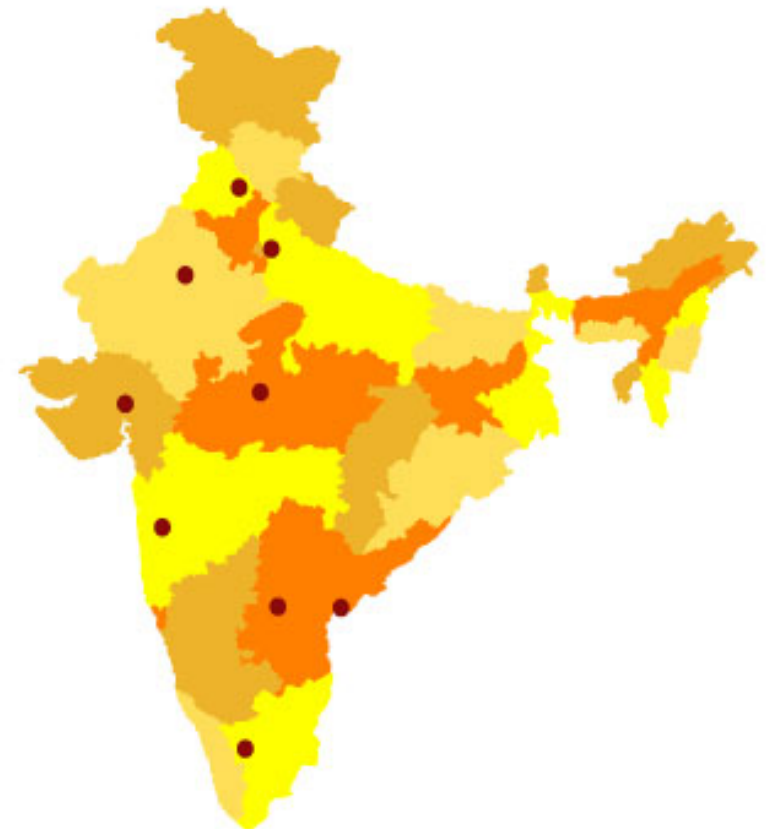


## Location Attractiveness Index

*A comparative analysis of 9 candidates for locating an ITeS centre in India*

**\* Illustrative Report \***



IMA India

## Disclaimer

This is a showcase report intended to illustrate the methodology and framework of IMA India's Location Attractiveness Index (LAI) model. The model is used to methodically evaluate candidate cities for locating an IT or ITeS business operation in India.

This report uses illustrative data and hypothetical client-side assumptions to analyse and rank 9 prominent cities on a range of relevant parameters. Only headline analysis and findings are presented in this report; raw data and detailed analysis have been deleted.

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This report is not intended for decision making purposes.

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# I. About IMA India

## What IMA Does...

- ***Undertakes in-depth market studies and opportunity assessments*** for individual companies: leveraging a full range of business and market research capabilities
- ***Provides ongoing market intelligence and risk assessments*** to country managers; offers research-based interpretations and top-level forecasts of the operating environment in India: economy, politics, key sectors, emerging business issues, etc
- ***Provides closed-door discussion platforms*** that enable focussed and high quality intellectual exchanges between senior executives on current and strategic business issues

# Four Business Streams

- **Research and Advisory Services**
  - Proprietary studies for individual clients across issues and sectors
  - Leveraging a unique methodology comprising extensive desk analysis complemented by expert insights obtained from internal and external domain specialists
- **Peer Group Forums**
  - Membership-based executive briefing and research services: a platform for obtaining country intelligence and exposure to authoritative minds; access to top-level India research
  - An extensive corporate network: a forum for sharing experiences and learning from peers and pioneers
- **Conferences and Business Meetings**
  - Closed-door Roundtables for senior executives
  - Driven by research-based agendas and intense interaction
- **CFO Connect**: first-of-its-kind thought leadership journal for CFOs

## II. Introduction

# Background and Context

- The client is considering setting up a new delivery centre in India, in a tier I or tier II city, to meet the growing requirements of its customers and simultaneously leveraging on cost
- This study seeks to identify the most suitable city to establish the delivery centre, based on a multi-parameter analysis
- The selection process is based on a structured framework, starting with the identification of a universe of 'candidate cities' and subsequently, evaluating each along various decision making parameters, with each parameter 'weighted' by its importance in the overall decision making framework.
- The identified 'candidate cities' include: Ahmedabad, Bhopal, Chandigarh, Coimbatore, Hyderabad, Jaipur, NOIDA, Pune and Visakhapatnam



