

# The Bharat in India

A report on the emerging residential  
property markets of India



2023



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Bharat  
in India

2023



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As we navigate through the dynamic landscape of India's property market, Tier-2 cities stand out as the epicenters of unprecedented growth and opportunity. Post-pandemic, we've witnessed a remarkable surge in interest and investment in these cities, reaffirming their status as vital engines of growth. These cities have not only emerged as economic hubs but also as driving forces behind the current upswing in residential real estate demand.

At **Housing.com**, we are proud to have expanded our operations to '13' Tier-2 cities, including key ones such as Goa, Jaipur, Chandigarh TriCity, Visakhapatnam, Lucknow, among others. The phenomenal growth we've experienced in these cities speaks volumes about the immense potential they hold. Since the onset of the pandemic, our traffic has surged ninefold, underscoring the increasing homebuyer appetite in Tier-2 cities. Aspirations are soaring, and consumers are actively seeking properties that not only meet their functional needs but also reflect their desire for a higher standard of living. As we navigate this exciting landscape, we remain steadfast in our commitment to delivering exceptional experiences to our customers and consumers, unlocking new horizons in the Tier-2 cities.



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# Preface

Mumbai and Delhi have their skyscrapers, but those aren't the only places making magic happen. There's a whole new wave of smaller cities, the Tier-IIs, that are booming and redefining what modern India looks like, and this report delves into that part, or the heart of Bharat – those dynamic urban centres experiencing a surge in growth and influence. Here, amidst the rich tapestry of history, local cultures, cuisines, traditions, and a fresh, modern vibe, lies the true essence of modern India.

Our journey began with a simple question: what drives the remarkable growth of these cities? The answer, we discovered, is a symphony of factors. Each city, like a distinct thread in the national fabric, boasts its own unique story and this report offers but a glimpse into the incredible potential we've uncovered within these vibrant urban landscapes.

We focused on the property market because it shows the lifeblood of these cities. People aren't just looking for square footage; they're looking for a place where their dreams can flourish a place that reflects their city's unique identity.

Take Vadodara, for example. The locals love the old-fashioned swings in their parks, a sweet reminder of simpler times. Goa, dreams of breezy porches to capture the tropical breeze. Lucknow, a cousin to busy Noida, mirrors its development and is growing fast, while Nashik offers a monsoon escape for those who need a break from Mumbai's downpours.

Some cities stand as gateways to the revered pilgrimage sites, like Bhubaneswar, your steppingstone to the holy Jagannath Puri, others, like the pink paradise of Jaipur and Goa's stunning beaches, are havens for travellers both domestic and international, seeking unforgettable experiences.

Interestingly, a city's character isn't solely defined by its function. Bhopal, an administrative capital, stands alongside Kochi, a city that, despite not being a capital, thrives on its infrastructure while maintaining its unique charm. Vishakhapatnam's serene beauty calms the mind, while Chandigarh's planned elegance inspires a different kind of awe.

From the vibrant streets of Indore to the tranquil shores of Vishakhapatnam and the echoes of history in Lucknow, this is the real Bharat – a vibrant tapestry waiting to be explored.

## Growth drivers

**Demographic dividend:** India's young population is a powerful asset. With a median age of 29 years, compared to much higher figures in developed nations, India enjoys a significant "demographic dividend". Together with the Tier-II cities India's abundant human capital positions it as a powerhouse for domestic economic ambitions and a strategic partner in the global reshaping of supply chains. Specially seen in the Tier-II cities, urban population growth is higher than that of the top metros and it is estimated that by 2030, tier II & III cities will contribute 61%<sup>1</sup> to India's working population. With their lower living costs and emerging job markets, the cities are attractive for people migrating from further smaller cities, creating a dynamic talent pool for businesses.

**Economic anchors:** Tier-II cities are no longer peripheral players and are emerging as regional and national economic powerhouses. Unlike some capital cities largely focused on administrative functions, Tier-II cities boast a thriving services sector encompassing IT, education, healthcare, and tourism. This economic energy furthers job creation and an overall prosperity quotient, not only within these cities but also in the surrounding influence regions.

**Government initiatives provide a launchpad:** India's development strategy is shifting towards Tier-II cities. Programmes such as JnNURM, RCS (UDAN), and the Smart Cities Mission provide crucial infrastructure

such as airports and improved roads. The Regional Connectivity Scheme (RCS) -UDAN (Ude Desh ka Aam Naagrik), serves as a flagship program with an aim to develop 100 new airports, with a particular focus on Tier-II cities. This directly addresses logistical challenges and boosts air connectivity, making travel and cargo movement more efficient. The Smart Cities Mission takes a holistic approach, focusing on waste management, renewable energy, and citizen participation. The multi-pronged strategy initiatives tackle infrastructure bottlenecks, promotes economic activity, and enhances the overall living standards in Tier-II cities.

**Digital Revolution - A Great Equaliser:** The digital revolution has been a game-changing force, particularly for Tier-II cities. High internet penetration rates and a growing online consumer base have empowered these cities who are now effectively competing on a level playing field, where businesses can operate remotely, access to information and education is democratized, and e-commerce is thriving in the remotest areas. With a staggering 936.16 million internet users<sup>2</sup>, India's digital landscape is fostering innovation and entrepreneurial spirit in Tier-II hubs. Notably, around half of the over 115,000 startups registered by the Department for Promotion of Industry and Internal Trade (DPIIT) as of December 2023 originated from Tier-II and Tier-III cities. Interestingly, these smaller cities are also leading the charge in online shopping, driving significant adoption on major e-commerce

<sup>1</sup> Analysis includes cities with more than 300,000 inhabitants.

<sup>2</sup> Indian Telecom Services Performance Indicator Report, December 2023  
Source: United Nations, Census of India, Housing Research



## Ankita Sood

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platforms. This democratization of technology empowers Tier-II cities to not only compete but thrive in the digital age.

**Talent Magnets:** With a growing number of educational institutions churning out skilled professionals, Tier-II cities offer a significant advantage to businesses. This readily available talent pool, coupled with lower operational costs compared to megacities, is attracting both domestic and international companies to establish their footprints in these emerging markets. Companies can access a skilled workforce while offering their employees a more affordable and balanced lifestyle.

**Evolving Consumption Hubs:** India's economic boom is leading to rising disposable incomes, and Tier-II cities are no exception. This newfound spending power is fuelling a consumption revolution. National and international brands across sectors such as apparel, food and beverage (F&B), and electronics, are recognising the potential of these burgeoning markets and expanding their presence through both online and brick-and-mortar stores. Ecommerce is experiencing explosive growth, with Tier-II cities contributing a significant share of the new customer base for major online platforms. This shift in consumer behaviour presents exciting opportunities for businesses.

**Property markets are a key indicator of a city's overall health and future prospects. Understanding this, our research delved into the growth potential of India's Tier-II cities, specifically focusing on factors influencing residential property market trends. We employed a multi-parametric evaluation framework for our Property Market Catalyst Index, which moved beyond traditional metrics to capture the nuances contributing to a city's overall development.**

**1. Capital city effect:** This indicator examines the potential advantages associated with being a capital city. These advantages include pre-existing infrastructure, established administrative structures, and the symbolic status of being the seat of power. While capital city status might predispose a city towards development, it may or may not guarantee the scale of economic growth.

**2. Economic propellers:** To comprehensively understand the economic engines of India's Tier-II cities, we categorised their dominant activities. Cities were classified as either service-oriented (think tech hubs and finance centres) or driven by secondary sectors such as manufacturing and production. We further assessed their tourism potential by analysing visitor numbers and its impact on revenue and growth. Additionally, the economic influence of being a port city was factored in, revealing how port access affects development and overall prosperity.

**3. Talent pool development:** We looked beyond just the businesses in each city, and considered the quality of education offered by these cities, such as the presence of prestigious national institutions (IITs, IIMs, NITs), research institutions, medical colleges, R&D centres etc. Our analysis focused on a city's ability to cultivate a skilled workforce, which acts as a magnet for service industries. It is seen that cities with a strong talent pool are demonstrably more attractive to service-oriented sectors.



## Data weighing and analysis

Each of these parameters was assigned a specific weight based on its perceived importance for driving growth in Tier-II cities. Subsequently, a weighted scoring system was applied to evaluate each city's performance across all criterions.

## Key findings

- Our research findings challenge the assumption that capital city status automatically translates to better growth potential. Instead, our property market analysis reveals a more impactful factor – the presence of a thriving service sector as an economic anchor. Several capitals, lacking a strong service sector presence, demonstrated slower property market growth as compared to their service-oriented counterparts.
- Since a city's growth potential directly impacts its property market, we employed a multi-parametric evaluation framework to assess Tier-II cities. This catalyst framework delved beyond historical designations such as capital city status, and focussed on diverse factors that contribute to a city's overall development. While being a capital city offers certain advantages in terms of physical and social infrastructure, the analysis revealed a stronger correlation between a city's dominant economic sector and its growth potential, which in turn impacts the real estate market in the city.
- It was seen that cities with a strong service sector growth encompassing industries such as information technology, finance, tourism, and healthcare displayed significantly higher growth in property prices as compared to those with an administrative or primary and secondary sector focus.
- Cities such as Bhubaneswar, Chandigarh, Goa, Jaipur, Kochi, Nagpur, and Visakhapatnam represent this trend. These cities are characterised by a healthy service-sector growth, creating an environment that attracts skilled talent and encourages a ripple effect on overall growth. This synergy is fuelling the property markets in Tier II cities, making them attractive investment destinations not only for the domestic buyer, but the NRI investors as well, which is looking to invest in their hometowns.
- The analysis further revealed a distinction between frontrunners and potential growth areas. While some cities have successfully leveraged service sector opportunities, others, such as Agra, Jaipur, Kanpur, Kozhikode, and Vadodara have yet to fully capitalise on this growth driver.
- In conclusion, along with uncovering the property market trends in Tier-II cities, our Property Market Catalyst Index tests the assumption that capital status guarantees growth and stresses the significance of a thriving service sector in driving property market growth. Tier-II cities with robust service industries offer promising investment opportunities and sustainable growth prospects, thus becoming the second engines to the growth story of Bharat.

# Navigating the Bharat in India

## Cities, the pulse of India's growth story

The Indian economy remains resilient amidst global challenges and remains a beacon light in the global growth trajectory. With the world economy projected to grow at of 3.2 per cent<sup>3</sup> during 2025 and 2025, India's growth is projected to remain strong 6.8 per cent (FY25) on the back strong domestic demand and a growing working population. Currently ranked fifth globally, India aims to ascend to the third place by 2027, targeting a GDP of USD 5 trillion. Fuelling India's GDP is a hefty slice of private consumption which takes ~60 per cent<sup>4</sup> share in the overall pie. The catalyst for this consumption surge stems from a convergence of factors, which includes India's demographic advantage, rapid urbanisation, digitalisation, and a rise in discretionary spending, amongst others.

Notably, with 67 per cent of its population categorised as part of the working age group and boasting a median age of 29 years — considerably younger than major economies such as the US (38.5), China (39.8), United Kingdom (40.6), and Brazil (34.7) — India possesses a vibrant and dynamic workforce that serves as a driving force behind its economic expansion and consumption pattern.<sup>5</sup> In corroboration, the monthly per capita consumption expenditure in urban areas has surged by 146 per cent<sup>6</sup> since 2011-12. Presently, non-food and non-essential items constitute up to 60 per cent of this expenditure in urban regions, representative of the evolving consumer landscape and the burgeoning trend toward discretionary spending.

When it comes to digitisation, India ranks as the third-largest digitised economy globally and boasts of having the second-highest number of internet users worldwide, with 936.16 million<sup>7</sup> as of December 2023. The widespread adoption of the internet and smartphones has catalysed the growth of ecommerce, particularly in the aftermath of the coronavirus pandemic. Projections indicate that by 2026, the digital economy's contribution is poised to surpass 20 per cent<sup>8</sup> of India's overall GDP.

Most interestingly, urban India serves as the powerhouse behind 70 per cent<sup>9</sup> of the country's GDP, despite accounting for only 36 per cent<sup>10</sup> of India's vast 1.4 billion population, and occupying a mere 5 per cent of the nation's total land area. Furthermore, of this ~0.5 billion urban population, 25 per cent resides in the top-eight cities such as Ahmedabad, Bengaluru, Chennai, Delhi NCR, Hyderabad, Kolkata, Mumbai MMR, and Pune, which have emerged as major economic hubs of India.

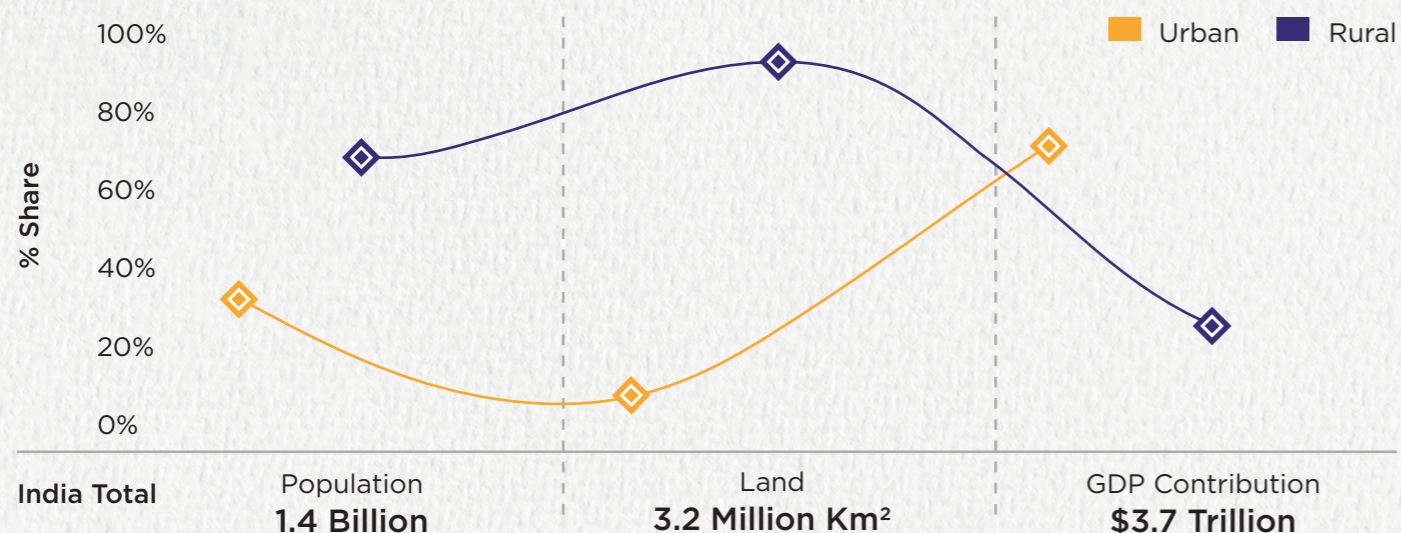
It isn't all rosy for these cities, however, as being the drivers of the economy, they are also facing issues stemming from their expanding populations, deteriorating infrastructure, soaring real estate costs, traffic gridlock, and, in certain cases, unfavourable living conditions, all of which have significantly hampered their quality of living. As the top eight cities approach saturation, the past decade has seen the rise of new economic epicentres in form of Tier-II cities, which are now exerting a growing

influence at both regional and national levels. Though they were always present in the shadows of the top metros, their significance has come to the fore especially post the pandemic propelled by factors such as demand decentralisation across consumption baskets, improved connectivity, targeted policy interventions, investments in social and physical infrastructure, a burgeoning upwardly mobile population, and an expanding consumer base.

