
DEVX
accelerating innovation
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DEV ACCELERATOR LTD

Price Band	Issue Opens
₹56 to ₹61	September 10 to September 12

Face Value	Issue Size	Lot Size	Listing At
₹2	₹143.35Cr	235 Shares	NSE, BSE

Dev Accelerator Ltd Info

Issue Size	2,35,00,000 shares / ₹143.35 Cr
Fresh Issue	2,35,00,000 shares / ₹143.35 Cr
Offer for Sale	N/A
Retail Quota	Not more than 10% of the Net Issue
Retail Min/Max	Rs.14,335/1,86,355

Dev Accelerator Ltd Timeline

Tentative Allotment	Mon, Sep 15, 2025
Initiation of Refunds	Tue, Sep 16, 2025
Credit of Shares to Demat	Tue, Sep 16, 2025
"Dev Accelerator Ltd" Listing Day	Wed, Sep 17, 2025

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Objects of The Offer

Dev Accelerator Limited is launching its public issue of up to 23,500,000 Equity Shares, including reservations for Eligible Employees and Eligible Shareholders, through a 100% Book Built Issue process. The objectives of the Offer are as follows:

- **Capital Expenditure for Proposed Centers:** An estimated ₹731.16 million from the Net Proceeds will be utilised for fit-outs at four new centers under the straight lease model—Proposed Ahmedabad Center 9, Proposed Ahmedabad Center 10, Proposed Pune Center 5, and Proposed Chennai Center 1—covering a total super built-up area of 664,692 sq. ft.
- **Repayment/Prepayment of Borrowings:** Up to ₹350.00 million will be allocated towards repayment or prepayment of certain borrowings, including redemption of non-convertible debentures, aimed at reducing leverage, improving cash flows, and strengthening the balance sheet.
- **General Corporate Purposes:** The balance Net Proceeds will be used for general corporate purposes, not exceeding 25% of the Gross Proceeds, including strategic initiatives, brand building, marketing, R&D, capital expenditure, and working capital needs.

About The Company and Business Overview

Dev Accelerator Limited is a rapidly growing flex space operator in India, offering comprehensive workspace and allied solutions. Incorporated in 2020, the Company operates managed office spaces, co-working spaces, and design & build services, complemented by payroll management, facility management, and IT/ITeS services through its subsidiaries. Its business model is designed to provide clients with flexible, cost-effective, and end-to-end office solutions.

Service Offerings:

- **Managed Office Solutions:** Fully customisable, furnished office spaces with average lease tenures of 5–9 years and lock-in periods of 3.5–5 years, ensuring stable, recurring revenues.
- **Co-working Space Solutions:** Shared workspaces with individual desks and private cabins, catering to SMEs, startups, and freelancers.
- **Design & Build Services:** Offered through subsidiary Neddle and Thread Designs LLP, providing turnkey workspace design and execution for Dev Accelerator's own centers and external clients.
- **Allied Services:** Payroll management, facility management, and IT/ITeS services via subsidiaries to enhance operational efficiency for clients.

Source: RHP

Business Model & Operations:
The Company follows multiple operating models including Straight Lease, Furnished by Landlord, Revenue Share, and PropCo-OpCo, providing flexibility in scaling operations while optimising capital efficiency. It has also invested in Janak Urja Pvt Ltd (PropCo), which is developing commercial real estate to be leased back to Dev Accelerator (OpCo), demonstrating forward integration.
Market Presence:

As of May 31, 2025, Dev Accelerator managed 28 Centers across 11 cities, with 14,144 seats covering 860,522 sq. ft. of super built-up area and an occupancy rate of 87.61%. It is one of the largest managed office operators in Tier-2 cities, with presence in Ahmedabad, Gandhinagar, Indore, Jaipur, Udaipur, Rajkot, and Vadodara, alongside Tier-1 hubs like Delhi NCR, Mumbai, Pune, and Hyderabad. Expansion plans include 4 new centers in India and its first overseas center in Sydney, Australia.
Clientele:

The Company serves large corporates, MNCs, and SMEs across IT, ITeS, consulting, BFSI, manufacturing, and media sectors. Notable clients include Zomato, Wipfli India, QX Global Services, and Paperchase Accountancy.

