Figures

India Retail Figures H2 2025

REPORT

INDIA

REAL ESTATE

CBRE RESEARCH
JANUARY 2026

India's retail leasing activity reached record high in 2025, marked by strong supply addition

Leasing denotes space take-up in investment-grade malls, prominent high streets and standalone developments; supply includes investment-grade malls for top 8 cities

Range-bound inflation, GST rationalisation strengthened retail sentiment

- While inflation in India edged up slightly towards the end of 2025, the broader trends during the July–December (H2) period remained remarkably subdued. Monthly inflation readings fell to historic lows and stayed consistently below the Reserve Bank of India's (RBI) lower tolerance threshold of 2%. In December 2025, the Consumer Price Index (CPI) rose to 1.33% Y-o-Y, up 62 basis points from November, marking the fourth straight month below the RBI's inflation target[1].
- The central government rationalised the Goods and Services Tax (GST) regime in September 2025, reducing levies on various goods, including select luxury items. These measures are expected to further aid discretionary demand and strengthen retail sales and consumer spending.
- India's consumer confidence also strengthened, with the central bank's Current Situation Index (CSI) rising to 98.4[2] in November 2025 and the Future Expectations Index (FEI) climbing to 125.6[2] on the back of income and employment optimism (as exhibited in Figure 1.2). This improved sentiment, paired with easing inflation, is pivoting households towards discretionary spending—potentially fuelling demand across the apparel, personal care, jewellery, and entertainment segments.

1. Ministry of Statistics and Programme Implementation (MoSPI), December 2025; 2. RBI's November Current Situation Index, December 2025; 3. Oxford Economics, Q4 2025

FIGURE 1.1: MAJOR CONSUMPTION INDICATORS FOR INDIA

~3% H-o-H
Consumer Confidence (CSI)[2]
(November 2025 vs. May 2025)

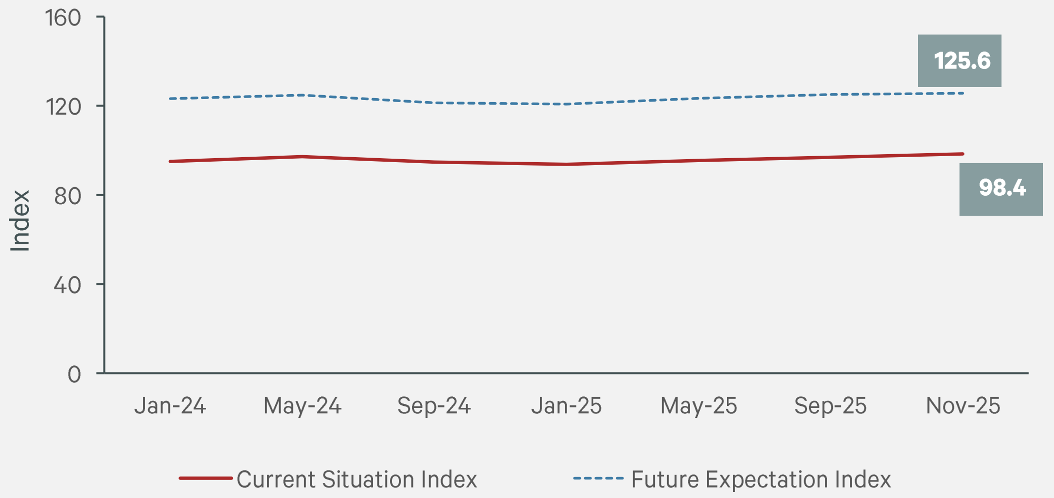
~10% Y-o-Y
Retail Sales[3]
(2025* vs. 2024)

~7% Y-o-Y
Consumer Spending[3]
(2025* vs. 2024)

Source: RBI and Oxford Economics, Q4 2025
*Note: The growth estimates are basis data mentioned for 2025 & 2024, Oxford Economics, Q4 2025

Resilient consumer sentiment aided sustained spending intent

FIGURE 1.2: CONSUMER CONFIDENCE INDICES

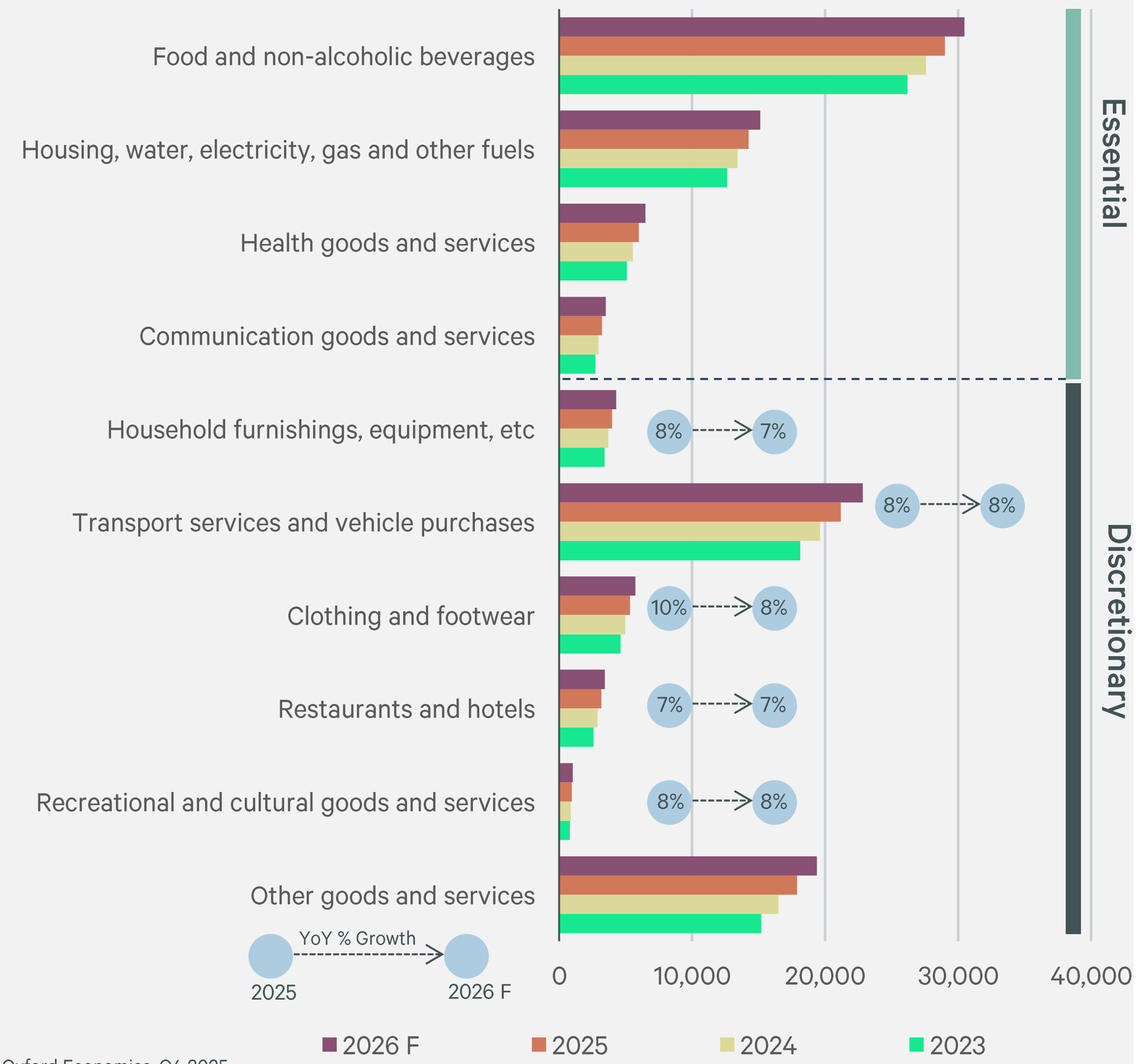


Consumer Confidence Survey is a bi-monthly survey which obtains current perceptions (vis-à-vis a year ago) and one year ahead expectations on general economic situation, employment scenario, overall price situation and own income and spending across 19 major cities. The latest round of the survey was conducted during November 1-10, 2025, covering 6,060 respondents. *CSI / FEI = 100 + Average of Net Responses of (General Economic Situation, Employment Scenario, Price Level, Household income and Overall Spending) 'Net response' is the difference between the percentage of respondents reporting optimism and those reporting pessimisms. It ranges between -100 and 100. Any value greater than zero indicates expansion/ optimism and values less than zero indicate contraction/ pessimism.

Source: RBI's November Current Situation Index, December 2025

The optimistic consumer outlook shown in Figure 1.2 aligns with Oxford Economics' spending trends. According to Figure 1.3, discretionary spending in CY2025 grew by 10% Y-o-Y in clothing and footwear, 7% in restaurants and hotels, and 8% each across categories such as recreational and cultural goods and services, transport services and vehicle purchases, and household furnishings and equipment. By the end of CY2026, growth is projected to hold steady at 8% for the clothing and footwear, recreational and cultural goods and services, and transport services and vehicle purchases categories. Furthermore, spending on restaurants and household furnishings and equipment is expected to increase by 7%.

