MARKETBEAT
DELHI NCR
RETAIL Q2 2026

MARKET FUNDAMENTALS

	YOY Chg	Outlook*
16.4 Mall Stock* (MSF)	▲	▲
0.67 Retail Space Per Capita	—	—
7.2% Vacancy*	▲	▼

Note: All data above pertains to Grade A and B+ malls

ECONOMIC INDICATORS

	YOY Chg	Outlook*
7.80% GDP Growth (Q4 FY25-26)	▲	▼
3.93% CPI Inflation	▲	▲
7.10% Consumer Spending Growth (Q4 FY25-26)	▲	▼

Source: MOSPI, RBI

MALL LEASING LED Q2 RETAIL ABSORPTION

Retail leasing in Delhi NCR stood at 0.7 msf in Q2 2026 – an increase of 13% q-o-q and more than 1.2X y-o-y. Gurugram led the overall retail leasing during Q2-26 with a 45% share, followed by Delhi (44%) and Noida (11%). Malls secured 63% of the quarterly leasing volume, while Main Streets accounted for the remaining 37%. Of the 0.4 msf leased in malls during Q2 2026, nearly 82% represented fresh space take-up, with the remaining activity comprising renewals and churn. The strong leasing momentum was primarily driven by occupier take-up in the two malls that became operational in Q4 2025. During Q1-26, the fashion category led absorption with a 25% share, followed by F&B (21%) and departmental store (15%).

Retail leasing in H1-26 totalled 1.3 msf – an increase of 78% y-o-y. Main Street leasing during H1-26 registered 4% y-o-y growth, while mall leasing grew 2X in the same period. Fashion segment led H1-26 leasing with a 28% share, followed by F&B (16%) and department store (12%). The fashion and department store segments have witnessed the highest absolute increase in leasing volume during H1-26 compared to the same period last year.

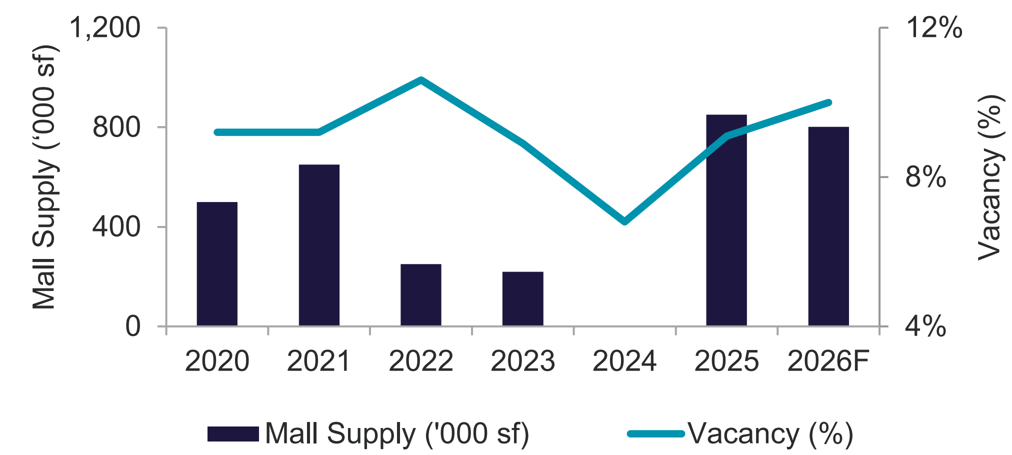
NO NEW MALL COMPLETION IN Q2-26; VACANCY DROPS QOQ

Delhi NCR witnessed no new mall completions in Q2-26. With strong leasing, headline mall vacancy declined by 75 bps during Q2 to 7.2%. While vacancy has remained tight, the addition of a couple malls in the coming 12 months is expected to elevate NCR's headline vacancy rate. Vacancy in Grade A malls remained tight at ~6%, whereas Grade B+ malls reported a vacancy rate of 13%.

