RUNWAL ENTERPRISES LIMITED

September 24, 2026

SMC Ranking

★★☆☆☆ (2/5)

Issue Highlights

Industry	Real-Estate
Fresh Issue (Shares)	16,393,442
Net Offer to the Public	16,393,442
Issue Size (Rs. Cr.)	475-500
Price Band (Rs.)	290-305
Offer Date	25-Sep-26
Close Date	29-Sep-26
Face Value	2
Lot Size	49

Issue Composition

	In shares
Total Issue for Sale	16,393,442
QIB	8,196,721
NIB	2,459,016
Retail	5,737,705

Shareholding Pattern (%)

Particulars	Pre-issue	Post -issue
Promoters & promoters group	95.16%	84.61%
QIB	4.84%	9.85%
NIB	0.00%	1.66%
Retail	0.00%	3.88%
Total	**100.00%**	**100.00%**

*calculated on the upper price band

Objects of the Issue

The Company proposes to utilise the Net Proceeds from the Issue towards the following objects:

1. Repayment/ pre-payment, in full or in part, of certain outstanding borrowings availed by the Company
2. Investment in the Material Subsidiaries namely Susneh Infrapark Pvt.Ltd. and Runwal Residency Pvt.Ltd. and Subsidiary namely Evie Real Estate Pvt.Ltd., for repayment/ pre-payment, in full or in part, of all or a portion of certain of their outstanding borrowings.
3. Funding acquisitions of future real estate projects and general corporate purposes.

Book Running Lead Manager

- ICICI Securities Limited
- Jefferies India Private Limited

Name of the registrar

- MUFG Intime India Private Limited

About the company

Runwal Enterprises Limited is a Mumbai-focused real-estate developer covering affordable, mid-income and luxury homes plus commercial offices, retail malls and schools. Promoted by Subodh Subhash Runwal, it grew out of the Runwal group started in 1978 and was separately incorporated in 2016. JLL ranks it third in Mumbai for new launches and sales (about 2.33% and 2.46% share from January 2023 to 31 March 2026) and first for sales in the eastern suburbs. As of 31 March 2026 it had 19 completed, 28 ongoing and 33 upcoming projects totalling 88.37 million sq ft of developable area (74.58 msf residential, 13.80 msf non-residential), of which about 95% is greenfield. FY26 restated revenue from operations was Rs.1,799 crore, sales value Rs.2,354 crore, collections Rs.1,855 crore and PAT Rs.186 crore. The model mixes owned land with asset-light JDAs/DAs.

Strengths

Strong presence in Mumbai residential market: Runwal is one of the prominent residential developers in Mumbai. Between January 2023 and March 2026, it ranked third in the city for both new launches and sales. The company has already completed 12 residential projects and has 17 projects under development, giving it a sizeable project pipeline. Its strong presence in Mumbai's eastern suburbs and Kalyan–Dombivli, along with good brand recognition, supports both sales volumes and pricing.

Established and trusted brand: The Runwal brand has been present in the real estate market since 1978 and has built a strong reputation over the years. Between January 2023 and March 2026, the group launched around 5,875 units and sold 6,309 units. Its focus on construction quality, customer service, transparency and technology has helped build customer trust, referrals and brand loyalty.

Strong project pipeline and cash-flow visibility: The company has a sizeable development pipeline, with 19.88 msf of ongoing projects and 56.41 msf of upcoming projects as of March 2026. This provides visibility for future launches, sales and collections. The portfolio is spread across key Mumbai locations, including eastern, western and south-central suburbs, along with Alibaug. Infrastructure development such as metro connectivity, coastal roads and the Navi Mumbai airport could further support demand in several of these locations.

Ability to command premium pricing: Runwal has demonstrated the ability to sell select projects at a premium in their respective micro-markets. Its average selling price increased from Rs.9,430 per sq ft in FY24 to Rs.11,366 per sq ft in FY26. Moreover, a significant portion of projects gets sold during

the construction phase, which helps generate early collections, reduce inventory risk and support project funding.

Strong township and mixed-use expertise: The company has experience in developing large integrated communities combining residential projects with schools, retail and other amenities. Runwal Gardens and My City in Dombivli are examples of this model. Such integrated developments provide residents with a more complete living environment while also creating opportunities for additional retail and commercial income.

Established execution capabilities: Runwal has completed 19 projects covering around 12.09 msf, with approximately 11,400 units sold. The company has experienced teams across construction, design, procurement, sales and business development. While construction is largely outsourced to established contractors, execution is monitored through in-house teams and technology systems such as SAP and digital project-management tools.

Focus on sustainable development: The company is increasingly incorporating sustainability features across its projects, including solar power, biogas, sewage treatment plants, rainwater harvesting and green spaces. Some projects have also received international safety and sustainability recognition. These initiatives can support the company's brand image and may become increasingly important for customers and institutional partners.

