IPO RESEARCH REPORT

RENTOMOJO LIMITED

India's Largest Online Furniture & Appliance Rental Platform

IPO Opens: Sep 9, 2026 | Closes: Sep 11, 2026 | Listing: Sep 17, 2026

RECOMMENDATION	PRICE BAND	GMP (as of Sep 8)
SUBSCRIBE	**₹384 – ₹404**	**₹115 (+28%)**
(Listing Gains + Long Term)	Face Value: ₹1 per share	*Indicative Listing: ~₹519*

1. IPO AT A GLANCE

Particulars	Details
Issue Type	Book-Built Issue (100% Book-Built)
Total Issue Size	₹1,255.57 Crore
Fresh Issue	₹150.00 Crore
Offer for Sale (OFS)	₹1,105.57 Crore (2,73,65,529 equity shares)
Price Band	₹384 – ₹404 per share
Face Value	₹1 per share
Lot Size	37 shares
Minimum Investment (Retail)	₹14,948 (at upper band)
Pre-Issue Market Cap	₹4,056.17 Crore
Post-Issue Market Cap	₹4,206.28 Crore
Anchor Book	September 8, 2026
Issue Open Date	September 9, 2026
Issue Close Date	September 11, 2026
Basis of Allotment	September 15, 2026
Refund / Demat Credit	September 16, 2026
Listing Date (BSE & NSE)	September 17, 2026
Registrar	KFin Technologies Limited

Particulars	Details
Book Running Lead Managers	Motilal Oswal Investment Advisors, Axis Capital, IIFL Capital Services, Nuvama Wealth Management
DRHP Filed with SEBI	March 27, 2026
Employee Reservation	52,083 shares (₹2 Crore)

Quota Allocation

Investor Category	Quota (%)
Qualified Institutional Buyers (QIB)	75%
High Networth Individuals (HNI / NII)	15%
Retail Individual Investors (RII)	10%

2. COMPANY OVERVIEW

About RentoMojo: RentoMojo Limited is a technology-driven, full-stack direct-to-consumer (D2C) online rental and subscription platform for furniture, home appliances, and electronics in India. The company was originally incorporated in April 2012 as Edunetwork Private Limited, renamed to Rentomojo Private Limited in October 2025, and converted to a public limited company in February 2026.

RentoMojo operates at the intersection of e-commerce, subscription, and re-commerce — offering consumers a compelling alternative to outright purchase. Its platform allows urban dwellers — particularly mobile professionals and students — to access premium furniture and appliances on flexible monthly subscription plans, without the financial burden of ownership.

Business Model

- Technology-enabled rental and subscription platform (full-stack D2C model)
- Manages entire asset lifecycle: procurement → refurbishment → servicing → reverse logistics → redeployment
- Products include: Beds, Mattresses, Sofas, Wardrobes, Refrigerators, Washing Machines, TVs, Water Purifiers
- Brands offered: Haier, Wakefit, Livpure, Duroflex, and own private-label products
- Omnichannel presence: Online ordering platform + 82 physical experience stores
- Average delivery turnaround time: 2.35 days in FY26

Operating Metrics (As of March 31, 2026)

2,53,825	29 Cities	8,51,184	83.34%
Live Subscribers	Cities Covered	Live Products	Occupancy Rate

82	20	9,89,931	42–47%
Experience Stores	Warehouses	Items Ordered FY26	Market Share (FY25)

Promoter & Investors

- Promoter: Geetansh Bamania (Managing Director & CEO)
- Pre-IPO investors (selling via OFS): Accel, Value Quest, Edelweiss, IDG Ventures, and others (19 selling shareholders total)
- Promoter holding: 21.72% (pre-issue) → 20.94% (post-issue)
- Total fundraised pre-IPO: $86.81M over 21 rounds (including Series D)

Proprietary Technology Stack

- Mojodesk: Ticketing and workflow platform
- MojoVaahan: Route-optimisation engine for logistics
- Asset Intelligence Systems: Tracks product lifecycle and redeployment
- ML-based Risk Assessment Engine: Evaluates subscriber creditworthiness

3. FINANCIAL PERFORMANCE

3-Year Financial Summary (₹ Crore)

Metric	FY24	FY25	FY26	Growth (FY25→FY26)
Total Income	₹195.80 Cr	₹271.96 Cr	₹394.09 Cr	+44.9%
Revenue from Operations	₹192.70 Cr	₹265.96 Cr	₹386.99 Cr	+45.5%
EBITDA	₹78.15 Cr	₹118.44 Cr	₹163.46 Cr	+38.0%
EBITDA Margin	~40.5%	~44.5%	~41.5%	—
Profit Before Tax	—	—	₹67.66 Cr	—
Tax Credit	—	—	₹36.64 Cr	—
Profit After Tax (PAT)	₹22.41 Cr	₹43.11 Cr	₹104.30 Cr	+142%
PAT Margin	~11.5%	~16.2%	~26.95%	—
Operating Cash Flow	—	—	₹172.87 Cr	—
Return on Equity (ROE)	—	—	43.51%	—
Return on Capital Employed (ROCE)	—	—	25.34%	—
Total Borrowings (Dec 2025)	—	—	₹242.57 Cr	—

⚠ **Analyst Note on PAT:** The 142% jump in PAT partly reflects a tax credit of ₹36.64 Cr in FY26. Adjusted Profit Before Tax stood at ₹67.66 Cr. Investors should analyse PBT growth in conjunction with reported PAT for a cleaner picture of operating profitability.

