

# Demand for co-working spaces up as WFH on the wane: Report



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## Mini

MNCs are exiting traditional workspaces and exploring flexible space, leading to a rise in demand for seats, with IT and ITeS firms leading the pack.



With more companies moving into flexible workspaces, co-working operators are seeing a huge rise in demand. Companies occupied nearly 23,500 co-working seats in eight markets in the quarter ended September 30, reported The Economic Times. This is the highest number of seats transacted in a month since the outbreak of the coronavirus pandemic.

New Delhi-based firm Awfis, which offers more than 42,000 seats in 75 locations, transacted over 4,500 seats in September, taking the total to over 9,000 seats in the last four months.

"We saw a positive shift in overall employee sentiment to resume working from the office, citing diminishing professional growth, disproportionate work-life balance, and workplace disconnect as the primary reasons for their desire to return to work," Amit Ramani, CEO of Awfis was quoted as saying by ET.

Another co-working operator Smartworks saw demand for nearly 9,000 seats in September. Smartworks has office spaces in Delhi NCR, Mumbai, Chennai, Bangalore, Hyderabad, Pune and Kolkata.

According to Smartworks Founder Neetish Sarda, MNCs are exiting traditional workspaces and exploring flexible space, leading to a rise in the number of seats transacted every month. IT and ITeS firms are leading the pack in the absorption of co-working spaces as they opt to bring their employees out from the isolation of working from home.

Occupancy rate of co-working centres of Gurgaon-based The Office Pass is at over 90 percent, said its co-founder Nikhil Madan as quoted by ET.

In the July-September quarter, Skootr saw a 60 percent rise in queries and on-site inspections by mid and large-sized corporations compared to the previous quarter.

Stylework, a co-working aggregator platform, sold 1,200 seats in September and aims at selling 1,800 in October.

In major cities such as Gurgaon, Bangalore, Mumbai and Hyderabad, the occupancy and foot traffic of The Executive Centre have increased from 75 percent in 2020 to 90 percent in October 2021, according to Nidhi Marwah, group managing director of the firm.

“Companies can save costs, boost productivity and enhance the work experience with flexible workspaces. Hence, more companies are looking at renting co-working spaces in Gurugram, Noida, Pune, Mumbai, Bengaluru and Hyderabad,” Vineet Taing, President of Vatika Business Centre was quoted as saying by ET.

According to the report, co-working operators leased 36,255 desks in the 2020 calendar year. This year, the number of seats is expected to go beyond 50,000.