

India Market Watch Office

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INDIAN
ECONOMY
2024

2024: A POLL-DRIVEN
WORLD

2024 was an unusual year. Never before in human history had 70-odd democracies seen national elections in a single year. Beginning with Bangladesh in the first week of the year, marked by the world biggest general elections in India from April to June, and peaking with the most-awaited US elections in November 2024 presented a complete theatre.

The anti-incumbent wave was in evidence in many parts, notably in the US, UK, Japan, etc.; whereas in India, the ruling party returned, albeit with reduced strength.

However, India’s economic performance in 2024 remained strong, further establishing it as an emerging economic force. With approximately USD 3.9 tn (nominal) GDP and a growth rate of 6.6%, it remains the world’s fifth-largest and fastest growing major economy.

It is powered by robust foreign direct investment (FDI) inflows, an expanding export sector and significant advancements in infrastructure and financial regulation.

GROWTH AMIDST ECONOMIC
SLOWDOWN

In FY24, India’s GDP growth was a robust 8.2%, fueled by strong domestic demand and structural reforms. However, the economy experienced a slowdown in Q2 FY25 (July-September), with growth declining to 5.4%, the lowest rate in seven quarters. In light of this downturn, the Reserve Bank of India (RBI) revised its real GDP growth projection for FY25 to 6.6%, down from the earlier estimate of 7.2%.

In October 2024, India’s headline inflation increased to 6.21%, reaching its highest level in over a year. Consequently, the Monetary Policy Committee (MPC) of RBI opted to maintain its repo rate at 6.5% for the eleventh consecutive time.

Despite uneven and less than favourable inflation in several months, growth was in evidence. We illustrate the current growth landscape with two key indicators: manufacturing sector performance and GST collections.

The Manufacturing Purchasing Managers’ Index (PMI) has mostly shown resilience,

reaching a 16-year high of 59.1 in March 2024 and consistently remaining above 55 throughout the calendar year. Furthermore, the Index of Industrial Production (IIP) demonstrated a robust performance with a growth rate of 5.9% in May 2024.

Additionally, record GST collections reflect strong domestic consumption, with total collections growing by 9% year-on-year to reach INR 21.4 lakh crore in CY 2024. Monthly GST collections averaged approximately INR 1.7 lakh crore, indicating steady growth.

Equity Markets Navigate Volatility

Equity markets experienced a dynamic year in 2024, culminating in positive returns despite significant volatility. The NIFTY and SENSEX indices recorded annual gains of 8.8% and 8.17%, respectively, marking the ninth consecutive year of growth. The first half of the year saw the SENSEX hit a record high of 85,978.25, whereas the NIFTY reached an all-time high of 26,277.35 in September, driven by robust corporate earnings and strong domestic fund inflows. However, the latter part of the year was characterised by corrections, primarily due to aggressive selling by Foreign Institutional Investors (FIIs) amid global economic uncertainties and geopolitical tensions. Real Estate Investment Trusts (REITs) gained traction among retail investors, further diversifying investment opportunities in the market.

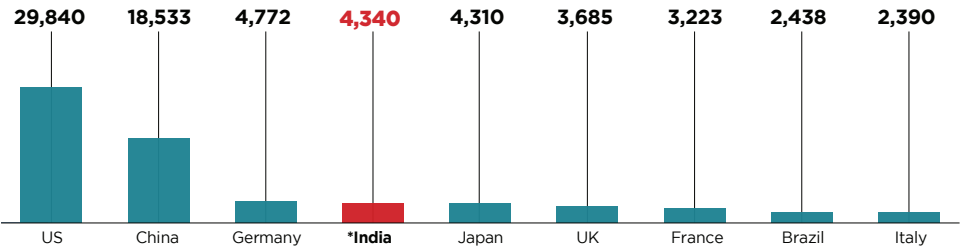
Click here to read #SavillsRoundUp: A bi-monthly reporting of economic and real estate news



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INDIA CONTINUES AS FASTEST GROWING ECONOMY

Chart 1: GDP Projections for 2025 (USD Bn)



Source: IMF
*FY refers Fiscal year basis

Note:
FY refers Fiscal Year (Apr-Mar)
CY refers Calendar Year (Jan- Dec)
This section contains figures in Indian system of lakhs and crores (refer Appendix for international conversions)
1 USD = Approx. 85.55 INR on December-29 2024

POLICY FRAMEWORK

In 2024, the RBI adopted a cautious yet adaptive monetary policy, maintaining the repo rate at 6.5% to balance inflation and economic growth. Despite a projected slowdown in GDP growth to 6.6% for FY25, this stability reinforced investor and consumer confidence, particularly within the real estate sector.

Budgetary Announcements

The Union Budget 2024-25 emphasised sustainable economic growth, focusing on education, employment, and infrastructure development as part of the vision for a developed India by 2047. Key measures included an allocation of INR 10 lakh crore under the Pradhan Mantri Awas Yojana (PMAY) to construct three crore homes, supporting the goal of ‘Housing for All’. A key pronouncement for real estate was the change in long-term capital gains tax rate from 20% to 12.5% along with removal of indexation benefits.

Infrastructure and Urban Regeneration

Several infrastructure investment announcements in FY25 have been pivotal in boosting economic growth and the real estate sector, including the road infrastructure outlay of INR 26,000 crore to boost connectivity. Key projects include the development of critical road connectivity initiatives such as the Patna-Purnea Expressway, Buxar-Bhagalpur Expressway, Bodhgaya, Rajgir, Vaishali, and Darbhanga spurs, along with an additional two-lane bridge over the river Ganga at Buxar. A comprehensive development plan for tourism to enhance tourism infrastructure, while private investments in infrastructure are being encouraged through viability gap funding mechanisms. Urban redevelopment

is a priority, with a focus on brownfield redevelopment of cities and the development of ‘Cities as Growth Hubs’ through economic and transit planning and orderly peri-urban development using town-planning schemes. Transit-oriented development plans for 14 large cities with populations above 30 lakh are also underway to improve urban mobility and land use efficiency. The Purvodaya Plan emphasises all-round development of the Eastern region, further strengthening regional growth. Collectively, these initiatives aim at creating a robust infrastructure framework, stimulating economic activity, and enhancing the quality of urban living.

2025: THE GEN-BETA YEAR

The first quarter of the 21st century will attain completion in 2025. Emerging economies reportedly comprise almost 60% of global growth at this time. The Indian economy, a key constituent of this set, is likely to grow at 6.5%-6.6%, on the back of strong domestic consumption, increased public and private investment, and a rebound in capital expenditure, particularly in infrastructure.

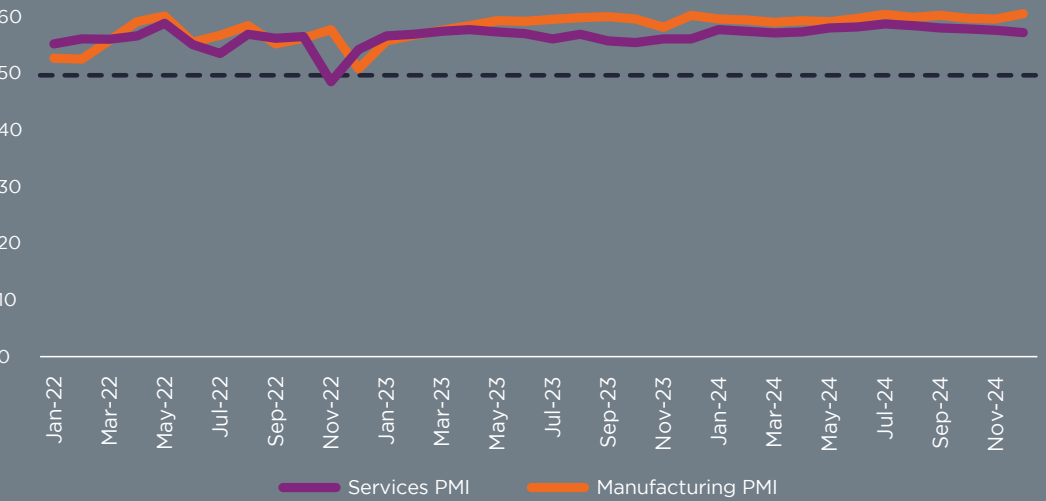
While geopolitical tensions and fluctuating external demand may pose challenges, India’s strategic positioning within global supply chains could offer opportunities for export growth, especially as companies seek alternatives to traditional markets. Growth areas like AI, electronic manufacturing, semiconductors, etc., are likely to be in high focus, as would be urban housing and infrastructure.

Among other things, 2024 marks the last birthyear of Gen-Alpha. Gen-Beta starts its journey now.



