



IPO DETAILS

#IPOlogy

PATEL RETAIL LIMITED



ISSUE OPEN

19 August, 2025



ISSUE CLOSE

21 August, 2025

Min. Lot Size

58 Shares

Issue Price Band

₹237 - ₹255

Issue Size

Fresh Issue:
0.85 Cr Eq shares
(₹ 215.91 Cr)

OFS:
0.10 Cr Eq Shares
(₹ 25.55 Cr)

Face Value

₹10

Industry

Retailing

Listing at

NSE, BSE

RATING

Subscribe

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Marwadi Shares and Finance Limited

Corporate Office: Marwadi Financial Plaza, Nana Mava Main Road, Off 150ft Ring Road, Rajkot - 360001, Gujarat.

Registered Office: X-Change Plaza, Office No. 1201 to 1205, 12th Floor, Building No. - 53E, Zone - 5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat.

0281 7174 100/0281 6192 100 **CIN of MSFL:** U65910GJ1992PLC017544

SEBI Reg. No. of MSFL for NSE, BSE, MCX, NCDEX: INZ000174730 | Membership No.: NSE:08760, BSE:0910, MCX:56410, NCDEX:1280 | SEBI Regn.No. of DP: IN-DP-476-2020 (NSDL DPID:IN300974) (CDSL DPID:12035100) | Research Analyst: INH 000002186 AMFI: ARN-42506 | PFRDA: POP07082018

Disclaimer: 'Investment in securities market are subject to market risks, read all the related documents carefully before investing'.

For Facts & Figures



PATEL RETAIL LIMITED

Rationale

Considering the FY25 EPS of Rs 7.57 on a post issue basis, the company is set to list at a P/E of approximately ~33.69x with a market cap of Rs 851.71 Cr whereas its peers namely Vishal Mega Mart Ltd, Avenue Supermarts Ltd, Osia Hyper Retail Ltd, Sheetal Universal Ltd, Kovilpatti Lakshmi Roller Flour Mills Ltd, KN Agri Resources Ltd and Madhusudan Masala Ltd are trading at P/E ratios of approximately ~103x, 102x, 8x, 16x, 101x, 16x and ~16x, respectively.

We assign "Subscribe" rating to this IPO as the company has diversified portfolio and steady footprint expansion using a distinct store acquisition strategy. Also, it is available at reasonable valuation as compared to its peers.

Company Overview

Patel Retail Ltd 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 opened its first store under the brand name "Patel's R Mart" in Ambarnath, Maharashtra. As of May 31, 2025, the company operated 43 stores across suburban areas of Thane and Raigad districts in Maharashtra, with a total retail area of approximately 1,78,946 sq. ft.

To enhance margins and brand recognition, Patel Retail Limited has launched private label products such as "Patel Fresh" (pulses and ready-to-cook items), "Indian Chaska" (spices, ghee, and papad), "Blue Nation" (men's wear), and "Patel Essentials" (home improvement items).

The company business is divided into two main segments: Retail and Non-Retail category. The company derives 45% of its revenue from Retail category and 55% of its revenue from Non-Retail category products.

The company operates three processing facilities: Ambarnath (Maharashtra) for processing, quality checks, and packaging of private label grocery products; Dudhai (Kutch, Gujarat) for agri-product processing; and an integrated Agri-Processing Cluster in Dudhai with multiple production units, storage facilities, and a research lab.

Patel Retail Limited positions its stores as neighbourhood supermarkets catering to both daily needs and bulk shopping. In addition to its core retail activity, the company also generates rental income through vendor arrangements within its stores.

