

**4.1 msf** WAREHOUSING TRANSACTION VOLUME (H2 2021)

**65%** HARYANA'S SHARE IN WAREHOUSING TRANSACTION VOLUME (H2 2021)

**17%** SHARE OF E-COMMERCE FIRMS IN WAREHOUSING TRANSACTIONS (H2 2021)

#### ECONOMIC INDICATORS Q4 2021

	2020	2021 Forecast	2022 Forecast
GDP Growth	-7.3%	9.2%	8.5%
CPI Growth	6.1%	5.3%	5.0%
Consumer Spending	-8.5%	6.3%	7.2%
Govt. Final Expenditure Growth	5.7%	10.8%	9.7%

Source: Oxford Economics, RBI

#### E-commerce and Logistics led the momentum in warehousing demand in H2 2021

Delhi NCR witnessed a robust 2.2X growth in warehousing demand compared to H1 2021, with a transaction volume of 4.1 msf in H2 2021. Annual transaction volume recorded a 1.7X y-o-y growth and stood at 6.1 msf. E-commerce and logistics segments were key drivers for warehousing demand in H2 2021 with respective shares of 17% and 16%. Pepperfry, Cars24, Zomato, Dealshare, JioMart, TVS Logistics, Gati, APL Logistics leased large spaces in the second half of the year. Accelerated adoption of e-commerce during the pandemic as well as the need to diversify supply chains by logistics firms can be attributed to the continued warehousing demand from both these segments. This trend is expected to continue due to the changed consumer behaviour and purchase patterns witnessed over the past couple of years.

Farukh Nagar, Dharuhera, Tauru Road, Pataudi Road in Haryana were among the active micro-markets that drove traction during this period. Ghaziabad was an active submarket for warehousing demand in Uttar Pradesh during H2.

#### Limited organized supply of Grade-A assets shifting developer focus to augment supply

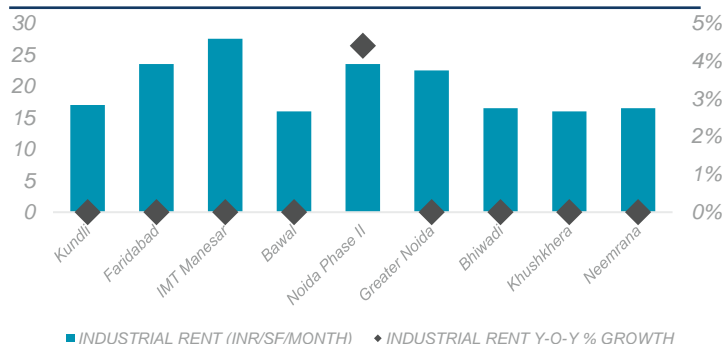
Limited supply of Grade-A assets to cater to the massive warehousing demand is compelling developers to increase the supply of such assets across multiple submarkets in the city. While the city recorded an addition of 4.1 msf of logistics & warehousing space in 2021, the coming quarters are likely to see completion of 7.5 msf of more space across multiple submarkets. Institutional funds / developers have shown a keen interest in land acquisitions to expand their presence in Delhi NCR's logistics and warehousing market, a trend that is expected to continue in the year ahead. PE major, Blackstone, has acquired land parcels in the city in H2. The city also saw Welspun One Logistics Park acquiring a land parcel in Farukh Nagar in Haryana in the second half of 2021, marking its foray in North India.

