Figures

India Retail Figures H1 2026

REPORT

INDIA

REAL ESTATE

CBRE RESEARCH
JULY 2026

India's retail leasing rises 20% Y-o-Y to touch ~3.9 million sq. ft. in H1 2026

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

Consumption indicators remain broadly supportive amid inflationary headwinds

- Inflationary pressure intensified toward the end of H1 2026 (January–June). Headline retail inflation, as measured by the Consumer Price Index (CPI), rose from 3.93% in May to 4.38% in June — moving above the Reserve Bank of India's (RBI) medium-term target of 4% — while food inflation climbed to 5.32%[1]. Delayed monsoon rains, weather-related supply disruptions, and elevated crude oil prices amid the West Asia conflict added to transportation and input costs across the economy.
- Consumer sentiment reflected this pressure. The RBI's May 2026 Consumer Confidence Survey recorded a decline in the Current Situation Index (CSI) compared to November 2025, while the Future Expectations Index (FEI) also softened. Urban inflation, however, remained comparatively contained at 3.92%, below the national CPI reading of 4.38% in June.[1].
- Even as sentiment softened, gross leasing across India's major cities rose by 20% Y-o-Y in H1 2026, indicating that retailer appetite and deal closures remained firm during the review period.

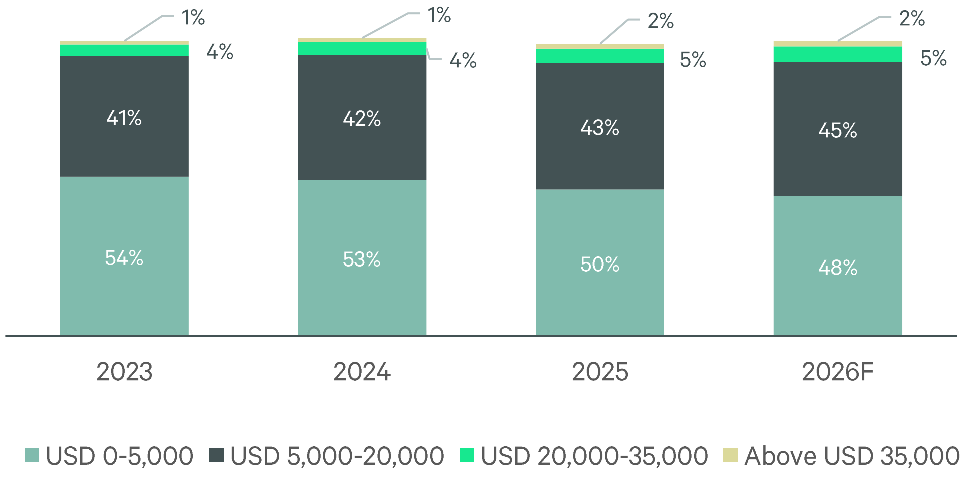
1. Ministry of Statistics and Programme Implementation, July 2026; 2. Consumer Confidence Survey, RBI, May 2026; 3. Oxford Economics, Q2 2026

FIGURE 1.1: MAJOR CONSUMPTION INDICATORS FOR INDIA

↓ ~8% H-o-H	↑ ~12% Y-o-Y	↑ ~6% Y-o-Y
Consumer Confidence (CSI)[2] (May 2026 vs. November 2025)	Retail Sales[3] (2026F* vs. 2025)	Consumer Spending[3] (2026F* vs. 2025)

Source: RBI and Oxford Economics, Q2 2026
*Note: Retail sales and consumer spending estimates for 2026 are forecasts based on Oxford Economics, Q2 2026

FIGURE 1.2: PERCENTAGE SHARE OF HOUSEHOLDS BY DISPOSABLE INCOME BAND



Source: Oxford Economics, Q2 2026

Underlying this leasing resilience is a gradual but meaningful shift in India's household income distribution. The share of households in the lowest income band (USD 0–5,000) is projected to narrow from 50% in 2025 to 48% in 2026F, with the USD 5,000–20,000 band expanding correspondingly from 43% to 45%. As more households cross into the middle-income bracket, the consumption base for discretionary categories continues to widen — a structural support that is likely to sustain spending momentum, despite easing of headline growth rates.

Figure 1.3 indicates that discretionary spending growth is expected to moderate but remain positive in 2026. Growth in clothing and footwear is projected to ease to ~5%, while restaurants and hotels are likely to moderate to ~7%. Recreational and cultural goods and services, household furnishings and equipment, and transport services and vehicle purchases are each projected to grow by ~7%, compared with 8% in 2025. The sharper slowdowns are expected in more immediate spending categories such as dining and apparel, while categories involving longer planning horizons are likely to see milder moderation.

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

Source: Oxford Economics, Q2 2026

India's retail sector performance in H1 2026

- About 0.9 million sq. ft. of new supply became operational during the review period, comprising Felix Plaza (~0.6 million sq. ft.) and DLF Midtown Plaza (~0.3 million sq. ft.) in Delhi-NCR.
- Despite inflationary pressures and supply-chain-related challenges for select retailers arising from the Middle East crisis, retail leasing activity maintained its momentum in H1 2026, with absorption reaching ~3.9 million sq. ft. during the period.
- This momentum was also reflected in broader market confidence. According to the latest CBRE Asia Pacific Leasing Market Sentiment Index[1], nearly 29% of respondents, largely from India, anticipated further improvement in retail leasing in 2026, while approximately 65% expressed an appetite for additional space.
- Fashion & Apparel accounted for ~40% of leasing activity in H1 2026, led by department stores, mid-range fashion, and athleisure brands. Athleisure continued to move beyond niche fitness wear towards mainstream daily wear, as urban consumers increasingly favoured comfort-first, versatile apparel. Retailers responded by dedicating space to hybrid clothing lines suited for the multi-occasion lifestyles of professionals and Gen Z consumers.
- Food & Beverage (F&B) formats, which continue to act as a critical stabiliser for retail assets, accounted for ~14% of total leasing. As consumers increasingly favour lifestyle-oriented dining, the segment continued to pivot to experiential and personalised models. F&B, therefore, remained a vital anchor for retail developers, supporting robust customer engagement and repeat footfall.
- Jewellery stores emerged as premium anchors across malls and organised retail destinations, contributing to both the financial performance and overall positioning of retail assets. Notably, the category accounted for ~7% of overall leasing in H1 2026.
- Although Health and Personal Care accounted for a modest ~3% share of total leasing volume in H1 2026, the sector continued to expand, led by wellness brands and longevity clinics. Future demand is expected from premium fragrance stores, experiential retail spaces, and flexible layouts tailored for international retailers targeting a diverse consumer base.

Source: 1. CBRE Asia Pacific Leasing Market Sentiment Index, June 2026; CBRE Research, H1 2026

- Domestic retailers dominated leasing activity in H1 2026, accounting for more than 70% of the market share. This space take-up was led by fashion & apparel, F&B, entertainment, and jewellery brands. D2C brands, most of which were domestic, also emerged as a key growth driver, capturing a ~28% share of overall leasing.
- Expansion by international retailers in India remained resilient despite macroeconomic pressures and geopolitical volatility, supported by the country's large and expanding consumer market. Several marquee stores were launched in H1 2026, including those by Italian brands such as luxury fashion label Max & Co. in Mumbai and premium accessories brand Carpisa and luxury streetwear label Off-White in Bengaluru. This expansion is also extending to high-end experiential concepts, with UAE-based children's entertainment brand Boo Boo Laand expected to enter India at Jio World Plaza in Mumbai.
- Retail brands also attracted significant capital from investors. Select transactions are listed below:

TABLE 1.1: KEY INVESTMENTS IN H1 2026

SECTOR	INVESTOR	INVESTEE	DEAL VALUE (USD MILLION)
Food & Beverage	General Atlantic	Balaji Wafers Pvt. Ltd.	~278
Food & Beverage	Apax Partners	iD Fresh Food (India) Pvt Ltd	~167
Food & Beverage	Sofina, Sauce.VC, Peak XV Partners, Rainmatter Health and AYRA Ventures	Fitshit Health Solutions Pvt Ltd- The Whole Truth	~51

Source: Grant Thornton, March 2026; CBRE Research, H1 2026

Sustained leasing momentum in H1 2026

~0.9
SUPPLY (MN SQ. FT.) in H1 2026

~3.9
ABSORPTION (MN SQ. FT.) in H1 2026

NA
SUPPLY (MN SQ. FT.) in Q2 2026

~2.0
ABSORPTION (MN SQ. FT.) in Q2 2026

Note: Arrows indicate change from the previous year (H1 2026 vs. H1 2025,;Q2 2026 vs. Q2 2025); NA indicates negligible supply addition.
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

