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## India to Become Fourth-Largest Office Market as Commercial Space Nears 1 Billion Sq Ft

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India is on track to become the world’s fourth-largest office market by the third quarter of 2025, with total commercial office stock expected to reach 1 billion square feet. Current estimates place the country’s office space at about 993 million square feet, positioning it just behind the United States, China, and Japan.

According to real estate consultancy Knight Frank, India's office market has grown at a compound annual growth rate of 8.6 percent over the past two decades, expanding from less than 200 million square feet in 2005. This rapid growth reflects increasing demand from multinational companies, institutional investors, and global capability centers.

Bengaluru leads the market with 229 million square feet, accounting for 23 percent of the total office stock. The National Capital Region follows with 199 million square feet (20 percent), while the Mumbai Metropolitan Region holds 169 million square feet (17 percent). Together, these three cities make up around 60 percent of India's total office space. Hyderabad, Pune, and Chennai contribute roughly 33 percent, with Ahmedabad and Kolkata covering the remaining 7 percent.

Grade A office space now accounts for 53 percent of total supply, signaling higher quality standards and greater institutional participation. Grade B and Grade C spaces account for 43 percent and 4 percent, respectively.

India's average office rent remains below one U.S. dollar per square foot per month, making it an attractive destination for companies seeking cost-effective yet high-quality workspaces. The combination of affordability, modern infrastructure, and green building certifications has strengthened the country's position in the global market.

Knight Frank projects that India could add another 1 billion square feet of office space between 2036 and 2041, with the possibility of reaching that milestone as early as 2036 under favorable economic conditions.

Industry experts note that this achievement marks a significant milestone for India's commercial real estate sector, highlighting its maturity, global relevance, and competitiveness in attracting international businesses.