FIGURE 1.3: INDIAN CONSUMER SPENDING TRENDS ACROSS CATEGORIES (INR BILLION)



Source: Oxford Economics, Q4 2025

Retail leasing activity scaled all-time high in 2025

~2.1
SUPPLY (mn sq. ft.)
in H2 2025

~5.6
ABSORPTION (mn sq. ft.)
in H2 2025

~4.3
SUPPLY (mn sq. ft.)
in 2025

~8.9
ABSORPTION (mn sq. ft.)
In 2025

Note: Arrows indicate change from previous year
Absorption includes leasing in investment-grade malls, high streets and standalone developments; supply includes investment-grade malls only

FIGURE 1.4: RETAIL SECTOR OVERVIEW

SUPPLY

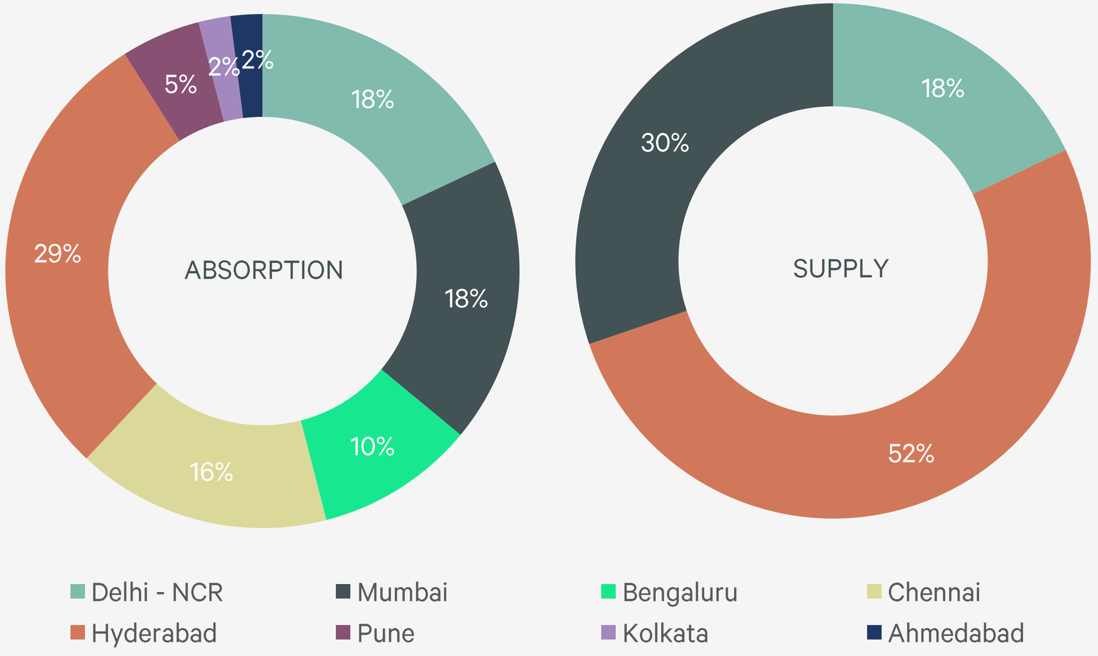
- About 2.1 million sq. ft. of new retail supply became operational during July-December (H2) 2025
- Hyderabad and Delhi-NCR led supply addition in H2 2025 with shares of 77% and 23%, respectively
- Total supply of ~4.3 million sq. ft. was reported for 2025—a 268% Y-o-Y increase
- Hyderabad accounted for over half of total supply addition in 2025, followed by Mumbai and Delhi-NCR

ABSORPTION

- Absorption increased significantly in H2 2025 to reach ~5.6 million sq. ft.
- Hyderabad led retail space take-up in H2 2025 with a 34% share, followed by Delhi-NCR (20%) and Chennai (16%)
- India's retail leasing activity reached a record high of ~8.9 million sq. ft in 2025
- Hyderabad dominated space absorption in 2025 with a 29% share, followed by Mumbai and Delhi-NCR at 18% each

Source: CBRE Research, H2 2025

FIGURE 1.5: CITY-WISE SHARE OF RETAIL ABSORPTION AND SUPPLY TRENDS IN 2025



Source: CBRE Research, H2 2025

Note: 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.

India's retail sector performance in H2 2025

- Driven by an influx of high-quality supply and sustained expansion among domestic and international players, India's retail leasing reached ~5.6 million sq. ft. in H2 2025. This propelled the total space take-up volume for the year to touch a record ~8.9 million sq. ft.
- This leasing momentum was fuelled by retailers focusing on innovative formats such as experiential flagship stores, kiosks, and Gen Z-focused store formats to boost customer visits, dwell time, and brand engagement. According to the latest **CBRE Asia Pacific Leasing Market Sentiment Index**,[1] nearly 33% of respondents, primarily from India, indicated that retail leasing growth is expected to improve further in 2026, led by the fashion and apparel, food and beverage (F&B) along with casual & upscale dining, sporting goods, and athleisure categories.
- Fashion & Apparel players dominated retail leasing activity in H2 2025, accounting for a ~48% share. New store openings within this segment remained diverse, encompassing sustainable labels, streetwear / youth-centric, ethnic / fusion wear, athleisure, luxury / designer, and direct-to-consumer (D2C) brands.
- Food & Beverage (F&B) formats, which continue to act as a critical stabiliser for retail assets, accounted for ~13% of total leasing volume. This was driven by a preference for large-format, experiential units in both premium malls and high-street hubs. More than 45% of these leases occurred in high streets due to their 24/7 visibility and the opportunity to establish unique, standalone brand identities.
- The jewellery sector's dominance evolved beyond traditional gold, with Lab-Grown Diamond (LGD) brands spearheading store expansions. Consequently, the segment accounted for a ~6% share of total leasing.
- A significant supply influx was witnessed as ~2.1 million sq. ft. of new investment-grade malls became operational during the July-December period. These included Lake Shore Y Junction (~1.6 million sq. ft.) in Hyderabad and UnityOne Elegante (~0.5 million sq. ft.) in Delhi-NCR.
- Domestic retailers accounted for a more than 70% share of leasing activity. The proliferation of D2C businesses resulted in an even larger share for domestic retailers compared with pre-pandemic years.
- Capitalising on India's consumption boom, international retailers remained active, with many flagship stores becoming operational in H2 2025. These included Galeries Lafayette in Mumbai; COS (Collection of Style), Forevermark Global Flagship, and OVS in Delhi-NCR; and NEXT (in association with Myntra) in Pune. Recent F&B debuts included Thai restaurant chain Sanook Kitchen, Indonesia's first F&B unicorn Kopi Kenangan (in Delhi-NCR), Michelin-starred Thai restaurant Baan PhadThai (in Bengaluru) and U.K.-based chain Wagamama (in Mumbai). The luxury and premium segments also witnessed significant activity, marked by the entry of Bugatti in Mumbai, as well as Camicissima Milano and Carvel in Delhi-NCR. Uniqlo forayed into South India with its first store in the region in Bengaluru.
- Despite growing concerns around global tariffs and macro-economic pressures, international brands continue to firm up their presence in the country. For instance, Canadian athletic apparel giant Lululemon plans to enter the Indian market in the second half of 2026 through a partnership with Tata CLiQ. Additionally, Off-White, an Italian luxury streetwear brand, is set to open standalone flagship stores in metro cities in collaboration with Brand Concepts Ltd.
- Retail brands also witnessed significant capital inflows from various investors. A few notable investments are listed below:

TABLE 1.1: KEY INVESTMENTS IN H2 2025

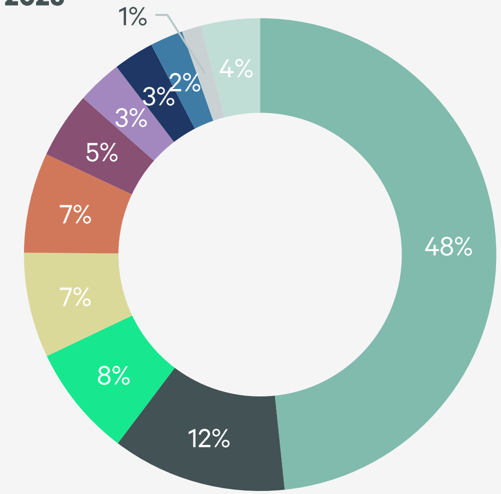
SECTOR	INVESTOR	INVESTEE	DEAL VALUE (USD MILLION)
Fashion & Apparel	Multiple private equity funds, Samvibhag Securities, and an angel investor	VIP Industries	~208
Consumer Electronics	AMDG-PAX Foundation	Miko	~155
E-commerce	SC Ventures and Artal Asia	Jumbotail	~120

Source: Grant Thornton, CBRE Research, H2 2025

[1] CBRE Asia Pacific Leasing Market Sentiment Index, December 2025
Source: CBRE Research, H2 2025

Core drivers of India's retail demand

FIGURE 1.6: TENANT CATEGORY-WISE SEGMENTATION OF LEASING ACTIVITY IN 2025

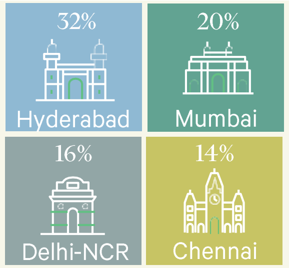


- Fashion & Apparel
- Food & Beverage (F&B)
- Jewellery
- Entertainment
- Homeware & Furnishings
- Luxury
- Hypermarket
- Consumer Electronics
- Health and Personal Care
- Bank, Insurance & Finance
- Others*

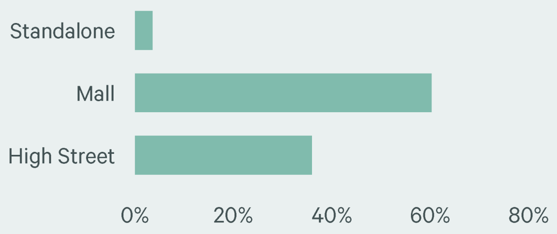
Others* include Gifts, Arts & Antiques, Travel & Luggage, Opticals, etc.
Source: CBRE Research, H2 2025

