

PATEL RETAIL LIMITED

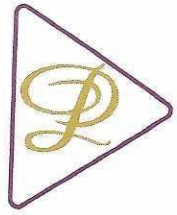
(FORMERLY KNOWN AS PATEL RETAIL PRIVATE LIMITED)

Regd. & Corporate Office :
Plot No. M-2, Udyog Bhavan No.5, Anand Nagar,
Additional M.I.D.C., Ambernath (E) - 421 506,
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CIN: U52100MH2007PLC171625



PATEL RETAIL LIMITED

TRUST & TOGETHERNESS

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE AUDIT COMMITTEE MEETING OF PATEL RETAIL LIMITED ("COMPANY") ON TUESDAY, JUNE 24, 2025 AT 10.00 AM AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT PLOT NO. M-2, ANAND NAGAR, ADDITIONAL MIDC, AMBERNATH (E) – 421506, THANE, MAHARASHTRA, INDIA.

APPROVAL OF KPIs TO BE INCLUDED IN THE RED HERRING PROSPECTUS ("RHP") AND PROSPECTUS.

"RESOLVED THAT the approval of the Audit Committee is hereby accorded to disclose the KPIs (inclusive of investor KPIs) as set out in **Annexure A**.

RESOLVED FURTHER THAT as per the requirements of SEBI ICDR Regulations, KPIs related to the business of the Company which have been used historically by the Company to understand and analyze, track and monitor the financial, business and operational performance, are hereby approved and noted for disclosure after listing of Equity Shares of the Company including annual reports and investors presentations of the Company

RESOLVED FURTHER THAT the KPIs which have a bearing for arriving at the basis and the pricing for the proposed initial public offering and all the KPIs that have been disclosed to the earlier investors of the Company at any point of time during the three years period prior to the date of filing of the RHP, along with the explanation for the KPIs, and the rationale for such classification as set out in **Annexure B** as identified by the Audit Committee, and verified pursuant to the KPI Certificate, are hereby noted and the approval of the Audit Committee is hereby accorded to disclose such KPIs in the RHP and Prospectus and other documents or material issued in relation to the Offer, including any amendments, addenda or corrigenda issued thereto (collectively, the "Offer Documents").

RESOLVED FURTHER THAT the KPIs, as set out in **Part A of Annexure B**, are the only KPIs that have been disclosed the earlier investor at any point of time during the three years period prior to the date of filing of the RHP and have been duly verified by us.

RESOLVED FURTHER THAT the draft of the certificate issued by Kanu Doshi Associates LLP, Chartered Accountants, holding a valid certificate issued by the Peer Review Board of the ICAI, as set out in **Annexure C**, in relation to the KPIs for disclosure in the Offer Documents as applicable, is hereby noted and final certificate to be included as a part of "**Material Contracts and Documents for Inspection**" section of the Offer Documents as the case may be.

RESOLVED FURTHER THAT, Mr. Dhanji Raghavji Patel, Chairman and Managing Director, Mr. Bechar Raghavaji Patel, Whole time Director and Mr. Manish Rambabu Agarwal, Chief Financial Officer of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as deemed necessary, proper or desirable, and to settle to give effect to the above resolution or give instructions and directions for settling any questions, difficulties or doubts that may arise in this

A GOVERNMENT RECOGNIZED "FOUR STAR EXPORT HOUSE"
HACCP & ISO 22000:2005 CERTIFIED COMPANY

regard and to give effect to such modifications, changes, variations, alterations, deletions or additions as may be deemed fit and proper in the best interests of the Company.

RESOLVED FURTHER THAT, a copy of the above resolution, certified to be true by any Director or the Company Secretary of the Company be forwarded to the concerned authorities for necessary action."

Annexure A – List of finalised KPIs (inclusive of investor KPIs) to be disclosed in Offer Documents, along with rationale. – Annexed separately.

Annexure B – List of data points that have been provided by the Company to the earlier investors and shareholders in the last 3 years along with rationale. – Annexed separately.

Annexure C – Certificate issued by Kanu Doshi Associates LLP, certifying the KPIs which are required to be disclosed in the "Basis for Offer Price" section. – Annexed separately.



