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ANAROCK
VALUES OVER VALUE

Hyderabad

The Rise of a Global Capability Powerhouse

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Foreword

Mr. V V Rama Raju
Chairman, FICCI Telangana State Council and Founder & Managing Director, Gaja Engineering

India's growing prominence in global value chains is creating a new chapter for the country's business ecosystems and Hyderabad plays an important part in this story. Its strong institutional network, availability of skilled talent and growing presence across technology-led and knowledge-intensive industries have created a conducive environment for global businesses to establish and expand their operations. The city's experience also demonstrates how collaboration between industry, government and academia can strengthen a location's long-term competitiveness.

What stands out about Hyderabad is the breadth of capabilities that the city has built over the years. It is now home to a diverse business ecosystem, with global companies increasingly looking at the city for technology, research, analytics, engineering and other specialised functions. This has created opportunities not only for businesses, but also for professionals and the wider ecosystem that supports them.

The opportunity ahead is significant. Hyderabad's continued growth will depend on how well the city can strengthen its talent base, infrastructure and business environment while encouraging greater interaction between industry, academia and government. These factors will be important in helping the city move towards more specialised and higher-value activities.

FICCI is pleased to partner with Anarock on this report. We hope it contributes to a better understanding of Hyderabad's evolving GCC ecosystem and the opportunities it can create for businesses, talent and the city in the years ahead.

Foreword

Anuj Puri
Chairman, Anarock

Hyderabad has steadily evolved from being recognised as a strong technology destination to becoming one of India's most important locations for global capability centres (GCCs). What makes this transition particularly significant is the depth and diversity of the ecosystem that has developed around it. Today, the city combines a large and skilled talent pool, a mature office market, a growing base of global enterprises and a business environment that continues to support expansion.

The numbers tell an encouraging story. Hyderabad is now home to more than 515 GCCs employing over 300,000 professionals and accounted for more than 70 new GCC additions in FY25, the highest among Indian cities. Its share of India's GCC base stands at around 20%. At the same time, the city has built a Grade A office stock of around 125 million sq ft, providing global occupiers with the scale and quality of workplace infrastructure they increasingly seek. GCC leasing has also grown meaningfully, from 1.9 million sq ft in 2021 to 4.5 million sq ft in 2025, with more than 3 million sq. ft. already recorded in the first half of 2026.

Importantly, Hyderabad's GCC story is no longer limited to technology and traditional shared services. BFSI, life sciences, semiconductors, engineering, healthcare and aerospace are adding new dimensions to the city's global business ecosystem. This diversity gives Hyderabad a stronger foundation for sustained growth and reduces its dependence on any single sector.

From a real estate perspective, this evolution is creating a clear and lasting impact. Demand for quality office space remains healthy, while western Hyderabad continues to strengthen as the city's principal commercial cluster. Areas such as HITEC City, Gachibowli, Financial District and Kokapet are likely to remain central to the next phase of growth, supported by infrastructure improvements and continued occupier interest.

Interestingly, Hyderabad's opportunity lies not simply in attracting more GCCs, but in moving steadily towards higher value functions such as research, engineering, analytics, digital operations and corporate decision making. The next few years could therefore mark an important phase in the city's journey, with GCC expansion supporting not only office demand, but also employment, investment and the broader urban economy.

This report presents our perspective on that journey, the forces shaping it today and the opportunities that could define Hyderabad's next chapter as a global capability hub.