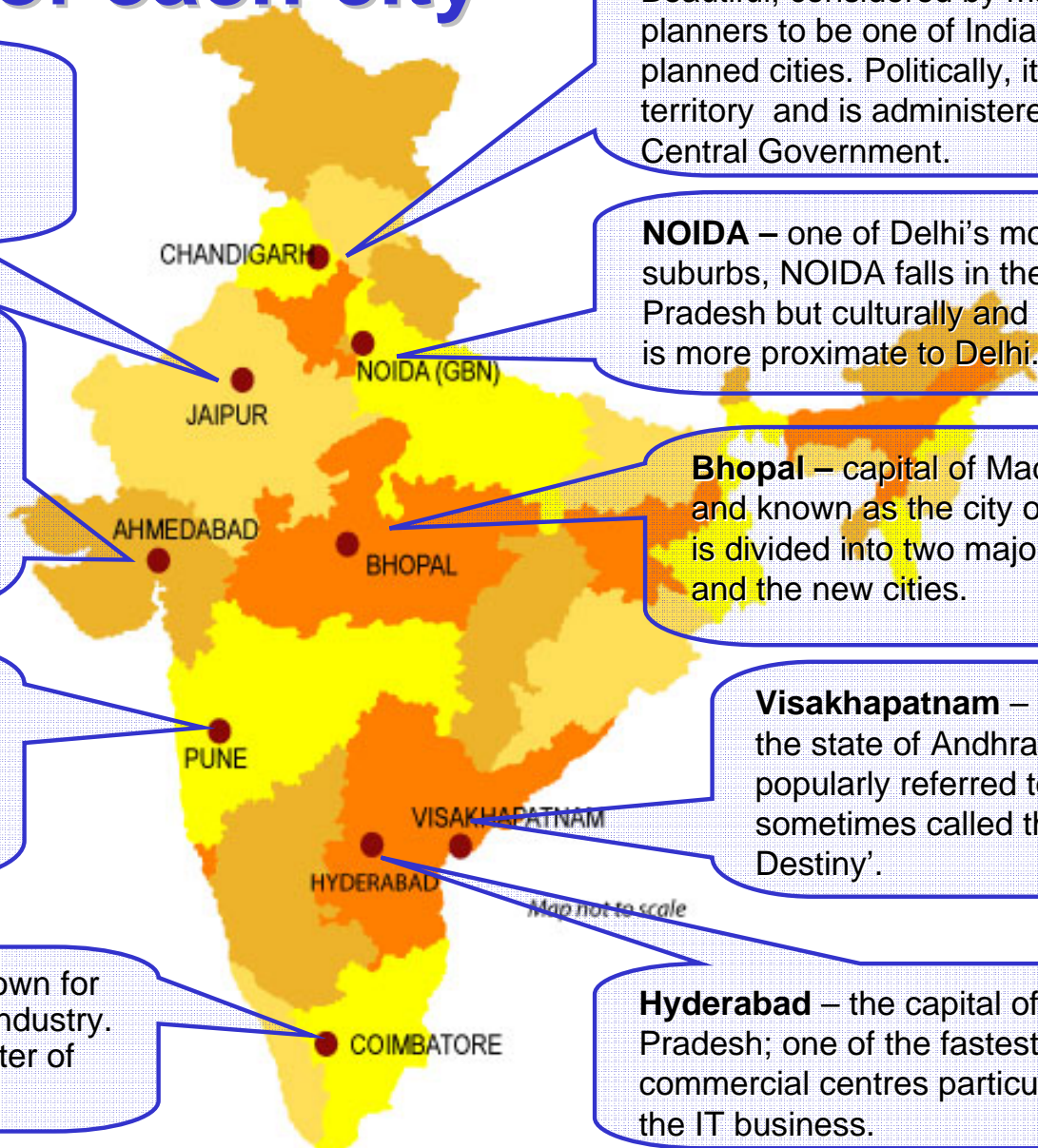
# A Glimpse of each city

**Jaipur** – the capital of Rajasthan state; popularly known as the ‘Pink City’; one of India’s most culturally rich cities.

**Ahmedabad** – located on the river Sabarmati, the city is the largest industrial centre in Western India. A traditional base of chemical & pharmaceutical industries, the city is gradually developing into a centre of IT industry.

**Pune** – the third largest city in Maharashtra; well-known as a trade centre for high-quality oranges (also known as ‘Orange City’).

**Coimbatore** – the city is known for its textiles and engineering industry. Also known as the Manchester of India.



**Chandigarh** – also called The City Beautiful; considered by many urban planners to be one of India’s best planned cities. Politically, it is a union territory and is administered by the Central Government.