//Certified True Copy//

For PATEL RETAIL LIMITED

Dhanji Raghavji Patel

Name: Dhanji Raghavji Patel

Designation: Chairman & Managing Director

DIN: 01376164

Address: Plot no. M-2, Anand Nagar, Additional MIDC,
Ambernath (East) - 421506, Ambernath, Maharashtra, India

Annexure A – List of finalised KPIs (inclusive of investor KPIs) to be disclosed in Offer Documents, along with rationale.

KPI	Explanations
Revenue from Operations (₹ in million)	Revenue from Operations is used by our management to track the revenue profile of our business and in turn helps assess the overall financial performance of the Company and size of the business.
Growth in revenue from operations (%)	Growth in Revenue from operations provides information regarding the growth of the business for the respective period.
Gross Profit (₹ in million)	Gross Profit provides information regarding the profits from manufacturing of products by the Company.
Gross Profit (%)	Gross Profit Margin is an indicator of the profitability on sale of products manufactured sold by the Company.
EBITDA (₹ in million)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability of the business before interest, depreciation, amortisation, and taxes and financial performance of the business.
Adjusted EBITDA in million)	Adjusted EBITDA provides information regarding the operational efficiency of the business after adjusting for other income, which is non- core income
Adjusted EBITDA Margin (%)	Adjusted EBITDA Margin is a further indicator of the operational profitability and financial performance of the business after negating the impact of non-operating income
Restated Profit after Tax (PAT) (₹ in million)	Restated Profit after Tax is an indicator of the overall profitability and financial performance of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of the business as a % to revenue from operations.
Return on Equity (“RoE”) (%)	RoE provides how efficiently our Company generates profits from the
Return on Capital Employed (%) ⁽¹²⁾	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Net Debt /	It represents how many years it would take for our Company to pay

KPI	Explanations
Ratio	its debt if net debt and EBITDA are held constant.
Debt Equity ratio	This gearing ratio compares shareholders' equity to company debt to assess the company's amount of leverage and financial stability.
Working Capital Days	Working capital days indicates the working capital requirements of our Company in relation to revenue generated from operations, it defines the number of days taken by the company for converting the purchase to collection.
Inventory Days	Inventory Days provides number of days in which inventory turnaround in particular period / year.
Trade Receivable Days	Trade Receivable Days is the number of days that a customer invoice is outstanding before it is collected.
Trade Payable Days	Trade Payable Days is the number of days that a company takes to pay its bills and invoices to its trade creditors.

Annexure B - List of data points that have been provided by the Company to the earlier investors and shareholders in the last 3 years along with rationale.

Metric	Fiscal 2025	Fiscal 2024	Fiscal 2023
	Financial		
Revenue from operations ⁽¹⁾	82,069.29	81,418.83	1,01,854.78
Growth in revenue from operations (%) ⁽²⁾	0.80%	-20.06%	32.94%
Gross Profit ⁽³⁾	15,938.45	15,529.33	15,835.17
Gross Profit Margin(%) ⁽⁴⁾	19.42%	19.07%	15.55%
EBITDA ⁽⁵⁾	6,243.27	5,583.94	4,323.96
EBITDA Margin(%) ⁽⁶⁾	7.61%	6.86%	4.25%
Adjusted EBITDA ⁽⁷⁾	5,713.55	5,231.52	4,198.38
Adjusted EBITDA Margin(%) ⁽⁸⁾	6.96%	6.43%	4.12%
Restated Profit after tax (PAT) ⁽⁹⁾	2,527.81	2,253.34	1,637.97
PAT Margin ⁽¹⁰⁾	3.08%	2.77%	1.61%
RoE(%) ⁽¹¹⁾	19.02%	24.24%	23.66%
RoCE(%) ⁽¹²⁾	14.43%	15.10%	12.66%
Net Debt / EBITDA Ratio ⁽¹³⁾	2.73	3.30	4.18
Debt Equity ratio ⁽¹⁴⁾	1.34	1.97	2.54
	Operational		
Geographical Segment Revenue⁽¹⁵⁾			
Domestic Revenue	54,842.58	41,090.96	35,233.34
Domestic Revenue (%)	66.82%	50.47%	34.59%
Export Revenue	27,226.71	40,327.87	66,621.44

