INDIQUBE SPACES LIMITED

July 22, 2025

INDIQUBE®
GROW YOUR BUSINESS

SMC Ranking
★☆☆☆☆ (1/5)

Issue Highlights

Industry	Services
Offer for sale (Shares)	2,109,704
Fresh Issue (Shares)	27,426,160
Net Offer to the Public	**29,535,864**
Issue Size (Rs. Cr.)	664.56 -700.00
Price Band (Rs.)	225-237
Employee Discount	22
Offer Date	23-Jul-25
Close Date	25-Jul-25
Face Value	1
Lot Size	63

Issue Composition

	In shares
Total Issue for Sale	29,535,864
QIB	22,151,898
NIB	4,430,379.60
Retail	2,953,586.40

Shareholding Pattern (%)

Particulars	Pre-issue	Post -issue
Promoters & promoters group	70.86%	60.60%
QIB	29.14%	35.88%
NIB	0.00%	2.11%
Retail	0.00%	1.41%
Total	**100.00%**	**100.00%**

*calculated on the upper price band

Objects of the Issue

1. Repayment/ prepayment/ redemption, in full or in part, of certain borrowings availed by the Company
2. Funding capital expenditure towards establishment of new centers
3. General corporate purposes

Book Running Lead Manager

- ICICI Securities Limited
- JM Financial Limited

Name of the registrar

- MUFG Intime India Private Limited

About the company

Incorporated in 1999, Indiqube Spaces Ltd. is a leading provider of managed workplace solutions under the “IndiQube” brand, offering sustainable, tech-enabled office spaces across India. Its plug-and-play model combines workspace leasing with value-added services including facility management, asset maintenance, catering, transportation, and green initiatives. As of March 31, 2025, the company operates 115 centers across 15 cities, covering 8.40 million sq. ft. with 186,719 seats. Bengaluru, with 65 centers and 5.43 million sq. ft., is its largest market. With 29.57% of its portfolio comprising upgraded Grade B properties, Indiqube focuses on large enterprise clients, serving 769 customers—43.56% GCCs and 56.44% Indian firms. Its mature centers report an 86.50% occupancy rate, 34.21% ROCE, and a 10.81% cash EBIT margin. A CRISIL A+/Stable rating reflects its robust financial and operational health.

Strength

Leading Player in the Large and Growing Flexible Workspace Market in India: As of March 31, 2025, India’s flexible workspace stock stands at over 96 million sq. ft., with Tier-I cities accounting for 90% of the supply. Indiqube has established a strong presence across 15 cities—including 8 Tier-I and 7 non-Tier I locations—operating 115 centers with 186,719 seats. In Bengaluru, India’s largest flexible office market, Indiqube leads with 65 centers. Its offerings span workspace leasing and value-added services (VAS), which contributed 12.74% of total revenue. VAS revenue grew from Rs.68.17 crore in FY23 to Rs134.92 Crore in FY25, reflecting a CAGR of 40.69%, driven by design, tech, and facilities solutions.

Acquisition Strategy with Focus on Value Creation and Demand-Driven Locations: Indiqube’s acquisition strategy centers around high-demand micro-markets, with 85.39% of its portfolio located in such areas. Bengaluru and Chennai account for 6.66 million sq. ft., or 79.28% of its total portfolio. The company focuses on upgrading older Grade-B buildings in central locations into modern workspaces, with 25.22% of its portfolio comprising renovated assets. In Koramangala alone, managed space grew to 678,117 sq. ft. across 10 new properties. This micro-market and hub-and-spoke approach allows for high relevance, demand alignment, and scalable growth in India’s most commercially strategic urban locations.

Prudent Business Management Practices with Strong Operational Metrics: Indiqube emphasizes full-building leases, which make up 64.71% of its portfolio, enabling operational efficiency and brand consistency. The hub-and-spoke model ensures optimal manpower and resource allocation. The company boasts a 24.87-month payback period from fit-out to lease, nearly half the 47–48 month average for peers, thanks to aligned lease terms and client commitments. A strong internal business development team keeps brokerage costs minimal, at just 2.44% of operational revenue. This disciplined approach supports long-term profitability, faster break-even cycles, and scalability across key urban centers.