Hyderabad: The city at a glance

Urban scale and demography

GHMC AREA
India's largest municipal corporation by area

~2,000 sq km

HMDA PLANNING REGION
Metropolitan Planning Area

10,472 sq km

GHMC POPULATION
Post-expansion jurisdiction; notified December 2025

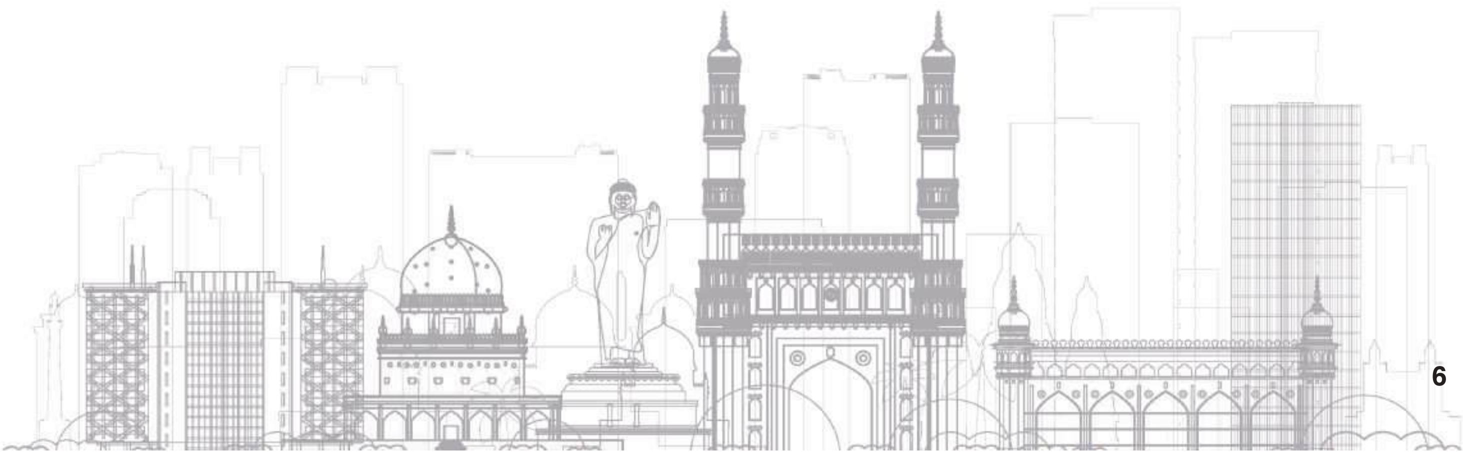
~1.5 Cr

HMDA REGION POPULATION
18.4 Mn Projected by 2031

11 Mn

ANNUAL POPULATION GROWTH (%), 2026

Hyderabad Metro	2.38%
Telangana	0.43%



Economy and Income

GSDP, CONSTANT PRICES

INR 8.90 Lakh Cr

8.5% real growth against India's 7.4% in FY2025-26

SHARE OF INDIA'S GDP

4.99%

Telangana, FY2025-26

PER CAPITA INCOME

INR 4.18 Lakh

Telangana, FY2025-26 current prices; 10.2% growth, 1.9x national average

IT-ITES EXPORTS

INR 3.13 Lakh Cr

Telangana, FY2024-25; 16.6% Y-o-Y growth

SERVICES SHARE OF GSVA

68.6%

Telangana, INR 11.31 Lakh Cr; fastest-growing sector at 13.5%

FDI EQUITY INFLOWS

US$ 13.02 Bn

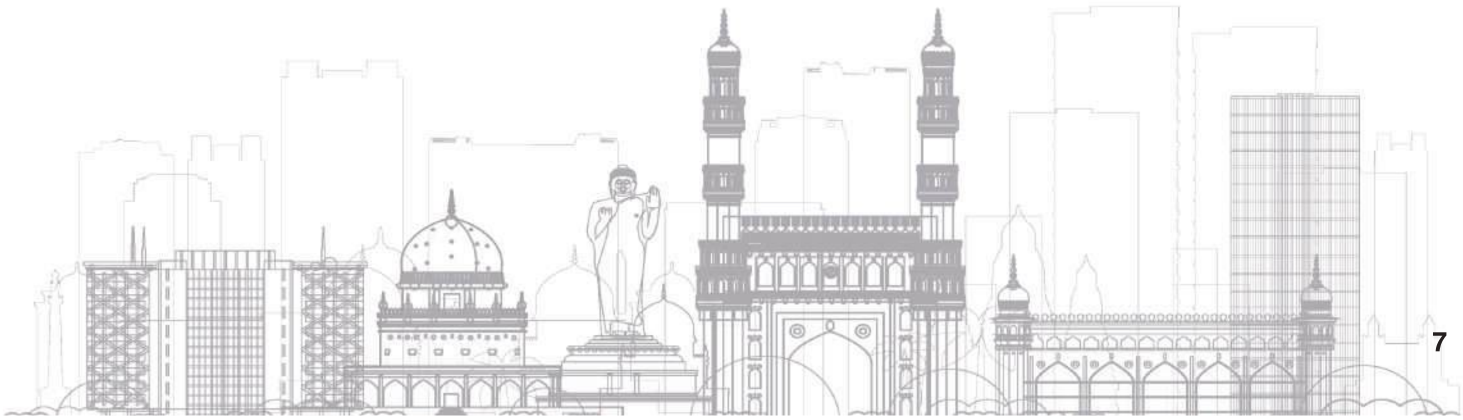
Telangana, Oct 2019 - Mar 2026; seventh among Indian states

HYDERABAD SHARE OF STATE GSDP

~54%

Note: GHMC = Greater Hyderabad Municipal Corporation; HMDA = Hyderabad Metropolitan Development Authority; GSDP = Gross State Domestic Product; IGBC = Indian Green Building Council.

Source: Government of Telangana municipal administration notifications; HMDA; Census-based metropolitan projections; Telangana Socio-Economic Outlook 2026; Government of Telangana; DPIIT; Government of Telangana IT Department; Telangana Life Sciences Department; Invest Telangana; IGBC; Compiled from various media sources by Anarock Research and Advisory.



Employment and Talent

DIRECT IT-ITES EMPLOYMENT

8,000+ companies; 9.39 Lakh professionals

Telangana, March 2025, majority concentrated in Hyderabad; 11 Lakh+ projected by December 2026

GLOBAL CAPABILITY CENTRES

~515 centres; 3 Lakh+ professionals

Accounts for 20% of India's GCCs

LIFE SCIENCES

2,000+ companies; ~5 Lakh professionals

Telangana, majority concentrated in Hyderabad

AEROSPACE AND DEFENCE BASE

25+ large companies; 1,000+ MSMEs

Telangana, majority concentrated in Hyderabad

ANCHOR EDUCATIONAL INSTITUTIONS

IIT Hyderabad, IIIT Hyderabad, NIT Warangal, BITS Pilani Hyderabad, University of Hyderabad, Osmania, ISB

CORE TECHNOLOGY CORRIDORS

HITEC City, Madhapur, Gachibowli, Financial District

Sustainability

GREEN BUILDING FOOTPRINT

~1.67 Bn sq ft across 1,245+ projects

Telangana, majority concentrated in Hyderabad; IGBC-registered

Hyderabad office market

The engine behind commercial growth

Hyderabad has emerged as one of India's leading office markets, driven by sustained occupier demand, a strong technology ecosystem, and continued expansion of Global Capability Centres (GCCs). Healthy leasing activity, a growing Grade A office stock, and a skilled talent pool, supported by improving infrastructure and a business-friendly environment, continue to strengthen the city's appeal to both occupiers and institutional investors.

