



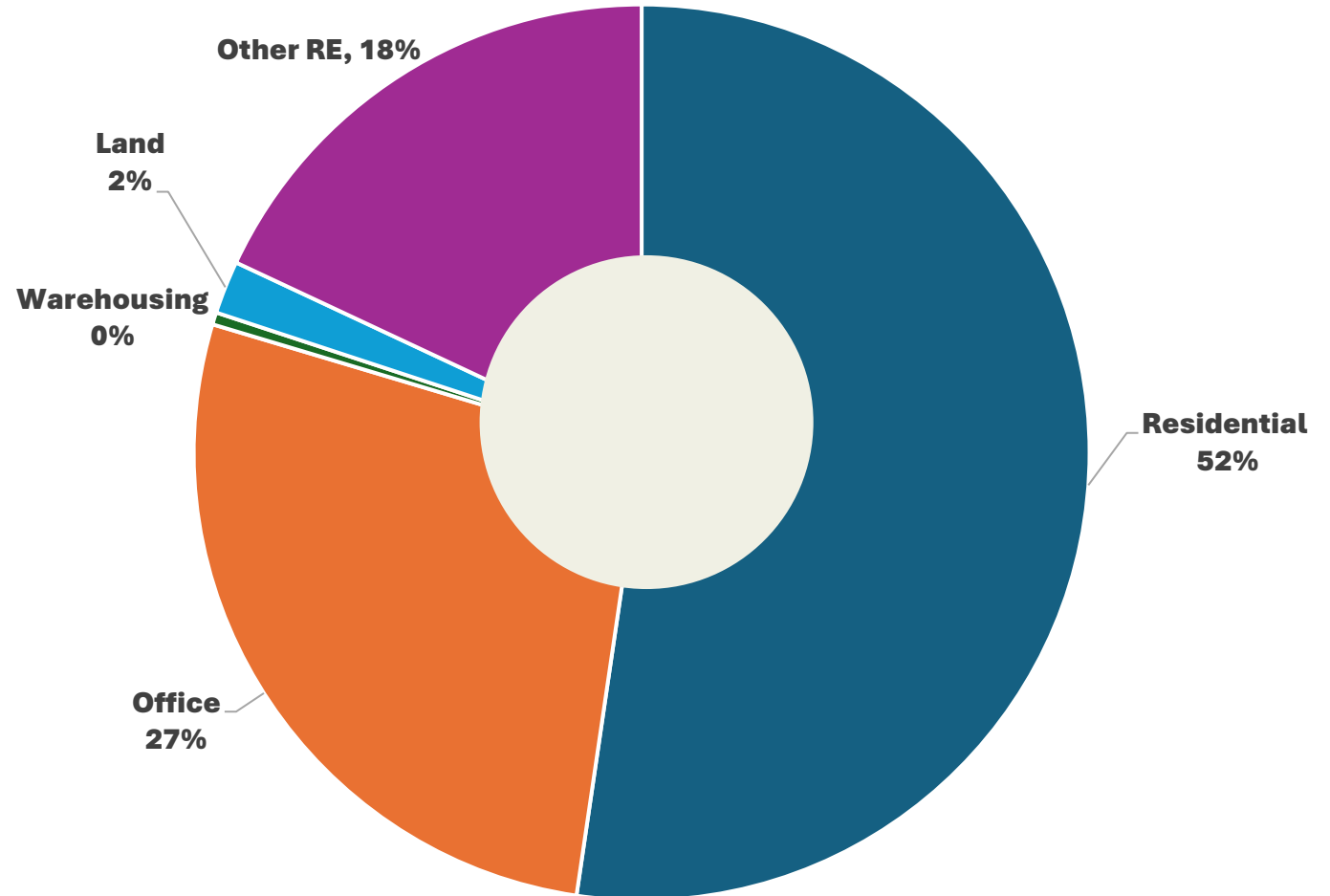
# A Billion sq ft and Counting

India Office Supply **Growth Story**

# Offices Account for Over a Quarter of India's Real Estate Value in 2025

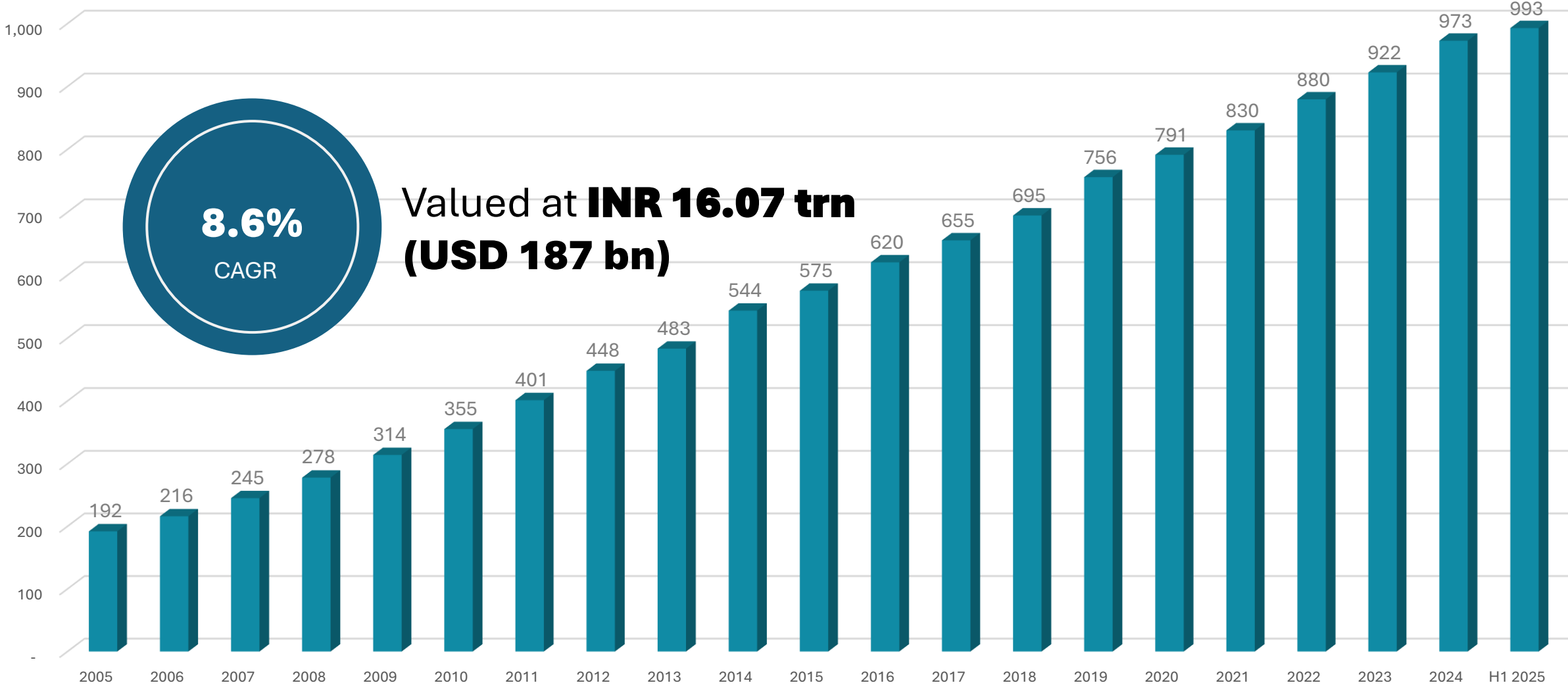


Real Estate Market  