**146%** Growth in monthly per capita consumption expenditure in urban areas from 2011-12

Source: Housing Research

## Small Footprint, Big Impact: Cities emerge as driving force behind India's economy



Source: Housing Research

<sup>3</sup> International Monetary Fund, Housing Research  
<sup>4</sup> Economic Survey 2022-23, Housing Research  
<sup>5</sup> Census of India, United Nations, Housing Research  
<sup>6</sup> Household Consumption Expenditure Survey 2022- 23, Housing Research  
<sup>7</sup> Indian Telecom Services Performance Indicator Report, December 2023

<sup>8</sup> Ministry of Electronics & IT, Housing Research  
<sup>9</sup> World Economic Forum, Housing Research  
<sup>10</sup> United Nations, Census of India, Housing Research

## Tier-II cities, the trailblazers of Bharat

Policy-driven initiatives in infrastructure and connectivity have played a pivotal role in elevating the status of the Tier IIs. For example, the Regional Connectivity Scheme (RCS)-UDAN (Ude Desh ka Aam Naagrik) represents a flagship initiative by the Central government, which is aimed at developing 100 airports to catalyse economic growth, with a particular focus on Tier-II cities. Additionally, schemes such as AMRUT (2015) and the Smart Cities Mission (2015) were conceived with the goal of bolstering core infrastructure and enhancing city liveability through innovative 'smart' solutions. This focus persists, underscored by the allocation of INR 10,000 crore (USD 1.2 billion) annually in the 2023 Union Budget to the Urban Infrastructure Development Fund (UIDF). This fund is specifically tailored to enhance urban infrastructure in Tier-II and Tier-III cities.

Several of these cities have experienced a significant rise in prominence, and are assuming multifaceted roles as administrative capitals, business hubs, renowned tourist destinations, temple towns, educational centres, and vibrant cultural melting pots, while solidifying their positions as economic anchors within their respective regions. For example, Goa and Jaipur have emerged as renowned tourist destinations, both nationally and internationally. Meanwhile, Chandigarh, Bhopal, and Lucknow serve as administrative capitals in their respective states, contributing to their economic significance. Nashik has carved out a distinct identity as India's wine capital, boasting an impressive 80 per cent<sup>11</sup> share of the country's wine production. In terms of education, a substantial number of Indian Institute of Technology (IIT) campuses — 19 out of 23 — are located in Tier-II and Tier-III cities, underscoring their growing importance as educational hubs. Additionally, cities such as Mathura, Tirupati, and Varanasi are prominent temple towns. Beyond economic activities, improved connectivity and development of physical and social infrastructure have been instrumental in creating a favourable business environment for the tertiary sector in these cities, which is crucial for fostering growth and enhancing competitiveness.

**50%** Start-ups located in Tier-2 and 3 cities

**6/10** Urban inhabitants to live in Tier-II and Tier-III cities of India

**61%** Tier-II cities **26%** Top 8 cities  
Growth in population between 2010-2020

Source: Housing Research

<sup>11</sup> International Spirits and Wines Association of India (ISWAI), Housing Research  
<sup>12</sup> India Skills Report 2024, Housing Research  
<sup>13</sup> Department for Promotion of Industry and Internal Trade, Housing Research  
<sup>14</sup> Tata Cornell Institute, Housing Research  
<sup>15</sup> United Nations, Housing Research  
<sup>16</sup> Amazon India, Housing Research

## Expansion of tertiary sector

Today, business corporations are in a race to secure the best talent, and the Tier-II cities offer an untapped yet substantial skilled pool of resources, supported by the presence of educational institutions and training centres consistently churning out skilled professionals. For example, Tier-II cities such as Chandigarh and Lucknow rank among India's top cities in terms of employable talent.<sup>12</sup> This means organisations can capitalise on the high-quality talent pool in these regions, while benefiting from cost advantages as well.

National and multinational corporations such as Tata Consultancy Services (TCS), Infosys, Mahindra and Mahindra, among others, have expanded their businesses beyond back-office operations. Currently, Tier-II and Tier-III cities in India account for 50 per cent<sup>13</sup> of startups. This surge in services activity has not only created employment opportunities but has also inhibited the outflow of residents from these cities, while simultaneously attracting migrants from smaller cities to these burgeoning economic centres. This trend has become more pronounced in the after effects of the coronavirus pandemic, with the work-from-home dynamic prompting a reverse migration phenomenon, thereby bringing attention back on these cities. Many companies are now opting for the hub-and-spoke model, where employees work from smaller satellite offices in the neighbourhoods closer to where they live.

Today, the service sector contributes more than 50 per cent<sup>14</sup> to the GDP of cities such as Bhubaneswar, Jaipur, Kochi, and Lucknow, among others. All these factors have contributed to a significant population growth of 61 per cent in Tier-II cities since 2010, as compared to just 26 per cent in the top-eight cities.<sup>15</sup> By 2030, it is estimated that six out of 10 urban inhabitants will reside in Tier-II and Tier-III cities.

## Evolving consumption powerhouses

The evolving demographics and economic profile have reshaped consumption and spending patterns within these urban centres. Mirroring the trends observed in top cities, these cities show similar predilection towards brands driven by rising disposable income. Consequently, national and international brands across various sectors, from apparel, to food and beverage (F&B), are expanding their presence and actively investing capital in these cities, both in the online and brick-and-mortar formats.

This shift is particularly pronounced in ecommerce. Presently, 67 per cent of internet users in urban areas hail from Tier-II and Tier-III cities. Consequently, these cities constitute nearly 80 per cent<sup>16</sup> of the new consumer base on major ecommerce platforms in India. In terms of digital payments, six out of 10<sup>17</sup> users belong to these cities.

The propensity to spend has extended to high-value purchases, with Tier-II cities emerging as new hubs for luxury consumption. Supporting this trend, both online and in-store luxury spending in Tier-II cities experienced 30 times<sup>18</sup> higher growth than those observed in the top-eight cities. Notably, cities such as Kanpur, Ludhiana, Mysuru, and Udaipur are spearheading significant growth in luxury car sales across India.<sup>19</sup> Ludhiana, in particular, boasts the highest per capita vehicle ownership in India, with over 10,000 new vehicles added every three months.<sup>20</sup> The shift in consumption patterns is also apparent in the real estate markets of these cities, where there has been a noticeable increase in stakeholder and buyer activity.

<sup>17</sup> Internet and Mobile Association of India (IAMAI), Housing Research  
<sup>18</sup> American Express Luxury Spend Analysis 2018, Housing Research  
<sup>19</sup> Federation of Automobile Dealers Associations of India (FADA), Housing Research  
<sup>20</sup> Government of Punjab, Housing Research

67%

Internet users in urban India belong to Tier-II and Tier-III cities

7/20

7 of India's top 20 cities, which are home to UNHIs, are Tier-II cities

Source: Housing Research

## Emerging real estate hubs

The economic dynamism has had a multiplier effect on the real estate market in Tier-2 cities especially in retail, warehousing and residential segments. For instance, the burgeoning interest from national and international brands has catalyzed the development of high-street areas and premium retail spaces in these urban centers. Notably, Kochi in Kerala stands out with the largest mall in India, showcasing the evolving retail landscape in these regions.

Furthermore, the escalating e-commerce activity has prompted companies to expand their presence in these cities. A prime example is the leasing of approximately 6.1 lakh sq ft of space for an Amazon fulfilment center in Lucknow, marking its largest center in India. Moreover, the development of industrial corridors with Tier-2 cities as integral parts, alongside airports being equipped with cargo handling facilities, has propelled growth in the warehousing sector.

Similarly, the property markets have experienced heightened activity. This is underscored by our Property Buy index, which tracks high-intent homebuyer activity, indicating that Tier-2 cities are trending above the top-eight cities. Let us delve deeper into these evolving dynamics in the residential market of these cities.

## Property market catalysts

Recognizing that property markets serve as a barometer of a city's overall health and future prospects, our research delved into the growth potential of India's Tier-II cities. Specifically, we focused on factors influencing residential property market trends.

1. **Capital city effect:** This indicator examines the potential advantages associated with being a capital city. These advantages include pre-existing infrastructure, established administrative structures, and the symbolic status of being the seat of power. While capital city status might predispose a city towards development, it may or may not guarantee the scale of economic growth.

2. **Economic propellers:** To comprehensively understand the economic engines of India's Tier-II cities, we categorized their dominant activities. Cities were classified as either service-oriented (think tech hubs and finance centres) or driven by secondary sectors like manufacturing and

production. We further assessed their tourism potential by analysing visitor numbers and its impact on revenue and growth. Additionally, the economic influence of being a port city was factored in, revealing how port access affects development and overall prosperity.

3. **Talent pool incubators:** We looked beyond just the businesses in each city and also considered the quality of education offered by these cities, like the presence of prestigious national institutions (IITs, IIMs, NITs, research institutions, medical colleges, R&D centres etc. Our analysis focused on a city's ability to cultivate a skilled workforce, which acts as a magnet for service industries. It is seen that cities with a strong talent pool, are demonstrably more attractive to service-oriented sectors.

All these together ascertain the growth potential of the city and thus has a strong bearing on its property markets and its growth.

## Property Market Catalyst Index

### Findings

- **Buzzing service sector, booming property:** Tier-II cities with thriving service sectors (IT, finance, tourism, healthcare) see significantly higher property price growth compared to those reliant on administration or manufacturing.
- **Second-engine cities:** Kochi, Jaipur, Goa, Bhubaneswar, Chandigarh, Visakhapatnam, and Nagpur exemplify this trend. Their robust service sectors attract talent, fuelling overall growth and a booming property market.
- **Investment magnets:** Tier-II cities with strong service sectors are becoming prime investment destinations for both domestic and NRI investors seeking opportunities in their hometowns.
- **Beyond capital status:** Our report findings with on ground research debunks the myth that capital city status guarantees growth. A growing service sector proves to be a more impactful driver for property market success.
- **The domino effect:** A thriving service sector attracts talent, fosters overall economic growth, and fuels the property market in Tier-II cities, creating a virtuous cycle.

<sup>16</sup> Amazon India, Housing Research  
<sup>17</sup> Internet and Mobile Association of India (IAMAI), Housing Research  
<sup>18</sup> American Express Luxury Spend Analysis 2018, Housing Research

<sup>19</sup> Federation of Automobile Dealers Associations of India (FADA), Housing Research  
<sup>20</sup> Government of Punjab, Housing Research

## Tier-II cities Property Market Catalyst Index

Highest to lowest concentration of activity

High  Low

Tier-II cities are colour-ranked based on key factors influencing residential property markets such as capital status, economic drivers (services, industry, ports), tourism, and talent pool presence. A composite score derived from these factors is employed to rank each city from lowest to highest.

City	Composite Score	Capital City	Education/ R&D Center	Service Sector	Industrial Center	Tourism	Port City
Kochi	8.0	High	High	High	High	High	High
Jaipur	7.7	High	High	High	High	High	High
Bhubaneswar	6.9	High	High	High	High	High	High
Visakhapatnam	6.4	High	High	High	High	High	High
Chandigarh	6.4	High	High	High	High	High	High
Nagpur	6.3	High	High	High	High	High	High
Bhopal	6.2	High	High	High	High	High	High
Goa	5.9	High	High	High	High	High	High
Thiruvananthapuram	5.6	High	High	High	High	High	High
Lucknow	5.5	High	High	High	High	High	High
Ranchi	5.2	High	High	High	High	High	High
Indore	4.9	High	High	High	High	High	High
Patna	4.1	High	High	High	High	High	High
Nashik	4.0	High	High	High	High	High	High
Vijaywada	3.7	High	High	High	High	High	High
Raipur	3.7	High	High	High	High	High	High
Vadodara	3.6	High	High	High	High	High	High
Goimbatore	3.6	High	High	High	High	High	High
Dehradun	3.5	High	High	High	High	High	High
Galicut	3.1	High	High	High	High	High	High
Srinagar	3.0	High	High	High	High	High	High
Mysore	2.7	High	High	High	High	High	High
Aurangabad	2.1	High	High	High	High	High	High
Varanasi	2.0	High	High	High	High	High	High
Jodhpur	1.9	High	High	High	High	High	High
Kanpur	1.8	High	High	High	High	High	High
Madurai	1.7	High	High	High	High	High	High
Ludhiana	1.5	High	High	High	High	High	High
Agra	1.4	High	High	High	High	High	High
Amritsar	1.4	High	High	High	High	High	High
Prayagraj	1.3	High	High	High	High	High	High
Kota	1.1	High	High	High	High	High	High
Meerut	0.7	High	High	High	High	High	High

Source: Housing Research

# Residential market trends in Tier-II cities

## Tier-II cities outshine top-eight cities on Housing.com's Property Buy Index

Despite the dominance of the top-eight cities in the residential real estate market in India, Tier-II cities are carving out a significant niche as indicated by our Property Buy Index, where Tier-II cities are currently outpacing the top-eight cities by a substantial margin of 88 points. The index tracks the high-intent online homebuying activity in 42 key cities of India. This surge can be attributed to the burgeoning economic potential of these cities attracting a growing influx of residents. Notably, this trend has gained momentum in the wake of the pandemic and fuelled by the phenomenon of reverse migration.



### Property prices trend northwards

The surge in demand in Tier-II cities is also reflected in property prices, which have seen double-digit growth ranging from 10 per cent to 15 per cent in prime micro-markets across key Tier-II cities. Consequently, this has narrowed the price differential between these cities and the top-eight cities. For example, property price for new supply in Airport Road, Mohali, is trending at INR 8,000-10,000 per sq ft. and is comparable to Kokapet in Hyderabad.



### Changing homebuyer preferences

There is a discernible shift in homebuyer preferences in Tier-II cities, which are following the on-going trends in top-eight cities. While previously, homebuyers predominantly preferred low-rise formats, there is now a growing inclination towards high-rise apartments, which offer security and access to amenities such as swimming pools, clubhouses, and open spaces. This preference for the apartment-style format has spurred supply-side activity in these cities, with many notable developers increasing their presence in these promising markets.



### Premium properties stir interest

The heightened demand for amenity-rich projects, offering lifestyles akin to those found in top-tier cities, coupled with an increased propensity to spend, has resulted in a stronger preference for homes in the premium segment. Correspondingly, online searches by prospective homebuyers with high intent in the INR 1-2 crore and above INR 2 crore price brackets, have surged by 61 per cent and 121 per cent, respectively.



### Diverse residential landscape

Tier-II markets boast of a diverse residential landscape, with certain cities evolving into hubs for senior living and second homes. For instance, Coimbatore, renowned as a major medical tourism destination and blessed with a salubrious climate, commands the second-highest share in senior living projects across India. Meanwhile, Goa, Lonavala and Alibaug have emerged as a coveted destination for second homes and vacation properties due to their vibrant tourism industry.



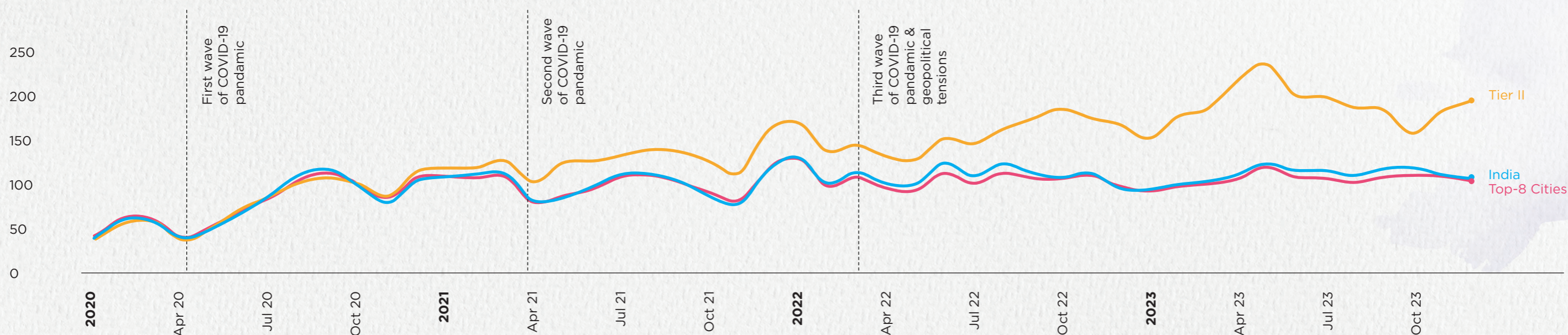
### Investor activity gains momentum

The diverse residential offerings in Tier-II cities have ignited greater interest among investors, fuelled in part by double-digit growth in property prices. Additionally, cities such as Goa stand out with their higher rental returns, reaching up to 8 per cent, as compared to the average of 2-3 per cent in top-eight cities. Enhanced international connectivity has further fuelled interest among non-resident Indians (NRIs) seeking investment opportunities or options for their parents or as a post-retirement living option, particularly in the senior living market.

