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HORIZON INDUSTRIAL PARKS LIMITED

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SMC Ranking

★★☆☆☆ (2/5)

Issue Highlights

Industry	**Infrastructure**
Fresh Issue (Shares)	433,409,090
Net Offer to the Public	433,409,090
Issue Size (Rs. Cr.)	2470-2600
Price Band (Rs.)	57-60
Employee Discount	5
Offer Date	17-Aug-26
Close Date	19-Aug-26
Face Value	10
Lot Size	250

Issue Composition

	In shares
Total Issue for Sale	433,409,090
QIB	325,056,818
NIB	65,011,364
Retail	43,340,909

Shareholding Pattern (%)

Particulars	Pre-issue	Post -issue
Promoters & promoters group	88.74%	75.40%
QIB	11.26%	20.84%
NIB	0.00%	2.26%
Retail	0.00%	1.50%
Total	**100.00%**	**100.00%**

*calculated on the upper price band

Objects of the Issue

The Company proposes to utilise the Net Proceeds from the Issue towards the following objects:

1. Repayment and/or prepayment, in part or full, of certain borrowings availed by the company and Certain wholly owned Subsidiaries of Company, namely Bagur Logistics Park Pvt.Ltd., Embassy Industrial Park Hosur Pvt.Ltd., Farukhnagar Logistics Parks LLP, FRK II Industrial Park Pvt.Ltd., Goodluck Buildtech Pvt.Ltd., ILV Distripark Pvt.Ltd., ILV Distripark (MWC) Pvt.Ltd., Jindpur Industrial Park Pvt.Ltd., Kalina Warehousing Pvt.Ltd., Lakshmi
2. General Corporate Purposes

Book Running Lead Manager

- JM Financial Limited
- Axis Capital Limited
- IIFL Capital Services Limited
- SBI Capital Markets Limited
- 360 ONE WAM Limited

Name of the registrar

- KFin Technologies Limited

About the company

Incorporated in 2009 and backed by Blackstone Group, Horizon Industrial Parks is India's largest industrial and logistics infrastructure developer, owner and operator by total network, according to a JLL report. As of the DRHP date, the company owns 45 logistics and industrial assets across 10 major Indian cities, with a total area of 58.01 million square feet (msf). Its core offerings include modern fulfilment centres and warehouses serving e-commerce, FMCG, retail and logistics companies, industrial facilities catering to manufacturing, electric vehicles, renewable energy, electronics and automotive sectors, and in-city centres designed to support last-mile delivery. As of November 30, 2025, fulfilment centres accounted for 15.55 msf, while industrial facilities covered 10.36 msf of operational area, with an additional 6.31 msf in the in-city centre pipeline across seven cities. The company also provides turnkey solutions, solar energy solutions, cold storage, on-site staff accommodation and skill development centres. With more than 100 customers across e-commerce, retail, FMCG, renewable energy, auto-ancillary and manufacturing sectors, Horizon Industrial Parks leverages its scale, technical capabilities, strategically located assets and integrated service offerings to serve leading multinational and domestic companies.

Strength

Largest Player with Premium-Quality Offerings, Pan-India and Scaled Pure-Play Integrated Platform Network: Horizon Industrial Parks Ltd is India's leading industrial and logistics infrastructure platform, with a 58.58 msf network across 45 assets in 10 major markets, as per the JLL Report. Its Grade A+ facilities feature 12-metre clear heights, wide roads, 16-metre aprons, advanced fire-protection systems and efficient ventilation and lighting. Its presence across key markets such as Delhi-NCR, Mumbai, Bengaluru, Chennai and Pune provides access to regions contributing around 21% of India's GDP. The integrated ownership-and-management model enables efficient development, leasing, operations and asset enhancement. Its 17 in-city centres spanning 6.91 msf further strengthen last-mile capabilities and competitive positioning.

Manufacturing, Consumption and E-Commerce Tailwinds, Under-Penetrated Sector and Growth in Grade A Warehousing: Horizon Industrial Parks Ltd is well positioned to benefit from structural growth in India's manufacturing, consumption and e-commerce sectors. Manufacturing GVA is expected to rise from US$544.8 billion in FY26 to over US$1 trillion by FY30, while consumption is projected to grow at a 15.1% CAGR through FY31. E-commerce remains under-penetrated at 6.1% in FY24, offering significant headroom for expansion. India's industrial and logistics sector is also under-penetrated, with Grade A/B stock at 548.9 msf as of March 2026. Grade A stock is expected to grow rapidly, supported by rising demand for modern, efficient warehousing infrastructure.