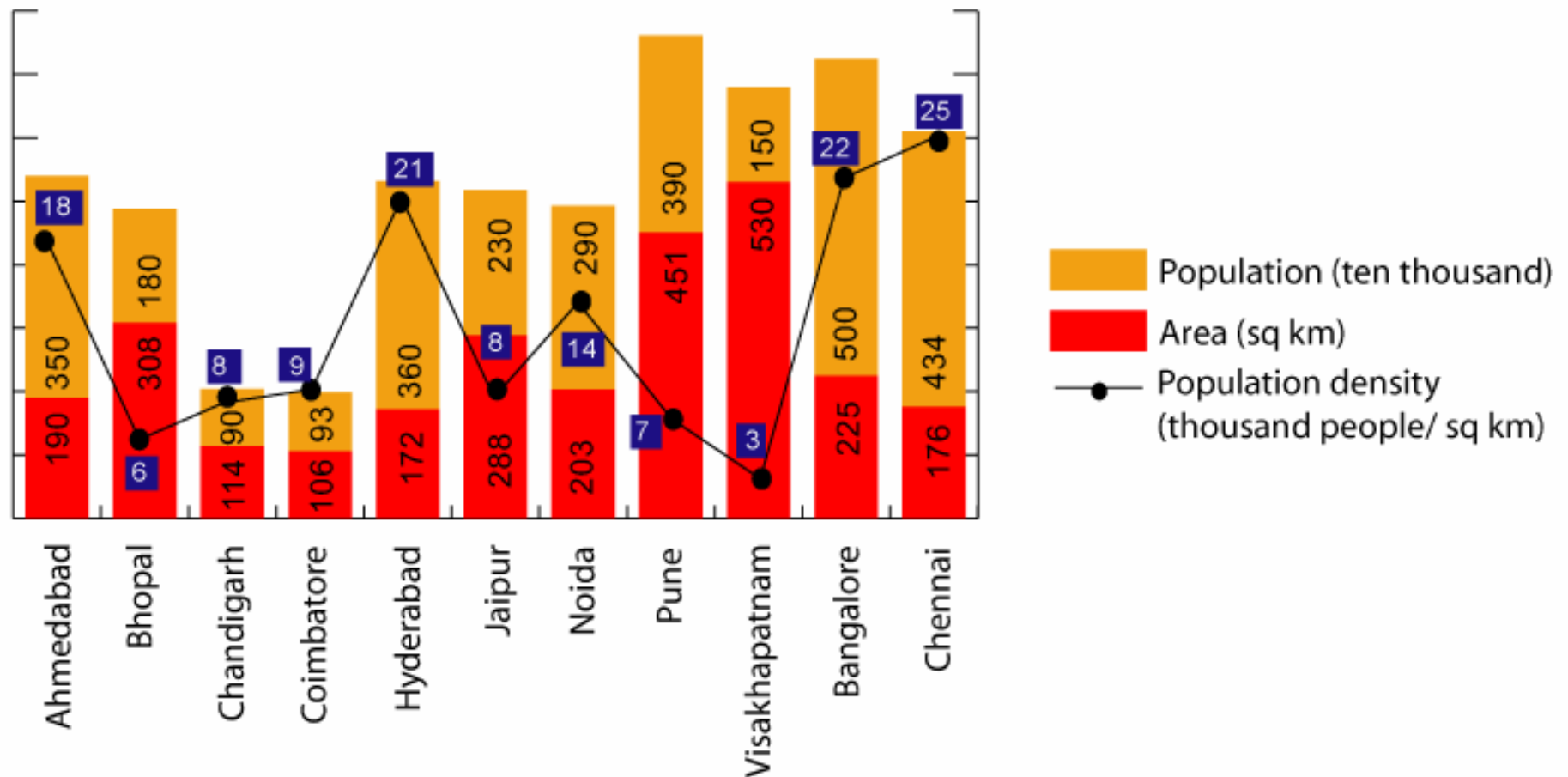
**NOIDA** – one of Delhi’s most important suburbs, NOIDA falls in the state of Uttar Pradesh but culturally and commercially, is more proximate to Delhi.

**Bhopal** – capital of Madhya Pradesh, and known as the city of lakes. The city is divided into two major areas – the old and the new cities.

**Visakhapatnam** – a port city in the state of Andhra Pradesh; also popularly referred to as ‘Vizag’; sometimes called the ‘City of Destiny’.

**Hyderabad** – the capital of Andhra Pradesh; one of the fastest growing commercial centres particularly for the IT business.

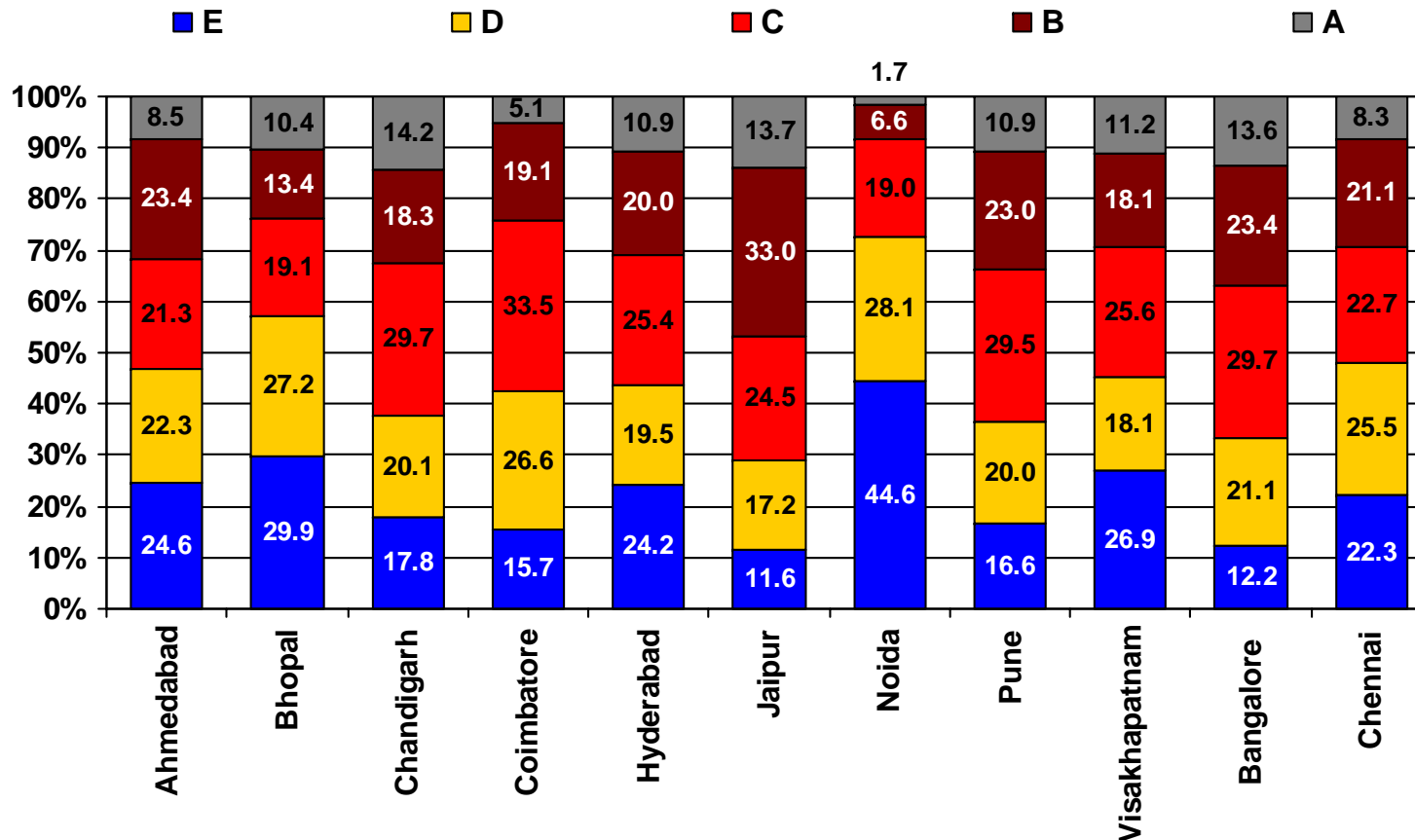
# Quick Comparisons: City population and area



