



As talent meets technology, a new future for enterprise solutions is being shaped in India with over **1,700 Global Capability Centers (GCCs)**. These are the backbones of big companies, and they've come a long way. What started as a basic support desk has now evolved into an **innovation powerhouse**, driving **research, design, and development**. Global Capability Centres (GCCs) are **offshore units** set up by companies to deliver a range of services for their parent organisations. Functioning as integral parts of the global corporate structure, they provide specialised expertise in areas such as **information technology, research and development, customer support, and other business operations**. GCCs play a vital role in achieving cost efficiency, tapping into skilled talent pools, and fostering collaboration between parent firms and their international affiliates.

Many multinational companies in India have set up GCCs to handle verticals like business processes, IT services, R&D centres, innovation hubs, customer service centres, and other key functions. These GCCs have rapidly grown into strategic hubs for innovation and value creation. In just five years, their combined revenue has jumped from **\$40.4 billion in FY19 to \$64.6 billion in FY24**, growing at a healthy pace of **9.8% annually**. Not limited to numbers, these GCCs now **employ over 19 lakh people** across the country, shaping the future of tech and business from right here in India. These centres drive innovation, digital transformation, and strategic operations for their parent organizations worldwide. The Government of India has played a pivotal role in nurturing this ecosystem through **progressive policies, infrastructure development, and startup support**, positioning India as a preferred destination for global enterprises.

#### **India at the Heart of Global GCC Expansion**

India has become a leading hub for Global Capability Centres (GCCs), with major clusters in **Bengaluru, Hyderabad, Pune, Chennai, Mumbai, and the National Capital Region**. The sector is projected to reach **USD 105 billion** by 2030, supported by nearly **2,400 centres** employing over **2.8 million professionals**.

## Tailwinds

Metric	GCCs	IT services
Growth in Hiring (YoY)	18-27%	4-6%
Hiring Pace	3-4x faster	Muted growth
Headcount (2022)	1.2 m	~5.5 m
Headcount (2025)	~2 m	~5.6 m
Annual Net Jobs Added	600k-700k	25k-40k/ yr
Net Tech Jobs in FY25	100,000+	~20,000
Jobs Added in FY25	~160,000	~11,000*

Source: TeamLease, Qness Corp, ANSR

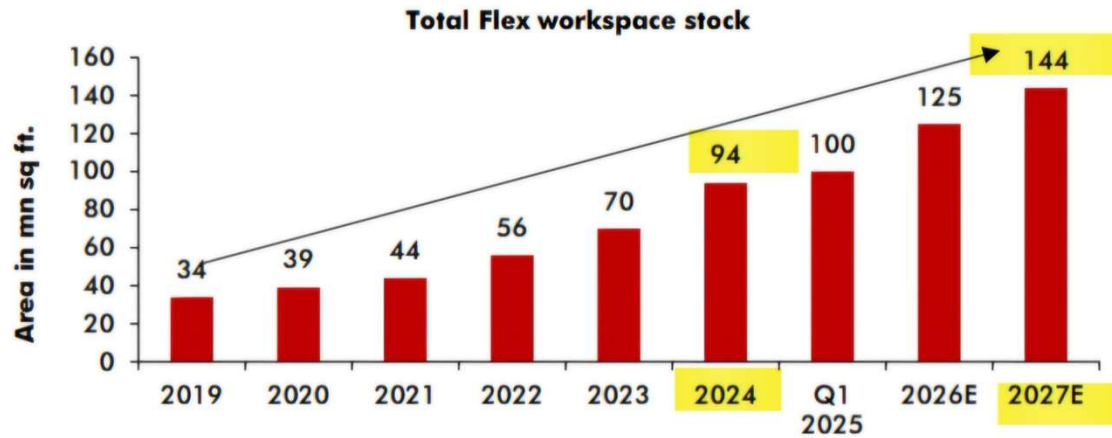
\*Top 5 IT firms

With over **1,700 GCCs** already operating, India added another **90+ centres** in 2025



## Industry Growth Rates

**Exhibit 8: Flex workspace stock in India has grown at ~23% CAGR over CY19-24 and is expected to grow at 20% CAGR over CY25-27E**