The growing prominence of these cities in India's residential real estate market is unmistakable, as is also highlighted by the Housing.com Property Buy Index. Further, we have also delved into the ongoing trends within the selected<sup>21</sup> key Tier-II cities' residential real estate markets, examining aspects such as key micro-markets, the trajectory of property prices, and potential and upcoming trends on the horizon.

<sup>21</sup>The cities are selected based on the current real estate offtake, economic activity, demographics, policies announcements of upcoming infrastructure projects, and the potential commercial and residential development that can happen in the city in the near future (coming 5-10 years).

## Property Buy\* Index



The cities are selected based on the current real estate offtake, economic activity, demographics, policies announcements of upcoming infrastructure projects, and the potential commercial and residential development that can happen in the city in the near future (coming 5-10 years).



# Tier II cities, Tier I prices - desirable locations mirror property prices of metro cities

Previously affordable Tier II cities like Goa and Chandigarh are experiencing a price surge, with key localities matching the value of prime areas in Mumbai, Bengaluru, Gurugram, and Noida. This trend signifies a significant change - desirable locations in Tier-2 destinations are no longer solely about affordability but are offering comparable value driven by increased demand and infrastructure development.



Note: Top-5 city-wise localities as per residential demand. Property values are for new supply and may vary due to location and product differentiation.

# Gems of Bharat



# Bhopal

Bhopal, as well as Gwalior, Indore, and Jabalpur, have come up as major urban areas and growth centres in Madhya Pradesh. Amongst these cities, Bhopal being the administrative capital, has come up to be an important financial and economic node in the state, attracting regional populace looking for work opportunities, education, and a better lifestyle. The city has a diverse industrial landscape, particularly in pharmaceuticals and electronic goods. The development of industrial corridors such as Indore-Bhopal-Bina is further contributing to its burgeoning business environment. Apart from the industrial sector, the services activity is also slowly gaining ground with national and multinational companies such as TCS and Infosys setting up their business process outsourcing (BPO) operations in the city. The city is also home to 850+ start-ups, close to its Tier-II city counterpart, Nagpur.<sup>22</sup> The presence of STPI-Bhopal (Software Technology Parks of India-Bhopal) further fuels the startup culture by providing services such as incubation and other value-added services.

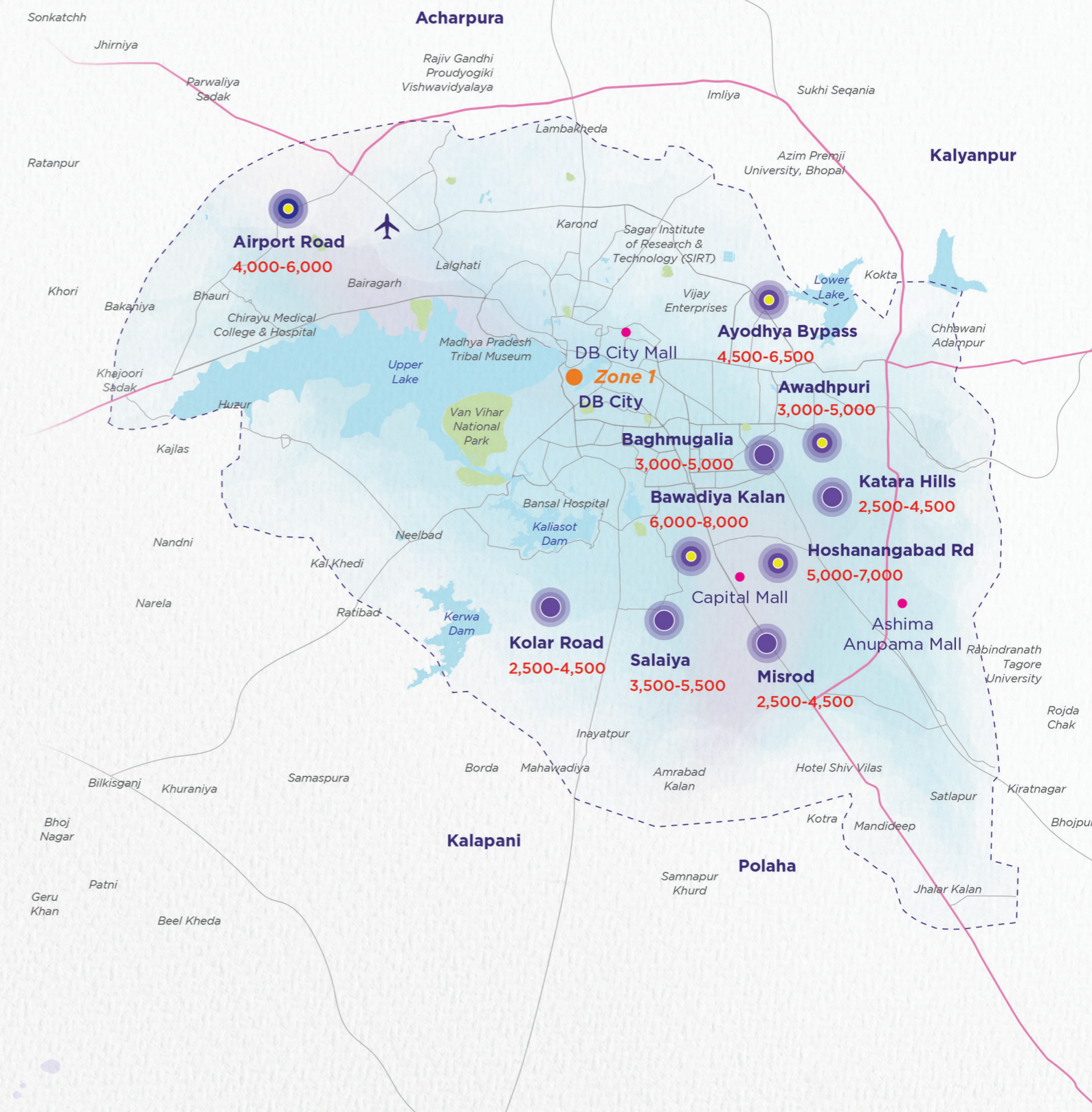
The economic progress is further supported by physical infrastructure and connectivity including metro and an airport, where the passenger traffic has increased by 55 per cent YoY in 2023, to reach 1.1 million.<sup>23</sup> The burgeoning economic prospects in the city have spurred population growth, with numbers reaching 2.5 million<sup>24</sup> in 2023. Notably, a significant 66 per cent of this populace falls within the working-age bracket of 15 to 59 years old. This demographic composition has translated into an escalating demand for housing, thus catalysing a surge in residential activity across the city.

The shifting economic landscape has influenced changing preferences among homebuyers. While the traditional choice of individual plots and

row houses remains prevalent, there is a noticeable uptick in demand for apartments. Residential activity is particularly pronounced in the eastern and southern micro-markets, driven by proximity to commercial and retail hubs. Localities such as Ayodhya Bypass and Airport Road are the key realty hotspot, with prices ranging from INR 4,000-6,500 per sq ft. In addition, Bawadiya Kalan and Hoshangabad Road in the southern region command a premium of INR 5,000-8,000 per sq ft. The key micro-markets in the city have witnessed heightened demand in the residential market, with a healthy uptick of up to 20 per cent in the property prices from the previous year.

Alongside these established hotspots, emerging neighbourhoods such as Baghmugalia, adjacent to Katara Hills, and localities such as Misrod and Salaiya in the southern micro-market, are gaining traction. This increased interest is attributed to the presence of essential social infrastructure, including healthcare services and educational institutes, as well as convenient access to industrial hubs and National Highway 46.

In the foreseeable future, residential activity in Bhopal will remain concentrated in the eastern and southern regions. Developers stand to benefit from abundant land bank, while homebuyers are attracted by the convenience of proximity to employment hubs and retail centres. In the central area, Bhopal has emerged as a noteworthy residential market, comparable to Nagpur. Yet, to sustain and enhance market dynamics, further emphasis on service sector growth is imperative. This strategy will not only bolster the economy, but also appeal to and retain skilled professionals, thereby fortifying the city's property market.



Population  
**2.5 million**



Area (sq.km.)  
**285.8**



Air Passenger Traffic (CY 2023)  
**1.1 million**



Key Economic Drivers  
**Pharmaceuticals, Service sector**



Average Price Range (INR per sq ft)  
**3,000-5,000**

<sup>22</sup>Start-up India, Housing Research  
<sup>23</sup>Airport Authority of India, Housing Research  
<sup>24</sup>United Nations, Housing Research



Note  
\*\*Fast movers\* are localities witnessing the highest surge in online homebuying search volume.  
\*\*Values reflect median property prices for new supply. Prices may vary due to location & product differentiation.  
Map is not to scale and is for representation purpose only.

Source: Housing Research



- Key Realty Hubs
- Fast Movers
- Key Commercial Zone
- Mall
- Average Price Range (per sq ft)
- Major Road Network

# Chandigarh Tricity

Chandigarh, the joint capital of Haryana and Punjab, is the first planned city of India, and spread over 114 sq km. It is among the top-five in Indian states and union territories on the Human Development Index and has the highest per capita income. Its greenfield development and strategic infrastructure foster a robust business environment, supported by excellent connectivity via National Highways 5 and 7, as well as an international airport where passenger traffic reached an all-time high of 3.6 million<sup>25</sup> in 2023. Furthermore, Chandigarh is experiencing a booming service sector. For instance, the Rajiv Gandhi Chandigarh Technological Park established in 2005 is designated as a Special Economic Zone (SEZ), hosting multinational corporations such as Infosys and Tech Mahindra, and is projected to generate employment for over 45,000 individuals.

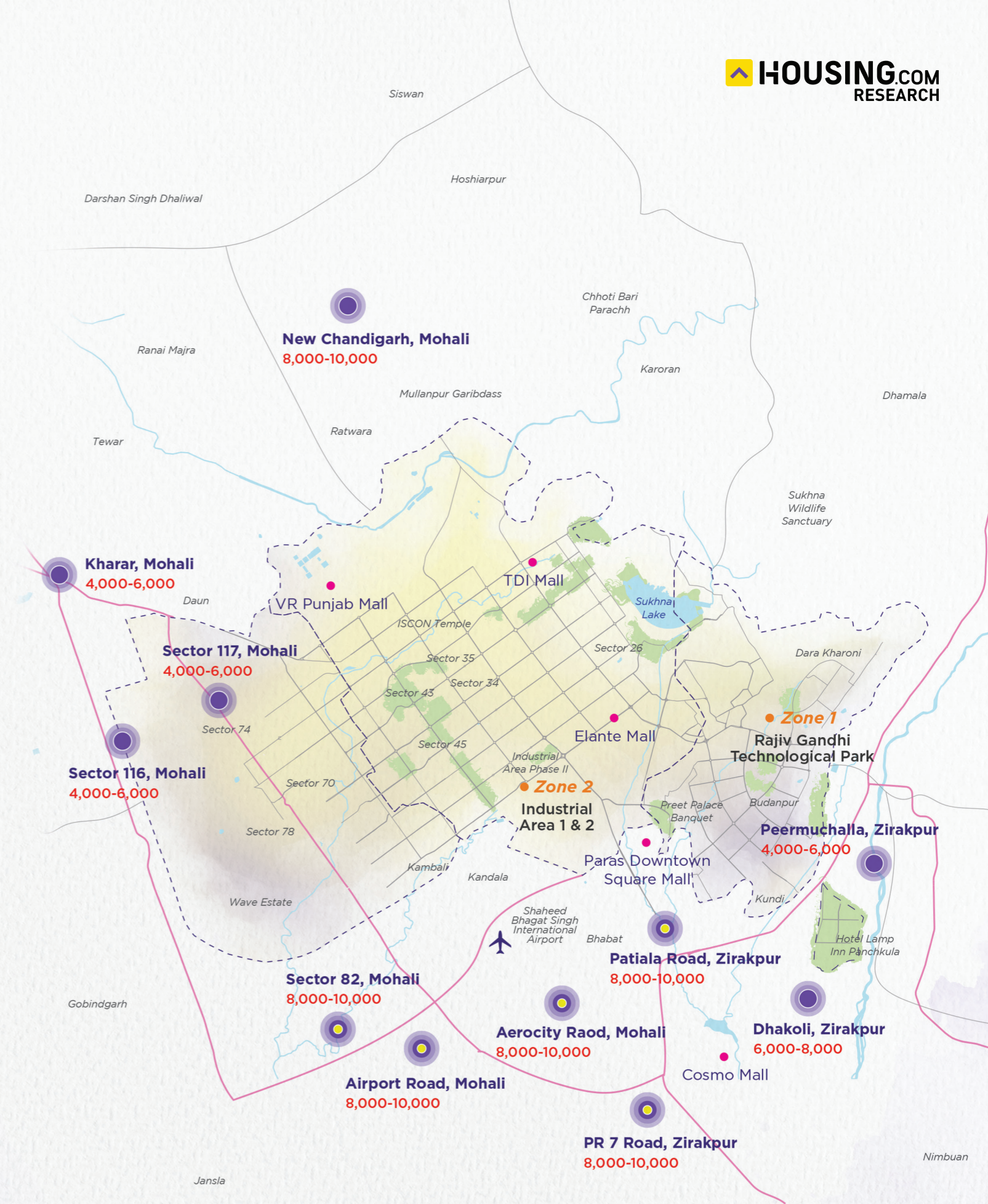
The city stands as the primary hub for business and employment opportunities, supported by a robust social infrastructure, including healthcare and education, extending its influence on Haryana, Himachal Pradesh, and Punjab. This has resulted in a notable population surge, expected to reach 2 million by 2030, higher than the city's initial planning for 0.5 million residents.<sup>26</sup> However, this centrality of economic activity and limited scope of expansion in the region has contributed to a high cost of living, nearly at par with the national capital, Delhi.<sup>27</sup> Also, the limited availability of land and regulated low density format has translated into high property values. With these factors at play, satellite cities such as Mohali, Panchkula, and Zirakpur have emerged, forming the Chandigarh Tricity region to accommodate the burgeoning population.

Recent market dynamics underscore a notable surge in interest among developers and homebuyers towards satellite cities that offer relatively-lower property prices and convenient access to Chandigarh's commercial hubs and airport. Among these, Mohali stands out as a

prime focus within the Tricity region, emerging as a thriving commercial and services hub. Its evolution into an IT destination has attracted a slew of major players including Infosys, Dell, and Philips, complemented by the presence of esteemed national educational institutions. Notably, Mohali offers a higher Floor Space Index (FSI) of 2.5<sup>28</sup> compared to the maximum 1.0 or lower in Chandigarh, thus facilitating denser development of both commercial and residential projects.

Presently, localities along Airport Road, Aerocity Road, and Sector 82 in Mohali have witnessed heightened interest from both developers and homebuyers, owing to their proximity to the airport, commercial hubs, and convenient access to Ludhiana and Jalandhar. These areas command property prices ranging from INR 8,000-10,000 per sq ft. Additionally, Sector 116, Sector 117, and Kharar offer more budget-friendly options within the price range of INR 4,000-6,000 per sq ft, thus catering to diverse buyer segments. In parallel, Zirakpur is experiencing a surge in residential demand, particularly in trending localities such as Patiala Road and PR7 Road, with property prices ranging from INR 8,000-10,000 per sq ft. These areas have become increasingly appealing to homebuyers, buoyed by their strategic location along NH 7.

Consumer preferences in the region are shifting from low-rise formats towards upcoming apartments in projects that offer amenities. The satellite cities in Tricity offer a diverse pricing spectrum as against Chandigarh, and thus catering to evolving preferences. The influx of workforce, promising economic prospects, and potential returns have sparked investor interest, transcending the traditional focus solely on second homes. In the foreseeable future, Mohali is poised to experience maximum traction. The focus on holistic development of SAS Nagar as a central business district, Aero city and IT City will continue to attract end users and investors alike.



