KOLKATA
OFFICE Q2 2026

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	Outlook*
10.6% Vacancy Rate	▼	▼
0.8 H1-26 Net Absorption (MSF)	◀▶	▲
INR 55 Stock Wtd. Rent (PSFPM)	▲	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook*
7.80% GDP Growth (Q4 FY25-26)	▲	▼
3.93% CPI Inflation	▲	▲
58.2 Services PMI (3 months average)	◀▶	▼

Source: MOSPI, RBI, HSBC

STRONG LEASING ACTIVITY LED BY IT-BPM

Kolkata witnessed gross leasing volumes (GLV) of 0.60 msf in Q2, a 4x surge on a quarterly basis and 15% growth as compared to same period last year. Net absorption stood at 0.5 msf in the quarter, a 2x jump on a quarterly basis and a 26% growth on an annual basis, on the back of robust fresh leasing. GCC accounted for 50% of GLV with a global IT firm leasing a large space in the quarter. In terms of sectoral break-up, IT-BPM segment dominated leasing activity, accounting for 65% of GLV while flex players contributed 17% to the quarter's GLV. The engineering and manufacturing segment contributed 12% of quarterly GLV while professional services followed with a 4% share. In continuation of the trend over past several quarters, fresh demand dominated GLV with an 85% share, while term renewals contributing the remaining 15%. Salt Lake Sector V and Rajarhat submarkets cumulatively accounted for 94% of GLV in the quarter, maintaining their status as prime office corridors, while CBD and Rashbehari Connector cumulatively contributed the remaining 6%.

As of H1, GLV stood at 0.76 msf, a marginal 3% decline on an annual basis. IT-BPM sector contributed 56% of H1 GLV followed by flexible workspace operators (19%) and engineering & manufacturing (17%).

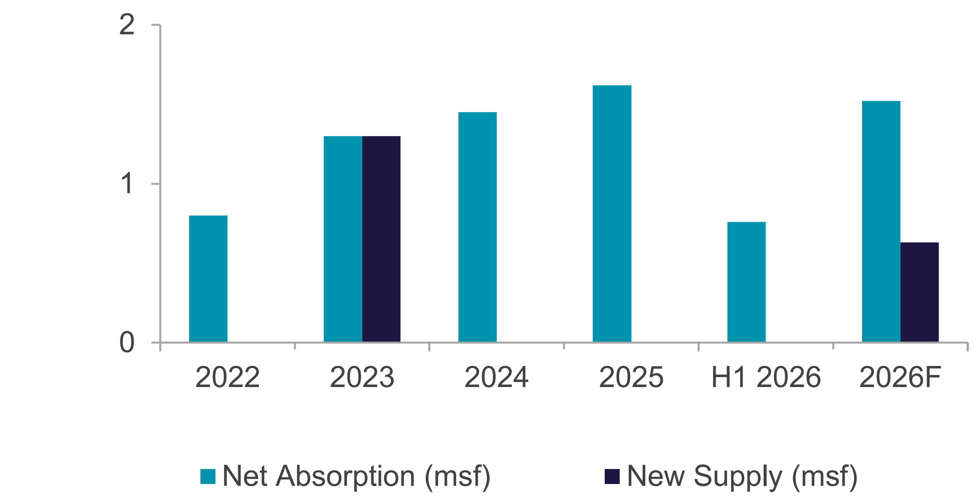
NO SUPPLY IN Q2; OFFICE VACANCY FELL SHARPLY

Kolkata recorded no new supply in Q2; the remainder of the year is likely to witness supply of 0.63 msf with healthy completions expected in the next couple of years. Headline city-wide office vacancy fell sharply by 180 bps on a quarterly basis on the back of strong demand and no new project completions.

