

wework

WeWork India Management Ltd

Industry: Flexible workspace operator

Date: 1st Oct, 2025

Rating
NEUTRAL



Issue Highlights

WeWork India Management IPO is a book build issue of Rs. 3,000 crores.

The issue is entirely an offer for sale of 4.63 crore shares aggregating to Rs. 3,000 crore at the upper end of the price band at Rs. 648 per share.

The company will not receive any proceeds from the Offer and all the proceeds will be received by the Selling Shareholders. The selling shareholders are as follows:

Name	No of shares (Cr)
Promoter Selling Shareholder	
Embassy Buildcon LLP	3.54
Investor Selling Shareholder	
1 Ariel Way Tenant Limited	1.09



3rd
Oct 2025
ISSUE OPENS

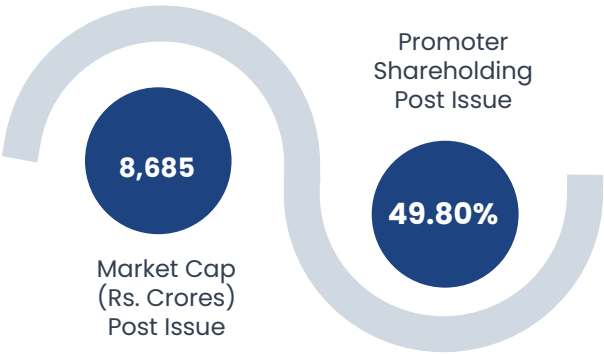
to

7th
Oct 2025
ISSUE CLOSES

ISSUE DETAILS	
Price Band	Rs. 615 to Rs. 648 per share
Face Value	Rs. 10 per share
Total Offer Size	4,62,96,296 shares (aggregating up to Rs. 3,000 Cr)
Offer for Sale	4,62,96,296 shares (aggregating up to Rs. 3,000 Cr)
Issue Type	Book-building IPO
Minimum lot	23 shares
Listing on	NSE, BSE

Outlook

- WeWork India is a scale and profitability leader among domestic peers, delivering FY25 operational revenue of Rs. 1,949 Cr, with a portfolio revenue-to-rent multiple ~2.7x and mature-centre occupancy 81.2%.
- Visibility is strong with Rs. 2,104 Cr of remaining locked-in net membership fees versus Rs. 885 Cr of remaining locked-in rent costs (2.4x cover), supported by a weighted-average lease tenure 8.5 years and lock-in 4.1 years.
- Unit economics have improved as capex/desk fell to ~Rs. 1.33 lakh, densification reached ~60 sq. ft./desk, corporate costs reduced to 8.0% of revenue, and centres typically breakeven at ~55.7% occupancy within 4–6 months.
- Ancillary and digital monetisation is a lever but still early - with services/ancillary contributing ~11.1% of FY25 revenue, with optionality from All Access, On Demand, Virtual Office and Workplace/Zoapi.
- Earnings quality remains fragile as FY25 PAT Rs. 128 Cr was largely driven by a Rs. 285.7 Cr deferred tax credit, with net losses in FY23, FY24 and Q1FY26, and a high fixed-cost base (~84% of operating costs).
- Occupancy headwinds are seen as 15,000+ desks have been added in the last fiscal, which resulted in lower occupancy at 76.5% (below mature levels), while management expects this to reach historic levels of 80%+; renewal rates have also seen easing (79.2% in FY23 → 74.7% in FY25 → 70.1% in Q1FY26).
- Concentration risks are material: Bengaluru and Mumbai contributed 66.3% of Q1FY26 net membership fees and >300-desk cohorts accounted for 40.6%. The company presently does not have plans to diversify their presence in tier 2 and 3 cities.
- Lease economics need careful balancing as 12–15% rent escalations every three years and shortening tenures could compress rev-to-rent multiples unless ARPM growth and scale efficiencies are sustained.
- Structural tailwinds are favourable—Grade-A absorption outpacing supply, flex penetration projected at 20–22% by CY27, and GCC demand (1.6 Mn employees; 35–40% of leasing) underpin a durable pipeline across Tier-I clusters and select Tier-II markets.
- We have issued a “NEUTRAL” rating for WeWork India Management Ltd’s IPO.