Population  
**1.2 million**



Area (sq.km.)  
**202.45**



Air Passenger Traffic (CY 2023)  
**3.6 million**



Key Economic Drivers  
**Government offices, IT/ITES**



Average Price Range (INR/ sq ft)  
Chandigarh: 8,000-10,000  
Mohali: 7,000-9,000  
Zirakpur: 7,000-9,000

<sup>25</sup> Airport Authority of India, Housing Research  
<sup>26</sup> Chandigarh Master Plan 2031, Housing Research

<sup>27</sup> Cost of Living Index, Numbeo, Housing Research  
<sup>28</sup> Greater Mohali Region (SAS Nagar), Master Plan 2031, Housing Research

Note  
\*Fast movers are localities witnessing the highest surge in online homebuying search volume.  
\*\*Values reflect median property prices for new supply. Prices may vary due to location & product differentiation.  
Map is not to scale and is for representation purpose only.

Source: Housing Research



- Key Realty Hubs
- Fast Movers
- Key Commercial Zone
- Mall
- Average Price Range (per sq ft)
- Major Road Network

# Goimbatore

Coimbatore, a major hub for manufacturing, education, and healthcare in Tamil Nadu and the second-largest city in the state, has steadily emerged as a centre for textile mills and manufacturing. Renowned for its robust textile industry, characterised by a multitude of micro, small, and medium enterprises (MSMEs) alongside large-scale units, it stands as a prominent textile production centre. Additionally, the city boasts of a rapidly growing service sector, with the ELCOT SEZ sprawling across approximately 61.6 acres, hosting multinational companies such as Wipro and Tidel Park. Currently ranked seventeenth<sup>29</sup> among global outsourcing cities, Coimbatore's services and manufacturing sector not only propels local economic growth, but also acts as a magnet for skilled technical professionals from neighbouring regions.

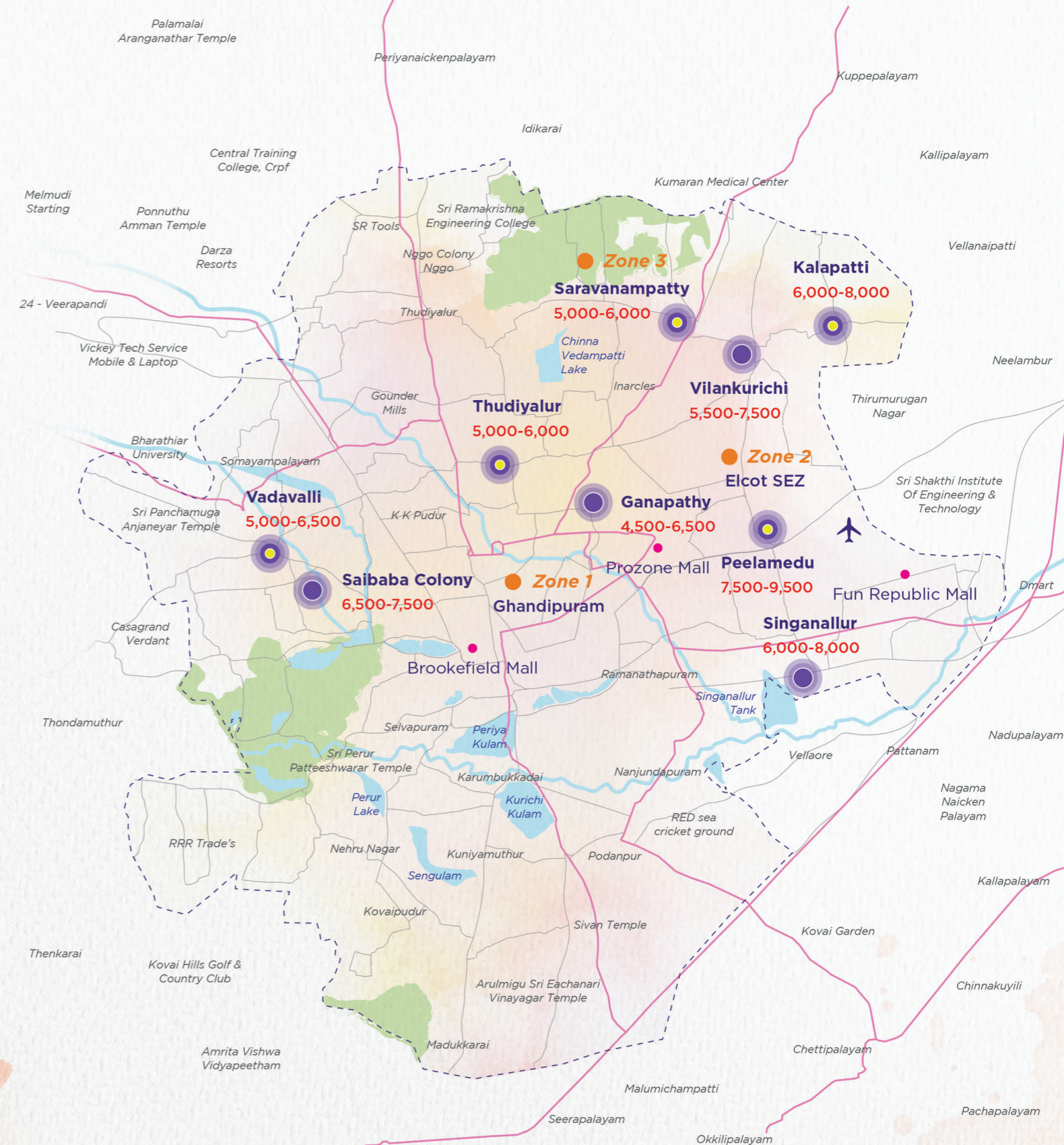
In recent years, Coimbatore has witnessed significant growth in both its physical and social infrastructure, further bolstering its economic activity. Notably, it ranked seventh on the Ease of Living Index (2022). Furthermore, Coimbatore has made significant strides in healthcare and emerged as one of India's key international medical tourism centres. The presence of quality healthcare services, favourable climate, well-developed social and physical infrastructure, and excellent connectivity via its airport have positioned Coimbatore as a hub for senior living as well. Our research reveals that Coimbatore boasts the second-highest<sup>30</sup> number of senior living projects among all Indian cities, with the majority located in the eastern and southern regions.

Presently, the city's real estate market is driven by a mix of locals, NRIs seeking senior living options or second homes, and end-users drawn by the evolving economic landscape. The residential market trends in Coimbatore reveal a growing preference among homebuyers for investing in villas and apartments of 2 BHK and 3 BHK configuration, closely followed by land plots. Particularly noteworthy is the discernible trend of end-users placing significant importance on amenities and facilities that influence their home-buying decisions. It's not just end-users -- NRIs and investors are also showing keen interest in villas and

luxury apartments, attracted by the exclusive amenities they offer. This emphasis on amenities underscores their pivotal role in shaping the residential preferences of prospective buyers.

The commercial hub in Coimbatore strategically sits on the eastern side of the city, benefiting from the presence of an international airport, thus establishing itself as a prominent micro-market in the region. Following suit, residential activity has flourished on the east and north sides, particularly in localities such as Saravanampatty, Peelamedu, Kalapatti, and Thudiyalur. These areas are witnessing significant traction, and are considered the most trending locales in the region, with average capital prices ranging from INR 5,000-9,500 per sq ft. Coimbatore has experienced a substantial price appreciation of 20-25 per cent in key areas, driven by rapid economic development and heightened demand in the residential sector. In addition to these realty hotspots, emerging areas in the city include Ganapathy and Sai Baba Colony in the north, and Singanallur and Vilankurichi in the east. These areas boast average capital price ranges of INR 4,500-7,500 per sq ft and INR 5,000-7,500 per sq ft, respectively.

The outlook for Coimbatore indicates sustained growth in the eastern and northern sectors, buoyed by available land parcels, and their proximity to key commercial hubs and the airport. Sixty-seven per cent of its 2.9 million<sup>31</sup> inhabitants comprising the working population, along with the evolving economic activity will continue to drive end-user interest in the residential market. Continued strong interest from NRIs and international individuals is expected in the near to mid term. The acceleration of international air passenger traffic, which has grown three times faster than domestic flights, further underscores this trend.<sup>32</sup> Overall, Coimbatore is poised to maintain its dominance in the senior living market, with prominent developers forging partnerships with healthcare operators, appealing to those seeking retirement options in the city.



Population  
**2.9 million**



Area (sq.km.)  
**564.85**



Air Passenger Traffic (CY 2023)  
**2.5 million**



Key Economic Drivers  
**Textile and Automobile Manufacturing, Service sector**



Average Price Range (INR/ sq ft)  
**5,500-7,500**

<sup>29</sup> Coimbatore District Administration, Housing Research

<sup>30</sup> The Silver Economy: A perspective on senior living in India, Housing Research

<sup>31</sup> Census of India, United Nations, Housing Research

<sup>32</sup> Airport Authority of India, Housing Research

Note

\*Fast movers' are localities witnessing the highest surge in online homebuying search volume.

\*\*Values reflect median property prices for new supply. Prices may vary due to location & product differentiation. Map is not to scale and is for representation purpose only.

Source: Housing Research



- Key Realty Hubs
- Fast Movers
- Key Commercial Zone
- Mall
- Average Price Range (per sq ft)
- Major Road Network

# Goa

Goa, situated along the western coast, stands out as a prominent national and international tourist destination in India. With 40 per cent of the population directly or indirectly relying on the tourism sector, it serves as the backbone of Goa's economy.<sup>33</sup> Other key industries in the region include fisheries, agriculture, mining, and shipbuilding.

Over the past decade, the region has witnessed a significant surge in tourism, with visitor numbers escalating sevenfold from 2011, to reach 71 million in the pre-COVID period of 2019.<sup>34</sup> While the onset of the COVID-19 pandemic resulted in a temporary downturn, with tourist footfall plummeting to 3.2 million in 2020, it swiftly rebounded to 7 million by 2022. The remote working trend during the pandemic ushered in a wave of Indian tech workers, 'digital nomads', and various other professionals to the state, with many opting to stay for extended periods. This resurgence is mirrored in the air passenger traffic, which soared to a record 9.0 million in FY 23.<sup>35</sup>

The robust tourist influx has spurred a surge in consumer activity and expenditure, propelling Goa to become one of the top three Indian states with the highest per capita income.<sup>36</sup> This sustained demand along with high-spending consumers has fuelled a burgeoning market for upscale hospitality, tourism services, and luxury villas, which sets Goa apart from other Tier-II cities. With villas able to yield rental returns as high as 8.0 per cent, significantly surpassing the average 2-3 per cent in top-eight cities, they are attracting investments from high-net-worth individuals, business, and technology professionals. Consequently, capital values in the area are now at par with the top-eight cities. For instance, Anjuna, commanding the highest property prices in Goa (INR 17,000-19,000 per sq ft), is comparable to key micro-markets, such as Golf Course Extension in Gurugram (INR 15,000-17,000 per sq ft), and Thane West in Mumbai MMR (INR 14,000-16,000 per sq ft).

Currently, prime locales near tourist spots in the northern region, such as Assagao, Anjuna, Siolim, and Calangute, have emerged as coveted investment destinations, particularly for luxury villa properties, which have amenities such as swimming pools and gyms. While these locales remain the favoured choice among prospective homebuyers, burgeoning interest is also observed in areas such as Porvorim, Panajim, and Vasco da Gama. Conversely, the southern regions, encompassing Margao and Salcete, witness heightened end-user traction, particularly for apartments.

Looking ahead, it is expected that localities proximate to northern tourist hotspots will sustain their appeal, with investor interest remaining robust, albeit predominantly from domestic and NRI demographics. As in the past years, international investor interest has waned to an extent, due to high acquisition costs and available alternatives in South Asia and Southeast Asia, such as Indonesia, Malaysia, Thailand, and Sri Lanka. Likewise, the international tourist influx has yet to regain momentum, with figures stagnating at 0.17 million in 2022, as compared to 0.93 million in

<sup>33</sup> Goa Tourism Policy 2020, Housing Research

<sup>34</sup> Ministry of Tourism Goa, Housing Research

2019, reflecting the challenges posed by steep expenses associated with stays and travel. Apart from the micro-markets in the north, the recent operationalisation of the airport in Mopa has catalysed interest in surrounding areas, including locales bordering Maharashtra, where plots are gaining traction. However, while these areas show promise, the infrastructure here is still in the developing phase and distance from established tourist hubs necessitates a cautious outlook.



Population  
**1.5 million**



Area (sq.km.)  
**764.79**



Air Passenger Traffic (CY 2023)  
**9.0 million**



Key Economic Drivers  
**Tourism**



Average Price Range (INR/ sq ft)  
North Goa: 10,000-12,000  
South Goa: 6,000-8,000

<sup>33</sup> Goa Tourism Policy 2020, Housing Research  
<sup>34</sup> Ministry of Tourism Goa, Housing Research

<sup>35</sup> Airport Authority of India, Housing Research  
<sup>36</sup> Ministry of Statistics and Programme Implementation (MOSPI), Housing Research



Note  
\*Fast movers\* are localities witnessing the highest surge in online homebuying search volume.  
\*\*Values reflect median property prices for new supply. Prices may vary due to location & product differentiation.  
Map is not to scale and is for representation purpose only.

Source: Housing Research

Legend:  
● Key Realty Hubs  
● Fast Movers  
● Mall  
● Average Price Range (per sq ft)  
— Major Road Network

# Kochi

Although not the official capital of Kerala, Kochi stands as the state's prime business hub. Its strategic location along the western coast, and thriving industries have propelled its economic growth, surpassing other cities in the state. Key economic drivers in Kochi include its robust port facilities, refineries such as BPCL, and a thriving petrochemical industry. Additionally, Cochin Shipyard stands as a prominent player in the national ship manufacturing sector, catering to defense and other sectors.

The city's service sector also plays a pivotal role in its economic landscape. Amongst the prominent commercial hubs, Infopark, which is spread across 260 acres, houses multiple IT/ITeS multinational organisations with a capacity of 65,000+ employees. Adjacent to the Infopark is SmartCity, an integrated business township, which spreads across 246 acres and offers an environment for both work and leisure. The city's working-age population (15-59 years) accounts for approximately 64 per cent of Kochi's total population of 3.3 million<sup>37</sup>, ensuring a dynamic workforce driving continuous economic activity.

Kochi's vibrant and evolving economic landscape is underpinned by robust infrastructure. Notably, its international airport, which handles 8.8 million<sup>38</sup> passengers, and outstrips even the state capital Thiruvananthapuram (1.7 million) in terms of air traffic, is second only to Goa among Tier-II cities. Kochi's economic prowess is clearly reflected in its consumption patterns, with a per capita income of INR 8,63,117, surpassing that of other Tier-II cities such as Coimbatore, Jaipur, and Lucknow. This elevated income level translates into higher levels of consumption and discretionary spending among its residents. One prominent symbol of this heightened consumer activity is the presence of India's largest mall, Lulu International Shopping Mall, which has a marked presence of national as well as international brands.

With the rising economic activities in the region, the activities have trickled down into the residential sector. The residential activity in the city is observed in the central and eastern parts, owing to its proximity

to commercial hubs. The city is home to many national as well as regional-level developers, making it an attractive destination for quality homes for potential homebuyers. The present metro transversing through the central areas and the airport, provides easy access to commercial hubs.

Central localities of Kochi, including Kaloor, Vyttila, and Edappally, located near to NH 66, boast of premium capital prices ranging from INR 6,000-10,000 per sq ft are trending in the city. This premium comes on the back of proximity to retail hubs, metro connectivity, and other essential social infrastructure, making these localities highly desirable investment destinations. Additionally, Kakkanad, serving as the commercial epicentre, is witnessing increased interest from both homebuyers and developers, propelled by the presence of numerous multinational corporations and promising prospects for future development. Prices in this locality typically range from INR 5,000-7,000 per sq ft, reflecting its growing significance in the residential real estate market.