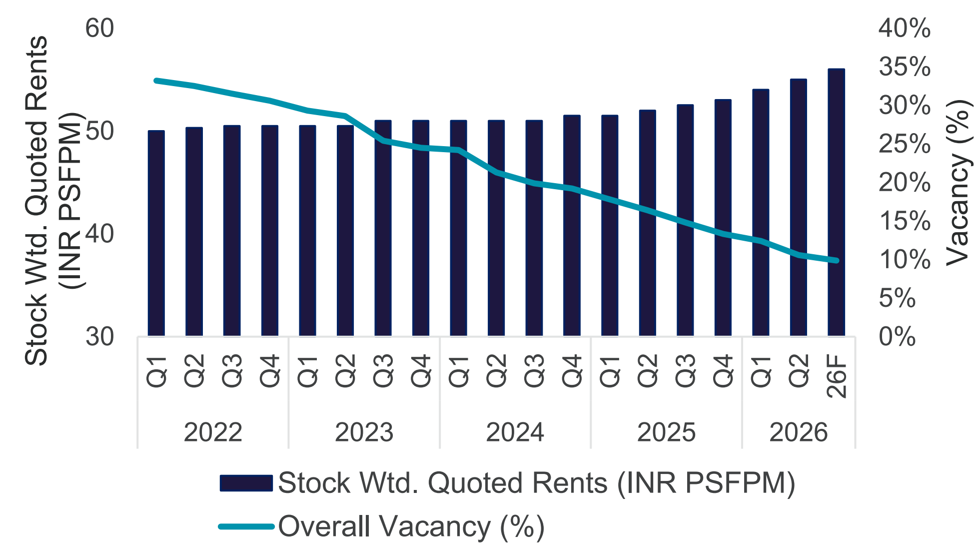
RENTALS CONTINUED TO INCREASE

Headline office rentals recorded growth of 4-5% on an annual basis in Q2. Salt Lake Sector V and Rajarhat continued to record rental growth of 5-6% on an annual basis, driven by healthy demand. Rental appreciation in likely to continue in the upcoming quarters in the prime office corridors despite more supply entering the market.

NET ABSORPTION / NEW SUPPLY



OVERALL VACANCY & STOCK WTD. QUOTED RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANCY RATE	CURRENT QUARTER NET ABSORPTION (SF)	YTD NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	YTD CONSTRUCTION COMPLETIONS (SF)	PLANNED & UNDER CONSTRUCTION (SF)^	GRADE A STOCK WEIGHTED AVERAGE RENT (INR/SF/M)
CBD	1,872,454	19.3%	18,000	34,000	34,100	0	0	₹ 110.1
Park Circus Connector	710,260	16.1%	0	0	0	0	429,606	₹ 85.0
Rashbehari Connector	1,413,780	21.4%	9,700	9,700	15,200	0	0	₹ 82.0
Rajarhat	10,587,434	5.7%	315,509	354,509	362,169	0	3,158,143	₹ 49.5
Sector V, Salt Lake	13,009,650	11.8%	157,460	358,659	346,090	0	931,360	₹ 54.5
KOLKATA TOTALS	**27,593,578**	**10.6%**	**500,669**	**756,868**	**757,559**	**0**	**4,519,109**	**₹55.0**

The report highlights Grade A details only. Certain indicators are historically corrected by addition / deletion of older / refurbished projects as per grade A classification and accounting for changes in built-up / leasable area besides adjusting tenant leases to reflect accurate market conditions.
Net absorption refers to the incremental new space take-up. YTD gross leasing activity includes pre commitments and term renewals
*^Includes planned & under construction projects until 2028 * Stock weighted average asking rental rates for spaces that provide core facility, high-side air conditioning and 100% power back up*

Key to submarkets:
CBD– Park Street, Camac Street, AJC Bose Road, Theatre Road

US$ 1 = 94.6 INR € 1 = 110.4 INR
Numbers for the second quarter are based on market information collected until 19th June 2026

****Outlook:** The Outlook represents our forward-looking view of key market indicators over the next 12 months, based on current market trends, economic conditions, policy developments, and available data. Projections are indicative and may be adjusted as market dynamics evolve.*

KEY LEASE TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	TENANT	SF	TYPE
Adventz infinity	Sector V, Salt Lake	Simpliwork	56,727	Fresh Lease
Adventz Infinity	Sector V, Salt Lake	LTI Mindtree	56,000	Term Renewal
Millenium City	Sector V, Salt Lake	Be10X	22,000	Fresh Lease
Media Siti	Sector V, Salt Lake	Smartworks	22,000	Fresh Lease
Infinity IT Lagoon	Sector V, Salt Lake	Worley	21,400	Term Renewal

KEY CONSTRUCTION COMPLETIONS Q2 2026

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
No completions in Q2 2026				

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