Indicative Timeline

	On or before
Finalization of Basis of Allotment	Wed, Oct 8, 2025
Unblocking of Funds	Thu, Oct 9, 2025
Credit of shares to Demat Account	Thu, Oct 9, 2025
Listing on exchange	Fri, Oct 10, 2025

IPO Reservation

QIB Shares	Not More than 75% of the Net Issue
HNI Shares	Not more than 15.00% of the Net Issue
Retail Shares	Not more than 10.00% of the Net Issue

Lot Size

Application	Lots	Shares	Amount
Retail (Min)	1	23	Rs. 14,904
Retail (Max)	13	299	Rs. 1,93,752
S-HNI (Min)	14	322	Rs. 2,08,656
S-HNI (Max)	67	1,541	Rs. 9,98,568
B-HNI (Min)	68	1,564	Rs. 10,13,472

Company Overview

- WeWork India Management Ltd, established in 2017, is a leading premium flexible workspace operator in India and has been the largest by revenue over the last three fiscals (according to CBRE). The company operates as the exclusive licensee of the WeWork brand in India and has progressively broadened its offerings from managed offices, private offices, serviced floors, and coworking spaces to digital and hybrid solutions, including WeWork All Access, WeWork On Demand, Virtual Office, and the SaaS-based WeWork Workplace. Its full-service model integrates workspace, facility management, IT, F&B, and community services, providing members with a seamless, capital-light office solution.
- As of 30 June 2025, the company's operational footprint comprised 114,077 desks across 68 centres with a total leasable area of 7.67 mn sq. ft., of which 94% (7.07 mn sq. ft.) was in Grade A developments. Nearly 87% of the portfolio was concentrated in 28 Tier 1 micro-markets identified as flexible workspace clusters. Bengaluru remains the anchor geography, housing 42.65% of centres and recording 79.2% occupancy. Overall, operational centres ran at 76.5% occupancy, while mature centres (operational >12 months) achieved 81.2%. Weighted average lease tenure stood at 8.48 years, with initial lock-in of 4.11 years, and an average rent-free period exceeding 5 months. Due to portfolio maturity, the weighted average outstanding landlord lock-in was only 10 months as of June 2025.
- Revenue trajectory remains strong. Revenue from operations rose 26.7% YoY to Rs. 1,665.1 Cr in FY24 and further by 17.1% YoY to Rs. 1,949.2 Cr in FY25. Q1FY26 revenue increased 19.3% YoY to Rs. 535.3 Cr. Adjusted EBITDA margins expanded from 14.6% in FY23 to 21.6% in FY25, before moderating to 18.1% in Q1FY26. Benchmarking highlights WeWork India delivered 1.42x the operational revenue and 2.45x the adjusted EBITDA of its nearest peer in FY25. The portfolio-level Revenue-to-Rent Multiple of 2.7x exceeded the industry norm (1.9–2.5). Specifically, FY25 Net ARPM was Rs. 19,842 and Total ARPM Rs. 22,033, with Net Revenue-to-Rent Multiple 2.68x and Total Multiple 2.98x. In Q1FY26, Net ARPM was Rs. 19,085 and Total ARPM Rs. 21,039, with Net Multiple 2.61x and Total Multiple 2.87x. Locked-in revenues provide visibility, with Remaining Locked-in Net Membership Fees of Rs. 2,104 Cr against Remaining Locked-in Rent Costs of Rs. 885 Cr, reflecting a healthy 2.4x coverage.
- The member base was 87,247 as at June 2025, diversified across Fortune 500 companies, GCCs, MSMEs, start-ups, and individuals. Enterprise members contributed 75.7% of net membership fees in Q1FY26, with international clients accounting for 65.9%. Weighted average membership tenure stood at 26 months overall and 31 months for large enterprises. Importantly, 45–58% of new desk sales across FY23–FY25 and Q1FY26 came from existing members upgrading. Membership by desk cohort in Q1FY26 shows large enterprises dominate economics: >300 desks (40.6%), 101–300 desks (19.7%), 51–100 desks (12.1%), 11–50 desks (19.2%), ≤10 desks (8.5%). NPS scores reflect rising satisfaction: 67.0 in FY23, 72.3 in FY24, and 74.8 in FY25.
- Backed by Embassy Group (majority promoter), WeWork India gains privileged access to 85 mn sq. ft. of office assets, including 1.16 mn sq. ft. across 10 centres leased from Embassy REIT (15.1% of portfolio) and 0.20 mn sq. ft. across 2 centres from Embassy Group (2.6%). Relationships with developers ensure prime Grade A locations and competitive lease structures. Its partnership with WeWork Global (c.600 locations across 35 countries) strengthens its value proposition for multinational clients, providing brand consistency and seamless global access.
- Operational excellence is reinforced by ISO 45001:2018 certification since 2022 and ISO 14001:2015 since 2023. Technology-enabled processes—REScout (ML-driven site selection), Spatial Analytics (space utilisation), PriMo (workflow streamlining), and SpaceOps (daily operations)—have improved capital efficiency. Capex per desk reduced from Rs. 1.61 lakh in FY23 to Rs. 1.47 lakh in FY25, and further to Rs. 1.33 lakh in Q1FY26; capex per sq. ft. fell from Rs. 2,610 in FY23 to Rs. 2,363 in FY25. Desk density improved to 60 sq. ft. per desk by Q1FY26 (vs 66 in Q1FY25). At the centre level, breakeven is typically achieved at ~55.7% occupancy within 4–6 months of launch, with mature centres generating >40% EBITDA margins. Corporate costs fell from 10.9% of revenue in FY23 to 8.0% in FY25, adding operating leverage.