Experienced management and strong financial relationships: The company is led by an experienced promoter with more than three decades of real estate experience. It also has relationships with several established financial institutions and investors, including ICICI, Kotak, HDFC Capital, Piramal and Tata Capital. Such relationships provide access to debt and equity funding for project development.

Strategy

Continue focusing on Mumbai: Runwal intends to remain largely focused on Mumbai and its surrounding growth corridors rather than expanding aggressively across multiple cities. The company plans to strengthen its presence in South, Central, Eastern and Western Mumbai and Kalyan–Dombivli, while selectively adding projects in western and south Mumbai and Alibaug. Improving infrastructure should further support connectivity and real estate demand.

Asset-light growth through redevelopment and partnerships: With land prices high and large parcels becoming increasingly difficult to acquire, the company is using redevelopment projects, JDAs and JVs to expand its project pipeline. This model reduces the initial land investment and allows institutional partners to contribute capital, while Runwal focuses on development and execution. This can help the company grow its business without putting similar pressure on its balance sheet.

Presence across different residential segments: The company has traditionally focused on affordable and mid-income housing, particularly in Dombivli, Mulund and Kanjurmarg, while gradually expanding into premium and luxury housing in locations such as Mahalaxmi and Girgaum. It is also developing retail, offices and schools

within larger projects, allowing it to generate residential sales as well as potential recurring income.

Greater use of technology: Runwal is increasing the use of technology across its operations through customer apps, portals, vendor systems and management dashboards. Platforms such as Salesforce and SAP are being used to improve tracking of bookings, collections, construction progress and vendor payments. This should help improve operational efficiency, customer experience and decision-making as the company's project portfolio expands.

Key Risk Factors

- Geographic concentration is high: about two-thirds of developable area is in Mumbai, so a local downturn, regulatory change or natural event would hit results hard.
- Most of the book (86% of area) is still ongoing or upcoming; delays, cost overruns or approval problems could damage cash flow and reputation.
- Unsold inventory of 7,072 units (7.55 msf) across completed and ongoing projects could take longer to sell if demand or financing conditions weaken.
- Land-title defects, ceiling issues, SRA disputes and incomplete conditions under some development agreements can stall projects or trigger claims.
- Net debt of about Rs.2,778 crore against equity of Rs.845 crore (3.29x) and historically negative operating cash flows leave limited room if collections slow or interest rates stay high.

Peer comparison

Company	Total Sales	PAT	EPS	P/E	P/BV	BV	FV	Price	Mcap
Lodha Developers	18181.20	4125.60	41.28	27.70	5.00	228.57	10	1143.40	114263.97
Oberoi Realty	6322.40	2629.69	72.81	25.33	3.74	492.89	10	1844.00	67048.25
Prestige Estates	13053.20	1138.90	26.44	55.70	3.90	377.80	10	1472.65	63431.49
Godrej Propert.	5203.04	1600.22	53.71	31.61	2.67	635.92	5	1698.00	51148.26
Kalpat.	3464.62	116.61	5.99	44.75	1.34	199.90	10	268.05	5519.87
Keystone Realtor	2831.71	117.49	9.31	38.93	1.63	222.57	10	362.45	4575.96
Sunteck Realty	1127.09	213.22	14.52	19.85	1.21	237.66	1	288.15	4231.25
Runwal Enterprises Limited	1798.95	185.76	12.57	24.26	3.35	91.00	2	305.00	4507.44

*Peer companies financials are TTM based

***Runwal Enterprises Ltd. financials are based on FY26

Valuation

Considering the P/E valuation, on the upper end of the price band of Rs. 305, the stock is priced at a pre-issue P/E of 21.57x on FY2026 EPS of Rs. 14.14. Post issue, the stock is priced at a P/E of 24.26x on its EPS of Rs. 12.57. Looking at the P/B ratio at Rs. 305, pre-issue book value of Rs. 64.30 of a P/BV of 4.74x. Post issue, book value of Rs. 91.00 of a P/BV of 3.35x.

Considering the P/E valuation, on the lower end of the price band of Rs. 290, the stock is priced at a pre-issue P/E of 20.51x on FY2026 EPS of Rs. 14.14. Post issue, the stock is priced at a P/E of 23.07x on its EPS of Rs. 12.57. Looking at the P/B ratio at Rs. 290, pre-issue book value of Rs. 64.30 of a P/BV of 4.51x. Post issue, book value of Rs. 91.00 of a P/BV of 3.19x.

Industry Overview

India's real-estate sector contributes over 7% of GVA and has recovered strongly after Covid. Residential sales in the top seven cities reached record levels (over 3.2 lakh units in 2024); office net absorption hit a high of 57 msf in 2025. Mumbai accounts for roughly a quarter of national residential sales and launches. Demand is driven by urbanisation (urban population headed toward 880 million by 2050), a young workforce, nuclear families, rising per-capita income, better housing-loan affordability after rate cuts, and infrastructure (metros, coastal road, Navi Mumbai airport). RERA, GST and REIT rules have improved transparency and pushed consolidation toward branded developers. Challenges remain: scarce titled land, approval delays, construction-quality and labour issues, and cyclical interest-rate and price swings. Institutional capital (over USD 10 billion in 2025) continues to favour organised players with delivery records.

