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## **PATEL RETAIL LIMITED**

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# **IPO NOTE – Investor Education Series**

*August 2025*



## ISSUE HIGHLIGHTS

- ❑ The company was initially incorporated as “Patel Retail Pvt. Ltd” at Ambarnath, Maharashtra in June, 2007. Thereafter, the company was converted into a public limited company, in July, 2023, and the name was changed to “Patel Retail Ltd”.
- ❑ The company primarily engaged as a **retail supermarket chain** operating in the state of Maharashtra, in the **MMR region in the districts of Thane and Raigad**, with focus on “**value retail**”, offering **food, non-food (FMCG), general merchandise and apparels**.
- ❑ The company started its first store under the brand “**Patel’s R Mart**” at Ambarnath, Maharashtra and since incorporation, its **operations has expanded across the suburban area of Thane and Raigad district** in Maharashtra. As on May 31, 2025 the company **operates and manages 43 stores**, with a **Retail Business Area of ~ 1,78,946 sq.fts.**
- ❑ The company plans to **deepen its store network in the western suburban area of the MMR** such as Mira Road, Bhayander, Virar, Vasai and in the municipal region of **Pune, Maharashtra** following the cluster-focused expansion strategy.
- ❑ Since incorporation in FY 2008, the company has increased its store offerings and **as on May 31, 2025 it offers around 38 product categories** with over **10,000 product SKUs** in its stores.
- ❑ The company’s Ambarnath Facility is **strategically located** within a radius of **60 kms from its network of retail stores** and is also **close to the port of export**. Further, its manufacturing facilities in Gujarat are around agricultural belts, in proximity to the source of the raw materials.
- ❑ The company **exports staples, groceries, pulses, spices and pulps** under the brand **Patel Fresh & Indian Chaska**. The company has **exported to 35+ countries** during the disclosed financial period.
- ❑ The company’s **total revenue declined from ₹1,019.80 Cr in FY 2023 to ₹ 825.99 Cr in FY 2025**, primarily due to a reduction in trading sales. **However, EBITDA grew at a CAGR of 20.16%**, rising from ₹43.24 Cr in FY 2023 to ₹62.43 Crores in FY 2025. **Net profit after tax**, as restated, **increased at a CAGR of 24.23%**, from ₹16.38 Crores in FY 2023 to ₹25.28 Crores in FY 2025.

## BRIEF FINANCIAL DETAILS

(₹ IN Cr)

Particulars	As at Mar’ 31,		
	2025	2024	2023
Equity Share Capital	24.88	24.38	3.81
Net worth	134.57	94.40	71.87
Total Borrowings	180.54	185.75	182.81
Debt Equity Ratio	1.34	1.97	2.54
Revenue from Operations	820.69	814.19	1,018.55
Revenue Growth	0.80%	(20.06)%	32.94%
EBITDA as stated	62.43	55.84	43.24
EBITDA Margin (%)	7.61%	6.86%	4.25%
Adjusted EBITDA	57.14	52.32	41.98
Adjusted EBITDA Margin (%)	6.96%	6.43%	4.12%
Restated Profit for the Year	25.28	22.53	16.38
Profit / Loss Margin (%)	3.08%	2.77%	1.61%
Return on Capital Employed (%)	14.43%	15.10%	12.66%
Return on Equity (%)	19.02%	24.24%	23.66%
Net Asset Value (₹)	54.08	38.72	29.48
EPS – Basic & Diluted (₹)	10.30	9.24	6.72

Source: RHP

## Issue Details

**Fresh Issue of Up to 85,18,000 Equity Shares+ Offer for sale of up to 10,02,000 Equity Shares**

**Issue size: ₹ 226~ - 243^ Cr**

**Face value: ₹ 10/-**

**Price band: ₹ 237 -255**

**Bid Lot: 58 Shares and multiples thereof**

**Employee Reservation: Up to 51,000 Equity Shares**

**Employee Discount : ₹ 20/- per share**

**Post Issue Implied Market Cap =**

**₹ 792~ - ₹ 852^ Cr**

**BRLMs: Fedex Securities Pvt. Ltd**

**Registrar: Bigshare Services Pvt. Ltd**

**Issue opens on: Tuesday August 19th, 2025**

**Issue closes on: Thursday August 21st, 2025**

## Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	22-08-2025
Refunds/Unblocking ASBA Fund	25-08-2025
Credit of equity shares to DP A/c	25-08-2025
Trading commences	26-08-2025

