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A crorepati, but still a middle-class homebuyer

In Hyderabad, ₹1 crore is increasingly the price of a new home rather than a luxury purchase

Srikanth Godavarthi
Hyderabad

A few years ago, being a crorepati was a big deal. It still is for many. But Hyderabad's real estate prices have changed the meaning of that milestone, at least when it comes to buying a home.

Today, Rs 1 crore is no longer necessarily a luxury-home budget. In many established parts of the city, it is increasingly the money a middle-class buyer may need for a decent new apartment. Even with Rs 1 crore in hand, buyers may still have to make choices on size, location and amenities.

For those with a lower budget, the Rs 50-75 lakh segment has not disappeared. But it has increasingly moved towards emerging and peripheral areas.

"In Hyderabad, a new 2-BHK in the affordable to mid segment would typically start at around Rs 70-75 lakh in emerging locations, while in established and well-connected micro-markets, prices are increasingly closer to Rs 80 lakh to Rs 1 crore and above," said N Jaideep Reddy, President, Credai Hyderabad. "The Rs 1 crore to Rs 1.5 crore range has become increasingly common, particularly in the western corridor, where land values and development costs are significantly higher."

Where Rs 50-75 lakh still works

Reddy said buyers can still find new homes in this range in Bachupally, Kompally, Kapra, Medchal, Pocharam, Ghatkesar, Vijayawada Road near Ramoji Film City, Shamshabad, Kothur, Patancheru and Mutangi, depending on the project and its stage of development. "In these markets, buyers can still find 2-BHK apartments, generally in the range of around 1,000-1,300 sq ft, although sizes vary considerably," he said. But the same budget buys less as the location gets closer to established employment centres. "In some projects, particularly closer to established employment corridors, the same budget may translate into a more compact 2-BHK or smaller configurations," Jaideep Reddy said. "The important point is that affordability at this price point increasingly depends on the buyer being flexible about location and distance from the established city centres."

Smaller homes, not cheaper homes

Rising costs are also changing the size and design of homes in the lower-ticket segment. "There has been a gradual shift towards more efficient and compact home configurations in the sub-Rs 75 lakh segment, largely reflecting the increase in land and construction costs," Jaideep Reddy said. "Developers are focusing on optimising layouts to provide functional homes within a particular price range rather than simply reducing specifications." There is no single figure for how much average home sizes have fallen over the past five years, he said, as the change varies across locations and projects. "However, the broader trend has been towards better space utilisation and more efficient layouts, with developers trying to balance apartment size, functionality and affordability."

A Rs 75-lakh home can become an Rs 85-lakh-plus purchase

The advertised price is only the starting point. Registration and government charges, parking where separately charged, maintenance or corpus deposits, amenity-related charges and interiors can push up the final bill. "The advertised price should not be treated as the final cost of ownership," Jaideep Reddy said. "For a property advertised at Rs 75 lakh, the final outlay can certainly cross Rs 80-85 lakh depending on the project, specifications, applicable taxes and the buyer's interior requirements." Once interiors are added, the actual amount can rise further, particularly for wardrobes, modular kitchens, lighting, electrical work and other basic fittings.

"Buyers should evaluate the total cost of acquisition rather than only the base apartment price," Reddy said.

Why Rs 1 crore is becoming common

The rise in land and construction costs is making low-ticket homes harder to deliver in established locations. "Land values have risen more sharply in established and high demand corridors such as Gachibowli, Financial District, Kokapet and Nanakramguda. Construction costs have also increased due to higher material, labour, logistics and other development related expenses," Reddy said. "There is no uniform proportion of land and construction costs that applies across Hyderabad. In established areas, land accounts for a larger component of the overall project cost, while in emerging locations, construction and development costs form a relatively larger share."

Reddy said the shift towards higher-ticket homes is not simply developers chasing bigger margins. "There has been a visible shift in new residential supply towards higher ticket-size homes. However, this is not simply because developers are pursuing higher margins," he said. The Rs 50-75 lakh segment is increasingly being served through emerging locations, smaller configurations and projects by regional and local developers.