Financial Performance:
Dev Accelerator has demonstrated robust growth with revenue from operations rising at a CAGR of 50.75% from ₹699.11 mn in FY23 to ₹1,588.75 mn in FY25. PAT turned positive at ₹17.73 mn in FY25, after losses in FY23. Key operational KPIs—operational centers, seats, and built-up area—all expanded at double-digit CAGRs, reflecting scalability and execution capability.

FINANCIAL RATIOS	ROCE	ROE	P/E	INDUSTRY P/E	EV/EBITDA
Awfis Space Solutions Ltd	12.90	26.10	81.70	60.95	10.60
Smartworks Coworking Spaces Ltd	6.97	(82.00)	NA	60.95	10.80
Indiqube Spaces Limited	4.75	(234.00)	NA	60.95	13.70
Dev Accelerator Limited	25.95	3.24	225.92	60.95	-

Source : RHP

Brief profile of the Directors

- **Parth Naimeshbhai Shah** is serving as the Chairman and Whole-time Director of the Company. He has been recognized as one of the promoters of the Company. A bachelor's degree in business administration from V.M. Patel College of Management Studies, Ganpat University and a master's degree in business administration (marketing) from Acharya Molibhai Patel Institute of Computer Studies, Ganpat University were obtained by him. More than 7 years of experience in the flexible workspace sector has been gained by him. Various functions including human resources, marketing, tech development, sales for interior designing, process implementation and office interiors are being looked after by him.
- **Umesh Satishkumar Uttamchandani** is serving as the Managing Director of the Company. He has been recognized as one of the promoters of the Company. A bachelor's degree in commerce from Som-Lalit College of Commerce, Gujarat University and a master's degree in business administration from Sheffield Hallam University were obtained by him. A postgraduate diploma in banking operations was also completed by him from Institute of Finance, Banking and Insurance. More than 7 years of experience in the flexible workspace sector has been gained by him. Investor relations, accounts & finance, coworking and managed office sales, vertical expansion and strategic partnerships are being overseen by him.
- **Rushit Shardulkumar Shah** is serving as the Whole-time Director of the Company. He has been recognized as one of the promoters of the Company. A bachelor's degree in technology (information technology) from U.V. Patel College of Engineering, Ganpat University was obtained by him. More than 7 years of experience in the flexible workspace sector has been gained by him. Legal, procurement, coworking operations, office site execution, IT and networking are being looked after by him.
- **Jaimin Jagdishbhai Shah** is serving as the Non-Executive Nominee Director of the Company. A bachelor's degree in engineering (computer science) from D.D.I.T., Gujarat University was obtained by him. More than 8 years of experience in the information technology sector has been acquired by him.
- **Yash Shah** is serving as the Non-Executive and Non-Independent Director of the Company. A bachelor's degree in technology (mechanical engineering) from Sardar Vallabhbhai National Institute of Technology, Surat was obtained by him. More than 10 years of experience in the information technology sector has been gained by him.
- **Gopi Trivedi** is serving as an Independent Director of the Company. A bachelor's degree in engineering (computer branch) from L.D. Engineering College and a bachelor's degree in law from Gujarat University were obtained by her. She is also a registered patent agent. More than 20 years of experience in the intellectual property sector has been gained by her.
- **Praveen Kumar** is serving as an Independent Director of the Company. A bachelor's and a master's degree in science from P.P.N. College, Kanpur University were obtained by him. More than 37 years of experience in the insurance sector has been acquired by him.
- **Pathik Patwari** is serving as an Independent Director of the Company. A bachelor's degree in science from St. Xavier's College, Gujarat University and a postgraduate diploma in business management from Som-Lalit Institute of Management Studies were completed by him. More than 14 years of experience in the infrastructure sector has been gained by him.
- **Anish Patel** is serving as an Independent Director of the Company. A bachelor's degree in business administration from Sardar Patel University and two master's degrees in business administration from K.S. School of Business Management and Stuart School of Business, Illinois Institute of Technology were obtained by him. More than 22 years of experience in the gas industry sector has been gained by him.
- **Anand Patel** is serving as an Independent Director of the Company. A bachelor's degree in engineering (mechanical) from L.D. Engineering College, Gujarat University and a master's degree in mechanical engineering from Stevens Institute of Technology were obtained by him. A master's degree in business administration from Johnson School at Cornell University was also completed by him. More than 23 years of experience in the manufacturing sector has been acquired by him.