Objectives of the issue

Repayment/prepayment, in full or part, of certain borrowings availed by the Company;

Funding of working capital requirements of the Company; and

General Corporate Purposes



Product Breadth & Key Market Focus

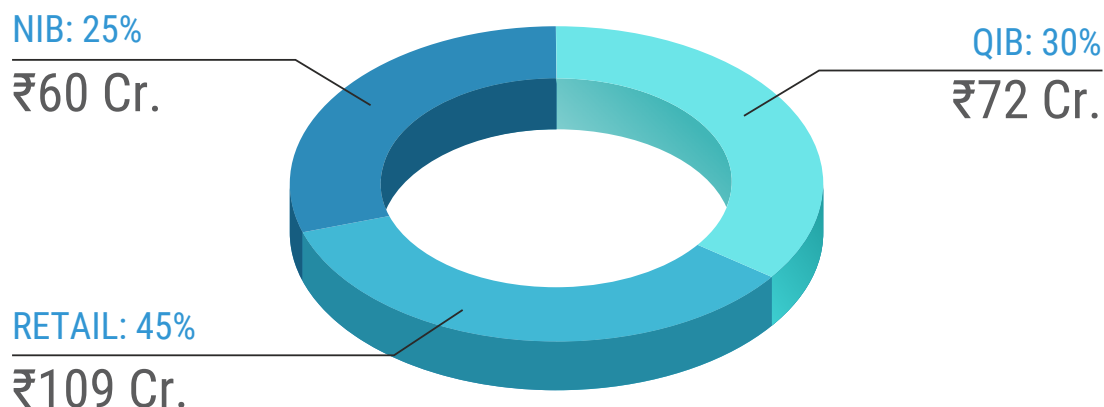
As of May 31, 2025, the company had 38 products categories across 10,000 SKUs. Its products are distributed across various states, with the majority of sales originating from Maharashtra and Gujarat.



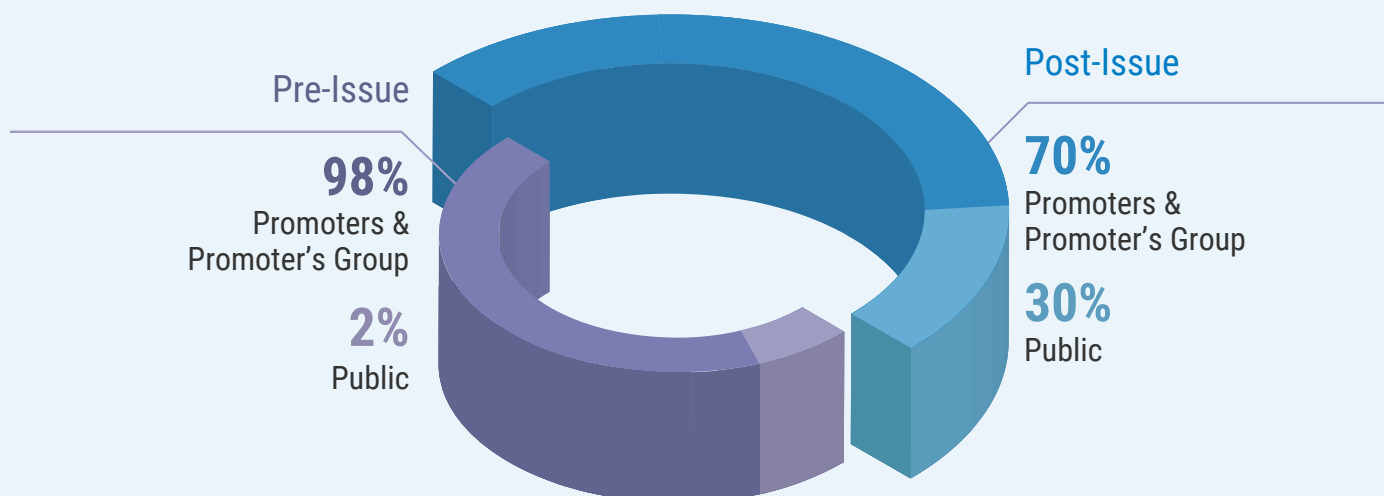
PATEL RETAIL LIMITED

Issue Details

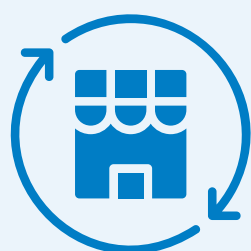
Issue Break-Up



Shareholding Pattern



Capital Structure (in ₹ Cr.)



