Horizon Industrial Parks Ltd.

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IPO Note **14th Aug 2026**

Company Overview

Incorporated in 2009 and backed by global private equity major The Blackstone Group, which holds a ~89% pre-issue stake, Horizon Industrial Parks Limited is India's largest industrial and logistics infrastructure platform by total network size. The company focuses on the acquisition, development, and operation of Grade-A logistics parks, fulfilment centres, in-city last-mile hubs, and specialized industrial facilities across key consumption and manufacturing corridors. As of May 31, 2026, Horizon operated 45 assets across 10 cities, with a Total Network of 58.58 mn sq. ft. and an Operational Network of 28.55 mn sq. ft. at a committed occupancy of 93.56%. The company's diversified portfolio spans warehouses, industrial facilities, and in-city centres, catering to structurally growing segments such as e-commerce, 3PL, retail, FMCG, automotive, EVs, electronics, renewable energy, and specialty chemicals. Its asset-leasing model provides recurring and relatively predictable rental income, while strategic presence across key markets such as Delhi-NCR, Mumbai, Bengaluru, Chennai, Pune, Hyderabad, Ahmedabad and Nagpur provides strong exposure to India's expanding manufacturing, consumption and organized logistics ecosystem. The company has built a strong institutional customer base of 107 marquee clients, supported by long-term relationships and high tenant stickiness. Existing customer expansions contributed 43.81% of incremental contracted area since FY23, highlighting strong retention and wallet-share expansion. Backed by Blackstone's global logistics expertise and asset-management capabilities, the company has rapidly scaled its platform, with 40 of its 45 assets acquired since the change in ownership in 2021, reinforcing its ability to pursue inorganic growth and expand its Pan-India footprint.

Objects of the issue

The IPO consists of a fresh issue of up to Rs. 2,600 crores. The net proceeds from the fresh issue are proposed to be utilized for the following purposes:
1.Repayment/prepayment, in full or in part, of certain outstanding borrowings availed by the Company.
2.Repayment/prepayment, in full or in part, of certain borrowings availed by identified wholly owned subsidiaries through investments in such subsidiaries.
3.General corporate purposes.

Investment Rationale

Robust development pipeline and structural industry tailwinds provide strong medium-term growth visibility.

Horizon Industrial Parks is well positioned to benefit from the structural expansion of India's industrial and logistics real estate market, supported by increasing manufacturing activity, growth in e-commerce and organized retail, rising demand for modern warehousing infrastructure and continued formalization of supply chains. The company's growth opportunity is supported by a sizeable Development Network of 30.03 mn sq. ft., comprising 7.22 mn sq. ft. of Near Term Deliveries and 22.81 mn sq. ft. of Planned Projects as of May 31, 2026. This development pipeline provides a substantial runway for expansion of the operational portfolio and future rental income. Importantly, the company is dependent on conventional warehousing and expanding into industrial facilities and in-city centres, allowing it to participate in multiple growth segments. Its industrial facilities cater to manufacturing and assembly requirements across high-growth sectors such as EVs, renewable energy, automotive, electronics, aerospace, and specialty chemicals, while in-city centres serve last-mile delivery, micro-fulfilment, dark stores, cold storage, online pharma, and other urban consumption-led applications. With the Operational Network expanding from 20.70 mn sq. ft. in FY24 to 28.42 mn sq. ft. in FY26, alongside the broader Total Network increasing from 47.09 mn sq. ft. to 58.47 mn sq. ft., the company has demonstrated its ability to scale its platform rapidly. We believe the combination of a large development pipeline, high occupancy, increasing rental potential, strategic presence across key markets and structural demand for Grade-A logistics infrastructure should support sustained growth in rental income and operating cash flows.