Chart-2: India: Purchasing Manager’s Index (PMI) Performance

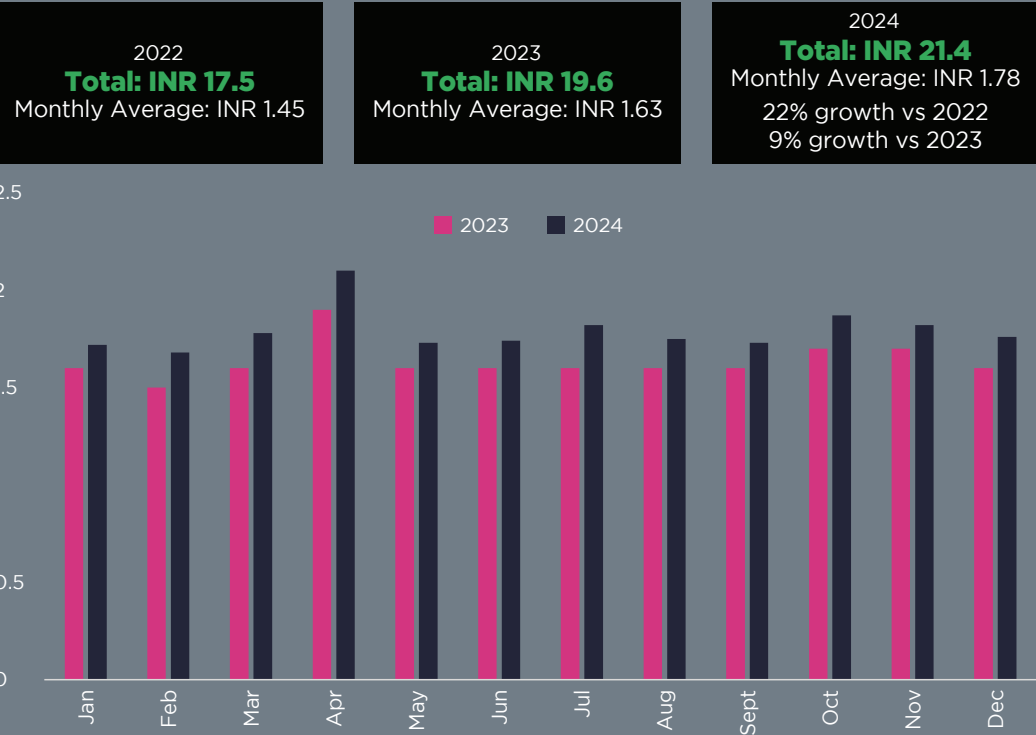
PMI is an indicator of business activity -- both in the manufacturing and services sectors. A figure above 50 denotes expansion in business activity. Anything below 50 implies contraction. Higher the difference from this mid-point, greater the expansion or contraction.



Source: FxEmpire, Savills India Research

Chart-3: GST Collections

All figures in INR Lakh Crore (INR Trillion)



Source: gst.gov.in, Savills India Research



India expanded its renewable energy portfolio through significant investments in solar, wind, and hydropower projects, aligning with its goal to achieve net-zero emissions by 2070 and developing multiple green hydrogen hubs to establish itself as a global leader in renewable energy.



The IMF has projected that India will become the world’s third-largest economy by 2027, surpassing Germany, a testimony to India’s rising stature.



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INDIA

OFFICE MARKET UPDATE

2024 witnessed a new all-time high in office space absorption, reaching 75.2 mn sq. ft., a 21% growth over the previous year. This remarkable performance can be attributed to a combination of factors including political stability, strong economic fundamentals and sustained business sentiment.

The return-to-office policy gained significant momentum in 2024, particularly in the IT-BPM sector, as well as in engineering and manufacturing. Many organisations adopted an office-led hybrid work model, prioritising in-person collaboration, while balancing remote work flexibility. This shift drove demand for flexible workspaces, with companies increasingly seeking cost-efficient and operationally flexible solutions.

However, infusion of new supply remained relatively slow, hampered by construction delays. All cities experienced a dip in new office completions, except, Mumbai and Pune that managed to buck this trend with healthy new supply levels.

In this report, we present a detailed analysis of the office market's performance in 2024.

2024 demand at an all-time high; new peak in 4 cities

The six¹ key office markets collectively set a new historic record for gross demand, driven by strong performances in several cities. Bengaluru, Hyderabad, Mumbai and Pune each reached new peaks in office space absorption (refer India Gross Absorption Trend chart), with 22.9 mn sq. ft., 13.1 mn sq. ft., 12.2 mn sq. ft., and 8.5 mn sq. ft. of gross leasing activity, respectively.

While most cities saw growth, Chennai and Delhi-NCR experienced a slowdown, recording a 14% and 10% YOY decline in gross absorption. In contrast, Hyderabad emerged as the fastest-growing office market, posting an impressive 52% growth compared to last year, followed closely by Bengaluru, which saw a 47% increase.

Continuing the trend from the first half of 2024, Bengaluru, Hyderabad, and Mumbai led the market, accounting for a combined 64% of the total leasing activity.

¹Bengaluru, Chennai, Delhi-NCR, Hyderabad, Mumbai and Pune

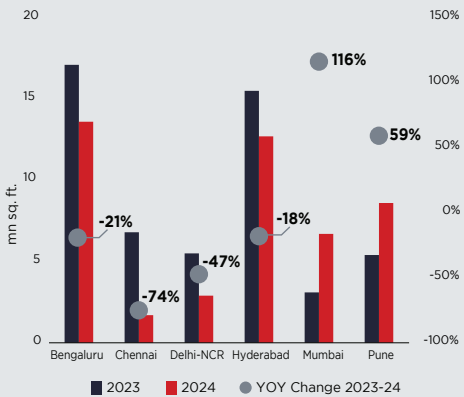
SUPPLY & VACANCY

New supply witnessed a sharp 14% YOY decline, with 46.2 mn sq. ft. of completions in 2024. Except for Mumbai and Pune, all cities saw a reduction in new completions.

Bengaluru and Hyderabad led with 13.6 mn sq. ft. and 12.7 mn sq. ft. of new supply, respectively, accounting for 57% of the total. Mumbai and Pune together contributed 33% of the new supply.

Overall, vacancy levels dropped to 15.2% from 16.5% last year, driven by limited supply and increased transaction activity.

New Supply



Source: Savills India Research

RENTALS

With the exception of Delhi, all major cities witnessed rental increases of up to 24% YOY, driven by rising demand and limited availability of quality office space.

Hyderabad led the surge with a 24% rental growth, followed by Pune at 14%. This sharp increase in Hyderabad is attributed to the influx of new, premium office spaces entering the market at rates higher than the market average.

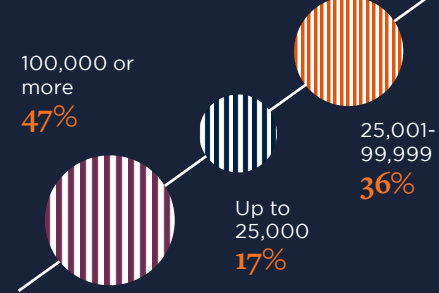
In contrast, Bengaluru, Chennai, and NOIDA experienced more moderate rental growth, with increases ranging between 3% and 4.5%.

Vacancy Levels



Source: Savills India Research

Deal Size Distribution (in sq. ft.)



Source: Savills India Research

Top Sectors



Source: Savills India Research

Large deals continue to dominate

Large-sized deals (over 100,000 sq. ft.) continued to dominate leasing activity, accounting for 47% of the total, with a 21% increase in absolute terms. Mid-sized deals (25,001-99,999 sq. ft.) recorded the highest annual growth at 23%, while small-sized deals (up to 25,000 sq. ft.) contributed 17% to the overall leasing, registering a 16% YOY growth

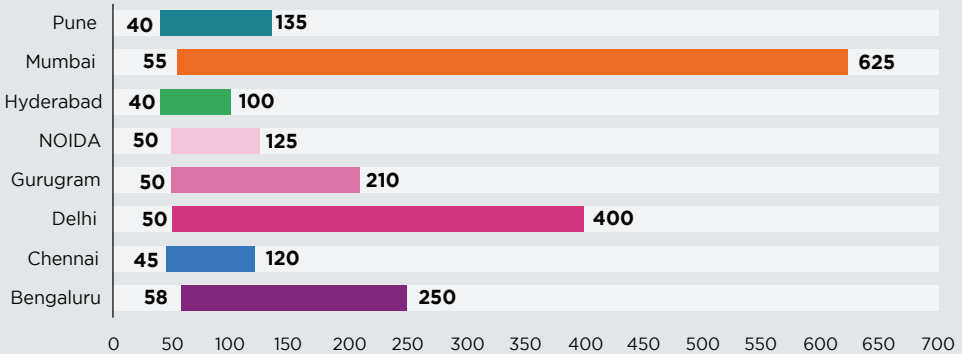
Tech occupiers led demand

The tech sector led leasing activity, contributing 32.9% of overall absorption, followed by BFSI at 17.6% and flexible workspaces at 16.6%.

In volume terms, leasing by the tech sector surged by 35% YOY, while flexible workspaces saw a 17% YOY increase. The healthcare, pharmaceutical, and research and consulting sectors also experienced significant growth in leasing activity, with increases of 34% and 22% YOY, respectively.

Source: Savills India Research

Average Rental Range (INR / sq. ft. / month)



*Rental ranges are indicative of year-end average values in the given market and may vary from the indicated band at other times
Source: Savills India Research



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BENGALURU

OFFICE MARKET UPDATE



BENGALURU'S KEY HIGHLIGHTS

Bengaluru's office market hits a record high
Bengaluru solidified its position as the leading office leasing market in India, achieving a record-breaking gross absorption of 22.9 mn sq. ft., in 2024. This remarkable performance accounted for nearly one-third of the country's total office space demand (75.2 mn sq. ft.), reflecting a robust 47% YOY growth.

Improved infrastructure set to strengthen office market dynamics
The city's infrastructure advancements, particularly the expansion of the Namma Metro network, are significantly enhancing connectivity and driving office space demand. Key developments such as the Yellow Line, expected to be operational in Q4 2025, and the Pink Line Phase 1, slated for a Q4 2025 launch, are set to transform Bengaluru's commercial real estate landscape. These initiatives are anticipated to influence occupiers' space decisions, stimulate demand in key business districts, and shape rental trends across the city.

Bengaluru also captured an impressive 29% of the nation's total office space supply in 2024, a testament to its growing prominence in the commercial real estate sector. Core micromarkets, including the ORR and Peripheral East, accounted for a significant share of the supply at 29% and 26%, respectively, underpinned by the city's improved infrastructure and strategic connectivity.

LEASING AND COMPLETIONS

Absorption
Office space absorption in the city reached an impressive 22.9 mn sq. ft., in 2024, reflecting a 47% growth compared to the previous year. The ORR maintained its dominance, contributing 41% of the total leasing activity, followed by Peripheral East and the SBD City with shares of 23% and 15%, respectively.

