Intelligent Investment

India Market Monitor Q3 2025

Retail

REPORT

CBRE RESEARCH

October 2025

Retail

India's retail market witnessed significant supply addition in the first nine months of 2025, as about 2.2 million sq. ft. of new mall space became operational during this period. Fashion and apparel brands dominated the leasing activity, contributing ~57% in total space take-up in Q3 2025 (July to September 2025). This expansion was wide-ranging, encompassing new store openings by sustainable, streetwear, ethnic/fusion, athleisure, luxury/designer, and direct-to-consumer (D2C) brands.

~346%

Y-o-Y growth in supply addition in 9M 2025

~58%

Share of Mumbai in supply addition in 9M 2025, followed by Hyderabad (28%) and Delhi-NCR (13%)

~62%

Cumulative share of Hyderabad, Delhi-NCR, and Mumbai in retail space take-up in Q3 2025

~59%

Cumulative share of Hyderabad, Mumbai, and Delhi-NCR in retail space take-up in 9M 2025

Note: Please note that the data presented in this report was compiled at the time of report generation and may be revised in subsequent quarters as more information becomes available. Therefore, the data should be considered as provisional and subject to ongoing refinement.

Market Performance in Q3 2025

India Market Monitor

~1.4 mn sq. ft.
Absorption in Q3 2025

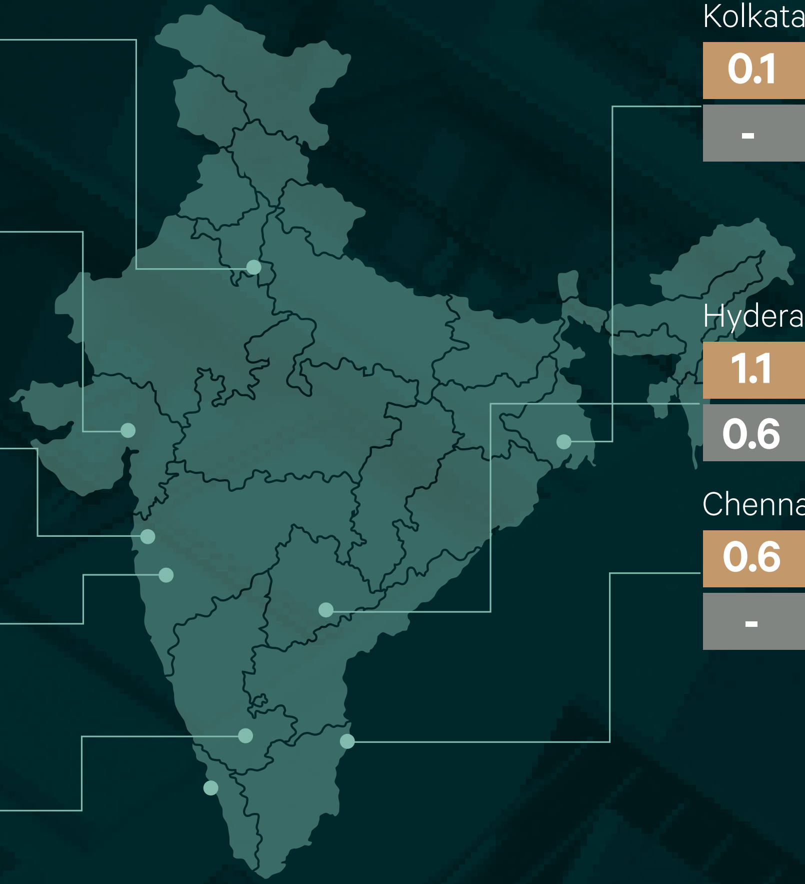
~4.6 mn sq. ft.
Absorption in 9M 2025

~2.2 mn sq. ft.
Supply in 9M 2025

🟫 Absorption (mn sq. ft.) in 9M 2025
🟨 Absorption (mn sq. ft.) in Q3 2025
⬛ Supply (mn sq. ft.) in 9M 2025
⬜ Supply (mn sq. ft.) in Q3 2025

Q3 2025 rental indicator arrows (Q-o-Q)

▲ Increase ⇕ Stable ▼ Decrease



Delhi-NCR

0.7	0.2	▲
0.3	-	

Ahmedabad

0.2	0.04	⇕
-	-	

Mumbai

1.0	0.2	▲
1.3	-	

Pune

0.4	0.2	⇕
-	-	

Bengaluru

0.6	0.1	▲
-	-	

Kolkata

0.1	0.07	▲
-	-	

Hyderabad

1.1	0.4	▲
0.6	-	

Chennai

0.6	0.2	▲
-	-	

Source: CBRE Research, Q3 2025
Please note that the numbers have been rounded off and might not add up to the exact total

RETAIL

Key sectors that dominated leasing

Fashion and Apparel	57% share in Q3 2025	52% share in Q2 2025	↑
Food and Beverage	12% share in Q3 2025	11% share in Q2 2025	↑
Entertainment	4% share in Q3 2025	2% share in Q2 2025	↑
Consumer Electronics	4% share in Q3 2025	2% share in Q2 2025	↑

Regional share in leasing activity

Domestic Retailers	↓	76% share in Q3 2025	83% share in Q2 2025
EMEA Retailers	↑	13% share in Q3 2025	7% share in Q2 2025
American Retailers	↑	7% share in Q3 2025	4% share in Q2 2025
APAC Retailers	↓	4% share in Q3 2025	6% share in Q2 2025

Cities which led absorption in Q3 2025

28%	17%	17%	12%
Hyderabad	**Delhi-NCR**	**Mumbai**	**Pune**

Quarterly rental movement –
Growth witnessed across few pockets of Delhi-NCR, Hyderabad, Mumbai and Chennai

Micro-market (Mall)			Micro-market (High Street)		
7-9%	6-8%	6-8%	7-9%	6-8%	6-8%
Western Suburbs, **Mumbai**	Western Hyderabad, **Hyderabad**	Noida, **Delhi-NCR**	Western Hyderabad, **Hyderabad**	Velachery, **Chennai**	Greater Kailash II, **Delhi-NCR**

*Note: The trend for transacted rentals may be in line with or diverge from quoted rentals for different retail formats depending on various factors such as asset type, location, quality, catchment size, etc.

Outlook

Retail

Retail supply addition is expected to further pick up pace in the last quarter of 2025 as a few investment-grade malls are likely to become operational, particularly in a few major cities. Demand is expected to continue, driven by brands adopting innovative marketing formats such as flagship stores, pop-up kiosks, and specialised Gen Z outlets. Meanwhile, key stakeholders are expected to continue prioritising D2C brands to attract discerning shoppers, drive immersive experiences, and achieve essential market differentiation.

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