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THE AUCTION WAVE IN HYDERABAD

West Hyderabad continues to draw buyers and investors, as recent land auctions highlight the region's rising value and confidence

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Hyderabad's western corridor is entering its next major evolution, widely referred to as 'Hyderabad 3.0' by developers, analysts and investors. The transformation is being fuelled by the government's aggressive auctioning of prime land parcels, drawing participation from top developers and institutional investors.

"West Hyderabad has become the sought-after destination for homebuyers and investors, thanks to its employment density, superior connectivity, and rapidly maturing social ecosystem," says Piyush Agrawal, head of business development - Hyderabad, Sattva Group. Recent blockbuster auctions in Raidurg

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West Hyderabad has become the most sought-after destination for homebuyers and investors. Recent blockbuster auctions have accelerated this momentum, firmly positioning the region as the nucleus of Hyderabad's next growth phase

and Neopolis-Kokapet have accelerated this momentum, establishing new land price benchmarks and firmly positioning the western region as the nucleus of Hyderabad's next growth phase.

AUCTIONS DEFINING LAND PRICES

HMDA's recent Neopolis auction in Kokapet raised Rs 1,356 crore from two parcels, with bids crossing Rs 137 crore per acre. The previous TSIIIC's Raidurg auction fetched Rs 3,135 crore for two plots. These back-to-back auctions underline both strong developer appetite and the state's success in monetising premium land.

Providing a government perspective, Sushmita B. S., social development specialist at the Telangana Housing Corporation Ltd, says, "Auctions are conducted

only to ensure transparency but also to derive maximum value from public assets. The revenue generated is ultimately channelled into welfare, infrastructure, and social development programmes, creating a wider public benefit."

From a market standpoint, however, the steep acquisition costs remain a significant concern. "When government land auctions push prices higher, it triggers a chain reaction across the market," says Pranay Yadav, DGM - sales, RS Pasara and Anvita Buildpro LLP. Developers paying record amounts see project costs rise, and since land forms a significant portion of these costs, higher prices are passed on to investors and homebuyers. "Additionally, once an auction sets a new benchmark, surrounding landowners often raise their rates, further driving up land and housing costs across the area," he adds.

A Hyderabad-based real estate agent, Sai Kumar from Kokapet, echoes this rip-

diversify revenue streams. Ultra-luxury developments mix the clock, enabling developers to command premium pricing, recover land costs and serve a growing affluent customer base.

DENSITY CHALLENGES

Rising density presents its own challenges. Water availability and traffic congestion remain key concerns. "Fortunately, around 90% of projects in the West Zone fall under the luxury segment, providing extensive lifestyle amenities. This reduces the need for daily commuting for gyms, sports, and other essentials, potentially lowering local traffic by almost 70%," says Yadav.

Developers will increasingly need to manage density through better design, larger configurations and sustainability-driven planning. "This will enhance global standards of experience, sustainability and long-term liveability," adds Agarwal.

HYDERABAD'S AFFORDABILITY FACTOR

The pressure to recover soaring land prices, coupled with rising construction costs, will compel developers toward higher pricing. While analysts agree Hyderabad will remain more affordable than Mumbai, the price gap will continue to shrink. "Since land value forms a significant portion of the final price, affordability is bound to be impacted. While Hyderabad will still remain comparatively more affordable than Mumbai for a while, the gap will continue to narrow," notes Pranay Yadav, DGM, Sales at a real estate company.



ple effect. "Buyers have noted how prices rise in Kokapet, Narsingi and Neopolis have climbed. Even pre-launch enquiries have become more premium-driven because budget buyers are getting pushed outward," he says.

To justify soaring land costs, developers are restructuring product strategies. Vertical living has emerged as the most efficient way to maximise land utilisation, followed by mixed-use developments that

RESILIENCE OF RESIDENTIAL MARKET

Led by the West, Hyderabad is poised to be one of India's most stable residential markets. "The city's expanding IT ecosystem continues to attract talent, while strong social infrastructure and a high quality of life make Hyderabad a preferred relocation hub," says Agarwal. This reinforces confidence in the Hyderabad market and its long-term resilience.