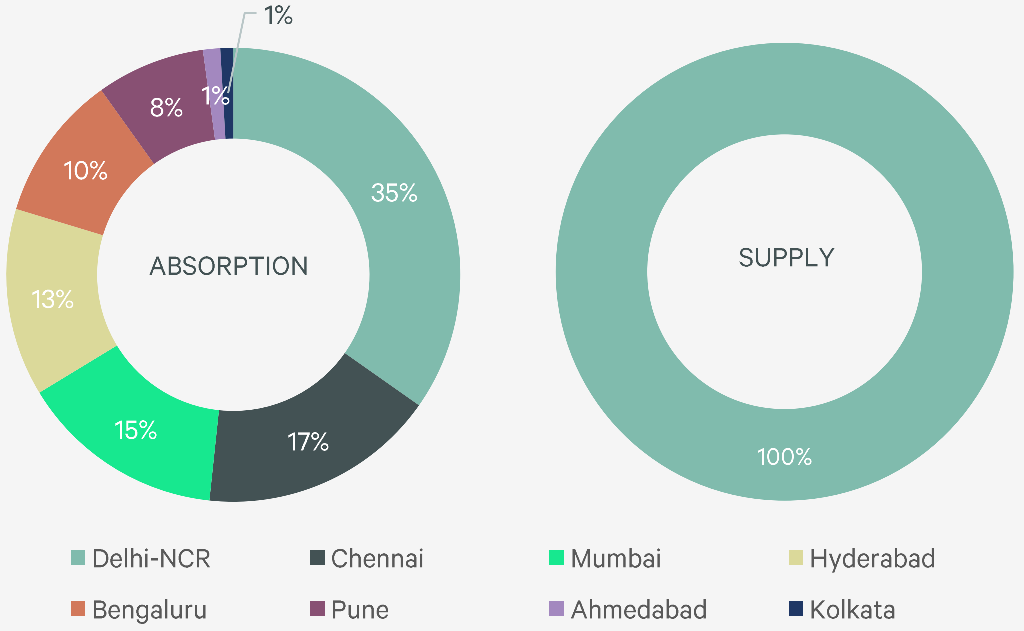
- About 0.9 million sq. ft. of new retail supply became operational during January-June (H1) 2026.
- Delhi-NCR accounted for all new supply during the period as Felix Plaza (~0.6 million sq. ft.) and DLF Midtown Plaza (~0.3 million sq. ft.) became operational.
- New supply declined by ~42% Y-o-Y in H1 2026, primarily as several anticipated mall completions were deferred to subsequent quarters following minor revisions to their launch timelines.

ABSORPTION

- Absorption rose by 20% Y-o-Y to ~3.9 million sq. ft. in H1 2026.
- Delhi-NCR led retail space take-up with a 35% share, followed by Chennai (17%) and Mumbai (15%).
- While retailers continued to monitor developments in the Middle East and remained cautious, the situation did not appear to materially affect deal closures during the period.

Source: CBRE Research, H1 2026

FIGURE 1.5: CITY-WISE SHARE OF RETAIL ABSORPTION AND SUPPLY IN H1 2026

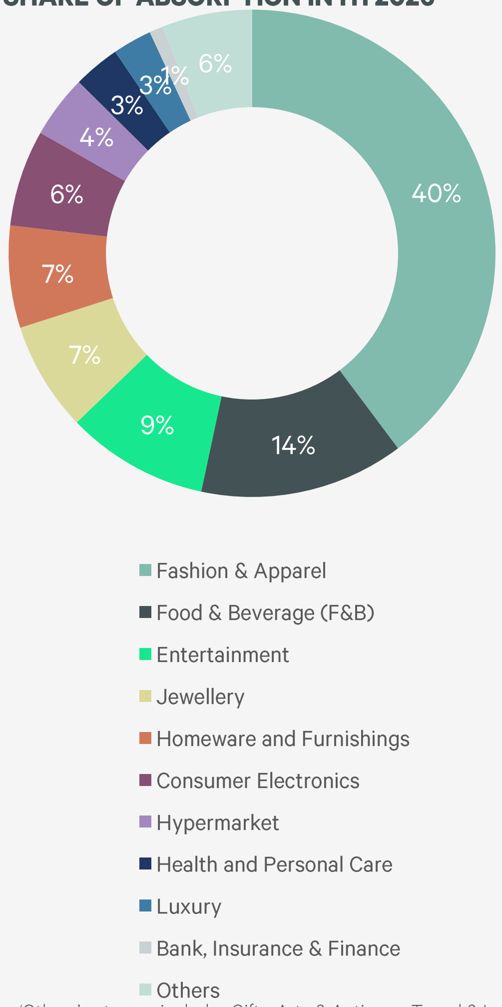


Source: CBRE Research, H1 2026

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.

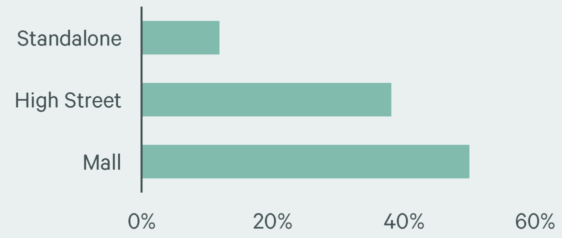
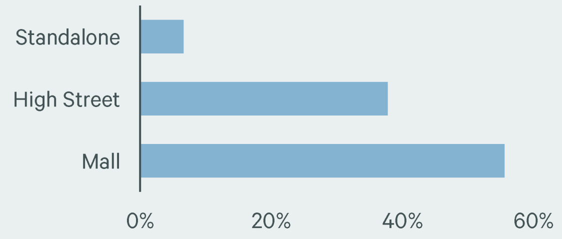
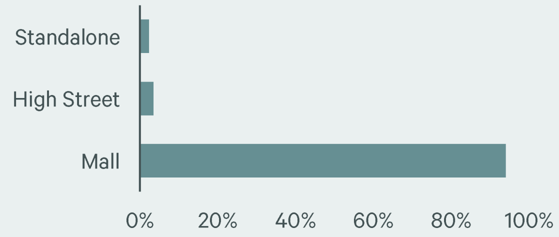
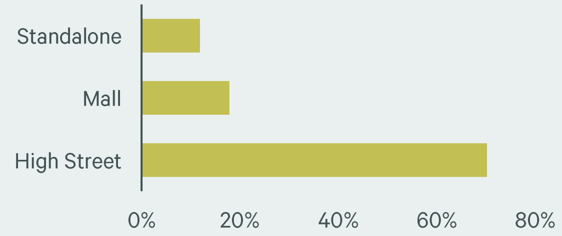
Core drivers of retail leasing in India

FIGURE 1.6: TENANT CATEGORY-WISE SHARE OF ABSORPTION IN H1 2026



The 'Others' category includes Gifts, Arts & Antiques, Travel & Luggage, Opticals, etc.

Source: CBRE Research, H1 2026

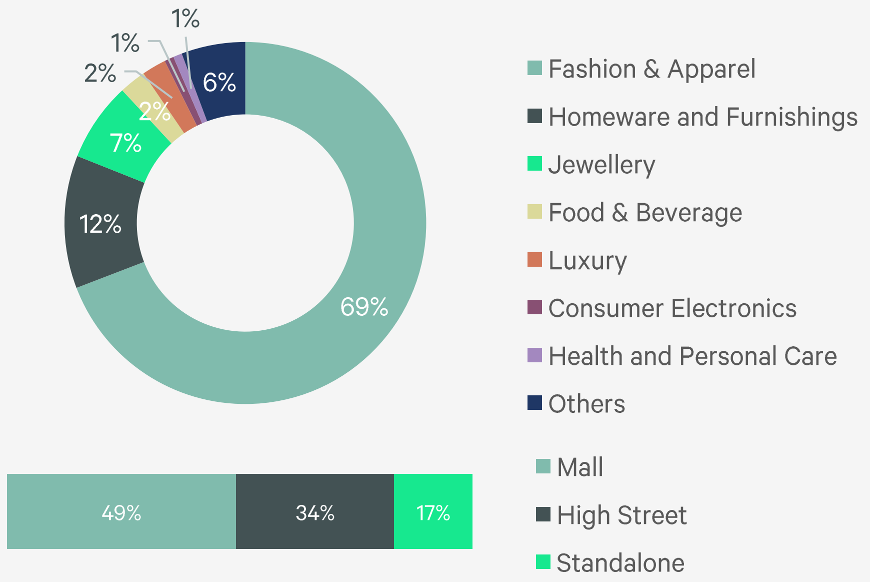
Category	KEY CITIES DRIVING CATEGORY-WISE DEMAND IN H1 2026	ASSET-WISE SHARE OF SPACE TAKE-UP IN H1 2026	PROMINENT NEW ENTRANTS IN H1 2026
Fashion & Apparel	Hyderabad 26%, Mumbai 19%, Delhi-NCR 24%		Max & Co., Vercelli, Off-White
Food & Beverage (F&B)	Delhi-NCR 30%, Chennai 18%, Hyderabad 21%		Yuzu, Olive Garden, Sweeney
Entertainment	Mumbai 43%, Delhi-NCR 22%, Hyderabad 26%		Funky Island, Claw Culture
Jewellery	Chennai 51%, Hyderabad 10%, Delhi-NCR 16%		Ekaraa, Rubans

D2C: From Expansion to Retention

Physical expansion by D2C brands is becoming an established market trend; the segment accounted for 28% of total leasing volume in H1 2026. However, priorities are beginning to shift from rapid space acquisition towards long-term viability. As competition intensifies within premium retail assets, digital-native players in Grade A spaces increasingly need to balance physical-store profitability, capital efficiency, and omnichannel integration.