A closer analysis of micromarkets reveals significant growth in South, where gross absorption soared from 0.5 mn sq. ft., in 2023 to 1.7 mn sq. ft., in 2024 - a remarkable twofold increase. The SBD City and Peripheral North micromarkets also witnessed substantial growth, with leasing activity rising by 75% and 65%, respectively.

Large-sized deals (100,000 sq. ft. or more) drove 63% of the overall leasing activity, totaling 14.4 mn sq. ft., Mid-sized deals (25,000-99,999 sq. ft.) accounted for 6.7 mn sq. ft., representing a 29% share of total absorption.

Sector Split
The IT-BPM sector reaffirmed its position as the primary driver of office demand in 2024, with a robust 8.8 mn sq. ft., of space leased, accounting for 39% of the city's total absorption. Meanwhile, the engineering and manufacturing sector emerged as a significant growth contributor, capturing an 18% share of the total leasing activity.

Engineering and manufacturing firms leased an impressive 4.1 mn sq. ft., of office space in 2024—a remarkable surge compared to the 1.9 mn sq. ft., recorded in 2023. This growth underscores the sector's increasing footprint

and its pivotal role in shaping the city's commercial real estate landscape.

The flexible workspace sector demonstrated robust activity in 2024, with 3.1 mn sq. ft., of office space leased. However, its share in Bengaluru's total office absorption dipped slightly to 14%, compared to 16% in 2023, reflecting a shift in occupier preferences toward traditional and large-format spaces.

Supply
Bengaluru added 13.6 mn sq. ft., of new office supply in 2024, representing 29% of the total new supply across the top six cities in India. Despite an annual decline of 21% in new completions, the city maintained its pivotal role in shaping the national office supply landscape.

Notably, locations namely ORR, Peripheral East accounted for 55% of the new supply in 2024, showcasing their continued prominence. The SBD City captured 25% of the completions, while Peripheral North, South, and CBD contributed 14%, 4%, and 3%, respectively.

VACANCY RATE

Vacancy rates in Bengaluru saw a significant decline, dropping by 300 bps to 14% at the end of 2024, down from 17% in 2023. This reduction was driven by robust demand outpacing the addition of new supply, underscoring the city's growing appeal as a commercial hub.

RENTS

Average rental values in Bengaluru rose by 4% YOY, with the CBD and Peripheral South micromarkets leading the way, recording substantial annual increases of 18% and 14%, respectively. Select micromarkets in ORR and Peripheral East also witnessed healthy rental growth, ranging between 5% and 12%, reflecting sustained demand across these key regions.

BENGALURU MARKET OUTLOOK

DEMAND

Bengaluru's office market is projected to achieve a gross absorption of approximately 20 mn sq. ft., in 2025, driven by the city's established reputation as a global IT hub and the growing interest from GCCs. While the ORR, Peripheral East are expected to maintain their dominance as occupier favorites, North is set to emerge as a key growth driver. Significant new completions, combined with rising demand from large-scale occupiers, are anticipated to elevate North's prominence in the city's commercial real estate landscape. As the city continues to attract diverse occupier segments, 2025 is poised to be another year of steady.

SECTORS

Leasing activity in 2025 is projected to be primarily driven by the IT-BPM sector, along with robust contributions from flexible workspaces, BFSI, and engineering and manufacturing segments. Additionally, the city is poised to witness growing traction from emerging technology firms, healthcare companies, and security solutions providers. GCCs are expected to continue favouring Bengaluru, underscoring the city's strategic importance for multinational corporations seeking to establish and expand their service capabilities.

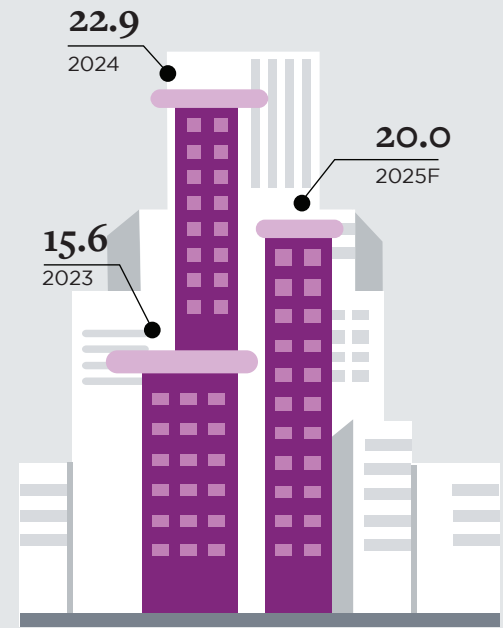
RENT & VACANCY

Office rentals in Bengaluru are expected to grow steadily by 2-4% in 2025, with significant increases anticipated in high-demand micromarkets such as Peripheral East, ORR, and CBD. The combination of sustained leasing momentum and the completion of new, high-quality projects is likely to keep vacancy rates at healthy levels, projected to range between 11% and 12%.

SUPPLY

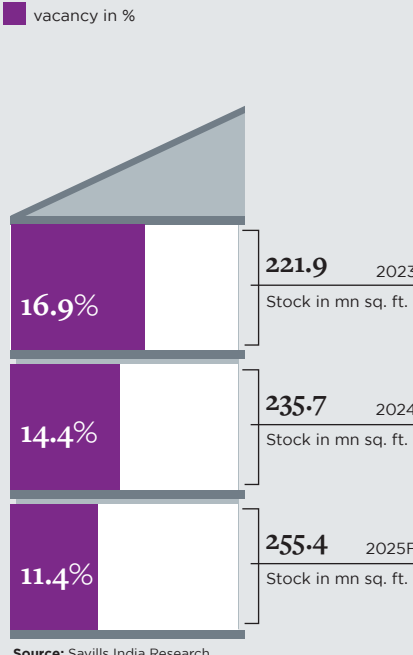
Bengaluru's office market is poised for another strong year of new supply in 2025, with completions projected to range between 20-22 mn sq. ft., driven by sustained demand for office space across the city. ORR, Peripheral East, and North micromarkets are expected to remain the largest contributors to new supply, reinforcing their dominance as key commercial hubs. Additionally, South is anticipated to witness notable growth in completions, reflecting its rising prominence as an emerging destination for occupiers and developers alike.

OFFICE ABSORPTION (mn sq. ft.)



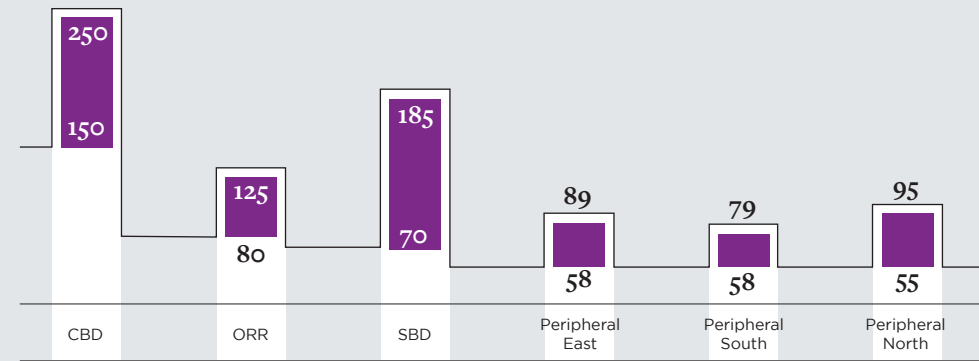
Source: Savills India Research

GRADE-A OFFICE STOCK & VACANCY



Source: Savills India Research

RENTAL RANGE 2024 (INR/sq. ft./month)



Source: Savills India Research

MAJOR TRANSACTIONS 2024

- Amazon**
Peripheral North
Sattva Horizon
1,079,930
- Walmart Global Technology Services**
ORR
Prestige Tech Pacific
885,786
- Bosch**
Peripheral South
360 Degree Business Park B2
691,320
- Airbus**
Peripheral East
Titanium Tech Park
650,000
- Salesforce**
ORR
Bagmane Capital - Apollo
640,319

Tenant | Micromarket | Building | Transacted Area* (sq. ft.)

BENGALURU MICROMARKETS
Central Business District (CBD) - MG Road, Millers Road, Vittal Mallya Road, Residency Road
Outer Ring Road (ORR) - Zone 1: Sarjapur to Marathahalli, Zone 2: Marathahalli to KR Puram, Zone 3: KR Puram to Hebbal
Secondary Business District (SBD) - Indira Nagar, Mysore Road, Old Airport Road, CV Raman Nagar, Koramangala, Jayanagar, Domlur, Bannerghatta Road, Rajaji Nagar, Mallethwaram
Peripheral East - Whitefield, Brookefield
Peripheral South - Electronic City, Hosur Road
Peripheral North - Bellary Road, Thanisandra Road, Tumkur Road, Hebbal to Yelahanka
*Approximate and indicative areas only

Savills India analyses office market for the top six cities (Bengaluru, Chennai, Delhi-NCR, Hyderabad, Mumbai and Pune)



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CHENNAI

OFFICE MARKET UPDATE

CHENNAI'S KEY HIGHLIGHTS

Notable decline in overall gross absorption in 2024

The city recorded an overall gross leasing activity of 8.3 mn sq. ft., in 2024, marking a 14% YOY decline. The leasing activity was driven by mid-sized deals, which contributed 39% of the overall leasing, a significant annual growth of 13%. Notably, the small deal segment rose sharply from 12% in the previous year to 26% in 2024. Major traction in office leasing was observed in the OMR Zone 1 and MPR micromarkets, accounting for 29% and 26% of the total market share, respectively, followed by OMR Zone 2, Guindy, and CBD micromarkets. The IT-BPM segment dominated mid-sized deals, followed by the Engineering & Manufacturing and Healthcare sectors. Further with limited supply infusion in 2024, the city saw an annual decline of 74%.

