

GCCs, tech power office leasing to record high in H1

Six major cities clock 41.6 mn sft absorption, up 7% year-on-year

National Insights

- **Bengaluru leads with 32%**
- **Pune captures 15.4%**
- **Delhi-NCR contributes 15%**
- **Hyd leads GCC leasing at 73%**
- **Technology sector drives 35% demand**

NEW DELHI

OFFICE space absorption across India's six major cities reached a record 41.6 million sq. ft in H1 2026, up 7 per cent YoY, a report said.

The report from international real estate advisory firm Savills India said that new supply remained stable at 23.7 million sq. ft. in the first half, easing 5 per cent YoY.

Consequently, India's total Grade A office stock now stands at 872.7 million sq. ft as of Q2 2026. However, the



overall vacancy rate at June-end declined to 13.2 per cent from 14.7 per cent the corresponding period last year.

"India's office absorption is projected to remain close to last year's record levels, supported by steady occupier activity," the report noted.

"The office market experienced a period of modera-

tion in H1 2026 as occupiers adopted a more measured approach amid geopolitical uncertainties and evolving global economic conditions," said Naveen Nandwani, MD, Commercial Advisory and Transactions, Savills India.

"While this slowdown is real and reflects cautious decision-making, it should be viewed as a strategic pause rather than a structural shift. India's office market continues to be underpinned by strong GCC expansion, a deep talent pool and sustained corporate confidence," Nandwani said.

As businesses rethink their real estate strategies, the firm expects demand to become more selective and quality-driven, paving the way for the next phase of growth, he added.

Bengaluru reinforced its position as India's leading office market, capturing 32 per cent of the total office space absorption in the first half of 2026. Pune followed with a 15.4 per cent share, while Delhi-NCR contributed 15 per cent to the total leasing.

Technology continued to dominate office leasing activity, accounting for 35 per cent of total absorption, while flexible workspaces and BFSI followed with 18 per cent and 15 per cent share, respectively. Large-sized office transactions accounted for 53 per cent of the total leasing volume. GCCs leased 20 million sq. ft., accounting for 48 per cent of India's total office absorption.

While Hyderabad city recorded the highest GCC share, accounting for 73 per cent of total leasing by GCC firms, Bengaluru stood at the second position with 65 per cent share.

Institutional bets on warehousing rise 53%

Investments touch \$49 mn as leasing activity remains resilient

NEW DELHI: INSTITUTIONAL Investments in warehousing and industrial segment of Indian real estate rose 53 per cent in January-June to \$49 million, according to Vestian.



US-based real estate consultant Vestian on Tuesday said in a statement that the leasing of warehousing and industrial space rose 16 per cent annually to 22 million sq ft in the first half of 2026 across seven major cities -- Mumbai, Delhi-NCR, Chennai, Kolkata, Pune, Hyderabad and Bengaluru. The consultant stated that the leasing activity remained resilient during the first half of 2026, indicating healthy occupier demand.

The demand was primarily driven by 3PL (third-party logistics), consumer goods & services; and engineering and manufacturing sectors, it added. Leasing activity increased on the back of sustained man-

ufacturing expansion, robust domestic consumption and ongoing infrastructure upgrades.

Institutional investments in warehousing reached \$49 million during the first half of this year, up from \$32 million in the year-ago period. Despite the increase, Vestian pointed out that the sector continued to account for just 1 per cent of the total institutional investments during H1 2026. This reflects a cautious investment environment. Shrinivas Rao, CEO of Vestian, said, "India's warehousing sector is undergoing a structural transformation, evolving beyond

traditional priorities such as supply chain optimisation, operational efficiency, and proximity to demand centres." He noted that sustainability has emerged as a key differentiator, with occupiers increasingly seeking Grade-A green warehouses that align with their ESG commitments and long-term business objectives. "Backed by supportive government policies and sustained infrastructure development, this transition is expected to accelerate further, reinforcing the sector's appeal to both global occupiers and long-term institutional investors," Rao said.

Hyderabad's housing supply rises 2.9% in Q1

HANS BUSINESS HYDERABAD

HYDERABAD'S residential market recorded a mixed performance in the April-June 2026 quarter, with buyer demand declining 6 per cent quarter-on-quarter (QoQ) even as new housing supply expanded by 2.9 per cent and the rate index rose a further 2.4 per cent, among the strongest price

gains recorded across major Indian cities this quarter, according to the Magicbricks PropIndex AMJ 2026 report. Buyers remained strongly oriented toward larger housing configurations. 3 BHK homes accounted for 53 per cent of total buyer demand during the quarter, the highest share recorded among major cities in the report, and 57 per cent of available inventory, well above the national aver-

age, where 3 BHK homes make up 46 per cent of active supply. Prasun Kumar, CMO, Magicbricks, said, "Hyderabad continues to distinguish itself as one of India's most mature and future-ready residential markets. While demand saw a temporary moderation this quarter, buyer preferences clearly point to a structural shift toward larger homes and premium living."