## Issue break-up

	No. of Shares	₹ In Cr		% of Issue
		@Lower	@Upper	
QIB	28,40,700	67.32	72.44	30%
NIB	23,67,250	56.10	60.36	25%
-NIB2	15,78,167	37.40	40.24	-
-NIB1	7,89,083	18.70	20.12	-
RET	42,61,050	100.99	108.66	45%
EMP	51,000	1.11	1.20	-
<b>Total</b>	<b>95,20,000</b>	<b>225.52</b>	<b>242.66</b>	<b>100%</b>

NIB-1=NII Bid between ₹ 2 to 10 Lakhs

NIB-2 =NII Bid Above ₹ 10 Lakhs

Category	Retail Category	NII-Bid between ₹ 2 - 10 Lakhs	NII-Bid Above ₹ 10 Lakhs
Minimum Bid Lot (Shares)	58 Shares	812 Shares	3,944 Shares
Minimum Bid Lot Amount (₹)	₹ 14,790^	₹ 2,07,060^	₹ 10,05,720^
Appl. for 1x	73,466 Applications	972 Applications	1,944 Applications

## Listing: BSE & NSE

## Shareholding (No. of Shares)

Pre-issue	Post issue^
2,48,82,528	3,34,00,528

^ Upper Price Band

## Shareholding\* (%)

	Pre-Issue	Post-Issue
Promoter	97.99%	70.00%
Public -Others	2.01%	30.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

\* As per RHP



## BACKGROUND

### Company and Directors

The company was initially incorporated as “Patel Retail Pvt. Ltd” at Ambarnath, Maharashtra in June, 2007. Thereafter, the company was converted into a public limited company, in July, 2023, and the name was changed to “Patel Retail Ltd”. The company primarily engaged as a retail supermarket chain operating in the state of Maharashtra, in the MMR region in the districts of Thane and Raigad, with focus on “value retail”, offering food, non-food (FMCG), general merchandise and apparels.

### Brief Biographies of Directors & Key Managerial Personnel

**Dhanji Raghavji Patel** is the Chairman and Managing Director of the Company. He is one of the Promoters and has been associated with the Company since its inception. He has over twenty-five (25) years of experience in the line of business in which the Company operates.

**Bechar Raghavji Patel** is the Whole-time Director of the Company. He is one of the Promoters and has been associated with the Company since its inception. He has over twenty-five (25) years of experience in the line of business in which the Company operates.

**Hiren Bechar Patel** is the Non-Executive Director and one of the Promoters of the Company. He has been associated with the Company since its inception. He has 10+ years of experience in the line of business in which the Company operates.

**Yashwant Suresh Bhojwani** is an Independent Director of the Company. He is also the director of GCRC Advisory Pvt. Ltd. He has 7+ years’ experience in the field of auditing, taxation and advisory services.

**Nitin Pandurang Patil** is an Independent Director of the Company. He has 15+ years of experience in the financial services industry. He has worked with private sector banks such as Axis Bank and Kotak Mahindra Bank. He is also a director of Value Wealth Financial Services Pvt. Ltd.

**Harshini V Jadhav** is an Independent Director of the Company. She has over 25 years of experience in education, teaching and administration space.

**Manish Rambabu Agarwal** is the Chief Financial Officer of the Company since October 13, 2023. He has been associated with the Company since July 18, 2019 as Director- Finance. Previously, he was a partner at Sachin Salian & Co., Chartered Accountants. He has 10+ years of post-qualification experience in the field of finance.

**Prasad R Khopkar** is the Company Secretary and Compliance Officer of the Company since July 1, 2024. Previously he was associated with BEW Engineering Ltd. He has over ten (10) years of post-qualification experience in handling secretarial compliances.

