

Evaluation Of Tier-2 Cities For Setting Up IT/BPM Delivery Center

Phase 1: Evaluation and Shortlisting

Prepared For

Confidential

Commercial Leasing & Advisory

Executive Summary – All City Scores

		Resources		Real Estate		Quality of Life					Business Operations		Business Continuity		Total
Parameters		Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	
Weightage		20.0%	20.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	7.5%	7.5%	5.0%	5.0%	100.0%
<div>✓</div> <div>Recommended</div> <div>Cities shortlisted as most suitable, but require a deeper analyses and mapping of the talent market</div>	Ahmedabad	90.0	62.4	48.0	53.3	28.5	68.0	78.0	25.0	40.5	85.0	17.5	52.0	80.0	61.8
	Coimbatore	54.4	90.0	15.0	60.0	40.5	64.3	72.0	45.0	71.4	83.0	3.6	58.0	60.0	59.7
	Thane	35.0	78.0	80.0	70.0	34.1	55.5	73.0	15.0	52.4	82.0	72.1	46.0	54.0	58.2
	Trivandrum	59.4	71.7	30.0	70.0	36.3	66.0	77.0	35.0	76.2	70.0	10.0	46.0	44.0	56.2
	Jaipur	75.0	61.4	40.0	66.7	44.5	56.4	67.0	30.0	40.5	68.0	8.8	56.0	55.0	55.9
<div>?</div> <div>Can be Considered</div> <div>Cities that don't make the top five but can be considered as the next emerging hubs</div>	Indore	60.3	67.6	30.0	66.7	44.8	59.7	68.0	40.0	64.3	80.0	5.9	58.0	44.0	55.8
	Bhubaneswar	45.6	65.4	36.0	73.3	47.6	57.3	74.0	50.0	57.1	70.0	6.2	46.0	54.0	52.7
	Kochi	55.6	46.7	48.0	60.0	41.9	63.4	74.0	30.0	81.0	70.0	25.0	42.0	55.0	52.3
	Nagpur	31.5	61.4	24.0	70.0	45.5	60.1	68.0	40.0	57.1	82.0	4.2	54.0	60.0	49.0
	Mysuru	24.7	42.5	12.0	73.3	42.6	66.7	74.0	60.0	81.0	80.0	0.3	72.0	80.0	47.5
<div>✗</div> <div>Eliminated</div> <div>Cities that don't score highly on most parameters and do not have the necessary support eco system at the moment</div>	Chandigarh	54.4	21.6	30.0	60.0	43.2	65.2	76.0	45.0	61.9	72.0	4.7	58.0	55.0	45.7
	Vadodra	18.8	37.7	10.0	66.7	43.5	67.3	77.0	55.0	57.1	85.0	1.7	54.0	80.0	43.3
	Lucknow	31.5	62.1	8.0	66.7	47.0	54.0	63.0	25.0	16.7	65.0	9.0	52.0	24.0	42.1
	Vizag	22.1	46.2	16.0	60.0	41.9	61.5	69.0	40.0	40.5	90.0	3.5	38.0	50.0	41.5
	Nashik	5.3	52.8	6.0	73.3	45.5	61.0	67.0	45.0	57.1	82.0	0.9	40.0	54.0	40.3
	Vijayawada	15.9	32.6	4.0	66.7	44.1	61.5	68.0	50.0	57.1	90.0	2.8	36.0	60.0	39.0
	Dehradun	2.9	36.1	2.0	73.3	47.0	60.2	68.0	20.0	58.1	58.0	2.8	52.0	56.0	34.2
	Guwahati	5.0	19.0	0.0	73.3	46.7	55.5	58.0	25.0	40.5	45.0	8.1	42.0	29.0	27.3

Executive Summary – Top 5 Cities In Each Segment

Rank	Resources	Real Estate	Quality of Life	Business Operations	Business Continuity
1	Ahmedabad	Thane	Mysuru	Thane	Mysuru
2	Coimbatore	Ahmedabad	Vadodra	Ahmedabad	Ahmedabad
3	Jaipur	Kochi	Coimbatore	Kochi	Vadodara
4	Trivandrum	Jaipur	Chandigarh	Vizag	Coimbatore
5	Indore	Bhubaneshwar	Trivandrum	Vijayawada	Thane
<div> <div> <p>Ahmedabad secures first rank in terms of talent resources available and is followed by Coimbatore. Both these cities have a large talent pool to support IT/ITeS operations.</p> </div> <div> <p>Thane has a good availability of real estate, being adjacent to Mumbai. Ahmedabad follows at second with development along SG highway and GIFT city.</p> </div> <div> <p>Mysuru and Vadodara have scored high on the perceived Quality of Life index due to less pollution and good infrastructure from residents' point of view.</p> </div> <div> <p>Thane and Ahmedabad again score high on business operations, due to their state's infrastructure push, incentives and benefits.</p> </div> <div> <p>Mysuru and Ahmedabad rank first and second due their state's relative political stability, low disaster risk and less risk of labour & transport strikes.</p> </div> </div>					

- Ahmedabad, Coimbatore and Thane secure the first three spots respectively as the most suitable cities that can support an IT/ITeS BPM operations.
- Talent has been the most critical factor in evaluating these cities. This includes both the existing ecosystem, number of colleges and STEM graduate pipeline
- Most state governments now are aggressively pursuing growth of tech companies, and incentives are highly customizable depending on the size of set up

Selection of Cities and Parameters

Definition of a tier II city in India

Under the recommendation of the Seventh Central Pay Commission, in 2008, cities have been classified under three categories: X, Y and Z. The cities of New Delhi, Mumbai, Kolkata, Bangalore, Chennai, Ahmedabad, Pune and Hyderabad are classified under X cities – which indicated tier 1 status. Other 97 top cities are classified under tier 2.

Client tier 2 cities selection methodology

Cities are typically classified by urbanization and population, but for this study, we will focus on grade A real estate infrastructure and talent availability that can support an office set up. **Ahmedabad**, with developing infrastructure, will be tier II and included, while **Pune**, with established facilities, will be tier I and excluded from this study.

Selected Cities

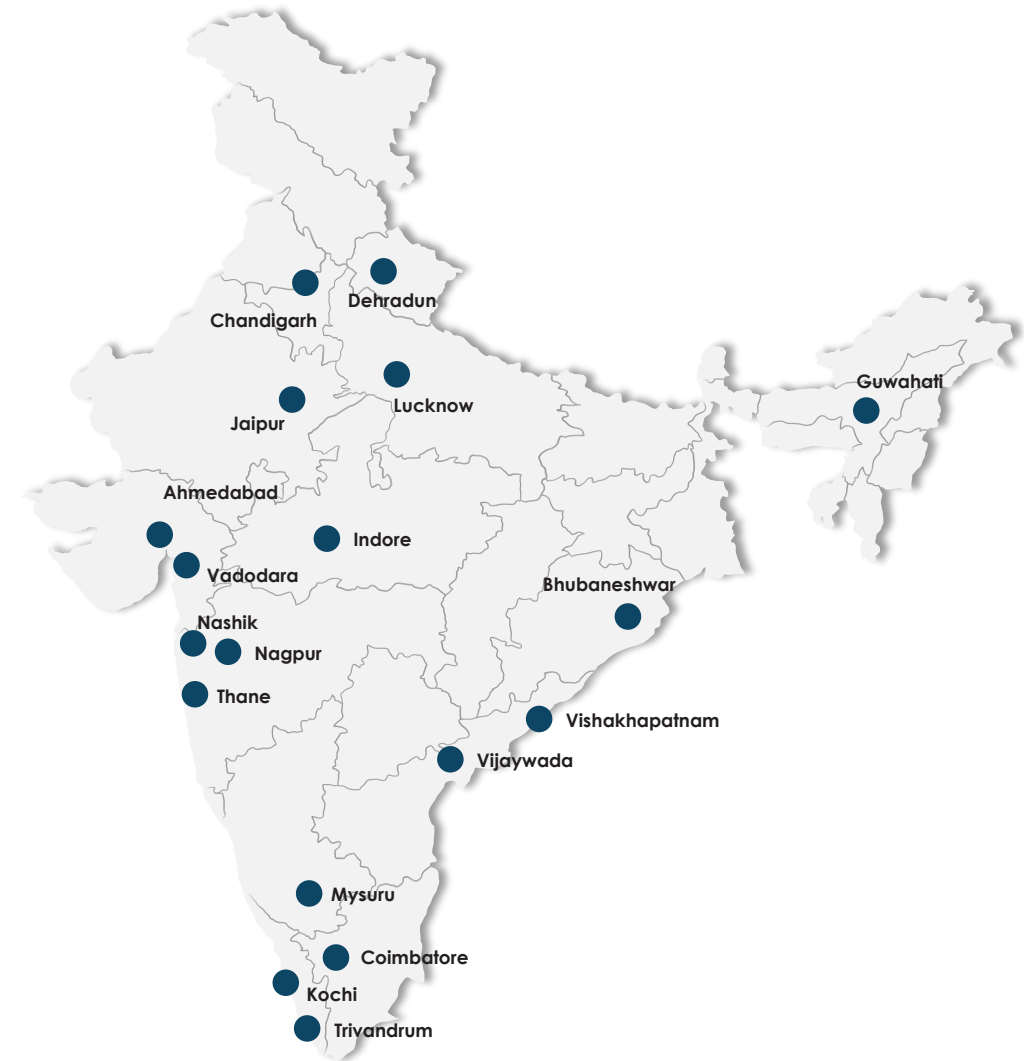
The 18 tier II cities are selected for the study in consultation with Client are mentioned in table and adjoining map.

1	Ahmedabad
2	Bhubaneswar
3	Chandigarh/Mohali
4	Coimbatore
5	Dehradun
6	Guwahati
7	Indore
8	Jaipur
9	Kochi
10	Lucknow
11	Mysuru
12	Nagpur
13	Nashik
14	Thane
15	Trivandrum
16	Vadodra
17	Vijayawada
18	Vizag

Evaluation Parameters

The cities will be evaluated on a total of 13 parameters which are grouped into 5 segments– **Resource Mapping, Real Estate, Quality of Life, Business Operations, and Business Continuity**

Resources	1	Peers
	2	Talent
Real Estate	3	Grade A Assets
	4	Rental Index
Quality of Life	5	Cost of Living
	6	Safety
	7	Healthcare
	8	Traffic
	9	Pollution
Business Operations	10	Business Ease
	11	Air Network
Business Continuity	12	Climate Risks
	13	Political Risks



Study Methodology – Parameters and Weightage

Group	Parameter	Explanation	Weightage
Resources	1 Competition	Locations of competition office portfolio set up. Competition presence will provide talent catchment, but also create attrition risk	20.0%
	2 Talent	Establishes an eco system of fresh talent and installed tech talent	20.0%
Real Estate	3 Availability of Grade A Space	Grade A office space which is compliant to an MNCs general regulatory norms such as fire, ESG, power back up etc.	5.0%
	4 Average Rentals	Average monthly rentals and other associated costs at the office spaces	5.0%
Quality of Life	5 Cost of Living	Cost of living index (compiles general costs of housing, essentials, travel, food, entertainment etc. into an index)	5.0%
	6 Crime Index	Crimes/incidents and citizens perception of safety and law enforcement in the city/state – will significantly affect talent inflow	5.0%
	7 Healthcare Index	Availability of healthcare infrastructure such has hospitals and clinics	5.0%
	8 Traffic Index	Traffic index and availability of public transport such as metro and bus connectivity	5.0%
	9 Pollution Levels (average)	Average, peaks and low values of AQI/ PM 2.5/ PM 10 across the year	5.0%
Business Operations	10 Ease of doing business index (by state)	Government incentives and ease of setting up a business in the city	7.5%
	11 Air Connectivity	Presence of a domestic and international airport, along with air traffic movements	7.5%
Business Continuity	12 Climate Risks	Number of climate related incidents such as typhoons, storms, flooding etc.	5.0%
	13 Political Risks	Historical stability of the government and frequency of transport and labor strikes	5.0%

Competition Considered

Wipro

Tata Consultancy Services

IBM

Infosys

Cognizant

Accenture

Genpact

Capgemini

WNS Consulting

Tech Mahindra

Data Sources

The sources of data collection to undertake evaluation of the cities will consist of mostly secondary and publicly available sources. In relevant cases or as required, we may reach out to industry experts/agencies and executive search/ HR firms for information.

