MARKETBEAT
KOLKATA
OFFICE Q4 2025

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	Outlook*
14.1% Vacancy Rate	▼	▼
1.4 2025 Net Absorption (MSF)	▼	▲
INR 53 Stock Wtd. Rent (PSFPM)	▲	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook*
8.2% GDP Growth (Q2 FY25-26)	▲	▼
0.7% CPI Inflation	▼	▲
59.3 Services PMI (3 months average)	▲	▼

Source: MOSPI, RBI, HSBC

GROSS LEASING VOLUMES AT A POST COVID HIGH IN 2025

Kolkata witnessed gross leasing volumes (GLV) of 0.25 msf in Q4, down by around 11% on an annual basis. Net absorption stood at 0.18 msf in the quarter, a 14% decline on an annual basis. Fresh leasing continued to remain the key driver of leasing activity, accounting for 72% of quarterly GLV. The telecom and media sector emerged as the largest contributor to quarterly GLV with a share of 43% followed by professional services with 28%. Flexible workspace operators continued to expand their footprint in the city, occupying the third spot with a 12% share. The bellweather IT-BPM sector, which usually has the highest contribution to GLV, accounted for a relatively low 10% of quarterly GLV. Salt Lake Sector V and Rajarhat submarkets cumulatively accounted for 97% of GLV in the quarter with CBD accounting for the remaining 3%.

For the full year, GLV stood at 1.71 msf, a post Covid high and marginally higher than the previous high in 2023. Net absorption stood at ~1.4 msf in the year, a marginal 5% decline on an annual basis. Around 46% of full year GLV was contributed by IT-BPM segment, followed by flex operators (13%), and engineering & manufacturing (11%).

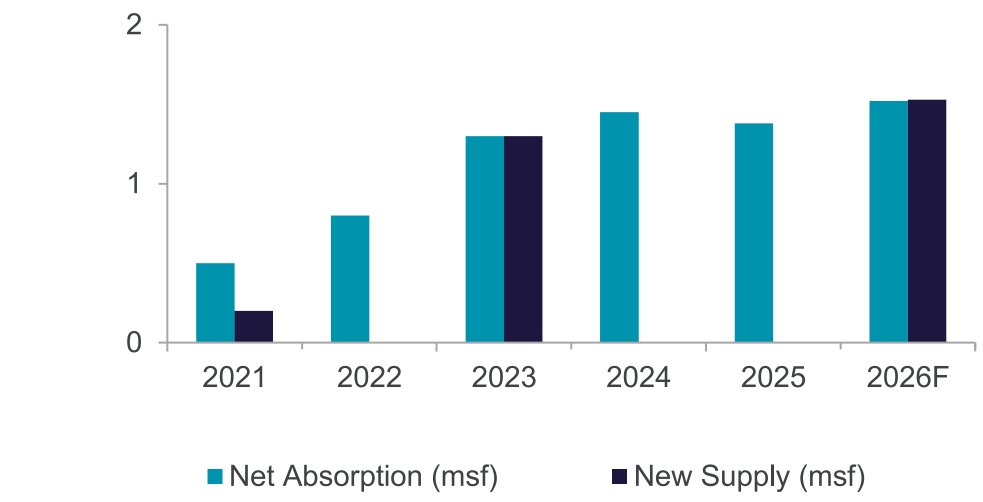
NO SUPPLY IN Q4; CONTINUED DECLINE IN OFFICE VACANCY

Kolkata recorded no new supply in Q4 and the full year. However, supply pipeline for 2026 remains fairly healthy with around 1.5 msf expected to enter the market. Headline city-wide office vacancy fell by 70 bps on a quarterly basis on the back of sustained demand and lack of new supply.

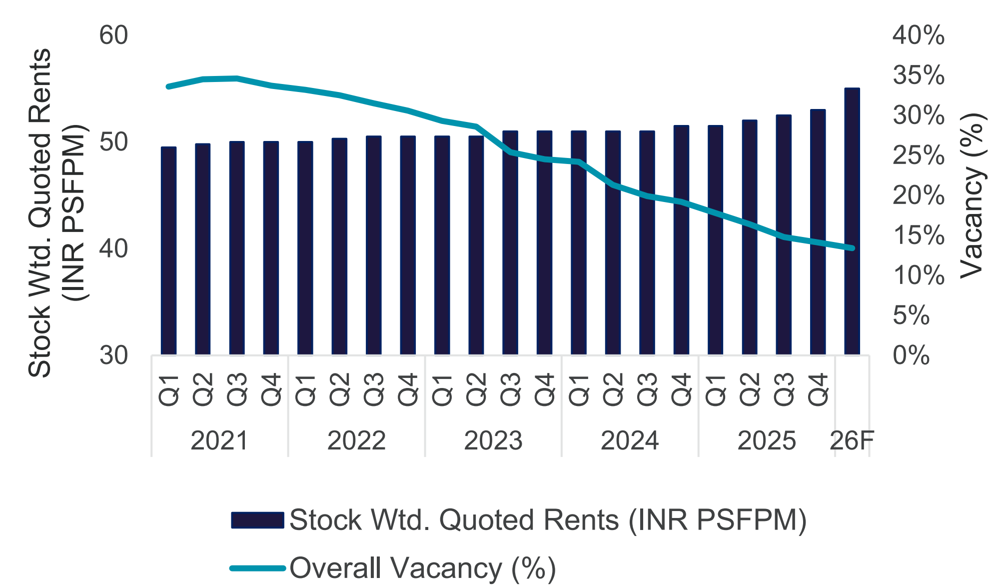
RENTAL GROWTH RECORDED ACROSS KEY SUBMARKETS

Headline office rentals recorded growth both on a quarterly and annual basis. Rentals appreciated across prime office submarkets such as Salt Lake Sector V and Rajarhat. Despite expected healthy demand, rentals are likely to remain rangebound over the next few quarters as more supply enters 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	21.1%	7,027	62,414	80,870	0	0	₹ 110.1
Park Circus Connector	710,260	16.1%	0	7,000	7,000	0	599,606	₹ 85.0
Rashbehari Connector	1,413,780	22.1%	0	33,200	33,200	0	0	₹ 82.0
Rajarhat	10,587,434	9.5%	114,922	541,422	882,422	0	3,158,103	₹ 48.0
Sector V, Salt Lake	13,009,650	15.9%	58,915	741,833	705,617	0	931,360	₹ 53.0
KOLKATA TOTALS	**27,593,578**	**14.1%**	**180,864**	**1,385,869**	**1,709,109**	**0**	**4,689,109**	**₹53.0**

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 = 88.9 INR € 1 = 103.3 INR
Numbers for the fourth quarter are based on market information collected until 19th December 2025

****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 Q4 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE
DLF IT Park - II	Rajarhat	British Telecom	107,552	Fresh Lease
PS Srijan Corporate Park	Sector V, Salt Lake	PWC	72,000	Term Renewal
Godrej Genesis	Sector V, Salt Lake	Awfis	30,000	Fresh Lease
Martin Burn Business Park	Sector V, Salt Lake	RS Software	24,915	Fresh Lease
RDB Primarc Tech Park	Rajarhat	OPN Healthcare	7,370	Fresh Lease

KEY CONSTRUCTION COMPLETIONS Q4 2025

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
No completions in Q4 2025				

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