## OBJECTS OF THE ISSUE

Objects	Amount (₹ Cr)
• Repayment/prepayment, in full or part, of certain borrowings availed by the Company	59.00
• Funding of working capital requirements of the Company	115.00
• General Corporate Purposes	[ • ]
<b>Total</b>	<b>[ • ]</b>

## OFFER DETAILS

Fresh Issue	No. of Shares	WACA per Equity Share (₹)
Fresh Issue (~₹ 216 <sup>^</sup> Cr)	Up to 85,18,000 Equity Shares	-

  

Offer for Sale by:	No. of Shares	WACA per Equity Share (₹)
Dhanji Raghavji Patel	Up to 7,68,000 Equity Shares	7.57
Bechar Raghavji Patel	Up to 2,34,000 Equity Shares	1.56

(<sup>^</sup> at upper price band)



A Pre-IPO Placement was undertaken by the Company on November 27, 2024, of 5,00,000 Equity Shares having face value of ₹ 10 each at a price of ₹ 300 per share, aggregating to ₹15 Cr.

## SHAREHOLDING PATTERN

Shareholders	Pre-offer		Fresh Issue and offer for sale shares <sup>^</sup>	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
<b>Promoter and Promoters Group</b>					
Promoter	2,22,38,528	89.37%	10,02,000	2,12,36,528	63.58%
Promoters Group	21,44,000	8.62%	0	21,44,000	6.42%
<b>Total for Promoter and Promoter Group</b>	<b>2,43,82,528</b>	<b>97.99%</b>	<b>10,02,000</b>	<b>2,33,80,528</b>	<b>70.00%</b>
Public Others	5,00,000	2.01%	85,18,000	1,00,20,000	30.00%
<b>Total for Public Shareholder</b>	<b>5,00,000</b>	<b>2.01%</b>	<b>85,18,000</b>	<b>1,00,20,000</b>	<b>30.00%</b>
<b>Total Equity Share Capital</b>	<b>2,48,82,528</b>	<b>100.00%</b>		<b>3,34,00,528</b>	<b>100.0%</b>

(<sup>^</sup> at upper price band)

## BUSINESS OVERVIEW

The company 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.

The company was incorporated in FY 2008 and started its first store under the brand “Patel’s R Mart” at Ambarnath, Maharashtra and since, its operations it has expanded across the suburban area of Thane and Raigad district in Maharashtra. As on May 31, 2025 the company operates and manages 43 stores, with a Retail Business Area of ~ 1,78,946 sq.fts.

With the objective to increase margin and to promote its brand “Patel’s R Mart”, the company launched its private label goods comprising of Pulses (“Patel Fresh”) and spices (“Indian Chaska”), which it buys in bulk quantities and package and brand after its quality checks and inspections at its processing and packing facility at Ambarnath, Maharashtra (“Facility 1”), and mens wear (“Blue Nation”), home improving products (“Patel Essentials”), ready-to-cook / instant mix (“Patel Fresh”), ghee and papad (“Indian Chaska”) which the company buys from third party vendors under its brands.

Since incorporation in FY 2008, the company has increased its store offerings and as on May 31, 2025 it offers around 38 product categories with over 10,000 product SKUs in its stores.

As a part of the company’s backward integration strategy and to control its supply chain, the company started its production facility at Bhuj Bachau Highway, District Kutch, Gujarat (“Facility 2”). At this facility the company processes peanuts and whole spices, such as coriander seed and cumin seeds.

Further to broaden its product offering across the value chain, the company built an agri processing cluster spread over 15.925 Acres of land area at Bhuj Bachau Highway, District Kutch, Gujarat, comprising of 5 production units collectively (“Facility 3”), 1 fruit pulp processing unit (“F&V Unit”), dry warehouse of 2546.29 sq. mtr. with storage capacity of 3040 MT, cold storage with capacity of 3000 MT and also the inhouse testing & research laboratory (collectively referred to as “Agri-cluster”).

The Facility 1, 2 and 3 has been collectively referred to as “Facilities”. Facility 1,2 and Agri-Cluster has been collectively referred to as “Manufacturing Facilities” and the Facility 2 and Agri-cluster will be collectively referred to as “Kutch Facilities”.