Nascent In-City Market, Diversified Client Base and Strong Customer Relationships: Horizon Industrial Parks Ltd is well positioned to capture the emerging in-city logistics opportunity, driven by rising demand for last-mile delivery, quick commerce, dark stores, cold storage, online pharmacies and urban distribution. Limited land availability and high real estate costs create significant entry barriers and could support rental growth of around 10% annually in the near term, according to JLL. The company operates 17 in-city centres spanning 6.91 msf and serves 118 customers across diverse sectors. Around 54.05% of committed Operational Network was contracted to Fortune 500 companies, while no customer contributed more than 10% of gross rentals. Repeat customers accounted for 40.65% of incremental area contracted since FY24, highlighting strong retention and cross-selling potential.

Demonstrated Leasing Track Record, Comprehensive Business Ecosystem and Proven Engineering Capabilities: Horizon Industrial Parks Ltd has demonstrated strong leasing execution, recording aggregate gross leasing of 16.81 msf during FY24, FY25, FY26 and the two months ended May 31, 2026, on a pro forma basis. Gross rent increased at a 7.69% CAGR between April 2023 and May 2026, reflecting improving rental realizations. The company had also pre-contracted 2.57 msf across eight locations as of May 31, 2026, providing visibility into future occupancy. Beyond warehousing, Horizon offers turnkey solutions, energy services, employee accommodation, cold storage and skill-development centres. Its engineering capabilities support customized facilities with specialized infrastructure such as EOT cranes, cold storage, compressed-air systems and high-capacity electrical systems, reducing customers' capex and accelerating operational readiness.

Complex Project Execution Capability, Global Customer Project Capabilities and Proven Development Capabilities: Horizon Industrial Parks Ltd has demonstrated strong capabilities in executing customized and technically complex facilities for multinational and domestic customers. Projects for Fosroc, Lumax, Schneider Electric and Vestas highlight its ability to deliver specialized infrastructure within compressed timelines. For instance, Vestas' 1.01 msf built-to-suit facility in Chennai was delivered within 11 months and included EOT cranes with capacities of 5–80 tonnes. Similarly, a Switzerland-based packaging company commenced operations at its 32.28-acre Ahmedabad facility within 13 months. Supported by an in-house development team of 120 personnel, Horizon delivered 11.93 msf across 19 assets between FY24 and May 31, 2026.

Efficient Greenfield Development Model, In-House Acquisition Capabilities and Government and Institutional Partnerships: Horizon Industrial Parks Ltd follows a structured development model focused on controlling timelines, costs and execution risks. Pre-construction approvals and master planning for greenfield sites are generally completed within six to eight months, followed by infrastructure development. Large 50–100-acre parcels can typically be developed within 36–48 months, enabling campus-style industrial and logistics facilities. Its 11-member in-house acquisition team manages land identification, due diligence, negotiations and transactions. The company also works with institutions such as KIADB, MIDC, TSIIC and GIDC, facilitating access to strategically located land while reducing aggregation, title and regulatory risks. Its in-city strategy focuses on three-to-six-acre urban parcels.

Operational Efficiency and Cost Management, Active Asset Management and Sustainability: Horizon Industrial Parks Ltd leverages its network scale and centralized capabilities to improve procurement, development and operating efficiency. Its dedicated asset-management team oversees procurement, marketing and capital expenditure, supporting tighter cost control and portfolio optimization. Active asset management includes upgrades, space optimization, rebranding and continuous customer engagement, helping improve tenant satisfaction and rental potential. Horizon also incorporates sustainability through rooftop solar, rainwater harvesting, LED lighting, sewage-treatment systems, EV charging and biodiversity initiatives. As of May 31, 2026, approximately 91.85% of the Operational Network was Platinum-certified by IGBC. Its inaugural GRESB assessment received a 5-Star rating and participation score above 90, highlighting its commitment to sustainable infrastructure.

Social Responsibility and Inclusion: Horizon Industrial Parks Ltd focuses on creating value for employees, customers, vendors, local communities and government stakeholders through skill development, healthcare initiatives, infrastructure improvements and community engagement. The company also emphasizes diversity, inclusion and equal employment opportunities. As of May 31, 2026, more than 40% of KMPs and SMPs were women, reflecting increasing gender diversity in senior management. Initiatives supporting workplace accessibility and opportunities for persons with disabilities further strengthen its inclusive approach. By combining community development with responsible business practices, Horizon seeks to build stronger relationships with stakeholders and create sustainable communities around its industrial parks, supporting long-term business continuity and social impact.

