance share. The unorganized retail sector includes local kirana stores, owner-operated general stores, convenience stores etc. Unorganized retailing is a highly fragmented segment with a relatively low per unit space. However, this segment is too experiencing a significant transformation after the digitization push. On the other hand, the organized retailers include corporate backed hyper markets / supermarkets and privately owned large retail businesses which operate with modern retailing format both in offline and online mode. The major factors supporting and accelerating the growth of the organized sector are increasing levels of internet penetration, digital maturity, and developing infrastructure to back online transactions. The organized retail is gaining ground at a brisk pace in India where a balance is emerging across shopping format that include hypermarkets, supermarket, and other large retail format like specialty store. Major retail chains are expanding their presence beyond metros and Tier-1 cities to tier-2, tier-3 cities and even in tier-4 cities owing to lower rental rates and operating costs. This is translating in to overall increase in nation's consumer power and benefitting the growth of organized retail in India. The organised retailing segment is estimated to be valued at USD 186 Bn in 2024 and is projected to grow to USD 267 Bn by 2033.



- **Organized Retail Leasing Space Growth in India**

India remains one of the most promising destinations for retail investment, with the organized retail sector experiencing record-breaking leasing activity. As per Cushman & Wakefield, leasing in Tier-I cities reached 6.4 million sq. ft. in 2024, driven largely by Bengaluru, Hyderabad, and Delhi-NCR, which together accounted for 58% of the total absorption. The momentum carried into early 2025, with Q1 alone seeing 2.4 million sq. ft. of leasing, a significant 55% year-on-year jump. High streets dominated preference, contributing nearly two-thirds of this activity, while malls accounted for the rest. Among segments, fashion and apparel led the charge with a 37% share, followed by entertainment (14%), food & beverage (12%), luxury (9%), and consumer electronics (6%). While early 2025 saw limited new mall supply, nearly 9 million sq. ft. of Grade-A space is expected to enter the market this year, with recently completed malls already absorbing strong leasing demand, highlighting continued strength in physical retail. This growth is occurring alongside the rapid expansion of e-commerce, which is reshaping consumer behavior across India. The country is projected to reach 400 million unique online shoppers by 2027, up from 312 million in 2022. Quick commerce has notably disrupted traditional shopping patterns in urban areas, with e-grocery commanding two-thirds of online grocery orders and contributing USD 6–7 billion in GMV in 2024. Meanwhile, digital payments have surged, with UPI now handling over INR 15 trillion in monthly transactions, underscoring deep digital penetration. The direct-to consumer (D2C) model has also gained momentum, accounting for around 15% of total e-commerce sales and growing at a rapid 40% annually. Despite the digital boom, organized retail is far from losing ground. Instead, it is embracing transformation through an omnichannel strategy, elevated in-store experiences, and a stronger focus on food, entertainment, and premium offerings. This hybrid evolution reflects India's unique consumer dynamics, where both physical and digital retail are poised to grow in tandem.

- **Growth Outlook in Retail Sector**

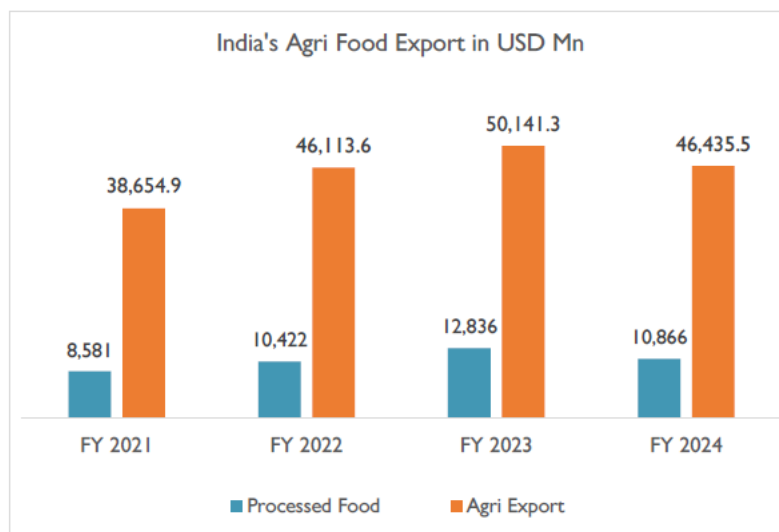
The resumption in retail activity – as the spread of pandemic was brought under control – have helped in reviving the sale of various consumer product. With restrictions being lifted, demand for all consumer products witnessed revival as pentup demand kicked. However, inflationary pressures impacted post-pandemic spending recovery in FY 2023 but the same is expected to bounce back as inflation exhibited some moderation in FY 2024 and support the overall retail industry growth in FY 2024. In long term, harnessing the advantage of a large and diverse population base, India is steadily evolving as a consumer driven economy where such large population base of 1.43 Bn is hard to ignore by global and domestic retailers. As the country socio-economic transformation continues, India is witnessing an expanding presence of leading international and consumer retail brand making their way in organized retail segment These brands are continuously striving for innovations, supported by data-driven insights of consumer preference analysis. Traditionally, the Indian retail basket has been dominated by essentials like food and groceries. Future growth in this segment growth hinges on personalization, with retailers leveraging data analytics and prescriptive algorithms to enhance customer experiences. Tailored services such as personalized cart preparation, streamlined checkout processes, and direct delivery of out-of-stock items are crucial for customer retention. Moreover, agility, adaptability, and investment in omnichannel capabilities are imperative for success in the rapidly evolving grocery retail landscape. Retailers must prioritize upskilling, digital infrastructure development, and build robust supply chain networks to thrive, remain competitive, and ensure long-term profitability in the dynamic retail environment. Additionally, supportive regulatory landscape and several schemes launched by the government to enhance the farm income have made consumer retail products, especially FMCG products more affordable and increasing penetration in rural sector. In FMCG sector, Government's initiatives to improve supply chain for transportation of perishable commodities, reduce wastages and increase processing level of food products will also help the Food and retail sector to grow.