Fashion & Apparel

KEY CITIES DRIVING DEMAND IN 2025



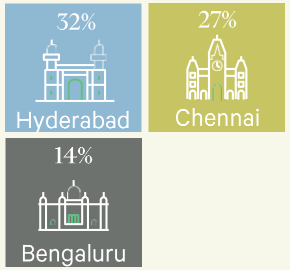
PERCENTAGE SHARE ACROSS RETAIL ASSETS IN 2025

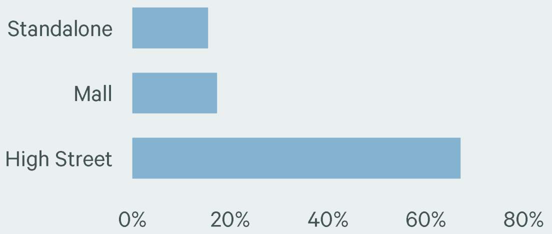


PROMINENT NEW ENTRANTS

COS (Collection of Style), Bershka, Galeries Lafayette, NEXT, OVS

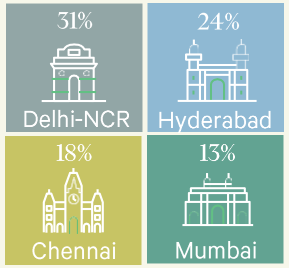
Jewellery

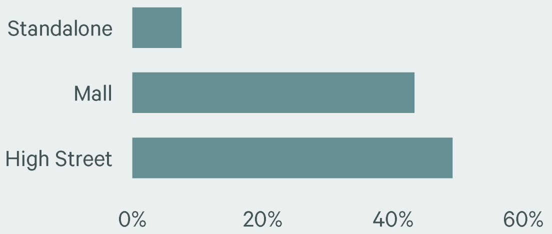




Messika, Forevermark (De Beers), Zen Diamond

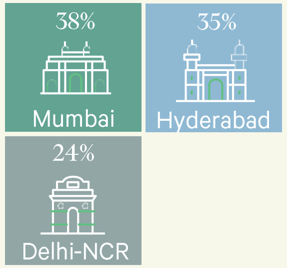
Food & Beverage (F&B)

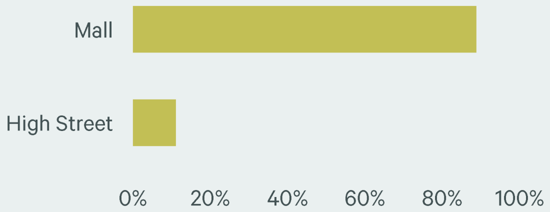




Kopi Kenangan, Bagelstein, Délifrance (re-entry), Little Caesars, Sanook Kitchen

Entertainment





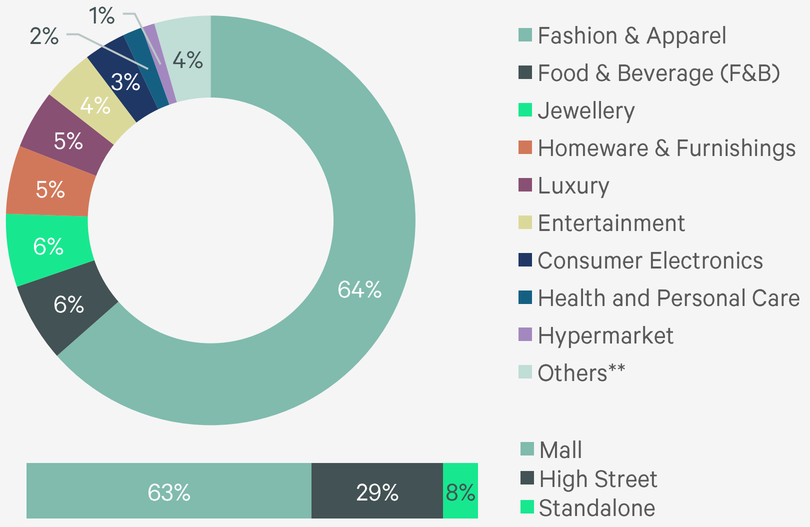
Pokiddo Junior

D2C brands dominated the new retail order

The shift towards D2C brands, driven by digitally native Gen Z and millennial consumers, has moved beyond narrative-led growth to a sharper focus on execution and long-term viability. India's D2C sector, valued at ~USD 87 billion in 2025, is expected to triple by 2030[1]. Supported by large-scale government digital initiatives, this evolution is accelerating expansion into physical retail, which accounted for 27% of total leasing in 2025.

Furthermore, D2C brands are now a significant driver of retail leasing across major metros, representing 31% of Mumbai's total leasing in 2025, with tier-I cities emerging as critical proving grounds for omnichannel maturity.

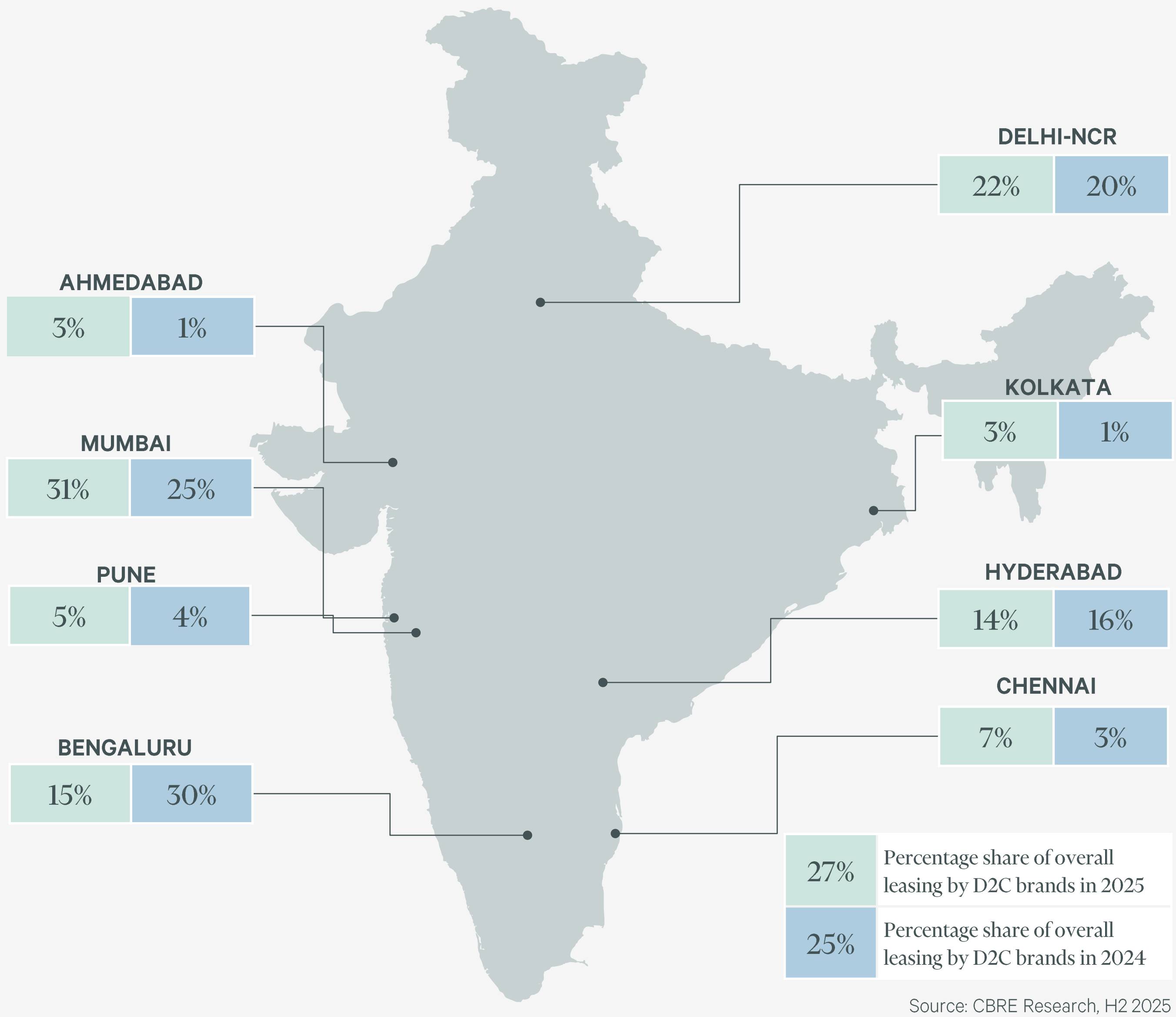
FIGURE 1.7: TENANT CATEGORY AND ASSET-WISE SEGMENTATION OF D2C LEASING



Others** include Bank, Insurance & Finance, Gifts, Arts & Antiques, Travel & Luggage, Opticals, etc.
Source: CBRE Research, H2 2025

1. Spotting India's PRIME innovation moment, Deloitte-FICCI, August 2025

FIGURE 1.8: EVOLVING D2C LEASING TRENDS ACROSS MAJOR CITIES (2025 VS. 2024)



Source: CBRE Research, H2 2025

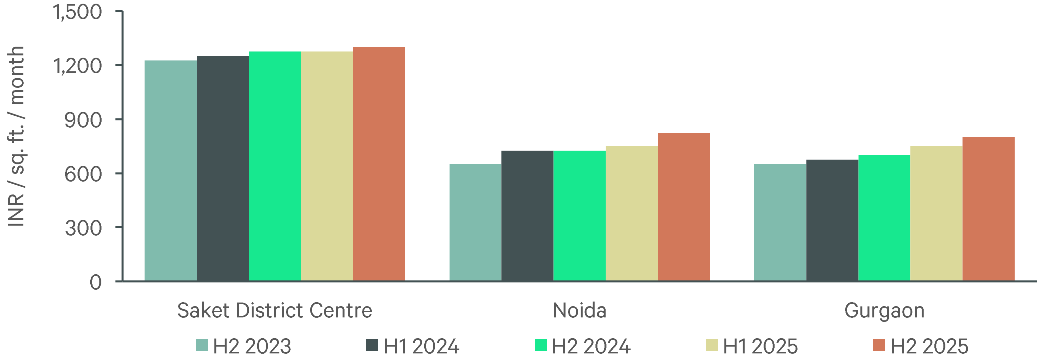
Delhi-NCR: Newly completed mall developments drove retail leasing

▲ ~0.5
SUPPLY (MN SQ. FT.)