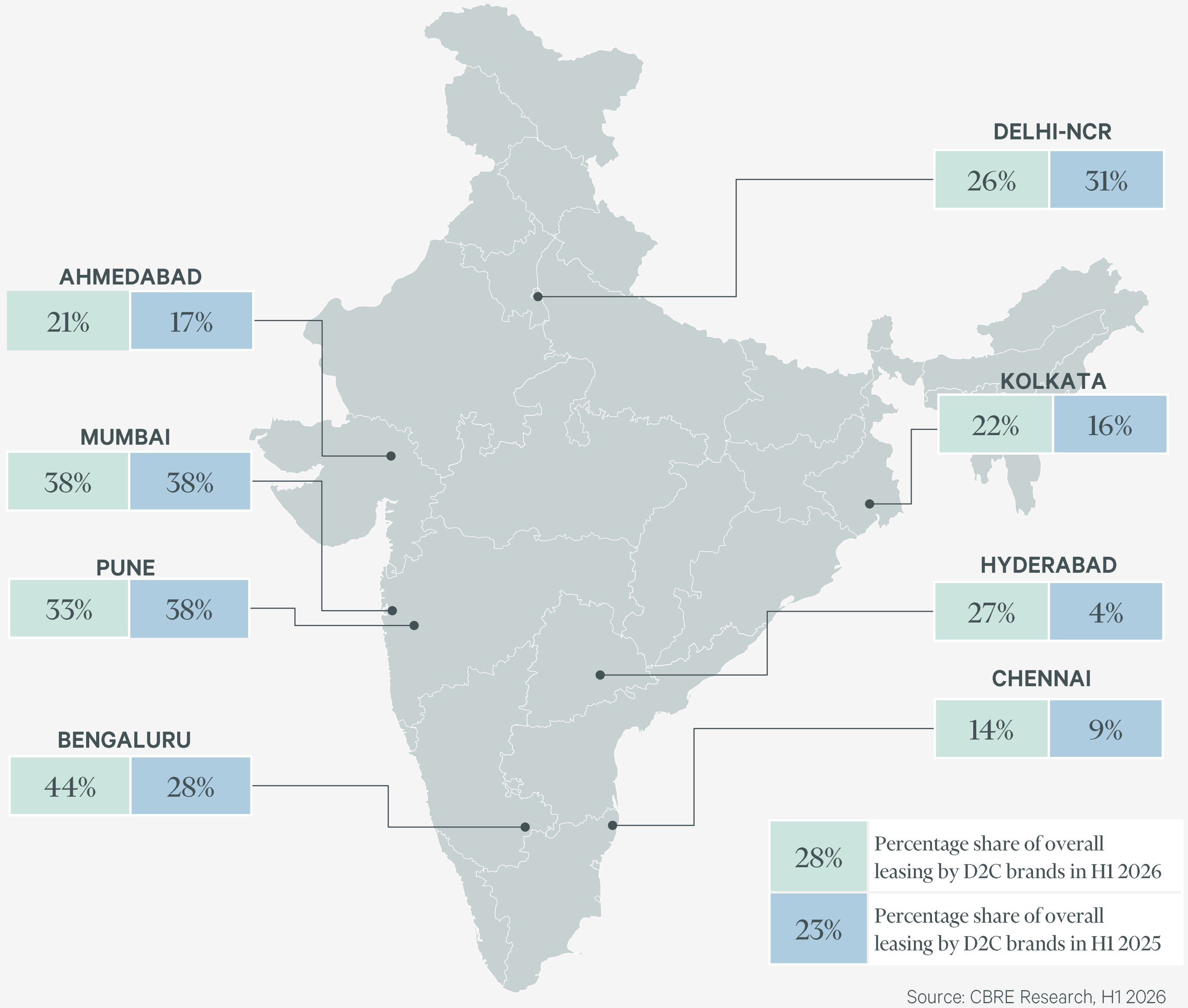
In H1 2026, Mumbai, Pune, Delhi-NCR, and Bengaluru emerged as primary testing grounds, as the emphasis gradually shifted from adding outlets to retaining well-performing locations. Achieving long-term viability will require retailers to balance high setup costs against steady store-level profitability.

FIGURE 1.7: TENANT CATEGORY- AND ASSET-WISE SHARE OF D2C LEASING IN H1 2026



The 'Others' category includes includes Gifts, Arts & Antiques, Travel & Luggage, Opticals, etc.
Source: CBRE Research, H1 2026

FIGURE 1.8: EVOLVING D2C LEASING TRENDS ACROSS MAJOR CITIES (H1 2026 VS H1 2025)



Source: CBRE Research, H1 2026

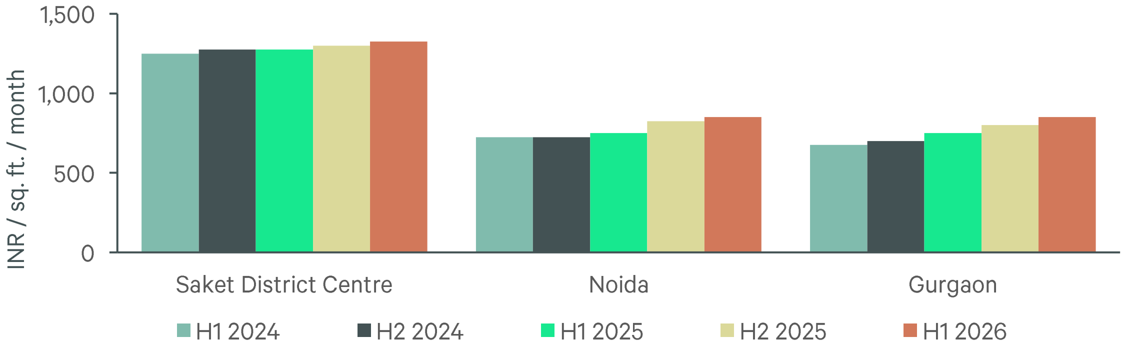
Delhi-NCR: New supply additions drive leasing activity

▲ **~0.9**
SUPPLY (MN SQ. FT.)

▲ **~1.4**
ABSORPTION (MN SQ. FT.)

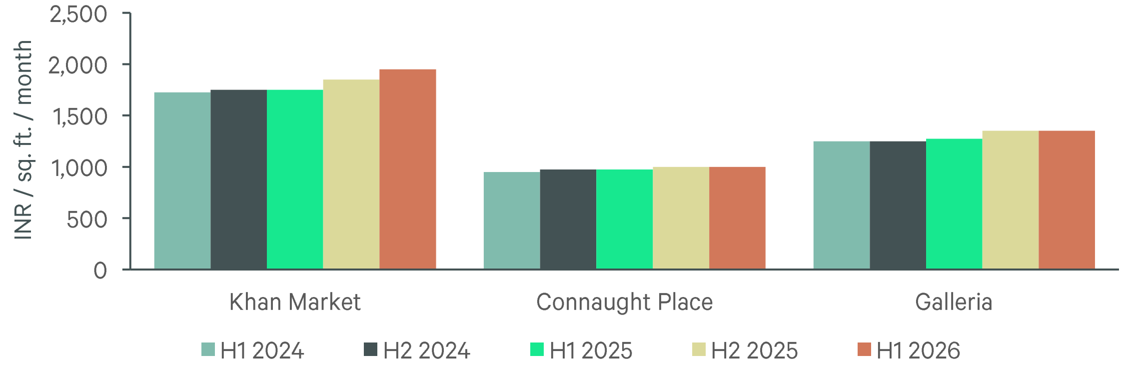
Note: Arrows indicate annual change
Absorption includes leasing in investment-grade malls and high streets; supply includes investment-grade malls only

FIGURE 2.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: Rental values represent average ground-floor vanilla rentals for leasable area.

FIGURE 2.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H1 2026

TABLE 2.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2026

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	39%	▼
Food & Beverage (F&B)	18%	▲
Entertainment	14%	▲

Source: CBRE Research, H1 2026

TABLE 2.2: KEY LEASING TRANSACTIONS IN H1 2026

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Felix Plaza	Gurgaon	~35,840	Lifestyle	Fashion & Apparel
Model Town	West/North-West Delhi	~30,000	Broadway	Fashion & Apparel
Pacific Mall, Tagore Garden	West/North-West Delhi	~20,315	Dave & Buster's	Entertainment

Source: CBRE Research, H1 2026

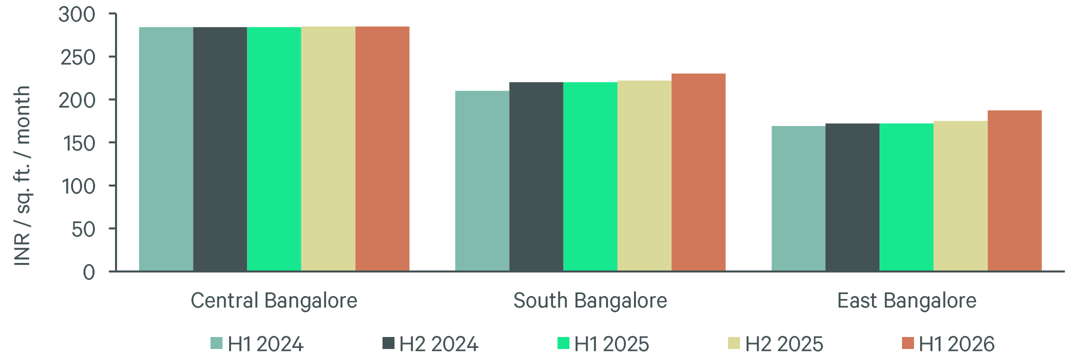
Bengaluru: Expansion by domestic brands supports space take-up

NA
SUPPLY (MN SQ. FT.)