2021–H1 2026 Market Snapshot

GRADE A OFFICE STOCK
125 MSF
15% share of Pan-India

GRADE A OFFICE VACANCY
23.5 %
Pan-India average 15%

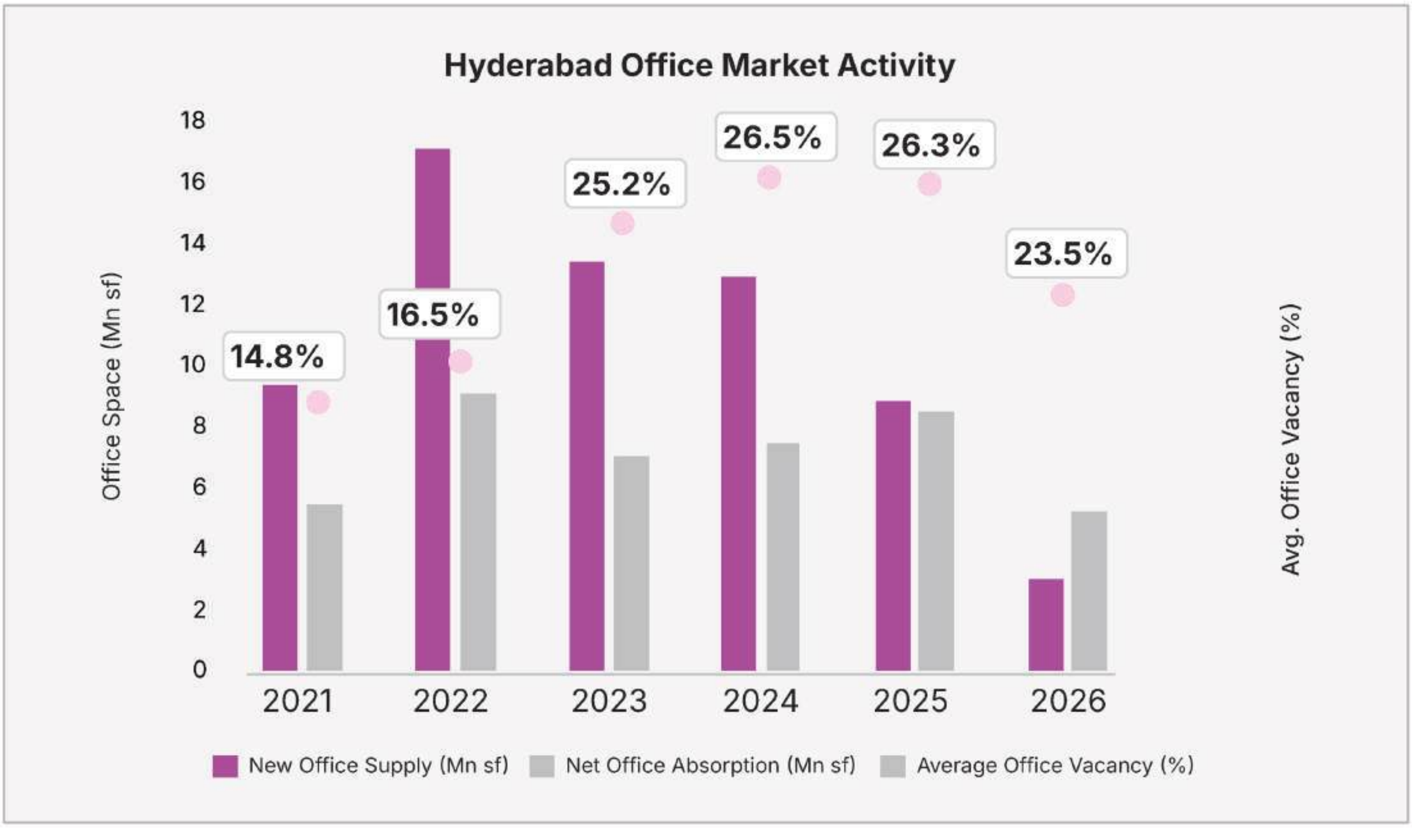
AVERAGE RENTAL VALUE
INR 75/SF/MO
Pan-India average INR 96/SF/MO

UPCOMING SUPPLY
36 MSF
22% share of Pan-India

Office market in Hyderabad moves towards a healthier demand-supply balance

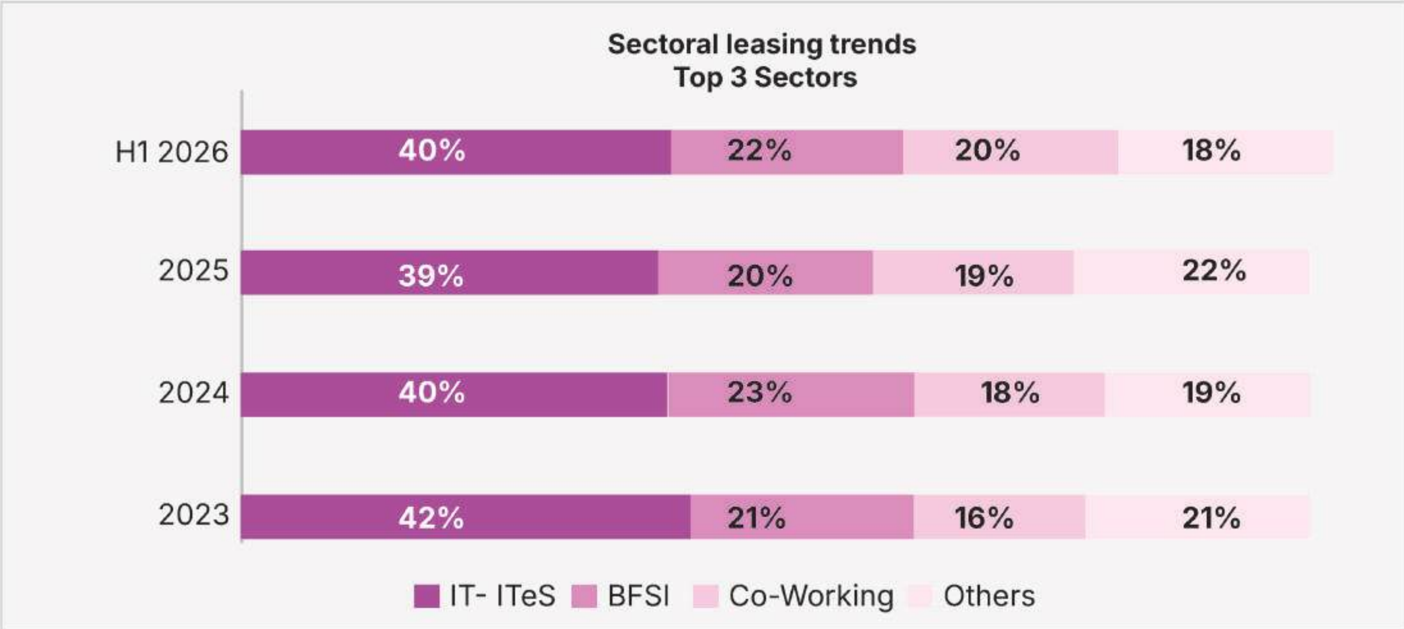
A balanced supply pipeline and sustained leasing momentum are strengthening Hyderabad's commercial real estate landscape.