Proven execution capabilities with a scalable asset growth engine

Horizon Industrial Parks has established strong in-house capabilities across development, acquisitions and asset management, enabling it to scale its Total Network to 58.58 mn sq. ft. in just over five years. Its 120-member development team supports end-to-end execution, with a proven ability to develop large 50-100 acre parcels within 36-48 months in a phased manner, while the 11-member

Issue Details	
Offer Period	17th Aug 2026 - 19th Aug 2026
Price Band	Rs. 57 to Rs. 60
Bid Lot	250
Listing	BSE & NSE
Issue Size (no. of shares in Cr.)	43.3
Issue Size (Rs. in Cr.)	2,600
Face Value (Rs.)	10

Issue Structure	
QIB	75%
NIB	15%
Retail	10%

BRLM	JM Financial Ltd., Axis Capital Ltd., IIFL Capital Service Ltd., SBI Capital Markets Ltd., 360 ONE WAM Ltd.
Registrar	KFin Technologies Ltd.

Particulars	Pre Issue %	Post Issue %
Promoter & Promoter Group	88.7%	75.4%
Public	11.3%	24.6%
Total	**100.0%**	**100.0%**

(Assuming issue subscribed at higher band)

Research Team - 022-61596138

acquisition team enables efficient sourcing, due diligence and execution of both operational assets and land parcels. The company has delivered 11.93 mn sq. ft. across 19 assets between FY24 and May 31, 2026, demonstrating strong execution capability at scale. Partnerships with KIADB, MIDC, TSIIC and GIDC provide access to large contiguous land parcels, reducing land aggregation and regulatory risks and enabling faster project development. The strategy of acquiring adjoining land parcels also provides an opportunity to expand existing parks and enhance asset utilization. Increasing platform scale further supports procurement and construction cost efficiencies, while dedicated asset management capabilities ensure disciplined control over operating costs and capex. Overall, the combination of proven execution, strategic land acquisition, government partnerships and operating leverage provides strong visibility for sustained network expansion and rental income growth.

Valuation

Horizon Industrial Parks offers exposure to India's rapidly formalizing industrial and logistics infrastructure ecosystem through a scaled portfolio of Grade-A assets, high occupancy levels and a sizeable development pipeline. Its long-term growth prospects remain favourable, supported by increasing Grade-A warehousing penetration, manufacturing and consumption growth, e-commerce adoption and supply-chain consolidation. The ~30.03 mn sq. ft. development pipeline, strategic presence across key markets, established customer relationships and Blackstone-backed platform provide a strong foundation for future rental income growth. On the financial front, revenue from operations increased from Rs. 228.9 crores in FY24 to Rs. 691.4 crores in FY26, while EBITDA margin stood at a robust 76.9% and operating cash flow reached Rs. 464.1 crore. Although the company reported a net loss of Rs. 203.6 crores in FY26, this largely reflects the asset-intensive nature of the business, with high depreciation and finance costs associated with portfolio expansion. Over the medium to long term, the ~33 mn sq. ft. land pipeline provides additional growth potential as assets are developed and converted into rent-generating properties. Further, allocation from the fresh issue towards debt repayment should support deleveraging and reduce finance costs. Overall, we believe the combination of strong asset quality, high occupancy, healthy cash generation, sizeable development potential and structural growth in India's logistics and industrial real estate market provides a favourable outlook for sustained rental income and cash-flow growth. At the upper IPO price band of Rs. 60 per share, the company commands an implied post-issue market capitalization of ~Rs. 17,298 crores, translating into a Market cap/sales of ~25.0x on FY26. **We thus, recommend a “SUBSCRIBE” rating from a medium to long-term perspective.**

Horizon Industrial Parks Ltd.