Office space demand spans multiple sectors

While the IT-BPM sector remains the backbone of the city's leasing activity, 2024 saw a robust surge in demand across all sectors, with most surpassing or matching the full-year demand of 2023 by year-end. The Flexible Workspace and BFSI sectors emerged as significant demand drivers, contributing 1.3 mn sq. ft., and 1.1 mn sq. ft., respectively. Moreover, the city has witnessed positive momentum from the Engineering and Research & Consulting segments compared to last year, contributing 10% and 2% of the total market share, respectively. Additionally, the Healthcare & Pharma sector demonstrated substantial growth in office space dynamics, registering 0.57 mn sq. ft.

LEASING AND COMPLETIONS

Absorption

Chennai witnessed leasing activity of 8.3 mn sq. ft., securing an 11% share of the total office space demand among the top 6 cities¹. Leasing activity was primarily driven by mid segment deals, which accounted for 3.3 mn sq. ft., of office leasing, compared to 2.8 mn sq. ft., in 2023. Large size deals contributed 34% of the leasing activity totaling 2.8 mn sq. ft.

About 29% of the total leasing activity was witnessed in OMR Zone 1 in 2024. Strong traction was also observed in MPR and OMR Zone 2 micromarkets, contributing 26%, and 14% respectively to the overall leasing volume. Guindy and CBD micromarkets experienced a significant increase in leasing activity compared to the previous year, together accounting for 23% of the total leasing volume.

Sector Split

IT-BPM continued to dominate as the top occupier, holding a significant 45% market share. Flexible workspaces and BFSI sectors also witnessed substantial growth, securing a notable 15% and 14% market share respectively. The Manufacturing segment demonstrated a strong presence, securing 10% of the market share, followed by healthcare and pharma, which saw a notable surge in average deal sizes, contributing to 7% market share in Chennai's office space absorption.

Supply

The city saw new supply of 1.7 mn sq. ft., in 2024, representing a 74% year-on-year decline. However, with significant projects currently under construction and expected to be delivered in the next 2-3 years, strong growth is anticipated ahead. Majority of the new supply was observed in the micromarkets of MPR and OMR Zone 1, with the supply landscape dominated by non-SEZ developments, which constitute 91% of the market, while commercial developments account for only 9% of the market share.

VACANCY RATE

The city's overall vacancy at the end of 2024 dropped by 330 bps to 11.2% compared to 14.5% in 2023. Micromarkets such as PTR, SBD - Others, and Guindy witnessed a significant annual drop in vacancy levels.

RENTS

The average overall city rentals grew by 3% in 2024 compared to 2023. The Ambattur micromarket recorded the highest annual increase at 14%, followed by GST, Guindy, and MPR, each registering a 9% YOY increase. Notable annual rental growth was also observed in select areas of OMR Zone 2 and PTR, both at 5%, and OMR Zone 1 at 3%.

CHENNAI MARKET OUTLOOK

DEMAND

The demand for office space in 2025 is estimated to be around 6-7 mn sq. ft., including pre-committments amounting to approximately 3.0 mn sq. ft. However, the state's supportive policies and skilled workforce are likely to strengthen business confidence and attract companies to establish their operations.

SECTORS

The IT-BPM sector is expected to maintain strong demand in 2025, capturing a significant share of the market. Meanwhile, the city is likely to witness growth by Engineering and Manufacturing occupiers, driven by rising industrial growth across the country.

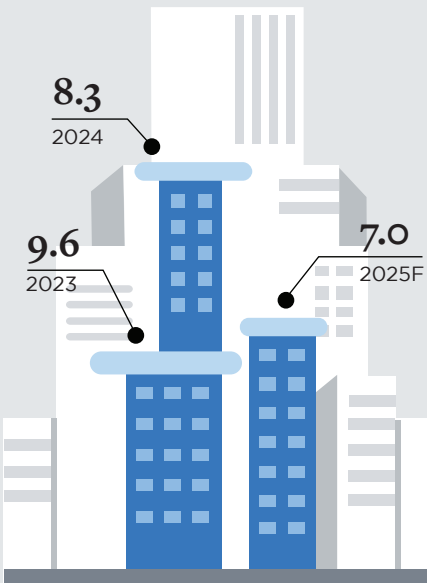
RENT & VACANCY

Overall city vacancy is projected to remain in the range of 11-12% in 2025. Average rental values are expected to remain stable across all micromarkets, except for a few selected pockets in OMR zone 2, Ambattur, and GST which are likely to see a 4-5% annual increase.

SUPPLY

Around 7.7 mn sq. ft., of new supply is scheduled for completion in 2025, with 81% allocated to IT-Non SEZ, 11% to Non-IT buildings, and 8% to IT-SEZ buildings. The PTR and OMR Zone1 micromarkets will collectively account for 72% of the new supply, followed by MPR with 17%, while the remaining 11% will be distributed across Ambattur, CBD, and Guindy.

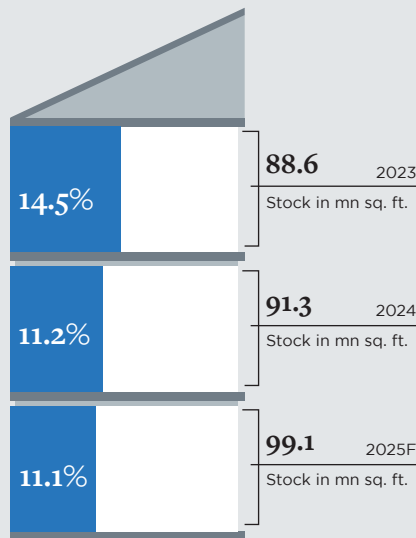
OFFICE ABSORPTION (mn sq. ft.)



Source: Savills India Research

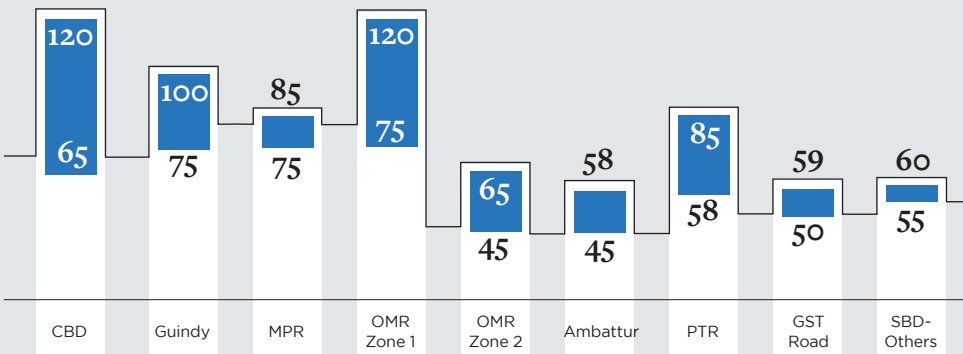
GRADE-A OFFICE STOCK & VACANCY

vacancy in %



Source: Savills India Research

RENTAL RANGE 2024 (INR/sq. ft./month)



Source: Savills India Research

MAJOR TRANSACTIONS 2024

TCS OMR Zone 2 Ozone Techno Park 720,000	LTI Mindtree MPR L&T Innovation Campus 585,556	Table Space OMR Zone 1 Global Infocity & DLF Downtown 321,164
Fidelity Business services India OMR Zone 1 DLF Downtown 231,476	Bank of America OMR Zone 1 DLF Downtown 160,000	

Tenant | Micromarket | Building | Transacted Area* (sq. ft.)

CHENNAI MICROMARKETS

CBD - Anna Salai, Nungambakkam, R K Salai, Egmore, T Nagar, Greem Road
SBD - Guindy & MPR- Guindy Estate, Little Mount, Ekatuthangal, Mount Poonamalle Road, Manapakkam
SBD-(Pre Toll) OMR Zone 1 - Tharamani, Perungudi, MGR Salai
SBD Others - Velachery, Arcot Road, Arumbakkam, Anna Nagar
PBD-(Post Toll) OMR Zone 2 - Thoraipakkam, Shollinganallur, Navalur, Siruseri
PTR-PBD - Pallavaram Link Road
GST Road-PBD - Perungalathur, Maraimalai Nagar
Ambattur-PBD - Ambattur

*Approximate and indicative areas only

¹Savills India analyses office market for the top six cities (Bengaluru, Chennai, Delhi-NCR, Hyderabad, Mumbai and Pune)

DELHI-NCR

OFFICE MARKET UPDATE



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DELHI-NCR'S KEY HIGHLIGHTS

Gross absorption sees a dip in 2024
Delhi-NCR recorded a gross absorption of 10.2 mn sq. ft., in 2024, reflecting a 10% YOY decline. The region ranked 4th in absorption, following Bengaluru, Hyderabad, and Mumbai. This decline is primarily due to a demand-supply mismatch. The limited availability of Grade-A office inventory in key areas led to much of the demand being directed towards under-construction buildings, classified as pre-commitments. Notably, the pre-commitments surged by 50% in 2024 compared to 2023, highlighting the growing demand for Grade-A office space in the region. Including 2.1 mn sq. ft. of pre-commitments in 2024, Delhi-NCR recorded a total take-up of 12.3 mn sq. ft., closely aligning with the 12.7 mn sq. ft., (which included 1.4 mn sq. ft., of pre-commitments) observed in 2023.

Flexible Workspaces remains at the top in sectoral leasing
Continuing the trend from 2023, the flexible workspaces segment dominated sectoral leasing, capturing approximately 38% (3.9 mn sq. ft.) of the total share. This marks a significant jump from its 2023 absorption of 2.7 mn sq. ft., and a 24% share, driven by occupiers increasingly favouring shared spaces as work patterns evolve post-COVID.