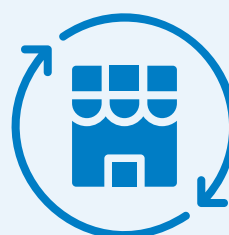
35 Cr

Authorised Equity
Share Capital



25 Cr

Paid-Up Capital
(Pre-Offer)



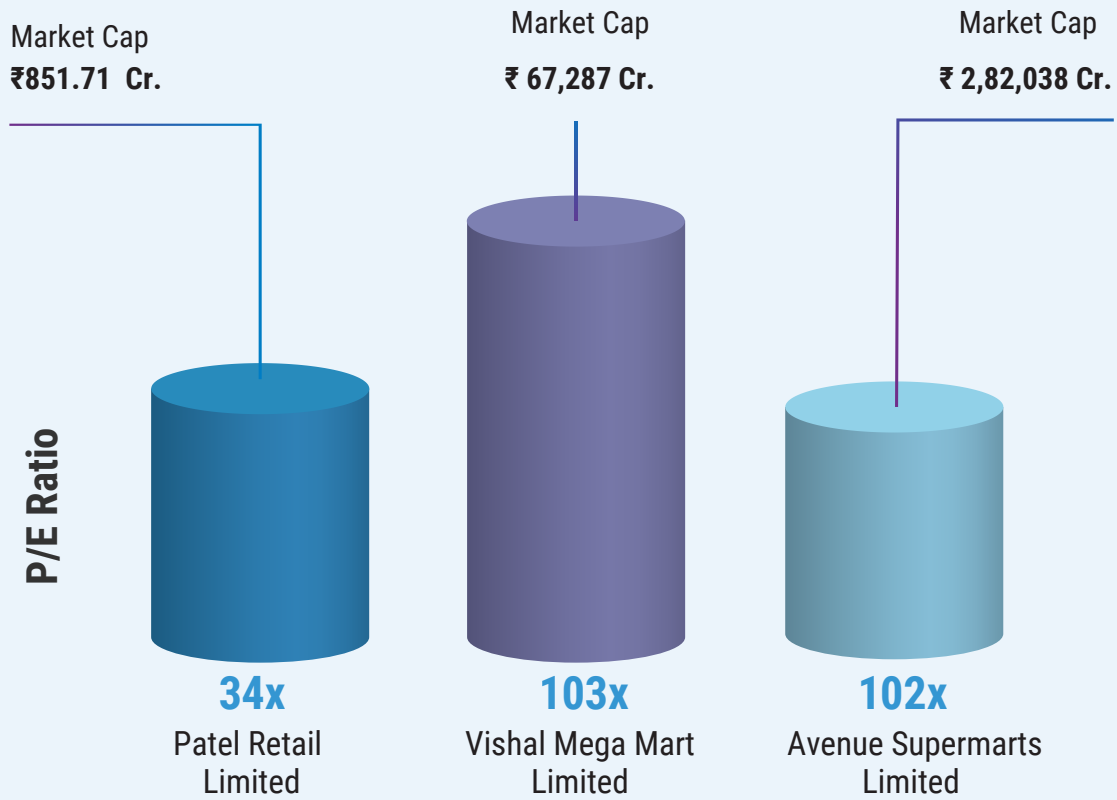
33 Cr

Paid-Up Capital
(Pre-Offer)