Capital Efficient Model with Resilience and Comprehensive Risk Mitigation: Adopting an asset-light model, Indiqube secures 10-year leases with a three-year lock-in and optional 10-year extensions, providing both flexibility and control. The average capital expenditure for office fit-outs stands at ₹1,507/sq. ft., significantly lower than the industry average of ₹2,400. The company’s diversified client base reduces revenue concentration risk—its top client contributes just 3.47% of revenue, and the top five combined account for 11.80%. This broad sectoral and regional spread enhances financial resilience, reduces dependency on any single industry, and provides insulation against cyclical slowdowns.

Experienced Leadership and Prominent Investor Base: Indiqube is led by seasoned founders—Rishi Das (CEO, IIT Roorkee), Meghna Agarwal (COO, IMT Ghaziabad), and Anshuman Das (Non-Executive Director, IIT Delhi). Under their leadership, it has earned national recognition as one of India's fastest-growing companies. Awards include "Green Champion" by CII & IGBC, "Startup of the Year" by Entrepreneur Awards, and "Best Co-working Space" by Startup Awards. Backed by WestBridge Capital and investor Ashish Gupta, Indiqube benefits from strategic guidance and financial strength. This combination of visionary leadership and strong investor support positions the company for continued innovation and market expansion.

Focussed on Fostering an Ecosystem of Green Buildings: Indiqube is committed to sustainable operations, integrating solar rooftops, rainwater harvesting, sewage treatment, and energy-efficient systems across centers. As of March 31, 2025, 36.44% of its operational area—2.52 million sq. ft. across 29 centers—has received IGBC and LEED certifications. An additional 0.75 million sq. ft. across 7 centers is under review for green certification. The total green-certified office stock in India has grown from 185 million sq. ft. in 2015 to 494 million sq. ft. in early 2025, with Indiqube contributing meaningfully to this momentum through a focused green infrastructure strategy.

Strategy

Expand Area Under Management by Balancing Market Presence and Micro Market Penetration: As of March 31, 2025, Indiqube manages 8.40 million sq. ft. across 115 properties in 15 cities. It aims to expand both geographically and within existing markets through a twofold strategy. First, it will enter additional cities, particularly non-Tier I markets, starting with smaller "spoke" properties to test demand. Second, it plans to deepen its presence in current cities by acquiring more properties in key micro markets. This dual approach allows for rapid yet measured growth, enabling the company to balance national reach with deep local penetration in high-demand commercial clusters.

Enhance Avg Revenue Per Square Feet Through an Integrated Workspace Solutions Ecosystem: Indiqube boosts average revenue per square foot by offering an integrated suite of workspace solutions. Through IndiQube Grow, it provides plug-and-play workspaces with tailored interiors and bundled services. IndiQube Bespoke delivers design-and-build solutions for non-leased spaces. Facility management and employee services are offered under IndiQube One, while MiQube powers smart workspace technologies. For landlords, IndiQube Cornerstone enables property upgrades and ongoing asset management. This layered ecosystem maximizes value across the real estate lifecycle—enhancing revenue potential while delivering convenience, consistency, and efficiency to both tenants and property owners.

Become a Preferred Workspace Outsourcing Solutions Partner for Enterprises: Indiqube seeks to be the go-to outsourcing partner for enterprise workspace solutions. It serves a wide range of corporate needs—from setting up large hubs and supporting branch offices to upgrading legacy facilities and providing value-added services in pre-built spaces. With automation and smart technologies, it delivers a seamless, location-agnostic experience. By combining design, operations, and technology into one flexible platform, Indiqube offers scalable, tailored, and sustainable office solutions. Its forward-looking approach positions it to lead the future of workspace management, meeting the evolving needs of today's dynamic and distributed enterprises.

Scale IndiQube Bespoke and Offer Comprehensive Office Interiors Solutions: Indiqube plans to scale its IndiQube Bespoke vertical to offer customized office interiors to clients beyond its existing workspace portfolio. This initiative allows businesses to design branded, functional workspaces aligned with their culture and operational needs. With a growing catalogue of over 1,000 SKUs and the support of IndiQube Canvas—its interiors experience center in Bengaluru—clients engage in an interactive, end-to-end design and build process. The flexibility and personalization of Bespoke solutions help differentiate Indiqube in a competitive market while capturing new demand from companies seeking unique, experiential workplace environments.