- Service and ancillary revenues contributed 11.1% of operations revenue in FY25, consistently above the industry range (0–10%), supported by offerings in customisation, events, parking, and F&B. Digital revenues (All Access, On Demand, Virtual Office, Workplace) further diversify income. Membership revenue (Ind-AS 115) and ancillary revenue contributions have trended upwards across FY23–FY25 and Q1FY26, though precise splits require disclosure.
- WeWork India has built sustained partnerships with some of India’s largest property developers across key office markets, including DLF Cyber City Developers, Prestige Estates, Panchshil Realty, K Raheja Corp, Nesco, and Oberoi Realty. In addition, the company maintains strategic access to the high-quality portfolios of the Embassy Group and Embassy REIT, which together account for a meaningful share of its operational footprint.
- As of March 2025, the company operated 57 centres with 7.09 Mn sq. ft. of leasable area, compared to 48 centres and 6.11 Mn sq. ft. in FY24 and 40 centres and 5.44 Mn sq. ft. in FY23. Of this, Embassy Group contributed 2 centres (0.20 Mn sq. ft.), Embassy REIT 9 centres (1.07 Mn sq. ft.), and other landlords the balance 46 centres (5.82 Mn sq. ft.). On a proportional basis, Embassy Group accounted for 2.8% of leasable area, Embassy REIT 15.1%, and other landlords the remaining 82.1% in FY25, reflecting a diversified landlord base with limited single-party concentration risk.
- Lease structures are a mix of long-term lease and license agreements and operator deals. Standard lease agreements typically have a 10-year primary tenure with a 3–5 year lock-in, and place responsibility for permits and licences on landlords. Operator deals, which generally run for five years, involve WeWork managing the premises on behalf of landlords. These carry an 18-month landlord lock-in, extendable if revenue thresholds are achieved. In addition, the company provides facility management services under three-year contracts, terminable by either party with 30 days’ notice, further diversifying its landlord engagement model.
- WeWork’s lease agreements typically include pre-defined rental escalations of 12–15% every three years, applied to base rent only, with ancillary charges such as car parking exempt from escalation. The company benefits from long-dated tenures and visible rent structures: as at March 2025, the weighted average primary lease tenure stood at 8.48 years (vs 8.83 in FY24 and 9.13 in FY23), while the weighted average lock-in period was 4.11 years (vs 4.76 in FY24 and 4.99 in FY23). These long-term arrangements provide stability of occupancy and predictability of lease outgo, while embedding contractual discipline for both landlords and the company.
- Through scale, prime-location presence, operational discipline, and a balanced mix of membership, digital, and ancillary revenue streams, WeWork India has established itself as the clear leader in India’s premium flexible workspace market, with visibility on cash flows (2.4x revenue-to-rent coverage) and further growth optionality in Tier 1 markets, supported by GCC-led demand and hybrid working adoption.

Operational Metrics	Units	Q1FY26	FY25	FY24	FY23
Cities	Number	8	8	7	6
Total Centres	Number	70	68	56	43
Total Leasable Area	Msf	8.09	7.83	6.71	5.54
Total Desks Capacity in all Centres	Number	121,677	117,495	98,310	78,894
Operational Centres	Number	68	65	53	43
Leasable Area for Operational Centres	Msf	7.67	7.40	6.33	5.54
Desks Capacity in Operational Centres	Number	114,077	109,572	89,154	74,240
Occupied Desks in Operational Centres	Number	87,247	84,139	73,139	62,200
Occupancy Rate in Operational Centres	%	76.48%	76.79%	82.04%	83.78%
Occupancy Rate in Mature Centres (>12m)	%	81.23%	80.69%	85.55%	88.18%
Number of Clients	Number	2,215	2,198	2,273	2,315
Renewal Rate	%	70.13%	74.66%	75.97%	79.24%
Adjusted Renewal Rate	%	74.07%	77.78%	79.11%	84.23%
Net Average Revenue per Member / Billed Desk ("Net ARPM")	Rs. / month	19,085	19,842	19,015	17,096
Revenue to Rent Multiple	x	2.61	2.68	2.63	2.36