Competitive Positioning and Growth Outlook: Horizon Industrial Parks Ltd's competitive strength lies in its combination of scale, premium infrastructure, strategic locations, integrated operations, diversified customers, development expertise and promoter backing. Its 58.58 msf Total Network across 45 assets provides geographic diversification, while 17 in-city centres covering 6.91 msf provide exposure to high-growth urban logistics. The company serves 118 customers, including several Fortune 500 companies, with repeat engagements supporting customer retention. Strong acquisition and development capabilities, active asset management and sustainability initiatives further strengthen the platform. With manufacturing, consumption, e-commerce and quick-commerce expanding in India, Horizon is well positioned to benefit from rising demand for modern industrial and logistics infrastructure.

Strategy

Drive Organic Growth through Build-out and Stabilization of Existing Assets: Horizon Industrial Parks Ltd plans to drive organic growth by utilizing the embedded potential of its existing network. Of its 5.86 crore sq. ft. Total Network, approximately 3.00 crore sq. ft. of developable potential through Near-Term Deliveries and Planned Projects is available for development over the next four to five years on fully paid land.

The company also benefits from contractual rental escalations, generally ranging from 4.5%-5.0% annually to 15% every three years. Further, lease expiries provide opportunities for positive mark-to-market. Between FY24 and May 31, 2026, Horizon re-leased or renewed 0.48 crore sq. ft., achieving an 11.71% rental spread.

Expand the In-City Logistics Network – A Powerful Growth Engine: Horizon Industrial Parks Ltd is expanding its in-city logistics network across major metropolitan markets to serve growing urban consumption and last-mile delivery requirements. Its 17 in-city centres covering 0.69 crore sq. ft. represent the largest network among peers, according to JLL, and provide access to approximately 20 million consumers within a 10–30-minute driving distance. High land costs and competing residential and commercial uses create significant entry barriers. Horizon has partnered with the Central Warehousing Corporation (CWC) to secure 13 sites on 45-year concessions. Of its 17 centres, three are operational, while the remaining 14 are targeted for completion over the next two to three years.

Continue Acquisitions Supported by Strong Cash Flows and Sustainable Debt: Horizon Industrial Parks Ltd intends to expand through greenfield development and brownfield acquisitions, targeting 50–100-acre contiguous land parcels within one to two hours of Tier-I cities. It also targets 3–6-acre parcels for in-city logistics centres and pursues opportunities in Tier-II markets. Since FY21, its expansion strategy has enabled acquisition of more than 240 acres, representing development potential exceeding 0.60 crore sq. ft. The company also seeks under-utilized assets that can be upgraded to Grade A standards. Typically, 80–90% of development costs are financed through construction loans, which are subsequently converted into rental discounting upon completion. IPO proceeds are proposed for debt repayment/prepayment and general corporate purposes.

Expand Value-Added Service Offerings to More Customers: Horizon Industrial Parks Ltd plans to expand value-added services to deepen customer relationships, improve retention and diversify revenue. As of May 31, 2026, the company had provided turnkey solutions across 0.83 crore sq. ft. of its operational network and plans to expand this offering. It also operates one cold-storage facility and intends to add approximately 0.10 crore sq. ft. over the next three years, particularly across in-city centres. Its rooftop solar capacity stood at 21.31 MW, with plans to add another 17.20 MW over 18–24 months. Upcoming staff accommodation facilities in Bengaluru, Pune, Chennai and Delhi-NCR and potential on-site hotels will further broaden its service portfolio.

Strategic Expansion into New Segments: Horizon Industrial Parks Ltd plans to selectively enter high-growth logistics adjacencies beyond conventional warehousing to create a more integrated and diversified platform. Potential opportunities include airport logistics centres, non-hazardous liquid storage, cold-chain facilities and multi-modal logistics parks, enabling the company to serve specialized industries such as pharmaceuticals, chemicals, electronics and cross-border trade. Horizon also plans to explore logistics hubs within Free Trade Warehousing Zones near ports and airports, supporting high-value re-export cargo. These initiatives can strengthen network diversification, improve asset utilization and potentially generate higher yields. The strategy is aligned with India's manufacturing, export, PLI and green-energy priorities while expanding Horizon's role as a full-service logistics infrastructure provider.