Kochi caters to both entrepreneurs and service sector employees, seeking quality homes in close proximity to their workplaces. The city is not only a prominent node regionally, its residential real estate market benefits greatly from NRI investments, owing to a considerable portion of Kerala's residents living abroad. This is evident in the state's substantial remittance share, which is as high as 10 per cent<sup>39</sup>, second only to Maharashtra. As Kochi continues its expansion towards the eastern region, localities neighbouring NH 66 will continue gaining interest from homebuyers due to their proximity to key commercial centres and availability of land parcels. These emerging areas offer competitive pricing compared to established locales. As a result, they are becoming increasingly attractive options for both investors and end-users.



Population  
**3.3 million**



Area (sq.km.)  
**843.84**



Air Passenger Traffic (CY 2023)  
**8.8 million**



Key Economic Drivers  
**Port Facilities, Refineries, IT/ITES**



Average Price Range (INR/ sq ft)  
**6,000-8,000**

<sup>37</sup> UN Data, Census India, Housing Research  
<sup>38</sup> Airport Authority of India, Housing Research  
<sup>39</sup> RBI Remittance Survey, Housing Research

Note  
\*Fast movers are localities witnessing the highest surge in online homebuying search volume.  
\*\*Values reflect median property prices for new supply. Prices may vary due to location & product differentiation.  
Map is not to scale and is for representation purpose only.

Source: Housing Research



- Key Realty Hubs
- Fast Movers
- Key Commercial Zone
- Mall
- Average Price Range (per sq ft)
- Major Road Network

# Jaipur

Jaipur, the capital city of Rajasthan, stands out as a key residential hub among India's Tier-II cities in the north. The city renowned for its cultural heritage, and is an international tourist destination, has evolved into a growing residential market propelled by a confluence of factors, including its status as a regional economic powerhouse and robust connectivity facilitated by an international airport.

The city's economic landscape, once dominated by tourism and manufacturing, has undergone a noteworthy transformation, pivoting towards the services industry. Notably, the Mahindra SEZ, sprawling across 3,000 acres, stands as a testament to Jaipur's diversified industrial and service sector ecosystem, attracting multinational firms to set up their operations in the city. Jaipur also boasts of ~2,000 registered startups, further cementing its status as a burgeoning economic hub.<sup>40</sup> This is the highest number as compared to other prominent Tier-II cities in the north, such as Chandigarh Tricity and Lucknow. Its strategic position in the influence zone of Delhi-Mumbai Industrial Corridor is an added boost to the business ecosystem.

The influx of employment opportunities has drawn a steady stream of individuals from across the region, propelling Jaipur's population to 4.1 million, making it India's tenth most populated state.<sup>41</sup> This demographic surge, bolstered by an influx of service sector professionals and the phenomenon of reverse migration triggered by the pandemic, has significantly enriched the city's demographic fabric, where 70 per cent of its populace falls within the working-age (15-59 years) bracket. The surge in population has catalysed a remarkable uptick in Jaipur's residential markets.

The current trends indicate that the residential activity in the city is gravitating towards the western region along NH 48. Proximity to the international airport, coupled with robust social and physical infrastructure, renders these locales particularly attractive to homebuyers. With prominent areas such as Mansarovar and Vaishali Nagar currently commanding premium property prices of up to INR

6,000-8,000 per sq ft, locales such as Jagatpura near the airport, and Mansarovar Extension and Vaishali Nagar Extension near NH 48 have emerged as top realty hotspots, offering a blend of relatively lower prices and connectivity akin to their more established counterparts. The escalating interest from homebuyers has triggered a notable surge in property prices of up to 15 per cent in these areas.

In addition to these burgeoning hotspots, up-and-coming neighbourhoods such as Pratap Nagar, which is adjacent to Jagatpura, and localities along Ajmer Road have captured the attention of homebuyers, buoyed by seamless connectivity to key commercial zones and infrastructure development. The shifting economic dynamics of Jaipur have catalysed a transformation in the consumption landscape, and is reflected in the property markets, where homebuyer preferences have shifted towards multi-storey apartments over traditional low-rise formats. Amenities such as clubhouses, swimming pools, and verdant green spaces have emerged as pivotal considerations for prospective buyers for shortlisting their homes.

The trajectory of Jaipur's property market is poised for continued growth, with the western and southern regions set to dominate in the foreseeable future. Market trends suggest that residential activity will thrive in locales along Tonk Road, particularly near the airport, as well as in extension areas west of NH 48 and along Ajmer Road. These areas will be propelled by the development of amenity-rich projects catering to the discerning demands of today's homebuyers.

Furthermore, the expanding service sector will fortify Jaipur's position as a burgeoning economic hub, amplifying its influence regionally and nationally. The presence of major educational institutes is set to play a pivotal role in sustaining a robust talent pool, catering to, and attracting, multinational organisations to the city. Jaipur's population is projected to grow up to 5 million by 2030, registering a 26 per cent growth since 2020. The growing economic stronghold of Jaipur will continue to boost the city's residential markets.



Population  
**4.1 million**



Area (sq.km.)  
**484.64**



Air Passenger Traffic  
(CY 2023)  
**4.7 million**

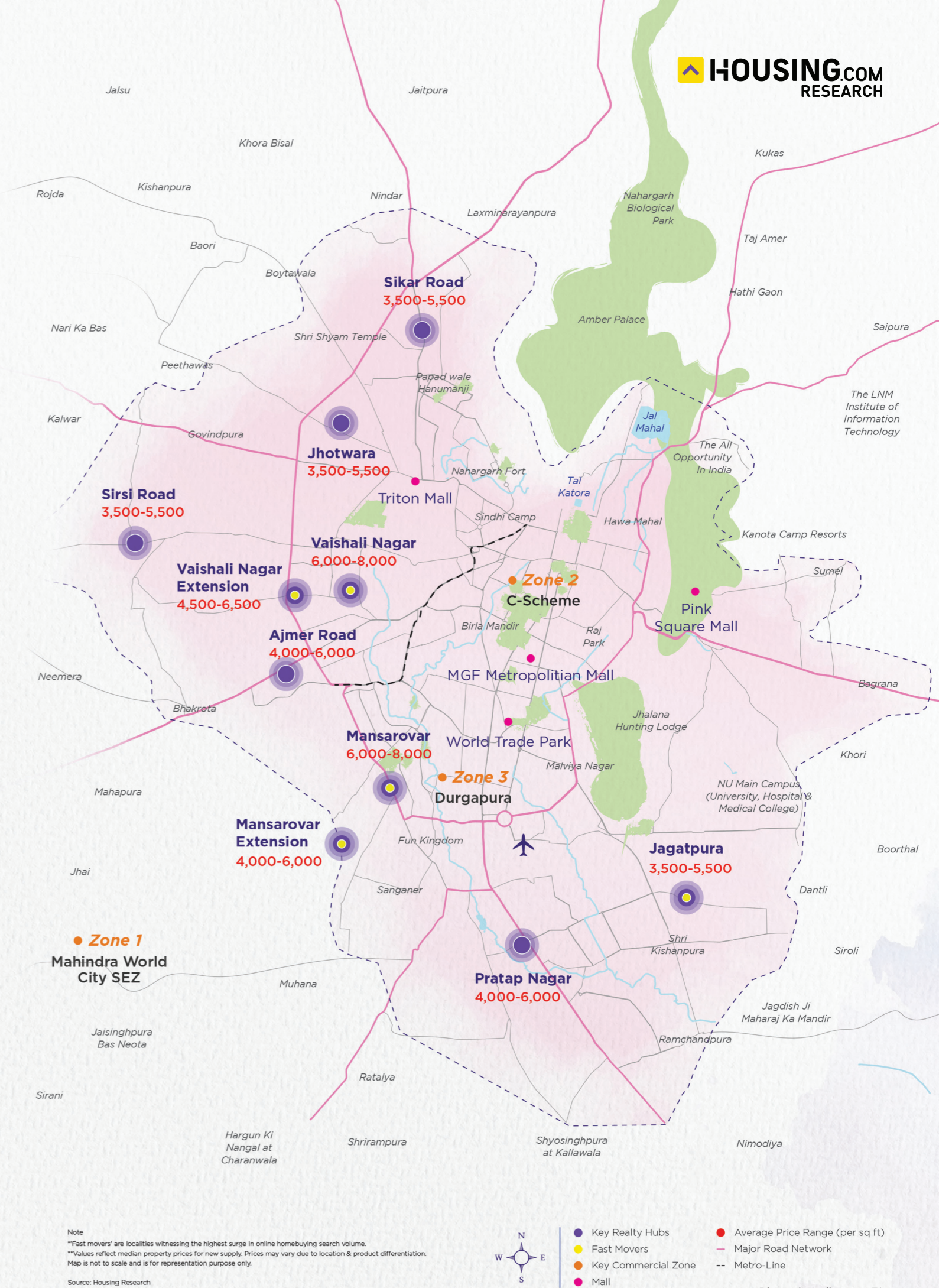


Key Economic Drivers  
**Tourism, IT/ITes,  
Manufacturing**



Average Price Range  
(INR/ sq ft)  
**4,000-6,000**

<sup>40</sup> Start-up India, Housing Research  
<sup>41</sup> Census of India, United Nations, Housing Research



Note  
\*Fast movers\* are localities witnessing the highest surge in online homebuying search volume.  
\*\*Values reflect median property prices for new supply. Prices may vary due to location & product differentiation.  
Map is not to scale and is for representation purpose only.

Source: Housing Research

Legend:

- Blue Circle: Key Realty Hubs
- Yellow Circle: Fast Movers
- Orange Circle: Key Commercial Zone
- Pink Circle: Mall
- Red Circle: Average Price Range (per sq ft)
- Red Line: Major Road Network
- Black Dashed Line: Metro-Line



# Lucknow

The state capital of Lucknow, and Noida (located in Delhi NCR), have emerged as key property markets in Uttar Pradesh. The growth in Lucknow's residential activity aligns with its economic expansion, supported by enhanced connectivity, including the presence of an international airport. The city's ongoing transition from an industrial-centric to a service-oriented economy is significantly reshaping its urban landscape. The burgeoning service sector now contributes approximately 75 per cent<sup>42</sup> to the city's GDP, higher than its traditional textiles, small businesses, and defense industries. Notably, HCL is developing a 100-acre IT city SEZ project, which aims to employ 25,000 people. Furthermore, the city boasts of over 1,650 active startups<sup>43</sup>, highlighting its evolving business and startup ecosystem.

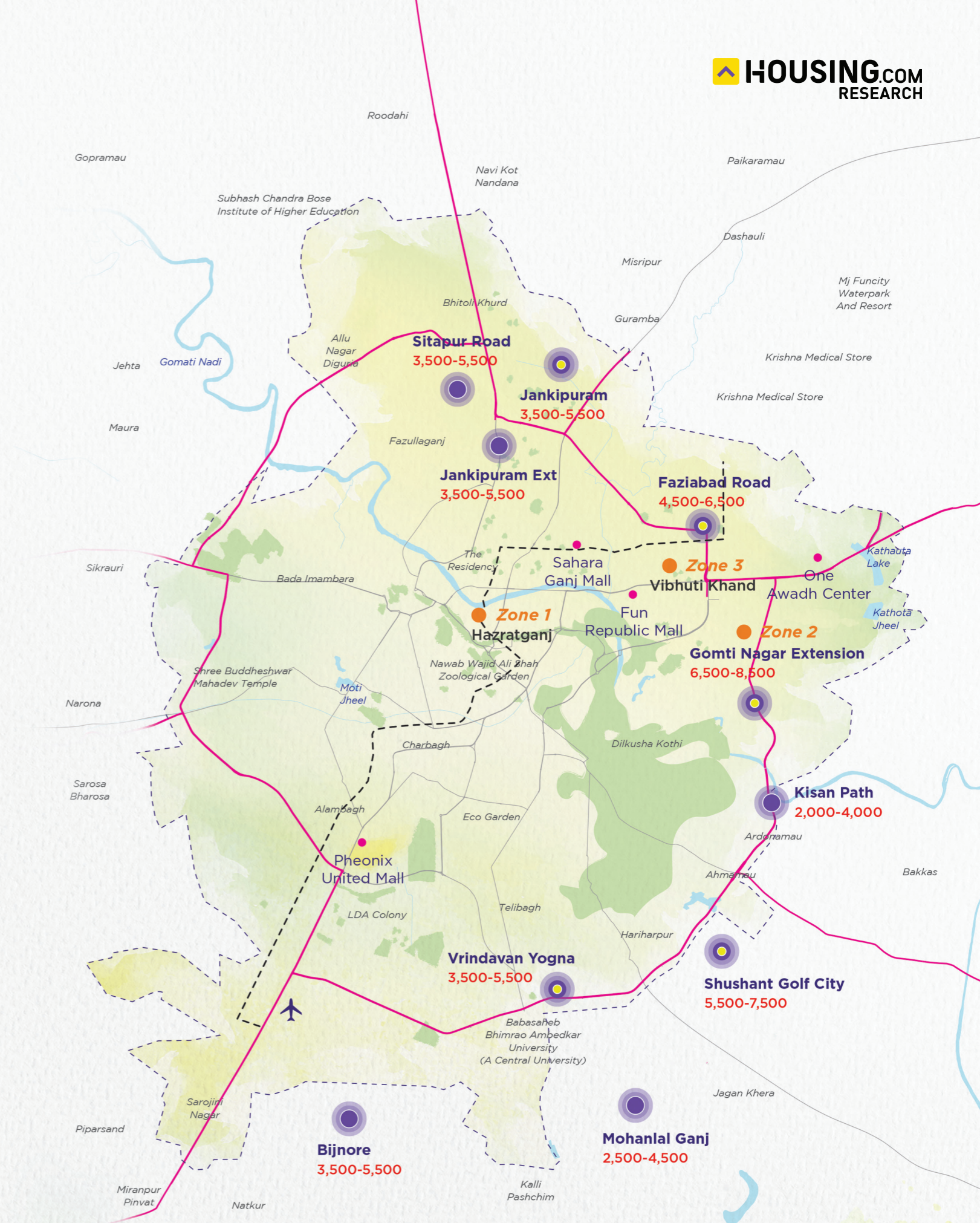
Also, Lucknow, being a major educational hub in the state and home to several national and private institutions, draws students along with working professionals from regional areas and other neighbouring states. This demographic influx has propelled the city's population to 3.9 million<sup>44</sup>, positioning it as the 13th most populous city in India, with a notable share of the working-age populace (68 per cent in the 15-59 year bracket). The impressive 58 per cent year-on-year surge in air passenger traffic during FY 2023, reaching 5.2 million in FY 23, further underscores Lucknow's burgeoning importance as a regional economic centre. This demographic advantage and economic dynamism have cascaded down into the residential real estate sector.

Being an administrative and business hub, Lucknow predominantly accommodates businessmen and government employees, with independent houses being the favoured property type, followed by apartments. Having said that, a discernible trend is emerging where premium apartments in amenity-rich gated communities are gaining traction, especially amongst working professionals and locals seeking an upgrade. The majority of such projects are located in the eastern region along the inner Ring Road. These micro-markets are increasingly preferred by potential homebuyers due to their robust connectivity to

services and industrial hubs, coupled with the availability of social and physical infrastructure.

Localities such as Gomti Nagar Extension and Sushant Golf City are witnessing maximum traction owing to their proximity to prominent office areas and retail hubs. These areas command the highest prices of up to INR 6,500-8,500, and INR 5,500-7,500 per sq ft, respectively. Following the lead are Jankipuram, Vrindavan Yojna and localities along Faizabad Road. With increased demand in the city, there has been a notable rise of 10-12 per cent in residential property prices across the city. Currently, while the market presents ample options for homebuyers interested in luxury apartments, there persists a discernible gap in supply of the low- to mid-range segment for many potential buyers seeking properties in these locations. This demand-supply gap has led to a swift uptake in such projects. In addition to key hotspots, emerging peripheral localities such as Jankipuram Extension and along the Sitapur Road, and Kisan Path in the northeastern region have been gaining both developer and homebuyer interest due to availability of land parcels and easy access to the central areas. Similarly, localities in the south such as Bijnor and Mohanlal Ganj, with their proximity to the airport, are emerging on Lucknow's residential map.

