India's Next Growth Story Lies in the Rise of Retail and Commercial Real Estate

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The current phase of commercial real estate in India sees a combination of retail and office developments that are not functioning as independent asset classes anymore. As business grows, consumption becomes higher and GCCs expand their footprints, office and retail integrated development which consists of Grade A office spaces along with top-class retail has become a sought after investment destination. Leasing of office spaces in India has seen all time high figures due to the expansion of GCCs and MNCs. Retail leasing in India too has seen all time high figures in India.

Retail and commercial real estate are emerging as key drivers of India's next growth story, creating integrated destinations for work, shopping and leisure

According to the industry sources, the leasing in India's retail sector stood at about 8.9 million sq. ft. in 2025, backed by robust demand for fashion, F&B and experiential brands. On the other hand, GCCs made up over 40% of Grade A office leasing, signaling the rising confidence of international occupiers in India's business environment. Such developments have encouraged developers to develop destinations that combine the facilities to work, shop, dine and relax under one roof.

Commenting on the trend, **Harpreet Singh Hora, Director, Reach Group,** said, "*Office spaces of the future are going to be driven by innovation, connectivity, and flexibility. Organizations are on the lookout for places of work that can merge technology, sustainability, and employee-friendly features. The growing demands of the industry are inspiring* *real estate developers to construct smart future-proof commercial environments.”*

Sharing his perspective, **Dr. Amish Bhutani, Managing Director, Group 108,** says, *“Retail and commercial projects have become an integral part of India’s economic progress. Their role today extends well beyond providing business space. They are evolving into vibrant destinations that bring together commerce, convenience, and everyday experiences. As consumer preferences continue to evolve, integrated developments that combine retail, dining, entertainment, and workplaces are becoming increasingly important. Businesses are also placing greater emphasis on locations that offer seamless connectivity, quality infrastructure, and an environment that supports long-term growth. We believe this evolution will continue to shape India’s urban landscape, creating lasting value for businesses, communities, and investors alike.“*

Echoing a similar outlook, **Ajendra Singh, Vice-President of Sales and Marketing at Spectrum@Metro** said, *“The difference between retail and commercial real estate is becoming blurred. The consumer demands convenience, whereas business looks for vibrant ecosystems that can pull in talent and foster innovation. The mixed-use development of office, retail, entertainment and hospitality, all in one place, is becoming a sustainable urban destination in itself. This model is predicted to dominate the future of Indian business districts’ commercial real estate market.“*

Azad Ahmad Lone, President, Business Development and Operations, Biigtech, said, *“The future of commercial real estate development is the integration of business destinations comprising offices, retail, eating-out places and facilities.*

The current occupier needs extend beyond the office space; what they need is an environment that improves their experience and helps in business growth. There has been a growing demand for mixed-use commercial property developments because of the convenience factor and high footfalls. Due to improvement in infrastructure and corporate expansion, these types of developments are likely to continue to play a crucial role in the Indian commercial real estate sector.”

As corporate expansion continues to increase alongside consumer demand and infrastructure development, it is predicted that the relationship between retail and commercial real estate will prove to be one of the key catalysts behind the Indian real estate industry. Developers who build ready-for-the-future and experiential mixed use developments are set up to entice both businesses and consumers.