Hyderabad's office market continues to demonstrate resilient occupier demand, even as new supply remains measured. After peaking at 17.1 Mn sq ft in 2022, annual office completions moderated significantly to 3 Mn sq ft in H1 2026, indicating a more calibrated development pipeline. Despite this moderation, net absorption remained robust at 8.5 Mn sq ft in 2025 and 5.2 Mn sq ft in H1 2026, reflecting healthy leasing momentum. Vacancy also declined to 23.5% in H1 2026, from 26.3% in 2025, pointing to improving space utilisation. The combination of sustained absorption and controlled supply indicates a gradually strengthening demand-supply balance in the office market of Hyderabad.



Source: Anarock Research & Advisory

IT-ITeS and BFSI continue to drive office demand in Hyderabad, with expanding GCC operations further strengthening leasing momentum

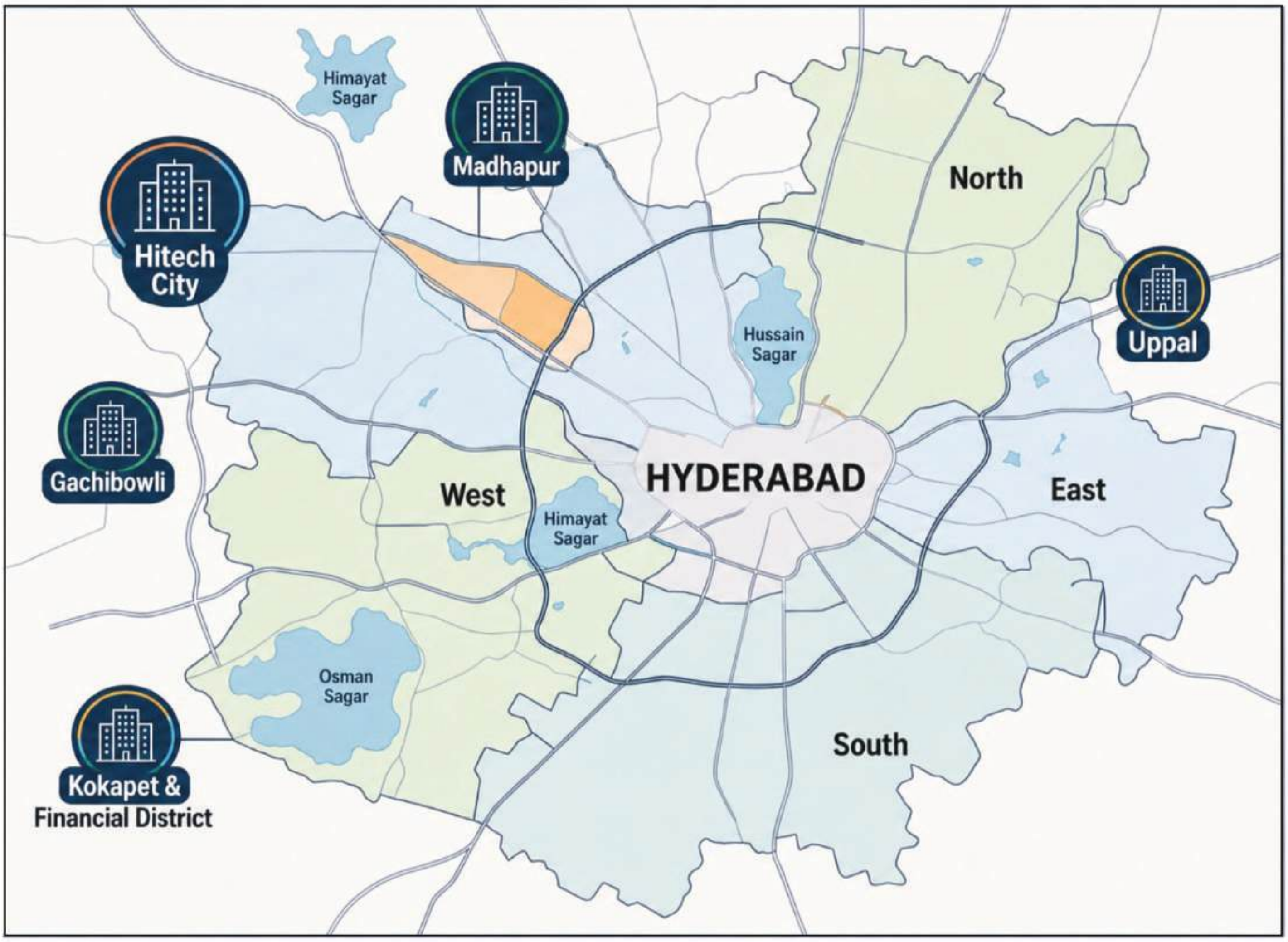


Source: Anarock Research & Advisory

Marquee deals 2026

Goodyear India	Building 20 Mindspace	Madhapur	74,000 sq ft
Invesco	Meenakshi Eco Park 1	Gachibowli	270,000 sq ft
HCA Healthcare	Phoenix Avance 09	Madhapur	103,000 sq ft
LPL Financial	Prestige Sky Tech 2	Gachibowli	270,000 sq ft
UBS Business Solutions India Pvt Ltd	Phoenix Centarus	Madhapur	147,000 sq ft
Charles Schwab	Phoenix Equinox Tower 2	Madhapur	345,000 sq ft
Warner Bros	Phoenix Equinox Tower 2	Madhapur	210,000 sq ft
Tech Mahindra	Aparna Technopolis	Madhapur	500,000 sq ft

