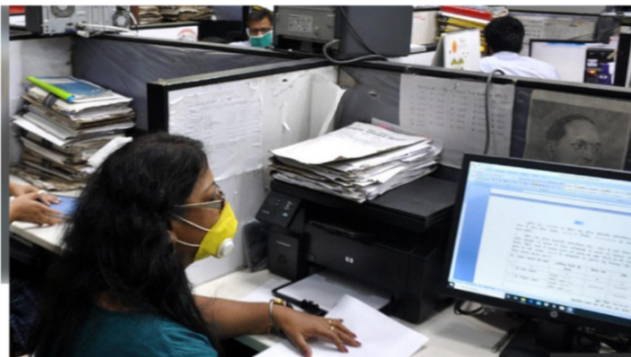


Office occupancy up as work-from-office gathers steam



New Delhi | Bengaluru | Mumbai: Offices are slowly but hopefully surely filling up. Leading **office space operators** and co-working companies are reporting occupancy levels of 10-35% across the country. While cities like Bengaluru and Hyderabad, dominated by WFH-ing IT workforce, are still behind the national average offices in national capital region (NCR), which hosts companies across sectors, are seeing higher occupancy rates.

Mumbai, the country's financial and business capital, is reporting lower numbers because employers are discouraging use of public transport by employees, in part because of recently rising Covid-19 cases.

"In the last two months, there has been a jump in occupancy with even foreign employees starting to come back," said SK Sayal, whole time director and CEO, Bharti Realty Limited.

Office space operators say that they expect occupancy levels to rise quickly after the vaccine programme gathers momentum. "Networking, collaborative working... all of which had taken a back seat, are slowly coming back," said Sriram Khattar, managing director, DLF Rental Business, told ET.

Co-working operators present in both metro and tier-two cities also reported similar trends. Till December, the occupancy was in the range of 15-20%. The proportion has inched up since January.

Back to Office

Office occupancy level at 10-30% in March 2021, up from 5-15% in Dec 2020

Likely to reach **80-90%** by June as vaccination picks up

35-40%
In Delhi-NCR and Kolkata

IT hubs such as Bengaluru, Hyderabad and Pune still lag behind in comparison to the national average

Cos in Maharashtra, particularly Mumbai, are relying more on WFH due to resurgence in cases



Focus on Workstation Dimensions

"The requirement for workstation dimensions has gone up by 20-25% to ensure safe distancing," said Rajat Johar, country head, Skootr, managed office space provider, with centres in Delhi and Hyderabad.

Smartworks founder Neetish Sarma told ET that in Hyderabad and Bengaluru the occupancy is yet to reach 25% but in Kolkata and Delhi-NCR it has crossed 35%. "Cities like Bengaluru, Hyderabad and Pune still lag behind in comparison to the national average due to the predominance of IT workforce," said Vineet Taing, president, Vatika Business Centre.

However, average **office occupancy** levels in Mumbai are hovering around 10-12% as companies are encouraging employees to use more private vehicles and avoid public transport.

Given the resurgence in the number of Covid-19 cases in Maharashtra, particularly Mumbai, companies are relying more on work-from-home arrangement for now. The state government has also officially restricted the employee headcount in offices at 30%.

"The average occupant currently is around 13% and we expect this to go up to 40% by June depending on containment of Covid-19 and rollout of vaccine," said Thirumal Govindraj, MD-executive board, RMZ Corp.

Experts said that most companies including MNCs are expected to start ramping up employee headcount from March onwards. "Many homegrown startup technology companies as well as some large IT services companies are coming back to work and it's a matter of time the MNCs will also start asking their employees to come back," said Juggy Marwaha, CEO, Prestige Office Ventures.