Source: Company, Ambit Capital research

**Exhibit 9: Flex market assumed to grow at >25% CAGR over CY25-27E, translating to ~Rs330bn opportunity by CY27E**

Particulars	CY25	CY27E	CAGR
Commercial office stock (msf)	940	1072	7%
Flex stock (msf)	100	144	20%
Flex market share in overall office stock	11%	13%	
Rev to Rent	2.2	2.2	
Average market rent psf	80	87	4%
Occupancies %	80%	85%	
Market size (Rs bn)	210	330	25%

Source: Company, Ambit Capital research. Note: Market size = Flex stock (msf) \* Rev to Rent \* Average market rent \* 12

## Key Differences in One Table

Dimension	REITs	Co-working spaces	Managed offices (EFC-type)
Core role	Investment/ownership vehicle for real estate. <sup>[1]</sup> <sup>[2]</sup>	Flexible shared workspace provider. <sup>[8]</sup> <sup>[9]</sup>	Customized office operator for specific clients. <sup>[3]</sup> <sup>[12]</sup> <sup>[4]</sup>
What they own/lease	Own income-producing assets (office parks, malls). <sup>[6]</sup> <sup>[2]</sup>	Mostly lease buildings/floors; limited ownership. <sup>[3]</sup> <sup>[10]</sup>	Primarily lease large spaces, sometimes multiple buildings. <sup>[3]</sup> <sup>[4]</sup>
Contract tenor	Long-term leases with corporates as tenants. <sup>[2]</sup> <sup>[7]</sup>	Short-term, monthly/annual, high churn. <sup>[8]</sup> <sup>[10]</sup>	Multi-year contracts with single or few large clients. <sup>[3]</sup> <sup>[4]</sup>
Revenue visibility	High; long WALE, regulated payout profile. <sup>[6]</sup> <sup>[2]</sup>	Moderate; sensitive to seat occupancy & pricing. <sup>[8]</sup> <sup>[10]</sup>	Relatively higher due to longer tenures but client-concentration risk. <sup>[3]</sup> <sup>[12]</sup>
Listing/structure	Listed business trust under SEBI REIT regs. <sup>[1]</sup> <sup>[2]</sup>	Normal company; sometimes VC/PE backed. <sup>[9]</sup> <sup>[10]</sup>	Normal company; operates under commercial lease contracts. <sup>[3]</sup> <sup>[4]</sup>
Investor exposure	Rent, occupancy, cap rates, interest rates. <sup>[6]</sup> <sup>[2]</sup>	Operating margins, center utilization, brand strength. <sup>[8]</sup> <sup>[10]</sup>	Same as co-working plus execution of bespoke contracts. <sup>[3]</sup> <sup>[12]</sup>
Asset intensity	Capital-intensive; high owned asset base. <sup>[6]</sup> <sup>[2]</sup>	Asset-light; high lease liabilities, low ownership. <sup>[3]</sup> <sup>[10]</sup>	Asset-light; 90–95% spaces typically leased (EFC-like model). <sup>[3]</sup> <sup>[4]</sup>

## Listed Industry Players

### Co-working spaces - Peer comparison

Financials (TTM)	EFC (I) ltd	Awfis	Smartworks coworking space	Indiqube spaces
Marketcap	3,300cr	4,300cr	5,280cr	4,540cr
Revenue	774cr	1,284cr	1,374cr	1,059cr
Revenue growth	66%	40%	32%	28%
OPM	50%	35%	62%	58%
Net profit margins	22.2%	5.8%	Loss making	Loss making
PAT	172cr	76cr	-63cr	-140cr
KPIs				
number of centres	82	220	50	115
Total seat capacity	63,400+	1,55,000+	2,00,000+	1,85,000+
Occupancy (%)	~90%	~73%	~83%	~85%
Valuation				
EV/EBITDA	9.9x	11.3x	9.8x	8.5x
PE	25.1x	86.3x	Loss making	Loss making
RoE	23.3%	23.60%	-	-
RoCE	21.4%	12.60%	-	-

Disclosure: No Buy/Sell recommendations, please do your own DD  
Holding EFC (I may also sell it anytime)