Office hubs in Hyderabad



Source: Anarock Research & Advisory

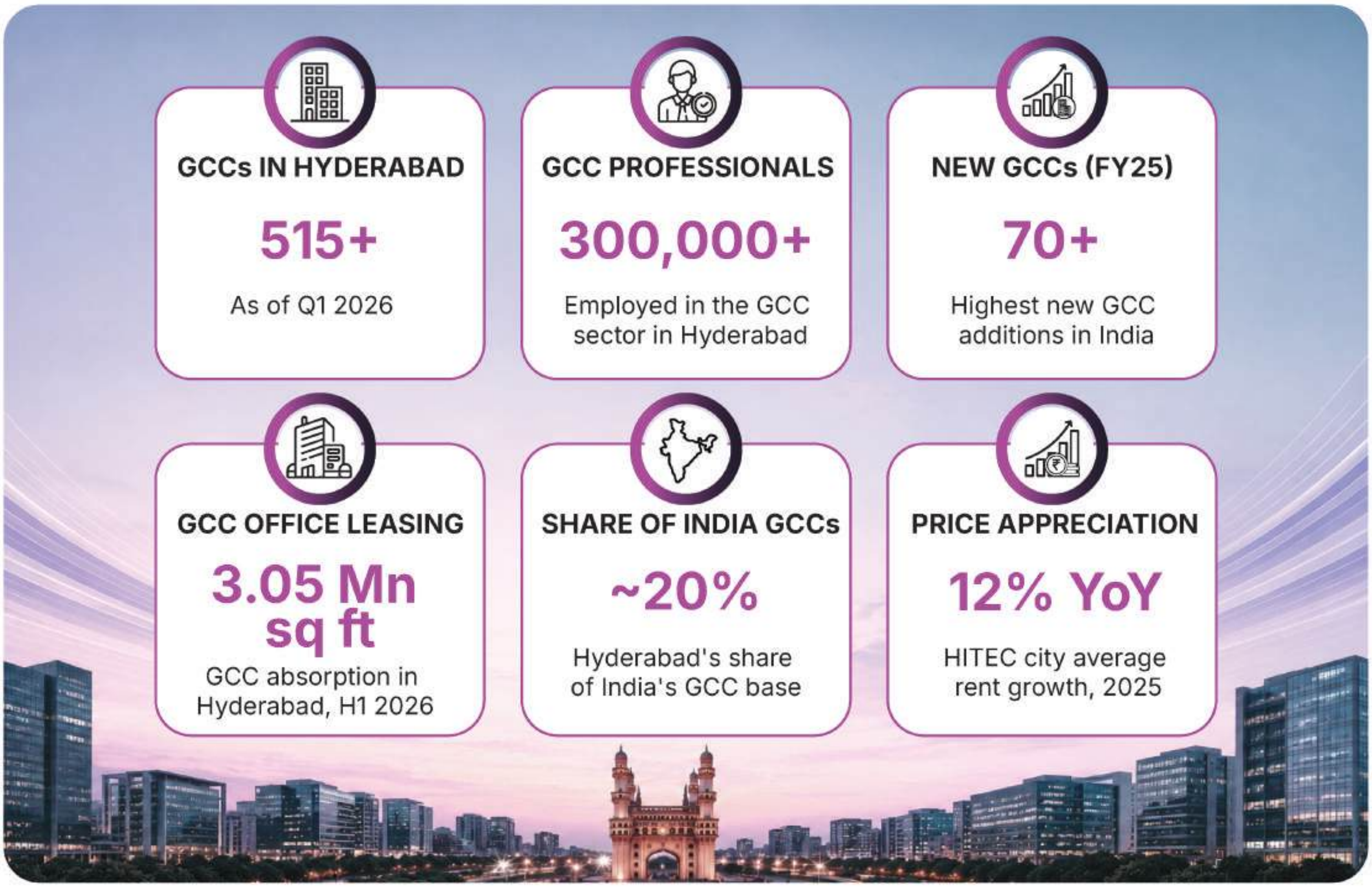
Note: Map is not to scale, for indicative purposes only

Micro market	Grade A Avg. Rent (INR/sq ft/month) H1 2026	Grade A Avg. Rent (INR/sq ft/month) H1 2025
HITEC City	75-115	75-110
Kokapet	45-80	40-75
Madhapur	90 – 110	85-100
Gachibowli	60-90	55-85
Uppal	35-55	35-52