The company has ventured into export of staples, groceries, pulses, spices and pulps. It exports these products under the brand Patel Fresh & Indian Chaska and the brand of its customers from its Manufacturing Facilities. Moreover, the company also undertakes 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 into bulk trading of agri commodities such as, rice, sugar, pulses, edible oil etc. The company has exported to 35+ countries during the disclosed financial period.

The company’s business can be categorized (Retail and Non-Retail):

**Retail Business :** The retail business is run under “Patel’s R Mart” brand. The company’s business approach is to provide quality goods at competitive prices. Most products stocked by the company are everyday products, rather than discretionary spending. The company’s wide range of product offerings focus on foods, non-food (FMCG), general merchandise and apparel.



Further, the company was also operating 2 exclusive readymade garment outlets under the brand “R Choice”. The company also earns rental income from its vendors as display and listing income, shop-in-shop arrangements such as, vegetable stall, sandwich, chat and ice cream stalls. The company’s retail stores offer a mix of third-party reputed brands, unbranded products, and private label items. Private label sales contributed ₹62.87 Cr (17.05% of retail sales, 7.66% of operational revenue) in FY25, ₹56.71 Cr (19.57%, 6.97%) in FY24, and ₹49.24 Cr (18.47%, 4.83%) in FY23.

The company has established its retail stores in the central suburban areas of the Mumbai Metropolitan Region (MMR), primarily in Thane and Raigad districts of Maharashtra, with a focus on emerging tier-III cities and suburban regions. The stores are located across 17 cities / suburban areas within the Thane and Raigad district of Maharashtra. The stores are strategically located in densely populated residential areas, based on cluster approach, primarily serving the lower-middle class, middle class and aspiring upper-middle class customers. The average store size is ~ 4,000 sq. ft

As of May 31, 2025, the company has 43 stores with total retail business area of ~ 1,78,946 sq. ft. At the end of FY 2025, FY 2024 and FY 2023, the company had 42, 33 and 30 stores with retail business area of approx. 1,74,996 sq. ft., 1,37,296 sq. ft. and 122,489 sq. ft., respectively. The company plans to deepen its 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 the cluster-focused expansion strategy.

The company has witnessed steady growth in its total number of bill cuts. The company’s total number of bill cuts were 52.15 Lakhs, 39.73 Lakhs and 33.73 Lakhs for FY 2025, FY2024 and FY 2023, respectively. During the same period, the company’s average annual revenue per store was ₹8.78 Crores, ₹8.78 Crores, and ₹8.33 Crores for FY25, FY24, and FY23, respectively. Further for Fiscal 2025, FY 2024 and FY 2023, the company’s average annual revenue per retail business area sq. ft. was ₹ 21,078.76, ₹ 21,101.99 and ₹ 21,761.68, respectively.

The company operates & manages all its stores, which are mainly leased, with an average period of ~5 years. The company’s distribution Centre and Facility 1 situated at Ambernath, Maharashtra, forms the backbone of its supply chain to support its retail store network which is within a radius of 60 kms.

In addition to walk in customers, the company serves customers online through its mobile application “Patel’s R Mart” which is available both on IOS and android. Since the apps launch in FY 2021, it has been downloaded 86,000+ times and has 17,000 active users. The company’s revenue from e-tail sales was ₹1.25 Cr, ₹0.96 Cr, and ₹1.04 Cr, corresponding to 7,853, 6,056, and 5,253 orders in FY 2025, FY 2024, and FY 2023, respectively.

The company’s stores are supported by IT and operational management systems which streamline many functions including procurement, sales, supply chain and inventory control. As a result, the company is able to procure its merchandise from its Distribution Centre or directly from the suppliers, thus managing its store inventory levels efficiently to better respond to the customers’ changing preferences and needs. The company sources its products, including private labels, directly from the regions where such products are widely available or manufactured, to minimize the procurement costs and offer quality products at such costs. The strong sourcing capability is backed by an efficient logistics network, supported by 18 vehicles and fleet of 57 third-party tempos for providing home delivery of order placed by the customers as on March 31, 2025.