Source: Screener, company ppt,  
company RHP, yahoo finance,  
moneycontrol

Please note: EFC has 2 more business verticals; D&B and Furniture



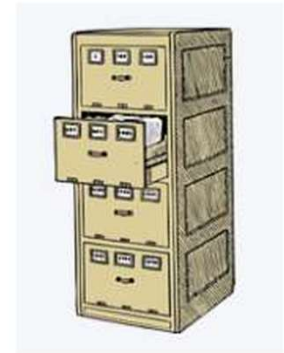
# Business Verticals



Leasing of Space  
and Assets



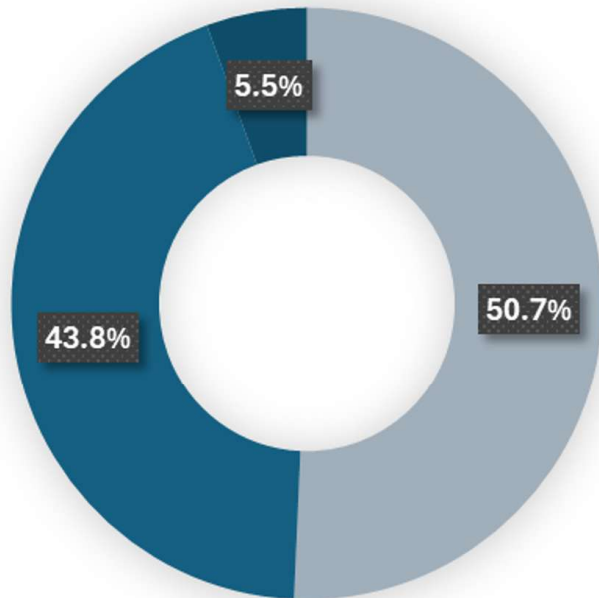
Interior Design and  
Interior Fit-Outs



Manufacturing/Trading  
of Furniture

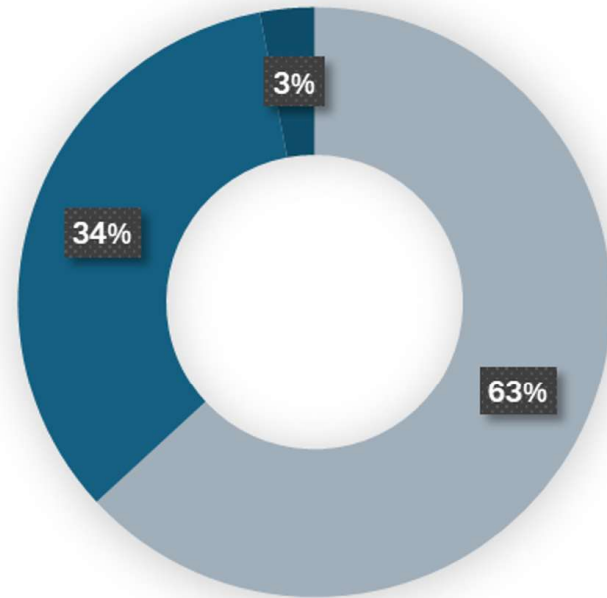
# Diversified revenue and profit stream

### Q2 FY26 Revenue by Vertical



■ Rental ■ Design & Build ■ Furniture

### Q2 FY26 EBIT by Vertical



■ Rental ■ Design & Build ■ Furniture

## Rental Leasing Business

**USP** – We have the **lowest cost setup for the office at 50,000 per seat** , we achieved it by being developing our own centres without use of any you know external third party you know contractors or advisors