Income Statement (Rs. in Crores)

Particulars	FY24	FY25	FY26
Revenue:			
Revenue from operations	229	390	691
Total revenue	**229**	**390**	**691**
Expenses:			
Operating and maintenance expenses	23	31	53
Change in inventories of project work in progress	0	0	0
Employee benefits expense	30	20	31
Other expenses	41	50	76
Total expenses	**94**	**100**	**160**
EBITDA	**135**	**290**	**531**
Depreciation & amortization	98	143	266
EBIT	**37**	**147**	**265**
Finance costs	211	353	539
Other Income	17	49	76
PBT before Exceptional item	**-157**	**-157**	**-197**
Exceptional Items- Gain / (Loss)	0	-24	0
PBT before share of profit	**-157**	**-181**	**-197**
Share of loss of joint ventures	5	0	0
PBT	**-162**	**-181**	**-197**
Total tax	0	-2	6
Net Loss	**-162**	**-179**	**-204**
Diluted EPS	-3.0	-3.1	-1.2

Source: RHP, BP Equities Research

Cash Flow Statement (Rs. in Crores)

Particulars	FY24	FY25	FY26
Cash Flow from operating activities	119	235	464
Cash flow from investing activities	-876	-1,596	-4,873
Cash flow from financing activities	794	1,458	4,638
Net increase/(decrease) in cash and cash equivalents	**37**	**97**	**229**
Net Cash and cash equivalents at the beginning of the period	**126**	**164**	**274**
Net cash acquired on asset acquisition	1	14	133
Net Cash and cash equivalents at the end of the period	**164**	**274**	**636**

Note: Cash and Cash Equivalent for the given periods are netted off against Bank Overdraft

Source: RHP, BP Equities Research

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Balance Sheet (Rs. in Crores)

Particulars	FY24	FY25	FY26
Assets			
Non-Current Assets			
Property, plant and equipment	4	5	12
Capital work-in-progress	0	0	108
Investment properties	3,366	7,038	8,188
Investment properties under development	733	1,426	1,708
Right of use assets	7	4	16
Intangible assets	16	18	15
Intangible assets under development	0	0	2
Goodwill	40	43	43
Investments accounted for using equity method	19	0	0
Financial assets	0	0	0
Investments	2	0	0
Loans	25	27	0
Other financial assets	55	280	343
Deferred tax assets (net	0	16	0
Non-current tax assets (net)	24	36	52
Other non-current assets	348	358	406
Total Non Current assets	**4,640**	**9,253**	**10,893**
Current Assets			
Inventories	0	41	0
Financial Assets	0	0	0
(i) Investments	60	131	737
(ii) Trade receivables	19	30	35
(iii) Cash and cash equivalents	164	279	638
(iv) Other bank balances	34	22	1,014
(v) Loans	5	6	28
Other financial assets	52	30	46
Other current assets	16	57	104
Current tax assets (net)	4	0	0
Total current assets	**353**	**596**	**2,602**
Assets held for sale	**0**	**3**	**0**
Total Assets	**4,993**	**9,852**	**13,495**
Equity and Liabilities			
Equity Share Capital	536	536	2,450
Other equity	110	472	3,215
Equity attributable to owners of the parent	**645**	**1,008**	**5,664**
Non controlling interests	57	171	195
Total Equity	**702**	**1,179**	**5,859**
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowing	3,585	6,600	6,761
(ii) Lease Liabilities	8	5	14
(iii) Other Financial liab	354	179	165
Provisions	2	4	7
Deferred Tax Liabilities (net)	29	31	54
Other non-current liabilities	8	35	28
Total Non-Current Liabilities	**3,986**	**6,855**	**7,029**
Current Liabilities			
Financial Liabilities			
(i) Borrowing	103	409	124
(ii) Lease Liabilities	2	3	5
(iii) Trade Payables	22	24	28
(iv) Other financial liabiliies	167	1,344	413
Provisions	0	1	1
Other current liabilities	11	37	36
Current tax liabilities (net)	0	0	0
Total Current Liabilities	**305**	**1,818**	**608**
Total Liabilities	**4,291**	**8,673**	**7,636**
Total Equity and Liabilities	**4,993**	**9,852**	**13,495**

Source: RHP, BP Equities Research

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Disclaimer Appendix

Analyst (s) holding in the Stock : Nil

Analyst (s) Certification:

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