Source : RHP

Strengths

- **Leadership in Tier-2 Markets:** Recognised as one of the largest managed space operators in Tier-2 cities, with ~0.6 mn sq. ft. and over 9,000 seats under management; maintains ~88% average occupancy in Ahmedabad, Indore, Jaipur, Udaipur, Vadodara, and Gandhinagar, enabling strong penetration in high-growth regional markets.
- **Pan-India Presence with High Utilisation:** Operates 28 centers across 11 cities with 14,144 seats covering 860,522 sq. ft. as of May 2025; consistently high occupancy (87.61% in FY25) demonstrates demand resilience and market understanding.
- **Customer-Centric Integrated Solutions:** Offers end-to-end flex space services—customisable office spaces, in-house design & execution, facilities management, IT support, and allied services—serving 250+ clients including Zomato, Wipfli India, and QX Global Services.
- **Strong Growth and Financial Metrics:** Revenue grew at a 50.75% CAGR from FY23–FY25 to ₹1,588.75 mn; turned profitable with PAT of ₹17.73 mn in FY25 after losses in FY23. Operational centers, seats, and built-up area all grew at double-digit CAGRs.
- **Experienced Promoters and Professional Management:** Led by promoters with 21+ years of sectoral experience, supported by a 10-member Board (including 5 independent directors) and senior management with 57+ years of cumulative expertise.
- **Strategic Growth Initiatives:** Actively expanding into new domestic and global markets (e.g., upcoming Sydney center), diversifying asset procurement models (Straight Lease, Revenue Share, PropCo-OpCo), and leveraging subsidiaries for IT, HR, and facility management services to strengthen client retention and revenue streams.

Key Risk Factors

- **Past Losses and Weak Returns:** Reported a loss of ₹128.30 mn in FY23 with negative RoNW (-1,049.92%); though profitability has improved, sustained earnings stability is yet to be proven.
- **Customer & Geographic Concentration:** Top 20 customers contributed 54.13% of FY25 revenue; Gujarat alone contributed 42.55%, with Ahmedabad accounting for 30.39%—any regional/economic disruption poses material risk.
- **Industry Concentration:** Over 55% of revenues are derived from IT/ITeS clients; slowdown in this sector could sharply impact demand.
- **Intense Competition:** Lags peers like Awfis, Smartworks, and Indiqube in scale, seats, and occupancy, facing pricing pressure from both domestic and global flex-space operators.
- **High Employee Attrition:** Attrition rates were 52.74% in FY24 and 13.09% in FY25; retaining skilled staff and management remains a challenge.
- **Revenue Dependence on Managed Office Model:** 58.77% of revenues come from managed office solutions with heavy upfront fit-out costs; client exits (63 in FY25) and vacancy risks can impair cash flows.
- **Large Capex & Debt Burden:** Substantial fit-out costs and borrowings of ₹1,275.67 mn as of May 2025; working capital needs could trigger further financing, diluting shareholder value.
- **Long-Term Lease Liabilities:** 75% of centers operate on straight leases with ₹2,584.57 mn future lease obligations; fixed rentals continue even during vacancies.
- **Potential Conflicts of Interest:** Associates like Finclave Accel LLP operate in similar business lines; absence of comprehensive non-compete agreements could create conflicts.