~0.4
ABSORPTION (MN SQ. FT.)

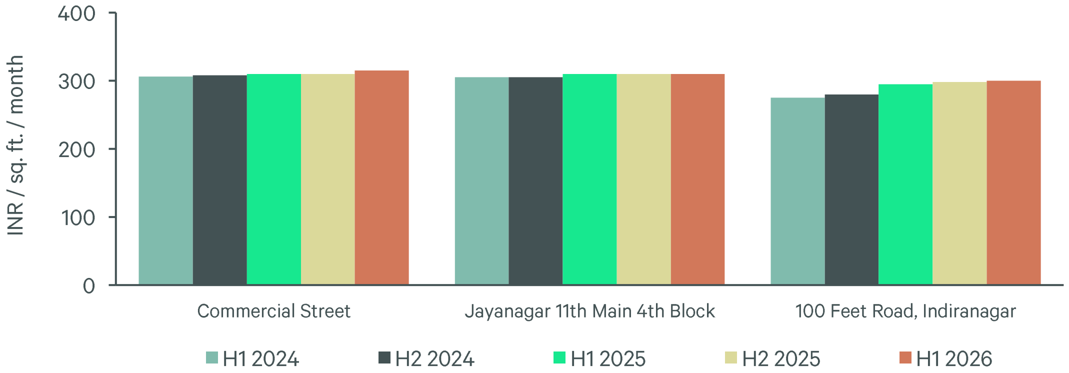
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls and high streets; supply includes investment-grade malls only
Lower absorption in the city is primarily attributable to limited availability of suitable space.

FIGURE 3.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: Rental values represent average ground-floor vanilla rentals for leasable area.

FIGURE 3.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H1 2026

TABLE 3.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2026

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	42%	▲
Jewellery	17%	▲
Food & Beverage (F&B)	12%	▼

Source: CBRE Research, H1 2026

TABLE 3.2: KEY LEASING TRANSACTIONS IN H1 2026

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Phoenix Mall of Asia	North	~23,000	Uniqlo	Fashion & Apparel
Phoenix Marketcity	East	~21,000	Uniqlo	Fashion & Apparel
Jayanagar 11th Main 4th Block	Jayanagar	~10,500	Regal Jewellers	Jewellery

Source: CBRE Research, H1 2026

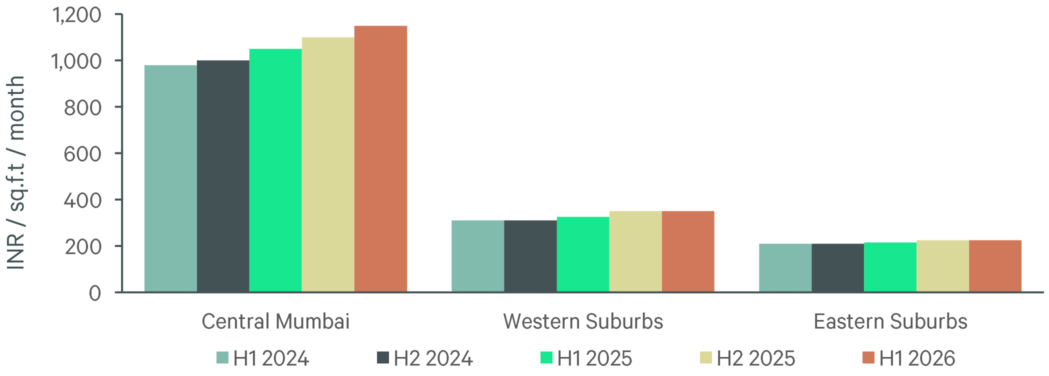
Mumbai: Fashion & Apparel entrants fuel absorption in H1 2026

NA
SUPPLY (MN SQ. FT.)

~0.6
ABSORPTION (MN SQ. FT.)

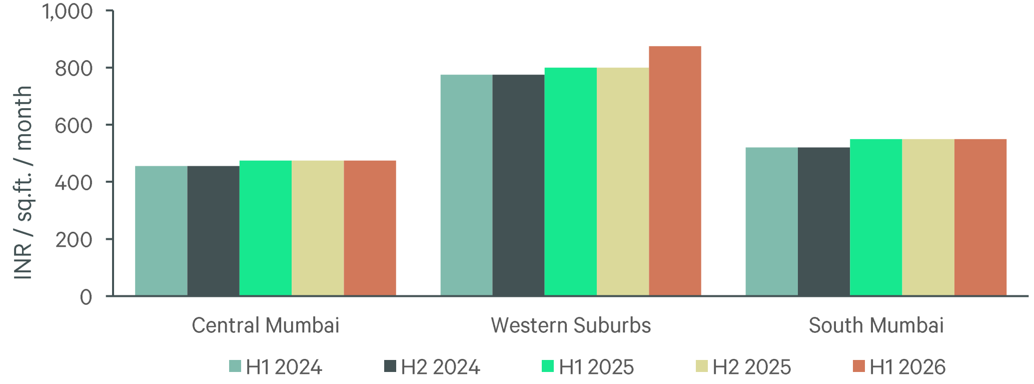
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls and high streets; supply includes investment-grade malls only
Lower absorption in the city is primarily attributable to limited availability of suitable space.

FIGURE 4.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: Rental values represent average ground-floor vanilla rentals for leasable area.

FIGURE 4.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H1 2026

TABLE 4.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2026

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	40%	▼
Entertainment	18%	▲
Food & Beverage (F&B)	10%	▲

Source: CBRE Research, H1 2026

TABLE 4.2: KEY LEASING TRANSACTIONS IN H1 2026

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Sky City Mall, Borivali	Western Suburbs	~94,570	The Game Palacio	Entertainment
Lake Shore Thane	Thane	~18,310	Azorte	Fashion & Apparel
Infiniti Mall, Malad	Western Suburbs	~12,760	Next	Fashion & Apparel

Source: CBRE Research, H1 2026

Hyderabad: Leasing in malls drives demand

NA
SUPPLY (MN SQ. FT.)

~0.5
ABSORPTION (MN SQ. FT.)

Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
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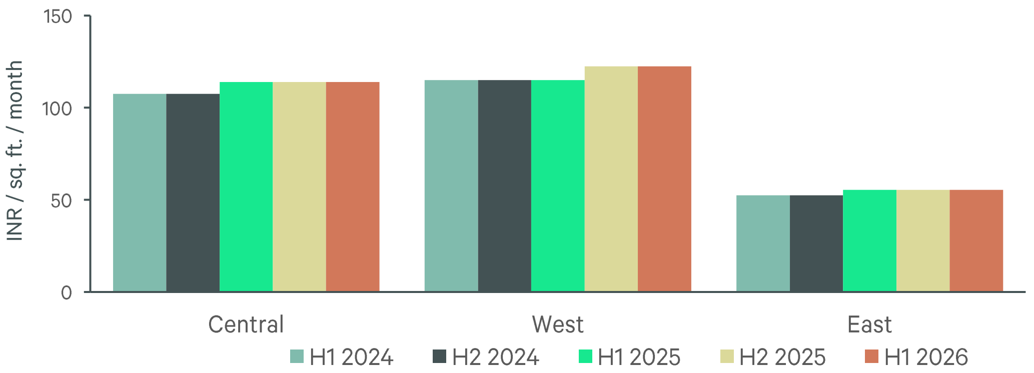
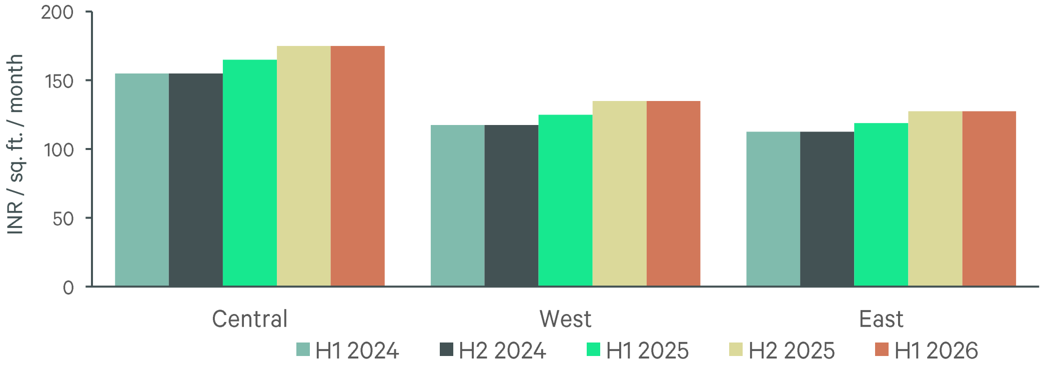
Lower absorption in the city is primarily attributable to limited availability of suitable space.

FIGURE 5.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: Rental values represent average ground-floor vanilla rentals for leasable area.