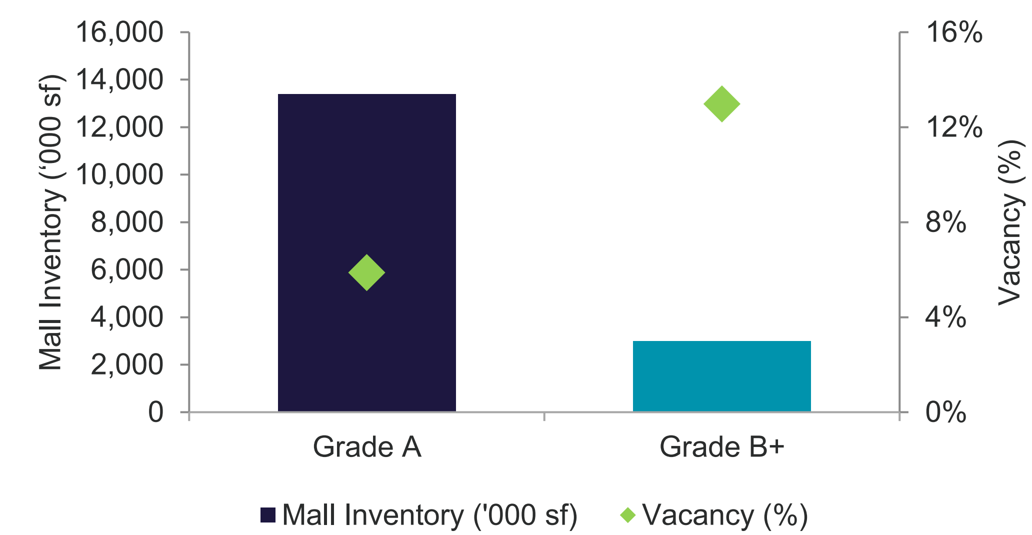
MAIN STREET LOCATIONS WITNESS YOY RENTAL INCREASE

Major Main Street rentals across Delhi NCR witnessed growth compared to last year. Khan Market witnessed 9% y-o-y growth, while Galleria Market (Gurugram) and Connaught Place have seen annual rental increases of 4% and 2%, respectively. Rentals in South Extension I & II witnessed the sharpest q-o-q and y-o-y growth of 9% and 10%, respectively.

OVERALL GRADE A MALL SUPPLY & VACANCY*



GRADE A MALL STOCK & VACANCY BY CATEGORY*



For grade definitions, refer to page 2

MARKET STATISTICS

PRIME RETAIL RENTS – HIGH STREETS	INR SF/MTH	EURO SF/YR	US$ SF/YR	QOQ CHANGE	YOY CHANGE
Khan Market	1,800	195.7	228.3	2.9%	9.1%
South Extension I & II	900	97.8	114.2	9.1%	9.8%
Lajpat Nagar	310	33.7	39.3	0.0%	3.3%
Connaught Place (Inner Circle)	1,275	138.6	161.7	2.0%	2.0%
Greater Kailash I, M Block	500	54	63.4	0.0%	2.0%
Rajouri Garden	265	28.8	33.6	0.0%	1.9%
Punjabi Bagh	280	30.4	35.5	1.8%	3.7%
Karol Bagh	420	45.7	53.3	1.2%	2.4%
Kamla Nagar	500	54.3	63.4	0.0%	0.0%
Galleria Market (Gurugram)	1,300	141.3	164.9	4.0%	4.0%
Sector 29 (Gurugram)	190	20.7	24.1	2.7%	2.7%
Sector 18 (Noida)	220	23.9	27.9	2.3%	4.8%

Note: Asking rent (INR/sf/month) on carpet area of ground floor Vanilla stores is quoted

US$ = 94.6 INR AND € = 110.4 INR

Data for the first quarter are based on market information collected until 12th 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.*

**Grade A Malls: Predominantly lease driven retail assets characterized by professional management, strong tenant mix, healthy occupancy levels, and high standards of operations and upkeep, including institutionally owned and professionally managed assets.*

Grade B+ Malls: Organized retail assets with relatively lower operational efficiency, tenant quality, occupancy levels, or asset management standards compared to Grade A malls.

KEY LEASE TRANSACTIONS Q2 2026

PROPERTY	LOCATION	TENANT	SF
Main Street	Khan Market, New Delhi	Suvasa	1,500
Felix Plaza	NH-8, New Gurgaon	Cinepolis	30,728
Felix Plaza	NH-8, New Gurgaon	Westside	19,331
Unity One Elegante	Netaji Subhash Place, New Delhi	Home Centre	15,000
Unity One Elegante	Netaji Subhash Place, New Delhi	Max	16,000
AIPL Joy Gallery, Gurugram	Golf Course Road Extension	Nike	15,000

KEY PROJECTS COMPLETED IN LAST 12 MONTHS

PROPERTY	LOCATION	SF	COMPLETION TIMELINE
Unity One Elegante	Netaji Subhash Place, New Delhi	450,000	Q4 2025
Felix Plaza	Sector 82A, Gurugram	850,000	Q4 2025

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