**Non- Retail :** As a backward integration strategy to control its supply chain, the company started its processing and packaging facility and its product testing laboratory, to undertake essential quality check of its raw materials and finished goods at Facility 1 where it processes whole spices, such as coriander seed, cumin seeds, pulses, staples and groceries. Facility 1, including testing lab is spread over an area of 7,678 sq. ft. Further, the company expanded its manufacturing / processing capability by setting-up Facility 2 where it processes peanuts and whole spices, such as coriander seed and cumin seeds. Facility 2 is spread over an area of 3.27 acres of freehold land with a constructed area of 7460.54 sq. mtr. The company also sells agri- waste material, such as peanut shells generated during the production process, which makes the Facility 2 a zero waste processing unit.

Further, as a part of its strategy to broaden the product offering across the value chain, the company built an agro processing cluster spread over 15.925 acres at Bhuj Bachau Highway, Kutch, Gujarat. The agro processing cluster comprises of 5 production units collectively ( “Facility 3”), 1 (one) fruit pulp processing unit (“F&V Unit”), dry warehouse of 2546.29 sq. mtr. with storage capacity of 3040 MT, cold storage with capacity of 3000 MT and the inhouse testing and research lab (collectively referred as “Agri cluster”). The company manufacture, process and sell its products under the brands “Indian Chaska”, and “Patel Fresh”. The company sell these products in retail and wholesale packs. The company’s sale of manufactured and processed products can be broadly categorized as Branded & Unbranded Sales (Domestic) and Export sales.

**Branded sales (Domestic) :** The company manufactures and markets spices, wheat flour and refined wheat flour, pulses, staples and groceries and mango pulp under its own brands. Spices such as whole spices, grounded 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' brand while pulses are sold under the 'Patel Fresh' brand. The company sells its products across 9 states with majority of the sales coming from the states of Maharashtra and Gujarat. Further, the company also sells its branded products to institutional customers in bulk and through the factory outlets situated in Facility 3.

**Unbranded Sales (Domestic) :** Under the unbranded sales category the company sells its 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 its customer, as per their specifications. The company serve its customers across various industries such as- food industry (manufacturers of biscuits and namkeens, snack foods, ready-to-eat, oil industry and food ingredients), cattle feed and others.

**Export sales :** The company exports its products under its own brand (branded export) and also as unbranded or that in the brand of its customer (unbranded export). The company has exported its manufacturing products to 35+ countries during the disclosed financial period.

**Trading:** The company undertakes export and domestic trading of assorted / mix containers of food products and non-food products. The company sources food products and non-food products from reputed third-party brands. The company exports its products to the customers directly and also through commission agents. Further, the company also engages in trading of agri-products in bulk such as- rice, sugar, pulses, edible oil, etc. in domestic as well as export markets. The company sells these products to wholesalers, institutions such as restaurants, hotels, NGOs and in the export market to wholesalers and dealers, including tier II retailers.

**Key financials :** The company's total revenue declined from ₹1,019.80 Cr in FY 2023 to ₹ 825.99 Cr in FY 2025, primarily due to a reduction in trading sales. However, EBITDA grew at a CAGR of 20.16%, rising from ₹43.24 Cr in FY 2023 to ₹62.43 Crores in FY 2025. Net profit after tax, as restated, increased at a CAGR of 24.23%, from ₹16.38 Crores in FY 2023 to ₹25.28 Crores in FY 2025.

## KEY PERFORMANCE INDICATORS

(₹ Cr)