▲ ~1.1
ABSORPTION (MN SQ. FT.)

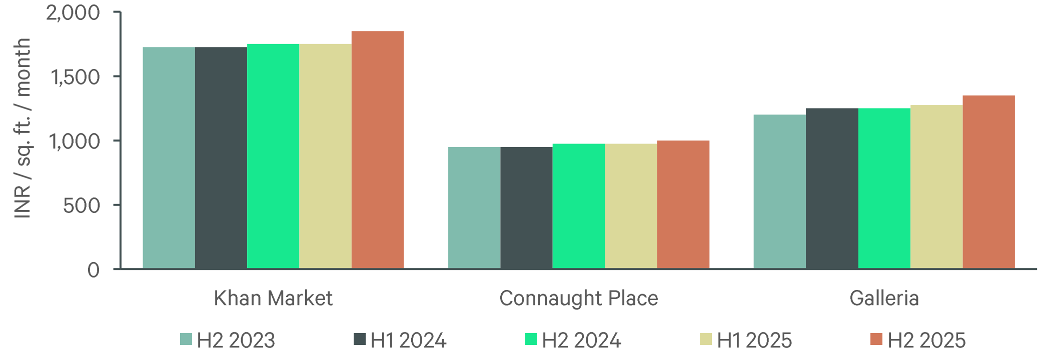
Note: Arrows indicate annual change
Absorption includes leasing in investment-grade malls and high streets; supply includes investment-grade malls only

FIGURE 2.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: The rental values mentioned above indicate the average ground floor vanilla rentals on leasable area.

FIGURE 2.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H2 2025

TABLE 2.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H2 2025

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	40%	▲
Food & Beverage (F&B)	24%	▲
Entertainment	13%	▲

Source: CBRE Research, H2 2025

TABLE 2.2: KEY LEASING TRANSACTIONS IN H2 2025

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
UnityOne Elegante	West/North-West Delhi	~21,430	Pantaloons	Fashion & Apparel
High Street	Connaught Place	~15,000	The Game Palacio	Entertainment
Pacific Mall, Subhash Nagar	West/North-West Delhi	~9,000	OVS	Fashion & Apparel

Source: CBRE Research, H2 2025

Bengaluru: Expansions by domestic brands supported retail space take-up

▶ NA

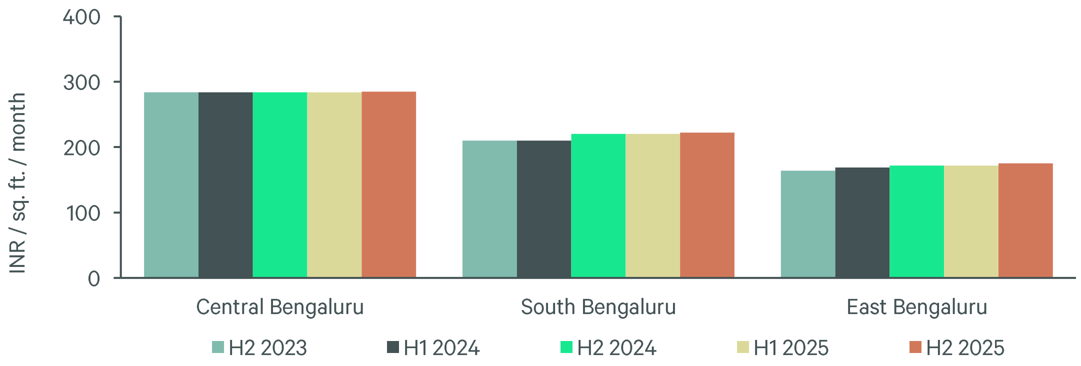
SUPPLY (MN SQ. FT.)

▼ ~0.4

ABSORPTION (MN SQ. FT.)

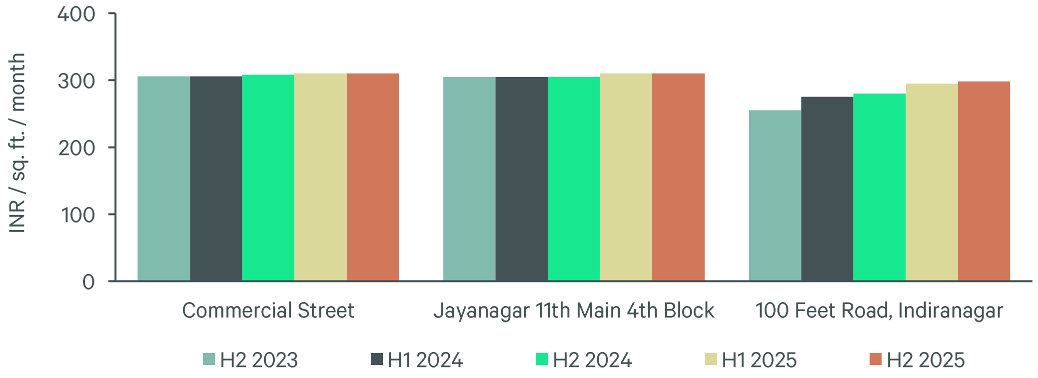
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls and high streets; supply includes investment-grade malls only
The decline in absorption numbers in the city is primarily attributed to supply constraints.

FIGURE 3.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: The rental values mentioned above indicate the average ground floor vanilla rentals on leasable area.

FIGURE 3.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H2 2025

TABLE 3.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H2 2025

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	40%	▼
Homeware & Furnishings	14%	▲
Food & Beverage (F&B)	11%	▼

Source: CBRE Research, H2 2025

TABLE 3.2: KEY LEASING TRANSACTIONS IN H2 2025

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Orion Mall	West	~22,100	Uniqlo	Fashion & Apparel
Phoenix Mall of Asia	North	~8,000	The Collective	Luxury
RMZ Galleria Mall	North	~8,000	Yousta	Fashion & Apparel

Source: CBRE Research, H2 2025

Mumbai: Fashion and apparel brands fuelled space absorption

▼ **NA**

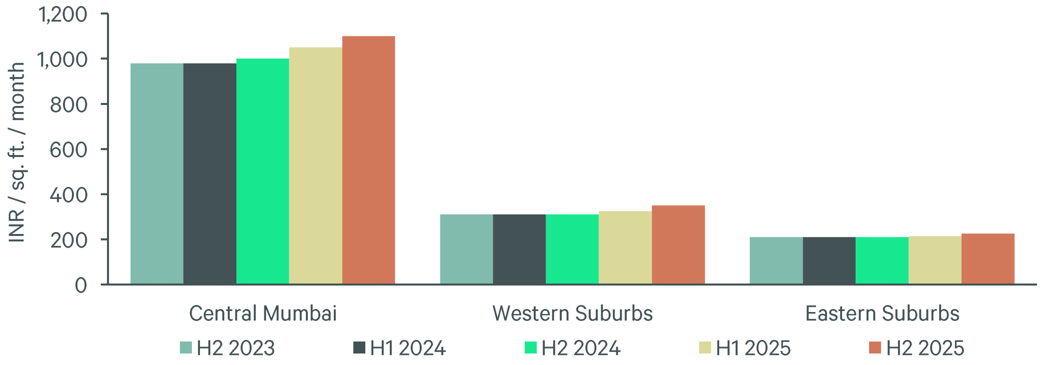
SUPPLY (MN SQ. FT.)

▲ **~0.8**

ABSORPTION (MN SQ. FT.)

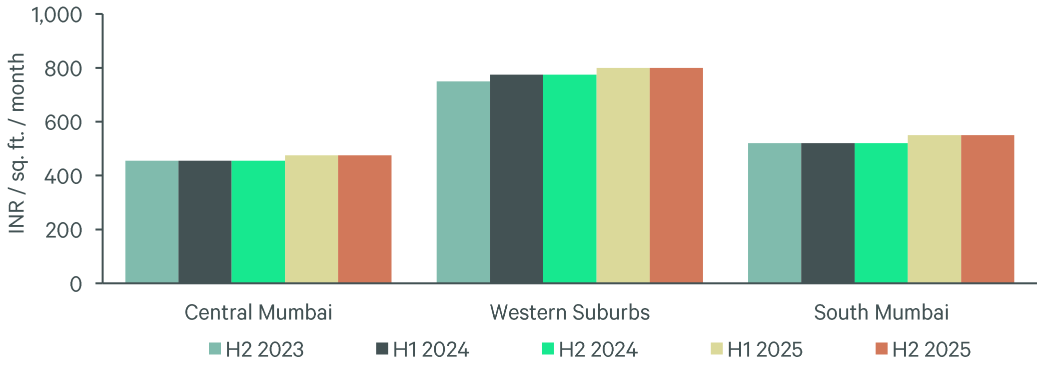
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls and high streets; supply includes investment-grade malls only

FIGURE 4.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: The rental values mentioned above indicate the average ground floor vanilla rentals on leasable area.