The tech sector, which led office leasing until two years ago, recorded only 1.7 mn sq. ft., of gross absorption in 2024, with a 16.7% share in overall leasing. The BFSI sector followed with a 9.6% share, while the engineering & manufacturing sector absorbed 0.7 mn sq. ft., contributing a 7% share in leasing activity.

LEASING AND COMPLETIONS

Absorption
Delhi-NCR recorded a gross absorption of 10.2 mn sq. ft., in 2024, with stronger demand in the second half of the year. The latter half saw 6.6 mn sq. ft., of leasing activity, compared to 3.6 mn sq. ft., in the first half.

Gurugram maintained its leading position with 7.0 mn sq. ft. of office space absorption, accounting for 69% of the overall leasing in 2024. This marks a notable increase from 2023, when the city absorbed 6.4 mn sq. ft. Within Gurugram, the SBD and CBD micromarkets dominated by contributing 53% and 43% to the leasing activity respectively, while the PBD micromarket accounted for the remaining 4%.

NOIDA saw a dip in the office space take-up, with its share in the overall leasing declining from 35% in 2023 (4.0 mn sq. ft.) to 26% in 2024 (2.7 mn sq. ft.). The NOIDA Expressway micromarket continued to be the hotspot, accounting for 68% of the leasing activity. NOIDA Sector 62 Cluster emerged as the second-largest contributor with 25% share, followed by the NOIDA CBD micromarket with 7%.

Delhi recorded 0.5 mn sq. ft., of office absorption in 2024, reducing its share in overall leasing from 8% in 2023 (0.8 mn sq. ft.) to 5%. Of this, around 57% of the absorption occurred in the South Delhi Business District micromarket, followed by Aerocity, which contributed approximately 27%.

Demand driven by mid & large-sized deals

Office leasing in Delhi-NCR in 2024 was primarily driven by mid-sized (25,001-99,999 sq. ft.) and large-sized deals (over 100,000 sq. ft.), which together accounted for 82% of the total office space demand, with an even split between the two. Of the total, 72% of large-sized and 61% of mid-sized deals were concentrated in Gurugram's CBD & SBD micromarkets. NOIDA captured 28% of large deals and 27% of mid-sized deals, with the NOIDA Expressway micromarket being the top contributor in both categories. Flexible Workspaces, IT-BPM, and BFSI sectors dominated the leasing activity in both categories.

Supply

The infusion of new supply decreased by 47% YOY, with 2.9 mn sq. ft., of new completions in 2024, primarily due to construction delays caused by regulatory hurdles. About 70% of these completions were concentrated in the Gurugram CBD and NOIDA Expressway micromarkets. The remaining 17% were in the Gurugram SBD micromarket, while 13% were in the micromarket of South Delhi Business District.

VACANCY RATE

Overall vacancy levels have declined from 19.8% in 2023 to 17.4% in 2024 as new leasing outperforms new completions.

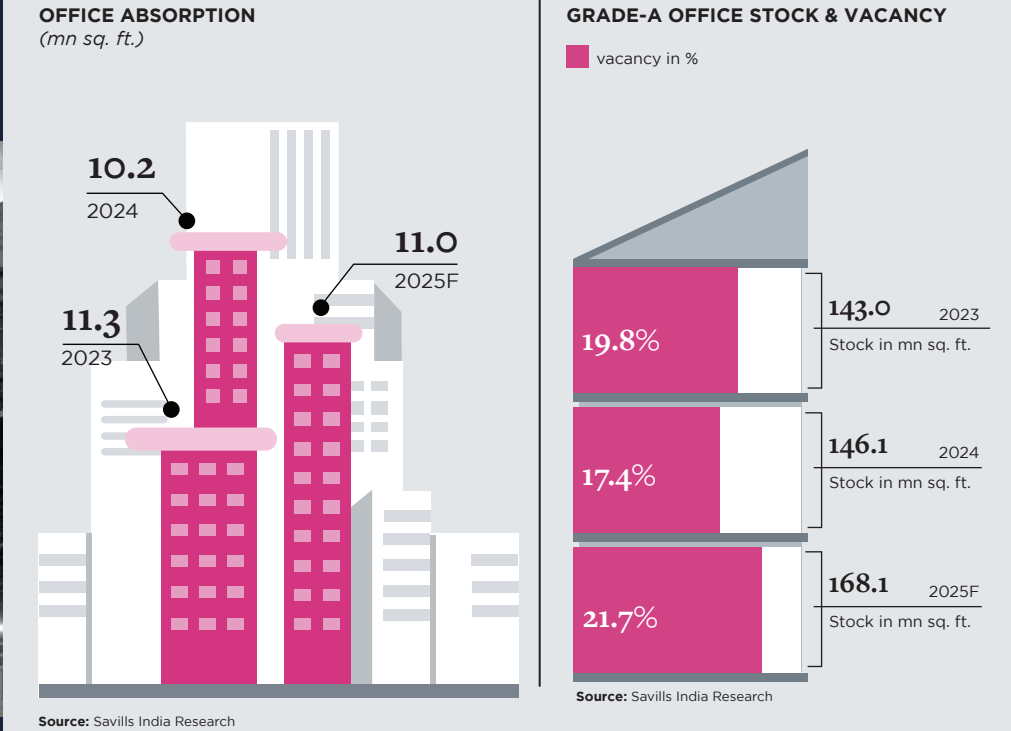
RENTS

Rental values in the Delhi-NCR region have increased in select pockets, with Gurugram SBD and NOIDA CBD micromarkets experiencing annual growth of 16% and 15%, respectively. NOIDA Expressway followed closely with a 12% YOY rise in rental values. Overall, average rental values across the region saw a 7% increase on an annual basis.

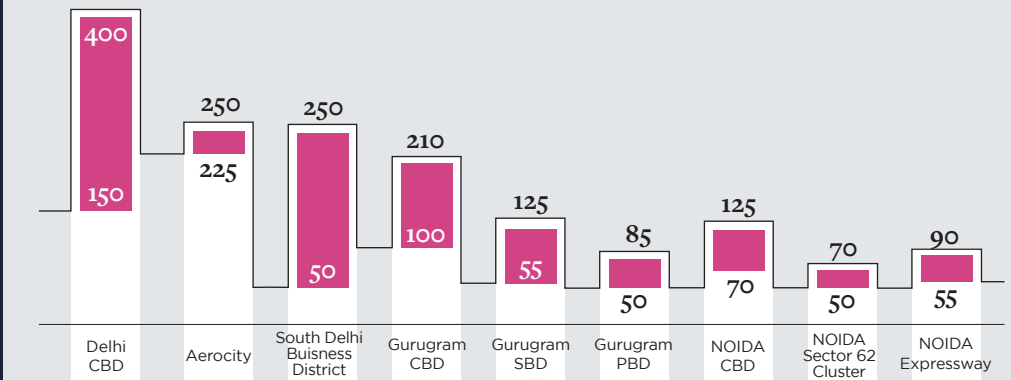
KEY STATISTICS: 2024



Gross absorption represents fresh leases and occupier sale, excludes renewals and pre-commitments



RENTAL RANGE 2024 (INR/sq. ft./month)



Source: Savills India Research
Note: Rental range for South Delhi Business District and NOIDA Sector 62 Cluster micromarkets are revised to reflect IT/ITeS rentals

MAJOR TRANSACTIONS 2024

Table Space Gurugram SBD TRIL Intellion Park 534,000	Smartworks Gurugram CBD DLF Commercial Tower 484,000	Concentrix Gurugram CBD RMZ Infinity 250,000
IBM Gurugram SBD TRIL Intellion Park 230,000	Clarivate NOIDA Expressway Embassy Oxygen 170,000	

Tenant | Micromarket | Building | Transacted Area* (sq. ft.)

DELHI-NCR MICROMARKETS
South Delhi Business District- Jasola, Nauroji Nagar, Nehru Place, Okhla, Saket, Sarojini Nagar, Vasant Kunj
Gurugram CBD - Cyber City, MG Road, Golf Course Road, NH-8 Prime (Up to Rajeev Chowk), Sushant Lok I
Gurugram SBD - Golf Course Extension Road (GCER), Sohna Road, Udyog Vihar, Dundaheera, Gurugram-Faridabad Road, South City, Sectors-32/34/38/39/44 & 45
Gurugram PBD - Southern Peripheral Road (SPR), NH-8 Non-prime (Beyond Rajiv Chowk), Sector 34
NOIDA CBD - Sector 16, 18, 21A, Film City
NOIDA Sector 62 Cluster - Sectors 62, 57, 58, 59, 63, 64 and 65
*Approximate and indicative areas only

HYDERABAD

OFFICE MARKET UPDATE

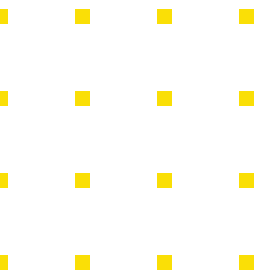


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HYDERABAD'S KEY HIGHLIGHTS

Hyderabad surges to second spot in India's leasing market amid strong demand

Hyderabad's office leasing market achieved a remarkable milestone in 2024, witnessing a 52% surge compared to the previous year. With a gross absorption of 13.1 mn sq. ft., the city secured a robust 17% share of the total leasing activity among the top 6 cities¹. The IT-BPM sector continued to dominate Hyderabad's office market, accounting for 50% of the total leasing, while the Healthcare and Pharma, Flexible Workspaces, and BFSI sectors also made significant contributions. The city's significant uptick in large-scale leasing activity reflects growing confidence and robust growth in the office space market. Demand for office space in the city has been driven by large-sized deals (100,000 sq. ft., or more), which account for nearly 53% of the overall leasing activity, marking a substantial 46% YOY growth.