Size in 2025



Source: Knight Frank Research  
Note: Market size in annual revenue.  
The remaining Other RE - retail, hospitality, hospitals, schools etc

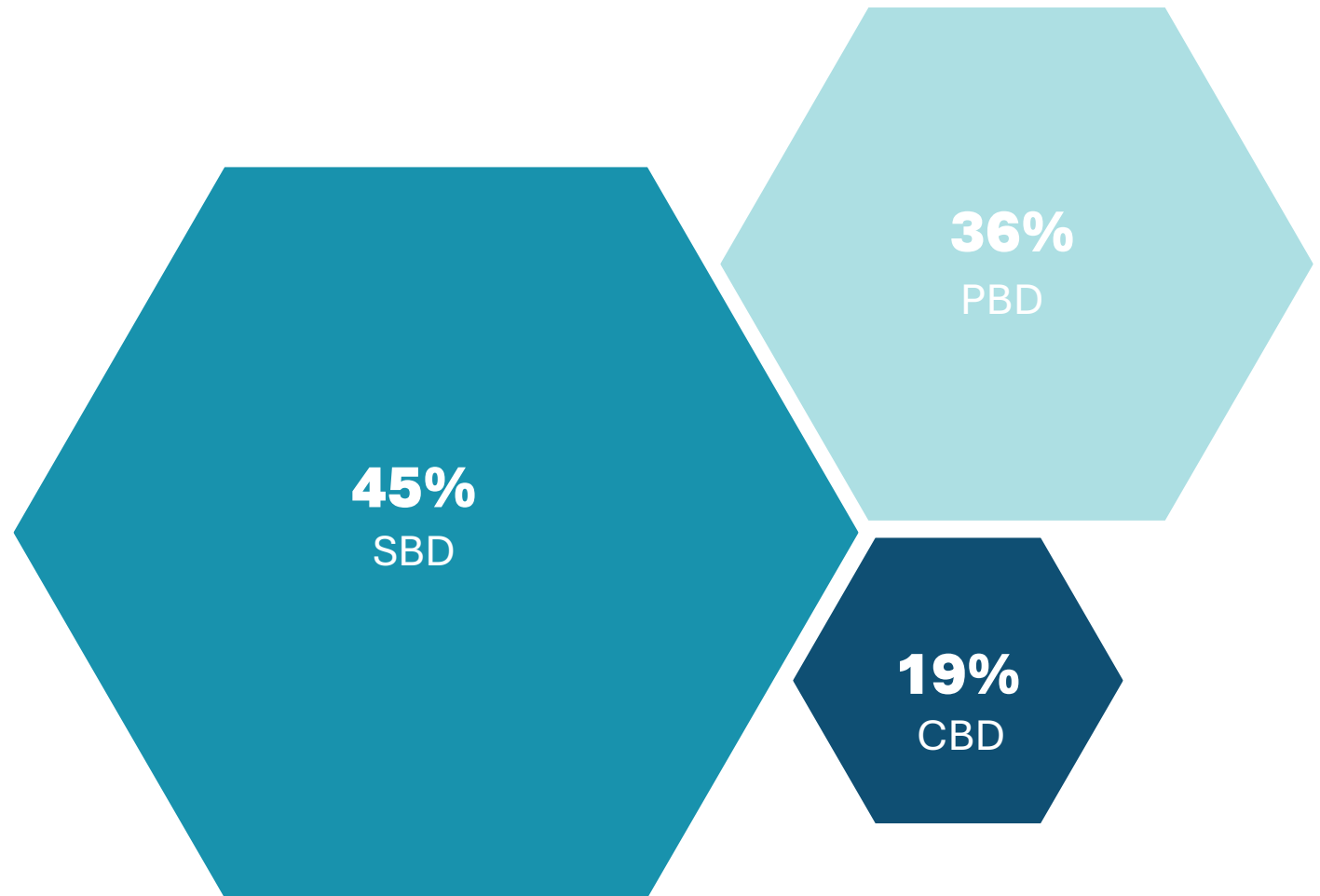
# Office Market reaches Bn Sq Ft Milestone