Compiled by: Anarock Research & Advisory

Hyderabad: From cyber city to the world's fastest-growing capability hub

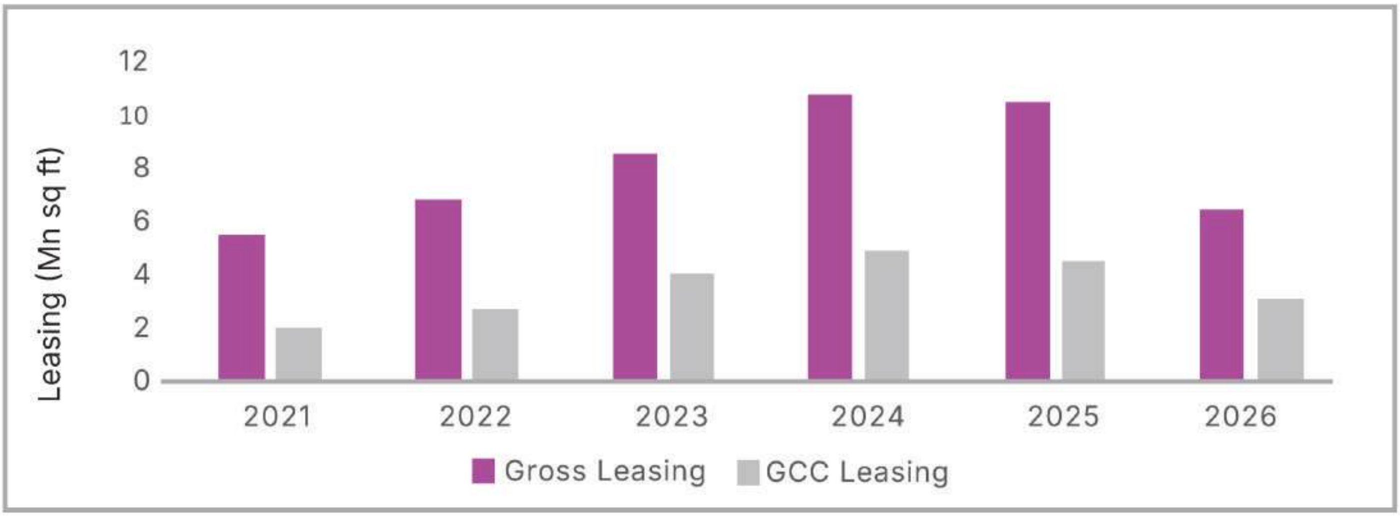
Key metrics at a glance



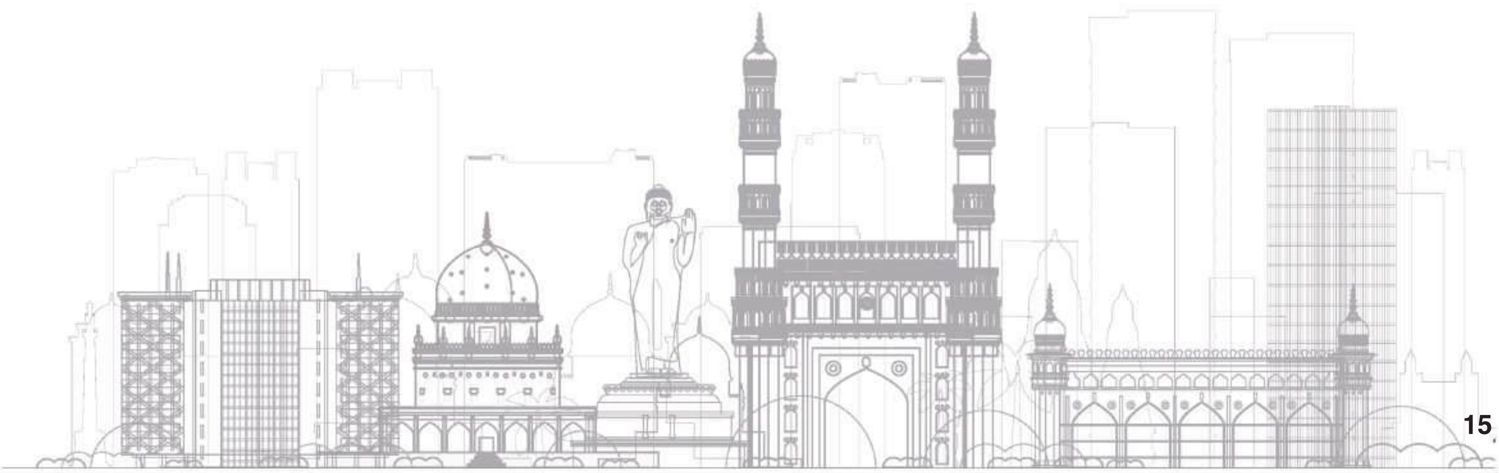
Source: Anarock Research & Advisory, Zinnov-Nasscom Report

GCC leasing share in Hyderabad

GCCs have become a key demand driver for Hyderabad's office market, with their leasing footprint expanding from 1.9 Mn sq ft in 2021 to 4.5 Mn sq ft in 2025 and already exceeding 3 Mn sq ft in H1 2026. This sustained growth reflects the deepening of Hyderabad's GCC ecosystem, with multinational occupiers increasingly using the city not only for cost efficiencies but also for access to a strong technology talent pool and established business infrastructure. The rising share of GCC-led leasing underscores Hyderabad's transition from a traditional IT services hub to a strategic, higher-value destination for global enterprises.



Source: Anarock Research & Advisory



A multi-sector GCC ecosystem

Hyderabad's proposition is broadening beyond traditional IT-ITeS into BFSI, life sciences, semiconductors, engineering and healthcare.

