KOLKATA
INDUSTRIAL H2 2024

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	H1 2024	H2 2024
Inventory (in MSF)	38.5	41
Vacancy (%)	15%	12%
Upcoming Supply in next 12 months (MSF)	1.5	2.0
L&I Leasing (in MSF)	1.6	2.9
Average Rentals Range (INR PSFPM)	21-23	21-23
Land Transacted (in acres)	50	100
Land Values Range (INR MN per acre)	25-35	25-35

WAREHOUSE LEASE VOLUMES AT A RECORD HIGH IN 2024

Kolkata recorded warehouse leasing volumes of nearly 2.7 msf in H2 2024, a growth of around 69% as compared to H1. Strong demand for grade A warehouses resulted large space takeup across occupier categories. A favourable policy environment, strong consumption of quick commerce and consumer durables and continuing supply addition have resulted in warehouse space takeup. A number of occupiers are looking at either establishing their east Indian base in Kolkata or expanding their existing operations. 3PL operators contributed a third of warehouse lease volumes in H2 followed by manufacturing (26%).

For the full year, warehouse lease volumes stood at over 4.2 msf, a record high. NH-19 accounted for over 70% of annual lease volumes with NH-16 contributing the rest. 3PL, e-commerce and manufacturing led annual warehouse leasing with 30%, 21% and 17% shares respectively.

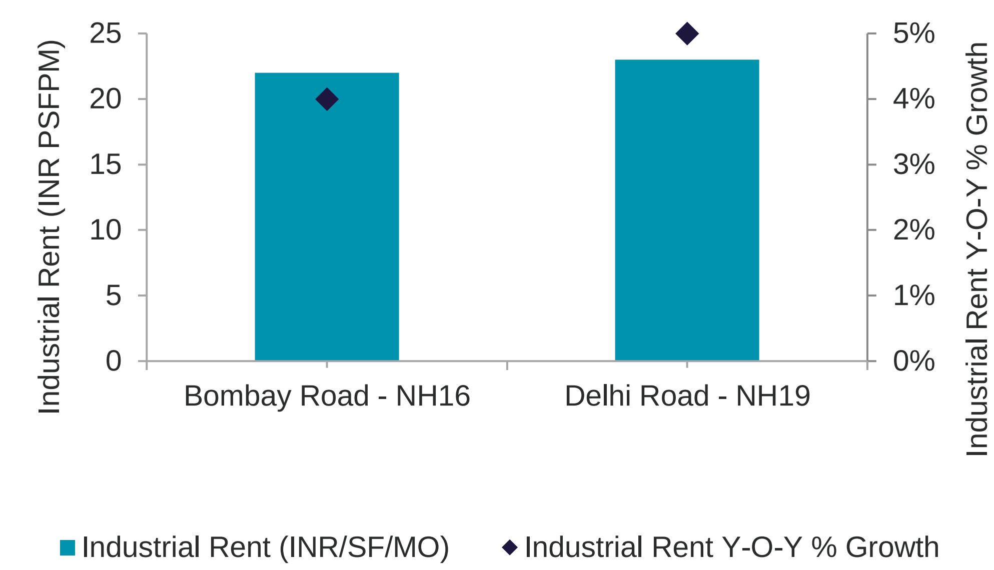
SUPPLY ADDITION IN H2; RENTALS MAINTAINED GROWTH

Kolkata recorded new completions of 2.5 msf in H2 with projects being expedited to meet strong demand. The pipeline remains healthy with built-to-suit (BTS) facilities also under development across both NH-16 and NH-19 micromarkets. Supply is also rising in the Old Delhi Road corridor, which has witnessed rising transactions in recent quarters. City-wide headline warehouse rentals recorded a growth of 4-5% yoy in H2 while land rates moved up by 5-7% on an annual basis.