The EMI is only part of affordability

For a middle-class family working in HITEC City, Gachibowli or the Financial District, staying within Rs 50-75 lakh may mean moving farther away. Reddy said buyers may explore Bachupally, Kollur, parts of Tellapur, Kompally, Ghatkesar and Shamshabad, depending on the project and connectivity. But the lower purchase price can come with a higher daily cost. "A lower ticket size may come with a longer daily commute and higher transportation costs," Reddy said. "The overall affordability of a home should consequently be assessed by considering the EMI alongside the time and recurring cost involved in travelling to work." There is also no single income threshold for a Rs 75-lakh home.

"The Rs 1 crore to Rs 1.5 crore range has become increasingly common, particularly in the western corridor, where land values and development costs are significantly higher
-N Jaideep Reddy, President, Credai Hyderabad

"Affordability depends on the down payment, loan amount, interest rate, tenure and the buyer's existing financial commitments," Jaideep Reddy said.

"While incomes have grown, particularly across Hyderabad's technology, services and professional sectors, the pace of growth has varied across households."

For first-time buyers, he said, "building adequate savings for the down payment and maintaining a manageable EMI" is increasingly important.

What does affordable really mean?

Reddy believes a cheaper home is not automatically an affordable home. "A Rs 60-lakh home may be affordable relative to a Rs 1.5-crore home, but that does not automatically mean it is affordable for every middle-class household," he said. "The true affordability of a home is determined by a combination of its purchase price, apartment size, financing cost, registration and other charges, maintenance and, importantly, the cost and time involved in commuting." "What has changed is the geography and definition of affordability," Jaideep Reddy said. "A buyer with a Rs 50-75 lakh budget still has options, but may need to compromise on location, size or amenities." He said the longer-term answer is to increase housing supply across price points, improve connectivity between residential and employment centres, make land and development more efficient and reduce avoidable costs.

"Affordable housing should ultimately mean affordable ownership without an unsustainable EMI or an unreasonable daily commute," Reddy said. For Hyderabad's middle class, that is the new housing reality: Rs 50-75 lakh can still buy a new home, but Rs 1 crore is increasingly becoming the price of buying one without too many compromises.

Charminar BirlaNu's roofing solutions

Hans Business
Hyderabad

CHARMINARBIRLANU, a high-quality fiber-cement and composite roofing solutions have announced that their products are being widely used across residential, commercial, and industrial structures

Vijay Lahoti, Business Head – Roofs, BirlaNu, said: "For decades, fibre cement roofing has traditionally been valued for its core attributes: strength and durability. Today, however, the category is undergoing a shift. Customers increasingly expect roofing solutions that combine long-term performance with lasting aesthetics.

Lahoti further said: "In India's residential and commercial markets, especially in high-rainfall regions—the ability to resist weathering, preserve surface finish, and minimize maintenance has become an important differentiator. These attributes are no longer optional; they are increasingly shaping specification and buying decisions."

According to the company: "The product also offers a smoother surface finish compared to conventional fibre cement options, a difference that is strikingly visible.

CORRIGENDUM

In the article titled "Modi Builders faces residents' ire over Silver Oak amenities, safety," published on August 15, Modi Properties was inadvertently mentioned as Modi Builders. The error is regretted.

BUSINESS

BIZ BRIEFS

Dubai Chambers signs two MoUs

Dubai Chambers has signed two Memorandums of Understanding (MoUs) during a high-level visit to Bengaluru to advance collaboration in Agentic AI, strengthen trade and investment between Dubai and India, and support business expansion. The MoU with NASSCOM establishes a framework for cooperation in Agentic AI and deeptech. It aims to support market access for Indian companies seeking to establish and expand in Dubai.

Active.in opens outlet

Active Green Products Pvt. Ltd., has inaugurated its second franchisee showroom in Andhra Pradesh at Seethammadhara, Visakhapatnam. Mudunuri Venkata Subba Raju, MD, Active Green Products, said: "For us, the showroom is not simply a place to display products. It is a space where customers can experience the quality, technology and possibilities of our solutions before they make an investment."

Danone unveils new flavours

Danone India has announced the launch of two new flavour sachets Vanilla and Chocolate, to its toddler nutrition drink, Dexogrow. Priyanka Verma, MD, Danone India, said: "Getting toddlers to enjoy something that's genuinely good for them can be a big battle for parents. With Vanilla and Chocolate flavours now part of the Dexogrow range, we want nutrition moments to feel less like a negotiation."