Focus on Strategic Expansion and Long-Term Value Creation: Horizon Industrial Parks Ltd intends to leverage its existing ecosystem and strategic locations to create additional value through integrated industrial and logistics developments. The company plans to combine plug-and-play, built-to-suit and specialized infrastructure while utilizing partnerships with government agencies and private stakeholders. Acquisitions adjoining existing parks remain an important strategy, as they allow Horizon to leverage established infrastructure, customer ecosystems and operational capabilities. Its ability to develop large contiguous parcels and upgrade under-utilized assets to Grade A standards provides opportunities for higher occupancy and rental realization. Alongside sustainable financing, value-added services and specialized logistics segments, these initiatives are expected to support long-term network expansion and strengthen Horizon's competitive position.

Key Risk Factors

- Horizon Industrial Parks Ltd has acquired several assets recently from its Promoters and other sellers. It may make similar acquisitions in future. Proforma financials are illustrative and may not reflect actual financial performance.
- The company reported consolidated losses of Rs. 203.65 crore in FY2026, Rs. 178.78 crore in FY2025 and Rs. 162.21 crore in FY2024. Proforma losses were Rs. 190.82 crore, Rs. 239.43 crore and Rs. 275.07 crore, respectively. High finance costs and depreciation contributed to the losses. Future profitability is not assured.
- It requires substantial funds for capital expenditure. Delays in securing funds could affect its growth and financial performance.
- The company depends heavily on its top 10 customers. They contributed 42.60%, 43.12% and 54.04% of proforma revenue in FY2026, FY2025 and FY2024, respectively. Loss of major customers could hurt revenue and profitability.
- The company has high revenue concentration in Delhi-NCR, Chennai, Bengaluru and Pune. These markets contributed 79.00%, 79.79% and 87.67% of proforma revenue in FY2026, FY2025 and FY2024, respectively. Adverse local developments could impact performance.
- Horizon Industrial Parks Ltd relies on independent contractors for asset construction. Contractor delays or failures could disrupt projects and increase costs.
- The company has substantial debt and significant repayment obligations. Breaches of financing terms or covenants could adversely affect its business and financial condition.
- The company depends on attracting and retaining customers. Customer-related issues could delay payments, reduce usage or cause defaults, affecting its business and financial performance.

Peer Comparison

As per RHP, there are no companies which have their equity shares listed in India and in other major select economies, which operate purely as an industrial and logistics park developer, and are comparable with its business model

Valuation:

As the company is loss making so we are considering the P/Bv valuation, at upper band 60 Looking at the P/B ratio at Rs.60 pre issue, book value of Rs.23.92 of P/Bvx 2.51x. Post issue, book value of Rs.29.34 of P/Bvx 2.04x.

Looking at the P/B ratio at lower band Rs. 57 pre issue, book value of Rs. 23.92 of P/Bvx 2.38x. Post issue, book value of Rs.29.34 of P/Bvx 1.94x.

Industry Overview

India's industrial and logistics sector is witnessing strong structural growth, supported by manufacturing expansion, rising consumption, e-commerce and organised supply chains. Grade A and B industrial and warehousing stock reached 531.6 msf in CY2025, growing at a 15.6% CAGR during CY2020–CY2025. Grade A occupancy improved from 89.6% in CY2020 to 92.4% in CY2025 and is expected to reach 96.8%, reflecting sustained demand for quality facilities. Grade A stock is projected to grow at a 25.3% CAGR to 943.6 msf by CY2030. E-commerce, 3PL, manufacturing and in-city logistics are expected to remain key demand drivers.

Outlook

Horizon Industrial Parks Ltd appears well positioned for long-term growth, supported by India's expanding manufacturing, consumption, e-commerce and logistics ecosystem. Its large pan-India Grade A+ network, strong in-city presence, diversified customer base and development pipeline provide multiple avenues for expansion. The company's strategy of increasing occupancy, developing existing land, pursuing acquisitions and expanding value-added services should support rental growth and asset utilization. However, high debt, significant finance costs, historical losses and customer concentration remain key concerns. Overall, Horizon's scale, strategic locations and integrated platform provide a strong growth opportunity, although sustained execution and improved profitability will be critical for long-term value creation.