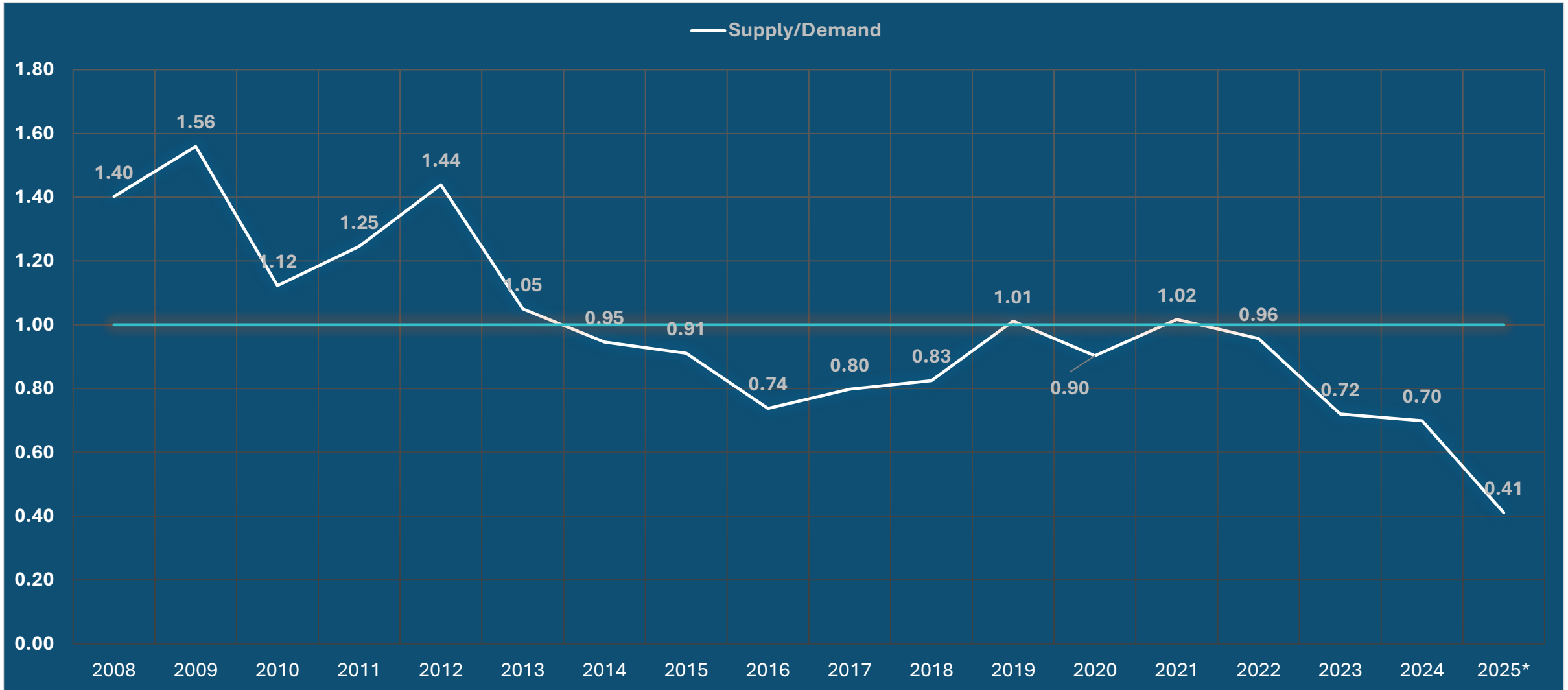
Source: Knight Frank Research  
Note: Covers top 8 cities

