SHRIRAM Insight
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Pranav Constructions Limited

IPO REPORT

08th September 2026

About the Company

The **Pranav Constructions Limited** IPO opened for public subscription today, September 7, 2026, and will close on September 9, 2026. The main-board book-built issue is looking to raise ₹351.03 crores at a set price band of ₹118 to ₹124 per equity share. It is scheduled to list tentatively on both the BSE and NSE on September 15, 2026. [

Issue Details

Pranav Constructions Limited	
Issue Opens	07 September 2026
Issue Closes	09 September 2026
Issue Size	Rs. 351.03 crores (Fresh Issue: Rs. 315.60 Cr / OFS: Rs. 35.43 Cr)
Face Value	Rs 10 per share
Price Brand	Rs. 118 - Rs. 124/share
Market Lot	120 shares (Minimum retail investment: Rs. 14,880)
Listing	NSE & BSE

Key Issue Specifications

The details regarding the structure, sizing, and investment requirements include:

- **Total Issue Size:** ₹351.03 crores (comprising a Fresh Issue of ₹315.60 crores and an Offer for Sale of ₹35.43 crores).
- **Lot Size:** 120 shares per lot.
- Minimum Retail Investment: ₹14,880 (calculated at the upper ceiling of ₹124 per share).
- **Quota Allocation:** 45% for Retail Individual Investors (RII), 40% for Qualified Institutional Buyers (QIB), and 15% for Non-Institutional Investors (NII).
- **Lead Manager & Registrar:** Centrum Capital Ltd. is the book-running lead manager and Kfin Technologies Ltd. is the designated registrar.

Share Allocation

Investor Category	Share Allocation	Percentage of Net Issue
Qualified Institutional Buyers (QIBs)	1,13,23,392 shares (comprises 67,94,034 shares for Anchor Investors and 45,29,358 shares for QIB Ex-Anchor)	40.00%
Retail Individual Investors (RIIs)	1,27,38,816 shares	45.00%
Non-Institutional Investors (NIIs / HNIs)	42,46,272 shares (comprises 28,30,848 shares for bNII > ₹10L and 14,15,424 shares for sNII < ₹10L)	15.00%
Employee Reservation	No reservation specified for employees in the Red Herring Prospectus (RHP)	0.00%

Balance Sheet

Consolidated Balance Sheet Summary (Figures in ₹ Crores)

Assets & Liabilities Statement			
Particulars	FY 2023-24	FY 2024-25	FY 2025-26
EQUITY AND LIABILITIES			
Equity Share Capital	₹ 4.00	₹ 87.00	₹ 87.20
Reserves & Surplus	₹ 84.37	₹ 88.59	₹ 159.50
Total Net Worth	₹ 88.37	₹ 175.59	₹ 246.70
Borrowings (Long & Short term)	₹ 99.34	₹ 196.50	₹ 258.44
Other Liabilities	₹ 779.29	₹ 873.91	₹ 939.86
Total Capital & Liabilities	₹ 967.00	₹ 1,246.00	₹ 1,445.00
ASSETS			
Fixed Assets (incl. CWIP & Intangibles)	₹ 3.00	₹ 4.00	₹ 12.00
Inventories (Work-in-Progress)	₹ 97.00	₹ 93.00	₹ 144.00
Other Assets (Receivables, Cash & Advances)	₹ 867.00	₹ 1,149.00	₹ 1,289.00
Total Assets	₹ 967.00	₹ 1,246.00	₹ 1,445.00

Company Strengths & Financial Performance

Pranav Constructions is a prominent real-estate developer focusing on residential redevelopment projects within Mumbai's Western Suburbs.

- **Market Position:** The company commands an 11% market share in Malad and roughly 9% in Bandra West and Santacruz for projects launched between 2021 and early 2026. Its asset-light cooperative partnership model helps keep land-acquisition overheads low.
- **Financial Growth:** Operational revenue surged to ₹761.60 crores in FY26 (up from ₹636.27 crores in FY25), with a Profit After Tax (PAT) of ₹71.32 crores. The company maintains robust operating efficiencies, noting a Return on Equity (RoE) of 33.78%.
- **Grey Market Premium (GMP):** Market sentiment is highly positive on Day 1. Initially a strong unlisted grey market premium hinting at potential listing gains of around 35%.

Key Balance Sheet Observations

- **Rising Debt Load:** Total debt scaled from ₹99.34 crores to ₹258.44 crores inside 24 months to support 20 concurrent under-construction redevelopment sites. The company has allocated ₹91.50 crores out of its fresh issue IPO proceeds to repay/prepay part of this borrowing.
- **Asset Expansion:** Total asset sizes jumped from ₹967 crores to ₹1,445 crores, driven primarily by inventory outlays and statutory premiums paid to authorities for increased FSI (Floor Space Index) clearances.
- **Working Capital Pressure:** While the Net Worth expanded to ₹246.70 crores, the operating cash flow turned negative at -₹92.59 crores in the last fiscal due to upfront rehabilitation payouts made to older tenants before building construction topped out.

Peer Comparison

Pranav Constructions operates with a distinct niche—focusing heavily on co-operative housing society redevelopment within the Mumbai Metropolitan Region (MMR/MCGM), primarily across Mumbai's Western Suburbs.

While direct comparability can be limited by differing business models, geographic footprints, and scales of operation, analyst data shows that the company's valuation multi-tiered pricing sits comfortably below many mega-cap developers, but at a premium to smaller, localized players:

Company Name	P/E Ratio (approx.)	Market Cap Scale / Notes
Pranav Constructions Ltd	19.59x	~₹1,397 Cr (Niche Mumbai Redevelopment)
Suraj Estate Developers	9.94x	Lower valuation micro-cap comparison
Godrej Properties	33.25x	Large national developer premium pricing
Lodha Developers (Macrotech)	33.48x	Large national developer premium pricing
Kalpataru	56.64x	Premium pricing
Keystone Realtors (Rustomjee)	64.86x	High premium Mumbai-centric developer

Key Takeaways from Peer Benchmarking:

- **Reasonable Relative Valuation:** At ~19.59x, the issue appears reasonably valued relative to the selected listed peer set.
- **Operational Strengths:** Pranav's return on equity (ROE) tracks exceptionally strong (3-year ROE averaging over 60%), and they command roughly 30% of the redeveloped unit supply amongst the top five developers in Mumbai's Western Suburbs.
- **Key Risks & Constraints:** Investors monitor high geographic concentration in the Mumbai market (approx. 99% of exposure) alongside the regulatory/execution hurdles typical of redevelopment projects.

Outlook

The issue is attractively priced. Investors can apply for listing gain and can also hold the stock for long term capital gain.

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