Capability Matrix

- WeWork India has developed a comprehensive capability matrix spanning flexible offices, managed solutions, value-added services, digital products, and SaaS offerings, designed to address the needs of enterprises, SMEs, start-ups, and individuals. Its offerings combine physical workspace, hospitality-like services, and technology integration to create scalable and customisable solutions.
- Flexible Office Solutions: The company provides membership-based access to two formats:
 - Private Offices – Furnished, turnkey offices for individuals and teams of up to 20+, with access to shared professional amenities including meeting rooms, lounges, pantries, phone booths, and print nooks.
 - Office Suites – Larger turnkey formats designed for enterprise teams, offering a private environment with exclusive amenities such as executive cabins, dedicated meeting rooms, lounges, and pantries. All flexible office members enjoy 24/7 access and guest privileges during business hours.
- Managed Office Solutions: These include end-to-end bespoke formats where WeWork undertakes sourcing, design, build, and operations:
 - Managed Offices – Customised to client brand identity and operational requirements; can be developed in dedicated leased locations or within existing WeWork sites.
 - Serviced Floors – Fully furnished private floors for teams of 50+, with exclusive amenities (reception, executive cabins, meeting rooms, phone booths, pantries) and options for branding, layouts, and finishes. This format balances privacy and scalability, combining corporate-grade infrastructure with flexibility.
- Value-Added Services: WeWork India supplements workspace with a broad suite of ancillary services, contributing to service and ancillary revenue streams:
 - Customisation of space (fit-outs, finishes, branding)
 - Parking, additional meeting rooms, event spaces
 - Advertising, food & beverage, office infrastructure support
 - Printing, mail and package handling, dedicated bandwidth, and technology support
 - Facility management and fit-out rentals under the operator model
- According to AGR, amenities such as gyms, recreation zones, and curated events are increasingly important for employee well-being, satisfaction, and retention, with WeWork Centres positioned as productivity-enhancing environments.
- Digital Products: The company has introduced scalable digital offerings that expand its monetisation beyond physical capacity:
 - WeWork On Demand – Day passes for desks and hourly bookings for private offices/meeting rooms at participating centres.
 - WeWork All Access – Monthly membership providing desk access at WeWork locations globally.
 - Virtual Office – Online subscription enabling instant business address creation within ~15 minutes, supporting statutory registrations without leasing physical space.
 - WeWork Workplace – SaaS platform for workforce rostering and workspace management, integrating into corporate workflows.
- SaaS Product Sale: WeWork also markets Zoapi, a cloud-based video conferencing platform integrated with its Centres. Zoapi offers wireless screen sharing, room scheduling, online calendar integration, and multipoint video conferencing, enhancing collaboration across enterprise teams.