Expand 'Sustainability as a Service' Offerings: With over half of Tier-I office stock now older than a decade, there is rising demand for asset renovation. Indiqube addresses this through IndiQube Cornerstone, which partners with landlords to refurbish and modernize ageing properties. As of

March 31, 2025, 85.92% of its leased assets come from non-institutional owners—offering a large addressable market for transformation services. By helping landlords upgrade their buildings to meet new workforce expectations, Indiqube strengthens its role as a workplace transformation partner while expanding its footprint through sustainable, adaptive reuse of underperforming commercial real estate.

Leverage Technology to Expand Client-Base: Indiqube's technology platform, MiQube, powers a seamless workspace experience for enterprises by integrating operations, facilities, and employee engagement tools. It allows clients to efficiently manage office functions like meeting room bookings, desk utilization, and visitor access. MiQube also enhances employee experience through personalized interfaces and interaction tools. This tech-enabled model connects clients, their teams, and service providers on a unified platform—improving efficiency, scalability, and satisfaction. By leveraging this digital infrastructure, Indiqube is able to attract and retain a broader client base while positioning itself as a future-ready workspace partner.

Risk Factor

- For Fiscals 2025, 2024, and 2023, 88.84%, 91.82%, and 93.18% of operating revenue, respectively, was concentrated in Bengaluru, Pune, and Chennai. Any adverse developments in these key markets could significantly impact the company's business, operations, and financial health.
- None of the properties housing the company's centers are owned, exposing the business to risks such as potential center closures, relocation costs, and early termination of client contracts.
- As of May 31, 2025, the company had total outstanding borrowings of ₹332.08 crore. High indebtedness may impair its ability to meet repayment obligations and comply with financing covenants.

Peer Comparison

Co_Name	Total Income	PAT	EPS	P/E	P/BV	BV	FV	Price	Mcap
AWFIS Space	1207.54	67.87	6.04	107.33	10.06	64.46	10.00	648.25	4621.67
Indiqube Spaces Ltd.	1059.29	-139.62	-ve	-ve	7.69	30.80	1.00	237.00	4977.12

Valuation

The company is loss making, we are considering the P/Bv valuation based on post issue because due to loss in FY25 networth of the company eroded, on the upper end of the price band of Rs.237, Post issue, book value of Rs.30.80 of P/Bvx 7.69x.On the lower end of the price band of Rs.225, Post issue, book value of Rs.30.80 of P/Bvx 7.30x.

Industry Outlook

The Indian real estate sector is one of the key contributors to the country's GDP and is poised for significant long-term growth, driven by urbanization, infrastructure development, and a rising middle class with commercial real estate particularly office spaces playing a central role in supporting India's services and IT-driven economy. The total flexible workspace stock in India stood at over 96 million square feet, with more than 90% concentrated in key Tier-I cities such as Bengaluru, Mumbai, and Delhi-NCR. The market is seeing increased traction from large enterprises, SMEs, and start-ups seeking cost-effective, agile, and ready-to-use office solutions. Traditional leasing is gradually giving way to managed office spaces and flexible workspace models, which offer scalability, lower upfront capital expenditure, and bundled services such as IT, maintenance, and design. This shift is expected to drive the total addressable market to approximately 280–300 million sq. ft., representing a sizeable opportunity. Demand is also gaining momentum in non-Tier I cities, supported by improved infrastructure and remote working adoption.

Outlook

Indiqube's strong presence in Tier-I cities and asset-light, tech-enabled model position it to benefit from India's growing flexible workspace demand. Its integrated services and green initiatives aid differentiation. However, the company's overdependence on Bengaluru, Pune, and Chennai for nearly 89% of revenue, lack of owned assets, and ₹332.08 crore in debt raise serious concerns. As it expands into non-core markets and scales offerings, operational complexity may increase. Without geographic diversification and financial de-risking, long-term stability and scalability remain uncertain.