# Breaking down 1bn sq ft

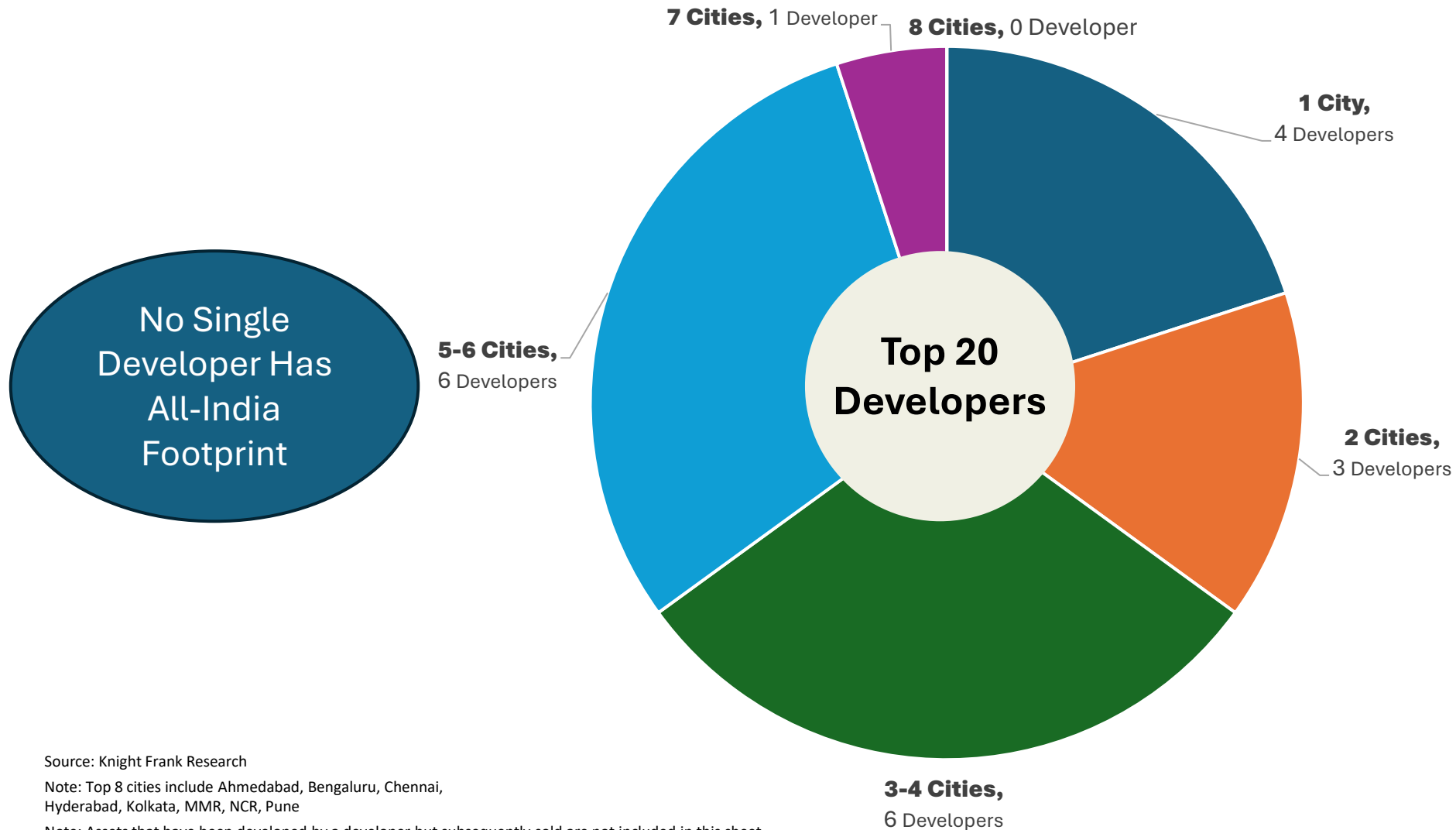
**SBD accounts almost half of the office stock**