The overall market trends indicated that the residential real estate market in the city is poised for sustained growth, particularly in the eastern and northern localities along inner Ring Road, and in proximity to the expanding service industry. Also, the city's infrastructure is rapidly developing, with infrastructure projects such as the recent inauguration of the Madiyav-IIM section on NH 24 and the Aligarh-Kanpur section road, augmenting the city's connectivity. With its population projected to reach 4.6 million by 2030, marking a significant 26 per cent increase from 2020, coupled with strengthening economic presence, Lucknow's residential market is primed for continued expansion, offering lucrative opportunities for investors and homebuyers alike.



Population  
**3.9 million**



Area (sq.km.)  
**393.6**



Air Passenger Traffic (CY 2023)  
**5.2 million**



Key Economic Drivers  
**Manufacturing, Textiles, Service Sector**



Average Price Range (INR/ sq ft)  
**5,000-7,000**

<sup>42</sup> Tata Cornell Institute, Housing Research

<sup>43</sup> Start-up India, Housing Research

<sup>44</sup> United Nations, Housing Research

**Sources & notes**

\*Fast movers\* are localities witnessing the highest surge in online homebuying search volume.

\*\*Values reflect median property prices for new supply. Prices may vary due to location and product differentiation.

Map is not to scale and is for representation purpose only.



- Key Realty Hubs
- Fast Movers
- Key Commercial Zone
- Mall
- Average Price Range (per sq ft)
- Major Road Network
- - Metro-Line

# Nagpur

Nagpur, the third most populous city in Maharashtra after Mumbai and Pune, serves as the winter session seat of the state assembly. Beyond its administrative role, it has evolved into a significant commercial and educational hub, as well as a healthcare hub, not only for eastern Maharashtra, but also for central India. Strategically located, Nagpur boasts connectivity through NH 44 and NH 53, Asian Highway 46, as well as the Samrudhi Mahamarg, providing vital north-south and east-west links to this Zero-mile city. The city's international airport handles 2.1 million passengers annually -- twice as much as other airports in central India such as Bhopal and Raipur, which primarily serve domestic flights.<sup>45</sup> Nagpur is the third city in Maharashtra with a functional metro network, following Mumbai and Pune.

Moreover, Nagpur's MIHAN<sup>46</sup>, covering 1,100 hectares, is a SEZ aimed at boosting regional economic growth. It includes facilities such as a multi-modal logistics park, a free-trade zone, and specialized SEZs for industries such as IT, aerospace, and textiles. Nagpur is also home to national educational institutions such as Indian Institute of Management (IIM) and All India Institute of Medical Sciences (AIIMS). The city attracts students and workforce from neighbouring regions and states such as Bhopal and Chhattisgarh. Currently, 55 per cent of the city's three million population falls within the working-age demographic.<sup>47</sup> Its expanding influence as an economic node in central India is further underscored by projections indicating Nagpur's ascent as the fifth fastest-growing city by Gross Domestic Product (GDP) between 2019 and 2035.<sup>48</sup>

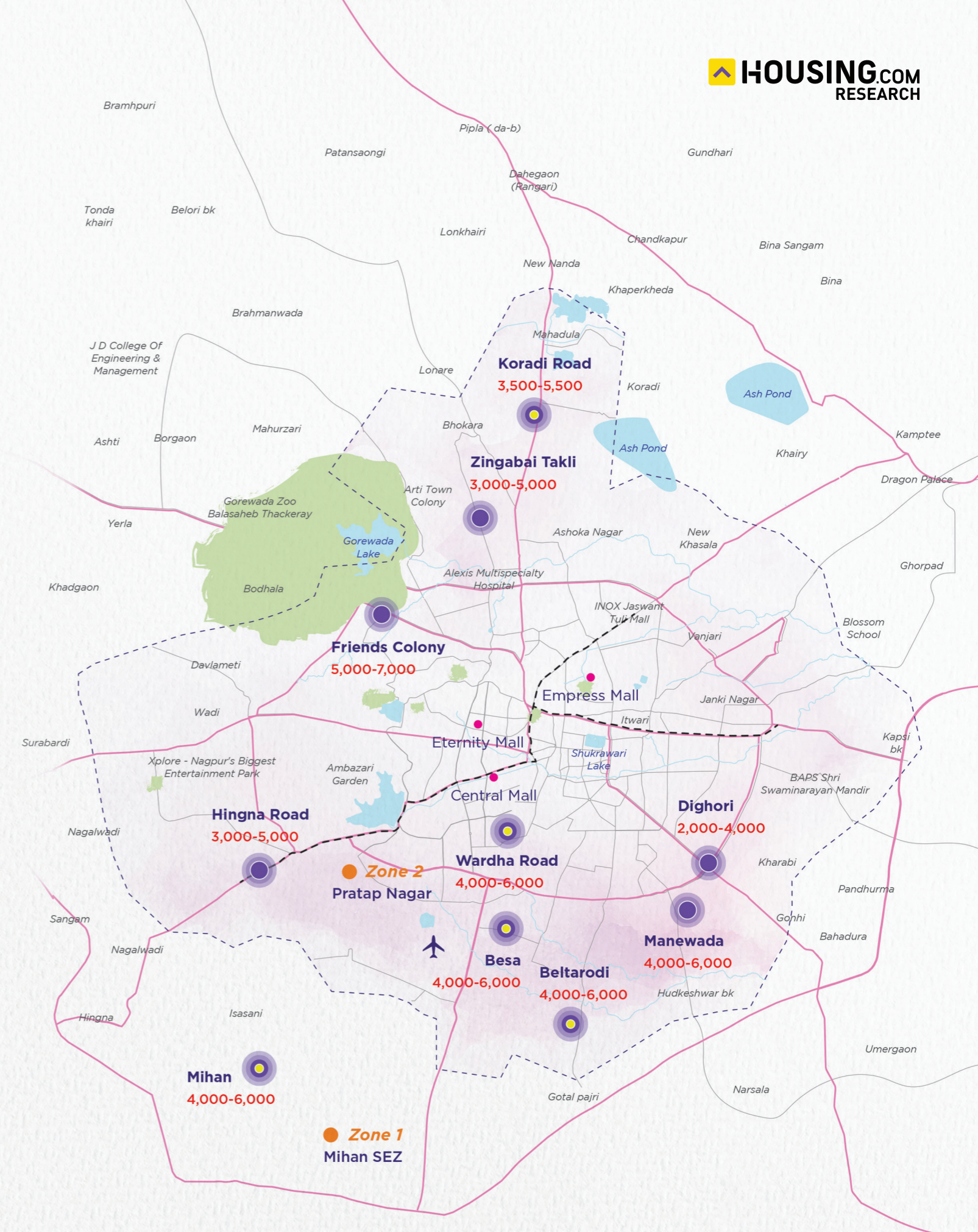
The residential sector in Nagpur is experiencing a notable surge driven by economic activity. Presently, the southern locales along Wardha Road and Mankapur Ring Road, notably Beltarodi, Besa, and MIHAN, are witnessing a significant influx of homebuyers. This surge can be attributed to the new supply coming from the availability of land parcels and seamless connectivity to key employment hubs such as MIHAN, the

airport, and the Samrudhi Marg entry point. Following suit are locales along the Koradi Road (NH-47), which are preferred particularly among northern Nagpur's aspiring homebuyers seeking an upgrade. The rising demand has put upward pressure on property prices, which have witnessed 10-15 per cent growth in key micro-markets.

While a preference for low-rise housing options persists, there is a visible pivot towards gated communities offering an array of upscale amenities including clubhouses and swimming pools. The market currently is predominantly end-user driven, with apartments of 2 BHK and 3 BHK configurations gaining favour among the city's burgeoning professional populace; the business class demographic gravitates towards independent homes. Peripheral areas see increased investment interest, especially in land plots, due to anticipated long-term capital appreciation from upcoming development of transit corridors.

In the coming years, sustained growth is expected in the southern regions near the airport, MIHAN, and the Butibori industrial area. These locales are poised to become focal points for development and investment due to their strategic positioning and potential for industrial expansion. Additionally, emerging areas along the Mankapur Ring Road, such as Manewada, and localities along Hingna Road, benefiting from proximity to Hingna MIDC, and neighbourhoods such as Friends Colony and Zingabai Takli in the northern region, are poised for growth.

However, to catalyse further growth in the residential sector, Nagpur must address certain imperatives. Despite its prominence as an industrial and educational centre, the city needs a more robust business ecosystem to attract service sector firms and working professionals. Enhancing infrastructure, fostering retail development, and overall urban landscape are essential steps to invigorate the property markets in the city.



Population  
**3.0 million**



Area (sq.km.)  
**217.56**



Air Passenger Traffic  
(CY 2023)  
**2.5 million**



Key Economic Drivers  
**Power Production,  
IT/ITEs,  
Administrative Hub**



Average Price Range  
(INR/ sq ft)  
**4,000-6,000**

<sup>45</sup> Airport Authority of India, Housing Research  
<sup>46</sup> Multi-modal International Cargo Hub and Airport  
<sup>47</sup> Census of India, United Nations, Housing Research  
<sup>48</sup> Oxford Economics, Housing Research

Note  
\*Fast movers' are localities witnessing the highest surge in online homebuying search volume.  
\*\*Values reflect median property prices for new supply. Prices may vary due to location & product differentiation.  
Map is not to scale and is for representation purpose only.

Source: Housing Research



- Key Realty Hubs
- Fast Movers
- Key Commercial Zone
- Mall
- Average Price Range (per sq ft)
- Major Road Network
- - Metro-Line



# Vadodara

Vadodara in Gujarat stands as the state's third<sup>51</sup> most populous city, trailing behind Ahmedabad and Surat. Positioned centrally, Vadodara boasts of excellent connectivity via NH 8 (Mumbai-Delhi) and National Expressway 1, linking it efficiently to key urban centres such as Ahmedabad, Delhi, and Mumbai. Most importantly, the city airport has seamless connectivity to major Indian cities, with annual passenger traffic hitting 1.1 million in FY23.<sup>52</sup> Benefiting from its strategic location, Vadodara thrives as a manufacturing hub, hosting a diverse array of state-owned and private industries from sectors such as chemicals, pharmaceuticals, textiles, engineering, and oil refining.

The city's service sector is also evolving, with multinational giants such as Larsen and Toubro (L&T) establishing a sprawling 1.25 lakh sq m Knowledge City in Vadodara. Additionally, several SEZs, such as Gujarat Industrial Development Corporation (GIDC) Industrial Estate, Manjusar GIDC SEZ, and Savli GIDC SEZ contribute to its economic vibrancy. Notable IT firms including Tata Consultancy Services (TCS), IBM India, and L&T Infotech have also chosen Vadodara as a base for their operations. Apart from manufacturing and services, Vadodara's tourism sector holds a notable appeal. Attractions such as Laxmi Vilas Palace and Champaner-Pavagadh, coupled with other cultural sites, draw hordes of visitors to the city. The recent announcement of the conversion of Laxmi Vilas Palace into a heritage hotel, combined with its proximity to the Statue of Unity, is poised to drive a significant increase in tourist arrivals.

The city's economic expansion and burgeoning job opportunities have fuelled end-user demand in the property market. Across the city, new realty hotspots are coming up along major roads such as Gotri Road, Padra Road, VIP Road, New VIP Road, Waghodia-Ajwa Ring Road, and Sama-Savli Road. In the east and northeast, areas such as Waghodia, Harni, and Sama-Savli are witnessing notable homebuying activity,

with many conveniently located near the airport and NH 8. Property prices in these areas typically range between INR 2,500 and INR 4,500 per sq ft. In the western and northwestern regions, Gotri, Bhayli, and New Alkapuri have emerged as key areas, albeit with slightly higher property prices of INR 3,000-5,000 per sq ft. These locations have an established social infrastructure and easy access to the central business district of Alkapuri. The demand surge in these micro-markets has propelled property prices by a healthy 10-15 per cent annually in 2023. It is expected that these localities will continue to experience significant activity in mid- to long-term.

Other promising micro-markets for future growth include Chhanni, Ankhola, and Kalali, owing to convenient access to major arterial roads and the availability of land parcels. Already established areas in the central business district such as Alkapuri and Racecourse Road will maintain their appeal, particularly within the premium segment. Post-pandemic, consumer preferences have shifted away from low-rise formats towards apartments with 3 BHK configurations and above in gated communities featuring green spaces, clubhouses, and swimming pools. This trend is more noticeable in western locales such as Bhayli and New Alkapuri, while eastern areas like Waghodia and Harni lean towards villas. NRIs with ties to Vadodara are displaying interest in luxury apartments and villas.

The evolving service sector in the city is poised to draw an influx of working professionals from regional areas seeking to invest in residential properties. Concurrently, while the manufacturing sector continues to hold sway, its dominance is gradually waning as the services sector gains momentum, currently nearing a 50 per cent share.<sup>53</sup> With the city's strategic placement along the Delhi-Mumbai Industrial Corridor, growth is expected in both the services and manufacturing sectors, catalysing further expansion in the residential market.



Population  
**2.3 million**



Area (sq.km.)  
**310.35**



Air Passenger Traffic (CY 2023)  
**1.1 million**



Key Economic Drivers  
**Pharmaceuticals, Refineries**

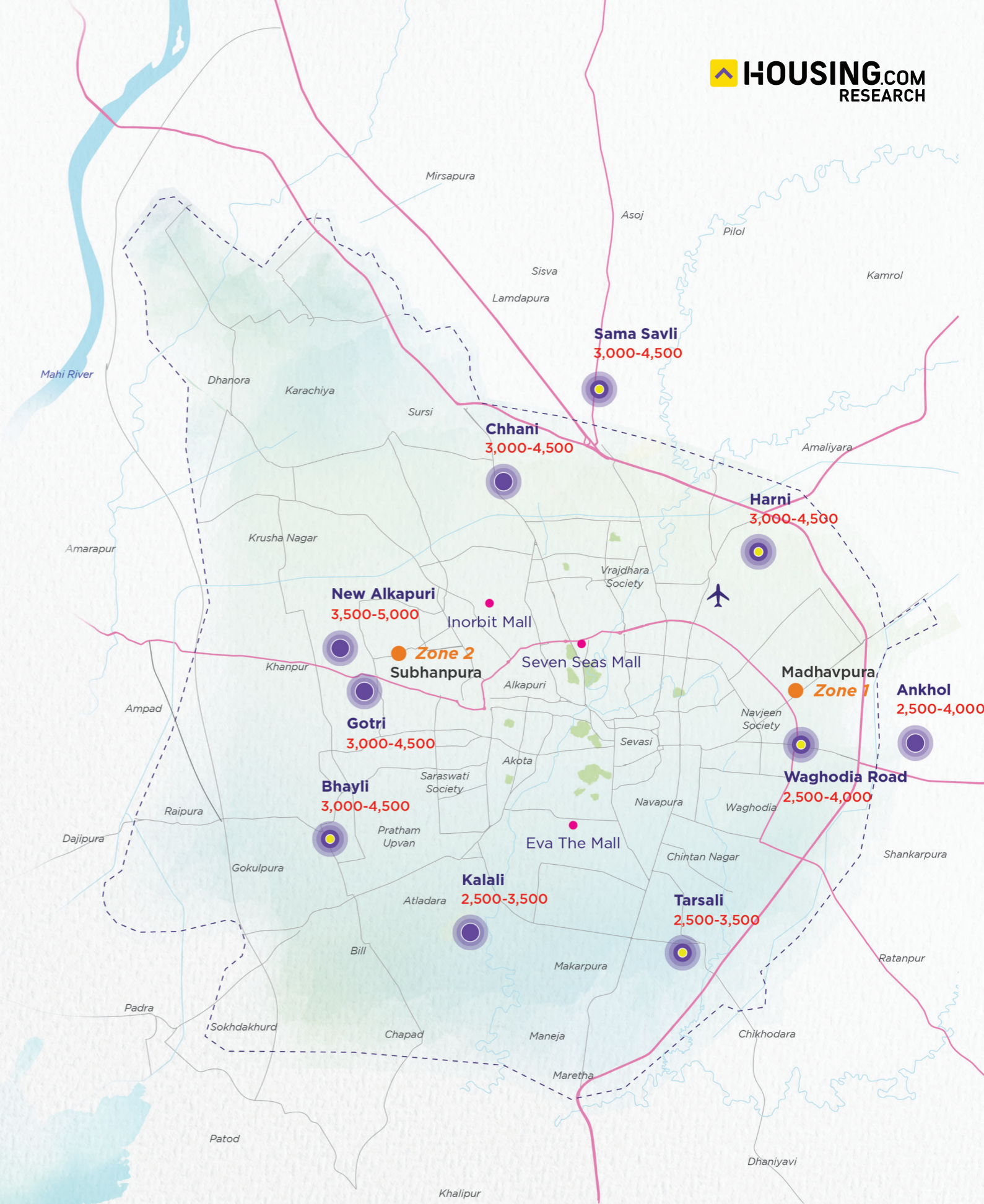


Average Price Range (INR/ sq ft)  
**3,000-5,000**

<sup>51</sup>United Nations, Housing Research

<sup>52</sup>Airport Authority of India, Housing Research

<sup>53</sup>Tata Cornell Institute, Housing Research



**Sources & notes**

\*Fast movers' are localities witnessing the highest surge in online homebuying search volume.  
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- Key Realty Hubs
- Fast Movers
- Key Commercial Zone
- Mall
- Average Price Range (per sq ft)
- Major Road Network



# Annexure

# Annexure I

## Definitions

**Top-eight cities:** These are eight major urban centres, characterised by substantial economic and political influence at the national level, and well-connected to global urban networks. These cities are primarily driven by service sector activities and play pivotal roles in shaping both regional and national development. These top-eight cities are Ahmedabad, Bengaluru, Chennai, Delhi NCR, Hyderabad, Kolkata, Mumbai MMR, and Pune.