FIGURE 5.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H1 2026

TABLE 5.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2026

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	49%	▲
Consumer Electronics	12%	▲
Food & Beverage	11%	▶

Source: CBRE Research, H1 2026

TABLE 5.2: KEY LEASING TRANSACTIONS IN H1 2026

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Independent Building	East	~30,000	Westside	Fashion & Apparel
Independent Building	South	~21,000	R&B	Fashion & Apparel
Sattva Knowledge City	West	~1,800	Tesla	Others (Automobile)

Source: CBRE Research, H1 2026

Chennai: High streets anchor leasing activity in H1 2026

NA

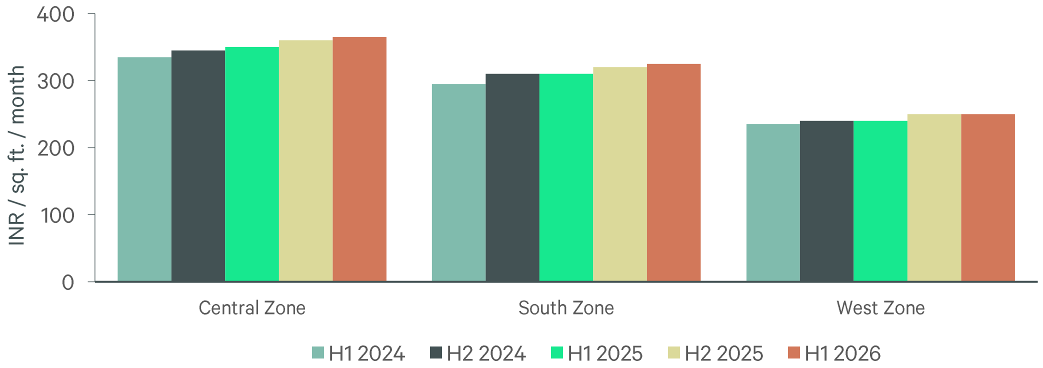
SUPPLY (MN SQ. FT.)

~0.7

ABSORPTION (MN SQ. FT.)

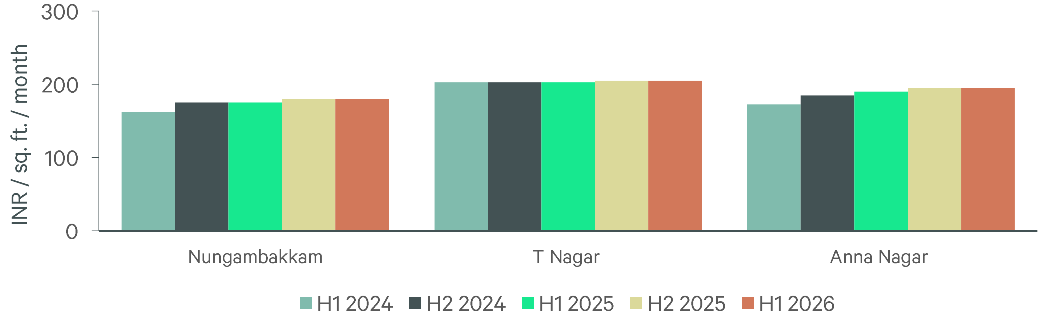
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls and high streets; supply includes investment-grade malls only

FIGURE 6.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: Rental values represent average ground-floor vanilla rentals for leasable area.

FIGURE 6.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H1 2026

TABLE 6.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2026

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	22%	
Consumer Electronics	16%	
Hypermarket	14%	

Source: CBRE Research, H1 2026

TABLE 6.2: KEY LEASING TRANSACTIONS IN H1 2026

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Independent development	Anna Nagar	~35,000	DMart	Hypermarket
Independent development	Chromepet	~20,000	Decathlon	Fashion & Apparel
Independent development	Chromepet	~20,000	Maruti Nexa	Others (Automobile)

Source: CBRE Research, H1 2026

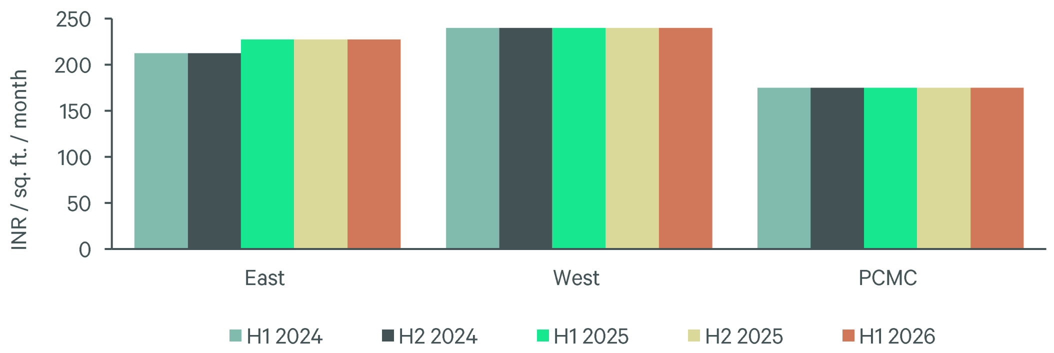
Pune: International brand debuts in the city support space take-up

NA
SUPPLY (MN SQ. FT.)

~0.3
ABSORPTION (MN SQ. FT.)

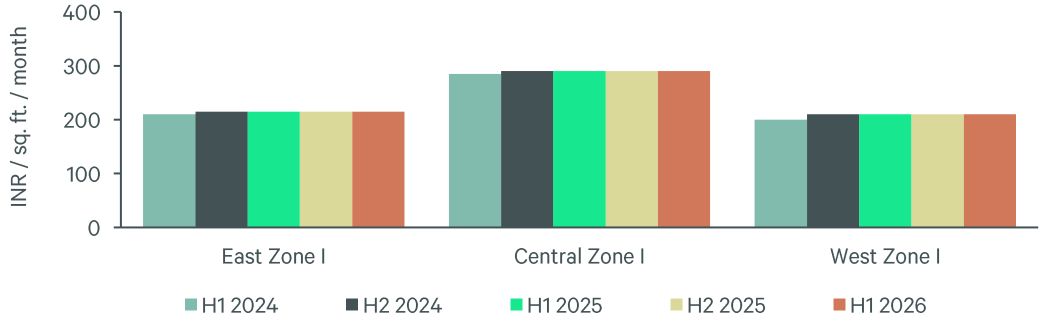
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls and high streets; supply includes investment-grade malls only

FIGURE 7.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: Rental values represent average ground-floor vanilla rentals for leasable area.

FIGURE 7.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H1 2026

TABLE 7.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2026

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	58%	▼
Homeware and Furnishings	13%	▲
Hypermarket	13%	▲

Source: CBRE Research, H1 2026

TABLE 7.2: KEY LEASING TRANSACTIONS IN H1 2026

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Phoenix Avenue of Stars	East	~32,000	IKEA	Homeware and Furnishings
Phoenix Avenue of Stars	East	~21,000	Uniqlo	Fashion & Apparel
The KOPA	East	~25,000	Broadway	Fashion & Apparel

Source: CBRE Research, H1 2026

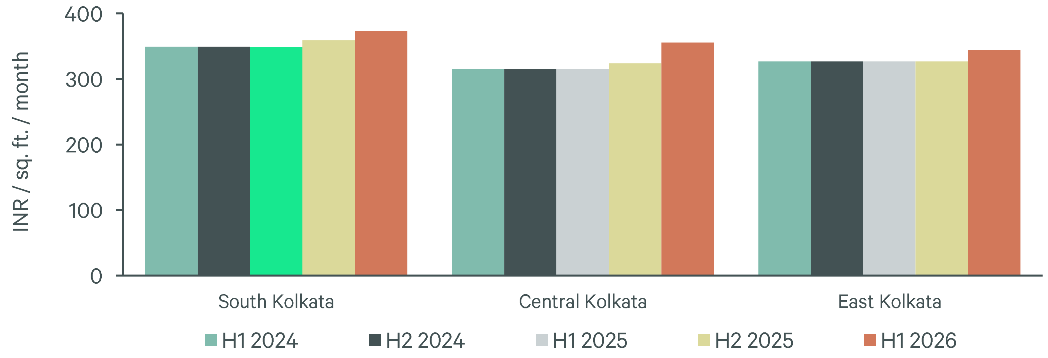
Kolkata: Café and fashion brands drive demand

NA
SUPPLY (MN SQ. FT.)

~0.04
ABSORPTION (MN SQ. FT.)

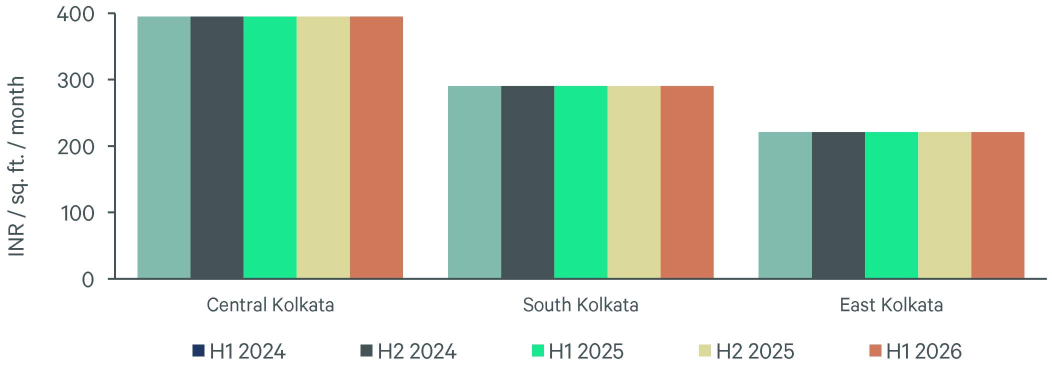
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls and high streets; supply includes investment-grade malls only
Lower absorption in the city is primarily attributable to limited availability of suitable space.

