

Knowledge Realty Trust

IPO Note



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Poised for Growth in India's Expanding Grade A Office Market

Knowledge Realty Trust (KRT), formed in October 2024 and backed by Blackstone and Sattva, is a Mumbai-headquartered REIT with 30 Grade A office assets totaling 48.1 msf (37.1 msf completed), 90% committed occupancy, and a WALE of 8.6 years. The portfolio includes marquee properties like One BKC, Sattva Knowledge City, and Cessna Business Park, along with 4 ROFO assets offering 7 msf of development potential.

As of September 30, 2024, KRT's GAV stood at INR59,400 crores, with FY26 projected NOI of INR4,300 crores and an expected 18% CAGR through FY27. One World Center has 57 tenants with 65.8% rentals from domestic corporates, while One Qube's occupancy rose to 77% in December 2024. Over 450 blue-chip tenants across BFSI, IT/ITeS, and GCC sectors ensure steady cash flow.

Financials show total assets of INR24,971 crores (book value) and INR62,274 crores (fair value), with borrowings at INR19,948 crores, mostly floating rate and secured. H1 FY25 revenue was INR1,881.63 crores, with finance costs at 43.86% of total income. Post-listing, leverage is targeted below 21% of initial GAV, the lowest among listed Indian office REITs.

Capital commitments of INR813 crores include INR358.48 crores for Sattva Knowledge Capital and INR250.14 crores for IMAGE Tower, funded via internal accruals and selective debt/equity. Special Purpose Combined Financial Statements consolidate KRT and its Asset SPVs for IPO purposes, with certain pending acquisitions excluded from historical data.

With strategic locations, high occupancy, embedded rental growth, and a strong development pipeline, KRT is well-positioned to tap India's expanding Grade A office market. Sponsor strength, prudent debt management, and stable tenant mix underpin its potential for sustained distributions and capital appreciation.

Industry REIT

Scrip Details

Listing	BSE &NSE
Open Date	Aug 05, 2025
Close Date	Aug 07, 2025
Price Band	INR 95 – 100
Face Value	INR 100
Market Lot	150 Shares
Minimum Lot	150

Issue Structure

Issue Size (INR cr)	4800.00
Issue Size (Shares)	48,00,00,000
QIB Share (%)	≤ 75%
Non-Inst Share (%)	≥ 25%

Key Consolidated Financial Data (INR Cr, unless specified)

	Net Revenue	EBITDA	Net Profit	EBITDA (%)	Net (%)	EPS (₹)	BVPS (₹)	RoE (%)	RoIC (%)
FY23	455.1	27.7	11.7	6.1	2.6	1.6	10.4	15.8	19.6
FY24	573.5	38.4	19.0	6.7	3.3	2.6	14.0	20.4	25.7
FY25	495.7	31.3	19.7	6.3	4.0	2.7	16.4	17.4	17.0

Source: Company RHP

Issue Structure and Offer Details

Knowledge Realty Trust IPO is a bookbuilding of INR 4,800.00 crores. The issue is entirely a fresh issue of 48.00 crore shares.

Issue Structure	
Investor Category	Allocation
QIB	Not more than 75.00% of the issue
NII	Not less than 25% of the issue

Number of shares based on a higher price band of INR 100

Source: Company Reports

Objects of the Issue

1. Partial or full repayment or prepayment of certain financial indebtedness of the Asset SPVs and the Investment Entities (Expected amount – 4,640cr).
2. General purposes

Financial Summary

Fig in INR Cr (unless specified)	FY23	FY24	FY25
Income Statement			
Revenue	2,900.3	3,339.4	3,930.1
YoY Growth (%)		15%	18%
Raw Material Cost	2.1	37.3	5.4
RM Cost to Sales (%)	0.1	1.1	0.1
Employee Cost	24.4	32.0	41.2
Employee Cost to Sales (%)	0.8	1.0	1.0
Other Expenses	595.4	688.8	807.2
Other Exp to Sales (%)	20.5	20.6	20.5
EBITDA	2,278.4	2,581.3	3,076.3
Margin (%)	78.6	77.3	78.3
YoY Growth (%)		13.3	19.2
Depreciation & Amortization	592.8	587.5	380.8
EBIT	1,685.6	1,993.7	2,695.5
Margin (%)	58.1	59.7	68.6
YoY Growth (%)		18.3	35.2
Other Income	215.7	249.1	216.8
Interest	1,533.2	1,692.7	1,746.2
Fin Charges Coverage (X)	1.1	1.2	1.5
Exceptional Item	0.0	0.0	(350.2)
PBT	368.1	550.1	815.8
Margin (%)	12.7	16.5	20.8
YoY Growth (%)		49.5	48.3
Tax Expense	148.8	210.5	593.3
Tax Rate (%)	40.4	38.3	72.7
PAT	219.2	339.7	222.5
Margin (%)	7.6	10.2	5.7
YoY Growth (%)		54.9	(34.5)
Min Int/Sh of Assoc	0.0	0.0	0.0
Net Profit	219.2	339.7	222.5
Margin (%)	7.6	10.2	5.7
YoY Growth (%)		54.9	(34.5)
Balance Sheet			
Share Capital	256.7	261.9	270.5
Total Reserves	120.4	218.0	184.5
Shareholders Fund	1,461.1	2,441.7	2,115.7
Long Term Borrowings	17,637.8	18,436.7	18,530.3
Deferred Tax Assets / Liabilities	185.6	196.9	229.0
Other Long Term Liabilities	595.9	671.7	744.7
Long Term Trade Payables	91.3	123.2	124.7
Other Current Liabilities	4,572.7	3,032.6	3,023.6
Total Liabilities	24,544.4	24,902.8	24,768.1
Net Block	20,191.3	20,522.7	20,376.5
Capital Work in Progress	0.0	25.5	85.4
Intangible assets under development	0.0	0.0	0.0
Non Current Investments	996.9	746.6	93.3
Long Term Loans & Advances	67.2	57.0	0.1
Other Non Current Assets	668.0	763.1	855.6
Net Current Assets	2,621.0	2,788.0	3,357.1
Total Assets	24,544.4	24,902.8	24,768.1

Source: Company RHP

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