Risks



- Legal Proceedings Involving Promoters and Directors:** Promoter and Chairman, Jitendra Mohandas Virwani, is subject to Enforcement Directorate proceedings under the Prevention of Money Laundering Act, 2002, linked to a 2004 land transaction. Although a 2018 provisional attachment was revoked and upheld by the Appellate Tribunal, the case remains pending before the Delhi High Court. Independent Director Manoj Kumar Kohli is named in several criminal proceedings under the Negotiable Instruments Act and IPC (not in personal capacity). Prolonged litigation risks weigh on governance perception and execution bandwidth.
- SEBI Notices to Embassy Group Entities:** Embassy Office Parks Management Services received SEBI notices (Nov 2024, May 2025) regarding “fit and proper” eligibility and delayed REIT disclosures. Settlement remains pending. Any adverse finding could undermine Embassy REIT’s reputation and indirectly affect WeWork India, which leverages Embassy Group’s portfolio and governance credibility.
- Promoter Share Pledges:** As of Jan 2025, Embassy Buildcon LLP pledged 7.38 Cr shares (53.1% of pre-offer equity) to raise Rs. 2,065 Cr through debentures. While released by Sept 2025, if the IPO is not consummated within 45 working days, re-pledging is required. Enforcement of pledged shares could dilute promoter holding, destabilising strategic control.
- Profitability and Earnings Quality:** Although FY25 reported PAT was Rs. 128.2 Cr, this was largely driven by a deferred tax credit of Rs. 285.7 Cr. Core operations remain volatile, with net losses of Rs. –146.8 Cr in FY23, Rs. –135.8 Cr in FY24, and Rs. –14.1 Cr in Q1FY26. EPS stayed negative across these years (FY23: –11.5; FY24: –10.7; Q1FY26: –1.05). This reflects fragile earnings quality.
- Cash Flow and Liquidity Risks:** Operating cash flow was positive at Rs. 1,289.9 Cr in FY25, but offset by investing outflows (–Rs. 303.7 Cr) and financing outflows (–Rs. 983.8 Cr). Net cash declined by Rs. –14.8 Cr in Q1FY26, reflecting reliance on external financing and expansion.
- Concentration Risk in Bengaluru and Mumbai:** Geographic concentration is acute: Bengaluru contributed Rs. 777.6 Cr (46.1%) and Mumbai Rs. 403.6 Cr (23.9%) of FY25 Net Membership Fees. Together, these two cities generated 66.3% of Net Membership Fees in Q1FY26 (Rs. 305.0 Cr of Rs. 460.4 Cr). Localised disruptions—regulatory changes, infrastructure bottlenecks, or demand slowdowns—pose material downside risk.
- Dependence on Large Clients:** Contracts with enterprises occupying >300 desks contributed 40.6% of Net Membership Fees in Q1FY26 and consistently ~34–40% across FY23–25. Such members wield pricing power and demand extensive customisation. Termination or non-renewal would create revenue cliffs, as evidenced in Gurugram in FY22, where a major contract expiry led to re-customisation capex and delays.

- **Retention and Churn Risks:** While weighted-average membership tenure was 26 months overall and 31 months for large enterprises, early terminations persist. In FY25, 71 clients terminated early (769 desks), generating Rs. 2.5 Cr termination fees. In FY23, 99 clients terminated early (1,113 desks). Member tenure profile as at June 2025 showed 16.7% <12 months, 35.7% between 12–24 months, and 47.7% >24 months, reflecting steady but incomplete stickiness.
- **Brand Dependence & Global Parent Risks:** WeWork India relies on an exclusive brand licence from WeWork International Ltd under the OMA (amended Dec 2024). Negative publicity around WeWork Inc.'s Nov 2023 US bankruptcy dented global perception. Any future Chapter 7 liquidation or termination of the OMA would strip WeWork India of its brand identity, undermining competitive positioning.
- **Fixed Cost Structure:** Lease rentals and centre-level costs are largely fixed: Rs. 1,191.7 Cr in FY25 (84% of total operating costs). Lease contracts include escalation clauses, limiting renegotiation flexibility. In a demand shock scenario, negative operating leverage could severely compress margins.
- **Litigation and Complaints Post-DRHP:** Multiple complaints have been filed post-DRHP (2025):
 - KGA Investments: unpaid license fees of Rs. 32.44 Cr.
 - Dimple Enterprises: unpaid dues of Rs. 17.83 Cr and misclassification of judicial deposit Rs. 4.59 Cr.
 - Sterling & Wilson: allegations of misrepresentation of promoter litigations.
 - Vinay Bansal & Hemant Kulshrestha: complaints over adequacy of DRHP disclosures.
 - While management contests these claims, reputational and regulatory risks remain elevated.
- **Subsidiary Losses and Drag: Subsidiaries remain loss-making:**
 - WW Tech Solutions: FY25 PBT of –Rs. 0.5 Cr and operating cash flow –Rs. 0.6 Cr.
 - Zoapi Innovations: Q1FY26 PBT of –Rs. 2.9 Cr; though operating cash flow improved from –Rs. 2.0 Cr in FY23 to +Rs. 7.6 Cr in FY25, volatility persists. Sustained support may dilute group-level profitability.
- **Title and Leasehold Risks:** All 68 centres are leased, none owned. Title disputes or defective landlord compliance could trigger forced relocations. Risks extend to landlords refinancing assets with property collateral, potentially exposing leases to repossession. Dependence on landlord permits (fire NOCs, occupation certificates, pollution clearances) adds operational vulnerability.
- **Competitive Pressures:** CBRE notes ~500 operators in India. Competition drives aggressive pricing and lease terms. Net ARPM rose to Rs. 19,842 in FY25 (from Rs. 17,096 in FY23), but pressure remains amid expansion into new geographies. Negotiations occur for most deals, though WeWork has not yet faced early exits on pricing grounds.