LEASING AND COMPLETIONS

Absorption

The city's leasing activity in 2024 reached 13.1 mn sq. ft., marking a significant increase from 8.6 mn sq. ft., in the previous year. Almost two-thirds of this activity was concentrated in the SBD I, comprising 65% of total leasing activity covering key areas such as Hi-Tech City, Madhapur, and Kondapur.

Driven primarily by large deals accounting for 6.9 mn sq. ft., of total demand, the city also saw mid-sized deals (ranging from 25,000 to 99,999 sq. ft.) contributing about 4.9 mn sq. ft., which accounted for about 37% of the overall leasing activity.

Sector Split

The IT-BPM sector retained its top spot, experiencing a two-fold increase in absorption levels compared to the previous year. Meanwhile, the Healthcare and Pharma sector secured a notable 58% increase in the average deal size, emerging as a star performer and contributing 16% of the overall leasing activity.

The Flexible Workspaces sector, with 1.8 mn sq. ft., marked a 14% share of the sectoral split, showing remarkable growth compared to the 1.1 mn sq. ft., recorded in 2023. Absorption by BFSI occupiers contributed 1.1 mn sq. ft., accounting for 7% of the total leasing activity. However, its share in the city's total absorption declined to 8% in 2024, down from 18% in 2023.

Supply

With 12.7 mn sq. ft., of new supply, the city secured the second spot in terms of new supply among the top 6 cities¹. Despite a significant reduction in supply infusion, with a YOY decline of 18%, Hyderabad maintained its position with a 27% market share, closely trailing Bengaluru.

A large portion of the new supply was concentrated in Gachibowli and Nanakramguda, with SBD II accounting for nearly 73% of the city's recent completions. Majority of new developments in Hyderabad, representing 83%, were non-SEZ projects.

VACANCY RATE

The city's overall vacancy rate at the end of 2024 remained at similar levels as the previous year's – about 22%. SBD I, known for its premium quality buildings, continues to be the preferred choice for occupiers, with its vacancy rate remaining exceptionally low at just 10%. This highlights the demand for high-grade office spaces in prime locations despite the broader market conditions.

RENTS

The average rentals in the city have witnessed an annual increase of 24%. While select developments in SBD I saw a 26% increase in rental rates, overall city-wide rents largely remained between 19% and 22%.

HYDERBAD MARKET OUTLOOK

DEMAND

The city is projected to witness 12 mn sq. ft., of leasing activity in 2025. Based on ongoing inquiries, SBD I and SBD II are expected to remain the preferred markets for large occupiers and GCC players, driven by the availability of quality supply and excellent infrastructure. Furthermore, with limited office space availability in SBD I, the SBD II micromarket is poised to drive the real estate industry's growth in the city in the coming year.

SECTORS

While IT-BPM continues to drive the city's leasing activity, sectors such as BFSI and Healthcare & Pharma are expected to emerge as major occupiers in the coming year. With companies showing increasing interest in flexible options, the flexible workspaces segment is anticipated to witness significant growth in 2025.

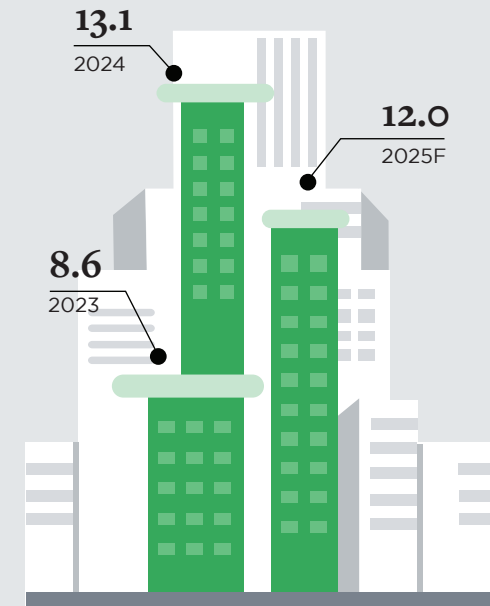
RENT & VACANCY

Average city-wide rentals are expected to remain resilient, with a significant YOY increase of 10-11% projected over the next 3-6 months. In SBD I, limited space availability is anticipated to drive rental values higher by 9-10% in 2025. Furthermore, rising demand in SBD II is anticipated to significantly contribute to the growth of average rental values in the micromarket.

SUPPLY

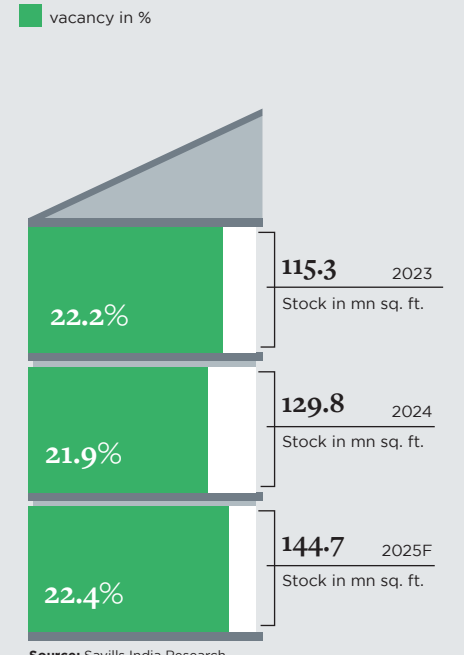
A substantial increase in new office supply is anticipated by the end of 2025, with an infusion of 15 mn sq. ft. Most of these projects are concentrated in the key micromarkets of Gachibowli and Nanakramguda, which account for nearly 79% of the total supply, followed by SBD I, contributing 21% of the expected supply.

OFFICE ABSORPTION (mn sq. ft.)



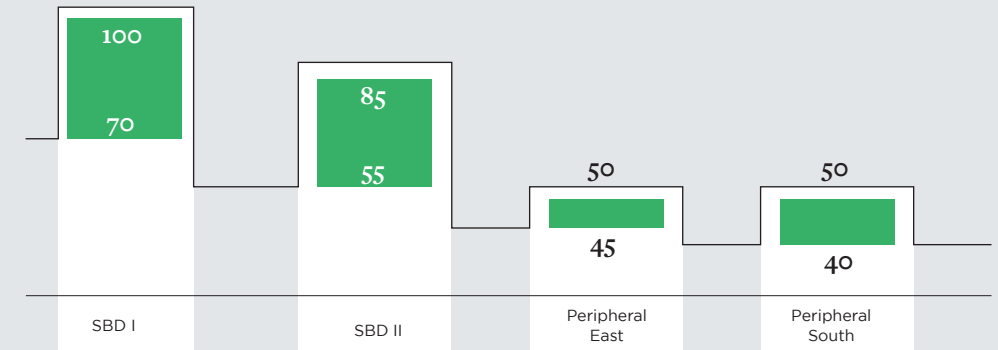
Source: Savills India Research

GRADE-A OFFICE STOCK & VACANCY



Source: Savills India Research

RENTAL RANGE 2024 (INR/sq. ft./month)



Source: Savills India Research

MAJOR TRANSACTIONS 2024

TCS SBD-II Rajapushpa Summit 1,050,000	Cigna Healthcare SBD-I Sattva Knowledge Park Tower 2 425,036	HCA SBD-I Sattva Knowledge Park Tower 2 418,244
Lloyds Banking Group SBD-I Sattva Knowledge Park Tower 2 322,268	Amgen SBD-I RMZ Spire 110 311,579	

Tenant | Micromarket | Building | Transacted Area* (sq. ft.)

HYDERABAD MICROMARKETS
Secondary Business District I (SBD I) – HITEC City, Madhapur, Kondapur, Raidurg
Secondary Business District II (SBD II) – Gachibowli, Nanakramguda, Kokapet
Peripheral East (PBD East) – Pocharam, Uppal
Peripheral South (PBD South) – Shamshabad, Adibatla
*Approximate and indicative areas only

¹Savills India analyses office market for the top six cities (Bengaluru, Chennai, Delhi-NCR, Hyderabad, Mumbai and Pune)

KEY STATISTICS: 2024



Gross absorption represents fresh leases and occupier sale, excludes renewals and pre-commitments



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MUMBAI

OFFICE MARKET UPDATE

MUMBAI'S KEY HIGHLIGHTS

All-time high leasing, Mumbai remains in the top 3 demand markets in 2024

At 12.2 mn sq. ft., Mumbai recorded an all-time high leasing in 2024, garnering a 16% share in India's total office demand. In terms of leasing in 2024, Mumbai maintains third place (after Bengaluru and Hyderabad) among the top six* cities in India. In addition to new leasing of 12.2 mn sq. ft., the city also registered renewals amounting to about 10.0 mn sq. ft., in 2024. This is reflective of positive occupier sentiment in the market.

BFSI leasing stays intact, flexible workspaces gain share; prefer mid-sized deals

Due to a buoyant stock market and IPO activity, significant expansion by BFSI (Banking, Financial Services and Insurance) occupiers was noted as they maintained their leasing momentum at 4.5 mn sq. ft., in 2024, at par at 2023 levels. The growing demand for flex offices due to their customisable workspace offerings and relatively flexible lease terms has led to significant expansion by flexible workspaces operators. With 1.2 mn sq. ft., of leasing, they registered a 5X YOY increase in 2024.

Mid-sized deals of between 25,000 and 99,999 sq. ft., accounting for about 39% share, were mainly signed by the BFSI and flexible workspaces operators in the micromarket of Central Mumbai and Western Suburbs I respectively.