Particulars	As at March 31 <sup>st</sup> ,		
	2025	2024	2023
<b>Financial</b>			
Revenue from operations	820.69	814.19	1,018.55
Growth in revenue from operations (%)	0.80%	(20.06)%	32.94%
Gross Profit	159.38	155.29	158.35
Gross Profit Margin (%)	19.42%	19.07%	15.55%
EBITDA	62.43	55.84	43.24
EBITDA Margin (%)	7.61%	6.86%	4.25%
Adjusted EBITDA	57.14	52.32	41.98
Adjusted EBITDA Margin (%)	6.96%	6.43%	4.12%
Restated Profit after tax (PAT)	25.28	22.53	16.38
PAT Margin	3.08%	2.77%	1.61%
RoE (%)	19.02%	24.24%	23.66%
RoCE (%)	14.43%	15.10%	12.66%
Net Debt / EBITDA Ratio	2.73	3.30	4.18
Debt Equity ratio	1.34	1.97	2.54
<b>Operational</b>			
<b>Geographical Segment Revenue</b>			
Domestic Revenue	548.43	410.91	352.33
Domestic Revenue (%)	66.82%	50.47%	34.59%
Export Revenue**	272.27	403.28	666.21
Export Revenue (%)	33.18%	49.53%	65.41%
<b>Revenue split by Division</b>			
Retail Sales	368.87	289.72	266.56
Retail Sales (as a % of total)	44.95%	35.58%	26.17%
Sale - Process	361.17	372.56	310.42
Sale - Process (as a % of total)	44.01%	45.76%	30.48%
Sale - Trading	83.18	141.16	431.21
Sale - Trading (as a % of total)	10.13%	17.34%	42.34%
<b>Other operating income</b>	7.47	10.74	10.36
Other operating income (%)	0.91%	1.32%	1.02%
<b>Retail Sales matrix</b>			





Particulars	As at March 31 <sup>st</sup> ,		
	2025	2024	2023
Revenue per store	8.78	8.78	8.33
Revenue per Retail Business area ( ₹ Lakhs)	0.21	0.21	0.22
<i>Retail Sales Category wise</i>			
Revenue – Food	269.43	213.85	196.30
Revenue – Non-Food (FMCG)	72.20	55.54	50.41
Revenue – General Merchandise & Apparel	27.24	20.33	19.84
<i>Retail Sales Private Labels</i>			
Revenue – Private Label	62.87	56.71	49.24
Revenue – Private Label (as % to Retail Sales)	17.05%	19.57%	18.47%
<i>Key working capital parameters (in days)</i>			
Net Working Capital Days	97	85	61
Inventory Days	64	57	27
Trade Receivable Days	55	43	37
Trade Payable Days	27	21	15

Source: RHP; \*\*gross of discount, claims and provisions

## COMPETITIVE STRENGTHS

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

The company focuses on using its deep knowledge of the clusters and regions in which it operates to customise the product assortment in each store keeping in mind local demands and preferences. The company believes that its approach of focusing on its inventory management based on customer preference has enabled it to launch products under its brand in a wide product categories.

The company's IT systems are built with a wide range of data management tools specific to its business needs and support key aspects of their business, including procurement, sales and inventory control on a daily basis. The combination of the company's IT system and internal control have helped it to reduce the losses from pilferage from ₹ 94.73 lakhs in FY 2021 to ₹ 8.91 lakhs in FY 2025.

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

The company has expanded its footprint using the cluster based approach. The business has grown steadily in recent years, primarily through expansion of its store network from 1 store in FY 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. The company has strengthened its existing presence in locations where it operates by opening new stores within a radius of a few kilometers of its existing stores.

- Company's Presence**

The company's operations are spread across the suburban area of Thane and Raigad district in Maharashtra. In the process of opening new stores, they take various factors into account, including population density, customer and vehicular traffic, customer accessibility, potential growth of the local population and economy, area development potential and payback period among others. Moreover, the company has largely kept the layout and design of the stores consistent and predictable to make shopping easier.

The company's approach has helped it to consistently increase customer footfalls by attracting new customers and also through repeat customers, which is evidence from the increase in number of bill cuts from 33,73,032 in Fiscal 2023 to 39,73,081 in Fiscal 2024 and 52,15,116 in FY 2025.

- Logistics and distribution network**

The company's distribution and logistics network comprise of 1 Distribution Centre at Ambernath, Maharashtra. This centre forms the backbone of the company's supply chain to support its retail store network which is within a radius of 60 km. Besides, the company has its own fleet of 18 trucks, which helps the company to transport and deliver its products in a cost and time efficient manner.

The Company has engaged number of wholesalers and retailers to ensure easy product availability to its customers, efficient supply chain, focused customer service and short turnaround times. The company believes that its long standing wholesaler



base has good reputation in the market in which they operate. Further, its strong logistics and distribution network has also helped it to reach to over 500 retail stores, majorly across the state of Gujarat and Maharashtra.