Source: RHP

Statement of Profit and Loss

(All amounts are in Indian Rupees millions, unless otherwise stated)

Particulars	FY25 (₹Mn)	FY24 (₹Mn)	FY23 (₹Mn)
Revenue from operations	1,588.75	1,080.87	699.11
Other income	190.13	26.45	14.56
Total Income	**1,788.88**	**1,107.32**	**713.67**
Expenses			
Cost of Goods and Services	415.60	202.24	237.56
Employee Benefits Expense	131.92	75.36	67.43
Finance Costs	445.54	310.01	172.81
Depreciation and Amortization Expenses	522.17	450.02	301.01
Other Expenses	236.28	157.40	96.16
Total Expenses	**1,751.51**	**1,195.03**	**874.97**
Restated Profit/(Loss) before exceptional items	27.37	(87.71)	(161.30)
Exceptional Items	-	-	-
Share of Profit/(Loss) of Associates	(0.38)	1.52	0.85
Restated Profit/(Loss) before tax (PBT)	26.99	(86.19)	(160.45)
Tax Expenses			
Current Tax	13.77	1.30	-
Deferred Tax	(7.88)	(91.86)	(32.15)
Adjustment of Tax for earlier years	3.37	-	-
Total Tax Expenses	**9.26**	**(90.56)**	**(32.15)**
Restated Profit/(Loss) for the year	**17.73**	**4.37**	**(128.30)**
Less: Minority Share in Company	0.29	0.04	-
Profit/(Loss) Attributable to Owners	17.44	4.33	(128.30)
Other Comprehensive Income (OCI)			
Items reclassified to profit/(loss)	(0.16)	0.08	0.11
Tax on above	(0.04)	(0.02)	(0.03)
Total OCI	**(0.20)**	**0.06**	**0.08**
Total Comprehensive Income/(Loss)	**17.32**	**4.39**	**(128.22)**
Earnings per Share (EPS, FV ₹2)			
Basic EPS	**0.27**	**0.08**	**(2.55)**
Diluted EPS	**0.27**	**0.08**	**(2.55)**

Source: RHP

Valuation and Outlook

Dev Accelerator Ltd IPO is expected to be priced between **₹56 to ₹61** per share. At this price, the company is valued at a Price-to-Earnings (P/E) ratio of **225.92x** due to its continued losses whereas the industry average is **60.95x**

Name of the Company	Market Price (₹)	Revenue from Operations (₹ Mn)	Basic EPS	Diluted EPS	RoNW (%)	P/E Ratio	Net Worth (₹ Mn)	NAV (₹)	Face Value (₹)
Dev Accelerator Limited		*1,588.75*	*0.27**	*0.27**	*3.24*		*547.86*	*7.68*	*2.00*
Awfis Space Solutions Ltd	589.35	12,075.35	9.75	9.67	14.78	60.95	4,592.19	64.71	10.00
Smartworks Coworking Spaces Ltd	457.55	13,740.56	(6.18)	(6.18)	(58.56)	(74.04)	1,078.81	10.45	10.00
Indiqube Spaces Limited	219.38	10,592.86	(7.65)	(7.65)	-	(28.69)	(31.11)	(0.24)	1.00

Dev Accelerator Limited has emerged as a fast-scaling flex space operator with strong positioning in Tier-2 cities, consistent occupancy above 87%, and a pan India footprint of 28 centers across 11 cities. Its integrated service offerings managed offices, co-working, design & build, and allied IT/HR solutions differentiate it from pure-play workspace operators and provide multiple revenue levers. Financially, the company has demonstrated a sharp turnaround, growing revenues at a 50%+ CAGR between FY23–FY25 and moving from losses to profitability. However, risks remain in the form of high lease obligations, capital intensive fit-out investments, and customer concentration in IT/ITeS and Gujarat markets. Competitive pressures from larger, better-capitalised peers could also weigh on growth. That said, expansion into new centers including Chennai, Pune, and overseas (Sydney) along with deleveraging plans positions the business for scale-up. Sustained profitability, tighter working capital discipline, and diversification beyond Tier-2 dependence will be key to unlocking long-term value for investors.

"**Call us on 8448899576**" to find out whether or not you should apply.

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