FIGURE 4.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H2 2025

TABLE 4.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H2 2025

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	41%	▲
Entertainment	15%	▼
Luxury	12%	▲

Source: CBRE Research, H2 2025

TABLE 4.2: KEY LEASING TRANSACTIONS IN H2 2025

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Standalone	South Mumbai	~90,000	Galeries Lafayette	Luxury
Infiniti Mall, Andheri	Western Suburbs	~22,000	Dave & Buster's	Entertainment
Standalone	South Mumbai	~4,000	Wagamama	Food & Beverage (F&B)

Source: CBRE Research, H2 2025

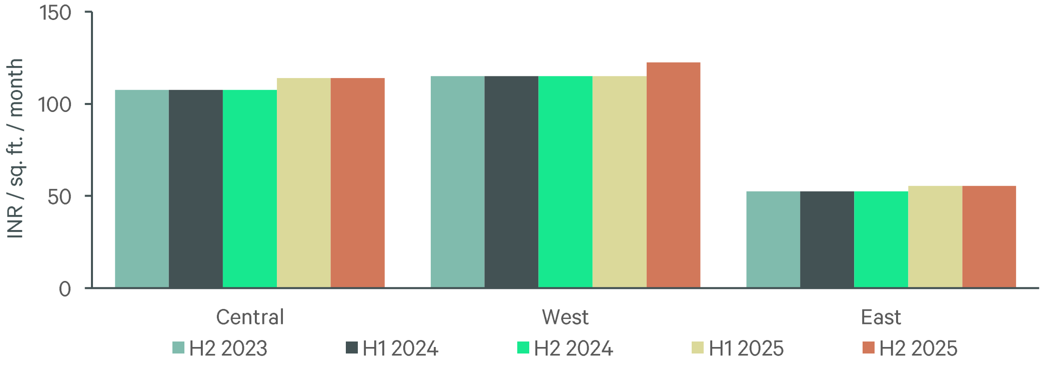
Hyderabad: Marquee mall completion powered record leasing activity

▲ 1.6
SUPPLY (MN SQ. FT.)

▲ ~1.9
ABSORPTION (MN SQ. FT.)

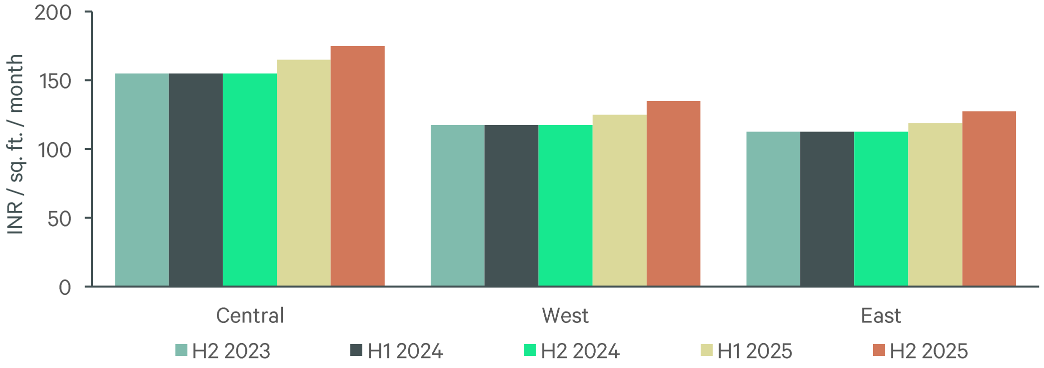
Note: Arrows indicate annual change
Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only

FIGURE 5.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: The rental values mentioned above indicate the average ground floor vanilla rentals on leasable area.

FIGURE 5.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H2 2025

TABLE 5.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H2 2025

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	57%	▲
Food & Beverage (F&B)	9%	▲
Entertainment	8%	▼

Source: CBRE Research, H2 2025

TABLE 5.2: KEY LEASING TRANSACTIONS IN H2 2025

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
High Street	West	~40,000	Asembli	Food & Beverage (F&B)
Lakeshore Mall	West	~22,400	Lifestyle	Fashion & Apparel
Lulu Mall	West	~6,000	MR. DIY	Homeware & Furnishings

Source: CBRE Research, H2 2025

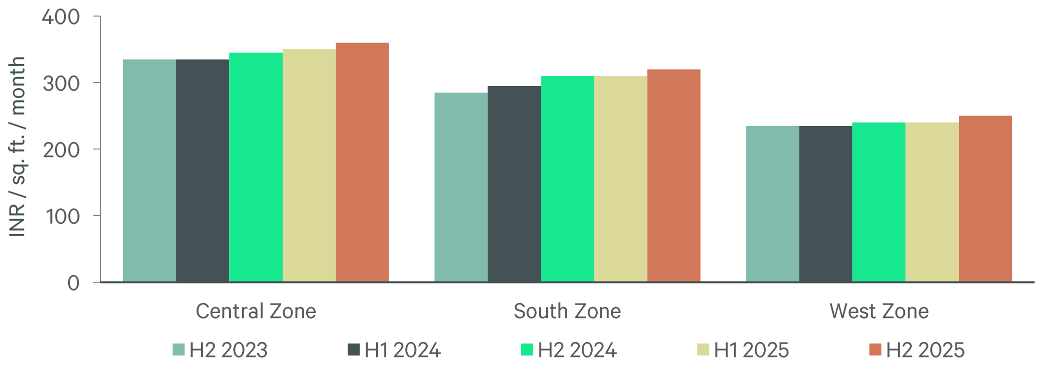
Chennai: High streets drove retail leasing surge

▶ **NA**
SUPPLY (MN SQ. FT.)

▲ **~0.9**
ABSORPTION (MN SQ. FT.)

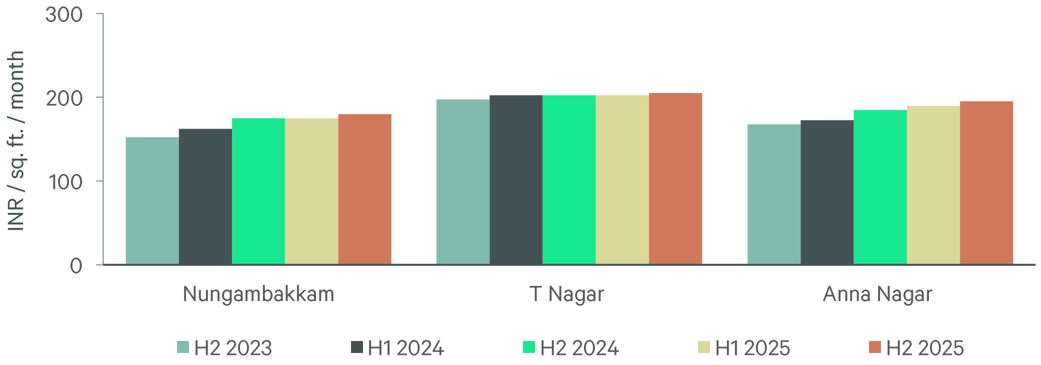
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls and high streets; supply includes investment-grade malls only

FIGURE 6.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: The rental values mentioned above indicate the average ground floor vanilla rentals on leasable area.

FIGURE 6.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H2 2025

TABLE 6.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H2 2025

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	45%	▲
Homeware & Furnishings	15%	▲
Food & Beverage (F&B)	13%	▼

Source: CBRE Research, H2 2025

TABLE 6.2: KEY LEASING TRANSACTIONS IN H2 2025

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Pothys	Anna Nagar	~70,000	Pothys Swarna Mahal	Jewellery
High Street	Chromepet	~30,000	Westside	Fashion & Apparel
High Street	Anna Nagar	~26,000	Jeyachandran	Fashion & Apparel

Source: CBRE Research, H2 2025

Pune: Secondary space take-up within malls led demand

▶ NA

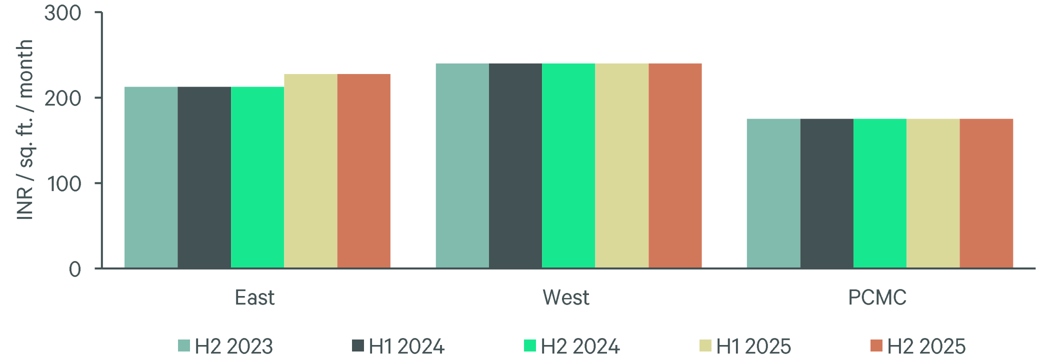
SUPPLY (MN SQ. FT.)

▼ ~0.2

ABSORPTION (MN SQ. FT.)

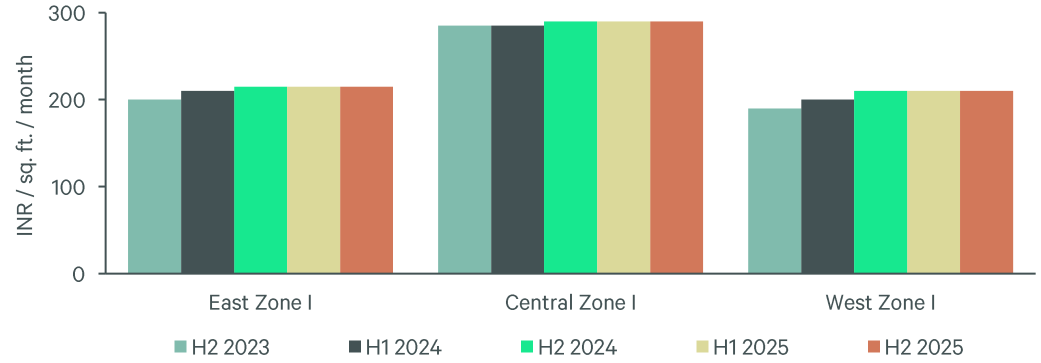
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls and high streets; supply includes investment-grade malls only
The decline in absorption numbers in the city is primarily attributed to supply constraints.