Metric	Fiscal 2025	Fiscal 2024	Fiscal 2023
Export Revenue (%)	33.18 %	49.53 %	65.41 %
	Revenue split by Division⁽¹⁶⁾		
Retail Sales	36,886.9 8	28,972.1 9	26,655.6 6
Retail Sales (as a % of total)	44.95 %	35.58 %	26.17 %
Sale - Process	36,117.3 3	37,256.3 3	31,042.1 5
Sale - Process (as a % of total)	44.01 %	45.76 %	30.48 %
Sale - Trading	8,317.6 2	14,116.1 8	43,120.9 8
Sale - Trading (as a % of total)	10.13 %	17.34 %	42.34 %
Other operating income	747.36	1,074.1 3	1,035.9 9
Other operating income (%)	0.91 %	1.32 %	1.02%
	Retail Sales matrix⁽¹⁷⁾		
Revenue per store	878.26	877.95	832.99
Revenue per Retail Business area	0.21	0.21	0.22
	Retail Sales Category wise⁽¹⁷⁾		
Revenue – Food	26,943.3 7	21,384.9 9	19,630.0 3
Revenue – Non-Food (FMCG)	7,220.0 1	5,553.9 2	5,041.3 7
Revenue – General Merchandise and Apparel	2,723.5	2,033.2 8	1,984.2 6
	Retail Sales Private Labels⁽¹⁷⁾		
Revenue – Private Label	6,287.4 4	5,671.1 3	4,924.4 9
Revenue – Private Label (as % to Retail Sales)	17.05 %	19.57 %	18.47 %
	Key working capital parameters (in days)		

Metric	Fiscal 2025	Fiscal 2024	Fiscal 2023
Working Capital Days ⁽¹⁸⁾	97	85	61
Inventory Days ⁽¹⁹⁾	64	57	27
Trade Receivable Days ⁽²⁰⁾	55	43	37
Trade Payable Days ⁽²¹⁾	27	21	15

Notes:

1. Revenue from Operations means the revenue from operations as appearing in the Restated Financial Statement.
2. Growth in revenue from operations (%) is calculated as a percentage of revenue from operations of the relevant period/year minus revenue from operations of the preceding period/year, divided by revenue from operations of the preceding period/year.
3. Gross Profit is calculated as revenue from operations less cost of materials consumed, purchase of stock in trade and changes in inventories of finished goods.
4. Gross Profit Margin refers to the percentage margin derived by dividing Gross Profit by revenue from operations.
5. EBITDA is calculated as restated profit / (loss) for the period / year, plus finance costs, total taxes, and depreciation and amortisation expense.
6. EBITDA Margin (%) is calculated as EBITDA divided by revenue from operations.
7. Adjusted EBITDA is calculated as EBITDA less other income.
8. Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by the revenue from operations.
9. Profit after Tax means restated profit / (loss) for the period/year as appearing in the Restated Financial Statement.
10. Profit after Tax Margin refers to the percentage margin derived by dividing Profit after Tax by revenue from operations.
11. Return on Equity (%) refers to restated profit after tax divided by Net worth attributable to the Equity Shareholders less prepaid expenses of our Company for the year/period. Restated profit after tax means restated profit / (loss) for the period/year as appearing in the Restated Financial Information.
12. Return on Capital Employed is calculated as adjusted EBITDA less depreciation and amortisation / Capital Employed. Capital Employed is calculated as total equity plus total borrowings plus total lease liabilities and deferred tax liabilities(net) minus deferred tax assets (net).

13. Net Debt to EBITDA Ratio is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA.
14. Debt Equity ratio is calculated as total borrowings divided net worth available to the equity shareholders of the Company.
15. Revenue from operations divided between sale of products from domestic market and outside India market as appearing in the Restated Financial Statement and other operating income.
16. Revenue from Operations as appearing in the Restated Financial Statement divided between our Company's key divisions i.e. retail sales, process sales & trading sales.
17. Retail store revenue on various parameters.
18. Working Capital Days refers to total current assets days minus total current liabilities days.
19. Inventory days have been calculated as inventory divided by revenue from operations multiplied by 365 days for the complete fiscal years.
20. Trade Receivables days have been calculated as Trade Receivables divided by revenue from operations multiplied by 365 days for the complete fiscal years.
21. Trade Payables days have been calculated as Trade Payables divided by revenue from operations multiplied by 365 days for the complete *fiscal years*.