Centre rejects ethanol link to sugar price surge, blames millers

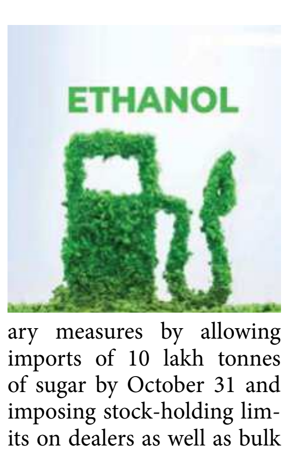
CENTRE SAYS AMPLE STOCKS ARE AVAILABLE AND WARNS AGAINST HOARDING, BLACK MARKETING AND UNJUSTIFIED EX-MILL PRICE HIKES

New Delhi

THE government on Friday rejected claims that diversion of sugar for ethanol production was driving a sharp rise in the price of the sweetener and instead blamed the industry for jacking up prices despite the country having sufficient stock to meet domestic demand.

The Centre said it has asked States to take action against hoarding and black marketing of the sweetener and also start preparing for early start of the crushing season by mills, by around October 15. It is also considering reducing the stock that dealers can currently hold.

Briefing the media on sugar availability and prices, Food Secretary Sanjeev Chopra said the government has taken precautionary measures by allowing imports of 10 lakh tonnes of sugar by October 31 and imposing stock-holding limits on dealers as well as bulk consumers such as soft-drink and ice-cream makers.



He asserted that there are ample sugar stocks in the country despite a fall in production to 306 lakh tonnes for the 2025-26 marketing year (October-September), down from earlier estimates of 343 lakh tonnes. Annual domestic sugar demand is around 280-285 lakh tonnes.

The production has been affected by Red Rot and Top Borer disease in sugarcane, as well as waterlogging caused by excess rainfall, Chopra said.

Following the government's recent measures, the secretary said retail prices are expected to fall in the coming days. The all-India average retail price has shot up to Rs 56 per kg from Rs 48 per kg on July 20.

Chopra pointed out that ex-mill sugar prices have shot up to Rs 62 per kg from Rs 47-48 per kg in just about 7-10 days, and said this kind of hike is completely unjustified. On Friday, the secretary called representatives of the industry bodies ISMA and the National Federation of Cooperative Sugar Factories (NFSCF) and told them that this sudden, sharp hike in ex-mill prices is "not acceptable". "It is incorrect to attribute the recent increase in sugar prices to diversion of sugar for ethanol production," Chopra said, adding that the diversification has improved the financial health of the sugar sector and also helped in timely payment to farmers. He said only 28 lakh tonnes of sugar have been diverted in the current 2025-26 marketing season. Only one-fourth of ethanol is now made from sugar and the rest from grains, mainly maize. "There has been this sharp increase in the prices of sugar in the recent past, and they have gone up from Rs 48 just about 15 days back to a level of Rs 56 now. It is important to clarify that this is not based on any fundamentals," Chopra said.

Govt rolls out ₹62,500-crore mobile manufacturing push

NEW DELHI: MOBILE phone companies, including electronics contract manufacturers, having a turnover of Rs 10,000 crore in FY26 will be eligible for benefits under the Mobile Phone Manufacturing Scheme, the government said on Friday.

According to the guidelines of the Rs 62,500-crore Mobile Phone Manufacturing Scheme (MPMS) issued on Friday, mobile phone companies, including electronic manufacturing services (EMS) firms with 51 per cent Indian ownership, having a turnover of Rs 1,000 crore in FY26 will also be eligible for participation in the scheme. The MPMS is aimed at providing support in the form of production-linked incentives for manufacturing mobile phones in India.