**Tier-II cities:** These are cities with population of 1 million (10 lakh) and above and demonstrate an increasing regional and national significance while undergoing an economic transition from the secondary to the tertiary sector. They are evolving from serving solely as economic back offices to becoming vibrant hubs for diverse business and service sector activities. Examples of such cities include Jaipur, Kochi, Lucknow, Nagpur, Nashik etc.

**Tier-III cities:** These are cities with a population of less than 1 million (10 lakh) and fall within the influence zone of primary cities or Tier-II cities. Tier-III cities are economically dependent on their larger counterparts and often serve as satellite cities within their respective regions. Examples of such cities include Bikaner, Chandrapur, Jhansi, Rajahmundry, and Roorkee.

# Annexure II

## Housing.com's Property Buy Index (Buy: Approach and Methodology)

Housing.com's Property Buy Index is a monthly index that tracks buyer activity in primary and secondary residential markets, as observed on the Housing.com portal. The index is created with the objective of giving an in-depth view of the buyer activity in India by tracking 42 key cities driving the residential market. The buying activity encompasses the viewing and searching for the properties, whereas the buy intent includes making an enquiry and/ or buying the property online. Together, they summate into virtual activity that is a key indicator of actual buying demand across cities.

## Geographical coverage

### List of cities

#### Top-8

Ahmedabad, Bengaluru, Chennai, Delhi NCR, Hyderabad, Kolkata, Mumbai, Pune

Note: Delhi NCR includes Delhi, Faridabad, Ghaziabad, Greater Noida, Gurugram, and Noida. Mumbai includes Greater Mumbai, Thane, and Navi Mumbai

#### Tier-II

Agra, Amritsar, Aurangabad, Bhopal, Bhubaneswar, Chandigarh, Coimbatore, Cuttack, Dehradun, Goa, Guwahati, Indore, Jaipur, Kanpur, Kochi, Lucknow, Ludhiana, Madurai, Mangalore, Meerut, Mohali, Mysore, Nagpur, Nashik, Patna, Raipur, Ranchi, Surat, Trichy, Trivandrum, Vadodara, Varanasi, Vijayawada, Visakhapatnam

## Use-case:

First search for buying a home takes place online and serves as a leading indicator for assessing offline residential demand dynamics of a city in the near to mid-term. The analysis is useful for a potential homebuyer, an investor, and other stakeholders with interest in the city to make an informed decision.

# Annexure III

## Property Market Catalyst Index (Approach and Methodology):

A city's property market serves as a crucial indicator of its growth trajectory and overall health. Economic expansion significantly influences the property markets of any city, driving heightened demand for residential real estate assets, since expanding businesses attract a workforce and individuals enjoy greater purchasing power. This heightened demand often leads to rising property prices and boosts construction activity to meet evolving needs. Understanding these complex dynamics is crucial for grasping property market trends and growth patterns. To facilitate this understanding, we've developed the Property Market Catalyst Index, an index — a structured framework meticulously crafted to assess and rank cities based on factors that underpin their economic vitality and growth prospects.

Our index considers a range of factors, including the city's status as an administrative capital, services and industrial activity, presence of educational and research and development institutes, tourism activity, etc. Each factor is evaluated in every city, yielding scores that blend quantitative data with qualitative insights. These scores are then weighted to reflect the relative economic significance of each factor to calculate a composite score. For instance, given the paramount importance of services activity in driving economic growth, it commands the highest weight in the overall assessment. The resulting composite score offers a holistic measure of a city's economic performance across diverse dimensions, providing stakeholders with valuable insights into the city's growth trajectory.

## Indicators

- **Capital city:** A capital city, often referred to simply as a capital, is a designated urban centre determined by legal or constitutional means, typically by the governing body of a nation or a specific region within it. This indicator evaluates the benefits of being a capital city, such as infrastructure, administrative structures, and symbolic status, which may foster development.
- **Education/ R&D centre:** It is a city with a high concentration of prestigious national, regional, and private educational institutions and research centers, attracting students, scholars, and professionals seeking learning opportunities and research collaborations. Such institutes boost a city's economy, drive innovation, enrich culture, enhance urban development, and produce a skilled workforce.
- **Service sector:** This segment of the economy contributes through services rather than tangible goods provision. It is an important contributor to GDP and a pivotal aspect in evaluating the economic status and growth prospects of a city.
- **Industrial sector:** It is a city with a substantial economic output from manufacturing and processing raw materials into finished

goods, bolstering the economy through job generation, business stimulation, and investment attraction. However, its growth and scalability are typically slower compared to service sector-driven cities.

- **Tourism activity:** It is the activity generated from a city's appeal to travelers, offering attractions, accommodation, and services specifically geared towards tourism. These cities often feature landmarks, cultural sites, natural wonders, entertainment venues, and recreational activities that draw national and international visitors. Cities with tourism typically invest in infrastructure and amenities to cater to the needs and interests of tourists, contributing significantly to their local economies.
- **Port city:** Presence of ports in coastal cities have a significant economic impact, serving as vital hubs for trade, transportation, and commerce. They facilitate the movement of goods and people, stimulate local businesses, create job opportunities, and attract investments, contributing to overall economic growth and prosperity.



## Annexure IV

Cities	Composite Score	Current Population (2023E)	Population (2030E)	Decadal Growth Rate (2020-30)	Share of Working Population (2030P)
Kochi	8.0	3.3	4.1	32%	62.3%
Jaipur	7.7	4.2	4.9	26%	71.0%
Bhubaneswar	6.9	1.2	1.5	27%	72.2%
Visakhapatnam	6.4	2.3	2.7	26%	69.3%
Chandigarh	6.4	1.2	1.4	23%	73.3%
Nagpur	6.3	3.0	3.5	22%	71.1%
Bhopal	6.2	2.5	3.0	26%	70.4%
Goa	5.9	1.6	1.6	5%	64.7%
Thiruvananthapuram	5.6	2.8	3.5	34%	62.7%
Lucknow	5.5	3.9	4.6	26%	74.8%
Ranchi	5.2	1.5	1.8	26%	71.7%
Indore	4.9	3.2	3.9	30%	70.1%
Patna	4.1	2.6	3.0	23%	70.2%
Nashik	4.0	2.2	2.6	28%	68.5%
Vijayawada	3.7	2.2	2.6	30%	66.4%
Raipur	3.7	1.8	2.2	32%	68.2%
Vadodara	3.6	2.3	2.7	24%	68.5%
Coimbatore	3.6	3.0	3.5	27%	67.4%
Dehradun	3.5	1.0	1.2	27%	72.8%
Calicut	3.1	4.0	5.0	40%	61.0%
Srinagar	3.0	1.7	2.0	25%	68.6%
Mysore	2.7	1.3	1.5	24%	70.6%
Aurangabad	2.1	1.7	2.0	27%	66.6%
Varanasi	2.0	1.7	2.0	22%	71.4%
Jodhpur	1.9	1.6	1.9	27%	70.4%
Kanpur	1.8	3.2	3.7	19%	76.8%
Madurai	1.7	1.8	2.1	23%	66.2%
Ludhiana	1.5	1.9	2.3	22%	69.3%
Agra	1.4	2.3	2.8	26%	71.3%
Amritsar	1.4	1.4	1.7	22%	69.6%
Prayagraj	1.3	1.5	1.7	22%	75.1%
Kota	1.1	1.5	1.8	30%	72.7%
Meerut	0.7	1.8	2.1	23%	70.8%

## Annexure V

### Key Schemes/ Policies in Tier-II Cities

S.No.	Policy/ Programme/ Scheme	Inception Year	Objective	Cities covered
1	Smart City Mission	2015	The objective is to promote sustainable and inclusive cities that provide core infrastructure and give a decent quality of life to its citizens, a clean and sustainable environment, and application of 'Smart' solutions. Some of the core infrastructure elements in a Smart City would include adequate water supply, assured electricity supply, sanitation, solid waste management, efficient urban mobility and public transport, affordable housing (especially for the poor), robust IT connectivity and digitalisation, good governance, especially e-governance and citizen participation, sustainable environment, safety and security of citizens, particularly women, children and the elderly, as well as health and education.	Port Blair, Vishakhapatnam, Tirupati, Kakinada, Pasighat, Guwahati, Muzaffarpur, Bhagalpur, Biharsharif, Chandigarh, Raipur, Bilaspur, Diu, Silvassa, New Delhi Municipal Council, Panaji, Gandhinagar, Ahmedabad, Surat, Vadodara, Rajkot, Dahod, Karnal, Faridabad, Dharamshala, Ranchi, Mangaluru, Belagavi, Shivamogga, Hubballi-Dharwad, Tumakuru, Davanegere, Kochi, Kavaratti, Bhopal, Indore, Jabalpur, Gwalior, Sagar, Satna, Ujjain, Navi Mumbai, Nashik, Thane, Greater Mumbai, Amravati, Solapur, Nagpur, Kalyan-Dombivali, Aurangabad, Pune, Imphal, Shillong, Aizawl, Kohima, Bhubaneswar, Raurkela, Oulgairet, Ludhiana, Jalandhar, Amritsar, Jaipur, Udaipur, Kota, Ajmer, Namchi, Tiruchirapalli, Tirunelveli, Dindigul, Thanjavur, Tiruppur, Salem, Vellore, Coimbatore, Madurai, Erode, Thoothukudi, Chennai, Greater Hyderabad, Greater Warangal, Agartala, Moradabad, Aligarh, Saharanpur, Bareilly, Jhansi, Kanpur, Allahabad, Lucknow, Varanasi, Ghaziabad, Agra, Rampur, Dehradun, New Town Kolkata, Bidhannagar, Durgapur, Haldia.
2	AMRUT (Atal Mission for Rejuvenation and Urban Transformation) 2.0 (AMRUT 1.0 subsumed under AMRUT 2.0)	Phase 1: 2015 Phase 2: 2021	The Government of India has launched the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) with the aim of providing basic civic amenities such as water supply, sewerage, urban transport, and public parks to improve the quality of life for all, especially the poor and the disadvantaged. The focus is on infrastructure creation that has a direct link to the provision for better services to the citizens. The purpose of AMRUT mission is to (i) ensure that every household has access to a tap with assured supply of water and a sewerage connection (ii) increase the amenity value of cities by developing greenery and well-maintained open spaces, e.g. parks and (iii) reduce pollution by switching to public transport or constructing facilities for non-motorised transport, e.g. walking and cycling.	Atal Mission for Rejuvenation and Urban Transformation (AMRUT) covers around 500 cities, with a population exceeding one lakh, each of which has officially notified municipalities. Cities covered under the mission are Vadodara, Chandigarh, Kochi, Bhubaneswar, Alandur, Coimbatore, Ajmer, etc.
3	Pradhan Mantri Awas Yojana - Urban (PMAY - U)	2015	It is a flagship housing scheme launched by the Government of India aimed at providing affordable housing to urban poor households across the country. The scheme was launched in June 2015, with the objective of ensuring "Housing for All".	All statutory towns as per Census 2011, and towns notified subsequently [including Notified Planning/ Development Areas] shall be eligible for coverage in the Mission. As of 2022, 4,427 cities (including 472 Class-I cities) had been selected across 35 states/ UTs under PMAY-U. Some of the cities under the scheme are Chandigarh, Vadodara, Kochi, Bhopal, Nashik, Nagpur, etc.
4	Heritage City Development & Augmentation Yojana (HRIDAY)	2015	Preserve and revitalise soul of the heritage city to reflect the city's unique character by encouraging aesthetically appealing, accessible, informative and secured environment. To undertake strategic and planned development of heritage cities aiming at improvement in overall quality of life with specific focus on sanitation, security, tourism, heritage revitalization and livelihoods retaining the city's cultural identity.	Ajmer, Amravati, Amritsar, Badami, Dwarka, Gaya, Kanchipuram, Mathura, Puri, Varanasi, Velankanni, Warangal

## Annexure VI

### Key Schemes/ Policies in Tier-II Cities

S.No.	Policy/ Programme/ Scheme	Inception Year	Objective	Cities covered
5	Jawaharlal Nehru National Urban Renewal Mission (JnNURM)	2005	The aim is to encourage reforms and fast track planned development of identified cities. Focus on efficiency in urban infrastructure and service delivery mechanisms, community participation, and accountability of ULBs/ parastatal agencies towards citizens. Also, Urban Infrastructure Development Scheme for Small and Medium Towns Scheme (UIDSSMT) Mission was launched in 2012, and later subsumed in AMRUT. Sub mission of Jawaharlal Nehru National Urban Renewal Mission (JnNURM).	In total, 65 cities based on population as per 2001 census are covered under the Urban Infrastructure and Governance (UIG) component of JnNURM. The remaining cities are eligible for Additional Central Assistance (ACA) under Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT), subject to availability of funds. Some of the million plus cities include Bhopal, Nashik, Visakhapatnam, Cochin, Coimbatore, etc.
6	Regional Connectivity Scheme (RCS): UDAN (Ude Desh Ka Aam Nagrik)	2016	The primary objective of RCS is to facilitate/ stimulate regional air connectivity by making it affordable. Promoting affordability of regional air connectivity is envisioned under RCS by supporting airline operators through (1) concessions by Central government, state governments (reference deemed to include Union Territories as well), unless explicitly specified otherwise, and airport operators to reduce the cost of airline operations on regional routes/ other support measures and (2) financial (viability gap funding or VGF) support to meet the gap, if any, between the cost of airline operations and expected revenues on such routes.	In total, 459 UDAN routes involving 72 airports including nine heliports and two water aerodromes have been operationalised. Some of the airports including Shimla, Kanpur, Hissar, Gwalior, Shillong, Pondicherry, etc.
7	Start Up India Mission	2016	The aim of the mission is to build a strong ecosystem for nurturing innovation and startups in the country which will drive economic growth and generate large scale employment opportunities. The Government through this initiative aims to empower startups to grow through innovation and design. A 'fund of funds' of INR 10,000 crores to support innovation driven Startups has been established which shall be managed by SIDBI. The fund will invest in SEBI registered Alternative Investment Funds (AIFs) which, in turn, will invest in Startups.	
8	Amrit Bharat Station Scheme	2023	The goal is to improve and modernise railway stations across the Indian Railways network. The current plan aims to revamp and modernise 1,275 stations within the Indian Railway system. Modernisation involves bettering station accessibility, waiting areas, toilet facilities, lift and escalator installations as needed, cleanliness, offering free Wi-Fi, setting up kiosks for local products through initiatives such as "One Station One Product", enhancing passenger information systems, establishing executive lounges, designating spaces for business meetings, incorporating landscaping, and catering to the unique requirements of each station.	In all, 32 states with 1,275 stations. Some of the cities where enhancements are taking places are Chandigarh, Visakhapatnam, Bhopal, Imphal, Dimapur, Sairang, etc.
9	Swachh Bharat Mission	2014	The aim of this mission include construction of household toilets, community and public toilets, solid waste management, information, education & communication (IEC), and public awareness, capacity building, and administrative and office expenses (A&OE). The second phase of SBM-U was launched on 1 October 2021, for a period of five years. The vision for SBM-U 2.0 is to achieve "garbage free" status for all cities by 2026.	
10	Digital India Land Records Modernisation Programme (DILRMP)	2016	The objective of DILRMP is to develop a modern, comprehensive and transparent land record management system with the aim to develop an integrated land information management system, which will inter alia (i) improve real-time information on land (ii) optimise use of land resources (iii) benefit both landowners and prospectors (iv) assist in policy and planning (v) reduce land disputes (vi) check fraudulent/ benami transactions (vii) obviate need of physical visits to revenue/ registration offices (viii) enable sharing of information with various organisations/agencies.	Of all, 17 states/ UTs viz., Assam, Bihar, Chandigarh, Chhattisgarh, Goa, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Manipur, Odisha, Puducherry, Tripura, Uttar Pradesh, West Bengal, and Jammu and Kashmir, have now started using transliteration tool in land records.