**Cities that have emerged as centres for the IT industry, such as Hyderabad, Bangalore and Chennai, have higher population density in comparison to the other cities**

# Quick Comparisons: Socio-Economic Patterns

SEC\* distribution of city population, 2006



Socio-Economic Classifications (SEC) are used to segment households on the basis of income and education. SEC levels A and B correspond to a 'high' socioeconomic class, while D and E correspond to a 'low' level.

Source: *The City Skyline of India*

# III. Methodology

# Methodology

- The attractiveness of a city for the client is a function of several parameters – ‘determinants’. The first step is to identify these determinants.
  - 8 determinants have been identified: *talent supply, talent demand, presence of competitors, cost of operations, availability of business infrastructure, quality of life, the policy regime, and law and order*
- The next step is to break these determinants down into their constituent parameters – since each determinant is itself a function of other parameters, the latter need to be identified and measured

## Methodology (2)

- To reflect the importance of each of the 8 determinants in the client's overall decision making framework, 'weights' were assigned to each\*. Similarly, weights were assigned to each constituent parameter for each determinant. In each case, the sum of all weights is 1 (100%).
- To measure each parameter, IMA identified indicators or surrogates and collected data on each. This included a mix of quantitative data as well as qualitative inputs, which were subsequently converted to numeric values.

*\* The weights assigned by IMA India are based on the firm's understanding of the importance of each parameter as well as detailed inputs from the client.*

## Methodology (3)

- Using standard techniques, raw data was converted into scores (index values) to remove the units of measurements and enable comparisons across parameters and cities. Each score was normalised on a base of 10 (i.e. the highest value in each series was equated to 10 and the other cities were then benchmarked to this value).
- Applying previously determined weights to each constituent parameter score, IMA computed indices for each of the 8 determinants, as weighted averages.
- Finally, IMA aggregated the determinant indices into an overall **location attractiveness index**. Additionally, the indices for each of the 8 determinants can provide a more detailed view of the strengths and weaknesses of a city and therefore, these have also been reported together.

## 8 Determinants of Location Attractiveness

| Determinant                        | Constituent Parameters (in brief)   |
|------------------------------------|---|
| <b>Talent Supply</b>               | <ul style="list-style-type: none"> <li>Fresh graduates (from the disciplines of Computer Science, Information Technology, Electronics Engineering and related disciplines)</li> </ul>                                 |
| <b>Presence of key competitors</b> | <ul style="list-style-type: none"> <li>A proxy for the attractiveness of a city, on the premise that major competitors would look for similar locational parameters as the client</li> </ul>                          |
| <b>Talent Demand</b>               | <ul style="list-style-type: none"> <li>Presence and recruitments by other software firms recruiting from same cities from the same talent pool (for local or outstation deployment)</li> </ul>                        |
| <b>Cost of Operations</b>          | <ul style="list-style-type: none"> <li>Real estate lease rentals, salaries, and power tariffs</li> </ul>  |
| <b>Business infrastructure</b>     | <ul style="list-style-type: none"> <li>Business infrastructure (road length, airports, telecom connectivity, etc) and presence of IT parks/SEZs</li> </ul>  |
| <b>Quality of Life</b>             | <ul style="list-style-type: none"> <li>Presence of educational institutions, hospitals, entertainment options, cost of residential real estate, pollution levels, power and water supply, public transport</li> </ul> |
| <b>Policy Regime</b>               | <ul style="list-style-type: none"> <li>Policies that govern the operations of IT services companies (including state IT policy, labour policy, etc)</li> </ul>  |
| <b>Law and Order</b>               | <ul style="list-style-type: none"> <li>Incidence of crime and civil disturbances</li> <li>The size of the police force, and the quality and efficiency of the judiciary</li> </ul>                                    |