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

EVENT	INDICATIVE DATE (On or about)
IPO Open Date	Mon, Aug 17, 2026
IPO Close Date	Wed, Aug 19, 2026
Tentative Allotment	Thu, Aug 20, 2026
Initiation of Refunds	Fri, Aug 21, 2026
Credit of Shares to Demat	Fri, Aug 21, 2026
Tentative Listing Date	Mon, Aug 24, 2026

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Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 31-Mar-26 (12 Months)	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)
Revenue from operations	691.38	390.29	228.86
Total expenditure	160.04	100.23	94.01
Operating Profit	531.34	290.06	134.85
OPM%	76.85	74.32	58.92
Other Income	76.46	49.06	16.66
Total Net Income	607.80	339.12	151.51
Interest	538.99	352.89	210.83
PBDT	68.81	-13.78	-59.32
Depreciation	266.10	143.29	98.17
Restated Loss before exceptional items, share of loss of an associate and tax	-197.29	-157.07	-157.49
Exceptional items	0.00	-23.75	0.00
Loss before share of profit / (loss) of joint ventures	-197.29	-180.81	-157.49
Share of loss of joint ventures	0.00	0.00	4.85
PBT	-197.29	-180.81	-162.34
Tax	6.36	-2.03	-0.13
Profit & Loss	-203.65	-178.78	-162.21

Balance sheet is on next page

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Balance Sheet

Rs. in Cr.

Particulars	As on 31-Mar-26	As on 31-Mar-25	As on 31-Mar-24
Non-current assets			
Property Plant & Equipment	11.68	5.39	4.11
Capital work-in-progress	108.47	0.00	0.00
Investment properties	8188.39	7038.34	3366.31
Investment properties under development	1707.82	1425.98	733.34
Right of use assets	15.78	4.14	6.62
Intangible assets	14.63	17.56	15.72
Intangible assets under development	2.46	0.00	0.00
Goodwill	42.93	42.84	39.74
Investments accounted for using equity method	0.00	0.00	19.13
Financial assets			
Investments	0.00	0.00	1.68
Loans	0.00	27.25	25.01
Other financial assets	342.89	280.19	55.40
Deferred tax assets (net)	0.00	16.50	0.40
Non-current tax assets (net)	52.42	36.45	24.49
Other non-current assets	405.80	358.43	348.25
Total non-current assets	**10893.26**	**9253.07**	**4640.19**
Current asset			
Inventories	0.00	41.34	0.00
Financial Assets			
Investments	737.42	131.00	59.57
Loans	28.08	5.55	5.00
Trade receivables	34.90	30.37	19.13
Cash and cash equivalents	637.84	278.80	163.62
Bank balances other than cash and cash equivalents	1013.75	22.37	33.65
Other financial assets	45.81	29.68	51.88
Current tax assets (net)	0.00	0.00	3.78
Other current assets	104.08	56.51	16.36
Total current assets	**2601.87**	**595.63**	**352.99**
Assets Held for Sale	0.00	2.84	0.00
Total Assets	13495.13	9851.54	4993.18
Non-current liabilities			
Financial liabilities			
Borrowings	6760.69	6600.11	3585.18
Lease liabilities	14.06	4.62	7.50
Other financial liabilities	164.74	179.46	353.52
Provisions	7.29	4.47	2.05
Deferred tax liabilities (net)	54.29	31.33	29.30
Other non-current liabilities	27.63	35.25	8.12
Total Non- Current liabilities	**7028.69**	**6855.25**	**3985.68**
Current liabilities			
Financial Liabilities			
Borrowings	123.65	409.01	103.03
Lease liabilities	5.36	3.05	2.30
Trade Payables	0.00	0.00	0.00
- Total outstanding dues of MSME	0.90	1.84	0.20
- Total outstanding dues of creditors other than MSME	27.51	21.78	21.97
Other financial liabilities	412.85	1343.67	166.68
Other current liabilities	35.90	37.18	10.71
Provisions	1.05	0.79	0.23
Current tax liabilities (net)	0.48	0.26	0.00
Total - Current Liabilities	**607.70**	**1817.57**	**305.12**
Total Liabilities	**7636.39**	**8672.82**	**4290.80**
Net worth represented by:			
Equity share capital	2449.53	535.67	535.67
Other equity	3214.54	472.08	109.54
Non controlling interests	194.67	170.98	57.18
Total Equity	**5858.74**	**1178.72**	**702.38**

RANKING METHODOLOGY

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

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