- **Product Segment: Indian Food Processing Industry**

Food processing involves any value addition activities applied to produces right from harvesting stage to making it available as a usable food product either to the end user or as an industrial raw material (intermediary product) to manufacturing industries. Transformation of raw food ingredients into food or various forms of food is referred to as Food Processing. It helps to increase the shelf life of the products. Processed foods can be classified into three types viz. Primary, Secondary and Tertiary. Primary Processing: Primary processing refers to conversion of raw agricultural produce, milk, meat and fish into a commodity that is fit for human consumption, and it includes basic cleaning, grading and packaging as in case of fruits and vegetables. Secondary processing: This involves alteration of the basic product to a stage just before the final preparation as in case of milling of paddy to rice. Tertiary processing: This includes processing activity that leads to high value-added ready-to-eat food like bakery products, instant foods, health drinks, etc.

The food processing industry has undergone a sea of changes over a period. The food product consumed passes through several processes before reaching their plate. The raw products from agriculture, dairy, plant based/poultry meat, etc. undergo processing such as harvesting, cleaning, packaging, grading, preserving, storage, and transportation. They are processed using cutting-edge technology that enhances shelf life of food products. India's food processing sector covers fruit and vegetables; spices; meat and poultry; milk and milk products, alcoholic beverages, fisheries, plantation, grain processing and other processed consumer product groups like confectionery, chocolates and cocoa products soya-based products, mineral water, high protein foods, etc.

**Exports** - The Indian food processing industry is primarily export oriented. The country ranked 7th in the world in agricultural and processed food exports in FY 2023. Over the period FY 2021-24, India's agri food exports have CAGR of ~6.3% while processed food export have increased at 8.2% CAGR. In FY 2024, India's agri-food exports contracted by 7.4%, while processed food exports saw a sharper decline of 15.3%. This follows consistent growth in previous years, with agri-food exports rising by 9% in FY 2023 and 19% in FY 2022, and processed food exports expanding by over 20% in both years. Despite the decline, the share of processed food in total agri-product exports increased to 29.3% in FY 2024, compared to 25.6% in FY 2023 and 22% in FY 2022, indicating the sustained importance of processed food in India's export composition.



#### ➤ Comparison with listed entity

Name of Company	Face Value Per Share (₹)	EPS	P/E	RONW (%) for FY25	NAV per equity share (₹)
Patel Retail Limited	10	7.6	33.6	19.0%	54.0
Vishal Mega Mart	10	1.4	105.0	9.9%	13.9
Avenue Supermarts Limited	10	41.6	104.4	12.6%	329.3
Spencers Retail Limited	5	-27.3	NA	-37.2%	-73.4
Osia Hyper Retail Limited	1	1.5	7.5	4.9%	23.9
Aditya Consumer Marketing Limited	10	-2.6	NA	-18.5%	14.1

\*Note –: 1) P/E Ratio has been computed based on the closing market price of equity shares on NSE on Aug 14, 2025.

2) \* P/E of company is calculated on EPS of FY25, and post issue no. of equity shares issued.