PATEL RETAIL LIMITED

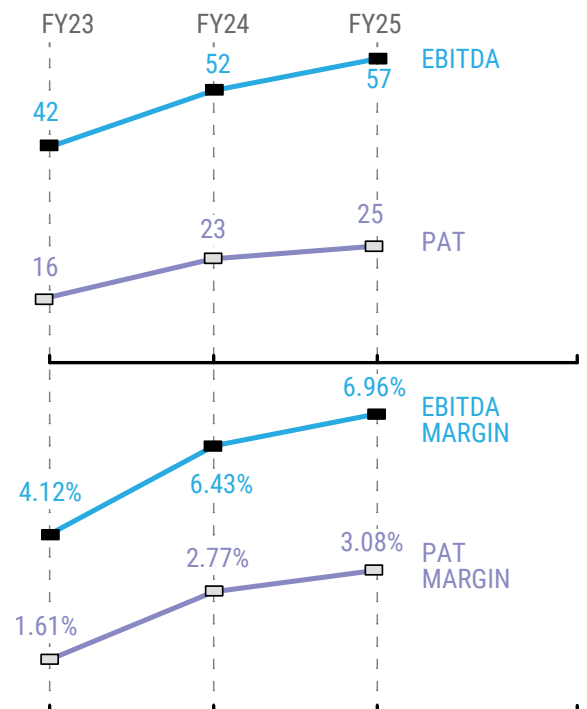
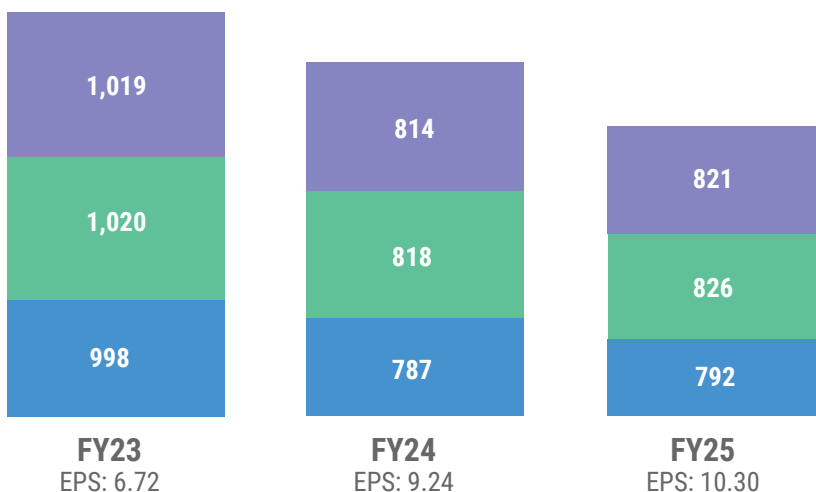
Valuations and Peer Comparison



Market Cap data of listed securities as on August 13, 2025

Financial Snapshot (in ₹ Cr.)

- Revenue
- Total Income
- Total Expenses





PATEL RETAIL LIMITED

Business Insights



Competitive Strengths

- Deep knowledge and understanding of optimal product assortment and inventory management using IT systems
- Steady footprint expansion using a distinct store acquisition strategy and ownership model
- Diversified product portfolio
- Strategically located manufacturing facilities
- Large scale procurement and storage capabilities
- Long Standing Relationship with customers
- Strong promoter background and an experienced and entrepreneurial management team with a proven track record and a high degree of employee ownership
- Strong track record of growth and profitability



Risks

- The company has a high debt equity ratio and may face certain funding risks. The company's debt-to-equity ratio for the Fiscal 2025, Fiscal 2024 and Fiscal 2023 was 1.34, 1.97 and 2.54 respectively.
- The company operates in a competitive market and any increase in competition from organized and unorganized players may adversely affect its business and financial condition.
- The company's operations are dependent on the supply of large amounts of raw material such as wheat, spices and peanuts. The company does not have long term agreements with suppliers for 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 company's business and results of operations.



Business Strategy

- Further strengthen market position by expanding store network in existing clusters as well as new clusters
- Enhancing sales volumes by continuing to prioritise customer satisfaction through optimal product assortment and offering value for money using EDLC/EDLP strategy
- Further strengthening procurement network and increasing share of private labels
- Continue to launch new products and enhance customer base
- Focus on increasing brand awareness
- Expand market presence to other states of India and increase distribution reach

Promoters and Management Details

Dhanji Raghavji Patel - Chairman and Managing Director

Bechar Raghavji Patel - Whole-time Director

Hiren Bechar Patel - Non-Executive Director

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