FIGURE 8.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: Rental values represent average ground-floor vanilla rentals for leasable area.

FIGURE 8.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H1 2026

TABLE 8.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2026

SECTOR	% SHARE	Y-o-Y MOVEMENT
Food & Beverage	38%	▲
Fashion & Apparel	22%	▼
Jewellery	10%	▲

Source: CBRE Research, H1 2026

TABLE 8.2: KEY LEASING TRANSACTIONS IN H1 2026

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Quest Mall	Central Kolkata	~6,200	Starbucks Reserve®	Food & Beverage
High Street	South Kolkata	~3,400	Third Wave Coffee Roasters	Food & Beverage
Celica House (High Street)	South Kolkata	~1,750	Tasva	Fashion & Apparel

Source: CBRE Research, H1 2026

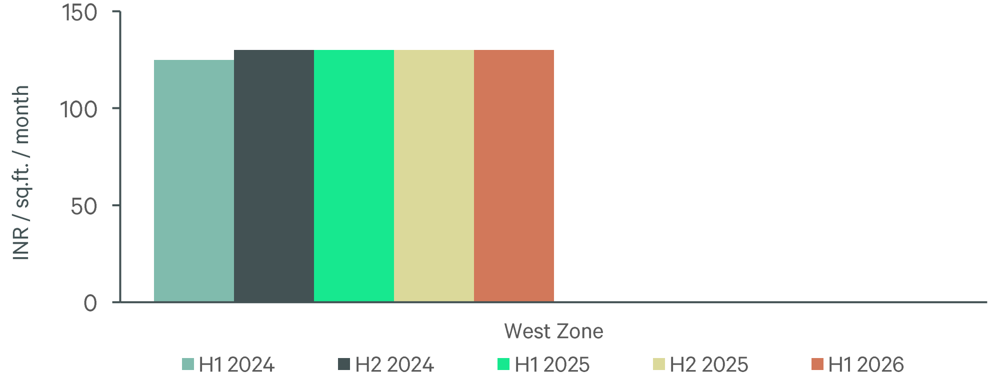
Ahmedabad: Domestic fashion brands spur retail demand

NA
SUPPLY (MN SQ. FT.)

~0.05
ABSORPTION (MN SQ. FT.)

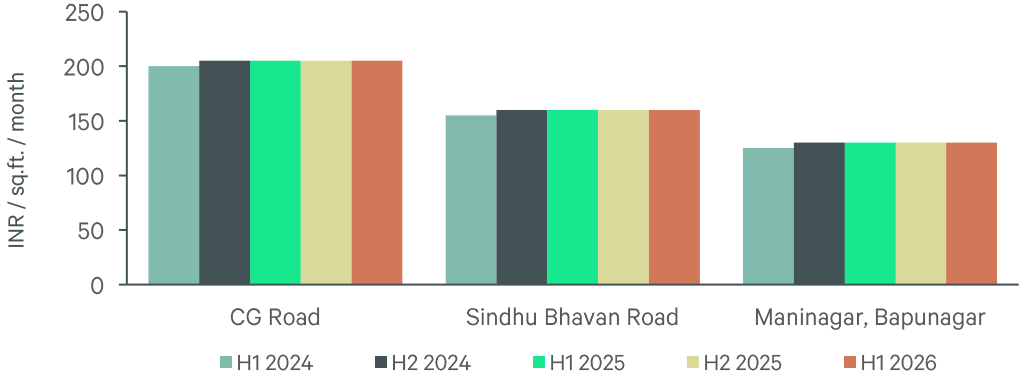
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls, high streets; & standalone supply includes investment-grade malls only
Lower absorption in the city is primarily attributable to limited availability of suitable space.

FIGURE 9.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: Rental values represent average ground-floor vanilla rentals for leasable area.

FIGURE 9.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H1 2026

TABLE 9.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2026

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	53%	▲
Hypermarket	21%	▲
Jewellery	11%	▲

Source: CBRE Research, H1 2026

TABLE 9.2: KEY LEASING TRANSACTIONS IN H1 2026

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Nexus Ahmedabad One	West Zone	~12,865	Azorte	Fashion & Apparel
Himalaya Mall	West Zone	~10,000	Vishal Mega Mart	Hypermarket
High Street	West Zone	~5,150	Harit Zaveri Jewellers	Jewellery

Source: CBRE Research, H1 2026

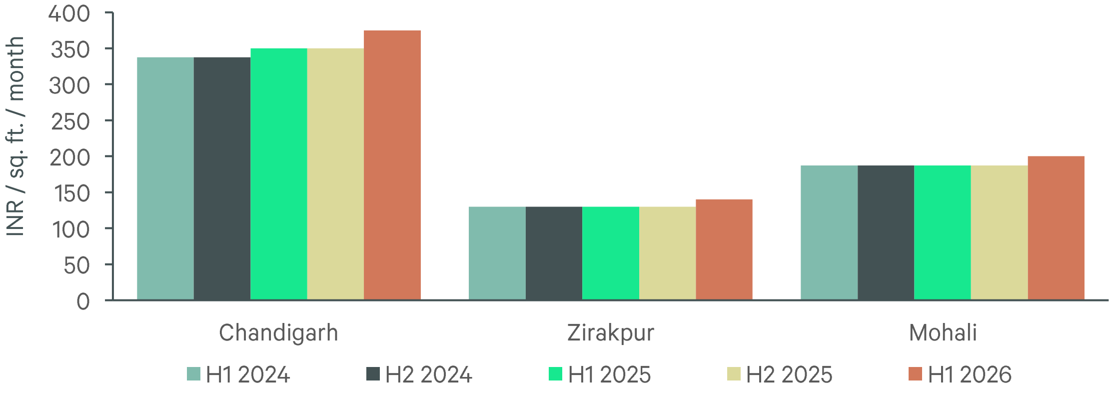
Chandigarh: High streets sustain retail leasing in H1 2026

NA
SUPPLY (MN SQ. FT.)

~0.07
ABSORPTION (MN SQ. FT.)

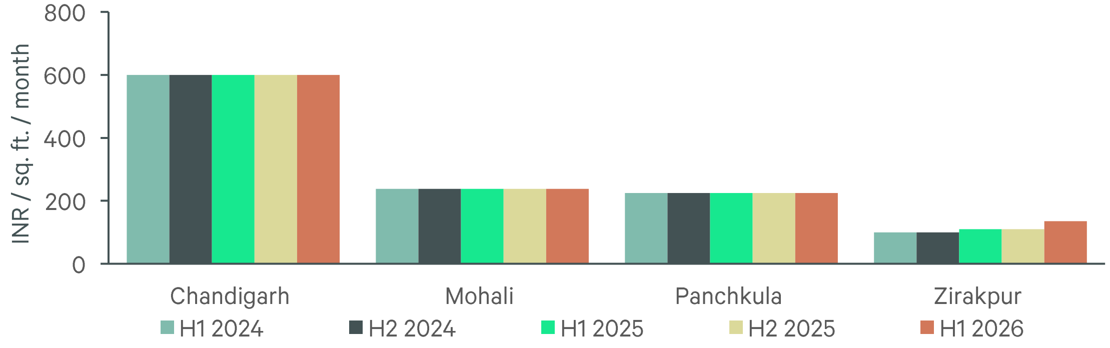
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only

FIGURE 10.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: Rental values represent average ground-floor vanilla rentals for leasable area.

FIGURE 10.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H1 2026

TABLE 10.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2026

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	69%	▲
Jewellery	20%	▲
Food & Beverage (F&B)	3%	▼

Source: CBRE Research, H1 2026

TABLE 10.2: KEY LEASING TRANSACTIONS IN H1 2026

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
High Street	Zirakpur	~30,000	Westside	Fashion & Apparel
High Street	Zirakpur	~15,000	Zudio	Fashion & Apparel
Sector 17 Market	Chandigarh	~8,000	Malabar Gold & Diamonds	Jewellery

Source: CBRE Research, H1 2026

Indore: Domestic brands lead space take-up

NA

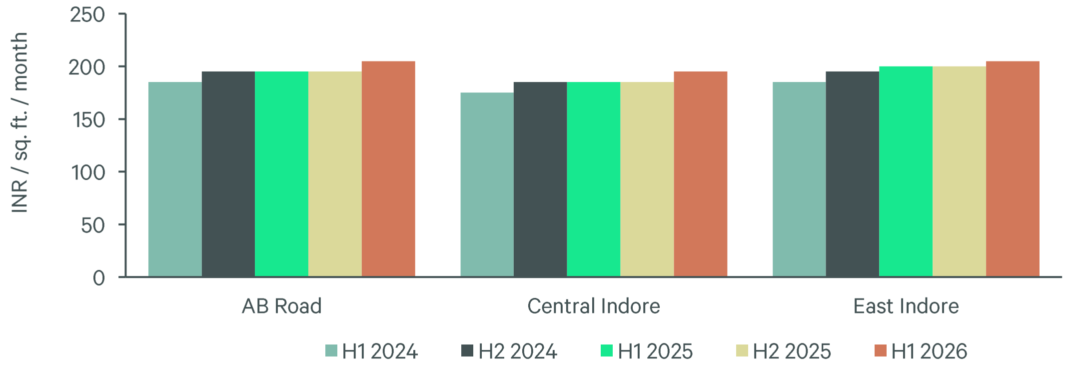
SUPPLY (MN SQ. FT.)