Offering workspace solutions.....beyond the traditional infrastructure



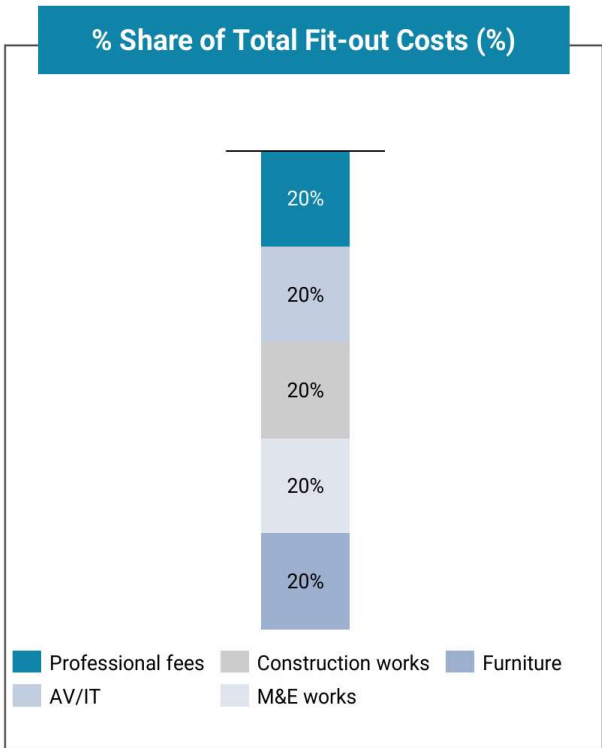
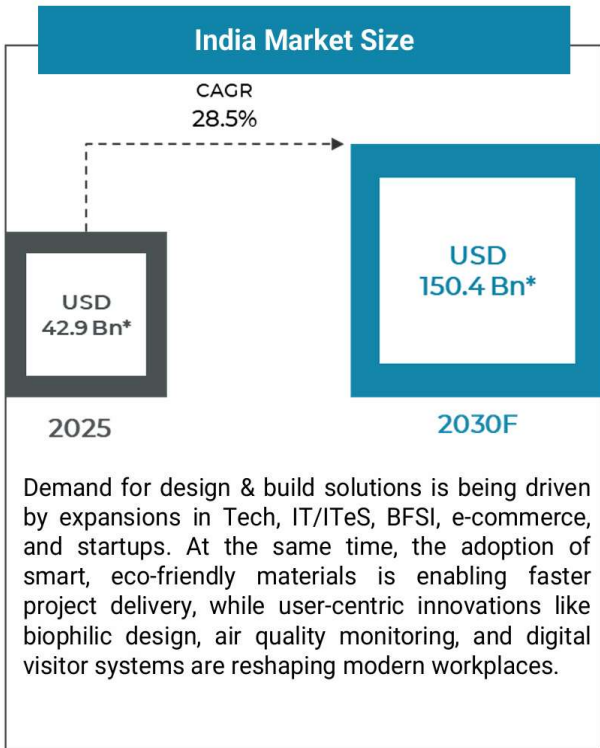
 <p><b>10</b> Cities</p>	 <p><b>3.23 Mn Sqft</b> Area Under Management</p>	 <p><b>68,000+</b> Seats</p>
 <p><b>90%+</b> Average Occupancy</p>	 <p><b>680+</b> Clients</p>	 <p><b>₹6,750-7,250</b> Average Rent Per Seat</p>
 <p><b>86</b> Centers</p>	 <p><b>18:68</b> Owned : Leased Centers</p>	 <p><b>45 Months</b> Average Enterprise Client Tenure</p>
 <p><b>24%</b> Top 10 Client Revenue Contribution</p>	 <p><b>34%</b> Multi city client's footprint</p>	 <p><b>66%</b> Enterprise Centric Revenue</p>



# Design & Build in India: The New Face of Commercial Real Estate



Market expected to grow at a 28.5% CAGR by 2030E; cost remains a critical factor for decisions related to design & build



### Future Outlook

**Value-driven workplaces**  
Offices are shifting from cost-focused setups to value-driven environments prioritizing wellness, sustainability, and collaboration to align with broader business goals

**Tariff Uncertainty**  
Potential U.S. tariffs may disrupt costs and sourcing, pushing firms to explore diversified procurement and strategic partnerships. While firm domestic demand may offset some challenges, the industry must adapt to mitigate tariff impacts

**Labor Constraints**  
Rising demand for skilled labor will drive wage inflation, impacting project costs and timelines. Companies will need to invest in training, retention strategies, and innovative recruitment approaches to mitigate these challenges and maintain productivity.

## Furniture: Brief overview



**₹ 2,750-3,000 Mn**

Total Manufacturing Capacity  
(in value)



**45K+**

Number of Units Delivered



**₹ 250+ Mn.**

Order Book



**900+**

Number of SKUs

**3**

New machineries and infrastructure to enhance production capacity for wood based furniture.

**15%**

Reduction in fit-out time using standardised modular infrastructure

**15+**

Client locations deployed with reconfigurable furniture systems

End to end tech enabled operations from design to delivery

Strengthened Just in Time (JIT) System to bring in more operational efficiency.

## Risks

- Exposure to the overall economy downturns
- Promoter having multiple business interests , manages 5 listed companies
- Recent acquisitions done at higher prices
- The company also has bought some real estate properties which could be a asset-heavy model
- Slow utilization of the furniture business vertical