### Key Infrastructure Projects in Tier-II Cities

S.No.	Cities	Key Infrastructure Projects (Proposed/ ongoing)	Description	Impact
1	Bhopal	Western Bhopal Bypass	The project costs nearly INR 3,000 crore, with a four-lane highway (40.9 km), connecting Jabalpur to Indore. The project is currently in the land-acquisition stage.	Intercity and intracity connectivity; boost to industrial activity
		Bhopal-Kanpur Economic Corridor	The corridor will connect Bhopal to Kanpur in a short span of time. The project is in the under-construction stage.	Interstate connectivity; boost to industrial activity
		Industrial Corridors: Bhopal-Bina Bhopal-Indore	The state government is developing a total of four corridors, which includes two corridors from Bhopal. The Bhopal-Bina corridor will be 136 km long and Bhopal-Indore will be 197 km long.	Intercity connectivity; boost to industrial activity
		Bhopal Metro Project	Phase 1: Two lines are under-construction in Bhopal, with a total of 28 stations. The orange line will start from Karond Circle to AIIMS. The blue line will start from Bhadbhada Square to Ratnagiri Tiraha. Phase 2: The extension of orange line with an addition of eight new stations, connecting Subhash Nagar to Karong Circle, with a cost of nearly INR 1,500 crore.	Intracity connectivity; TOD benefits
2	Chandigarh Tricity	Tricity Metro Project	The total route length will be 77km. The route includes a 35-km stretch in Chandigarh, 31 km in Mohali and 11 km in Panchkula. The estimated total cost of this project is INR 11,000 crore. Phase 1 is expected to start from 2027 and complete by 2037.	Intercity and intracity connectivity; TOD benefits
		Areopolis City, Mohali	The township is spread across 159 acres in sector 66, Mohali. The township houses residential, commercial and industrial spaces. The township is being built by Sukhm Infrastructure, and is close to the Chandigarh airport.	Boost to industrial activity
		Education City	The proposed education city will span across 1,700 acres, land acquisition process is underway in New Chandigarh. Reputed international universities and institutes in computer science and engineering branches, tourism and hospitality, hospital administration, multimedia, pharmaceuticals, media and mass communication, have shown interest in setting up their campuses in the proposed Education City.	Boost to education infrastructure
		Bypass Road/ Airport Road Extension	The nine-km stretch will work as the bypass for Chandigarh, will save time for commuters traveling to New Chandigarh; commuters travelling from Ambala and Delhi will have direct access to Baddi in Himachal Pradesh. The project is currently in the land acquisition stage.	Interacity connectivity
		Medicity	The total area marked for the health zone is 350 acres, out of which 260 acres is being acquired. Fifty acres is allotted to Tata Cancer Hospital, and work is underway.	Boost to health infrastructure
3	Coimbatore	Defense Industrial Corridor	Coimbatore is one of the proposed five nodes of the Tamil Nadu Defense Industrial Corridor.	Boost to industrial activity
		Extension of Chennai-Bengaluru Industrial Corridor (CBIC) to Kochi and Coimbatore	The extension of CBIC is aimed at integrating Kerala and western Tamil Nadu with a network of economic and industrial corridors of the country.	Interstate connectivity; boost to industrial activity
		Coimbatore Metro Project	The proposed project will take place in three phases with a cost of INR 9,424 crore. First phase: Collectorate to Valiyampalayam (14.1 Km) Vellalore-Avanashi Road-Coimbatore Airport-PSG Foundry (31.7 km) Second phase: Coimbatore Railway Junction to Pappampatty and to Periyanaichenpalayam (total of 31.1 km) Third phase: PSG Foundary to Kaniyur (9.2 km), Valiampalayam to Ganesapuram (10.5 km), Pappampatti to Carltonpet (11.8 km), Periyanaickenpalayam to Bilichi (7.8 km), and Town Hall to Karunya Nagar (27.7 km).	Intracity connectivity; TOD benefits



## Key Infrastructure Projects in Tier-II Cities

S.No.	Cities	Key Infrastructure Projects (Proposed/ongoing)	Description	Impact
		TN Tech City Project	The proposed tech-city project will come up on 321 acres; the project is in the land identification stage. The tenders to be floated by ELCOT.	Boost to service sector
4	Goa	Nagpur-Goa Expressway	The six-lane expressway will connect Nagpur to Goa, with a stretch of 760 km, and will be Maharashtra's longest expressway. The cost of the project is INR 83,600 crore and estimated to complete by 2028-29.	Interstate connectivity
		Mumbai-Goa Expressway	The 112-km stretch of the expressway is proposed to be expanded to four lanes, which will further boost connectivity between the two cities. The project is underway in different patches.	Interstate connectivity
5	Kochi	Kochi-Bengaluru Industrial Corridor	It is an extension of the Chennai-Bengaluru Industrial Corridor to Kochi, covering two states (Tamil Nadu and Kerala).	Interstate connectivity; boost to industrial activity
		Kochi GIFT City	The proposed project is a part of the Kochi-Bengaluru Industrial Corridor (KBIC), envisioned to spread across 400 acres.	Boost to industrial activity
		Kochi Metro Extension	The expansion will be 11.3 km long with a total of 11 stations. It will start from JLN Stadium to Infopark-Kakkanad. The cost of this project is INR 1,957 crore. The project is expected to commission at the end of 2026.	Intracity connectivity; TOD benefits
6	Jaipur	Jaipur Pink Line Extension	The existing pink line that stretched from Badi Chaupar to Mansarovar is proposed to expand in Phase 1C and Phase 1D. Phase 1C will expand from Badi Chaupar to Transport Nagar, and phase 1D from Mansarovar to Ajmer Road.	Intracity connectivity; TOD benefits
		Jaipur New Line	The proposed project will stretch from Sitapura to Ambabaddi and Vidyadhar Nagar.	Intracity connectivity; TOD benefits
7	Lucknow	Lucknow-Kanpur Expressway	The 63-km expressway will connect Lucknow to Kanpur. It is expected to complete by 2024 end.	Intercity connectivity
		Defense Corridor	Lucknow being one of the nodes of Uttar Pradesh Defense Industrial Corridor, plans to develop defense manufacturing units. The proposed project is in the land acquisition stage at present.	Interstate connectivity; boost to industrial activity
		Lucknow New Metro-Line Project	The proposed metro route will stretch from Charbagh to Vasant Kunj (approx. 11 km). The route will have 12 stations. The estimated cost of this project is INR 5,880 crore.	Intracity connectivity; TOD benefits
		IT Hub	The project will be spread across 40 acres, divided into three parts: IT parks, business park, and international incubation facility centre.	Boost to service sector
		IT City, Lucknow	A 100-acre IT city is being developed by HCL group in Lucknow. The initial investment of the project is INR 1,500 crore. The IT city will provide direct employment to 25,000 people, with indirect employment to 50,000 people.	Boost to service sector

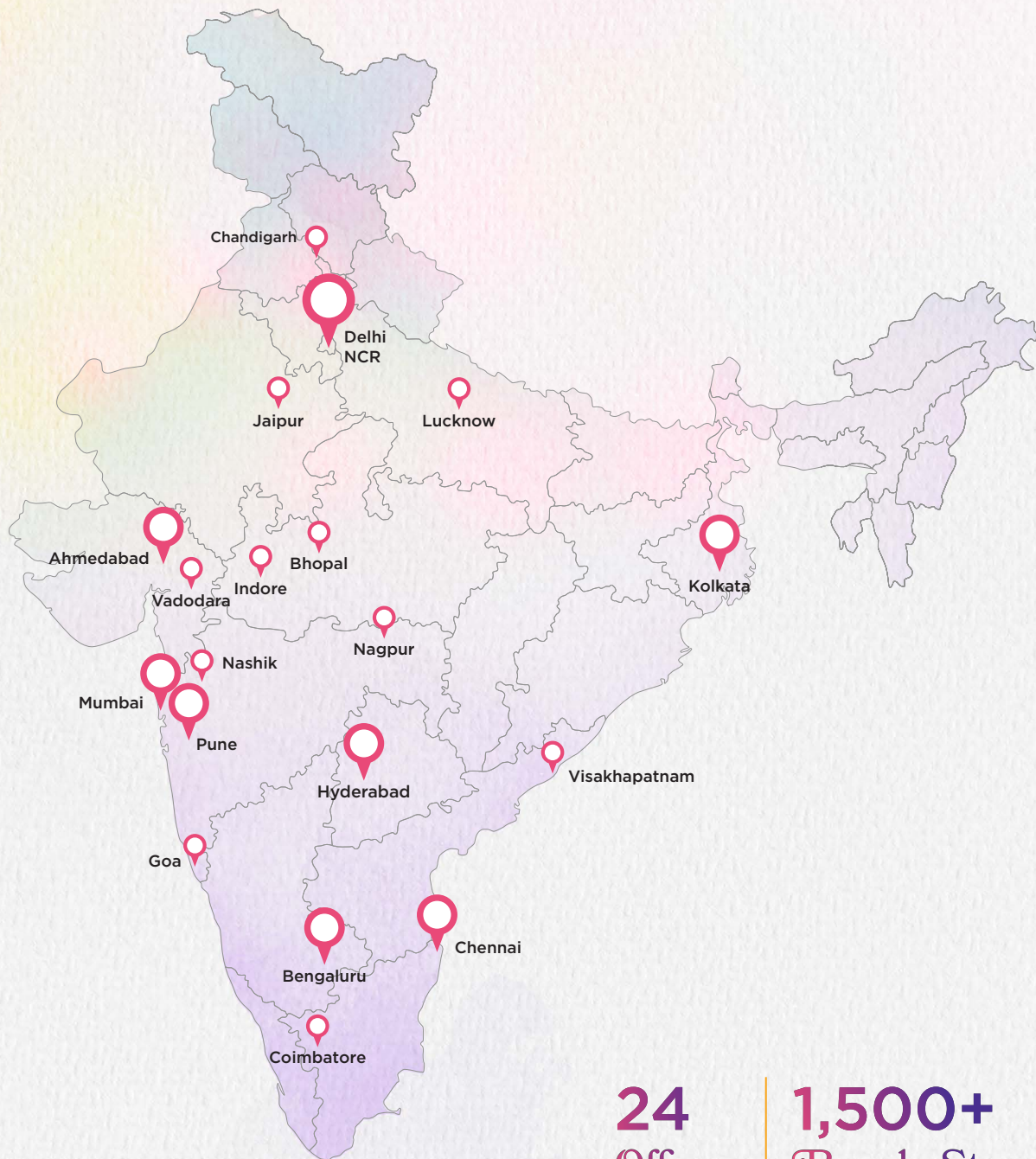
## Key Infrastructure Projects in Tier-II Cities

S.No.	Cities	Key Infrastructure Projects (Proposed/ongoing)	Description	Impact
8	Nagpur	Multi Modal international Cargo Hub and Airport at Nagpur (MIHAN)	The proposed project will spread across 4,354 hectare and will have an international airport (1,364 hectare), a multimodal international cargo hub, and an SEZ (1,238 hectare). The existing airport will be upgraded and modernised.	Regional and international connectivity; boost to industrial activity
		Mumbai-Nagpur Expressway	The expressway will connect Nagpur to Mumbai (701 km) and is open in patches. Once the expressway is fully operational, it will save time and boost connectivity. The total estimated cost of the project is INR 55,000 crore.	Intercity connectivity
		Nagpur-Goa Expressway	The six-lane expressway will be 760 km long, connecting Nagpur with Goa. The estimated cost of the project is INR 83,600 crore and is expected to be completed by 2028-29.	Interstate connectivity
		Nagpur-Bengaluru Expressway	The proposed eight-lane expressway will join Nagpur to Bengaluru via Hyderabad.	Interstate connectivity
		Multi Modal Logistics Park	The MMLP will be developed at Sindhi, near Nagpur. The aim is to improve the country's freight logistics sector by enabling efficient inter-modal freight movement to lower overall freight costs and time, provide efficient warehousing, improve tracking and traceability of consignments, thereby enhancing the efficiency of the Indian logistics sector. The estimated cost of the project is INR 673 crore.	Interstate connectivity; boost to industrial activity
		Hyderabad Nagpur Industrial Corridor (HNIC)	The proposed project will cover 585 km between Hyderabad and Nagpur, where Zaheerabad node will be constructed in the first phase.	Interstate connectivity; boost to industrial activity
		Nagpur Metro Extension Project (Phase-2)	The proposed project is an extension of the existing metro in Nagpur. There are four extensions of two existing corridors, with an estimated cost of INR 6,708 crore. There will be 32 more stations added, covering 43.8 km. 1) MIHAN to MIDC ESR - 18.6 km 2) Automotive Square to Kanhan River - 13.0 km 3) Prajapati Nagar to Kapsi - 5.5 km 4) Lokmanya Nagar to Hingna - 6.7 km The project is expected to complete by 2026.	Intracity connectivity; TOD benefits
		Education Hub	The 18-hectare (45 acres) land has been planned for an education hub in Wathoda. Nagpur Municipal Corporation (NMC) has decided to float the tender for "KG to PG" in public-private partnership. The land will be leased out for 30 years, in which two hectares will be for schools and 16 hectares for higher education.	Boost to education infrastructure
9	Nashik	Pune-Nashik Industrial Highway	The highway will connect Pune with Nashik, covering 213 km. The estimated project cost is INR 20,000 crore.	Intercity connectivity; boost to industrial activity
		Nashik-Pune Rail Project	The proposed project will be 235 km long and the estimated cost is INR 16,000 crore. The project is in the land acquisition stage.	Intercity connectivity; TOD benefits
		Nashik Neo Metro	The proposed project will be 32 km long: with 29 stations. The final DPR has been submitted for approval to the Central government.	Intracity connectivity; TOD benefits
10	Vadodara	Delhi-Mumbai Expressway	The eight-lane expressway, spanning 1,350 km, connecting Delhi to Mumbai, is under-construction. The recent inauguration of Vadodara-Baruch portion will enhance the connectivity.	Interstate connectivity
		Mumbai-Ahmedabad High Speed Rail Corridor	The total length of the project will be 508 km. It will connect Mumbai to Sabarmati, and Vadodara will be one of the stations. It is also known by the name of bullet train. The project is carried out in phases. The first phase will connect Surat to Bilimore, and expected to complete by 2026.	Interstate connectivity; TOD benefits

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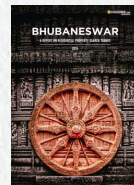
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