~0.07

ABSORPTION (MN SQ. FT.)

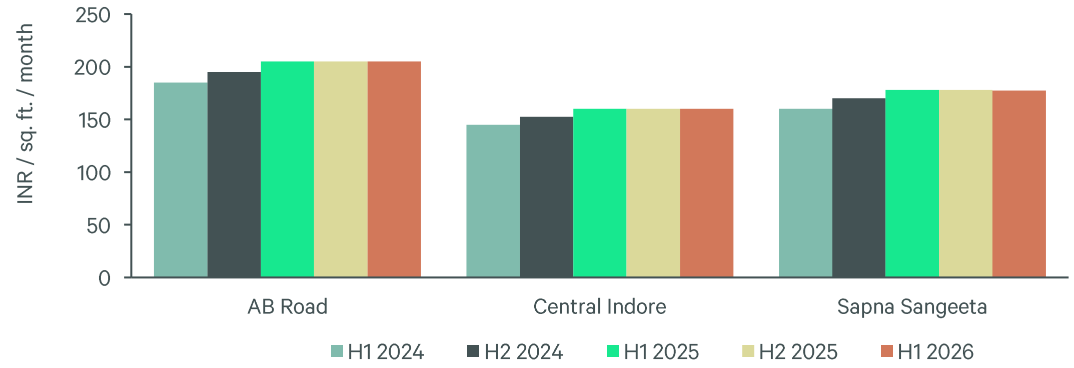
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only
Lower absorption in the city is primarily attributable to limited availability of suitable space.

FIGURE 11.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: Rental values represent average ground-floor vanilla rentals for leasable area.

FIGURE 11.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H1 2026

TABLE 11.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2026

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	14%	▼
Jewellery	7%	▼
Others (Automobile)	79%	▲

Source: CBRE Research, H1 2026

TABLE 11.2: KEY LEASING TRANSACTIONS IN H1 2026

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Standalone	Sapna Sangeeta	~4,500	Skechers	Fashion & Apparel
Standalone	AB Road	~2,200	CaratLane	Jewellery
Independent development	Central Indore	~2,200	Nivara Diamonds	Jewellery

Source: CBRE Research, H1 2026

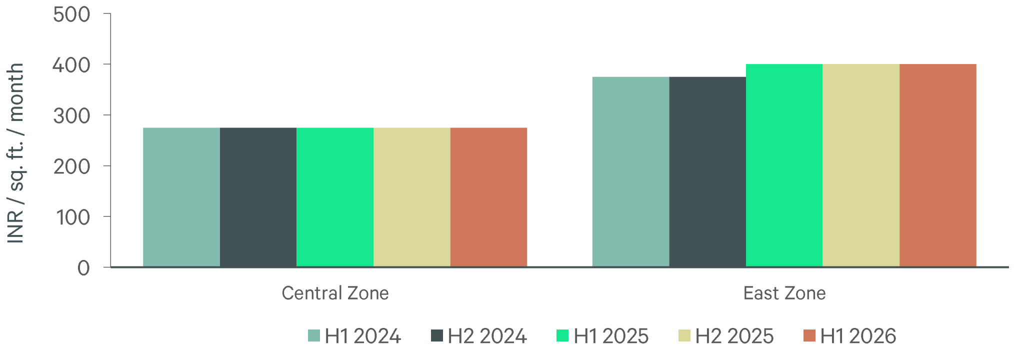
Kochi: Department stores lead demand

NA
SUPPLY (MN SQ. FT.)

~0.07
ABSORPTION (MN SQ. FT.)

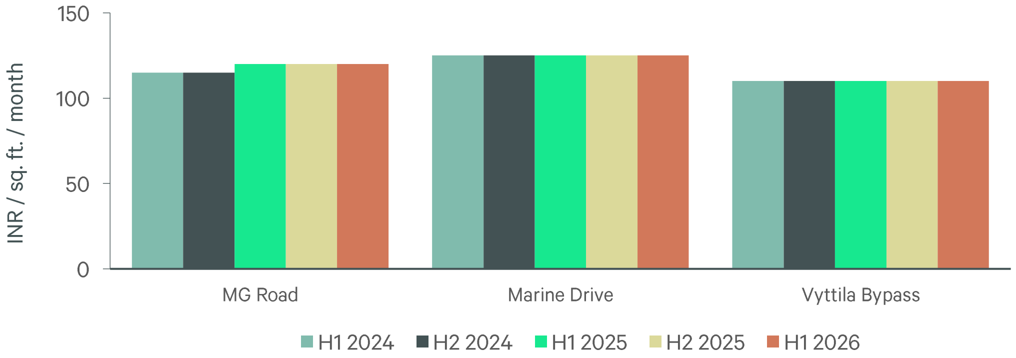
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls and high streets; supply includes investment-grade malls only
Lower absorption in the city is primarily attributable to limited availability of suitable space.

FIGURE 12.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: Rental values represent average ground-floor vanilla rentals for leasable area.

FIGURE 12.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H1 2026

TABLE 12.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2026

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	65%	▼
Homeware and Furnishings	22%	▲
Luxury	12%	▲

Source: CBRE Research, H1 2026

TABLE 12.2: KEY LEASING TRANSACTIONS IN H1 2026

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Independent development	Vyttila Bypass	~18,000	Pantaloons	Fashion & Apparel
Independent development	MG Road	~15,000	Mr DIY	Homeware and Furnishings
Independent development	MG Road	~9,000	Style Union	Fashion & Apparel

Source: CBRE Research, H1 2026

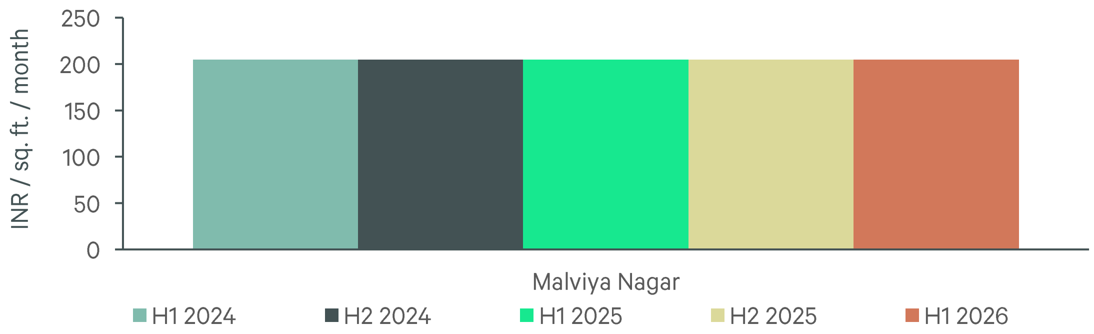
Jaipur: Expansion by Fashion & Apparel brands supports space take-up

NA
SUPPLY (MN SQ. FT.)

~0.11
ABSORPTION (MN SQ. FT.)

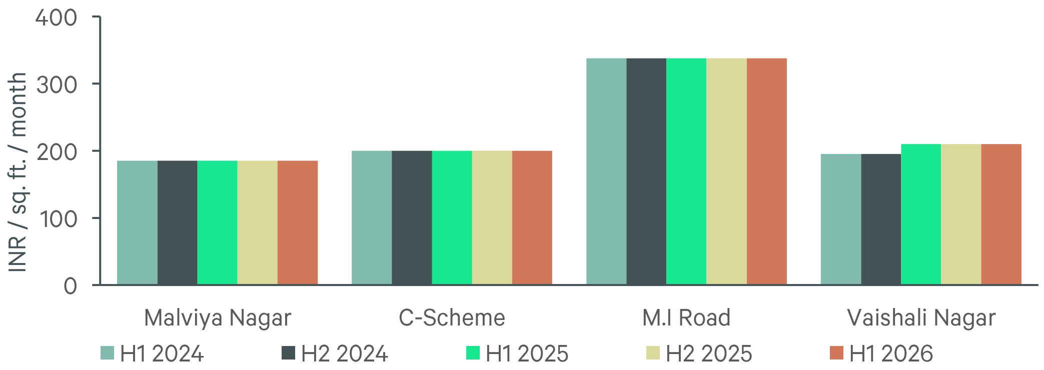
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only

FIGURE 13.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: Rental values represent average ground-floor vanilla rentals for leasable area.