Scoring and weightage of each parameter

Each parameters have been assigned a weightage based the importance and influence the parameter is likely to have Client being able to set up an office in the requisite city. Talent is by far the single most important factor in being able to operator a delivery center, hence it has been delegated the highest weightage. **All the the percentages will add upto of 100%**

Study Methodology – Parameter Scoring

Group		Parameter	Indexing and Scoring Methodology
Resources	1	Peer mapping and talent ecosystem	Composite index created by normalizing the values of the number of peers and total tech talent. Each category is scaled from 0 to 100, with 100 representing the highest value and 0 the lowest in the dataset. Peer locations were sourced from online resources and on-ground broker intelligence.
	2	Talent pipeline	Composite index comprising the number of colleges, STEM graduates, and tech talent. Each category is scaled from 0 to 100, with 100 representing the highest value and 0 the lowest in the dataset.
Real Estate	3	Availability of Grade A Space	Grade A office space that complies with general regulatory norms for MNCs, such as fire safety, ESG standards, and power backup. The index was developed by ranking cities based on the amount of Grade A space available in designated IT parks.
	4	Average Rentals	Average monthly rentals in multitenant spaces procured from various sources and indexed by normalizing the values and inverting the index, where a higher number represents more economical rent.
Quality of Life	5	Cost of Living	Index values generated as a composite of data from secondary sources, such as Numbeo.com (user perception index), and the Ease of Living index developed by the Ministry of Housing and Urban Affairs.
	6	Safety Index	Safety index generated from existing indices available at secondary sources, such as Numbeo.com (user perception index).
	7	Healthcare Index	Healthcare index generated from existing indices available at secondary sources, such as Numbeo.com (user perception index).
	8	Traffic Index	Traffic index generated from existing indices available at secondary sources, such as Numbeo.com (user perception index). The index was then inverted for representation purposes.
	9	Pollution Levels (average)	Pollution index generated from existing indices available at secondary sources, such as Numbeo.com (user perception index), as well as the average annual AQI values. The index was then inverted for representation purposes.
Business Operations	10	Ease of doing business index (by state)	Index created from the Ease of Doing Business report by the World Bank and the Indian Ministry of Industry and Commerce. State ranks are transferred to cities. For example, the index reflects the same value for Nashik and Nagpur, as both are in Maharashtra.
	11	Air Connectivity	Index created by normalizing the values of domestic and international aircraft movements from each city airport, with international flights given a higher weightage. Procured from DGCA documents on total aircraft movements.
Business Continuity	12	Climate Risks	Climate index generated from existing indices available at secondary sources, such as Numbeo.com (user perception index).
	13	Political Risks	Political index generated from existing indices available at secondary sources, such as Numbeo.com (user perception index).

Ahmedabad

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety Index	Healthcare	Traffic	Pollution	Business Ease	Air Connections	Climate Risks	Political Risks	Total
90.0	62.4	48.0	53.3	28.5	68.0	78.0	25.0	40.5	85.0	17.5	52.0	80.0	61.8

Ahmedabad, the largest city in Gujarat, is advancing rapidly in infrastructure and technology. Developments like the Ahmedabad Metro and GIFT City are boosting global connectivity. The city hosts key IT hubs, such as Infocity in Gandhinagar and the SG Highway corridor, attracting major companies like TCS, Wipro, and IBM. Infocity is a prominent IT destination, contributing significantly to Gujarat's tech ecosystem. SG Highway is emerging as a commercial and tech hotspot, with startups and IT firms growing.

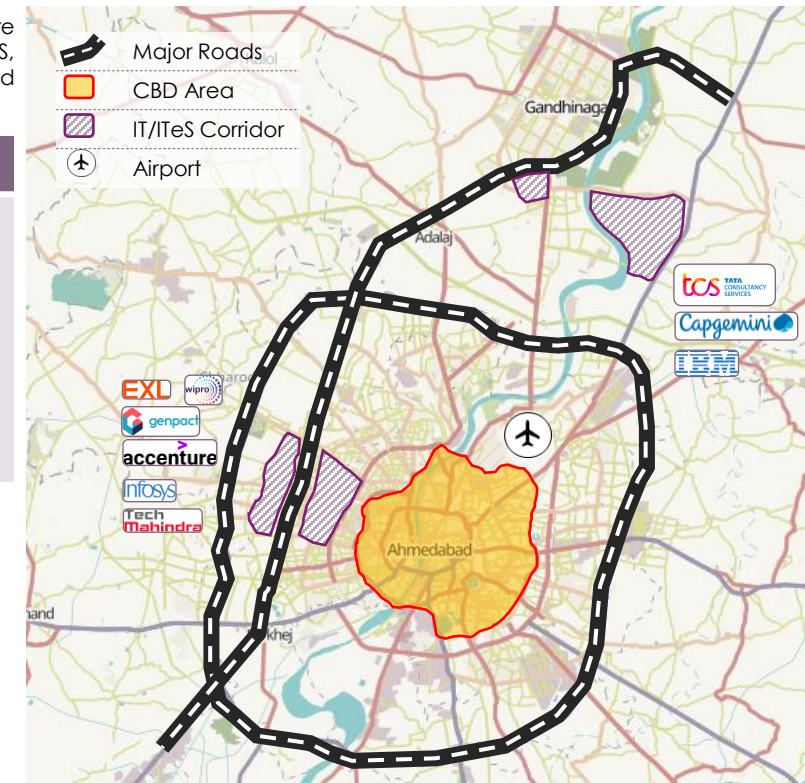
Real Estate	Quality of Life	Business Operations	Business Continuity
Ahmedabad's real estate sector is growing rapidly due to key projects like the Ahmedabad Metro and the development of GIFT City, attracting both commercial and residential investments. Competitive land prices and proximity to major industrial hubs like Sanand further boost its appeal.	Ahmedabad offers a high quality of life with modern amenities, top educational institutions, and healthcare facilities. Its pleasant climate, cultural heritage, and proximity to natural attractions make it ideal for professionals and families.	100% SGST reimbursement for new businesses in specified sectors for the first 5 years. Capital subsidies and incentives are offered to IT and ITeS sectors under Gujarat's Industrial Policy.	Ahmedabad's robust infrastructure, stable climate, and relatively low disaster risk ensure excellent business continuity. Continuous urbanization, along with digital advancements, enhances the city's resilience for operational stability.

Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~8.4 Mn	Gujarati, Hindi, English	88.16%	19,000-21,000	INR 8-12 LPA	~90k-95k	~500+

Key Occupiers



Strengths	Weaknesses	Opportunities	Threats
Established IT ecosystem, talent catchment and suitable real estate assets. High on safety and healthcare with moderate rentals	Cost of living comparable to tier 1 cities and rise in traffic in recent past.	Mumbai – Ahmedabad bullet train to boost connectivity. Business friendly government and emerging IT hubs	Rapid development in Navi Mumbai may give competition as a lower cost alternative to companies



Key Takeaway

Ahmedabad has ample suitable real estate and the talent eco system to support IT set ups. The SG Highway and GIFT city have attracted many MNC. This is a recommended option.



Bhubaneswar

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
45.6	65.4	36.0	73.3	47.6	57.3	74.0	50.0	57.1	70.0	6.2	46.0	54.0	52.7

Bhubaneswar, the capital of Odisha, is rapidly emerging as a key player in India's IT and infrastructure sectors. Developments such as **Info Valley SEZ and Infocity** have attracted major IT firms like **TCS, Wipro, Infosys, and IBM**. Additionally, tech hubs like the **Chandaka Industrial Estate and O-Hub** foster innovation and support startups. The city's robust infrastructure and continued investments in digital connectivity and urban development are solidifying its position as a fast-growing destination for technology and business

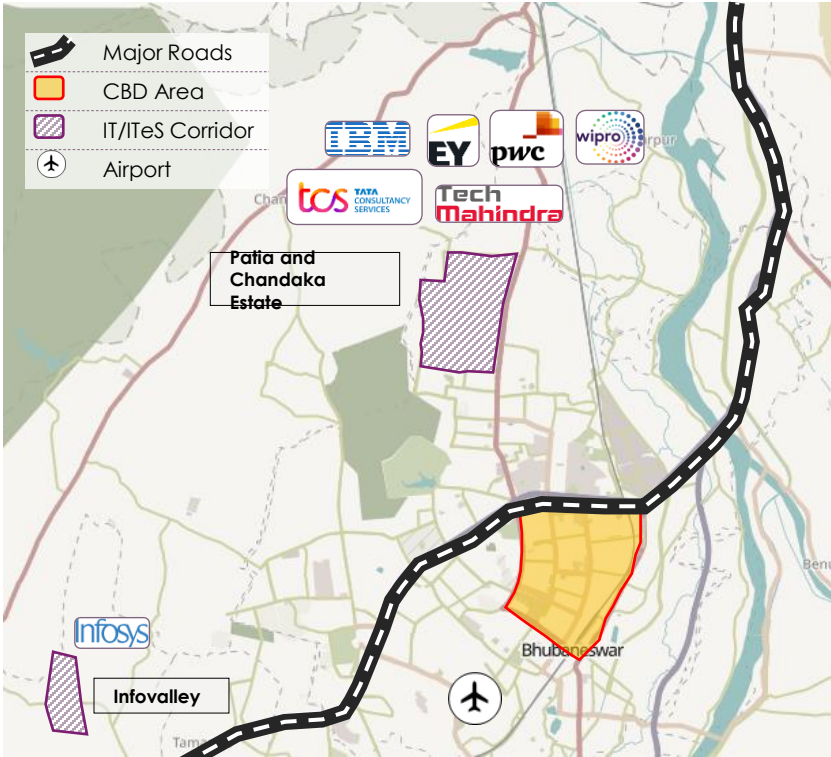
Real Estate	Quality of Life	Business Operations	Business Continuity
Bhubaneswar's real estate is rapidly growing, driven by key developments like Info Valley SEZ and Infocity. Land rates are competitive for large establishments and there is presence of a flex and multi tenanted office eco system	Bhubaneswar offers a high quality of life with modern amenities, top educational institutions, and healthcare services. Its rich cultural heritage and green spaces, along with its pleasant climate, make it an ideal city for families and professionals.	Odisha's IT Policy offers a 30% capital investment subsidy, 100% SGST reimbursement for 5-7 years, lease and incubation space rental subsidies, power tariff subsidies , and recruitment assistance. It also promotes investments in emerging technologies like AI, Blockchain, and IoT	The city's strong infrastructure, low disaster risk, and growing urbanization ensure stable business operations. Bhubaneswar's digital initiatives further enhance business resilience, making it an increasingly popular business hub.

Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~1.22 Mn	Odia, Hindi, English	93.15%	30,000-31,000	INR 8-12 LPA	~40k-45k	~250+

Key Occupiers



Strengths	Weaknesses	Opportunities	Threats
Established IT ecosystem with access, affordable real estate. Strong safety record and healthcare infrastructure,	Limited international flight connectivity and growing traffic issues as the city urbanizes rapidly.	Emerging as a tech hub with support from government incentives for IT, electronics, and emerging technologies. Expansion of Info Valley SEZ and IT parks.	Increasing competition from rising IT hubs like Navi Mumbai and Kochi, which may offer lower operational costs.



Key Takeaway

Bhubaneshwar has come up significantly in the last 10 years with Patia becoming the main hub for large IT companies. Only Infosys has its own set up in Infovalley. This option may be considered to tap into the eastern talent market.



Chandigarh

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
54.4	21.6	30.0	60.0	43.2	65.2	76.0	45.0	61.9	72.0	4.7	58.0	55.0	45.7

Chandigarh Tri-City (Chandigarh, Mohali, Panchkula) is a growing IT hub, attracting firms like Infosys and Tech Mahindra to its tech parks, including Rajiv Gandhi Chandigarh Technology Park and Quark City. The region's infrastructure, connectivity, and startup ecosystem make it a rising destination for innovation and technology-driven businesses.

