

Industrial H1 2024

Warehouse Industrial

LEASING in msf (H1 2024) **1.01** **0.0**

AVG RENTALS in INR/sf/month **21.5** **24**

LAND VALUE Avg. Y-o-Y growth **10%** **7%**

Steady warehouse leasing in H1 led by third party logistics firms

Kolkata recorded warehouse leasing volume of over 1 msf in H1, a growth of 20% over H2 2023 but a 26% decline as compared to the same period last year. Third party logistics (3PL) firms were the chief contributors to lease volumes in the first half of the year with a share of around 44%. E-commerce and retail sector followed with shares of 18% and 17% respectively in half yearly leasing activity. The warehousing sector is likely to get further support going ahead from the state government's focus on development of multi-modal logistics parks and streamlining of regulations, including single window mechanism for approvals and clearances.

The NH16 submarket dominated leasing activity in H1 with a share of 62% in half-yearly lease volumes. Within NH16, Amta – Ranihat Road recorded major transactions by 3PL, retail and e-commerce firms. NH19 and Old Delhi Road each contributed 19% to lease volumes. Within NH19, Singur and Dankuni, a prime warehousing corridors in the city, witnessed transactions by prominent 3PL firms.

Developers continue to add supply at prime warehousing corridors

Kolkata recorded new warehousing supply of around 0.6 msf at NH19 and Old Delhi Road in H1. Moreover, built-to-suit (BTS) facilities are under development across both NH16 and NH19 micromarkets. Developers have been looking to enhance supply at NH19, which has been witnessing high demand amidst declining vacancies over the past few quarters. On the other hand, completions are moving ahead at Old Delhi Road as well, where transactions activity has been quite strong. City-wide headline warehouse rentals recorded a growth of 4-5% yoy in H1 while land rates moved up by 10-12% on an annual basis.

No industrial transaction in H1

Kolkata did not record any industrial lease transaction in H1. City-wide headline industrial rentals increased by 3-4% yoy in H1 and there was a 5-7% yoy growth in land rates.

ECONOMIC INDICATORS H1 2024

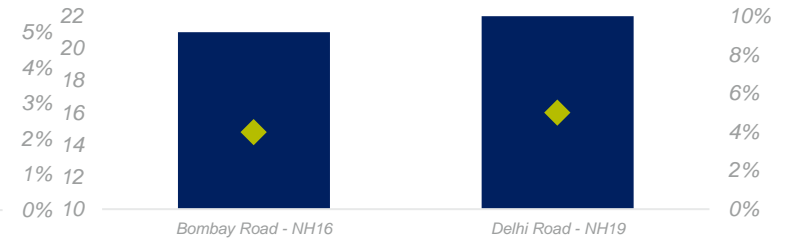
	2023	2024	2025 Forecast
GDP Growth	7.3%	7.0%	6.5%
CPI Growth	5.0%	4.5%	4.2%
Consumer Spending	5.0%	6.1%	6.5%
Govt. Final Expenditure Growth	7.5%	7.0%	6.7%

Source: Oxford Economics, RBI, IMF

INDUSTRIAL RENT / Y-O-Y GROWTH



WAREHOUSING RENT / Y-O-Y GROWTH



■ INDUSTRIAL RENT (INR/SF/MONTH) ◆ INDUSTRIAL RENT Y-O-Y % GROWTH ■ WAREHOUSING RENT (INR/SF/MONTH) ◆ WAREHOUSING RENT Y-O-Y % GROWTH

KEY WAREHOUSING SUBMARKETS - RENTALS AND LAND RATES – June 2024

SUBMARKET	WAREHOUSE RENT		LAND RATES			
	INR/SF/MONTH	Y-O-Y Change	INR MN/ACRE	US\$ MN/ACRE	EURO MN/ACRE	Y-O-Y Change
Bombay Road – NH16	21	4 %	60*	0.72	0.67	10 %
Delhi Road – NH19	22	5 %	48**	0.54	0.54	12 %

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	INR/SF/MONTH	Y-O-Y Change	INR MN/ACRE	US\$ MN/ACRE	EURO MN/ACRE	Y-O-Y Change
Bombay Road – NH16	24	3 %	60*	0.72	0.67	5 %
Delhi Road – NH19	25	4 %	48**	0.54	0.54	7 %

Note: quoted industrial and warehousing rents are historically corrected to reflect accurate market conditions.

Quoted land rates for serviced industrial land parcels are mentioned

*NH-16 is the primary highway number for NH-6 / Bombay Road, Land prices vary between INR 18 – 60 mn / acre

**NH-19 is the primary highway number for NH-2 / Delhi Road, Land prices vary between INR 2.0 – 48 mn / acre

Land price variation is based on location, size of land parcel, development of land including filling and boundaries.

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

Conversion Rate: US\$1= 83.4 INR and Euro 1 = INR 89.9

SIGNIFICANT INDUSTRIAL / WAREHOUSE TRANSACTIONS H1 2024

Buyer/Lessee	Seller/Landlord	Type	Submarket	Sale/Lease	Area (sf)
Amazon/KN	Space Earth	Warehouse	Amta - Ranihati Road, NH16	Lease	184,000
Mahindra Logistics	United Warehousing	Warehouse	Singur, NH19	Lease	140,000
VRL Logistics	White Saffron	Warehouse	Amta – Ranihati Road, NH16	Lease	110,000
Khosla Electronics	Global CCI Infra Logistics Park	Warehouse	Old Delhi Road, NH2,	Lease	100,000
KD Logistics	Amta Industrial Park I	Warehouse	Amta – Ranihati Road, NH16	Lease	75,000

SIGNIFICANT LAND TRANSACTIONS

Buyer	Seller	Type	Submarket / Location	Area (acre)
No land transactions in H1 2024				

Swarnava Adhikary

Assistant Vice President, Research Services

+91 80 40465555/Swarnava.Adhikary@cushwake.com

Suvishesh Valsan

Director, Research Services

+91 22 67715555 /suvishesh.valsan@cushwake.com

cushmanwakefield.com

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