Financials

Income Statement (Rs. Cr)	Q1FY26	FY25	FY24	FY23
Revenue from Operations	535.3	1,949.2	1,665.1	1,314.5
Other Income	0.6	28.3	18.3	77.2
Finance Income	9.8	46.5	53.7	31.0
Total Income	545.7	2,024.0	1,737.2	1,422.8
Expenses	199.5	711.3	618.0	518.9
EBITDA	335.8	1,237.9	1,047.1	795.6
<i>EBITDA Margin</i>	<i>62.7%</i>	<i>63.5%</i>	<i>62.9%</i>	<i>60.5%</i>
Depreciation	223.5	823.7	744.2	636.7
EBIT	112.3	414.2	302.9	158.9
Finance Cost	136.4	597.9	507.7	414.1
Profit before Tax	-14.1	-156.8	-136.1	-146.9
Tax	0.5	-285.0	-	-
PAT	-14.6	128.2	-136.1	-146.9
EPS (In Rs.)	-1.1	9.9	-10.7	-11.5

Balance Sheet (Rs. Cr)	Q1FY26	FY25	FY24	FY23
Equity and Liabilities				
Share Capital	134.0	134.0	54.8	54.8
Non Controlling Interests	55.0	65.7	-492.3	-346.9
Other Equity and Reserves	0.7	0.8	-	-
Borrowings	4,991.6	5,006.2	4,710.2	4,477.0
Other Liabilities	175.7	185.4	208.9	227.9
TOTAL EQUITY AND LIABILITIES	5,357.0	5,392.0	4,482.6	4,414.0
Assets				
Fixed Assets	4,245.7	4,312.8	3,600.1	3,576.0
CWIP	15.6	33.7	14.9	12.9
Cash & Cash Equivalents	12.0	26.7	24.0	50.9
Other Assets	1,083.6	1,018.9	844.9	774.1
TOTAL ASSETS	5,357.0	5,392.0	4,483.9	4,414.0

Operational metrics and KPIs

Particulars	Q1FY26	FY25	FY24	FY23
EBITDA Margin (%)	62.7%	63.5%	62.9%	60.5%
Net Profit Margin (%)	-2.7%	6.6%	-8.2%	-11.2%
Return on Adjusted Capital Employed (%)	31.99%	37.5%	54.1%	30.3%

Occupancy rate:

Particulars	Q1FY26	FY25	FY24	FY23
Occupancy Rate in Operational Centres (in %)	76.5%	76.8%	82.0%	83.8%
Occupancy Rate in Mature Centres (in %)	81.2%	80.7%	85.6%	88.2%

Membership by customer profile:

Vertical	Q1FY26		FY25		FY24		FY23	
	Net Membership Fees	% of total Net Membership Fees	Net Membership Fees	% of total Net Membership Fees	Net Membership Fees	% of total Net Membership Fees	Net Membership Fees	% of total Net Membership Fees
Enterprise Members	348	75.7%	1290	76.5%	1112	76.2%	865	75.6%
Non-Enterprise Members	112	24.3%	397	23.5%	347	23.8%	279	24.4%
Total	460	100.0%	1686	100.0%	1459	100.0%	1144	100.0%

Net Membership Fee contribution for top Client and top 10 Clients

Vertical	Q1FY26		FY25		FY24		FY23	
	Net Membership Fees	% of total Net Membership Fees	Net Membership Fees	% of total Net Membership Fees	Net Membership Fees	% of total Net Membership Fees	Net Membership Fees	% of total Net Membership Fees
Top Client	35	7.5%	140	8.3%	102	7.0%	74	6.5%
Top 10 Clients	107	23.2%	405	24.0%	363	24.9%	287	25.1%

Revenue by city:

City	QIFY26			FY25			FY24			FY23		
	No. of Members in our Core Operations	Net Members hip Fees	% of total Net Members hip Fees	No. of Members in our Core Operatio ns	Net Members hip Fees	% of total Net Members hip Fees	No. of Members in our Core Operatio ns	Net Members hip Fees	% of total Net Members hip Fees	No. of Members in our Core Operatio ns	Net Members hip Fees	% of total Net Members hip Fees
Bengaluru	37,841	220	47.72%	37,187	778	46.1%	29,479	600	41.1%	24,364	461	40.3%
Mumbai	12,357	85	18.53%	12,305	404	23.9%	16,774	404	27.7%	17,068	351	30.7%
Other cities	31,508	155	33.75%	29,292	505	30.0%	22,243	455	31.2%	17,953	331	29.0%
Total	81,706	460	100.00%	78,784	1686	100.0%	68,496	1459	100.0%	59,385	1144	100.0%

Breakdown of number of Operational Centres, Desks Capacity in Operational Centres and Leasable Area in Operational Centres by city:

City	QIFY26			FY25			FY24			FY23		
	Operational Centres	Desks Capacity in Operational Centres	Leasable Area in Operational Centres (Msf)	Operational Centres	Desks Capacity in Operational Centres	Leasable Area in Operational Centres (Msf)	Operational Centres	Desks Capacity in Operationa l Centres	Leasable Area in Operational Centres (Msf)	Operational Centres	Desks Capacity in Operational Centres	Leasable Area in Operationa l Centres (Msf)
Bengaluru	29	50,174	3.18	28	48,455	3.09	23	37,991	2.54	17	30,365	2.15
Mumbai	13	18,820	1.44	12	16,835	1.31	12	20,111	1.59	12	20,314	1.62
Gurugram	9	2,480	0.94	9	12,012	0.94	7	10,605	0.83	7	10,605	0.83
Pune	6	12,269	0.73	6	12,269	0.73	4	8,361	0.5	3	6,070	0.37
Hyderabad	4	10,285	0.66	4	10,285	0.66	4	7,833	0.52	2	3,389	0.27
Noida	3	3,944	0.29	3	3,944	0.29	2	3,497	0.29	2	3,497	0.29
Chennai	3	5,349	0.37	2	5,016	0.32						
Delhi	1	756	0.05	1	756	0.05	1	756	0.05			

Peer Comparison

Particulars	Units	WeWork India	Smartworks	Awfis	IndiQube
Cities (as on 30 th June, 2025)	Number	8	15	18	15
Total centres (as on 30 th June, 2025)	Number	70	54	232	111
Total Leasable Area (as on 30 th June, 2025)	Msf	8.09	10.08	7.80	7.39
Total Desk Capacity (as on 30 th June, 2025)	Number	1,21,677	231,548	1,55,490	1,64,278
Occupancy Rate in Operational Centres (as on 30 th June, 2025)	%	76.48%	83.00%	73.00%	85.29%
Occupancy Rate in Mature Centres (as on 30 th June, 2025)	%	81.23%	NA	84.00%	87.09%
Number of Clients	Number	2,215	730	3,200+	789
Desks Capacity in Operational Centres (as on 30 th June, 2025)	Number	1,14,077	190,421	1,00,398	NA

Industry Outlook

- India has emerged as one of the world's fastest-growing large economies, providing a robust backdrop for commercial real estate expansion. India's GDP stood at USD 4.1 trillion in CY2023, positioning it as the fifth-largest economy globally, and is expected to reach USD 7.3–7.5 trillion by CY2031, implying a CAGR of ~7%. Services contribute 53% of gross value added (GVA), followed by industry at 25% and agriculture at 18%, underscoring the centrality of services-led employment in driving office demand. Urbanisation is another structural enabler: India's urban population penetration was 36% in 2023 and is forecast to rise to ~40% by 2030, creating an expanded base for commercial hubs.
- The digital economy has further amplified demand. India is home to 954 Mn internet subscribers (Q1 CY24), with data consumption rising 77x in the last decade to 20.3 GB/month per user, while costs fell 97% to ₹9.18/GB. Startups and innovation are key: India ranks 39th in the Global Innovation Index (2024), up from 81st in 2015, hosts 157,706 DPIIT-recognised startups and 117 unicorns, and has attracted USD 140 bn in FDI into startups since 2014, with ~1.7 Mn people employed. These structural trends underpin demand for premium, flexible, and ESG-compliant office infrastructure.
- Commercial Office Space Growth**
- India's organised office market has grown exponentially over the last two decades. Total stock increased more than 20x since 2003, from 44 Mn sq. ft. to 883 Mn sq. ft. as of March 2025, and is expected to touch 1,072 Mn sq. ft. by CY2027, at a CAGR of 6.7%. Of this, 85.1% (~751 Mn sq. ft.) is Grade-A stock, reflecting occupier preference for premium assets.
- The supply-demand balance remains favourable: gross absorption registered a 14.4% CAGR during 2020–24, outpacing supply growth at 10.2% CAGR. In CY2024, 78.9 Mn sq. ft. was absorbed against 49.0 Mn sq. ft. supplied, while in CY2025, absorption is projected at 85.5 Mn sq. ft. versus 67.8 Mn sq. ft. supply. Vacancy rates have compressed from 19.8% in 2020 to 17.5% in 2024, and are expected to decline further to ~15% by 2027. Non-SEZ Grade-A office stock in Tier-I cities is forecast to grow from 645 Mn sq. ft. in 2023 to 884 Mn sq. ft. by 2027, implying annual additions of 60–65 Mn sq. ft..
- Bengaluru remains the largest hub with 233.7 Mn sq. ft. (26.5% of national stock), followed by NCR, MMR, Hyderabad, Pune, and Chennai. Occupier activity is broad-based across IT/ITeS, BFSI, consulting, engineering R&D, and GCCs, reinforcing the resilience of demand across cycles.
- Flexible Workspace Market**
- The flexible workspace segment is one of the fastest-expanding categories in Indian CRE. Stock in Tier-I cities has grown from 30–32 Mn sq. ft. in 2020 to 87 Mn sq. ft. in 2024, and is expected to touch 147–150 Mn sq. ft. by 2027, at a CAGR of ~20%. Flex penetration in gross absorption increased from 8% in CY2020 to 14.9% in CY2024, and is projected to reach 20–22% by CY2027. Seat absorption exceeded 370,000 seats in CY2024, marking a CAGR of 37% since 2020.
- Hybrid work adoption and the "core+flex" strategy are accelerating adoption: 42% of corporates had >10% of their office portfolio in flex in Q1 CY2024, projected to rise to 59% by 2026. Enterprises increasingly prefer flex to optimise capital efficiency, ensure operational agility, and support distributed teams across Tier-I and Tier-II cities.
- Global Capability Centres (GCCs)**
- The GCC ecosystem is a structural driver of office and flex space demand. India hosts 2,975+ GCCs as of FY24, housing 1.6 Mn employees. Leasing contribution rose from 31% in CY2022 (19 Mn sq. ft.) to 36% in CY2024 (29 Mn sq. ft.). Between CY2022 and Q1CY2025, GCCs cumulatively leased 78.4 Mn sq. ft. across top nine cities.
- Employment in GCCs is projected to reach 2.3–2.5 Mn by FY30, at a 6–7% CAGR, and the number of centres is expected to expand to 4,300–4,400 units by FY30. Bengaluru dominates with 875+ GCCs, followed by NCR (465+) and Mumbai (365+). North American multinationals accounted for 68% of GCC leasing during 2022–24, while EMEA and APAC corporates are expanding their presence. Importantly, 64% of GCC leases in CY2024 were in green-certified buildings <10 years old, underscoring the ESG imperative.