LEASING AND COMPLETIONS

Absorption

Mumbai recorded Grade-A gross absorption of 12.2 mn sq. ft., during 2024, registering an increase of 21% YOY. Navi Mumbai, Western Suburbs I and Western Suburbs II were the most preferred micromarkets by occupiers together garnering about 56% share of the overall demand. This is attributed to significant expansion by flexible workspaces operators in Western Suburbs I as well as large space take-up by BFSI occupiers in Western Suburbs II. Sub-dollar rents are attracting technology and Global Capability Centres (GCCs) to Navi Mumbai.

Sector Split

The BFSI segment continued to be the demand driver during 2024, garnering a 37% share in overall gross absorption. This was followed by significant expansion by technology occupiers garnering a 14% share, as compared to 7% in 2023. Noteworthy, flexible workspace operators garnered a 9% share in 2024 leasing and registered a 5X increase in leasing on a YOY basis as they expanded significantly, mainly in the micromarkets of Western Suburbs I and Western Suburbs II.

Supply

Mumbai witnessed 6.7 mn sq. ft., of Grade-A supply infusion during 2024, registering a 2X rise from the quantum witnessed in 2023. Majority of the new supply constituted of Non-IT developments in the micromarkets of Western Suburbs II, Central Mumbai and Eastern Suburbs.

VACANCY RATE

Amidst significant gross absorption and limited supply infusion, overall vacancy levels in the city remained at 8.4% at the end of December 2024. Most front-office micromarkets such as the Old CBD, New CBD BKC and BKC Periphery are operating at alarmingly low sub-5% vacancy.

RENTS

In the backdrop of robust leasing, citywide Grade-A quoted rental values strengthened by 7% YOY. The rent increase in the micromarkets of New CBD - BKC and Central Mumbai can be attributed to rapidly declining availabilities in prime buildings owing to high demand.

MUMBAI MARKET OUTLOOK

DEMAND

Mumbai is expected to sustain similar momentum in 2025 as witnessed in 2024. We estimate 2025 to register Grade-A gross absorption of about 12.0 mn sq. ft. We recommend occupiers looking for large contiguous spaces to consider micromarkets such as Western Suburbs I, Navi Mumbai and Thane that will likely see new supply infusion.

SECTORS

We expect the conventional demand driver of the BFSI segment, along with technology occupiers, to continue to drive office leasing demand in 2025. The flexible workspaces segment is likely to sustain similar levels of expansion activity leading to significant leasing in 2025. We may witness increased momentum from 3PL and ecommerce occupiers on the back of a strengthening industrial & logistics ecosystem.

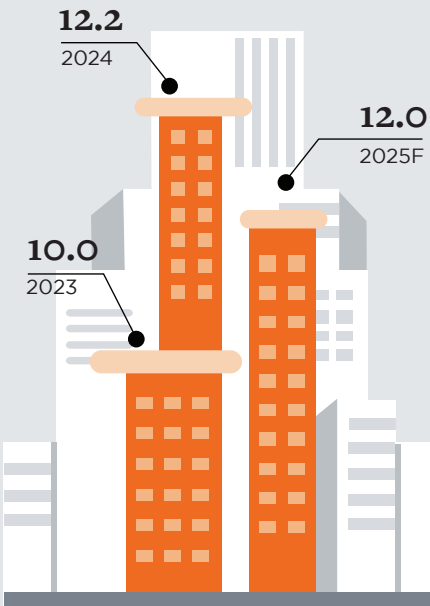
RENT & VACANCY

Amidst limited supply infusion and sustained occupier interest, vacancy rate is anticipated to drop to 5% at the end of December 2025. Overall Grade-A rental values will likely strengthen on account of declining vacancies in prime buildings and city infrastructure upgrades becoming operational.

SUPPLY

New supply of 5.2 mn sq. ft., is scheduled to be completed during 2025. This planned supply would mostly be concentrated in the micromarkets of Western Suburbs I (44%), Navi Mumbai (24%) and Thane (17%).

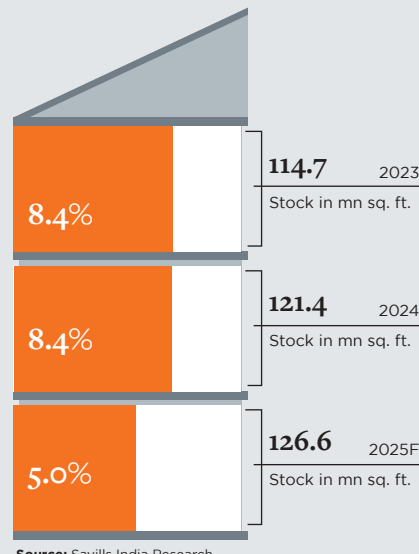
OFFICE ABSORPTION (mn sq. ft.)



Source: Savills India Research

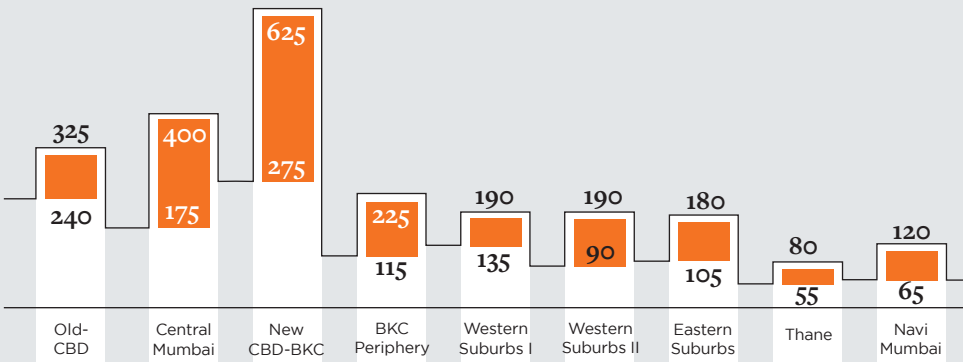
GRADE-A OFFICE STOCK & VACANCY

vacancy in %



Source: Savills India Research

RENTAL RANGE 2024 (INR/sq. ft./month)



Source: Savills India Research

MAJOR TRANSACTIONS 2024

- HDFC Bank**
Navi Mumbai
Mindspace Airoli
416,100
- ICICI Prudential**
Western Suburbs II
Mindspace Malad
252,000
- Crisil**
Western Suburbs I
Lightbridge
250,000
- State Street Services**
BKC Periphery
Equinox Business Park
250,000
- IDFC First Bank**
Western Suburbs II
Oberoi Commerz III
235,600

Tenant | Micromarket | Building | Transacted Area* (sq. ft.)

MUMBAI MICROMARKETS
Old CBD - Nariman Point, Cuffe Parade, Ballard Estate, Fort, Churchgate, Colaba
Central Mumbai - Mahalaxmi, Worli, Lower Parel, Prabhadevi, Dadar West, Dadar East, Parel
New CBD BKC - Bandra-Kurla Complex (BKC)
BKC Periphery - Bandra E, Bandra W, Kalina, Vakola, Khar E, Khar W, Kurla, Santacruz E, Santacruz W
Western Suburbs I - Vile Parle E, Vile Parle W, Andheri E, Andheri W, Jogeshwari E, Jogeshwari W
Western Suburbs II - Goregaon E, Goregaon W, Malad E, Malad W, Kandivali W, Borivali E, Borivali W
Eastern Suburbs - Sion, Wadala, Chembur, Ghatkopar, Mulund, Kanjurmarg, Powai, Vikhroli
Thane - Thane
Navi Mumbai - Airoli, Vashi, CBD Belapur, Mahape, Turbhe, Ghansoli, Thane-Belapur Road
*Approximate and indicative areas only



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PUNE

OFFICE MARKET UPDATE



PUNE’S KEY HIGHLIGHTS

All-time high leasing and supply activity

In 2024, Pune’s office space market experienced a remarkable surge, with both supply and demand reaching a decadal peak. The city recorded a gross absorption of 8.5 mn sq. ft., a 20% increase from 2023. Simultaneously, 8.6 mn sq. ft., of new supply entered the market, marking a 59% YOY increase. 30% of the total gross absorption was constituted by pre-commitments that were completed in 2024, largely driven by the Banking, Financial Services, and Insurance (BFSI) sector and flexible workspaces operators. This was concentrated in micromarkets such as the CBD, SBD East, and SBD West.

Significant expansion by GCCs

Leveraging local talent to enable global success, Global Capability Centres (GCCs) have expanded their footprint in Pune. With 4.8 mn sq. ft., GCCs have contributed 56% of the total gross absorption in the city in 2024. 54% of the GCC leasing was led by the BFSI sector, as GCCs serve as critical technology hubs within the industry. Some of the prominent GCCs that have entered the city in 2024 are BNY Mellon, TIAA and Ecolab, among others. Interestingly, several GCCs, such as Medtronic, Chamberline and THG, have opted for managed spaces in flexible workspace solutions, indicating a trend towards adaptable office environments that cater to evolving business needs.

LEASING AND COMPLETIONS

Absorption

Pune witnessed gross absorption of 8.5 mn sq. ft., during 2024, registering a rise of 20% YOY, marking the highest gross absorption observed in the last decade. Majority (40%) of the gross absorption was concentrated in the micromarket of SBD East, followed by 22% in SBD West and 19% in the CBD, 18% in PBD West and 1% in PBD East. The absorption was split as 56:44 between H1 and H2 2024.

Sector Split

During 2024, BFSI continued to dominate the leasing activity with a 32% share. IT-BPM stood second with a 25% share, followed by flexible workspaces at 15%. The demand for flexible workspaces has gained occupiers heightened interest due to more adaptable lease agreements, effective cost management and flexibility in office arrangements to meet evolving business needs .

Supply

At 8.6 mn sq. ft., Pune’s office supply marked a significant milestone, reaching a decadal high in 2024. Notably, 82% of the new supply was concentrated in the key micromarkets including the CBD and SBD East. 56% of the new supply constituted non-IT developments and 44%, IT developments.