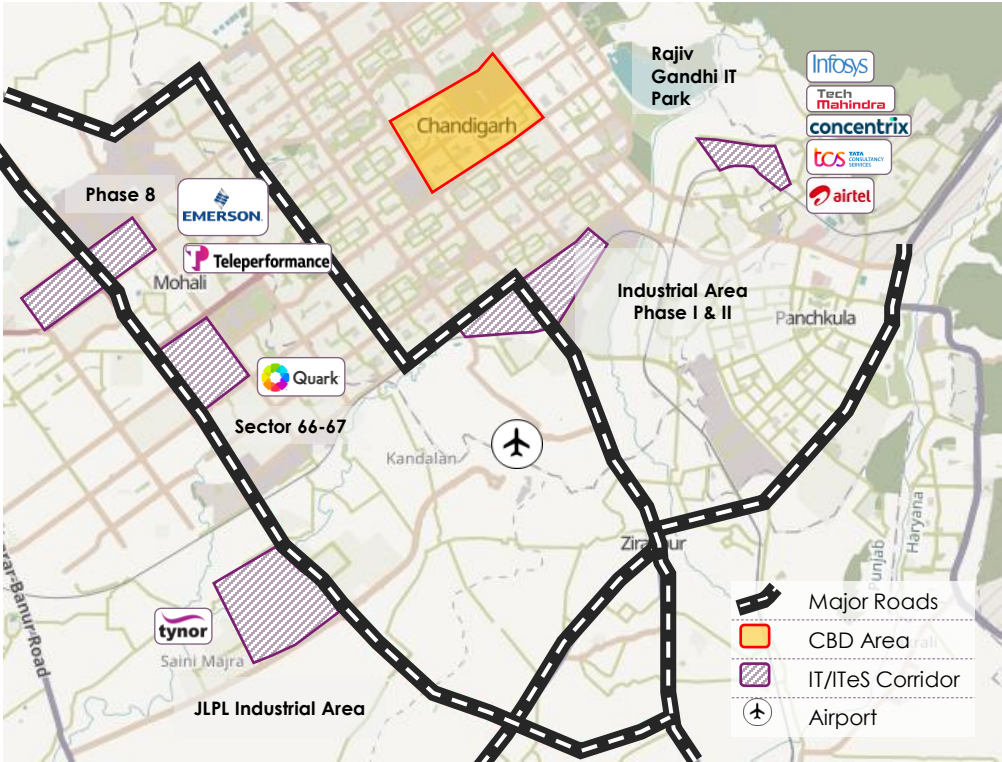
Real Estate	Quality of Life	Business Operations	Business Continuity
Steady growth in real estate driven by upcoming infrastructure projects such as the IT City in Mohali, Aerocity, and the expansion of the metro system. Good grade A assets with developer such as DLF, SP, Elante and Godrej having commercial assets	Highly rated for quality of life with its green spaces, excellent educational institutions, and state-of-the-art healthcare facilities. Its low crime rate, well-planned urban design, and access to cultural and recreational activities attract professionals, families, and retirees.	New IT and ITeS units can benefit from 80% exemptions on GST for a specific period. Exemption from electricity duty and stamp duty is also provided for IT firms in certain designated zones. IT businesses, particularly small and medium-sized enterprises (SMEs), can access capital subsidies	The city's strong infrastructure, low disaster risk, and growing urbanization ensure stable business operations. Bhubaneswar's digital initiatives further enhance business resilience, making it an increasingly popular business hub.

Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~1.19 Mn	Punjabi, Hindi, English	86.05%	4,000-4,500	INR 8-12 LPA	~55k-60k	~500+

Key Occupiers



Strengths	Weaknesses	Opportunities	Threats
Well-established IT infrastructure. Proximity to the nation capital and good talent catchment	Rising cost of living and increasing traffic congestion as the city expands, like challenges faced by Tier 1 cities.	Growth in the IT City Mohali and Rajiv Gandhi Technology Park attract global companies. Favorable policies and Infrastructure	Potential competition from lower cost micro markets in Noida and Gurugram. Possibility for talent to move base to Delhi NCR



Key Takeaway

With very good connectivity to Delhi, good quality of life, Chandigarh has become a hub for smaller IT companies in the north. The Rajiv Gandhi IT Park and Phase 8 in Mohali are hosting IT/ITeS set ups. **This option may be considered.**



Coimbatore

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
54.4	90.0	15.0	60.0	40.5	64.3	72.0	45.0	71.4	83.0	3.6	58.0	60.0	59.7

Coimbatore is emerging as a key IT hub, attracting companies like Cognizant, Wipro, and Bosch to its IT zones, including TIDEL Park and CHIL SEZ. With strong infrastructure, affordable real estate, and excellent connectivity, the city is ideal for businesses. Tech parks like ELCOT and KGISL are positioning Coimbatore as a growing destination for technology-driven industries in South India.

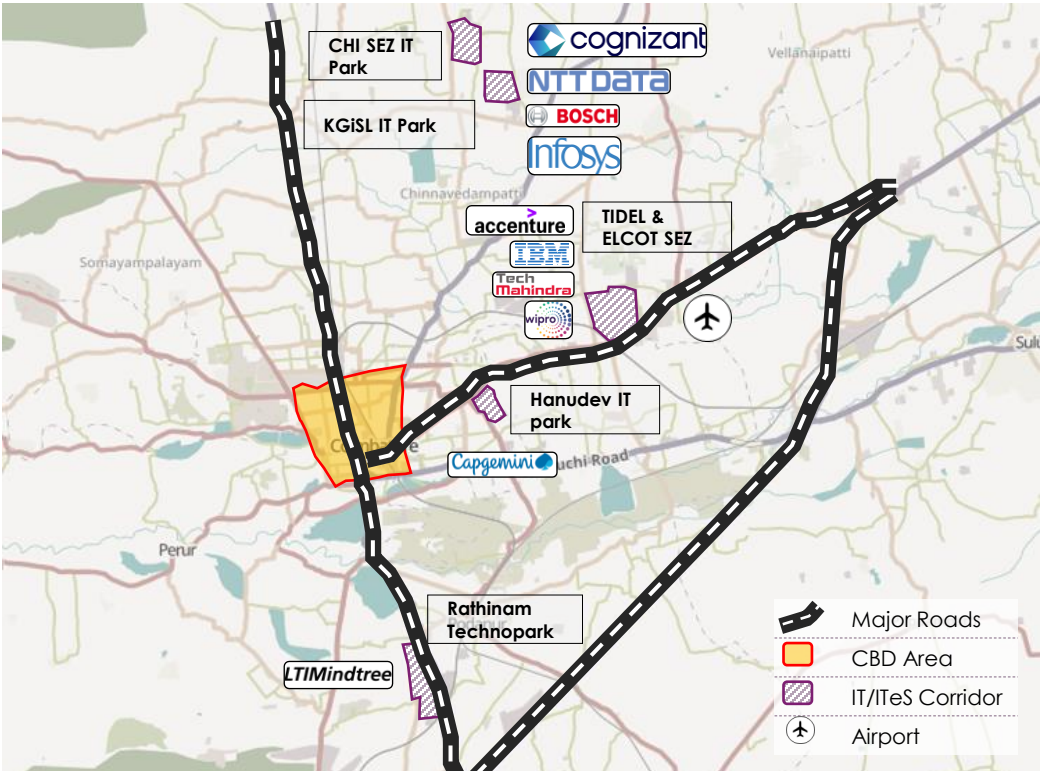
Real Estate	Quality of Life	Business Operations	Business Continuity
Coimbatore's real estate sector is booming, supported by its expanding IT zones. Infrastructure developments such as the Outer Ring Road and proposed metro projects enhance its appeal for commercial and residential investments.	Coimbatore offers a high quality of life with a pleasant climate, strong educational institutions, modern healthcare facilities, and a low cost of living. Its green surroundings, cultural heritage, and proximity to hill stations make it attractive for professionals and families.	100% SGST reimbursement for new IT businesses under Tamil Nadu's Industrial Policy. Various capital subsidies and incentives are provided to IT and ITeS companies operating in SEZs.	Coimbatore's reliable infrastructure, temperate climate, and minimal disaster risks ensure operational stability for businesses. Continued urbanization and investments in smart city projects further strengthen business continuity.

Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~2.86 Mn	Tamil, English	91.30%	41,000-43,000	INR 8.5-12 LPA	~41k-43k	~250+

Key Occupiers



Strengths	Weaknesses	Opportunities	Threats
Established IT infrastructure, availability of skilled talent via the established IT ecosystem and colleges. Highly rated on safety and healthcare	Increasing traffic congestion and growing real estate prices in key areas. Public transport options still developing.	Development of metro rail, and supportive policies for IT/ITeS sectors. Growing demand for tech startups and industries in tier 2 cities.	Competition from emerging IT hubs like Kochi and Trivandrum with comparable or lower costs for businesses.



Key Takeaway

As the main industrialized city in Tamil Nadu after Chennai, Coimbatore hosts most of the IT ITeS companies in its government backed IT parks and has the tech talent pool to support. This is a recommended option.

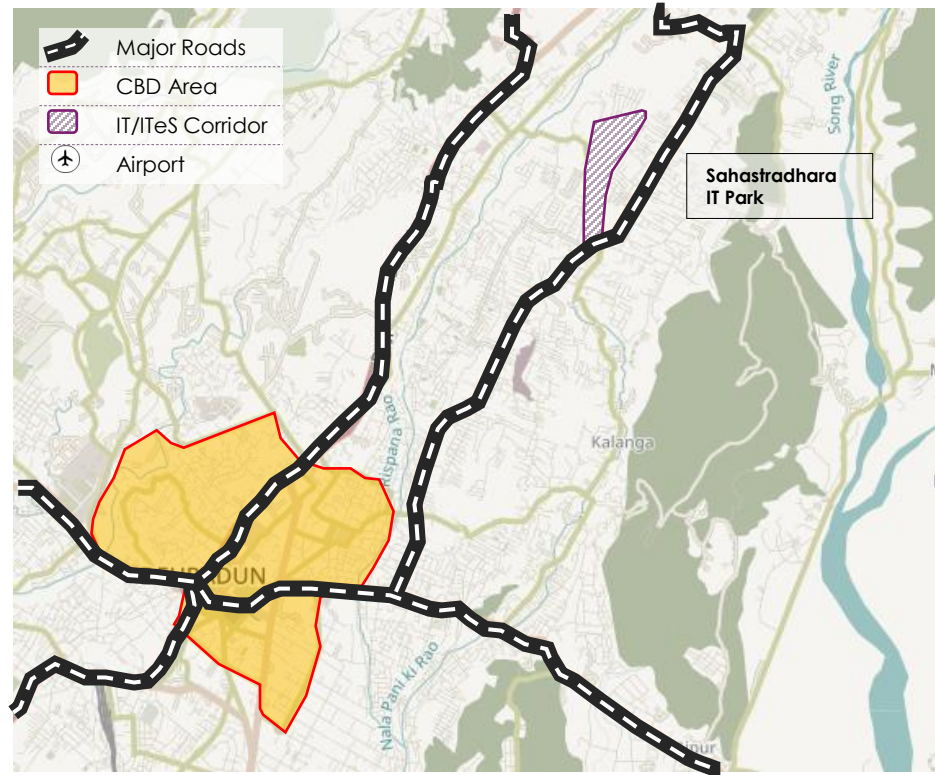


Dehradun

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
2.9	19.9	5.0	73.3	47.0	60.2	68.0	20.0	58.1	58.0	2.8	52.0	56.0	30.0

Dehradun, the capital of Uttarakhand, is undergoing rapid infrastructure growth, including the Delhi-Dehradun Expressway and Jolly Grant Airport upgrades. The IT Park on Sahastradhara Road, spread across 98.38 acres, hosts organizations like NABARD and UCO Bank, catering to the IT sector. While SEZs are not yet established, discussions continue for zones focusing on IT and pharmaceuticals, supported by urbanization, improved digital infrastructure, and a skilled workforce.

Real Estate	Quality of Life	Business Operations	Business Continuity
Dehradun's real estate is expanding due to key infrastructure projects like the Delhi-Dehradun Expressway and the IT Park, attracting both commercial and residential developments. Affordable land prices and proximity to major industrial hubs like Haridwar further enhance its appeal.	Dehradun offers a desirable quality of life, with a pleasant climate, proximity to natural attractions, and modern amenities, making it a preferred location for professionals and families. The city's educational institutions and healthcare facilities add to its livability.	100% SGST reimbursement for businesses in specified categories for 5 years Capital subsidies for new IT and ITes establishments. Tax incentives under the state's Mega Industrial and Investment Policy. Special power tariff concessions and land allotment benefits in designated industrial zones	The city's infrastructure upgrades, stable climate, and relatively low disaster risk ensure strong business continuity and operational stability for companies. Ongoing urbanization and digital advancements further strengthen the city's resilience.



Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~0.58 Mn	Hindi, English	89.32%	~15,000	INR 5-7 LPA	~15k	~80+

Key Occupiers



Strengths	Weaknesses	Opportunities	Threats
Pleasant climate, good connectivity to Delhi and lower cost of living	Negligible presence of large global originations and no good quality real estate	Delhi – Dehradun expressway to boost investments and drive demand	Environmental challenges due to rapid urbanization and competition from other tier 2 cities with a better eco system

Key Takeaway

While real estate costs are lower along with high-speed connectivity with Delhi, Dehradun does not have the talent or suitable facilities to support a large set up and is **not a recommended option**







Guwahati

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
5.0	4.8	0.0	73.3	46.7	55.5	58.0	25.0	40.5	45.0	8.1	42.0	29.0	25.0


Guwahati is in the early stages of IT development compared to other tier-2 cities. Known primarily for its commercial significance and distribution hub for the north-east, the city is now beginning to attract IT investments. **TCS has set up a learning hub** at IIT Guwahati, while **Infosys has recently begun operations**, marking an important step forward. Moreover, **Tech City**, located about 30 km from Guwahati, is expected to boost the local IT ecosystem. This 120,000 sq ft facility will focus on emerging technologies like **AI, Robotics, IoT**, and is projected to create 8,000 jobs, enhancing the region's tech infrastructure and startup ecosystem

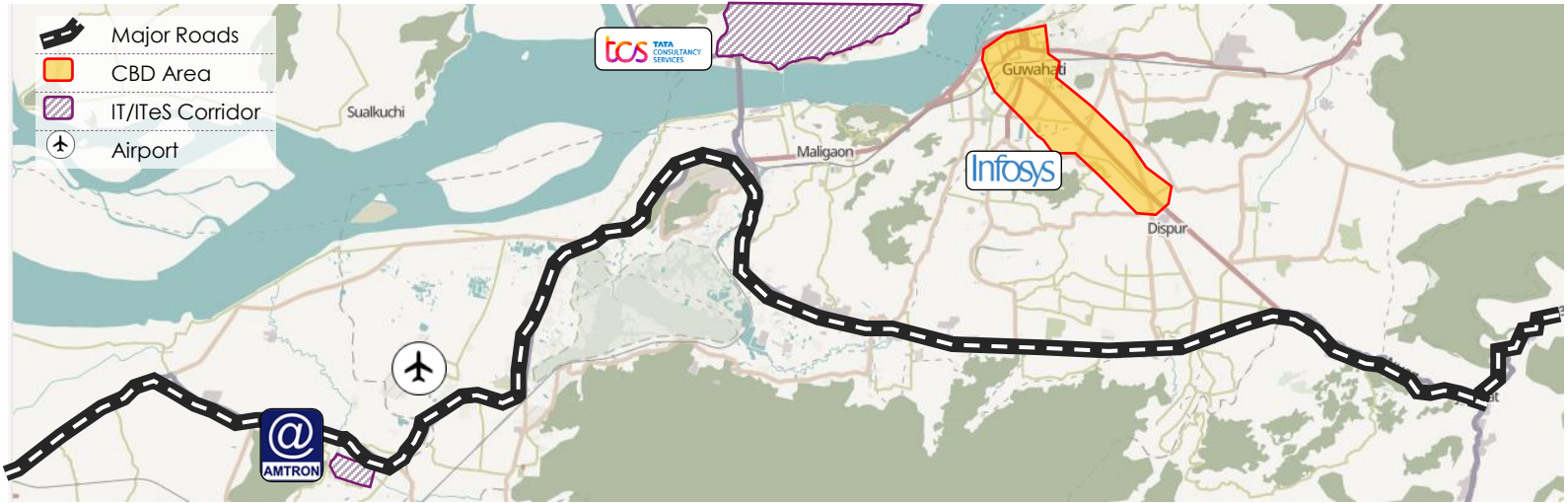
Strengths	Weaknesses
Emerging IT infrastructure, Tech City, presence of TCS and Infosys. Presence of IIT offer talent catchment	Nascent IT sector, limited public transport, small startup ecosystem.
Opportunities	Threats
Growth in smart city projects, new IT parks, government incentives for promoting newer technologies. Well connected airport.	Competition from other tier-2 hubs such as Bhubaneswar, and tier 1 cities such as Kolkata, which are still comparatively lower cost

Key Occupiers



Key Takeaway
The largest city in Assam is also the host to a legacy IIT. However, companies are only exploring smaller set ups via the STPI route. The talent eco systems is nascent at best. This is not a recommended option.





Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~1 Mn	Assamese, Hindi, English	91.47%	~10,000	INR 5.5-7 LPA	~10k	~80+

Real Estate	Quality of Life	Business Operations	Business Continuity
Guwahati's real estate is growing, driven by increasing commercial and residential developments, with affordable options compared to other metro cities. New IT infrastructure, like Tech City, is set to further boost property investments.	Guwahati offers a decent quality of life with access to educational institutions like IIT Guwahati, and healthcare facilities. Its proximity to natural landscapes and cultural heritage adds to its appeal.	Government initiatives, including SEZs and incentives, encourage IT companies like TCS and Infosys to invest in the region, though it's still in early stages compared to other cities.	Guwahati's strategic location, ongoing urbanization, and projects like smart city initiatives contribute to long-term business stability, with relatively low disaster risks compared to other regions.

Indore

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
60.3	67.6	30.0	66.7	44.8	59.7	68.0	40.0	64.3	80.0	5.9	58.0	44.0	55.8

Indore is quickly establishing itself as a central IT hub in India. Historically known for manufacturing, the city now attracts **major IT firms like TCS and Infosys** at the **Super Corridor**. IT parks such as **Crystal IT Park and the Vijay Nagar area** are occupied by smaller offices of large MNCs suc has **Accenture and Teleperformance** as well as several startups, fueling the city's tech growth. Indore's expanding infrastructure, including the upcoming metro rail, further enhances its appeal as a suitable location for IT/ITeS set ups.

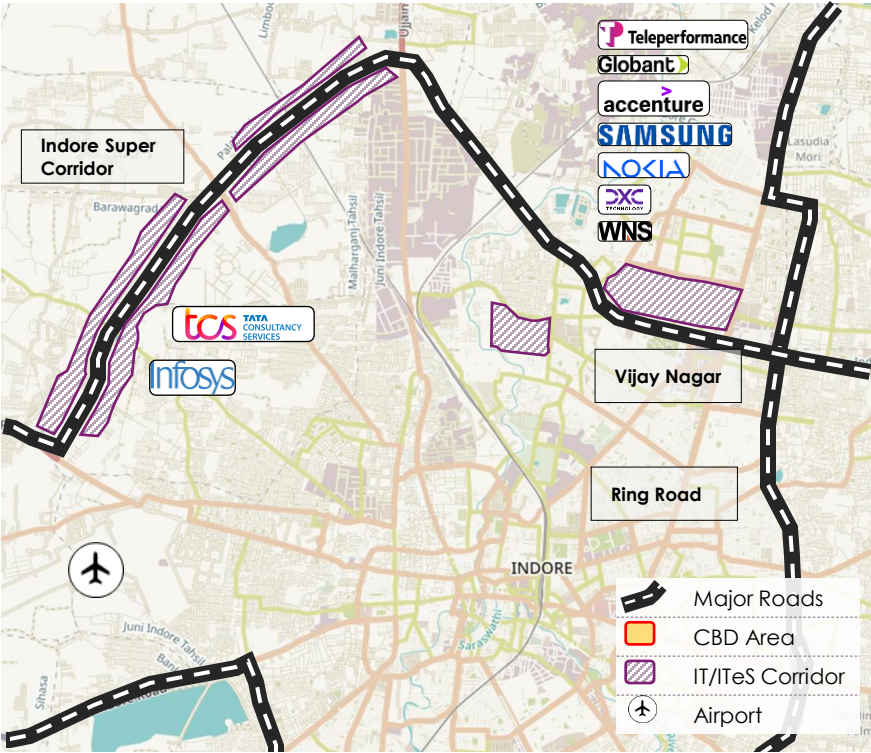
Real Estate	Quality of Life	Business Operations	Business Continuity
Indore's real estate is driven by the Super Corridor for larger BTS level IT developments. Multi-tenanted assets like Brilliant IT Park in Vijay Nagar and Crystal IT Park which are central to smaller set ups and start ups. Competitive property prices further enhance its appeal.	Indore offers a balanced lifestyle with a mix of modern, educational institutions and healthcare facilities The city's cleanliness initiatives and expanding metro system add to its appeal. Increasing traffic and pollution remain a concern	The city's infrastructure supports the rapid growth of tech and manufacturing sectors. Additionally, government incentives include land subsidies up to 75%, CAPEX assistance up to 25% of investment, rental assistance up to ₹3000 per seat.	Indore's robust infrastructure, low disaster risk, and smart city initiatives ensure stable business operations. Investments in the metro project and urbanization efforts further enhance the city's business resilience and connectivity.

Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~3.2 Mn	Hindi, English	85.87%	19,000-20,000	INR 7.5-12 LPA	~65k-70k	~300+

Key Occupiers



Strengths	Weaknesses	Opportunities	Threats
Strong base in IT, manufacturing, and textiles. Affordable real estate, growing infrastructure, and skilled workforce. Established players set up already.	Developing public transport system and a smaller IT sector compared to cities like Bangalore.	Growth in smart city projects, new IT parks like Crystal, and government incentives for tech companies.	Competition from IT hubs like Ahmedabad and Pune, and potential real estate market saturation.



Key Takeaway

The Vijay Nagar and Super Corridor areas in Indore have attract larger set ups of IT companies. With its municipality focusing on cleanliness and high quality of life – Indore is coming up as a strong contender for hosting IT set ups. **This option may be considered**



Jaipur

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
75.0	61.4	40.0	66.7	44.5	56.4	67.0	30.0	40.5	68.0	8.8	56.0	55.0	55.9

Jaipur is emerging as a key IT hub, attracting companies like Infosys, Wipro, and Tech Mahindra to areas such as Mahindra World City and Sitapura Industrial Area. Its growing tech infrastructure, affordable real estate, and strong connectivity make it appealing for businesses. With tech parks like STPI fostering innovation and startups, Jaipur's strategic location and resources position it as a rising destination for technology-driven industries in India.

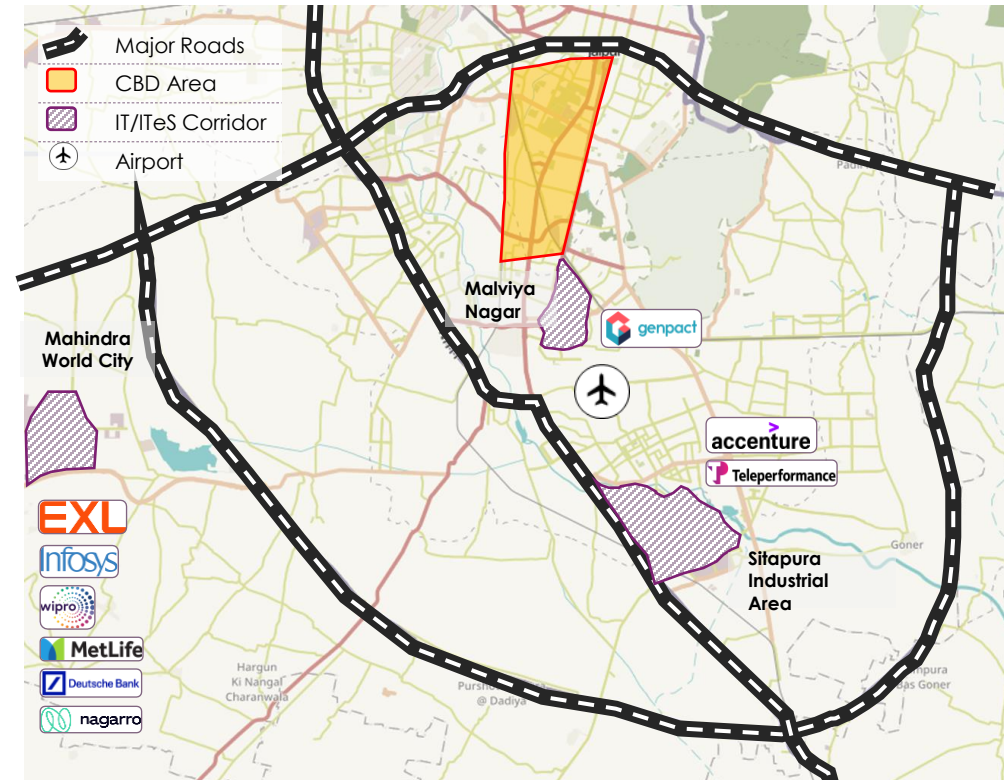
Real Estate	Quality of Life	Business Operations	Business Continuity
Jaipur's real estate sector is booming with demarcated zones such as like Mahindra World City and Sitapura Industrial Area , attracting IT investments. Affordable land prices and proximity to major tech hubs enhance its appeal for commercial and residential purposes.	Jaipur offers a balanced lifestyle with modern amenities, quality healthcare, and top educational institutions. Traffic and safety issues along with an extremely dry and hot summer do remain a concern.	Investment Subsidy: 75% of state tax due and deposited for 7 years . Capital Subsidy: Up to 50% of the project cost for R&D centers , Global Capability Centers, and test labs, capped at ₹5 crores. Training Incentive: ₹10,000 per person per month for 12 months for core R&D roles. Land subsidies are offered as well	Jaipur's robust infrastructure, stable environment, and low disaster risk ensure uninterrupted business operations. The city's rapid digital advancements and proximity to the national capital strengthen its resilience and ensure continuity.

Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~4.1 Mn	Hindi, Marwadi, English	83.33%	16,000-17,000	INR 8.5-12.5 LPA	~90k-95k	~500+

Key Occupiers



Strengths	Weaknesses	Opportunities	Threats
Emerging IT ecosystem with growing tech parks like Mahindra World City and Sitapura. Affordable real estate and moderate rentals	Growing cost of living compared to other tier-2 cities. Increasing traffic and infrastructural stress.	Strategic location, improving infrastructure, Government incentives and proximity to Delhi enhance its business appeal.	Potential competition from lower cost micro markets in Noida and Gurugram. Possibility for talent to move base to Delhi NCR



Key Takeaway

With Delhi-Mumbai expressway provided very good connectivity, Jaipur is now a suitable option to consider. The Mahindra World city has been hosting large IT set ups for long. The city also attracts a large graduate pipeline for Rajasthan. **This option may be considered.**



Kochi

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
55.6	46.7	48.0	60.0	41.9	63.4	74.0	30.0	81.0	70.0	25.0	42.0	55.0	52.3

Kochi is rapidly emerging as a key technology and logistics hub, driven by its strategic location and cost advantages. Real estate rentals in Kochi are approximately 50% lower than in Tier-1 cities, making it attractive for IT firms. Infopark Kochi hosts major companies like TCS, Cognizant, Wipro, and Infosys, supported by government incentives such as the Smart City Mission. As a port city, Kochi plays a critical role in India's logistics network, enhancing its position as a business destination. Though the talent pool is smaller than in established hubs, Kochi benefits from a steady supply of skilled graduates from institutions like CUSAT. Additionally, government-backed programs like Kerala Start-up Mission and investments in infrastructure are helping the city scale up. With strong growth in IT and logistics, Kochi is set to become a major player in India's technology landscape.

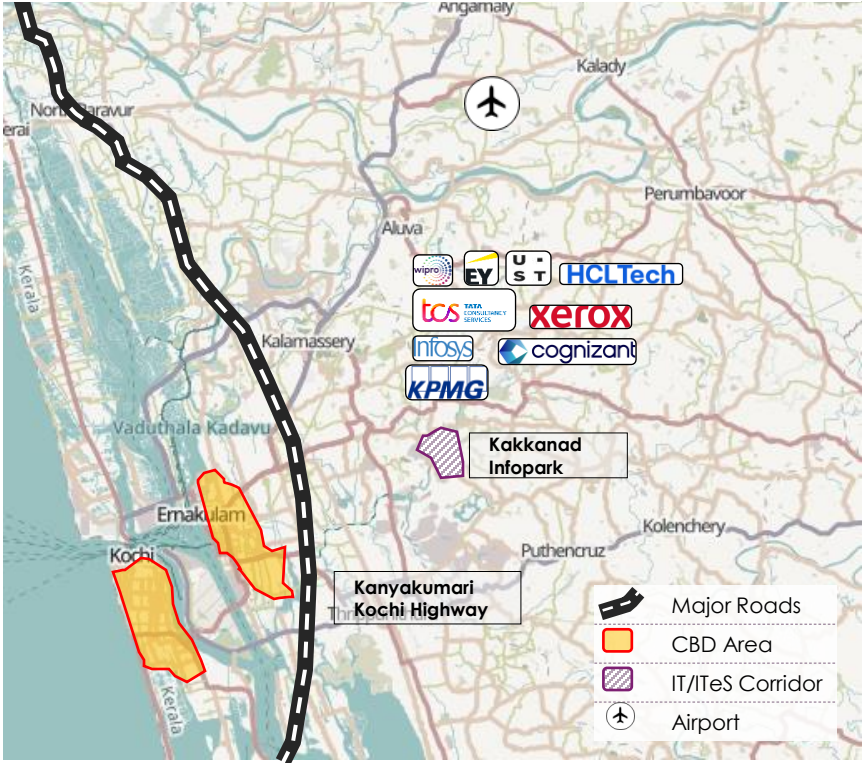
Real Estate	Quality of Life	Business Operations	Business Continuity
Kochi's real estate market is expanding, with increasing demand for commercial office spaces in Infopark . Real estate costs and availability make highly attractive.	Kochi offers a high quality of life, with relatively low living costs, a tropical climate, and access to excellent healthcare and education. The city's cultural richness and proximity to natural attractions enhance its appeal	Kerala's IT Policy offers capital subsidies of 15% to 40%, depending on investment size and district. It includes SGST reimbursement up to 25% (capped at ₹10 crores for 3 years), 50% land conversion charge reduction , and stamp duty exemptions up to 50%. Other benefits include power tariff relief and green initiative incentives.	Kochi has a strategic location, being a port city with a well-connected airport. However, Kerala is susceptible to political instability and occasional strikes are common and disrupt daily life

Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~3.3 Mn	Malayalam, Hindi, English	97.36%	5,700-6,300	INR 8-13 LPA	~40k-45k	~200+

Key Occupiers



Strengths	Weaknesses	Opportunities	Threats
Strong logistics infrastructure, strategic location with a port, growing IT presence in Infopark and nearby SEZs, and competitive real estate costs	Kochi's IT talent pool is smaller compared to other established IT hubs like Bengaluru, and infrastructure development is slower	Continued expansion through Smart City projects, government SEZ support, and the presence of tech giants offer room for further growth	Competition from more established IT hubs such as Bengaluru and Chennai. Slower infrastructure scaling may affect the pace of business expansion



Key Takeaway

As the largest city , Kochi has seen the bulk of IT occupiers in the state of Kerala and has also benefited the most from its policies. The Kakkanad Infopark is a establishing itself as a large ecosystem of IT occupiers. **This is option maybe considered**



Lucknow

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
31.5	62.1	8.0	66.7	47.0	54.0	63.0	25.0	16.7	65.0	9.0	52.0	24.0	42.1

Lucknow, the capital of Uttar Pradesh, is progressing in infrastructure, though its IT ecosystem is still developing compared to cities like Ahmedabad or Chandigarh. The establishment of IT City near Lucknow-Sultanpur Road, with companies like HCL, marks its initial steps in tech. The city's economy is driven by government administration, education, manufacturing, and retail. Major projects like the Lucknow Metro and the proposed Defense Corridor are boosting development. While Lucknow shows promise, its IT sector remains in its early stages compared to other emerging cities in India.

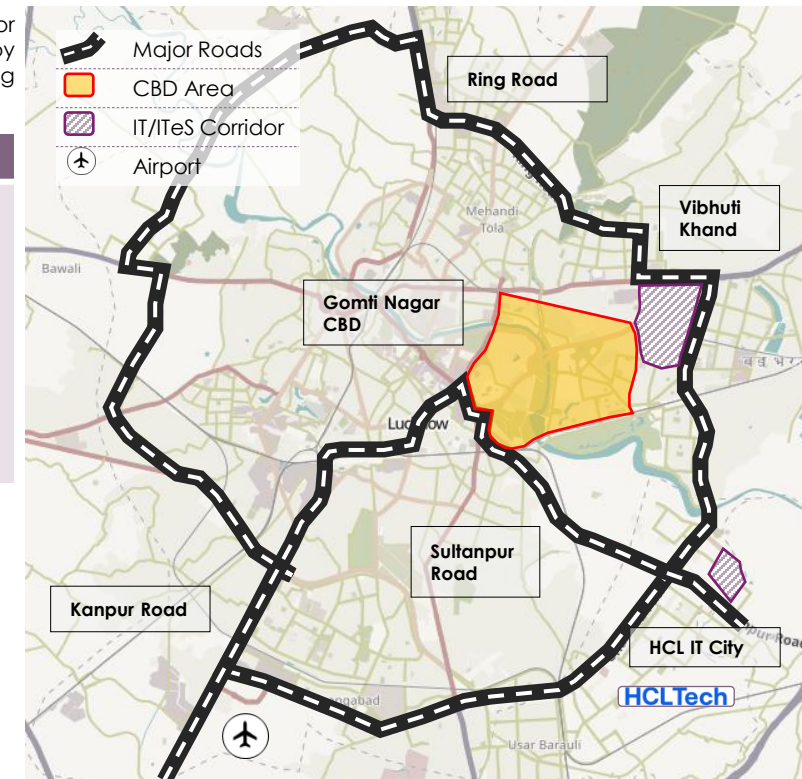
Real Estate	Quality of Life	Business Operations	Business Continuity
Lucknow's real estate sector is growing, driven by projects like the Lucknow Metro, IT City, and Defense Corridor. However, the lack of Grade A commercial assets poses a challenge for larger businesses. Affordable land and proximity to industrial hubs still make it attractive for investments along the Lucknow-Sultanpur Road.	While Lucknow offers modern amenities and expanding infrastructure, issues like traffic congestion and safety concerns remain significant challenges. The city's traffic index and safety scores are lower compared to other emerging cities, which can detract from the overall quality of life for residents	Incentives include 100% SGST reimbursement for new businesses, capital subsidies of up to 25%, 100% stamp duty exemption, under its IT, ITeS, and industrial investment policies. However, the underdeveloped commercial real estate and ongoing infrastructure projects may limit opportunities for larger, established companies.	Lucknow's growing infrastructure and improving digital connectivity support business operations, but inconsistent urban planning and traffic issues present challenges to business continuity. Long-term resilience will depend on further urban development and better traffic management systems.

Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~4 Mn	Hindi, Urdu, English	82.50%	22,000-23,000	INR 8-11 LPA	~50k-55k	~200+

Key Occupiers



Strengths	Weaknesses	Opportunities	Threats
Projects like Lucknow Metro and IT City, affordable real estate, growing industrial hubs and strong educational institutions.	Limited Grade A office spaces, lower safety and traffic indices compared to other cities. IT infrastructure still developing.	Defense Corridor, metro expansion, and government incentives for startups. Strategic location within Uttar Pradesh for future growth	Cities like Noida and Greater Noida, offering established IT infrastructure and real estate options, can divert investments



Key Takeaway

Although Lucknow offers lower real estate cost, it lacks the talent pool and suitable facilities for supporting large-scale operations, **making it an unfavorable option**



Mysuru

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
24.7	42.5	12.0	73.3	42.6	66.7	74.0	60.0	81.0	80.0	0.3	72.0	80.0	47.5

Mysuru is emerging as a growing IT hub in southern India, with key companies like Infosys, Wipro, and L&T Infotech. IT parks such as Mysuru IT Park and the Software Technology Parks of India (STPI) provide infrastructure for tech growth. Government-backed initiatives under Karnataka’s IT Policy are fostering innovation and supporting startups. With an educated workforce from institutions like the University of Mysore and a lower cost of living compared to Bengaluru, Mysuru is becoming a prime location for tech expansion. However, the city still faces challenges in scaling infrastructure and its talent pool, though ongoing investments aim to address these gaps(

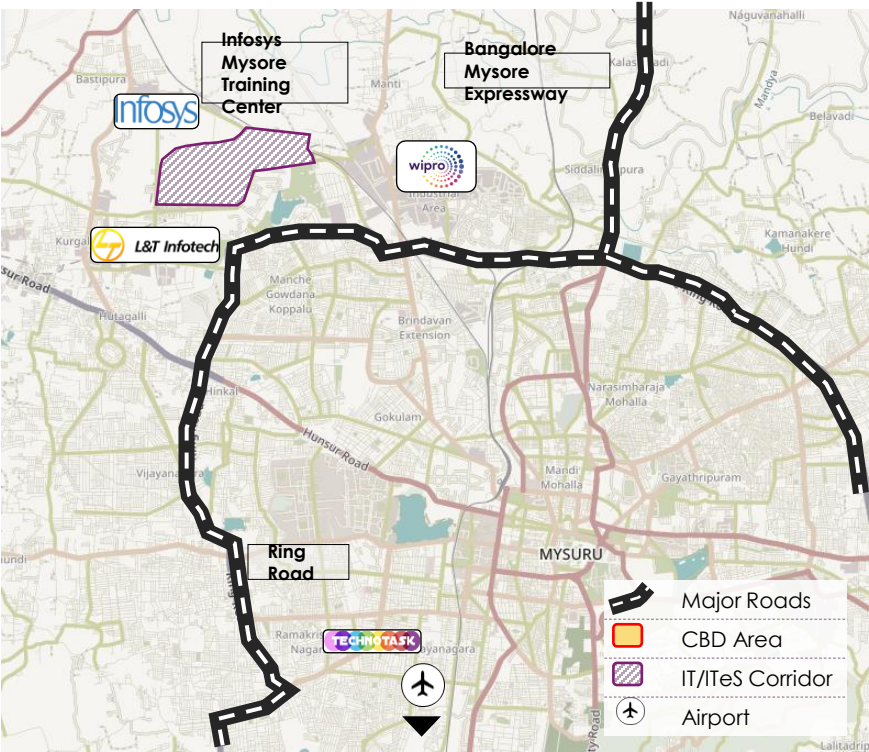
Real Estate	Quality of Life	Business Operations	Business Continuity
The real estate market in Mysuru is expanding with dedicated IT parks like Mysore IT Park and STPI Mysore. Office spaces are growing, although the demand is still lower than in Tier 1 cities.	Mysuru offers a high quality of life with lower living costs than Bengaluru. It has a relaxed environment, good healthcare, and top educational institutions.	Karnataka’s IT Policy 2020 offers investment subsidies of 10% to 30%, SGST reimbursements up to 75% for 7 years , and stamp duty exemptions up to 100% , along with capital subsidies and land conversion fee waivers , based on project size and location	Mysuru’s strong government backing, low disaster risk, reliable infrastructure, ensures good business continuity for companies. It’s proximity to Bangalore and presence of the Infosys facility ensure adequate infrastructure.

Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~1.15 Mn	Kannada, Hindi, English	86.79%	6,000-7,000	INR 5.5-7.6 LPA	~55k-60k	~50+

Key Occupiers



Strengths	Weaknesses	Opportunities	Threats
Presence of key players like Infosys, L&T and L&T Infotech Strong government initiatives and proximity to educational institutions.	The IT ecosystem is still maturing compared to larger hubs like Bengaluru. Limited talent pool and scaling challenges.	Expansion of IT parks and government support for startups. The city's growing infrastructure and talent pool present opportunities for new companies.	Competition from well-established IT hubs such as Bengaluru may slow down growth. Infrastructure scaling may take time.



Key Takeaway

Very well connected to Bangalore, Mysuru has a large tech talent eco system, which is also due to the large Infosys training facility situated here. However, other than that there are not too many other companies. **This is not a recommended option.**



Nagpur

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
31.5	61.4	24.0	70.0	45.5	60.1	68.0	40.0	57.1	82.0	4.2	54.0	60.0	49.0

Nagpur, centrally located in India, is emerging as a key IT and logistics hub. Historically known for agriculture and trading, the city is attracting IT companies like HCL, Tech Mahindra, and TCS through the MIHAN SEZ. Though still developing, government initiatives and strategic projects like MIHAN are driving growth. Despite some challenges with scaling infrastructure, Nagpur's access to skilled talent from NIT Nagpur and IIM Nagpur positions it well for future IT expansion. With continued focus on real estate and smart city initiatives, Nagpur is set to become a key IT and logistics destination.

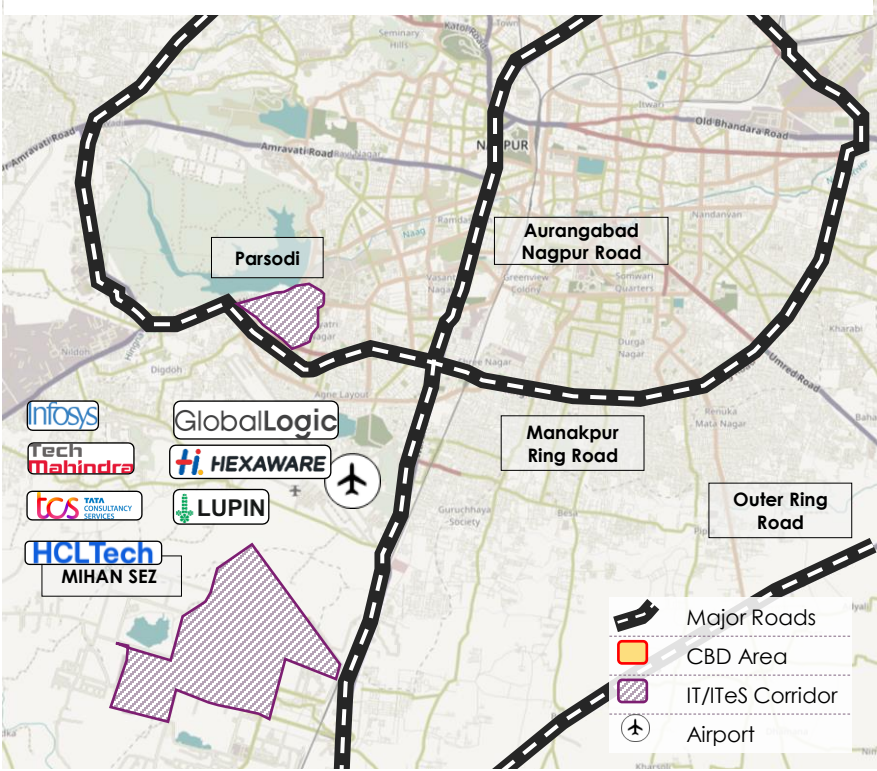
Real Estate	Quality of Life	Business Operations	Business Continuity
The real estate market is expanding with new developments, particularly in the MIHAN area. However, high-quality office spaces are still emerging and growing to meet increasing demand.	Nagpur offers a good quality of life with its central location, affordable living costs, and access to healthcare and educational institutions like NIT Nagpur and IIM Nagpur.	Maharashtra's IT Policy 2023 offers major incentives for IT/GCC industries, including a 100% stamp duty exemption and electricity duty exemption for 10-15 years depending on the zone. It also provides capital subsidies of up to ₹5 crores for R&D centers, plus support for data centers with power tariff subsidies and property tax benefits	Nagpur's strategic central location makes it a key logistics hub in India, supported by the multi-modal connectivity at MIHAN. This ensures long-term business stability. Smart city initiatives further enhance infrastructure development.

Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~2.99 Mn	Marathi, Hindi, English	91.92%	20,000-21,000	INR 6.5-9.5 LPA	~20k-21k	~300+

Key Occupiers



Strengths	Weaknesses	Opportunities	Threats
Strategic central location in India, strong logistics and multi-modal connectivity via MIHAN, growing IT infrastructure, presence of major IT players like HCL, Tech Mahindra.	Underdeveloped IT ecosystem compared to established hubs, limited large-scale IT talent pool, ongoing infrastructure development.	Government initiatives for IT development (MIHAN SEZ), expansion of IT parks, proximity to educational institutions like NIT, IIIT, and IIM for talent development, smart city projects.	Competition from established IT hubs like Pune, Hyderabad, and Bengaluru. Slower pace of infrastructure scaling compared to Tier 1 cities.



Key Takeaway

While not a traditional IT hub, the city of Nagpur is attracting many IT ITeS companies to set up operations here .With a stable government and good infrastructure, the MIHAN SEZ is being developed as an attractive place for new IT set ups. **This option may be considered.**

Nashik

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
5.3	52.8	6.0	73.3	45.5	61.0	67.0	45.0	57.1	82.0	0.9	40.0	54.0	40.3

Nashik is rapidly evolving into a major industrial and logistics hub, driven by key government initiatives like the **Sinnar Special Economic Zone (SEZ)** and significant infrastructure investments. Its proximity to Mumbai and Pune makes it an attractive location for businesses seeking cost-efficient operation Companies like Bosch and Mahindra & Mahindra have already established a strong presence in Nashik, capitalizing on its expanding manufacturing and logistics sectors.The city's infrastructure is steadily improving, with developments like the Mumbai-Nashik Expressway and enhanced air connectivity via **Ozar Airport**. Nashik's IT talent pool is smaller compared to larger tech hubs, and this may hamper scaling its IT ecosystem to the level of some other tier 2 cities.

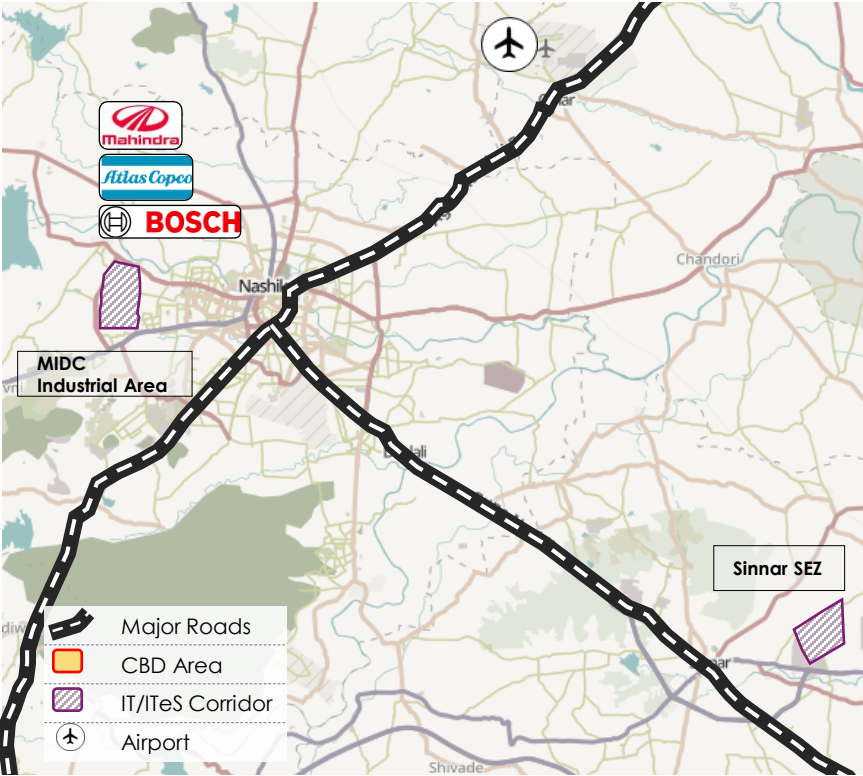
Real Estate	Quality of Life	Business Operations	Business Continuity
Nashik's real estate market driven by its strategic location and growing industrial sector. Investments in commercial spaces, especially around the Ambad MIDC and Sinnar SEZ, are attracting logistics and IT businesses.	Nashik offers a relatively high quality of life, with affordable living costs, good healthcare, and educational institutions. Its climate, clean air, and well-developed infrastructure contribute to a comfortable lifestyle	Maharashtra's IT Policy 2023 offers major incentives for IT/GCC industries, including a 100% stamp duty exemption and electricity duty exemption for 10-15 years depending on the zone. It also provides capital subsidies of up to ₹5 crores for R&D centers, plus support for data centers with power tariff subsidies and property tax benefits	Nashik's excellent connectivity via highways (e.g., Mumbai-Nashik Expressway), low disaster risk rating and rail links ensures long-term business stability. Infrastructure projects and a stable government in Maharashtra, further reduce risk of business disruptions

Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~2.18 Mn	Marathi, Hindi, English	89.85%	18,000-19,000	INR 5.85-9.5 LPA	~18k-19k	~200+

Key Occupiers (industrial)



Strengths	Weaknesses	Opportunities	Threats
Strong industrial base, strategic location near Mumbai and Pune, and lower operational costs. Nashik is supported by government initiatives like the Sinnar SEZ and other smart city projects	The talent pool for IT and high-tech industries is smaller compared to other tier 2 cities and infrastructure development is still catching up	Growing opportunities in IT and logistics sectors, thanks to the rise of Sinnar SEZ, MIDC Ambad, and improved infrastructure.	competition from nearby industrial hubs like Pune, which can attract larger IT and logistics investments. Slower talent acquisition and infrastructure scaling could limit rapid business growth



Key Takeaway

Nashik is mainly an industrial and logistics hub. With Mumbai, Pune and Nagpur already taking a bulk of the IT occupiers in the state, Nashik may not develop the tech infrastructure required to support large IT set ups.
Not a recommended option.