FIGURE 13.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H1 2026

TABLE 13.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2026

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	69%	▲
Health and Personal Care	11%	▲
Jewellery	9%	▲

Source: CBRE Research, H1 2026

TABLE 13.2: KEY LEASING TRANSACTIONS IN H1 2026

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
High Street	Others Jaipur	30,000	Westside	Fashion & Apparel
High Street	Others Jaipur	12,000	Zudio	Fashion & Apparel
High Street	Others Jaipur	12,000	H&M	Fashion & Apparel

Source: CBRE Research, H1 2026

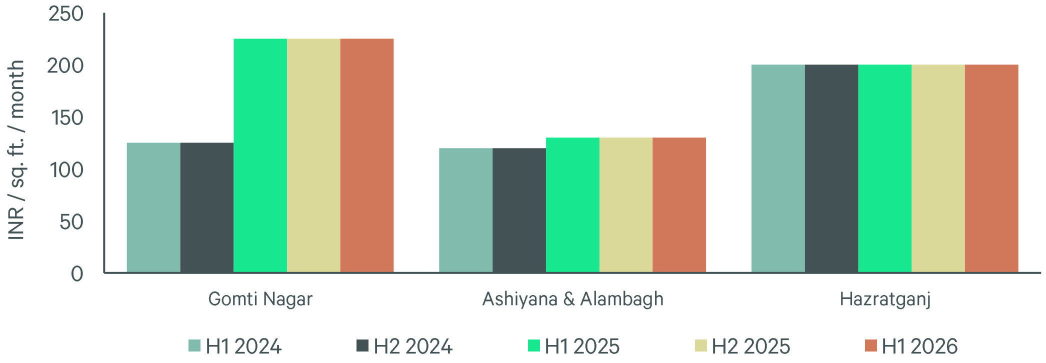
Lucknow: Mid range Fashion & Apparel players lead demand

NA
SUPPLY (MN SQ. FT.)

~0.01
ABSORPTION (MN SQ. FT.)

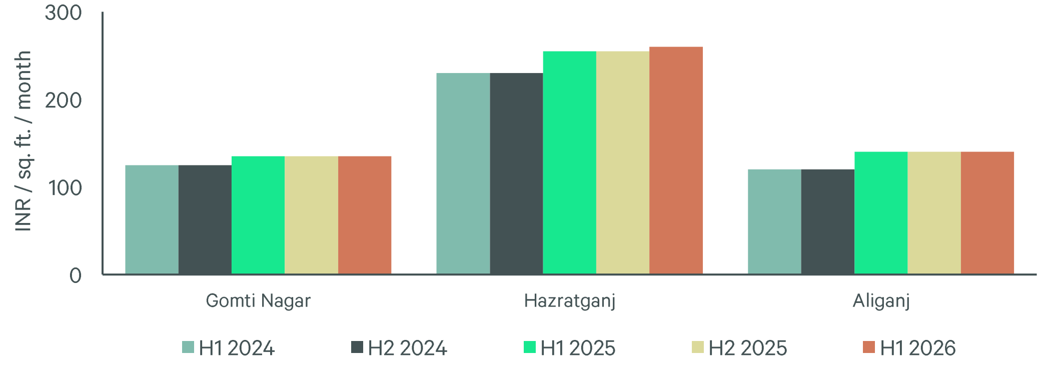
Note: Arrows indicate annual change; NA represents negligible supply addition in the review period
Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only
Lower absorption in the city is primarily attributable to limited availability of suitable space.

FIGURE 14.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS



Note: Rental values represent average ground-floor vanilla rentals for leasable area.

FIGURE 14.2: RENTAL VALUE MOVEMENT – HIGH STREETS



Source: CBRE Research, H1 2026

TABLE 14.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2026

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	100%	▲

Source: CBRE Research, H1 2026

TABLE 14.2: KEY LEASING TRANSACTIONS IN H1 2026

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
High Street	Hazratganj	~3,200	Indian Silk House	Fashion & Apparel
Sai Kripa II (High Street)	Aliganj	~2,000	Cantabil	Fashion & Apparel
High Street	Hazratganj	~1,600	The Souled Store	Fashion & Apparel

Source: CBRE Research, H1 2026

India Retail Market Outlook 2026

Multi-sector modernisation, specialised retail format expansion set to continue

Organised retail real estate is poised to expand across sectors, driven by modernisation and more targeted use of space. Fashion & Apparel is likely to remain the largest demand driver, with retailers increasing the use of AI tools such as generative styling and predictive inventory* to better connect their online and in-store operations. Jewellery brands are also deepening their presence in organised mall formats through dedicated, secure sections for high-value shoppers. R City in Mumbai has created separate wings for legacy jewellery brands and newer D2C players. In the entertainment category, demand from multiplexes is also on a gradual recovery path. PVR INOX is expanding formats such as IMAX, 4DX, and Luxe at new flagship properties (e.g. Sky City Mall in Mumbai and Superplex in Hyderabad), while extending into smaller cities through its asset-light franchise-owned, company-operated (FOCO) model. This mirrors the shift in the broader entertainment and F&B categories towards experience-led, larger-footprint formats. While market leaders such as PVR, INOX and Cinepolis have adopted a cautious approach to expansion, a number of smaller chains are scaling more aggressively across the country, especially across Tier 2/3 cities.

Decentralisation of organised retail space to continue across cities

A sizeable pipeline of upcoming Grade A supply is expected to take organised retail further into peripheral and suburban corridors. Several of these locations are already evolving into self-sustaining, high-performance retail hubs. Major infrastructure projects, including expanding metro networks and ring roads, could accelerate this trend by broadening geographic catchments and improving consumer access.

Premium rentals likely to remain firm

The interplay between high development costs and the acute scarcity of prime retail assets is likely to keep rental values firm, particularly in high-demand locations. Rising construction costs are prompting developers to seek higher base rents, while a severe shortage of quality retail space across key micro-markets could leave expanding retailers with limited options. As presence in prime locations remains an indispensable channel for customer acquisition, select retailers may be willing to absorb these higher costs to secure long-term market share. Even so, rising cost pressures are likely to bring store economics under closer scrutiny. Therefore, overall rental growth may become more calibrated, while premium assets could continue to command higher rents.

Malls poised to continue driving retail value through experience

Retail developers and brands are likely to place greater emphasis on curated experiences to extract more value out of their space. Developers are hosting flea markets, live entertainment, and food festivals to extend shoppers' dwell time and support spending across food, entertainment, and discretionary retail. Meanwhile, newer brands are conducting exclusive product launches and community workshops to appeal to a creator-led culture*. These initiatives could further catalyse malls' transition from transactional spaces into community hubs that encourage spontaneous, content-led purchases rather than relying only on planned shopping trips.

Investment activity expected to maintain momentum

Institutional capital deployment in organised retail real estate has continued, with select high-value transactions by retail-centric vehicles such as Nexus Select Trust. To strengthen its presence in eastern India, the trust recently approved the acquisition of Diamond Plaza Mall in North Kolkata[1], while also expanding into the Mumbai Metropolitan Region (MMR) by agreeing to acquire a 50% stake in Runwal Enterprises' upcoming 0.7 million sq. ft. retail development in Dombivli[2].

Mixed-use developments set to grow further through deeper retail integration

Mixed-use developments are expanding structurally, with retail shifting from a secondary amenity to a deliberate core component. Within these projects, institutional landlords are actively diversifying their tenant mix. Portfolios once dominated by corporate F&B outlets catering primarily to office crowds are being rebalanced to include premium fashion, wellness, and essential services, transforming traditional office-support retail into standalone urban destinations.

Source: 1. Stock exchange filing, Nexus Select Trust, April 2026; 2. Stock exchange filing, Nexus Select Trust, February 2026 | *Note: Generative styling uses AI to create customised product layouts or fashion looks, while predictive inventory uses data modelling to forecast demand and optimise stock levels. | Creator-led culture refers to an ecosystem of social media influencers, content creators and their engaged online communities.

Contacts

Research

Abhinav Joshi
Head of Research,
India, Middle East and Africa
abhinav.joshi@cbre.co.in

Vidhi Dheri
Senior Director, National Operations
vidhi.dheri@cbre.co.in

Uttara Nilawar
Associate Director
uttara.nilawar@cbre.com

Uttaresh Venkateshwaran
General Manager
Uttaresh.Venkateshwaran@cbre.com

Research

Neha Guhe
Senior Manager
neha.guhe@cbre.com

Simran Sawant
Assistant Manager
simran.sawant@cbre.com

Vishakha Bhabad
Senior Analyst
vishakha.bhabad@cbre.com

Consulting & Valuations

Sumit Arora
Head - National Operations & Workplace Strategy, Consulting, India
sumit.arora@cbre.co.in

Akshay Yadav
Associate Director, Consulting, India
akshay.yadav@cbre.co.in

Advisory & Transactions

Bimal Sharma
Head - Retail & Alternatives, India
bimal.sharma@cbre.co.in

North & West India

Sakshi Goel
Associate Executive Director
sakshi.goel@cbre.com

South & East India

Anand Dutta
Associate Executive Director
anand.dutta@cbre.com

CBRE

Business Line Contacts

Leasing

Ram Chandnani

Managing Director,
Leasing Services, India
ram.chandnani@cbre.co.in

Capital Markets

Gaurav Kumar

Managing Director & Co-Head,
Capital Markets, India
gaurav.kumar@cbre.co.in

Consulting & Valuation

Rami Kaushal

Managing Director,
Consulting & Valuations, India, Middle East & Africa
rami.kaushal@cbre.co.in

Capital Markets

Nikhil Bhatia

Managing Director & Co-Head,
Capital Markets, India
nikhil.bhatia@cbre.co.in

Global Workplace Solutions

Rajesh Pandit

Managing Director,
Global Workplace Solutions, India & Property Management, India, SE Asia, Middle East & North Africa
rajesh.pandit@cbre.co.in

Marketing and Communications

Vijayendra Agarwal

Head of Marketing, Communications & CSR India,
Middle East, and Southeast Asia
vijayendra.agarwal@cbre.com

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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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