PC

PRANAV CONSTRUCTIONS LIMITED

Real estate | Mainboard

Rs. 118 - 124

7 Sep 2026 - 9 Sep 2026

Issue size	Where the money goes	Earnings per share
Rs. 351 cr	**90% fresh** Rs. 316 cr to the company, Rs. 35.4 cr to selling holders - computed from the share count at the band cap - p.1	**Rs. 7.27** issuer disclosed

WHAT STANDS OUT

Profit not converting to cash - Operating cash flow is -58% of profit after tax. Less than half of reported profit arrived as cash — usually receivables or inventory build.

Strong revenue growth - Revenue compounded 30% a year over 2 years. Revenue compounding above 20% a year.

WHAT THE COMPANY DOES

The Company is a pure-play real estate redevelopment company predominantly focused on the redevelopment of cooperative housing societies in the Western Suburbs of the Mumbai Metropolitan Region (MCGM Region). It focuses on the construction of economical, mid-and-mass, and aspirational homes.

Pure-play residential redevelopment projects in Mumbai, primarily focusing on the Western Suburbs.

WHERE THE MONEY GOES

Fresh issue goes to the company. Offer for sale goes to shareholders selling out.

90% | 10%

Fresh issue Rs. 316 cr 90%   Offer for sale Rs. 35.4 cr 10%

How the fresh proceeds are to be spent, as stated in Objects of the Offer.

61% | 39%

Funding costs towards obtaining g... 61%   Repayment or pre-payment, in full... 39%

PROMOTER HOLDING

63.4% before > **—** after

AGAINST LISTED PEERS

Company	P/E	Revenue	Source
Keystone Realtors Limited	64.9x	Rs. 2,635 cr	p.129
Godrej Properties Limited	33.3x	Rs. 5,131 cr	p.130
Lodha Developers Limited	33.5x	Rs. 16,676 cr	p.130
Suraj Estate Developers Limited	9.9x	Rs. 556 cr	p.130
Kolte-Patil Developers Limited	—	Rs. 735 cr	p.130
Arkade Developers Limited	482.6x	Rs. 816 cr	p.130
Kalpataru Limited	56.6x	Rs. 3,436 cr	p.130
Industry average	113.5x	—	issuer

Figures as printed in the offer document. This page does not say whether that is expensive or cheap. That judgement is yours.

FINANCIALS, RS. CRORE

	FY24	FY25	FY26	2Y CAGR
Revenue	447	636	762	+30.5%
EBITDA	60	99	131	—
Profit after tax	40	62	71	+34.2%
Net worth	88	176	247	—
Total debt	104	202	266	—

READING THESE NUMBERS AS REAL ESTATE

What actually diagnoses this business: Pre-sales - Collections - Net debt / equity - Unsold inventory - Land bank.

Debt to equity **1.08x** bar set at 3x	Developers carry project debt against inventory; 2–3× is common. Net debt (after customer advances) is the more honest figure.
Revenue growth **—** read with care	Revenue is booked on project completion, so it arrives in lumps — one year's growth rate says little. Pre-sales and collections lead the reported P&L by several quarters.

DOES THE PROFIT TURN INTO CASH

	FY24	FY25	FY26
Operating cash flow	5	-93	-41
Capital expenditure	1	4	3
Financing	1	94	25

Operating cash flow is -58% of profit after tax. The rest is sitting in receivables or inventory.

WHEN LOCKED SHARES CAN BE SOLD

Each date releases shares that could not previously be traded.

+1 months	+3 months	+36 months
Anchor, first half	**Anchor, remainder**	**Promoter**
50.0%	50.0%	20.0%

THE DOCUMENT’S OWN CASE, FOR AND AGAINST

STRENGTHS IT CLAIMS

1. Among the leading real estate companies in the Western Suburbs with a demonstrated growth and strong pipeline. (p.207)
2. Demonstrated project execution capabilities with in-house functional expertise. (p.210)
3. Capital efficient business model with high barriers to entry. (p.213)
4. Established a customer-centric brand in the Western Suburbs with robust stakeholder management. (p.213)
5. Track record of consistent financial performance. (p.214)

RISKS IT DISCLOSES

1. Our Redevelopment activities are geographically concentrated in the MCGM Region, exposing us to local market and regulatory risks. (p.23)
2. An inability to complete our Under-construction and Upcoming Redevelopment Projects on time could materially affect our business. (p.24)
3. Failure to sell our Redevelopment Projects inventory in a timely manner may adversely affect our financial condition. (p.26)
4. We do not enter into long-term supply agreements for construction materials and depend on a limited number of suppliers. (p.27)
5. We depend on a limited number of contractors for our construction activities and operations. (p.29)

Both columns are the offer document’s own words, not this page’s assessment.

THE INDUSTRY, AS THE DOCUMENT DESCRIBES IT

company's stated share 23.0%.

Drivers it names: Rapid urbanization in Tier 1 cities like Mumbai driving housing demand.; Nuclearization of families leading to shrinking household sizes and increased housing demand..

Constraints it names: High property prices reducing housing affordability in mid-and-mass segments.; High capital requirements driven by infrastructure development and equipment procurement..

THE WIDER GROUP

PCPL Infra Private Limited (subsidiary)	holds 70.0%
PCPL Foundation (subsidiary)	holds 99.9%

Extracted from the RHP at https://www.centrum.co.in/sites/default/files/product_equity/Pranav%20Constructions%20Limited%20-%20RHP.pdf by gemini-3.5-flash on 2026-09-03. Figure verification was skipped. The source text was not available to check against.