# Office Supply Pipeline Keeps Shrinking



# Uneven Growth and Supply Crunch Alter India's Office Market Trajectory

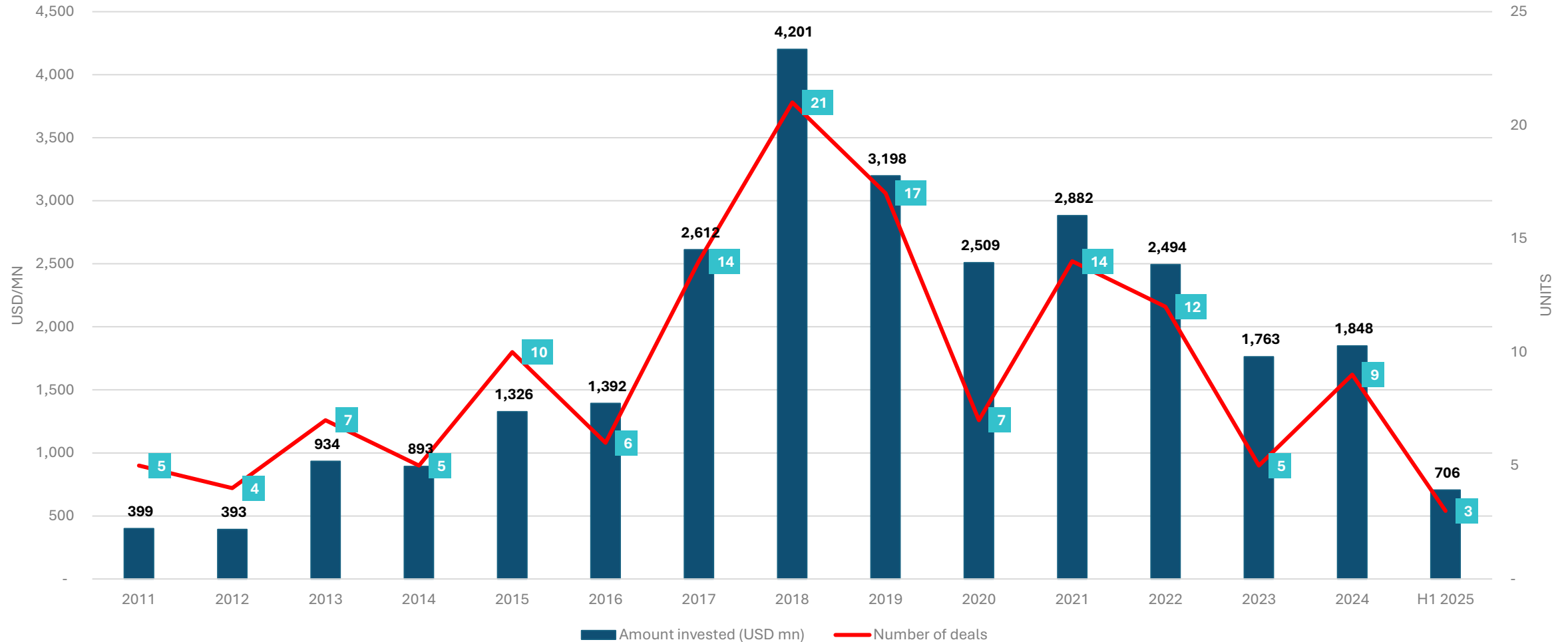


Source: Knight Frank Research

Note: Top 8 cities include Ahmedabad, Bengaluru, Chennai, Hyderabad, Kolkata, MMR, NCR, Pune

Note: Assets that have been developed by a developer but subsequently sold are not included in this sheet.