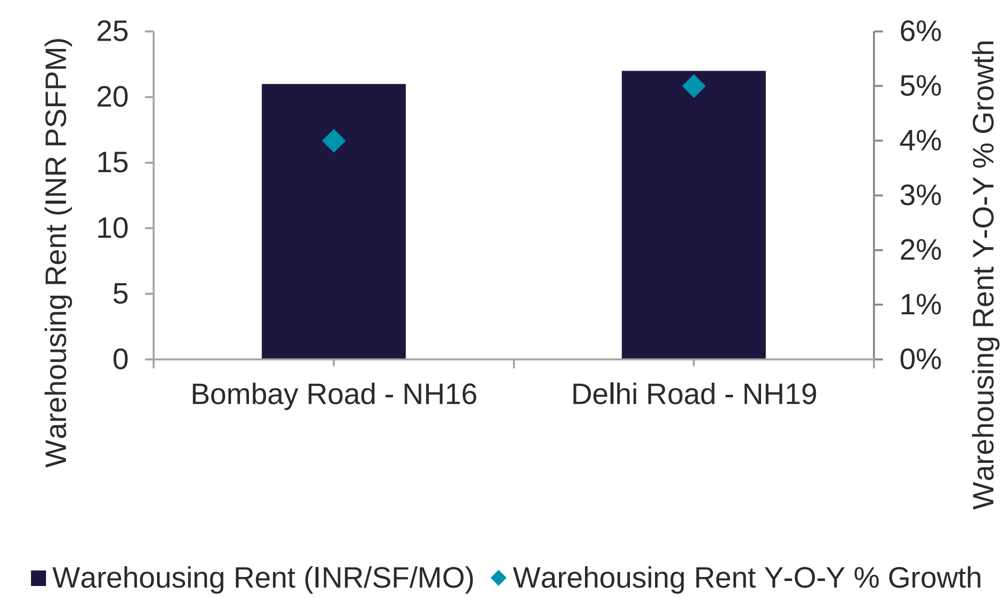
STABLE INDUSTRIAL TRANSACTIONS IN H2

Kolkata recorded 0.2 msf of industrial transactions in H2 with the full year figure at ~0.3 msf. Expansion by manufacturing firms across NH-19 and NH-16 led to industrial space takeup. City-wide headline industrial rentals increased by 4-5% yoy in H2 and there was a 5-7% yoy growth in land rates.

INDUSTRIAL RENT / Y-O-Y GROWTH



WAREHOUSING RENT / Y-O-Y GROWTH



KEY WAREHOUSING SUBMARKETS – RENTALS AND LAND RATES – DECEMBER 2024

SUBMARKET	WAREHOUSE RENT		LAND RATES			
	INR/SF/MONTH	Y-O-Y CHANGE	INR MN/ACRE	US$ MN/ACRE	EURO MN/ACRE	Y-O-Y CHANGE
Bombay Road NH-16	19-21	4-5%	20-30	0.41-0.53	0.39-0.50	5-7%
Delhi Road NH-19	21-23	4-5%	25-35	0.36-0.47	0.33-0.44	6-8%

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Note: Quoted industrial and warehousing rents are historically corrected to reflect accurate market conditions.
Quoted land rates for serviced industrial land parcels are mentioned
 # Represents government owned serviced plots in industrial parks
**NH-16 is the primary highway number for NH-6 / Bombay Road, Land prices vary between INR 20 – 30 mn / acre*
***NH-19 is the primary highway number for NH-2 / Delhi Road, Land prices vary between INR 25 – 35 mn / acre*
Land price variation is based on location, size of land parcel, development of land including filling and boundaries.
Percentage growth are in local currency; Y-O-Y – Year on Year
Conversion Rate: US$1= 84.4 INR and Euro 1 = INR 90.1

SIGNIFICANT INDUSTRIAL / WAREHOUSE TRANSACTIONS H2 2024

LESSEE	LESSOR	TYPE	SUBMARKET	AREA (SF)
Mahindra Logistics	JB Mahindra	Warehouse	NH-16	450,000
Flipkart	Nahar Group	Warehouse	NH-19	350,000
Samsung	Prospace	Warehouse	NH-19	270,000
Safexpress	Shyam Business Park	Warehouse	NH-19	250,000
Delhivery	CCI	Warehouse	NH-19	185,000

SIGNIFICANT LAND TRANSACTIONS H2 2024

BUYER	SELLER	TYPE	SUBMARKET / LOCATION	AREA (ACRE)

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