FIGURE 7.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: The rental values mentioned above indicate the average ground floor vanilla rentals on leasable area.

FIGURE 7.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H2 2025

TABLE 7.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H2 2025

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	68%	▲
Jewellery	8%	▲
Entertainment	6%	▼

Source: CBRE Research, H2 2025

TABLE 7.2: KEY LEASING TRANSACTIONS IN H2 2025

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
The KOPA	East	~8,000	Apple	Consumer Electronics
High Street	West Zone I	~2,500	The Souled Store	Fashion & Apparel
High Street	Central I	~1,500	Lucira Jewellery	Jewellery

Source: CBRE Research, H2 2025

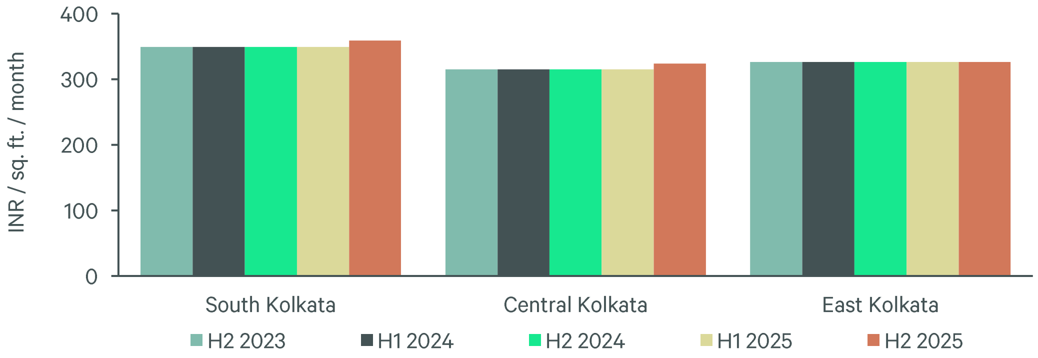
Kolkata: Leasing by domestic fashion brands across high streets dominated demand

▶ NA
SUPPLY (MN SQ. FT.)

▲ ~0.2
ABSORPTION (MN SQ. FT.)

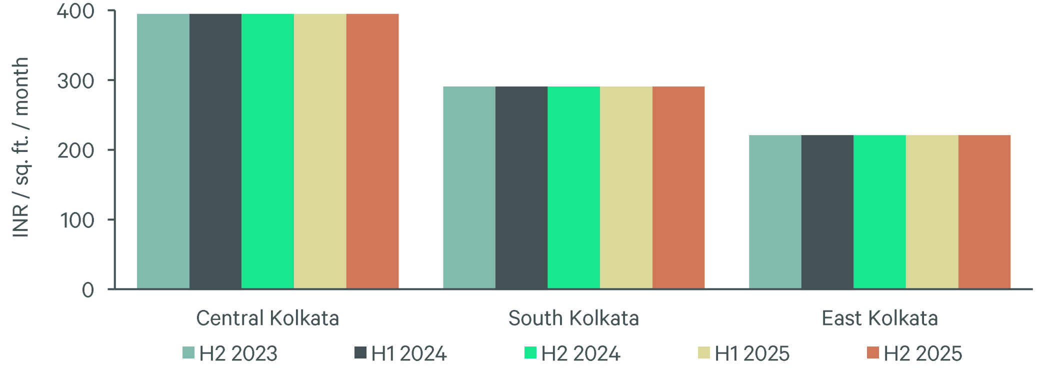
Note: Arrows indicate annual change
Absorption includes leasing in investment-grade malls and high streets; supply includes investment-grade malls only

FIGURE 8.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: The rental values mentioned above indicate the average ground floor vanilla rentals on leasable area.

FIGURE 8.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H2 2025

TABLE 8.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H2 2025

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	64%	▲
Bank, Insurance & Finance	13%	▼
Jewellery	9%	▲

Source: CBRE Research, H2 2025

TABLE 8.2: KEY LEASING TRANSACTIONS IN H2 2025

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Aspirations Aloft	Central Kolkata	~10,500	The House of Rare	Fashion & Apparel
High Street	East Kolkata	~6,000	Indriya	Jewellery
Shree Tower	North Kolkata	~4,500	Rossare	Homeware & Furnishings

Source: CBRE Research, H2 2025

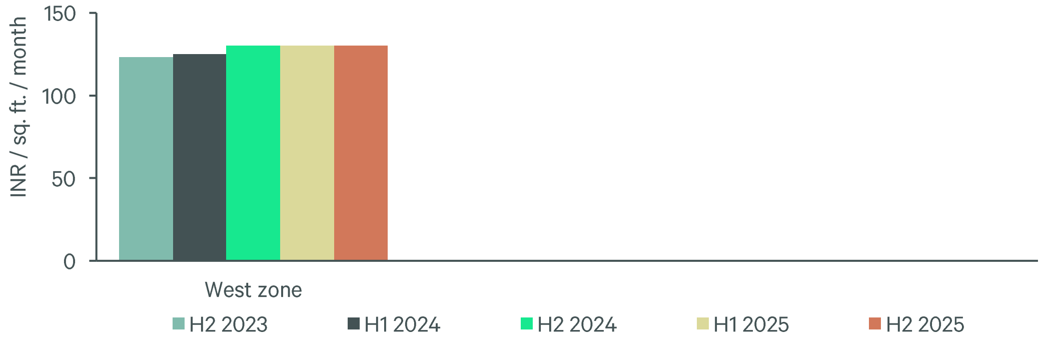
Ahmedabad: Domestic fashion brands spurred retail space absorption

▶ NA
SUPPLY (MN SQ. FT.)

▼ ~0.1
ABSORPTION (MN SQ. FT.)

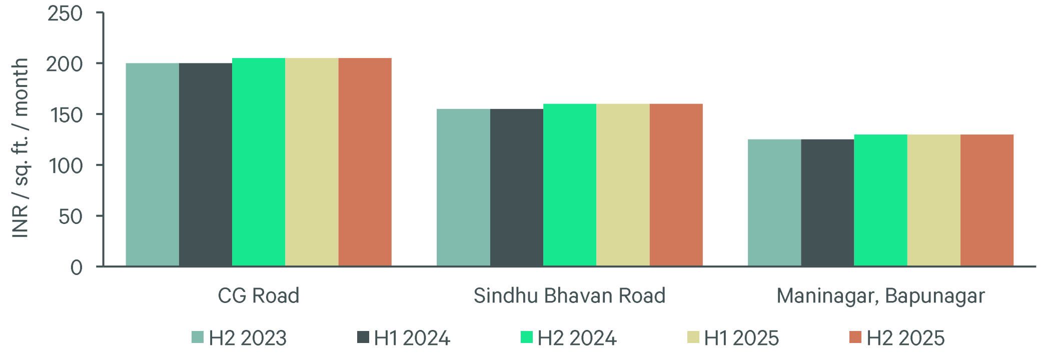
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls, high streets; & standalone supply includes investment-grade malls only
The decline in absorption numbers in the city is primarily attributed to supply constraints.

FIGURE 9.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: The rental values mentioned above indicate the average ground floor vanilla rentals on leasable area.

FIGURE 9.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H2 2025

TABLE 9.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H2 2025

SECTOR	% SHARE	Y-o-Y MOVEMENT
Luxury	40%	▲
Fashion & Apparel	19%	▼
Homeware & Furnishings	15%	▲

Source: CBRE Research, H2 2025

TABLE 9.2: KEY LEASING TRANSACTIONS IN H2 2025

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Nirav's BTS	Sindhu Bhavan Road	~20,000	Monsoon Mansion	Luxury
484@SBR	Sindhu Bhavan Road	~16,500	Iconic Fashion	Luxury
Capitol Icon	West Zone	~1,660	Kisna Diamond & Gold Jewellery	Jewellery

Source: CBRE Research, H2 2025

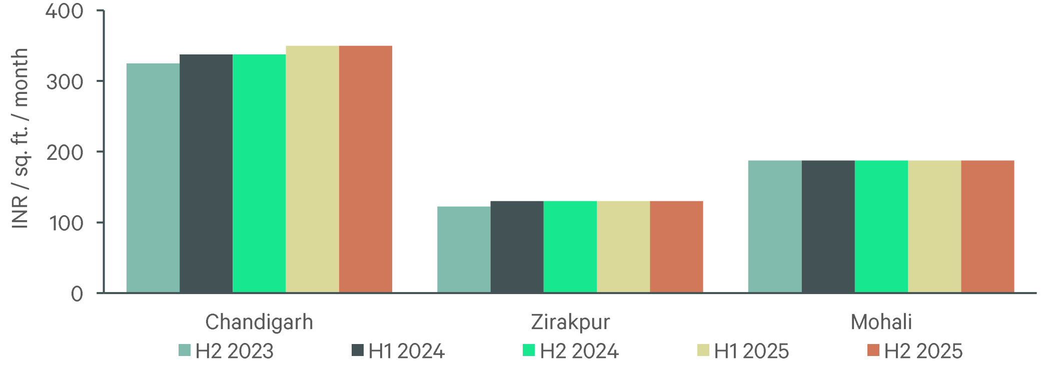
Chandigarh: High streets led space take-up

▶ NA
SUPPLY (MN SQ. FT.)

▼ ~0.05
ABSORPTION (MN SQ. FT.)