Each city scores differently on each parameter; hence, the location decision needs a composite assessment of 'relative advantage'



# Determinants and their constituents

- **Fresh talent supply**
  - Seat strength in relevant disciplines (graduate and post graduate courses) of ‘ranked’ and ‘unranked’ engineering colleges in the city/district and its catchment area\*
- **Presence of core competitors**
- **Demand for fresh talent**
  - Estimated magnitude of recruitment by the client’s major competitors from ranked colleges
  - Estimated recruitments by other IT services firms
  - Estimated recruitments of software engineers by ANY firm
- **Cost**
  - Real estate (commercial lease rentals for prime office space)
  - Manpower costs (CTCs of software engineers with 4-9 years of experience)
  - Power tariffs for commercial users, highest slab

*\* Catchment area refers to the area surrounding a given city, and includes the districts immediately bordering the district of the relevant city, as well as a few other specifically selected districts within the same state, which are important educational centres (and hence, a source of talent for the relevant city)*

# Determinants and their constituents (2)

- **Business infrastructure**
  - Connectivity – through rail, road and air; paved road length (development indicator)
  - Presence of major telecom operators, quality of power supply
  - Presence of IT parks/SEZs
- **Quality of life**
  - Utilities – reliability and availability of power and water
  - Entertainment options – presence of hotels, restaurants, etc
  - Residential real estate rentals
  - Pollutions levels (air pollution levels)
  - Healthcare infrastructure (number of hospitals)
  - Public transport availability (number of public buses)
  - Presence of educational institutions (ICSE or CBSE\* affiliated schools)
- **Government policy**
  - State level IP policy framework, labour laws, industrial policy
- **Law and order**
  - Crime rate, frequency of civil disturbances
  - Anti crime infrastructure – size of police force, judicial infrastructure

# List of Indices Computed

## 1. Talent supply – composite index, comprised of:

- Index of fresh talent in ‘ranked’\* colleges in the district in which the city is located
- Index of fresh talent in ‘ranked’\* colleges in the catchment area of the city
- Index of fresh graduate talent in unranked colleges in the district in which the city is located
- Index of fresh post-graduate talent in unranked colleges in the district in which the city is located
- Index of fresh graduate talent in unranked colleges in the catchment area of the district in which the city is located
- Index of fresh post-graduate talent in unranked colleges in the catchment area of the district in which the city is located

## 2. Presence of key competitors – measured by number of competitors in each city

## 3. Talent demand – composite index, comprised of:

- Index for recruitment in ranked colleges by the client’s key competitors
- Index for recruitment by other IT services firms
- Index for recruitment of software engineers by ANY firm

*\* Ranked colleges refer to institutions that have been ranked or rated in three specific published surveys examined by IMA India*

## List of Indices Computed (2)

### 4. Cost – composite index, comprised of:

- Index for compensation paid to software engineers with relevant skill sets and 4-9 years\* of experience (average of engineers with 4-6 years and 7-9 years of experience)
- Index for real estate lease rentals in prime office space/CBD^ in each city
- Index for electricity tariffs, per unit tariff at the highest slab for commercial users

### 5. Business Infrastructure – composite index, comprised of:

- Indices for rail, road and air connectivity with other major cities
- Index for paved road length in each city
- Index for availability of electricity, measured in terms of generation deficit
- Index for presence of telecom service providers
- Index for presence of Software Technology Parks/IT parks/ IT SEZs

*\* Based on the logic that most freshers are recruited from campuses wherein salaries do not vary by city of location; salaries for older staff is considered a better reflection of city-wise wage differentials. The choice of '4-9 years' is based on the client's internal employee age profile.*

## List of Indices Computed (3)

### 6. Quality of life – composite index, comprised of:

- Index for availability (outage) of water and power
- Index for entertainment options (FHRAI-approved hotels and restaurants, and number of tourist places)
- Index for residential rentals
- Index for level of air pollution
- Index for presence of ICSE or CBSE certified schools
- Index for presence of hospitals
- Index for presence of buses as public transport

### 7. Policy relevant to IT services – presence of industrial incentives and IT-specific incentives

### 8. Law and order – composite index, comprised of:

- Crime index – incidence of crime and frequency of civil disturbances
- Anti-crime index – size of police force and presence of judicial infrastructure and its efficiency

**Overall Index of City Attractiveness – composite index based on the weighted average of the 8 individual determinant indices**

# Weights for the Index

| Determinant   | Constituent Parameters   | Weight |      |
|---|--|--------|------|
| <b>Talent supply</b><br>(weight – 25%)              | Graduate talent in the city/district (unranked colleges)   | 15%    | 100% |
|   | Post-graduate talent in the city/district (unranked colleges)  | 15%    |      |
|   | Graduate talent in the catchment (unranked colleges)   | 10%    |      |
|   | Post-graduate talent in the catchment (unranked colleges)  | 10%    |      |
|   | Talent in ranked colleges in the city/district   | 25%    |      |
|   | Talent in ranked colleges in the catchment   | 25%    |      |
| <b>Presence of key competitors</b><br>(weight – 5%) | Number of identified competitors that have operations in the city  | 100%   |      |
| <b>Talent demand</b><br>(weight – 10%)              | Presence of other IT services firms  | 15%    | 100% |
|   | Recruitment of software engineers by major competitors   | 55%    |      |
|   | Job board intensity (surrogate measure of recruitment of software engineers with less than 1 year of experience) | 30%    |      |