#### Industrial and warehousing rents largely stable, land values appreciated in select submarkets

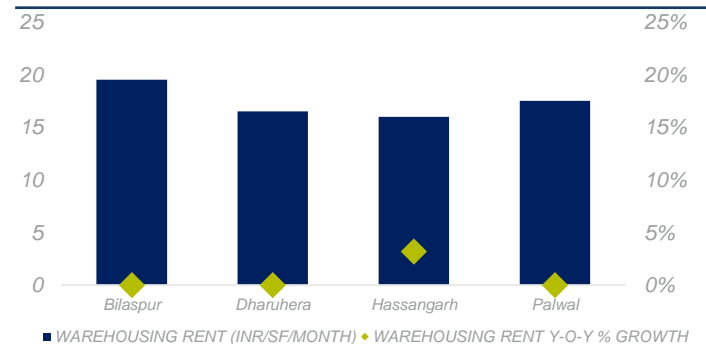
Industrial and warehousing rents across most submarkets maintained status quo during the second half of the year, with a few exceptions. Noida Phase II witnessed a 4.4% increase in industrial rents compared to the last year on the back of strong demand. Hassangarh in Haryana also saw a 3.2% y-o-y increase in warehousing rents during the period.

Land values in the submarkets of IMT Manesar, Bawal and Reliance Model Economic Township increased by 11 – 12% on a y-o-y comparison on the back of high demand and limited availability.

#### INDUSTRIAL RENT / Y-O-Y GROWTH



#### WAREHOUSING RENT / Y-O-Y GROWTH





## LAND RATES - DECEMBER 2021

SUBMARKET	INR MN/ACRE	US\$ MN/ACRE	EURO MN/ACRE	Y-O-Y Change
Haryana - Faridabad	81	1.1	1.0	0%
Haryana - Manesar	117	1.6	1.4	11.5%
Haryana - Bawal	51	0.7	0.6	11.1%
Haryana – Rohtak#	33	0.5	0.4	0%
Haryana - Reliance Model Economic Township	38	0.5	0.5	11.8%
Uttar Pradesh - Noida Phase II	89	1.2	1.1	0%
Uttar Pradesh - Greater Noida	67	0.9	0.8	0%
Uttar Pradesh - Yamuna Expressway#	26	0.4	0.3	0%
Rajasthan - Bhiwadi	45	0.6	0.5	0%
Rajasthan - Khushkhera	30	0.4	0.4	0%
Rajasthan - Neemrana	42	0.6	0.5	0%

Note: Quoted land rates for serviced industrial land parcels are mentioned

#Represents primary land rates by Infrastructure Development Corporation of respective states

Khushkhera includes Khushkhera, Tapukara and Chaupanki

Percentage growth are in local currency; Y-O-Y – Year on Year

Conversion Rate: US\$1= 73.30 INR and Euro 1 = INR 84.04

## SIGNIFICANT TRANSACTIONS H2 2021

Buyer/Lessee	Seller/Lessor	Type	Submarket	Sale/Lease	Area (sf)
TVS Logistics	Private Landlord	Warehousing	Pataudi Road, Haryana	Lease	220,000
APL Logistics	Private Landlord	Warehousing	Sohna - Tauru Road, Haryana	Lease	200,000
Nestle	Allcargo Logistics	Warehousing	Farukh Nagar, Haryana	Lease	170,000
Asian Paints	FWS	Warehousing	Sikandrabad, UP	Lease	150,000
GATI	Allcargo Logistics	Warehousing	Farukh Nagar, Haryana	Lease	150,000
Cars24	Private Landlord	Warehousing	Dharuhera, Haryana	Lease	130,000
Pepperfry	Private Landlord	Warehousing	Tauru Road, Haryana	Lease	117,000

## Purnima Kumar

Senior Manager, Research Services

+91 124 4695555 / [purnima.kumar@cushwake.com](mailto:purnima.kumar@cushwake.com)

## Suvishesh Valsan

Director, Research Services

+91 22 67715555 / [Suvishesh.valsan@cushwake.com](mailto:Suvishesh.valsan@cushwake.com)

[cushmanwakefield.com](http://cushmanwakefield.com)

## A CUSHMAN &amp; WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 51,000 employees in 400 offices and 70 countries. In 2018, the firm had revenue of \$8.2 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services.

©2020 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable. The information may contain errors or omissions and is presented without any warranty or representations as to its accuracy.