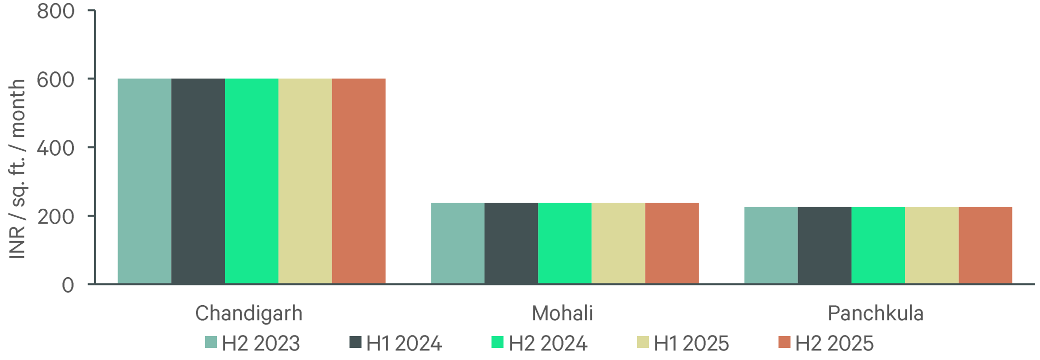
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only
The decline in absorption numbers in the city is primarily attributed to supply constraints.

FIGURE 10.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: The rental values mentioned above indicate the average ground floor vanilla rentals on leasable area.

FIGURE 10.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H2 2025

TABLE 10.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H2 2025

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	31%	▲
Jewellery	28%	▲
Food & Beverage (F&B)	27%	▼

Source: CBRE Research, H2 2025

TABLE 10.2: KEY LEASING TRANSACTIONS IN H2 2025

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
High Street	Mohali	~12,000	Zudio	Fashion & Apparel
High Street	Mohali	~9,000	F-Lounge	Food & Beverage (F&B)
Nexus Elante Mall	Chandigarh	~7,200	Tanishq	Jewellery

Source: CBRE Research, H2 2025

Indore: Entertainment players dominated leasing activity

▶ NA

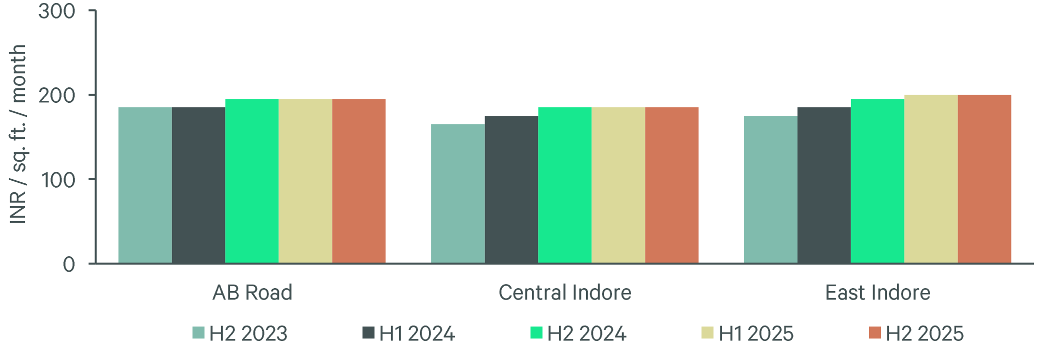
SUPPLY (MN SQ. FT.)

▼ ~0.08

ABSORPTION (MN SQ. FT.)

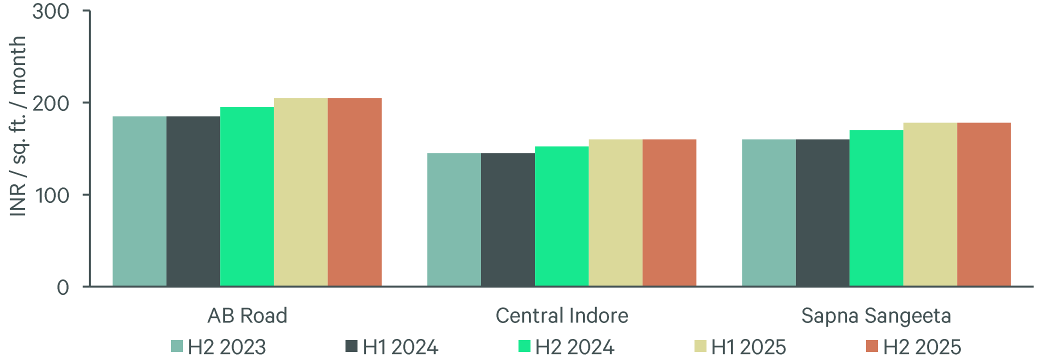
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only
The decline in absorption numbers in the city is primarily attributed to supply constraints.

FIGURE 11.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: The rental values mentioned above indicate the average ground floor vanilla rentals on leasable area.

FIGURE 11.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H2 2025

TABLE 11.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H2 2025

SECTOR	% SHARE	Y-o-Y MOVEMENT
Entertainment	68%	▲
Jewellery	14%	▼
Food & Beverage (F&B)	4%	▼

Source: CBRE Research, H2 2025

TABLE 11.2: KEY LEASING TRANSACTIONS IN H2 2025

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Phoenix Citadel	East Indore	~55,120	Republic of Karting	Entertainment
High Street Apollo	Central Indore	~2,200	Pincode	Food & Beverage (F&B)
Standalone	Central Indore	~2,000	Candere by Kalyan Jewellers	Jewellery

Source: CBRE Research, H2 2025

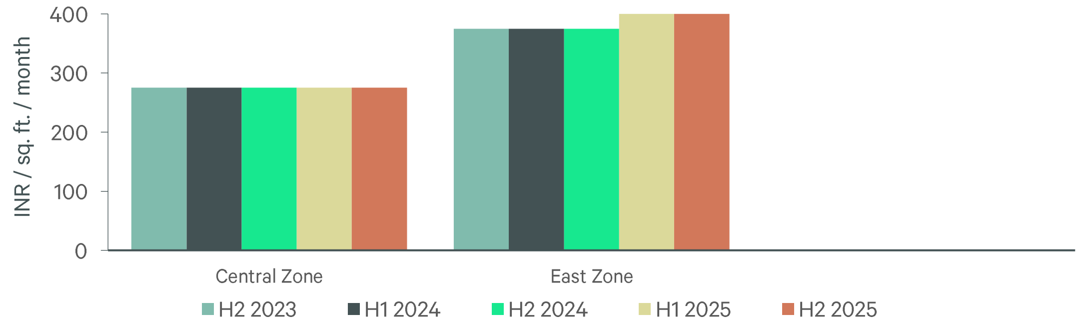
Kochi: Expansions by domestic fashion players powered demand

▶ NA
SUPPLY (MN SQ. FT.)

▶ ~0.09
ABSORPTION (MN SQ. FT.)

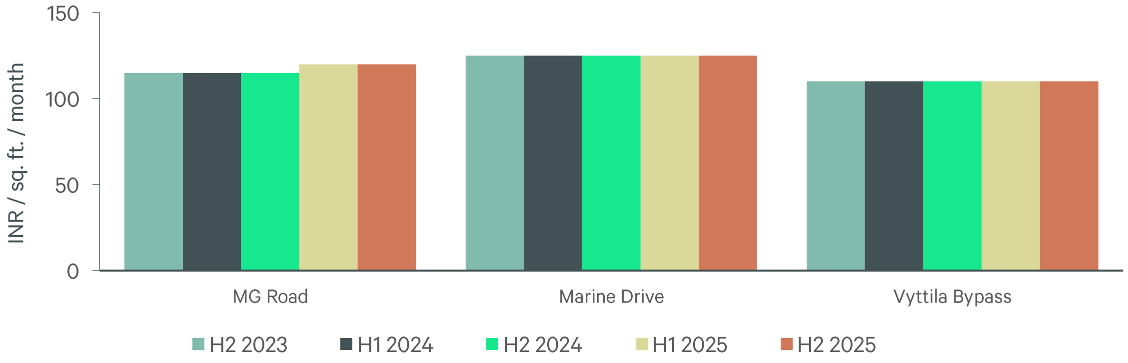
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls and high streets; supply includes investment-grade malls only

FIGURE 12.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: The rental values mentioned above indicate the average ground floor vanilla rentals on leasable area.

FIGURE 12.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H2 2025

TABLE 12.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H2 2025

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	63%	▼
Food & Beverage (F&B)	19%	▲
Homeware & Furnishings	3%	▲

Source: CBRE Research, H2 2025

TABLE 12.2: KEY LEASING TRANSACTIONS IN H2 2025

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
High Street	Vyttila Bypass	~25,000	Westside	Fashion & Apparel
High Street	Kakkanad	~10,000	MR. DIY	Homeware & Furnishings
High Street	Vyttila Bypass	~9,200	Topform	Food & Beverage (F&B)

Source: CBRE Research, H2 2025

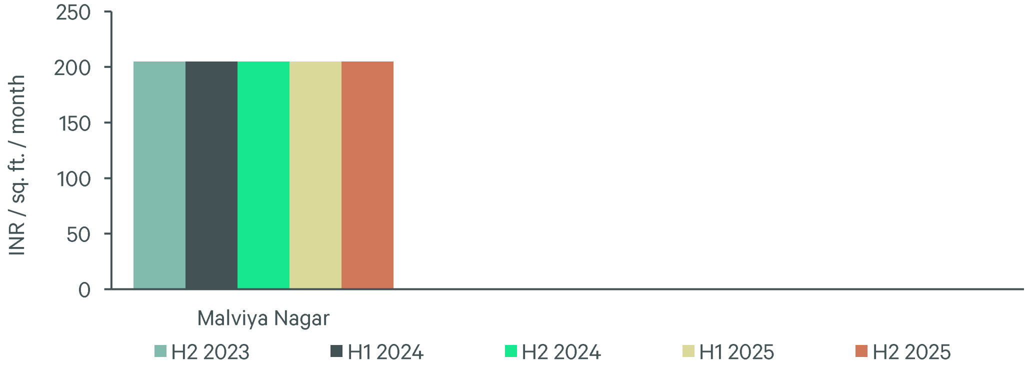
Jaipur: Domestic fashion, jewellery brands expanded footprint

▶ NA
SUPPLY (MN SQ. FT.)