The weights for each category have been derived on the basis of IMA's research, interviews with experts and inputs received from the client

## Weights for the Index (2)

| Determinant                                 | Constituent Parameters                                     | Weight     |        |
|---|--|------------|--------|
| <b>Cost of operations</b><br>(weight – 40%) | Electricity tariffs  | 5.0%       | } 100% |
|   | Commercial lease rentals                                   | 15.0%      |        |
|   | Salaries (CTC) of lateral hires (software engineers)       | 80.0%      |        |
| <b>Quality of life</b><br>(weight – 10%)    | <b>Utilities</b>   | <b>20%</b> | } 100% |
|   | <i>Reliability of power supply (outages)</i>               | 40%        |        |
|   | <i>Availability of water supply</i>                        | 40%        |        |
|   | <i>Extent of electrification of households in the city</i> | 20%        | } 100% |
|   | <b>Entertainment</b>                                       | <b>10%</b> |        |
|   | <i>Presence of FHRAI-approved hotels</i>                   | 40%        |        |
|   | <i>Presence of FHRAI-approved restaurants</i>              | 40%        | } 100% |
|   | <i>Number of tourist attractions</i>                       | 20%        |        |
|   | <b>Residential real estate rentals</b>                     | <b>15%</b> |        |
|   | <b>Air pollution levels</b>                                | <b>5%</b>  |        |
|   | <b>Presence of ICSE/CBSE-certified schools</b>             | <b>15%</b> |        |
|   | <b>Healthcare infrastructure</b>                           | <b>20%</b> |        |
|   | <b>Local public transport</b>                              | <b>15%</b> |        |

# Weights for the Index (3)

| Determinant  | Constituent Parameters                  | Weight     |        |
|--|---|------------|--------|
| <b>Business infrastructure</b><br><i>(weight – 5%)</i> | Reliability of power supply             | 10%        | } 100% |
|  | Road length                             | 5%         |        |
|  | Connectivity by rail                    | 5%         |        |
|  | Presence of international airport       | 25%        |        |
|  | Number of metros connected by air       | 15%        |        |
|  | Number of domestic flights to metros    | 10%        |        |
|  | Presence of telecom service providers   | 15%        |        |
|  | Presence of IT parks/SEZs, etc          | 15%        |        |
| <b>Law &amp; order</b><br><i>(weight – 2.5%)</i>       | <b>Size of police force</b>             | <b>25%</b> | } 100% |
|  | <i>Police/10,000 people</i>             | <i>70%</i> |        |
|  | <i>Police/square kilometre</i>          | <i>30%</i> |        |
|  | <b>Judicial infrastructure</b>          | <b>25%</b> | } 100% |
|  | <i>Presence of district court</i>       | <i>20%</i> |        |
|  | <i>Presence of High Court</i>           | <i>20%</i> |        |
|  | <i>Extent of pending court cases</i>    | <i>20%</i> |        |
|  | <i>Disposal rate for criminal cases</i> | <i>20%</i> |        |
|  | <i>Number of Fast Track Courts</i>      | <i>20%</i> |        |