Mall space shortage deepens as fresh supply falls 57%

NEW DELHI

FRESH supply of retail spaces in shopping malls declined 57 per cent to 0.9 million sq ft during January-March across seven major cities due to delays in construction activities, according to Anarock. Real estate

consultant Anarock reported that gross leasing of retail spaces in malls stood at about 4.1 million sq ft in the first half of the year as against just 0.9 million sq ft of new completions of retail spaces. The seven major cities are -- Mumbai, Delhi-NCR, Bengaluru, Pune, Hyderabad,

Chennai and Kolkata. Anuj Kejriwal, CEO - Retail & CEO - Europe, Middle East & Africa at Anarock Group, said, "The supply problem is cumulative and escalating - data of India's top seven cities over the past 16 years shows a persistent mismatch between Grade A retail sup-

ply and leasing demand." While new mall completions fluctuated sharply on a year-on-year basis, he noted that the leasing demand has steadily absorbed available Grade A space, pushing vacancy rates lower.

"We now have a chronically supply-constrained

market where retailers' biggest challenge is not drawing shoppers but finding the right spaces to serve them in," Kejriwal said. In 2023, the top seven cities added 5.3 million sq ft of new Grade A retail supply against gross leasing of 6.5 million sq ft.

BIZ BRIEFS

SBI Card partners with Google Pay

SBI Card, a pure-play credit card issuer and Google, jointly announced the launch of 'Google Pay Flex SBI Card' as part of the Flex by Google Pay offering. Salil Pande, MD, SBI Card, said: "At SBI Card, our focus is on creating best-in-class products that make transactions simpler, seamless, and more relevant for our customers. Launch of the Google Pay Flex SBI Card is a significant step in that direction."

SSI Mantra logs milestone

SSI Innovations International has conducted a robotic telesurgery between Hospital Internacional de Colombia and Mohak Bariatrics and Robotics, Indore, spanning an approximate 22,000 km fibre network distance. The robotic sleeve gastrectomy was remotely performed from Colombia by Dr Sudhir Srivastava, Founder, Chairman and CEO of SSI Innovations International, along with Dr Victor Raúl Castillo Mantilla and Dr Jonathan Cáceres Prada.

Dell expands its portfolio

Dell Technologies has expanded its premium consumer portfolio in India, with the launch of new models across XPS, Dell and Alienware, lineup. The new launches include, ultra-light XPS 13, AI-powered Dell 145 and 16S laptops, and upgraded Alienware 15 gaming laptop. The range targets students, professionals, creators, and gamers, combining AI capabilities, premium design, strong performance, sustainability, and expanded nationwide availability with attractive pricing and offers.

Modi, UK PM Burnham pledge to deepen strategic partnership

LEADERS AGREE TO EXPAND COOPERATION ACROSS TECHNOLOGY, DEFENCE AND CLEAN ENERGY WHILE LEVERAGING THE INDIA-UK TRADE PACT

NEW DELHI

PRIME Minister Narendra Modi and his British counterpart Andy Burnham on Friday vowed to take the India-UK comprehensive strategic partnership to "new heights" and fully harness the trade and investment opportunities presented by the recently-operationalised bilateral trade deal. Modi and Burnham discussed key aspects of the two-way ties during a phone conversation. In a social media post, Modi said he congratulated Burnham on assuming the charge of the top office and conveyed his best wishes for a successful tenure. "We



agreed to work together across sectors such as technology, innovation, defence, security, clean energy, education and people-to-people ties and take the India-UK Comprehensive Strategic Partnership to new heights," he said. "We will also collaborate closely to fully harness

the trade and investment opportunities presented by the recently operationalized India-UK Comprehensive Economic and Trade Agreement, for the shared prosperity and well-being of both our people," Modi said. A British readout said Burnham began the conversation

by reflecting on the strength of the UK-India partnership and the significant impact it has had on local communities across the UK. "The prime minister set out his ambitions to further enhance the UK-India relationship, including through the UK-India Vision 2035 framework and strong people-to-people links," it said.

Burnham praised the contribution Indian communities in the UK make to the fabric of UK society, with Modi noting the links between the two leaders' own home cities of Manchester and Ahmedabad, in Gujarat, which he called the "Manchester of India", it said.

RBI data shows bank credit to industry surged 19.2% in June

MUMBAI

BANK credit to industry recorded a robust growth of 19.2 per cent in June compared to 6.3 per cent in the year-ago period as large companies as well as MSMEs displayed broad-based expansion, according to RBI data released on Friday.



On a year-on-year basis, non-food bank credit grew by 18.3 per cent as on the fortnight ended June 30, 2026, compared to 9.3 per cent during the corresponding fortnight of the previous year (June 27, 2025), the central bank said.