- **Tier-II and Tier-III City Opportunity**

- While Tier-I cities dominate with >90% of stock, Tier-II and III markets are gaining traction. These cities recorded ~10 Mn sq. ft. of office absorption in CY2024, and are expected to grow at >20% CAGR through 2027. Demand drivers include improved connectivity (highways, metros, airports), expanding talent pools, and cost arbitrage for corporates. Cities such as Ahmedabad, Kochi, and Jaipur are emerging as secondary hubs for technology and startup ecosystems.

- **ESG and Green Buildings**

- Sustainability is becoming a decisive factor in occupier decisions. Approximately 60% of Grade-A stock delivered in CY2024 was green-certified, with corporates and
- GCCs demonstrating a clear preference for ESG-compliant assets. This trend is expected to strengthen, particularly with India's commitments to renewable energy adoption and net-zero targets.

- **Capital Flows and Institutionalisation**

- Institutionalisation of Indian CRE has accelerated meaningfully. Since 2018, the sector has attracted USD 53.7 bn (~₹4.5 lakh Cr) in equity inflows, averaging USD 7 bn annually. In CY2024 alone, USD 4.4 bn (~₹36,700 Cr) was invested in land (39% of inflows) and USD 3.6 bn (~₹30,000 Cr) in office assets (32% of inflows).
- Institutional ownership of office stock has risen to 29.8% (~263 Mn sq. ft. as of Mar 2025), up from 156 Mn sq. ft. in 2016. REITs hold ~130 Mn sq. ft. (15% of total stock), and global investors (Blackstone, Brookfield, GIC, CPPIB, Embassy, Mindspace) remain active. Forward-looking estimates suggest USD 20–25 bn of fresh allocations by CY2030, consolidating India's position as the largest institutional CRE market in APAC after China.

- **Industry Outlook:**

- The confluence of macroeconomic growth, GCC expansion, flex adoption, urbanisation, and institutional capital ensures sustained momentum in the Indian office market. With absorption outpacing supply, vacancy compression, rising ESG penetration, and accelerating adoption of "core+flex" models, flexible workspace operators such as WeWork India are structurally positioned to benefit. Risks include supply-demand mismatches in peripheral sub-markets, regulatory uncertainties, and intensifying competition from local operators, but the long-term trajectory remains highly favourable.



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