#### ➤ Key Risk:

- All of the company's retail stores are concentrated in the state of Maharashtra, particularly within the Thane and Raigad districts. In the Financial Years 2024-25, 2023-24 and 2022-23, their revenue from Retail sales accounted for ₹ 36,886.9 Lakhs, ₹ 28,972.2 Lakhs and ₹ 26,655.7 Lakhs, representing 44.9%, 35.6% and 26.2% of their revenue from operations, respectively. Any adverse developments affecting their operations in such region, could have an adverse impact on their retail business, financial condition, results of operations and cash flow.
- As on May 31, 2025, they operate 43 stores, of which 8 stores have been in existence for more than 5 years and 15 stores have been in existence for more than 10 years. As the stores mature in operational tenure, they may witness saturation in revenue or a reduction in sales from such stores. For instance, their average store sales reduced from ₹881.38 lakhs in Fiscal 2023 to ₹878.26 lakhs in Fiscal 2025. A continued decline in same-store sales could adversely impact on their business and results of operations.
- They have witnessed a reduction in their revenue from operations in the past, from ₹101,854.8 lakhs in Fiscal 2023 to ₹82,069.3 lakhs in Fiscal 2025. There can be no assurance that they will not witness a reduction in their revenue from operations in the future.
- Their business is operating under various laws which require them to obtain approvals from the concerned statutory/regulatory authorities in the ordinary course of business. Some of their approvals are required to be transferred to the name of Patel Retail Limited from Patel Retail Private Limited, pursuant to the change of name of the Company. Their inability to obtain, maintain, or renew requisite statutory and regulatory permits and approvals for their business operations in a timely manner could materially and adversely affect their business, prospects, results of operations, and financial condition.
- They have a high debt equity ratio and may face certain funding risks. Their debt-to-equity ratio for the Fiscal 2025, Fiscal 2024 and Fiscal 2023 was 1.34, 1.97 and 2.54, respectively. Any further increase in borrowings may have a materially adverse effect on their business, financial condition and



results of operations. Further, if they do not generate a sufficient amount of cash flow from operations, their liquidity and ability to service their indebtedness could be adversely affected.

- Their operations are dependent on the supply of large amounts of raw materials such as wheat, spices and peanuts. They do not have long-term agreements with suppliers regarding their raw materials, and any increase in the cost of, or a shortfall in the availability of, such raw materials could have an adverse effect on their business and results of operations. Seasonal variations could also result in fluctuations in their results of operations.
- They operate in a competitive market, and any increase in competition from organized and unorganized players may adversely affect their business and financial condition.
- The Company has reported negative cash flows from its operating activity, investing activity, and financing activity. Sustained negative cash flow could impact on their growth and business.
- Their inability to identify, obtain and retain certain intellectual property rights, or to protect or use them, could harm their business. Further, they may infringe upon the intellectual property rights of others, any misappropriation of which could adversely affect their business and reputation.
- A significant portion of their revenue is concentrated among a limited number of customers in the Non-Retail Business and international markets. The loss of any of their significant customers or failure to fulfil the requirements of their international customers may adversely affect their revenues, results of operations, and cash flows.

➤ **Valuation & Outlook:**

Patel Retail Limited, headquartered in Ambernath, Maharashtra, is a value retail supermarket chain operating under the brand Patel's R Mart, with 43 stores across Thane and Raigad and a retail space of about 1.79 lakh sq. ft. Incorporated in 2008, the company has expanded into non-retail operations, including food processing, packaging, exports, and trading, offering products under in-house brands such as Patel Fresh, Indian Chaska, Blue Nation, and Patel Essentials.

They aim to strengthen their retail presence in Maharashtra by deepening market penetration and expanding their store network. Their stores are spread across 17 cities and suburban areas in the Thane and Raigad districts of Maharashtra. Following a cluster-focused expansion strategy, they plan to strengthen their presence in the western suburbs of the MMR, including Mira Road, Bhayander, Virar, and Vasai, as well as expand into the municipal region of Pune, Maharashtra.

At the upper price band, the company is valued at a FY25 P/E of 33.6x, with a post-issue market capitalization of ₹8,504 million. Each retail store offers over 10,000 SKUs, and the company's strategy focuses on providing a wide product range at value-for-money prices with strong customer service, sustaining competitiveness through everyday low prices driven by efficient procurement, supply, and operations. Based on these factors, the IPO appears fully priced, with a "**SUBSCRIBE – LONG TERM**" recommendation.

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Compliance officer-Deepak Kedia, email id - deepakkedia@rathi.com, Contact no. +91 22 6281 7000.

Grievance officer-Madhu Jain-email id- grievance@rathi.com, Contact no. +91 22 6281 7191

ARSSBL registered address: Express Zone, A Wing, 10th Floor, Western Express Highway, Diagonally Opposite Oberoi Mall, Malad (E), Mumbai – 400097.

Tel No: +91 22 6281 7000 | Fax No: +91 22 4001 3770 | CIN: U67120MH1991PLC064106.