"Mobile Phone Manufacturing Scheme is open officially from today (Friday). It will be effective from April 1, 2026," Union Minister of Electronics and Information Technology Ashwini Vaishnaw said. Under the guidelines, any existing brand will be required to meet the minimum threshold sales of Rs 5,000 crore every year over and above the total sales of FY26 to be eligible for benefits under the scheme. This means, threshold sales over and above the FY26 turnover will be Rs 5,000 crore for the ongoing 2026-27 fiscal year, Rs 10,000 crore for FY28, Rs 15,000 crore for FY29, Rs 20,000 crore for FY30, and Rs 25,000 crore for FY31. Any new brand will become eligible for benefits under the scheme only after achieving total annual sales of Rs 10,000 crore in India. The incentive amount will be eligible sales in a financial year multiplied by the incentive rates -- 2.75 per cent in FY27 and FY28, 2.5 per cent in FY29 and FY30, and 2.25 per cent in FY31.

Up to 10% Chinese stake rule unlocks ₹4,896-cr FDI pipeline

New Delhi

THE decision to allow overseas companies with up to 10 per cent Chinese shareholding to invest in India under the automatic route has begun to yield results, with 29 FDI proposals worth Rs 4,895.65 crore reported so far, an official said.

The investments span sectors including information technology, artificial intelligence, information and communication, manufacturing, pharmaceuticals, data centres and transport services.

The proposals have been reported by investors or entities based in jurisdictions including Mauritius, the US, Korea, Japan, Singapore, Luxembourg and the Cayman Islands.

The Finance Ministry notified the changes under FEMA on May 1, significantly easing the process for companies with limited Chinese or Hong Kong shareholding.

Under the revised framework, foreign companies having Chinese or Hong Kong shareholding of up to 10 per cent can invest in sectors where FDI is permitted under the automatic route, subject to applicable sectoral conditions.

The government said the move removes the requirement of prior approval in such cases, allowing investors to proceed through the automatic route while complying with reporting requirements. The reform is expected to provide greater certainty to investors, reduce transaction time and improve ease of doing business, the official said.

DGFT relaxes One Star Export House eligibility norms

NEW DELHI: The government on Friday relaxed the 'One Star Export House' eligibility condition for exporters by revising the specific international trade and financial performance norms in three consecutive fiscal years.

Earlier, exporters were required to achieve specific export performance in all three preceding financial years to receive the 'Star Export House' status. Under the revised norms, export firms reporting the same in any two of the three preceding fiscals will be eligible to get this recognition. This change, however, does not apply to the gems and jewellery sector as that sector already has a separate two-year requirement under foreign trade policy (FTP) 2023.

The directorate general of foreign trade (DGFT) has amended a provision of the FTP "to allow granting of One Star Export House status to applicants (other than for the Gems and Jewellery sector) who possess export performance in any two out of the three preceding financial years subject to other provisions...".

Gold, silver rally to multi-month highs on weak dollar

New Delhi

GOLD and silver prices surged to more than three-month high levels in the national capital on Friday, extending their gains for a second straight session as a weak US dollar and firm global trends drove investors towards precious metals.

The yellow metal of 99.9 per cent purity appreciated by Rs 1,200 to Rs 1,63,500 per 10 grams (inclusive of all taxes), up from the previous close of Rs 1,62,300 per 10 grams, according to local traders.

The precious metal was last quoted around these levels on May 19, when it had stood at Rs 1,63,600 per 10 grams.

Silver also mirrored the bullish trend, jumping Rs 5,000 to Rs 2,50,000 per kilogram (inclusive of all taxes), its highest level in 15 weeks. The white metal had settled at Rs 2,45,000 per kg on Thursday and gained Rs 15,000 over the last two sessions.

It was last seen near these levels on May 4, when the price was quoted at Rs 2,49,500 per kilogram.

"Gold extended its rally on Friday's session and is heading for its third consecutive weekly gain, while silver also remained strong, supported by a weaker US dollar and falling longer-term Treasury bond yields," Gaurav Garg, Head of Research at Lemonn Markets Desk, said.

Tata Motors raises prices as input costs, inflation bite

NEW DELHI: Tata Motors Passenger Vehicles Ltd will raise prices of its cars and SUVs by up to Rs 25,000 from September 1, 2026, citing rising input costs and sustained inflationary pressures.

The increase will cover the company's passenger vehicle portfolio, including internal combustion engine and electric models. The extent of the hike will vary across models and variants, the company said on Friday.

Tata Motors said it continues to absorb a significant portion of the increase in costs.