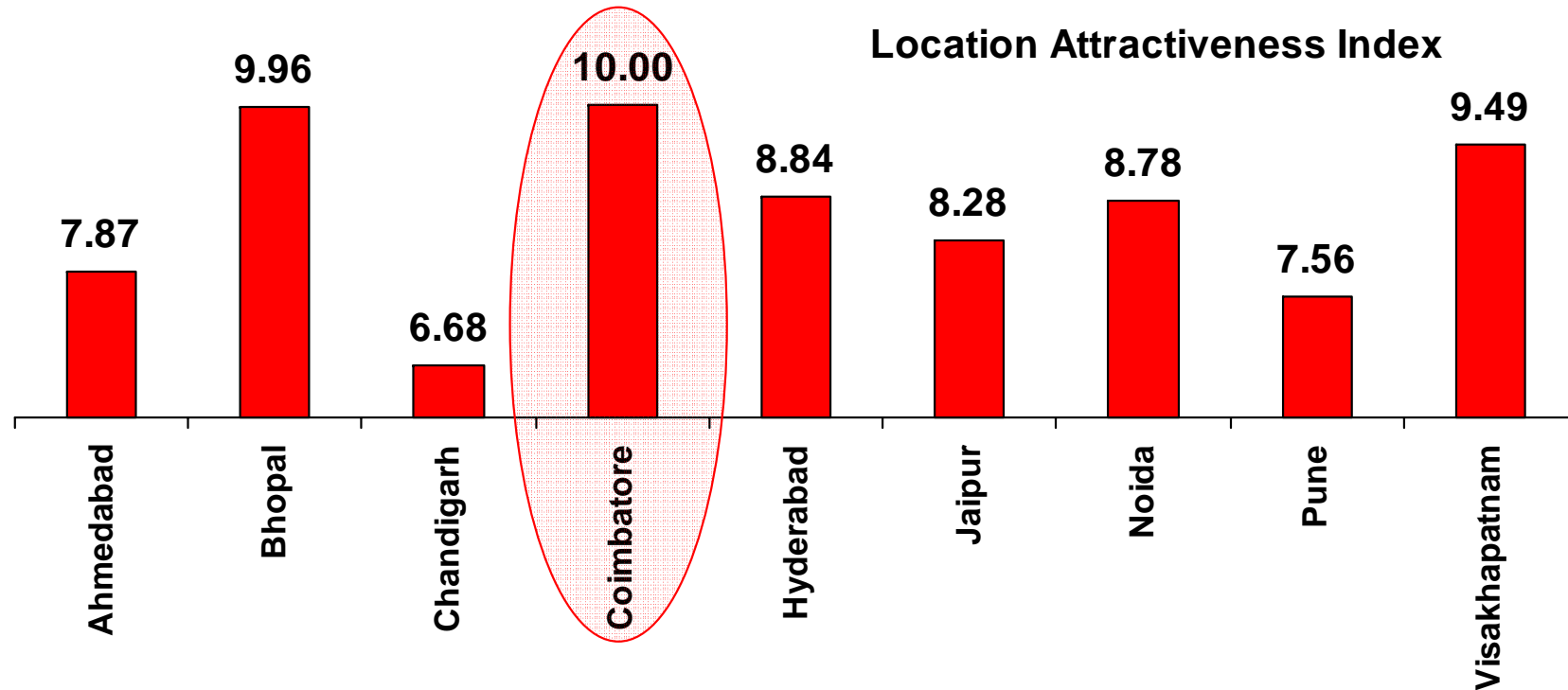


# Weights for the Index (4)

| Determinant                              | Constituent Parameters   | Weight     |      |      |
|--|--|------------|------|------|
| Law and order<br>(cont'd)                | <b>Incidence of crime</b>  | <b>25%</b> | 100% |      |
|  | <i>Incidence of economic crime</i>   | 15%        |      |      |
|  | <i>Crime against property</i>  | 15%        |      |      |
|  | <i>Violent crimes</i>  | 15%        |      |      |
|  | <i>Crime against women</i>   | 15%        |      |      |
|  | <i>Arrests under IPC</i>   | 10%        |      |      |
|  | <i>Robberies in residences</i>   | 15%        |      |      |
|  | <i>Vehicle theft</i>   | 15%        |      |      |
|  | <b>Frequency of civil disturbances</b>                                     | <b>25%</b> |      | 100% |
|  | <i>Frequency of police firing</i>  | 40%        |      |      |
| <i>Civilians killed and injured</i>      | 30%  |            |      |      |
| <i>Policemen killed and injured</i>      | 30%  |            |      |      |
| <b>Policy regime<br/>(weight – 2.5%)</b> | Presence of various policy and fiscal incentives from the state Government | 100%       |      |      |

## **IV. Top Level City Attractiveness Rankings**

# Location Attractiveness Index



***Coimbatore emerges as the city with the highest index of attractiveness i.e. the best city for the client to select***

*Note: The city attractiveness index shown above represents the values of the weighted average index calculated on the basis of individual parameters, re-normalised on a base of 10. An index value of 10 denotes the most attractive option.*

# City Attractiveness Rank

|             | Talent Supply | Competitor Presence | Talent Demand | Cost | Infra-structure | Quality of life | Policy | Law & Order | LAI* |
|-------------|---------------|---------------------|---------------|------|-----------------|-----------------|--------|-------------|------|
| Ahmedabad   | 9             | 3                   | 4             | 4    | 3               | 2               | 8      | 5           | 7    |
| Bhopal      | 6             | 6                   | 2             | 1    | 9               | 8               | 3      | 3           | 2    |
| Chandigarh  | 8             | 6                   | 5             | 6    | 6               | 4               | 3      | 1           | 9    |
| Coimbatore  | 3             | 6                   | 6             | 2    | 5               | 9               | 8      | 2           | 1    |
| Hyderabad   | 2             | 2                   | 7             | 9    | 2               | 1               | 1      | 4           | 4    |
| Jaipur      | 7             | 6                   | 1             | 5    | 4               | 7               | 5      | 6           | 6    |
| Noida       | 1             | 3                   | 8             | 8    | 1               | 6               | 5      | 8           | 5    |
| Pune        | 4             | 1                   | 9             | 7    | 7               | 3               | 7      | 7           | 8    |
| Vis'khptnam | 5             | 3                   | 3             | 3    | 8               | 5               | 1      | 9           | 3    |