Thane

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
35.0	78.0	80.0	70.0	34.1	55.5	73.0	15.0	52.4	82.0	72.1	46.0	54.0	58.2

Thane is rapidly evolving from a suburban residential area into a prominent commercial and business hub. The city's strategic location, well-developed infrastructure, and proximity to Mumbai make it an attractive destination for businesses and residents alike. Major infrastructure projects, such as **Metro Line 4 and the Thane-Kalyan Waterway**, are enhancing connectivity and driving demand for both residential and commercial properties. Additionally, Thane's real estate market is benefiting from rising property values, with certain micro-markets seeing price appreciation of up to 20%. The city's mix of green spaces, modern amenities, and walk-to-work culture further boosts its appeal. As Thane continues to develop, it is positioning itself as a key player in the commercial and real estate sectors, offering long-term growth potential for businesses and investors

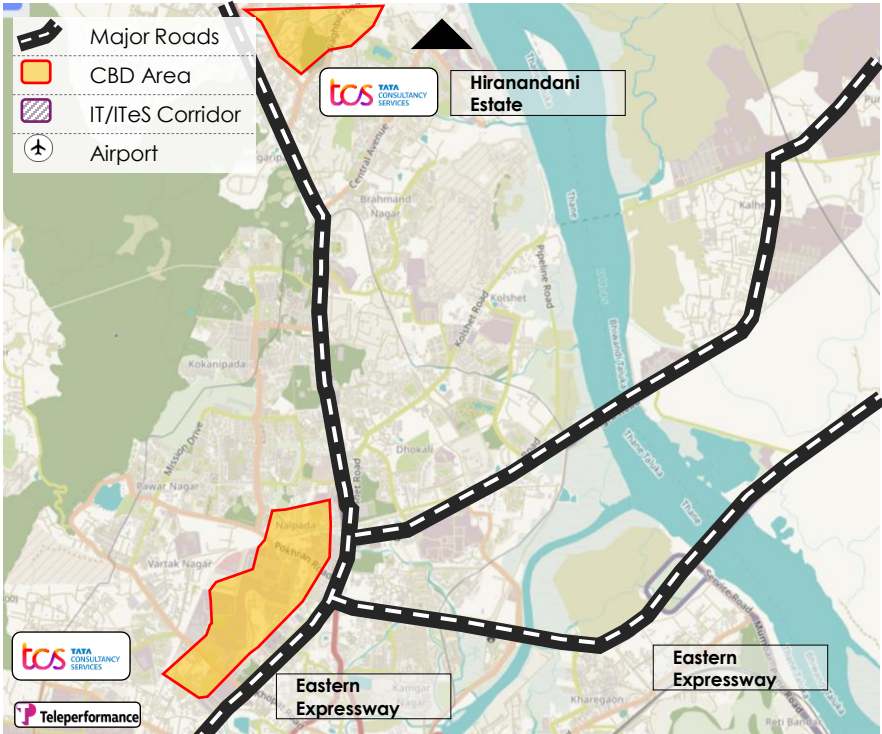
Real Estate	Quality of Life	Business Operations	Business Continuity
Thane's real estate market is a lower cost alternative to Mumbai . Several infrastructure projects, such as Metro Line 4 and the Eastern Motorway, are boosting demand and connectivity to Mumbai. As a real estate, Thane a tier 1 sub-market with enough grade assets available	Thane offers a high quality of life with green spaces, scenic lakes, and good air quality. It also boasts top-tier healthcare and educational institutions, making it an attractive place for families and professionals	Maharashtra's IT Policy 2023 offers major incentives for IT/GCC industries, including a 100% stamp duty exemption and electricity duty exemption for 10-15 years depending on the zone. It also provides capital subsidies of up to ₹5 crores for R&D centers, plus support for data centers with power tariff subsidies and property tax benefits	Thane's strong connectivity to Mumbai, Navi Mumbai, and other industrial hubs via metro, roadways, and upcoming waterway projects ensures business stability. The development of logistics hubs will further support long-term growth

Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~1.8 Mn	Marathi, Hindi, English	~89.41%	~15,000	INR 7-10 LPA	~15k	~150+

Key Occupiers



Strengths	Weaknesses	Opportunities	Threats
Strong connectivity to Mumbai and neighboring regions, growing infrastructure projects like the Metro and logistics hubs, and attractive real estate opportunities	Higher property prices compared to previous years due to rapid development. Infrastructure projects are still in progress and must meet deadlines to maintain investor confidence	The expansion of the metro network, development of IT parks, and commercial real estate projects offer significant growth opportunities for businesses and investors	Thane faces competition from adjacent areas like Navi Mumbai, which could attract businesses due to better quality real estate and infrastructure



Key Takeaway

Thane is a tier 1 city by virtue of it being a satellite suburb to Mumbai. Talent is ample and qualified due to the Mumbai eco system. However real estate costs are higher and there is more competition from peers. **Recommended option due to existing ecosystem,**



Trivandrum

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
59.4	71.7	30.0	70.0	36.3	66.0	77.0	35.0	76.2	70.0	10.0	46.0	44.0	56.2

Thiruvananthapuram, Kerala's capital, is emerging as a key IT hub in southern India. Known for its educational institutions like the Indian Institute of Space Science and Technology, the city hosts over 550 tech companies, including Infosys and TCS. Technopark, one of Asia's largest IT parks, and the upcoming Technocity are driving future growth. Though infrastructure scaling remains a challenge, initiatives like Kerala Start-up Mission and a thriving startup ecosystem are fueling growth in IT services. The city's lower cost of living, coupled with its educated workforce and proximity to Bengaluru, makes it a prime location for technology and business expansion

Real Estate	Quality of Life	Business Operations	Business Continuity
Expanding real estate market, especially in Technopark and other business parks. High-quality office spaces are emerging but still growing to meet demand.	Coastal location with affordable living, good healthcare, and educational institutions. Clean environment with green spaces enhances livability.	Kerala's IT Policy offers capital subsidies of 15% to 40%, depending on investment size and district. It includes SGST reimbursement up to 25% (capped at ₹10 crores for 3 years), 50% land conversion charge reduction , and stamp duty exemptions up to 50%. Other benefits include power tariff relief and green initiative incentives.	Strategic location as the capital of Kerala. However, Kerala is susceptible to political instability and occasional strikes are common and disrupt daily life and transport.

Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~2.86 Mn	Malayalam, English, Tamil	91.30%	41,000-43,000	INR 8.5-12 LPA	~55k-60k	~250+

Key Occupiers



Strengths	Weaknesses	Opportunities	Threats
Strong talent pool, large IT parks (Technopark), good connectivity, and government support for IT growth.	Underdeveloped IT ecosystem compared to major hubs, limited talent pool, and infrastructure scaling issues.	Government initiatives for IT expansion (Technocity), proximity to educational institutions, and support for startups.	Competition from Bengaluru, Hyderabad, and Chennai. Slower infrastructure growth may hinder expansion.



Key Takeaway

The Technopark SEZ area in Trivandrum is attracting many companies. With good connectivity from both Trivandrum and Kochi airports this is a strategic location for IT set ups. There is good talent eco system, despite the occasional labour and transport strikes. This is a recommended option.



Vadodara

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
18.8	37.7	10.0	66.7	43.5	67.3	77.0	55.0	57.1	85.0	1.7	54.0	80.0	43.3

Vadodara is a significant industrial hub in Gujarat with key industries including petrochemicals (Gujarat Refinery, GSFC, GACL), pharmaceuticals (Alembic, Sun Pharma, Jubilant Life Sciences, Zydus Cadila), engineering, and manufacturing (L&T Knowledge City, Bombardier Transportation). While the IT and ITes sector is still nascent, with companies like TCS and Atos operating in the region, Vadodara is emerging as an attractive destination due to its skilled workforce and infrastructure

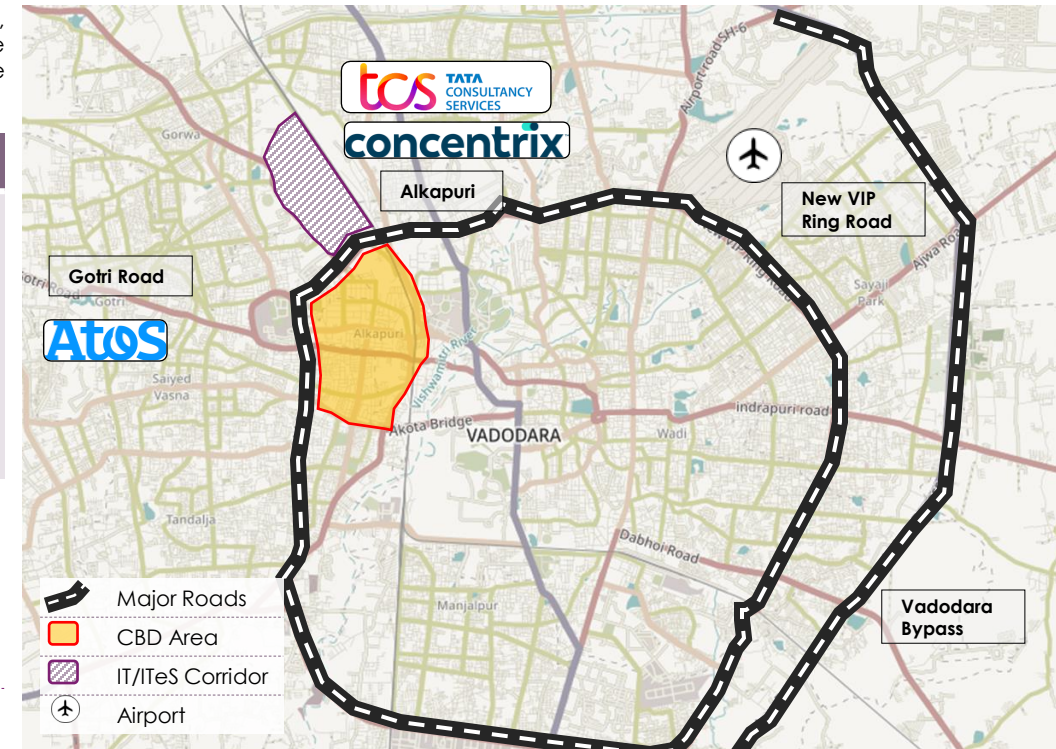
Real Estate	Quality of Life	Business Operations	Business Continuity
Vadodara's real estate sector is driven by industrial growth and affordable pricing . Areas like Gotri, Alkapuri, and Manjalpur offer a blend of commercial and residential properties. IT/ITes developments are emerging but more dependent on BTS models .	Vadodara offers a good quality of life with green spaces, strong educational institutions, and modern healthcare. Its rich cultural heritage and affordable cost of living make it appealing for families and professional	While Vadodara's IT sector is still developing, and various incentive are available: 100% SGST reimbursement for new businesses in specified sectors for the first 5 years. Capital subsidies and incentives are offered to IT and ITes sectors under Gujarat's Industrial Policy.	Vadodara's robust infrastructure, temperate climate, and low disaster risk make it a stable location for business operations. Continued urbanization and investments in smart city projects further enhance its business environment

Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~2 Mn	Gujarati, Hindi, English	90.25%	~25,000	INR 7-9 LPA	~25k	~150+

Key Occupiers



Strengths	Weaknesses	Opportunities	Threats
Affordable real estate, good connectivity, and skilled workforce. Known for quality education and healthcare. Established industrial base.	Developing public transport infrastructure and increasing traffic congestion. Nascent IT sector compared to larger cities.	Expansion of smart city projects, upcoming IT parks, and government incentives for tech startups and industries.	Competition from industrial hubs like Ahmedabad and emerging IT centers in other states may pose challenges.



Key Takeaway

A city traditionally associated with the Pharma and Petro industries, Vadodara has seen a few IT companies setting up operations. However, the tech talent pool and eco system is still nascent. This is not a recommended option.



Vijaywada

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
15.9	18.9	0.0	66.7	44.1	61.5	68.0	50.0	57.1	90.0	2.8	36.0	60.0	34.6

Vijayawada is an emerging commercial hub in Andhra Pradesh, with its economy traditionally based on agriculture, trading, and manufacturing. Though not yet a major IT hub, the city is witnessing growth in the sector with companies like HCL, Wipro, and Tech Mahindra establishing a presence. The city's infrastructure, while improving, still faces challenges in scaling to support a large IT industry. However, with government initiatives aimed at boosting the local tech ecosystem, Vijayawada has potential to evolve into a key IT destination in the coming years.

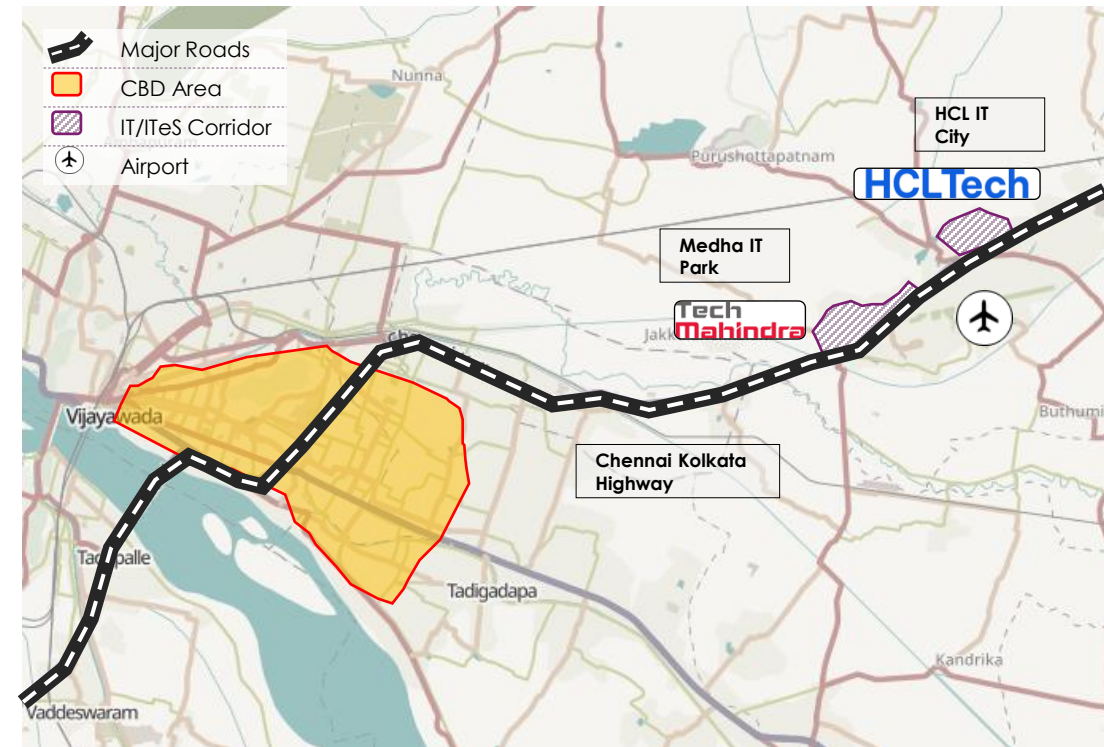
Real Estate	Quality of Life	Business Operations	Business Continuity
The real estate market is growing with expanding commercial and residential development. However good quality office space is lacking due to insignificant demand	The city offers a high quality of life with institutions like Andhra University and access to healthcare. Its lower living costs add to its appeal.	Incentives such as transport subsidies of INR 500 per FTE for 2 years. Industrial power tariff. Land allotment, and capital cost subsidies upto 60% of the land cost depending on the size of the set up	Its coastal location makes Visakhapatnam a hub for shipping and logistics, ensuring long-term business stability. Smart city initiatives and disaster preparedness also contribute to resilience.

Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~1.05 Mn	Telugu, English	83.55%	~20,000	INR 6-8 LPA	~20k	~120+

Key Occupiers

Tech Mahindra **HCLTech**

Strengths	Weaknesses	Opportunities	Threats
Strategic location, proximity to Amaravati, growing infrastructure, presence of HCL.	Underdeveloped IT ecosystem, limited large-scale IT talent pool, infrastructure still improving.	Government initiatives for IT development, expansion of IT parks and smart city projects.	Competition from established IT hubs like Hyderabad and Bengaluru, slower infrastructure scaling.



Key Takeaway

As traditional agricultural and manufacturing hub, Vijaywada has only recently seen IT parks being developed and firms setting up operations. The talent and real estate eco system is still too nascent and hence this **option is not recommended.**



Vishakhapatnam

Peers	Talent	Grade A Assets	Rental Index	Cost of Living	Safety	Healthcare	Traffic	Pollution	Business Ease	Air Network	Climate Risks	Political Risks	Total
22.1	46.2	16.0	60.0	41.9	61.5	69.0	40.0	40.5	90.0	3.5	38.0	50.0	41.5

Visakhapatnam is primarily known as a significant port city, with a strong economy rooted in maritime activities and shipping industries. It is home to major industrial sectors, including oil refining, zinc production, fertilizers, steel manufacturing, dredging, heavy engineering, shipbuilding, and power generation. While the city's information technology (IT) sector is developing, it is still in its early stages. Companies like Infosys, Wipro, Cyient, and Tech Mahindra have established development and delivery centers. However, the city currently lacks a robust talent ecosystem and adequate real estate infrastructure to fully support a large-scale IT industry. With recent governmental changes, there is renewed potential for Visakhapatnam to grow as a hub for emerging technologies

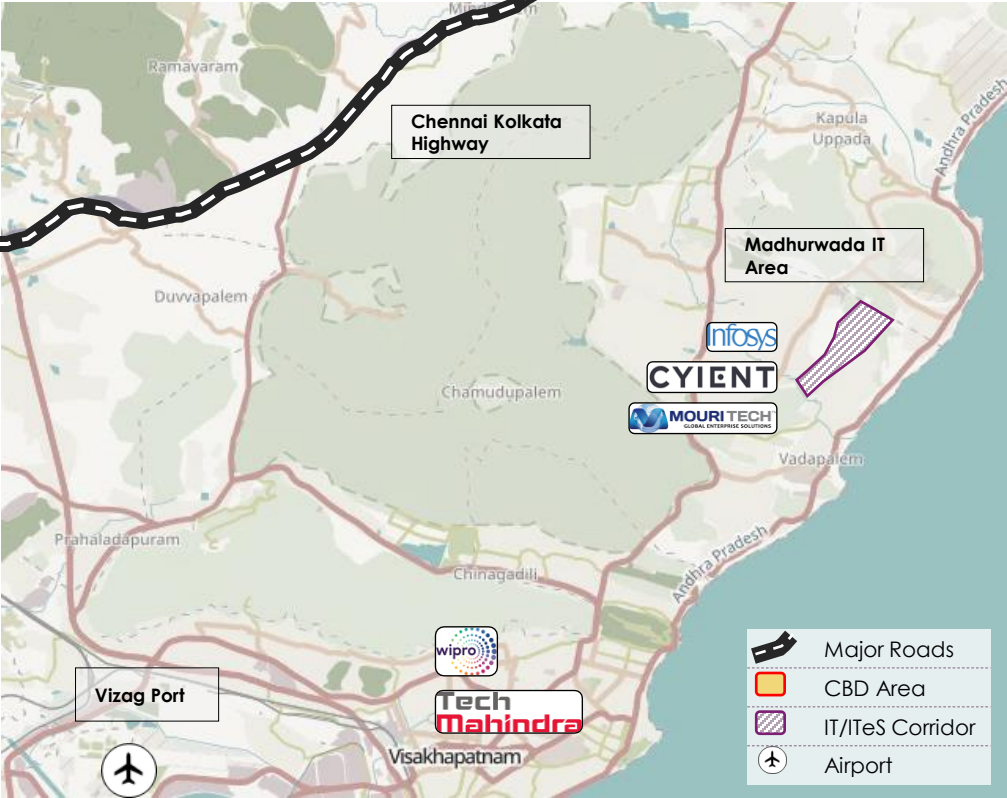
Real Estate	Quality of Life	Business Operations	Business Continuity
Visakhapatnam's real estate market is growing with expanding commercial and residential developments due to its coastal location. Affordable prices and projects like IT SEZ and Knowledge City attract investment.	The city offers a high quality of life with institutions like Andhra University and access to healthcare. Its beaches, green spaces, and lower living costs add to its appeal.	Incentives such as transport subsidies of INR 500 per FTE for 2 years. Industrial power tariff. Land allotment, and capital cost subsidies upto 60% of the land cost depending on the size of the set up	Its coastal location makes Visakhapatnam a hub for shipping and logistics, ensuring long-term business stability. Smart city initiatives and disaster preparedness also contribute to resilience.

Population	Languages	Literacy	STEM Graduates	Average Salary	Tech Talent Pool	Tech Startups
~2.17 Mn	Telugu, Hindi, English	81.79%	~22,000	INR 6.5-9 LPA	~22k	~150+

Key Occupiers



Strengths	Weaknesses	Opportunities	Threats
Strategic coastal location, growing real estate market, presence of IT SEZ and Knowledge City.	Nascent IT ecosystem, underdeveloped infrastructure, lack of large IT talent pool.	Expansion of smart city initiatives, increasing government incentives for IT development.	Competition from established IT hubs like Bangalore and Hyderabad, vulnerability to natural disasters.



Key Takeaway

With one of the largest ports in India, Vishakhapatnam is a traditional trading and logistics hub in the south of India. The new government is AP is now focusing on the IT development here along with Amravati. However, the talent pool and real eco system is still nascent. **Not recommended as an option.**



Evaluation Of Tier-2 Cities For Setting Up IT/BPM Delivery Center

Phase 2: Deep Dive Into Peer Locations and Talent

Prepared For

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Locations of Peers

Company	Ahmedabad	Coimbatore	Jaipur	Thane	Trivandrum
Accenture	✓	✓	✓	○	○
Capgemini	✓	✓	○	○	○
Cognizant	○	✓	○	○	○
Concentrix	✓	○	○	✓	○
Genpact	✓	○	✓	○	○
IBM	✓	○	○	○	○
Infosys	✓	✓	✓	○	✓
TCS	✓	✓	○	✓	✓
Tech Mahindra	✓	✓	○	○	✓
Wipro	✓	✓	✓	○	○
WNS	○	○	○	○	○

Ahmedabad has the greatest number of peers out of all the other cities. However, the operation size is smaller (except for TCS)

While Thane does not have many IT companies, the TCS campus itself is over 3 million sft. Also being adjacent to Navi Mumbai – the whole Mumbai Metro Region needs to be considered

Trivandrum and Coimbatore have attracted companies to set up larger development centers



Above 500 k Sft



Below 100k sft



100k to 500 k Sft



No Presence

Talent Details of Selected Cities






City	Operational Area (mil Sft)	Installed Talent (Peers)	Total Tech Talent	Talent Crunch
Ahmedabad	2.25 to 2.75	20k-25k	90-95k	Moderate
Coimbatore	1.25 to 1.5	12.5k to 14k	40-45k	Moderate
Jaipur	0.6 to 0.75	7k-8k	90-95k	High
Trivandrum	1.75 to 2	22k to 25k	55-60k	Moderate
Thane	2.75 to 3	25k to 27k	75-80k	Low



Key Takeaway

While Ahmedabad boasts the highest number of peer locations and a strong talent ecosystem, Thane likely holds the edge due to its proximity to Mumbai and Navi Mumbai, benefiting from their shared infrastructure and workforce. Coimbatore and Trivandrum host larger facilities for IT giants, but talent tends to stay within these companies, making it harder to attract movement from these smaller cities.

Case Studies

Peer	Portfolio	Main cities	Risks and Challenges	Mitigation Strategies
	Infosys has over 7 million sq.ft in tier 2 cities, including Bhubaneswar, Chandigarh, Mysuru, and Nagpur. It has large campuses in most locations.	Bhubaneswar, Mysuru, Nagpur, Hubballi, Indore, Jaipur, Mangalore	Infosys faces challenges with skill gaps, particularly in language and communication abilities among fresh hires.	Infosys has launched training programs, especially for English skills, and partners with local colleges to address talent gaps.
	Cognizant's portfolio includes about 300,000 sqft in tier 2 cities, which is less than 2% of its total Indian portfolio. Major locations include Kochi, Mysuru, and Bhubaneswar.	Coimbatore Kochi, Mysuru, Bhubaneswar	Cognizant struggles with scaling due to limited installed talent in tier 2 cities and senior leadership reluctance to relocate.	Cognizant keeps its operations smaller and collaborates with local institutions to hire fresh talent from smaller cities.
	Wipro has around 2.2 million sqft in tier 2 cities, representing about 10% of its total Indian portfolio. Major centers are in Coimbatore, Kochi, Mysuru, and Vizag.	Coimbatore, Kochi, Mysuru, Vizag, and Bhubaneswar	Wipro deals with skill gaps and employees' desires to move to tier 1 cities for career advancement.	Wipro focuses on upskilling and grooming employees while contributing to the local economy to secure a steady talent flow.
	Genpact has about 400,000 sqft in tier 2 cities, mostly in Jaipur, with upcoming centers in Ahmedabad.	Jaipur, Ahmedabad, Warangal	Genpact finds hiring senior talent difficult and real estate scalability in tier 2 cities is limited.	Genpact offers incentives and allowances for senior execs to move to smaller cities, while keeping scale smaller.
	Concentrix has around 600,000 sqft of its 4.2 million sqft Indian portfolio in tier 2 cities, including Ranchi and Vizag.	Ranchi, Vizag, Thane, Bhubaneswar	Concentrix faces infrastructure issues and a lack of IT ecosystems in some tier 2 locations, making talent retention challenging.	Concentrix offers bonuses and incentives to attract and retain talent in smaller cities, addressing retention issues.

Conclusions

Reasons for Companies Opening Centers in Tier 2 Cities

Cost	Relatively lower real estate and infrastructure costs (also due to government incentives) Proximity to educational institutions providing a steady supply of fresh graduates
Talent	Reduced attrition rates as compared to tier 1 cities Socio-economic benefits: employment opportunities for backward communities
Social and Government	Government incentives like tax breaks and subsidies on real estate and operations (such as power subsidy)

Challenges Faced by Companies in Tier 2 Cities

Talent	Skill gaps in industry-ready professionals, requiring extensive training Employee relocation hesitancy due to limited lifestyle amenities Difficulty in hiring senior management talent Cultural adjustments needed to attract senior talent
Infrastructure	Lack of grade A compliant real estate supply Limited commercial and social infrastructure compared to Tier 1 cities. Infrastructure issues in some cities like power outages (reported by IT BPM Company)
Social and Government	Bureaucratic delays in infrastructure clearances and permits

1	Companies move to Tier 2 cities due to: <ul style="list-style-type: none">• Specific projects & clients.• Low real estate and operational costs.
2	Companies that can build large campuses , their own infrastructure, and can liaise with the government on an institutional level , are more successful.
3	A cautious approach is suggested in which companies should aim to be closer to the city center , where the talent is, instead of outskirts of cities where there is lack of connectivity.
4	Is strongly advised to consult with local HR firms into the talent market and dynamics is suggested as part of the due diligence process.

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