

The Rise of SCOs: Why Shop-Cum-Office Plots Are Emerging as NCR's Hottest Investment Bet

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Shop-Cum-Offices (SCOs) are emerging as the new asset class in NCR's commercial real estate. Blending the functionality of a retail space with the practicality of office space, SCO's dual purpose serves both business visibility and workspace utility. The model is gaining the attention of investors and entrepreneurs due to its versatility, independence of ownership, and high rental yield potential. As per experts, SCO complexes are emerging as a favourite choice for developers, especially in the Delhi-NCR micro markets.



Modern Shop-Cum-Office (SCO) plots offer lucrative investment opportunities in NCRs booming commercial real estate market

According to a report by Knight Frank, there has been a significant 44% year-on-year (YoY) increase in office space leasing across eight major cities, underscoring the growing appeal of SCOs. Their versatility, coupled with affordable entry costs and high rental yields of roughly 9-10%, makes them a lucrative investment choice for both developers and investors. They house high streets, hypermarkets, offices, retail units, co-working spaces, restaurants and cafes, along with spaces for healthcare centres, banks, fitness centres, and gyms. Besides, the most attractive feature is the complete ownership of both land and built-up area, allowing investors full autonomy over design, construction, leasing, and usage. This level of control, combined with steady income potential, makes SCOs a smart, future-ready investment choice.

Additionally, the growth of SCOs in Delhi-NCR is directly associated with the development of key micro-markets that offer visibility and appreciation in value. Prime areas such

as Noida, Gurugram, and chosen pockets in Faridabad are experiencing a boom in SCO developments. These areas are not only highly populated but also strategically linked, and hence, are perfect for office and retail operations. The momentum is also fueled by transformational infrastructure developments such as the Dwarka Expressway, Delhi-Mumbai Expressway, and the soon-to-be-established Noida International Airport that spur investor optimism and long-term capital appreciation.

Siddharth Katyal, CEO, Bhumika Group, says, *"While flexible formats offer certain advantages, it's the long-term performance of retail-led investments-particularly those anchored by strong national and international brands-that continues to lead in both footfall and rental yield. In high-growth corridors like Faridabad and Gurugram, it's the presence of well-curated, fully leased retail ecosystems that sustains consumer engagement and bolsters investor confidence. Anchor stores in fashion, F&B, and wellness serve as powerful demand drivers, creating a robust consumption environment and supporting a more stable return cycle. As consumer behaviour shifts toward experience-led retail, institutional-grade developments clearly outpace fragmented assets in both value creation and resilience."*

Prakash Mehta, Chairman and Managing Director, Ocus Group, says, *"The surge in demand for SCO complexes across NCR is a clear signal that the market is evolving, and Gurugram is leading this shift with conviction. Investors and business owners are gravitating toward the SCO model as it delivers on every front: capital appreciation, rental returns, and operational flexibility. Among the prominent sectors of Gurugram, Sector 99 on the Dwarka Expressway, in particular, is emerging as a commercial hotspot, due to its unbeatable connectivity and infrastructure growth. Hence, we look forward to curating high-potential business hubs that cater to both entrepreneurs and established brands, offering them prime*

locations with modern infrastructure.”

Further, SCOs have struck a chord with SME and startups, offering them the flexibility and control they seek. As hybrid work becomes the norm, entrepreneurs are gravitating toward self-owned commercial spaces that are not only functional but also close to residential catchments.

Ashwani Kumar, Pyramid Infratech, says, “SCOs are not just another real estate project; they represent a paradigm shift in how commercial spaces are conceived and consumed, especially in a dynamic market like Gurugram. Today, businesses don’t want rigid, one-size-fits-all formats; they want autonomy, scalability, and ownership, and that’s exactly what SCOs offer. As developers, we believe SCOs are the future of urban enterprise-spaces where startups can grow, retailers can thrive, and established firms can expand without compromise.”

Vishal Sabharwal, Head Sales, Orris Group, says, “SCO developments are rewriting the rules of commercial real estate, especially in high-demand markets like Gurugram. Their hybrid format isn’t a convenience; it’s a competitive advantage. The ability they offer to own, brand, and customize a space that functions both as a storefront and a workplace is a game-changer. Besides, the superior rental yields and appreciation potential it offers indicate why investors and business owners are doubling down on this format. In our view, SCOs represent the future of commercial property; flexible, profitable, and built for businesses that want more than just a lease.”

Thus, SCOs are no longer seen as speculative plays; they’re being recognized as strategic, long-term wealth-building assets. Their ability to serve both retail and office functions gives them a unique edge in a rapidly evolving business environment. As high-footfall locations continue to develop across NCR and infrastructure projects mature, the

demand for self-owned, flexible-use commercial spaces will only intensify.