# Capital Flows Shift- Investments in Office Shrink Post-2018



# Developer Economics - Residential Profitability

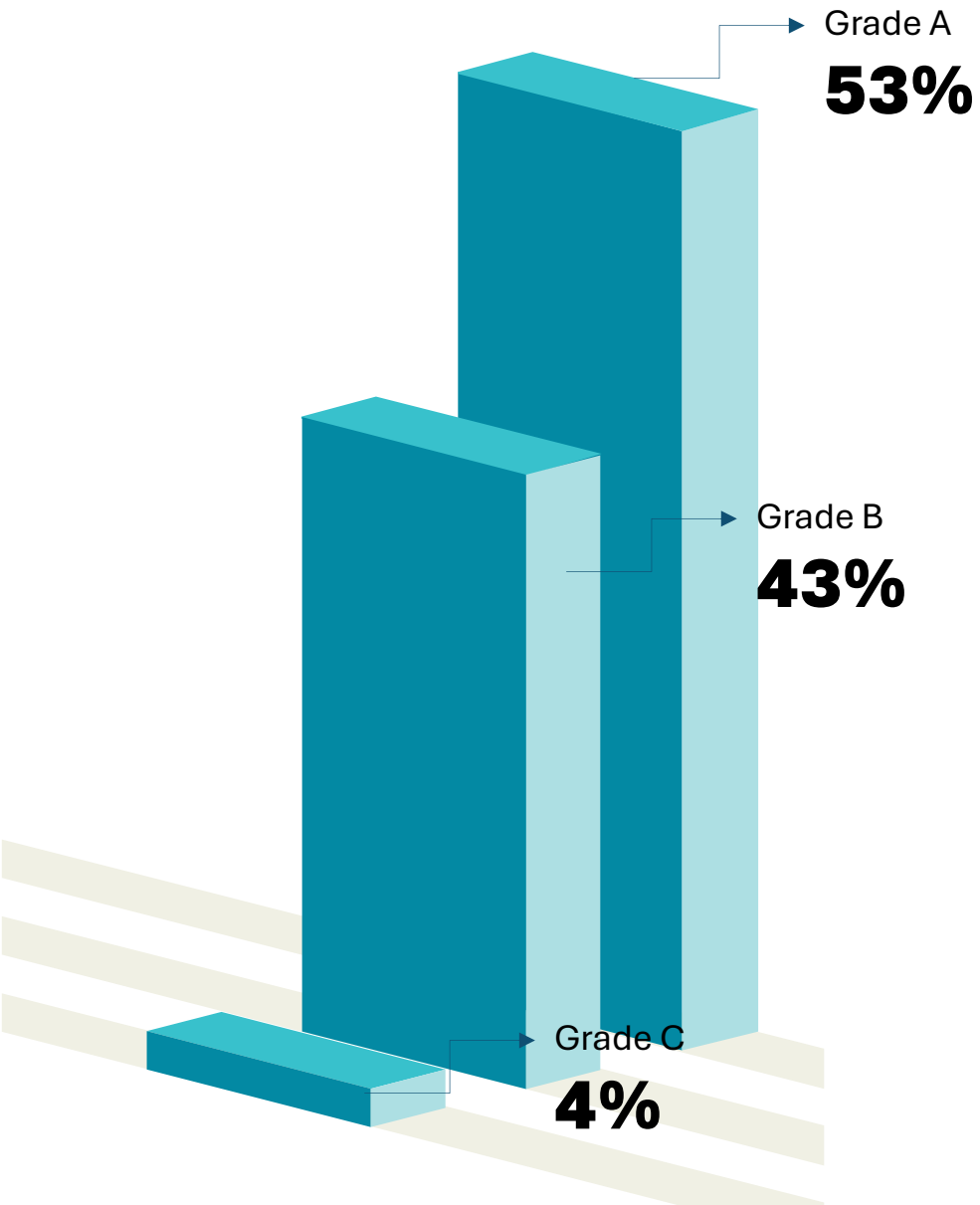
## Undermining Commercial Supply



Resi developments command as much as **3.2x more** valuation than a commercial project

City	Commercial Project	Outright Price (INR/sq ft)	Residential Project	Current Selling Price (INR/sq ft)	Valuation Gap (INR/sq ft)	Resi: Comm Multiple
MMR	Commercial Project in Nariman Point	64,000	Residential Project in Nariman Point	1,41,033	77,033	2.2
MMR	Commercial Project in BKC	93,333	Residential Project in BKC	1,10,000	16,667	1.6
NCR	Commercial Project in Gurugram	43,429	Residential Project in Gurugram	1,40,000	96,571	3.2
Bengaluru	Commercial Project in CBD BLR	57,143	Residential Project in CBD BLR	93,333	36,190	1.6
Hyderabad	Commercial Project in Hi-Tech City	20,267	Residential Project in Hi-Tech City	28,667	8,400	1.4
Chennai	Commercial Project in OMR	15,200	Residential Project in OMR	18,233	3,033	1.2

# Grade A constitutes 53% of Office Stock supply



	A	B	C
Ahmedabad	19%	75%	6%
Bengaluru	70%	25%	5%
Chennai	64%	33%	3%
Hyderabad	68%	30%	1%
Kolkata	53%	37%	11%
MMR	40%	51%	10%
NCR	43%	55%	2%
Pune	50%	49%	1%
<b>Total</b>	<b>53%</b>	<b>43%</b>	<b>4%</b>

Source: Knight Frank Research

# Aging Assets, Rising Opportunity: 30% of Offices Retrofit-Ready



	mn sq ft	% Share	Value (INR/Bn)
Grade B Stock			
CBD	99	10%	1,348
SBD	157	16%	1,580
Grade C Stock			
CBD	25	3%	341
SBD	17	2%	170
<b>Overall stock which can be retrofitted</b>	<b>298</b>	<b>30%</b>	<b>3,439</b>

Post Retrofitting Potential →

INR 4,815 bn to  
INR 7,566 bn

# Project 1 - Retrofitting Success Story



**Retrofit Period:** 2007–2012

**Challenge:** 1970s-era tower in Nariman Point losing tenants to BKC and Parel.

**Strategy:** Full MEP overhaul, façade refresh, IBMS, LEED-Silver targeting.

## **Impact:**

Rent ↑ 56% (INR 160 → INR 250/sq ft)

Vacancy ↓ (18% → <5%)

Asset sold at 50% premium to pre-retrofit valuation

Energy use ↓ 33%

## **Lesson:**

Retrofitting transformed a legacy tower into a Grade A address, attracting long-term occupiers.