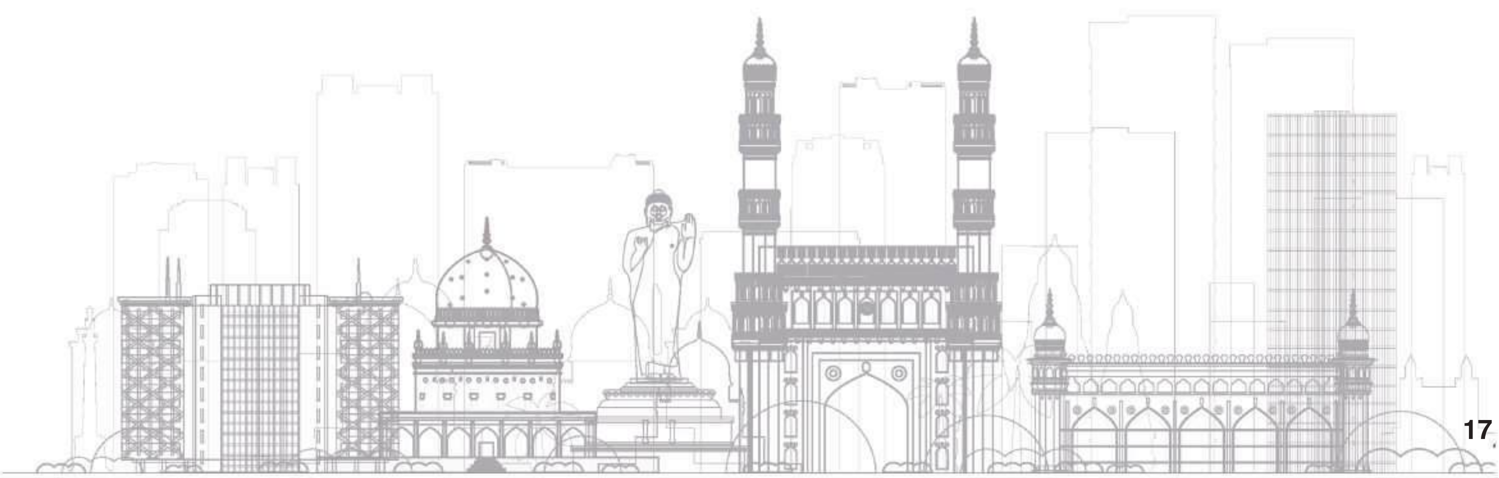
Sector	Representative GCCs	Key Functions
Technology & Software	Microsoft, Google, Amazon, Apple, Adobe, Oracle	Cloud engineering, AI/ML, product development, cybersecurity, platform operations
BFSI	JP Morgan, Wells Fargo, Goldman Sachs, HSBC, Vanguard, UBS, State Street, Charles Schwab, DBS Bank	Risk analytics, financial technology, regulatory compliance, digital banking, fintech platforms
Pharma & Life Sciences	Novartis, Sanofi, Eli Lilly, Bristol Myers Squibb, Roche, Bayer, Johnson & Johnson, AstraZeneca	Drug development analytics, clinical data, regulatory operations, AI-led R&D, bioinformatics
Semiconductors	Micron Technology, Qualcomm, Intel, AMD, Nvidia (early stage)	Chip design, R&D, testing, embedded systems, IP development
Aerospace & Defence	GE Aerospace, Boeing, Collins Aerospace, Honeywell	Avionics R&D, simulation, engineering, embedded software
Automotive & Engineering	Bosch, ZF Lifetec, Hyundai, Siemens, Schneider Electric	EV systems, embedded software, digital twin, industrial IoT, supply chain analytics
Consumer & Retail	McDonald's, PepsiCo, Walmart, L'Oréal, Heineken, Costco	Digital transformation, supply chain analytics, IT architecture, commercial operations
Healthcare	HCA Healthcare, Optum / UnitedHealth, Carelon Global	Health IT, AI diagnostics, clinical analytics, revenue cycle management
Media & Sports Tech	DAZN (sports streaming), Warner Bros. Discovery	Media tech, content operations, data science, AI-led sports analytics

Compiled by: Anarock Research & Advisory

Hyderabad vs. competing GCC destinations — A comparative analysis H1 2026

Parameter	Hyderabad	Bengaluru	Pune	Chennai
Total GCCs	515+	880+	475+	280+
New GCCs (FY25)	70+ (highest)	30–35	15–20	12–15
Prime Office Rent	INR 95–115/sq ft/month	INR 110–140/sq ft/month	INR 80–105/sq ft/month	INR 65–90/sq ft/month
Office Stock	~125 Mn sq ft	~215 Mn sq ft	~90 Mn sq ft	~75 Mn sq ft
IT Workforce	~1 Mn	~2 Mn	~0.8 Mn	~0.75 Mn
STEM Graduates/Year	400,000+	500,000+	350,000+	300,000+
Key GCC Sector Strength	Tech, BFSI, Pharma, Semi	Tech, ER&D, AI, Fintech	Auto ER&D, BFSI, Mfg	Auto, Mfg, BFSI, Health
Approval Timeline (TS-iPASS)	15 days (guaranteed)	30–60 days (variable)	30–45 days	30–45 days
Key Differentiator	BFSI growth, pharma cluster, cost advantage	Deepest ER&D, AI research talent	Automotive ER&D, BFSI fintech	Cost, mfg engineering, auto

Compiled by: Anarock Research & Advisory



Why Hyderabad wins?

The city's advantage is not one variable. It is the combination of talent, cost, sector depth and operating ease.

01 TALENT POOL

~1 Mn IT workforce and 400,000+ STEM graduates annually in the source comparison.

02 COST ADVANTAGE

Prime office rents remain below Bengaluru and broadly competitive with Pune.

03 BFSI DEPTH

A growing financial-services GCC-base supports analytics, fintech and risk functions.

04 LIFE SCIENCES

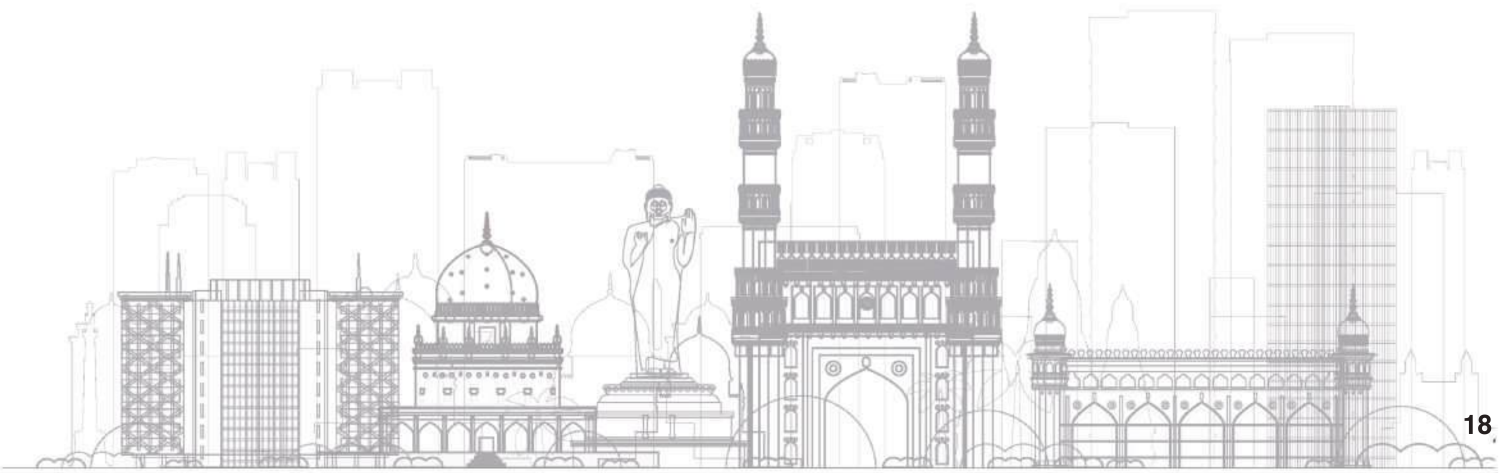
A large pharma ecosystem adds a specialised R&D and analytics talent layer.

