

Bagmane Prime Office REIT - IPO Note

Company Overview

Bagmane Prime Office REIT is a commercial REIT focused on premium Grade A+ business parks in Bengaluru, one of India's top office markets. Its portfolio spans key micro-markets and is largely leased to global tech firms such as Google, Amazon, and Nvidia. The REIT follows a long-term leasing strategy with built-to-suit solutions and expansion within existing parks. It is sponsored by the Bagmane Group, a Bengaluru-based Grade A+ office developer with a strong pipeline across India.

ISSUE SNAPSHOT			
Price Band	₹95 - ₹100/unit	Issue Size	₹3,405 cr
Fresh Issue	₹2,390 cr	OFS (Blackstone)	₹1,015 cr
IPO Dates	05-07 May 2026	Listing	15-May-2026 (BSE/NSE)
Lot / Min. Inv.	150 units / ₹15,000	Anchor Book	₹1,150 cr (02-May)
BRLMs	JM Fin., Kotak, Axis, IIFL, SBI Caps, 360 ONE, HDFC	Registrar	KFin Technologies

ROFO Pipeline	LTV	Occupancy	Portfolio	GAV
47+ msf	5%	98.8%	20.3 msf	₹40,263 cr

* As of December 31, 2025

Object of the Issue

Objects	Estimated Amt (₹ Cr)
Part funding of acquisition by BDPL of Luxor @ Bagmane Capital Tech Park	1,420
Part funding of acquisition by BDPL of 93.00% of the issued and paid-up equity share capital of BRPL	820
General Corporate Purposes	[•]
Total	2,390

Comparison with Industry Peers

Particulars	NAV per unit (3)	Premium / (Discount to NAV) % (2)
Embassy Office Parks REIT	445.91	(4.38%)
Mindspace Business Parks REIT	(3.05%)	(3.05%)
Brookfield India Real Estate Trust	355.00	(7.17%)
Knowledge Realty Trust	118.00	(1.47%)

Risk

- The portfolio is fully concentrated in Bengaluru, making it highly exposed to any slowdown or adverse developments in the city's commercial real estate market, which could impact occupancy, rentals, and valuations.
- Tenant concentration is high, with the top 10 tenants contributing 63% of rentals, and strong exposure to foreign MNCs (98.7%) and GCCs (88.5%). Any downsizing, non-renewal, or exit by key tenants may materially affect income and cash flows.
- Lease renewals carry risks of non-renewal, early termination, default, or delays in replacement, potentially leading to vacancies and rental pressure.

Financials

Particulars (In Cr)	9M FY26	2025	2024	2023
Revenue from Operations	1942.94	2370.75	2205.37	1979.31
Net Operating Income	1758.98	2084.37	1865.95	1669.23
NOI Growth	-	11.71%	11.79%	-
NOI Margin (%)	90.53%	87.92%	84.61%	84.33%
EBITDA	1630.09	1906.67	1740.30	1587.08
EBITDA Margin	83.90%	80.42%	78.91%	80.18%
Profit for the Period	829.02	897.10	809.36	758.70
PAT Margin	42.67	37.84	36.7	38.33

Revenue Segment

Particulars (In Cr)	9M FY26	FY2025	FY2024	FY2023
Income from leasing	1641.56	2000.90	1785.11	1603.09
Revenue from contracts with customers	0.00	0.00	0.00	0.00
Construction services	8.34	17.10	18.48	38.11
Real estate development - Joint Development	-	-	28.21	12.83
Property maintenance services	211.05	257.06	238.45	228.68
Other operating revenues	81.98	95.70	135.12	96.61
Revenue from operations	1942.94	2370.75	2205.37	1979.31

Tenant Profile

Tenants	Sector	Total Area Leased (msf)	Gross Rentals (% of total)	WALE (yrs)
Google	Technology Development	2.8	18.90%	10.8
Amazon	E-Commerce	2.2	10.40%	6.4
Texas Instruments	Semiconductor	0.9	7.40%	11.4

Investment Rationale

- **Premium Portfolio:** Owns 6 Grade A+ business parks totaling 20.3 msf in Bengaluru's top-performing micro markets (ORR & SBD City).
- **Marquee Tenant Base:** Hosts 60+ blue-chip tenants including Google, Amazon, Nvidia, Texas Instruments, Samsung, and Volvo many for 10+ years. A significant portion of the completed area is built to suit, which supports long-term tenant retention and ensures stable rental income.
- **High Occupancy & Visibility:** 98.8% committed occupancy with a long WALE of 7.4 years, ensuring strong, predictable cash flows.
- **GCC Leadership:** Will have the highest proportion of Global Capability Centre (GCC) tenants among listed Indian office REITs post-listing.
- **Strong Leasing Track Record:** Achieved 72.3% pre-leasing and 25% leasing within 1 year of delivery (FY2020–9MFY2026).
- **NDCF Growth:** Projected NDCF growth from ₹20,956 mn (FY2027P) to ₹25,337 mn (FY2030P) approximately 21% cumulative growth.
- **MTM Upside:** The REIT has ~20.3% MTM rental upside, with FY2026-FY2030 lease expiries driving rental resets and growth.