# Project 2: Case for Urgent Retrofitting

## Challenge:

Once a pioneering IT park in Andheri MIDC (launched in 2001), now struggling with outdated infrastructure and declining relevance.

## Now if retrofitting is done for this particular property

## Strategy:

Proposed full-scope retrofit including MEP systems, façade overhaul, lobby and parking upgrade, vertical transport, and ESG compliance.

## Impact (Projected):

- Rent ↑ 40–47% (INR 150 → INR 210–220/sq ft)
- Vacancy ↓ (18–20% → ~5–7%)
- NOI ↑ INR 23 crore annually
- Energy use ↓ 40% (vs. current baseline)
- Payback: 9–10 years factoring ESG-linked premiums

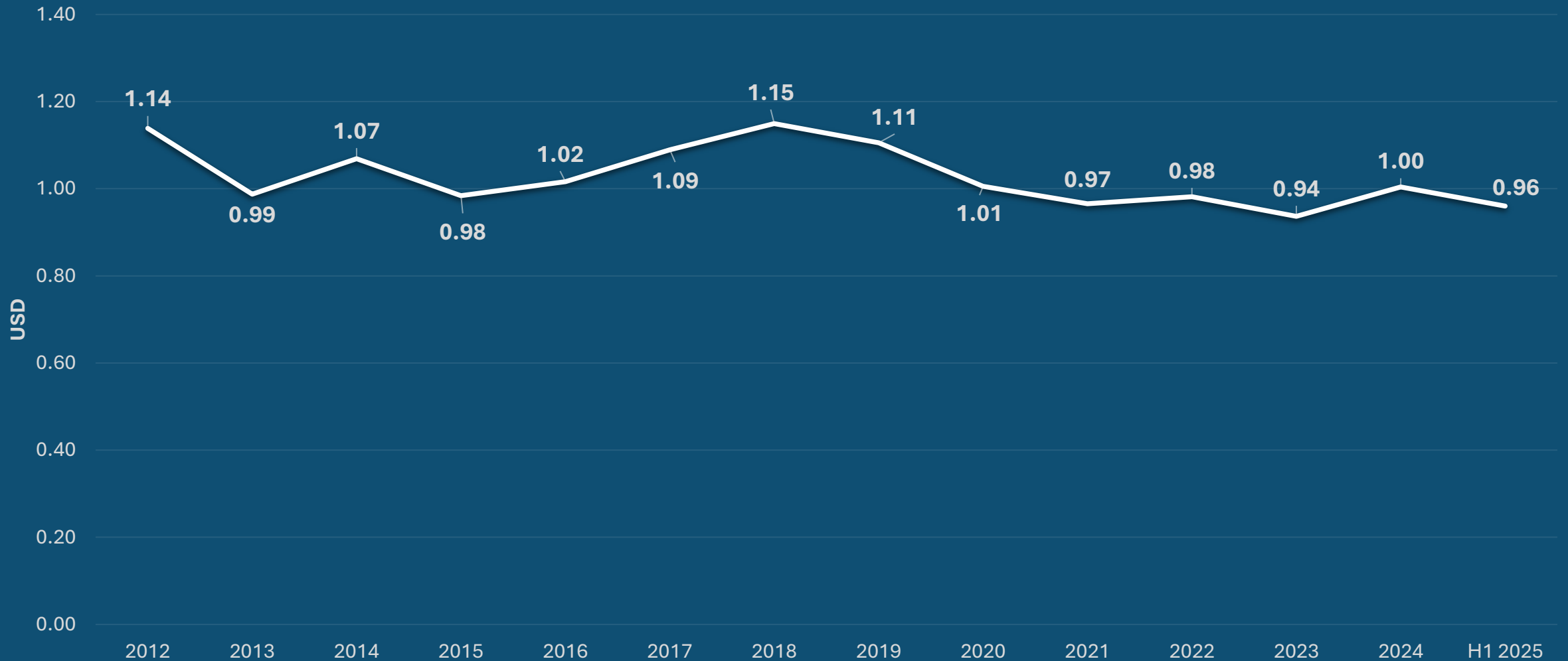


# India Emerges as the World's 4th Largest Office Market



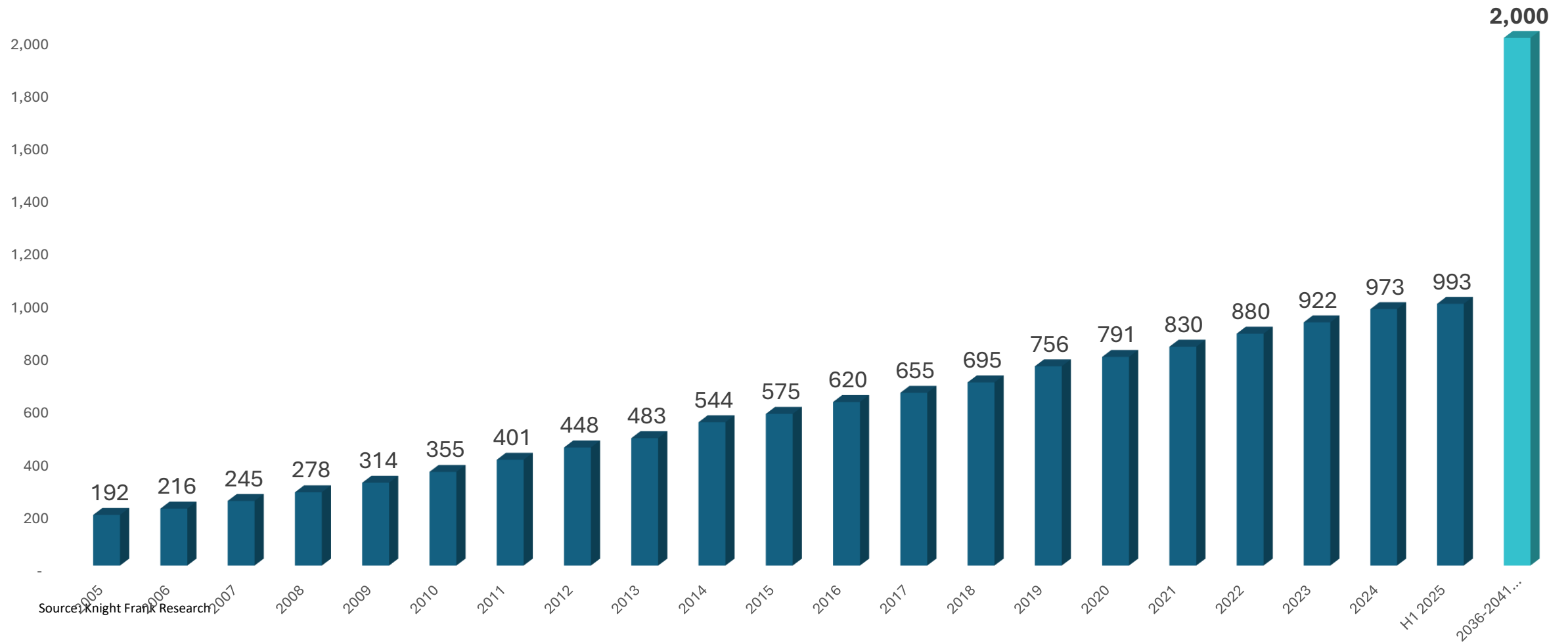
	in Terms of bn sq ft	Value of the Stock (USD/Bn)
USA	10.2	46,366
China	6.26	2,169
Japan	1.77	3,868
<b>India</b>	<b>0.99</b>	<b>187</b>
Germany	0.48	4,223
UK	0.31	9,053
France	0.31	3,772
Australia	0.16	853
Hong Kong	0.14	533
Singapore	0.09	287

# India's Sub-Dollar Advantage



# Race to the Next Billion

# Office Market Milestone, by 2036



# City Insights

# Hyderabad & Pune Outpace Nation in Office Stock Growth



	Stock* (mn sq ft)	% Share	CAGR# (%)