▲ ~0.12
ABSORPTION (MN SQ. FT.)

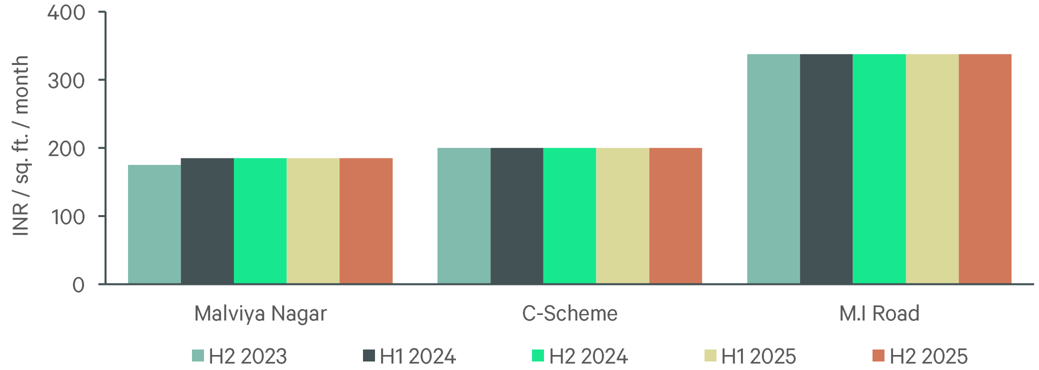
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only

FIGURE 13.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: The rental values mentioned above indicate the average ground floor vanilla rentals on leasable area.

FIGURE 13.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H2 2025

TABLE 13.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H2 2025

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	63%	▼
Jewellery	14%	▲
Food & Beverage (F&B)	10%	▲

Source: CBRE Research, H2 2025

TABLE 13.2: KEY LEASING TRANSACTIONS IN H2 2025

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
High Street	Vaishali Nagar	~25,000	Westside	Fashion & Apparel
High Street	Vaishali Nagar	~14,000	Joyalukkas	Jewellery
High Street	M.I Road	~2,000	GIVA	Jewellery

Source: CBRE Research, H2 2025

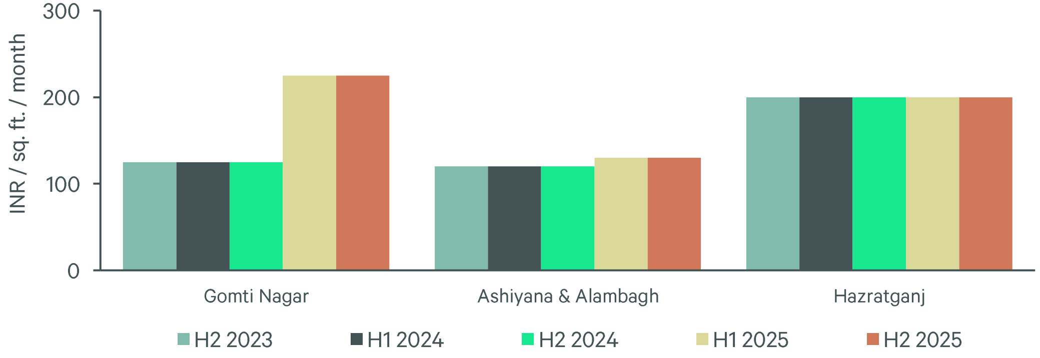
Lucknow: Jewellery players led space absorption

▶ NA
SUPPLY (MN SQ. FT.)

▼ ~0.02
ABSORPTION (MN SQ. FT.)

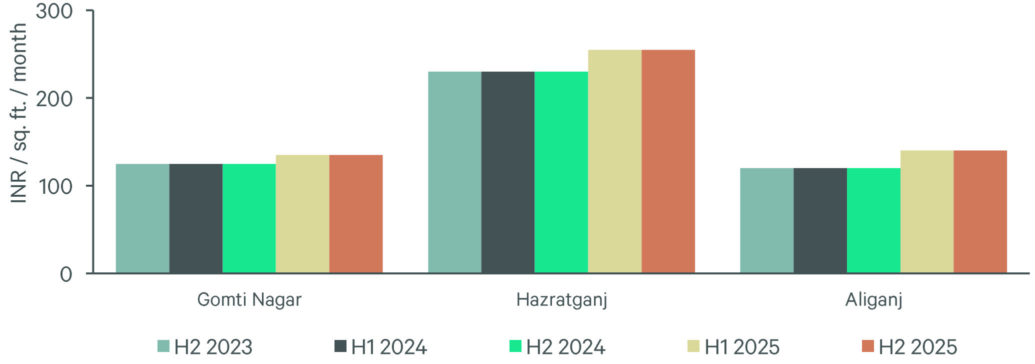
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only
The decline in absorption numbers in the city is primarily attributed to supply constraints.

FIGURE 14.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: The rental values mentioned above indicate the average ground floor vanilla rentals on leasable area.

FIGURE 14.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H2 2025

TABLE 14.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H2 2025

SECTOR	% SHARE	Y-o-Y MOVEMENT
Jewellery	50%	▲
Fashion & Apparel	47%	▲
Others	3%	▲

Source: CBRE Research, H2 2025

TABLE 14.2: KEY LEASING TRANSACTIONS IN H2 2025

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
High Street	Gomti Nagar	~11,400	PNG Jewellers	Jewellery
Sahu Building (High Street)	Hazratganj	~6,000	Greenways Saree	Fashion & Apparel
Amaraa Plaza (High Street)	Gomti Nagar	~2,500	Mi Arcus	Fashion & Apparel

Source: CBRE Research, H2 2025

India Retail Market Outlook 2026

Fashion and apparel players expected to embrace new blueprint for success

The interplay between fast fashion, premiumisation, and the purchasing habits of digitally-native consumers is redefining India's fashion and apparel segment. Modern fashion retail is shifting from transactional spaces to high-impact brand ecosystems. For instance, labels are replacing traditional layouts with experiential flagships featuring workshops, fitness studios, coffee shops, lounges, and wellness centres—all designed to maximise 'dwell time' and promote brand loyalty. Retailers are also dismantling traditional sections in favour of curated 'style zones' to target Gen Z and Gen Alpha shoppers. This transformation is underpinned by AI-driven technologies, including hyper-personalised styling through generative AI, virtual try-ons, and social sharing to reduce returns, as well as predictive modelling to manage inventory, phygital showrooms and zero inventory models. Through 'format agility', fashion and apparel brands are moving away from a 'one-size-fits-all' model to create a fragmented but highly targeted retail presence.

Reimagining of retail ecosystems set to continue

While traditional malls remain the primary drivers of consumer footfall, developers are increasingly pivoting towards diversified asset formats to capture evolving market demand.

- **The rise of 'experience' anchors:** As the primary catalysts of consistent footfall, experiential tenants are increasingly superseding traditional department store anchors.
- **Strategic expansion of outlet stores:** Capitalising on the value-conscious, brand-aware demographics, premium outlet centres are flourishing in peri-urban fringes. While this format was previously concentrated in the Delhi-NCR region, it is rapidly gaining traction in Bengaluru.
- **Integration within mixed-use developments:** Leading developers foraying into mixed-use developments are also prioritising tenant diversification. While these portfolios were initially dominated by F&B players to serve office catchments, developers are now creating more balanced ecosystems by integrating fashion, wellness, and essential retail.

Entertainment zones to remain critical for tenant mix diversification

Entertainment zones have evolved into high-tech hubs that leverage edutainment, virtual reality (VR), and gamified radio frequency identification (RFID) loyalty systems to command premium pricing and drive repeat visitations. For landlords, these centres serve as vital assets for active management, effectively monetising large, windowless 'dead spaces' while generating a considerable rental premium for adjacent F&B tenants. Due to high initial capital investment, entertainment zones potentially offer long-term income stability through extended lease terms, successfully blending multi-generational play with robust real estate valuation.

Competition for premium space to steer future rental trajectories

Rental appreciation in recent years has been underpinned by the expansion of high-margin categories, specifically jewellery and fashion and apparel flagships. This growth is further bolstered by well-funded D2C brands and experiential entertainment formats demonstrating a willingness to pay top-of-market rates to secure space in high-performing retail formats. At the same time, elevated rental trends in recent years are making tenants and operators approach negotiations with greater deliberation. While this has led to more calibrated increases, demand for top-tier malls and high streets remains intact; consequently, rental growth in the coming quarters could increasingly diverge based on asset quality, location, and tenant profile.

Investment activity expected to pick up pace

The investment market for retail remained active in 2025, marked by asset acquisitions by real estate investment trusts (REITs) and global institutional investors. One of the key deals in the pipeline includes the anticipated acquisition of Diamond Plaza Mall by Nexus Select Trust in Kolkata for ~USD 50–70 million. The influx of investment-grade supply has intensified market competition, prompting a wave of retrofitting and repositioning for legacy assets in prime corridors. Select institutional investors are increasingly capitalising on this trend and acquiring underperforming properties to unlock value through strategic upgrades.

Source: CBRE Research, H2 2025

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Assumptions are a necessary part of undertaking real estate market studies. CBRE adopts assumptions for the purpose of providing the report because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. The office market performance detailed in this report considers all information received until 4-January-2026. The quarterly estimates also include a fair set of assumptions based on discussions with stakeholders at the time of finalizing this document. These assumptions pertaining to lease deal closures, supply completions and pre-lease culminations in these properties have been arrived at basis careful deliberations. Furthermore, these estimates are subject to upward / downward revisions in subsequent weeks as renewed information flows in from the market.

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