- **Diversified product portfolio**

Under the retail business, the company's principle nature of business is to procure everyday use products from reputed brands / manufacturers and provide the same to end consumers through its network of retail stores. The company also sells food products such as whole spices, powder spices, wheat flour and refined wheat flour, pulses, mango pulp, staples and groceries and home improving products under its own brands Indian Chaska, Patel Fresh and Patel Essentials. Further, it is also engaged in trading of food and non-food products of reputed third-party brands and also in unbranded bulk quantity. The company's unique business model enables it to provide diversified products and an ability to deal with a varied customer base.

The company has launched packages of various sizes for the products. For example, its powder spices are available in packages of 100 gms to 10 Kg whereas its blended spices will be available in as small as a pouch that is 10-15 grams to 500 grams box packs (consumer packs). The company also deals 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 wholesale supply of food grains like- wheat, peanut, sesame seeds, sugar, whole spices like- coriander, cumin, ajwain, methi, mustard, fennel, etc. The Company's presence in the agro commodity trading segment enables it to identify opportunities and enter into trading from one commodity to another in accordance with change in demand or inconsistency in pricing for any commodity during any season.

- **Strategically located manufacturing facilities**

The company's Ambernath Facility, is strategically located within a radius of 60 kms from its network of retail stores and is also close to the port of export, thus reducing the cost of transportation. The company's strategically located multi-product manufacturing unit manufactures and process varied products and is situated close to the source of the raw materials and reduces its transportation costs.

Further, the location of its manufacturing facilities in and around agricultural belts in Gujarat allows cost efficiency in its procurement and transportation of raw materials, as well as in transportation of its manufactured products, enabling the company to reduce the operating costs and leverage economies of scale.

- **Large scale procurement and storage capabilities**

The company has an extensive procurement network of over 1500 farmers. Moreover, the size and geographical coverage of its procurement model enables it to negotiate better terms including bulk discounts, avoid reliance on any limited set of vendors, and implement economies of scale, as well as to stabilize procurement costs in fluctuating demand and supply conditions.

The company's Agri-cluster has dry storage capacities of around 3040 MT spread over 2,546.29 sq. mtr and a cold storage facility of 3,000 MT. Further, Facility 1 also has a storage capacity of around 8,500 MT spread over 64000 sq. ft. , and Facility 2 also has a storage capacity of 11,000 MT spread over 55,000 sq. ft. Further the Company has taken on lease land admeasuring 7.975 acres at Village Dudhai, Taluka Anjar, Kutch, Gujarat, for meeting any of its future warehousing and logistics requirements.

- **Long Standing Relationship with customers**

Owing to its strong customer relationships the company has developed a network of more than 500 wholesalers and retailers as on March 31, 2025. The company believe that its existing relationship with its customers represents a competitive advantage in gaining new customers and increasing the business. For instance, top 10 customer from its non-retail business represented 15.67%, 24.07% and 32.21% of its revenue from operations for FY 2025, FY 2024 and FY2023, respectively.

- **Strong promoter background and an experienced and entrepreneurial management team with a proven track record and a high degree of employee ownership**

The company's Promoter, Chairman and Managing Director Dhanji Raghavji Patel is the guiding force behind the operational and financial decision of the Company. The Promoters and senior management have a proven track record and an in-depth understanding of the retail business in India and in the export market.

The company also believes that its motivated and well-trained employee strength of 229 as on May 31, 2025 have been an important factor in its success as the quality and efficiency of the service it provides are dependent on them.





- **Strong track record of growth and profitability**

The company's total store count has grown from 30 in Fiscal 2023 to 42 as on March 31, 2025 and is at 43 as of May 31, 2025. The company's total revenue declined from ₹1,019.80 Cr in FY 2023 to ₹ 825.99 Cr in FY 2025, primarily due to a reduction in trading sales. However, EBITDA grew at a CAGR of 20.16%, rising from ₹43.24 Cr in FY 2023 to ₹62.43 Crores in FY 2025. Net profit after tax, as restated, increased at a CAGR of 24.23%, from ₹16.38 Crores in FY 2023 to ₹25.28 Crores in FY 2025.