Bengaluru	229	23%	8.4%
NCR	199	20%	7.4%
MMR	169	17%	8.0%
Hyderabad	123	12%	9.2%
Pune	106	11%	8.9%
Chennai	92	10%	7.6%
Ahmedabad	41	4%	11.3%
Kolkata	34	3%	3.2%
<b>India</b>	<b>993</b>		<b>8.6%</b>

Source: Knight Frank Research

\*as of H1 2025

# CAGR for Bengaluru, NCR, MMR, Hyderabad, Chennai and Pune is over for a 20-year time frame whereas for Kolkata and Ahmedabad is it over a 11 year and 9-year timeframe.

# 72% of Office Stock Value Anchored in MMR, Bengaluru and NCR

	Value of the Stock	
	(INR/bn)	(USD /bn)
MMR	4,249	49
Bengaluru	3,745	44
NCR	3,543	41
Pune	1,404	16
Hyderabad	1,358	16
Chennai	1,140	13
Ahmedabad	328	4
Kolkata	303	4
<b>TOTAL</b>	<b>16,070</b>	<b>187</b>
<b>INR (trn)</b>	<b>16.07</b>	

# Key Takeaways

- India's office stock is nearing 1 bn sq ft, valued at INR 160.07 trn (USD 187 bn).
- Supply-demand ratio down to 0.41; Grade A vacancies in single digits amid surging demand.
- 30% of office stock is aging and retrofit-ready, especially in core CBD and SBD pockets, offering strong return potential.
- India is the 4th largest office market globally yet remains a sub-dollar market; the 2bn sq ft milestone is expected by 2036–2041.