Outlook

Runwal Enterprises has a strong Mumbai-focused franchise, an established brand and a sizeable 88.37 msf project pipeline, providing multi-year growth visibility. Rising sales, collections and premiumization, supported by infrastructure development, should aid growth. Its asset-light JDA/JV strategy can support expansion with lower land intensity. However, high leverage, geographic concentration, unsold inventory and execution risks remain key monitorables for sustained growth and cash-flow generation.

An Indicative timetable in respect of the Issue is set out below:

EVENT	INDICATIVE DATE (On or about)
IPO Open Date	Fri, Sep 25, 2026
IPO Close Date	Tue, Sep 29, 2026
Tentative Allotment	Wed, Sep 30, 2026
Initiation of Refunds	Thu, Oct 1, 2026
Credit of Shares to Demat	Thu, Oct 1, 2026
Tentative Listing Date	Mon, Oct 5, 2026

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 31-Mar-26 (12 Months)	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)
Revenue from operations	1,798.95	1,007.77	2,408.87
Total expenditure	1500.98	870.60	2234.94
Operating Profit	**297.97**	**137.17**	**173.93**
OPM%	16.56	13.61	7.22
Other Income	51.82	42.94	27.80
Total Net Income	**349.79**	**180.11**	**201.73**
Interest	115.16	78.86	41.78
PBDT	**234.63**	**101.25**	**159.95**
Depreciation	10.72	3.69	3.18
PBT & Share of profit/(loss) of associate and JV	**223.91**	**97.56**	**156.77**
Share of profit/(loss) of associate and JV	**-0.01**	**0.00**	**0.00**
PBT	**223.92**	**97.56**	**156.77**
Tax	38.15	41.91	-63.07
PAT	**185.76**	**55.65**	**93.70**

Balance sheet is on next page

Balance Sheet

Rs. in Cr.

Particulars	As on 31-Mar-26	As on 31-Mar-25	As on 31-Mar-24
Non-current assets			
Property, plant and equipment	103.53	91.57	82.93
Investment property	37.18	10.21	6.49
Intangible assets	3.66	2.31	2.66
Investment property under construction	342.28	189.36	141.49
Right-of-use assets	47.32	26.21	27.48
Investments accounted using equity method	0.11	0.01	0.01
Other financial assets	83.95	62.01	37.38
Income tax assets (net)	80.56	58.2	43.05
Deferred tax assets (net)	101.95	79.58	50.06
Other non-current assets	8.94	0	0
Total non-current assets	**809.48**	**519.46**	**391.55**
Current assets			
Financial Assets			
Inventories	8450.84	6811.21	5940.55
Investments	0	0	7.12
Trade receivables	0.14	0.34	0.12
Cash and cash equivalents	201.26	99.19	155.23
Bank balances other than cash	73.94	102.58	31.46
Loans	63.93	32.36	16.85
Other financial assets	133.85	128.5	117.7
Other current assets	521.06	634.51	419.14
Total current assets	**9445.02**	**7808.69**	**6688.17**
Total Assets	**10254.50**	**8328.15**	**7079.72**
LIABILITIES			
Non-current liabilities			
Borrowings	1627.5	1759.18	1355.9
Lease liabilities	21.4	0	0
Other financial liabilities	3.14	1.57	1.8
Provisions	15.84	9.15	7.62
Deferred tax liability (net)	17.04	16.36	13.9
Other non-current liabilities	3.85	2.19	2.25
Total non-current liabilities	**1688.77**	**1788.45**	**1381.47**
Current liabilities			
Financial liabilities			
Borrowings	1281.62	553.4	427.75
Lease liabilities	0.96	0	0
Trade payables – MSME	246.23	248.58	175.43
Trade payables – others	219.04	189.95	251.93
Other financial liabilities	186.99	130.83	73.78
Provisions	64.24	48.5	45.57
Other current liabilities (incl. customer advances)	5640.65	4804.25	4244.3
Current tax liabilities (net)	81.18	79.11	28.41
Total current liabilities	**7720.91**	**6054.62**	**5247.17**
Total liabilities	**9409.68**	**7843.07**	**6628.64**
Net worth represented by:			
Equity share capital	25.01	25.01	25.01
Other equity	808.53	484.62	390.66
Non-controlling interest	11.28	-24.55	35.41
Total Equity	**844.82**	**485.08**	**451.08**

RANKING METHODOLOGY

WEAK	★
NEUTRAL	★ ★
FAIR	★ ★ ★
GOOD	★ ★ ★ ★
EXCELLENT	★ ★ ★ ★ ★

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