## **KEY BUSINESS STRATEGIES**

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

As on May 31, 2025, the company's stores are located across 17 cities / suburban area within the Thane & Raigad District of Maharashtra. The company plans to deepen its 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 its cluster-focused expansion strategy. The company endeavours to capitalise and strengthen its presence in a particular region by opening new stores within a radius of 60 –100 kms from the existing stores in such region.

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

The company continues to focus on optimal product assortment across operational clusters, keeping in mind the local needs and preferences. It leverages insights into consumer spending patterns and behavior, supported by data analytics, to stay aligned with evolving consumption trends.

The company plans to offer one-stop shopping experience, with all its stores being air-conditioned and designed with a pleasant ambience and functional layout. The company also seeks to enhance customer experience by improving checkout times and undertaking periodic store renovations.

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

The company intends to develop new products and strengthen its private label offerings, recognizing that its target customers typically do not shop with a specific brand in mind but seek good quality and affordable products. This consumer behavior presents an opportunity to expand private labels. The company believes that its private label initiative will serve as a key differentiator from competitors, while also improving margins and enhancing its merchandise mix.

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

The company plans to launch new products to capture consumer trends. The company has been evaluating new products in adjacent categories. The potential new products may include varieties of blended spices, increase the company's ready-to-cook / instant mix range and launch of ready-to-eat range of products, etc. For instance, the company launched over 20 varieties of blended spices under the brand name "Indian Chaska" during the month of October in FY 2025. As part of the product launch, the company appointed 25 distributor and stockist and sole selling agent across select cities of Maharashtra, Gujarat and Uttar Pradesh.

- **Focus on increasing brand awareness**

The company will continue to invest in strengthening the brands. In FY 2025, FY 2024, and FY 2023, advertising and sales promotion expenses were ₹1.55 Crores, ₹0.55 Crores, and ₹1.55 Crores, respectively, representing 0.19%, 0.07%, and 0.15% of revenue from operations.

While the company have used traditional means to advertisement such as print media, social media, and banners on autos and transport vehicles to create brand awareness, going forward the company will employ celebrity endorsement, digital advertising and other brand building initiatives in the marketing campaigns to increase the company's brand awareness.

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

Currently most of the company's sales are derived from the state of Gujarat and Maharashtra. The company also sells in other states such as Tamil Nadu, Telangana, Madhya Pradesh, Karnataka, Delhi, Bihar, Andhra Pradesh, Uttar Pradesh and Rajasthan. The company continually seeks to enhance its addressable market through its network of wholesalers and by creating a network of distributors and dealers across these states.



## COMPARISON WITH INDUSTRY PEERS (AS ON MARCH 31, 2025)

Company Name	CMP* (₹)	EPS (₹)		P/E (X)	RoNW (%)	NAV / Share (₹)	Face Value (₹)
		Basic	Diluted				
<b>Patel Retail</b>	[●]	10.30	10.30	[●]	19.02%	54.08	10.00
Vishal Mega Mart (Consol)	146.62	1.40	1.36	104.73	9.87%	13.92	10.00
Avenue Supermarts (consol)	4,257.80	41.61	41.50	102.33	12.64%	329.27	10.00
Spencers Retail (consol)	57.20	(27.33)	(27.37)	NA^	(37.24)%	(73.40)	5.00
Osia Hyper Retail	12.75	1.46	1.46	8.73	4.97%	23.85	1.00
Aditya Consumer Marketing#	42.71	(2.62)	(2.62)	NA^	(18.51)%	14.14	10.00
Sheetal Universal	126.50	8.12	8.12	15.58	21.44%	38.27	10.00
Kovilpatti Lakshmi Roller Flour Mills	129.05	1.27	1.27	101.61	1.72%	73.92	10.00
KN Agri Resources	251.00	14.76	14.76	17.01	10.50%	140.60	10.00
Madhusudhan Masala	141.20	10.93	10.93	12.92	16.04%	64.73	10.00

Source: RHP; P/E of peers based on \*CMP on BSE on Aug 05, 2025; # not traded on August 5, 2025 on BSE, CMP as on August 04, 2025. ^ Earnings / Net worth of the peer companies are negative, hence P/E ratio and Return on Net Worth has not been calculated

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