05 SECTOR DIVERSITY

Technology, BFSI, pharma, semiconductors, aerospace and engineering create resilience.

06 OPERATING EASE

TS-iPASS is reported at a 15-day guaranteed approval timeline for eligible processes.



Demand outlook

The office market in Hyderabad is well positioned for sustained expansion over the next three to five years, supported by its established technology ecosystem, growing GCC presence, and continued preference among global occupiers for large-scale, Grade A office space. The city's evolution from a traditional IT-ITeS services hub into a diversified technology and global business destination is broadening the depth and quality of office demand.

GCCs are expected to remain a key growth engine, with multinational enterprises increasingly expanding beyond traditional IT/ITeS functions into engineering, R&D, analytics, digital operations, BFSI and professional services. The strong talent pool in Hyderabad, relatively competitive occupancy costs and mature technology infrastructure continue to enhance its appeal for such operations. At the same time, the expansion of flex and managed workspace is creating an additional layer of demand, particularly from enterprises seeking scalable and agile workplace solutions.

Infrastructure-led growth is expected to further support the market, with improved connectivity strengthening established office corridors and opening up emerging commercial nodes. The continued development of the western corridor, including areas such as HITEC City, Financial District, Gachibowli and Kokapet, is expected to reinforce Hyderabad's position as a preferred destination for both occupiers and institutional investors.

With a growing pipeline of Grade A developments and increasing emphasis on ESG-compliant, amenity-rich and technology-enabled workplaces, the market is likely to witness continued rental growth, although at a measured pace. Demand is expected to remain broad-based across GCCs, IT/ITeS, BFSI, engineering, life sciences, professional services and flex operators through 2029.

Key trends to watch

Growth Pillar	Core Trend Driver	Market Impact & Strategic Value
GCC Capabilities	Expansion into R&D, engineering, analytics, digital & corporate functions	Shift from back-office support to high-value global innovation and decision-making nodes
Tech Resilience	IT/ITeS demand backed by Hyderabad's deep talent pool & ecosystem	Sustained baseline occupier volume with high absorption capacity across premier tech parks
Sectoral Diversification	Strong emergence of BFSI, Life Sciences, and Professional Services	Broadened tenant ecosystem, significantly mitigating single-sector market dependency
Flex & Managed Spaces	Expansion catering to MNC entry strategies and scaling enterprises	Increased portfolio agility for occupiers alongside flexible capital expenditure models
Western Dominance	Core growth led by Gachibowli, Financial District, Kokapet & HITEC City	Heavy concentration of Grade A inventory, infrastructure, and institutional investment
ESG & Asset Quality	Flight to quality: strong preference for Grade A & ESG-compliant assets	Premium rental realization for sustainability-certified developments over legacy stock
Infrastructure Upgrades	Mobility and connectivity enhancements across strategic micro-markets	De-bottlenecking prime corridors and enabling rapid absorption in emerging commercial nodes
Rental Trajectory	Upward pressure driven by healthy net absorption and quality supply	Favorable returns and stable yield growth prospects for institutional asset owners

Compiled by: Anarock Research & Advisory

The future potential

- **50–70 additional GCCs** across technology, engineering, BFSI, life sciences, analytics, consulting and digital operations within a year
- **8–12 Mn sq ft incremental office demand** over the next 3–5 years, driven by GCCs, IT/ITeS firms, BFSI, flex operators and allied services
- **2–3 Mn sq ft potential flex and managed workspace demand,** particularly across western Hyderabad and established IT corridors in the next 2-3 years
- **75,000+ high-skilled jobs** potentially generated through GCC expansion, technology-led sectors and higher-value corporate functions
- **Greater demand for Grade A, ESG-compliant and amenity-rich offices,** supporting premium rentals for institutional-quality assets
- **Continued emergence of western Hyderabad as a strategic office cluster,** with Financial District–Kokapet strengthening as a key destination for large-format occupiers

About FICCI

Established in 1927, the Federation of Indian Chambers of Commerce and Industry (FICCI) is India's apex business organisation. It represents over 2,50,000 companies spanning enterprises of all sizes, from small to large. FICCI's direct and indirect membership base runs deep and wide across all Indian states, connected through more than 300 industry associations affiliated with FICCI at the regional and state levels. Set to celebrate its centenary year in 2027, FICCI has played a vital role in India's economic progress for nearly a hundred years and continues to serve as the voice of Indian industry. FICCI undertakes wide-ranging initiatives to foster dialogue between industry and government and to strengthen the country's business ecosystem. As a member-led and member-driven organisation, FICCI has established a strong international presence through partnership agreements with over 250 national trade associations across more than 100 countries.

About Anarock

Anarock is one of the leading independent real estate services companies operating across India and the Middle East. Established in 2017, Anarock draws upon a legacy of over three decades of real estate expertise and advises clients across various property sectors including residential, commercial, retail, hospitality, land, industrial and flexible workspaces.

With a team of over 2,700 professionals as of March 31, 2026, Anarock delivers integrated real estate solutions spanning investment banking, bespoke research, strategic advisory and valuations, project management and engineering services and digitised community management. Backed by predictive AI/ML models and generative AI tools, CRM infrastructure and deep and long-standing relationships with developers, corporate occupiers, investors and government bodies, the Company combines market intelligence, technology and disciplined execution which we believe creates long-term value across the real estate lifecycle.

For more information, please visit www.anarock.com

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