It has released data on sectoral deployment of bank credit for June 2026, collected from 41 select scheduled commercial banks which together account for about 95 per cent of the total non-food credit. Advances to agricul-

ture and allied activities registered a year-on-year growth of 16.8 per cent compared to 6.8 per cent in the corresponding fortnight of the previous year. "Credit to industry recorded a robust y-o-y growth of 19.2 per cent (6.3 per cent in the corresponding fortnight of last year)," RBI said. All sub-sectors -- 'Micro and Small', 'Medium' and 'Large industries' displayed a broad-based expansion.

Among major industries, credit to infrastructure, all engineering, food processing, textiles, construction, basic metal and metal products, petroleum, 'coal products and nuclear fuels' and 'chemical and chemical

products' marked buoyant year-on-year (y-o-y) growth. However, 'rubber, plastic and their products' and 'wood and wood products' segments witnessed marginally subdued growth. According to the data, loans to the services sector registered a growth rate of 21.4 per cent y-o-y (8.8 per cent in the corresponding fortnight of the previous year), supported by accelerated growth in segments such as non-banking financial companies (NBFCs), commercial real estate, and trade.

Also, credit to the personal loans segment recorded a growth of 15.8 per cent, as compared with 11.7 per cent a year ago. While segments such as vehicle loans and housing grew steadily in double digits, credit card outstanding registered a decelerated growth, the RBI said.

Digit Life enters retirement segment

HANS BUSINESS HYDERABAD

Go Digit Life Insurance Limited (Digit Life Insurance), a new-age life insurance company, announced its entry into the retirement segment, launching two variants of Digit Life Pension Plan, a general annuity plan.

The plan will give customers a choice between two distinct retirement income solutions. Digit Sukoon will offer 100 per cent guaranteed annuity, while Digit Boss will combine guaranteed annuity with a variable annuity portion linked to the Nifty 50 Index.

Designed to deliver income for life, the plan is available for both individual

and group customers and will also be available on its app and website.

Sabyasachi Sarkar, MD, Digit Life Insurance, said: "Retirement planning needs are changing rapidly, and customers today are looking not just for lifelong income, but for solutions that reflect their own financial priorities: certainty for some, and a measured participation in market-linked upside for others. "With Digit Life Pension Plan, we are bringing both these needs together in one product architecture, while giving customers the flexibility to tailor payouts and retirement income structures in a way that makes the most sense to their individual needs."

Star Health's Q1 profit rises 25%

HANS BUSINESS HYDERABAD

STAR Health and Allied Insurance Company posted a net profit of Rs550 crore for the quarter ended June 2026 (Q1-FY27), a 25 per cent increase YoY (Year-Over-Year). Underwriting profit for Q1-FY27 was Rs111 crore against Rs16 crore for a year ago. The company attributed it to healthy premium growth and operating efficiencies.

The company recorded Gross Written Premium (GWP) of Rs 4,287 crore during Q1 FY27, representing a growth of 19 per cent YoY. On the same basis, fresh retail health GWP for the quarter stood at Rs 730 crore, a 37 per cent YoY increase.

Maruti Suzuki Q1 profit slips 9.1% despite record sales

NEW DELHI



India said in a regulatory filing.

Total expenses in the quarter under review were higher at Rs 50,000.3 crore as compared to Rs 35,585.4 crore in the year-ago period, the company said. Cost of materials consumed in the first quarter shot up to Rs 32,013.2 crore from Rs 21,936.8 crore in the corresponding period last fiscal, it added.

"Material costs had started to increase in the quarter and were seriously aggravated during the war..." the company said, adding that it had an impact on its bottomline.

THE country's largest carmaker Maruti Suzuki India (MSI) on Friday reported a 9.11 per cent decline in its consolidated net profit at Rs 3,446.9 crore in the first quarter ended June 2026, hit by high material costs, despite posting record quarterly vehicle sales.

The auto major, which had posted a net profit of Rs 3,792.4 crore in the same quarter of the previous fiscal, said its board also approved four CBG (compressed biogas) projects in the first phase with a budget of Rs 561 crore.

Total revenue from operations was up 35.9 per cent at Rs 52,469.8 crore in the first quarter as against Rs 38,605.2 crore in the same period of 2025-26 fiscal, Maruti Suzuki

Govt to question Meta's global team over algorithmic bias

NEW DELHI: The government will question Meta's global team - summoned after the social media company briefly restricted Prime Minister Narendra Modi's Facebook post - on issues relating to algorithmic bias, the platform's algorithmic processes and their role in public order, sources said on Friday.

The questioning next week comes against the backdrop of the government's summons to Meta's top executives after Prime Minister Modi's recent Facebook post addressing India's youth and promising stringent action against paper leaks was briefly restricted on the platform. While the US-headquartered social media giant had attributed the incident to a technical glitch and apologised, the Ministry of



Electronics and Information Technology (MeitY) had found the explanation "inadequate". The company had said that the content was removed "in error" and was restored on the platform. Government sources on Friday pointed out that the matter is not just about technical aspects, but about "national security and public order".

Sources said that Meta's global team - expected in Delhi sometime in the middle of next week - will be "categorically" asked to clarify on issues around algorithmic bias, how their algorithm operates, and the company's role in public order.