Revenue Growth Chart (₹ Crore)

Revenue has more than doubled from FY24 to FY26, with consistent profitability across all three years. Rentomojo is one of the few profitable consumer-tech companies entering the Indian capital markets.

4. VALUATION ANALYSIS

Valuation Metric	Value
Price Band (Upper)	₹404 per share
Post-Issue Market Cap	₹4,206.28 Crore
P/E (Post-Issue) on FY26 PAT	~40.73x
P/E (Pre-Issue) on FY26 PBT basis	~38–40x
Price-to-Book Value (P/BV)	~14.10x
EV/EBITDA (approx.)	~25x
Contracted Revenue Pipeline	₹706.90 Crore (as of Mar 2026)
Unrecognised Contracted Revenue	₹292.57 Crore

No Listed Indian Peer: Rentomojo operates in a niche with no directly comparable listed company in India, making valuation benchmarking difficult. The 40x+ P/E is demanding but may be justified given consistent profitability, strong EBITDA margins, and the long-term contracted revenue pipeline.

Contracted Revenue Visibility: ₹292.57 Cr of unrecognised contracted revenue provides strong near-term earnings visibility — a key comfort factor at current valuations.

5. USE OF FRESH ISSUE PROCEEDS (₹150 CRORE)

Purpose	Amount (₹ Cr)	% of Fresh Issue
Repayment / Prepayment of Outstanding Borrowings	₹70.00 Cr	46.7%
Payment of Lease Rentals for Warehouses & Experience Stores	₹42.50 Cr	28.3%
General Corporate Purposes	Balance	~25%

Note: The fresh issue of ₹150 Cr is only 12% of the total IPO. The remaining ₹1,105.57 Cr is Offer for Sale (OFS) — proceeds from which flow entirely to selling shareholders (Accel, IDG, Edelweiss, Value Quest, and others), NOT to the company. This is a significant structural concern.

6. INDUSTRY OVERVIEW

Indian Home Furniture & Appliance Market

- Total market size grew from ₹2,95,000 Cr (CY2021) to ₹4,27,000 Cr (CY2025) — Redseer Research
- Rental penetration in India remains very low vs. the US and China — significant headroom
- Key demand drivers: Rapid urbanisation, rising mobility of young professionals and students, preference for flexible living
- Organised rental segment remains nascent — Rentomojo holds 42–47% share by subscription revenue in FY25

Tailwinds for the Rental Model

- Asset-light lifestyle preference among millennials and Gen-Z
- Growing gig economy and inter-city job mobility
- Rising nuclear family formation in Tier-1 and Tier-2 cities
- Cost economics: Monthly rental vs. capital outlay comparison is increasingly favourable
- Company assets show multi-cycle durability: 56–61% of FY17/FY18 assets still generating revenue in FY26

7. KEY STRENGTHS

- Market Leadership: Largest tech-driven online furniture & appliance rental platform in India by subscribers & revenue (FY25)
- Consistent Profitability: Profitable since FY23 — rare among consumer-tech companies listing on Indian exchanges
- Strong Revenue Growth: Revenue doubled from FY24 to FY26; 45%+ YoY growth in FY26
- Healthy Operating Metrics: 83.34% occupancy rate; 2.35-day avg. delivery TAT; 9.89 lakh items ordered in FY26
- Recurring Revenue Model: Subscription-based revenue provides high predictability and contracted pipeline (₹706.90 Cr)
- Operating Leverage: As scale increases, per-unit servicing and logistics costs improve, widening margins
- Full-Stack Capability: End-to-end asset lifecycle management — from procurement to redeployment — gives cost and quality advantage
- Marquee Investors: Backed by Accel, IDG Ventures, Edelweiss, and Value Quest
- Debt Reduction: ₹70 Cr of fresh issue proceeds earmarked for debt repayment — deleveraging is positive
- Technology Moat: Proprietary tech stack (Mojodesk, MojoVaahan, ML risk engine) creates operational barriers to entry