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

EVENT	INDICATIVE DATE (On or about)
BID/ISSUE OPENS ON	23-July-25
BID/ISSUE CLOSES ON	25-July-25
Finalisation of Basis of Allotment with the Designated Stock Exchange	28-July-25
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	29-July-25
Credit of Equity Shares to Demat Accounts of Allottees	29-July-25
Commencement of trading of the Equity Shares on the Stock Exchanges	30-July-25

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)	Period ended 31-Mar-23 (12 Months)
Revenue from operations	1059.29	830.57	579.74
Total expenditure	442.74	604.24	343.05
Operating Profit	**616.54**	**226.34**	**236.69**
OPM%	5.82	2.73	4.08
Other Income	43.65	37.09	21.54
Total Net Income	**660.19**	**263.42**	**258.23**
Interest	330.35	256.00	188.01
PBDT	**329.84**	**7.42**	**70.22**
Depreciation	487.14	392.24	298.15
Restated loss before tax	**-157.30**	**-384.82**	**-227.93**
Tax	-17.69	-43.31	-29.82
PAT	**-139.62**	**-341.51**	**-198.11**

Balance sheet is on next page

Balance Sheet

Rs. in Cr.

Particulars	As on 31-Mar-25	As on 31-Mar-24	As on 31-Mar-23
Non-current assets			
Property, plant and equipment	647.71	494.37	392.32
Capital work in progress	114.29	73.62	21.13
Right of use assets	3299.56	2587.63	2150.04
Intangible assets	7.57	2.90	4.07
Intangible assets under development	0.00	5.70	2.85
Financial assets	**0.00**	**0.00**	**0.00**
Investments	0.00	0.97	0.97
Other financial assets	191.70	150.60	129.31
Deffered tax assets	126.41	100.57	48.74
other tax assets (net)	19.68	13.30	40.59
Other non-current assets	68.12	71.00	69.33
Total non-current assets	**4475.04**	**3500.66**	**2859.33**
Current asset			
Financial Assets			
Trade receivables	78.75	59.29	33.21
Cash and cash equivalents	5.94	0.37	10.44
Bank balance other than (iii) above	0.09	0.08	0.02
Other financial assets	17.54	20.96	20.29
Other current assets	107.77	86.56	46.02
Total current assets	**210.09**	**167.26**	**109.99**
Total Assets	**4685.12**	**3667.91**	**2969.32**
Non-current liabilities			
Financial Liabilities			
Borrowings	222.47	100.15	573.95
Lease liabilities	3421.80	2624.90	2117.05
Other financial liabilities	199.02	167.14	139.44
Provisions	11.42	7.04	4.78
Other non-current liabilities	25.91	16.84	14.14
Total Non- Current liabilities	**3880.62**	**2916.06**	**2849.37**
Current liabilities			
Financial Liabilities			
Financial liabilities			
Borrowings	121.5	63.9	49.2
Lease Liability	322.0	259.7	185.6
Trades Payable - MSME	18.7	19.4	9.7
Trades Payable - other thanMESE	35.7	24.9	17.4
Other financial liabilities	272.4	225.7	147.8
Other current liabilities	34.9	26.0	17.3
Provisions	2.4	1.7	1.0
Total Current liabilities	**807.62**	**621.22**	**428.05**
Total	**4688.23**	**3537.28**	**3277.42**
Net worth represented by:			
Equity Share Capital	13.02	0.18	0.18
Instruments entirely equity in nature	7.17	1.01	0.00
Other equity	-23.30	129.44	-308.28
Net Worth	**-3.11**	**130.63**	**-308.10**

RANKING METHODOLOGY

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

E-mail: researchfeedback@smcindiaonline.com

Corporate Office:
11/6B, Shanti Chamber,
Pusa Road, New Delhi - 110005
Tel: +91-11-30111000
www.smcindiaonline.com

Mumbai Office:
Lotus Corporate Park , A Wing 401 / 402 ,
4th Floor ,Graham Firth Steel Compound,
Off Western Express Highway, Jay Coach Signal,
Goreagon (East) Mumbai - 400063
Tel: 91-22-67341600, Fax: 91-22-28805606

Kolkata Office:
18, Rabindra Sarani,
Poddar Court,Gate No.- 4, 5th Floor, Kolkata-700001
Tel: 91-33-39847000, Fax: 91-33-39847004

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