VACANCY RATE

The office market witnessed an increase in vacancy from 15% in 2023 to 18% in 2024. This upward trend is partly due to significant infusion of supply as well as occupiers transitioning from conventional spaces to flexible workspaces.

RENTS

Citywide quoted rental values increased by 11% YOY in 2024. This increase is attributed to high demand amidst limited availability in select prime buildings in micromarkets like SBD West and PBD West.

PUNE MARKET OUTLOOK

DEMAND

Pune is projected to maintain the positive momentum observed in 2024 throughout 2025. Grade-A gross absorption is estimated to reach 8.0 mn sq.ft, in 2025. We recommend occupiers seeking large spaces to explore micromarkets such as SBD East and SBD West, which are expected to experience a significant influx of new supply.

SECTORS

We expect continued interest from BFSI and technology occupiers to drive office leasing demand in 2025. As India continues to strengthen its industrial base, we will likely see the engineering & manufacturing sector expanding its presence in the city.

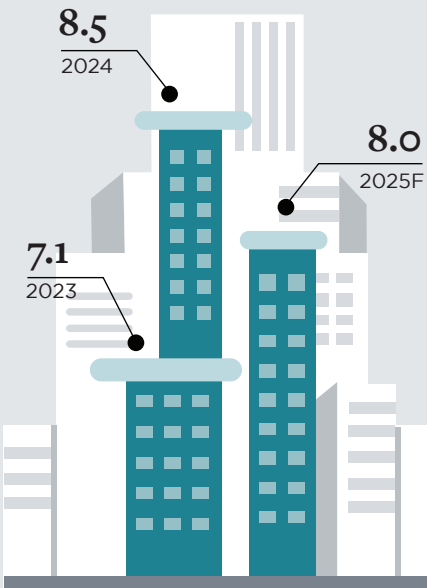
RENT & VACANCY

Quoted rental values are likely to remain stable across all micromarkets in 2025. Vacancy rate is expected to increase up to 20.3%, primarily driven by supply exceeding demand.

SUPPLY

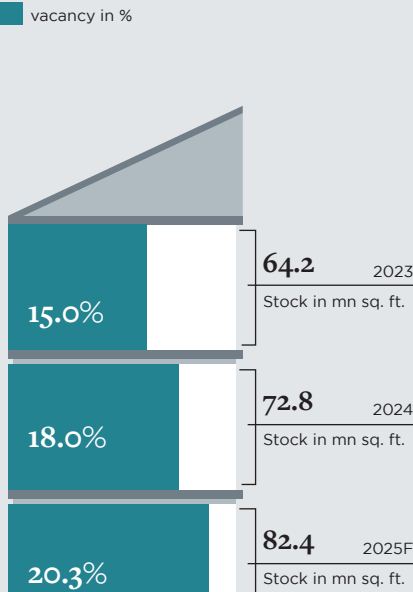
New supply of 9.6 mn sq. ft., is scheduled to be completed during 2025 with a distribution of 40% for IT and 60% for Non-IT buildings. Half of planned supply will be concentrated in the SBD East micromarket while the other half will be allocated across the other micromarkets including the CBD, SBD West and PBD West.

OFFICE ABSORPTION (mn sq. ft.)



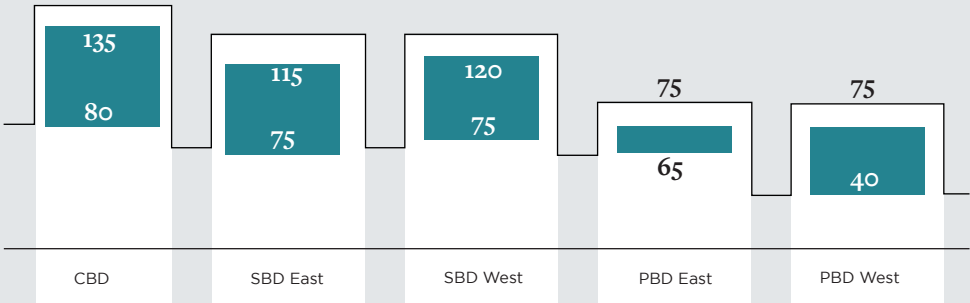
Source: Savills India Research

GRADE-A OFFICE STOCK & VACANCY



Source: Savills India Research

RENTAL RANGE 2024 (INR/sq. ft./month)



Source: Savills India Research

MAJOR TRANSACTIONS 2024

BNY Mellon SBD East Prestige Alphatech 960,000	Mastercard CBD Nephronia Business Park 950,000	Smartworks Coworking Space Pvt Ltd SBD West 43 EQ 548,300
Ecolab Global Services Pvt Ltd SBD East Gera Commerzone G1 359,000	Deutsche India Pvt Ltd SBD East Business Bay (Tower A) 246,500	

Tenant | Micromarket | Building | Transacted Area* (sq. ft.)

PUNE MICROMARKETS
CBD – Laxmi Road, Camp, Bund Garden, Boat Club, Koregaon Park, Dhole Patil Road, Pune Station, Shivaji Nagar, FC Road, JM Road, Wakdevadi, SB Road, Model Colony, Ganeshkhind Road, Kalyani Nagar, Yerwada
SBD East – Kharadi, Mundhwa, Nagar Road, Viman Nagar, Hadapsar, Kondhwa
SBD West – Aundh, Baner, Balewadi, Pashan, Kothrud, Karve Nagar, Khadki, Paud Road
PBD East – Phursungi, Wagholi, Charoli, Solapur Road, Saswad Road, Katraj
PBD West – Hinjewadi, Wakad, Pimpri, Bhosari, Chinchwad, Bavdhan, Mulshi, Talawade, Tathawade, Nanded City, Pimple Saudagar
*Approximate and indicative areas only



■ INDUSTRIAL & LOGISTICS

- **Development of industrial parks with complete infrastructure in or near 100 cities**

12 Industrial Parks under National Corridor Development Programme

The development of investment-ready 'plug and play' industrial parks will boost the industrial ecosystem, attract private investments, and drive industrial and logistics growth in Tier-II and III cities.

- A credit guarantee scheme and a self-financing fund of up to INR 100 crore to support MSME manufacturing

To mitigate credit risks for businesses and will be a significant improvement over traditional assessment.

- **Rental housing for industrial workers**

Dormitory-style accommodation for industrial workers developed through PPPs with viability gap funding and support from anchor industries, improving housing availability for this segment.

APPENDIX

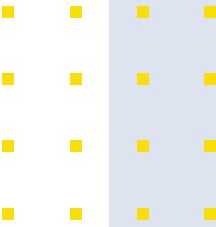
Abbreviations & Acronyms

Bn	Billion	Mn	Million
GDP	Gross Domestic Product	IPO	Initial Public Offering
GST	Goods & Service Tax	PMI	Purchasing Manager’s Index
INR	Indian Rupee	RBI	Reserve Bank of India
IT-BPM	Information Technology & Business Process Management	REIT	Real Estate Investment Trust
IMF	International Monetary Fund	Sq. ft.	Square Feet
GCCs	Global Capability Centres	YOY	Year over Year
FDI	Foreign Direct Investment	IIP	Index of Industrial Production
BFSI	Banking, Financial Services and Insurance	FII	Foreign Institutional Investors
PMAY	Pradhan Mantri Awas Yojana	AI	Artificial Intelligence
Tn	Trillion		Gen Alpha YearBirth year 2013-2024
MPC	Monetary Policy Committee		Gen Beta YearBirth year 2025-2039

Key Definitions

Term	Definition
Stock/Inventory	This includes area of existing buildings plus new completions (supply) in each quarter/half year/full year
Supply	- New office buildings that have received their certificates of completion/occupancy within the quarter/half year/full year or - Buildings that have their structure ready and have occupier/s operating out of it or fit-outs being carried out
Gross Absorption/ Gross Leasing/ Leasing Activity	- Sum of all leases including expansion, relocation and consolidations - Does not include full-term renewals which are after the nine-year lease expiry - Includes leasing of entire tower by an occupier within an IT park/development
Average Rental Values/Rents	A fair estimation of asking rent and deal closure rent
Vacancy	Total vacant space as a percentage of inventory/stock

Term	International Definition
Crore	Ten Million (10,000,000)
Lakh	One Hundred Thousand (100,000)



Savills

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Savills India

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Kaustuv Roy
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Gurugram

3-A, Second Floor, Building 9B
DLF Cyber City, Phase 3
Sector 24, Gurugram 122 002
Haryana, India

Bengaluru

Vaishnavi Tech Park, WM9C+995
Sarjapur Main Rd, Bellandur
Bengaluru 560 103
Karnataka, India

Hyderabad

5th Floor, DivyaSree Solitaire, Plot No. 14 & 15
Software Units Layout, Sy No 64, Madhapur,
Serilingampally Mandal, Hyderabad 500 081
Telangana, India

Mumbai

One Lodha Place, 26th Floor, Unit No. 2604
Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Maharashtra, India

Chennai

Savills, 5th Floor, North Wing
Harmony Square, New No. 48 & 50
Praksam Street, T. Nagar
Chennai 600 017
Tamil Nadu, India

Ahmedabad

INC-02, The First Commercial Complex
B/S Keshavbaug Party Plot, Vastrapur
Ahmedabad 380 015
Gujarat, India

Bengaluru

Ground Floor, Prestige Summit, 6,
St Johns Road Halasuru, Hermit Colony
Sivanchetti Gardens, Bengaluru 560 042
Karnataka, India

Pune

Unit #4, 13th floor
Phoenix Fountainhead Tower 2
Phoenix Market City
Viman Nagar, Pune 411 014
Maharashtra, India

Kolkata

Apeejay Business Centre
15 Park Street, Apeejay House
Block-A, 8th Floor, Kolkata 700 016
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