8. KEY RISKS & CONCERNS

Risk Factor	Details	Severity
Large OFS Burden	**~88% of IPO is OFS — ₹1,105 Cr flows to existing investors, not the company. Signals potential partial exit by early investors.**	**High**
Demanding Valuation	**P/E of ~40x on reported PAT; ~60x on adjusted PBT basis. No comparable Indian listed peer to anchor valuation.**	**High**
Capital-Intensive Model	**Requires continuous capex for asset procurement and maintenance. High asset base with depreciation impact.**	**Medium**
Geographic Concentration	**Top 10 cities account for ~89.5% of FY26 revenue. Any slowdown in urban metros directly impacts business.**	**Medium**
Rising Borrowings	**Total borrowings at ₹242.57 Cr (Dec 2025). Leverage must be monitored as the company scales.**	**Medium**
Default Risk	**Subscriber churn, defaults on monthly rentals, or product damage can erode margin and asset quality.**	**Medium**
TAX Credit Optics	**FY26 PAT of ₹104 Cr includes ₹36.64 Cr tax credit. Adjusted profitability is lower; sustainability of this level needs watching.**	**Medium**
Supply Chain Risk	**Dependency on third-party manufacturers and vendors for product procurement; concentration risk.**	**Low**
Near-Monopoly Risk	**Operating in a niche can attract well-funded new entrants (e.g., large e-commerce players).**	**Low**

9. IPO TIMELINE & SUBSCRIPTION DETAILS

Event	Date
Anchor Investor Book Building	September 8, 2026 (Monday)
IPO Subscription Opens	September 9, 2026 (Tuesday)
IPO Subscription Closes	September 11, 2026 (Thursday)
Basis of Allotment Finalisation	September 15, 2026 (Monday)
Refund Initiation / ASBA Unblocking	September 16, 2026 (Tuesday)
Shares Credited to Demat Accounts	September 16, 2026 (Tuesday)
Listing on BSE & NSE	September 17, 2026 (Wednesday)

How to Apply

- Via ASBA (Application Supported by Blocked Amount) through your bank
- Via UPI (for retail investors, up to ₹5 lakh)
- Minimum retail application: 1 lot = 37 shares = ₹14,948 (at ₹404 upper band)
- HNI minimum: 14 lots = 518 shares = ₹2,09,272

10. GREY MARKET PREMIUM (GMP) & INVESTOR SENTIMENT

GMP Metric	Value
GMP (as of September 8, 2026)	₹115 per share
GMP as % of Upper Price Band (₹404)	~28.5%
Indicative Listing Price (Upper Band + GMP)	~₹519 per share
GMP Range (Observed Period)	₹30 to ₹155
Brokerage Ratings	SUBSCRIBE (majority of top brokerages)

Disclaimer: *GMP is traded in the unofficial grey market and is not regulated by SEBI or any exchange. It is indicative only and should not be used as a basis for investment decisions. GMP can change significantly before listing.*

11. GANESH STOCKINVEST RECOMMENDATION

☑ RECOMMENDATION: SUBSCRIBE

Suitable for: Listing Gains + Long-Term Portfolio

Investment Rationale

- RentoMojo is a rare profitable consumer-tech company with strong revenue growth (45% YoY), healthy EBITDA margins (~41.5%), and a scalable subscription model.
- The contracted revenue pipeline (₹706.90 Cr total; ₹292.57 Cr unrecognised) provides strong near-term earnings visibility.
- India's organised furniture rental market is structurally underpenetrated — Rentomojo's 42–47% market share positions it for sustained leadership.
- GMP of ~28% ahead of opening day indicates strong institutional and retail demand.
- Partial debt repayment from fresh proceeds will strengthen the balance sheet.

Caution Factors

- The large OFS (88% of total issue) limits fresh capital availability and raises questions about early investor intent.
- At 40x+ P/E (reported) or 60x+ P/E (adjusted PBT), valuation leaves limited margin of safety. Entry at lower end of price band (₹384) preferred.
- Long-term investors should monitor: quarterly subscriber additions, occupancy rate trends, borrowing levels, and city expansion cadence.

Target Investors

- Short-term / Listing Gain Investors: Apply — GMP and brokerage enthusiasm support listing pop potential.
- Long-term Investors: Apply with a 2–3 year horizon if comfortable with a premium consumer-tech valuation.
- Conservative Investors: May consider waiting for post-listing price discovery before entering.

12. DISCLAIMER

This IPO report has been prepared by Ganesh StockInvest for informational and educational purposes only. It does not constitute investment advice or a solicitation to buy or sell securities. The information contained herein is based on publicly available sources, including the company's Red Herring Prospectus (RHP) and DRHP filed with SEBI. Investors are strongly advised to read the full RHP, consult their financial advisor, and conduct their own due diligence before making any investment decisions. Past performance and GMP trends are not indicative of future returns. Ganesh StockInvest is not responsible for any loss arising from investment decisions based on this report.

Prepared by: Research Team, Ganesh StockInvest | Date: September 9, 2026 | Listing Exchange: BSE & NSE