The top ranked city under each determinant has been highlighted

## City Attractiveness Index Values

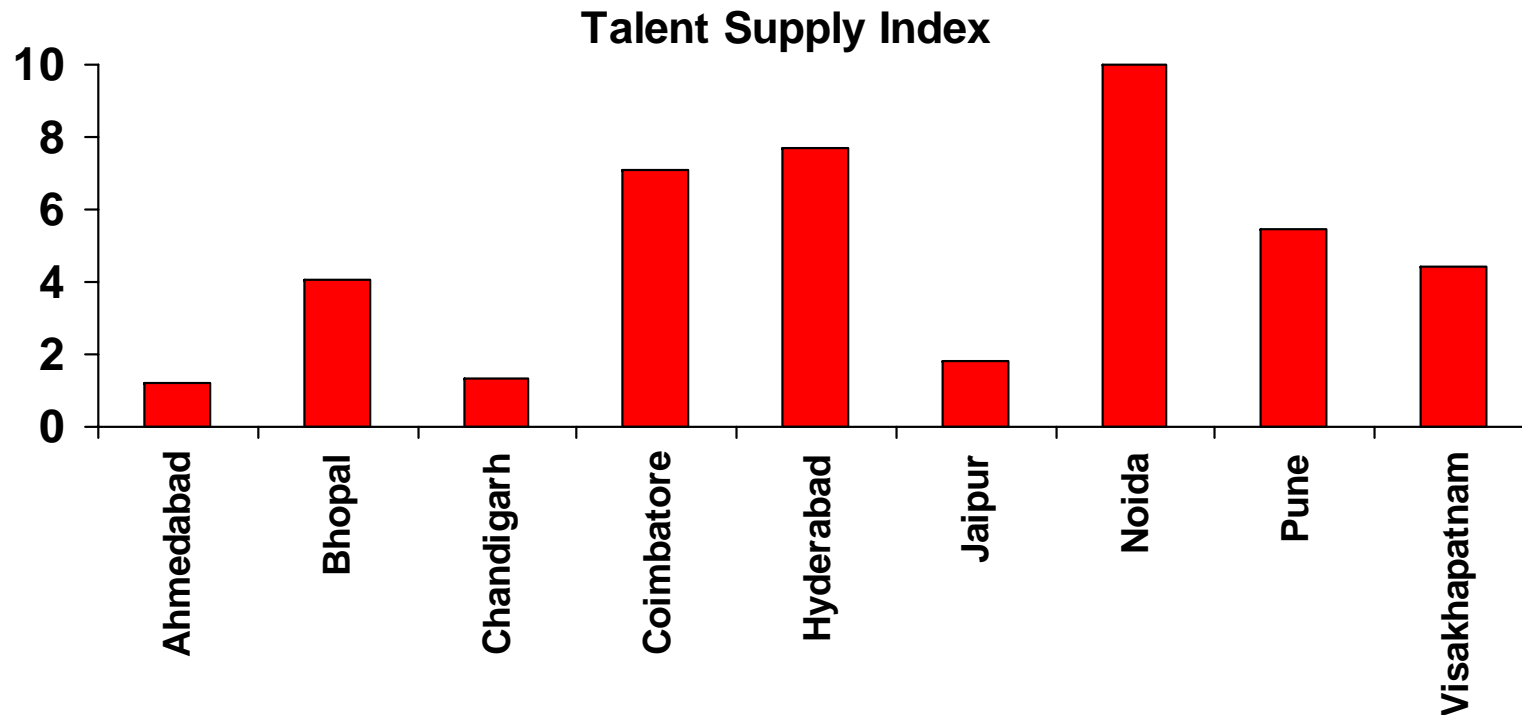
|                    | Talent Supply | Competitor Presence | Talent Demand | Cost  | Infra-structure | Quality of life | Policy | Law & Order | LAI*         |
|--------------------|---------------|---------------------|---------------|-------|-----------------|-----------------|--------|-------------|--------------|
| <b>Ahmedabad</b>   | 1.19          | 2.50                | 4.22          | 7.56  | 9.26            | 9.33            | 5.71   | 3.47        | <b>7.87</b>  |
| <b>Bhopal</b>      | 4.07          | 1.25                | 6.72          | 10.00 | 5.03            | 6.05            | 9.52   | 4.24        | <b>9.96</b>  |
| <b>Chandigarh</b>  | 1.31          | 1.25                | 4.15          | 5.76  | 6.30            | 7.77            | 9.52   | 9.24        | <b>6.68</b>  |
| <b>Coimbatore</b>  | 7.09          | 1.25                | 3.98          | 8.98  | 6.95            | 5.58            | 5.71   | 4.35        | <b>10.00</b> |
| <b>Hyderabad</b>   | 7.68          | 8.75                | 2.21          | 4.46  | 9.29            | 10.00           | 10.00  | 3.88        | <b>8.84</b>  |
| <b>Jaipur</b>      | 1.82          | 1.25                | 10.00         | 7.30  | 8.76            | 6.37            | 7.62   | 3.29        | <b>8.28</b>  |
| <b>Noida</b>       | 10.00         | 2.50                | 1.07          | 4.93  | 10.00           | 6.70            | 7.62   | 2.85        | <b>8.78</b>  |
| <b>Pune</b>        | 5.43          | 10.00               | 0.70          | 4.98  | 5.86            | 8.08            | 7.14   | 3.18        | <b>7.56</b>  |
| <b>Visakh'ptnm</b> | 4.40          | 2.50                | 6.49          | 8.88  | 5.07            | 6.40            | 10.00  | 2.47        | <b>9.49</b>  |

***Coimbatore has the highest overall score – the most attractive city***

\* Location attractiveness index (represents the values of the weighted average index calculated on the basis of individual parameters, re-normalised on a base of 100. An index value of 100 denotes the most attractive option). A change in the weights can lead to a change in the rankings.

# V. Individual Determinants

# Talent Supply



***In terms of overall supply of fresh talent, NOIDA has the highest score***

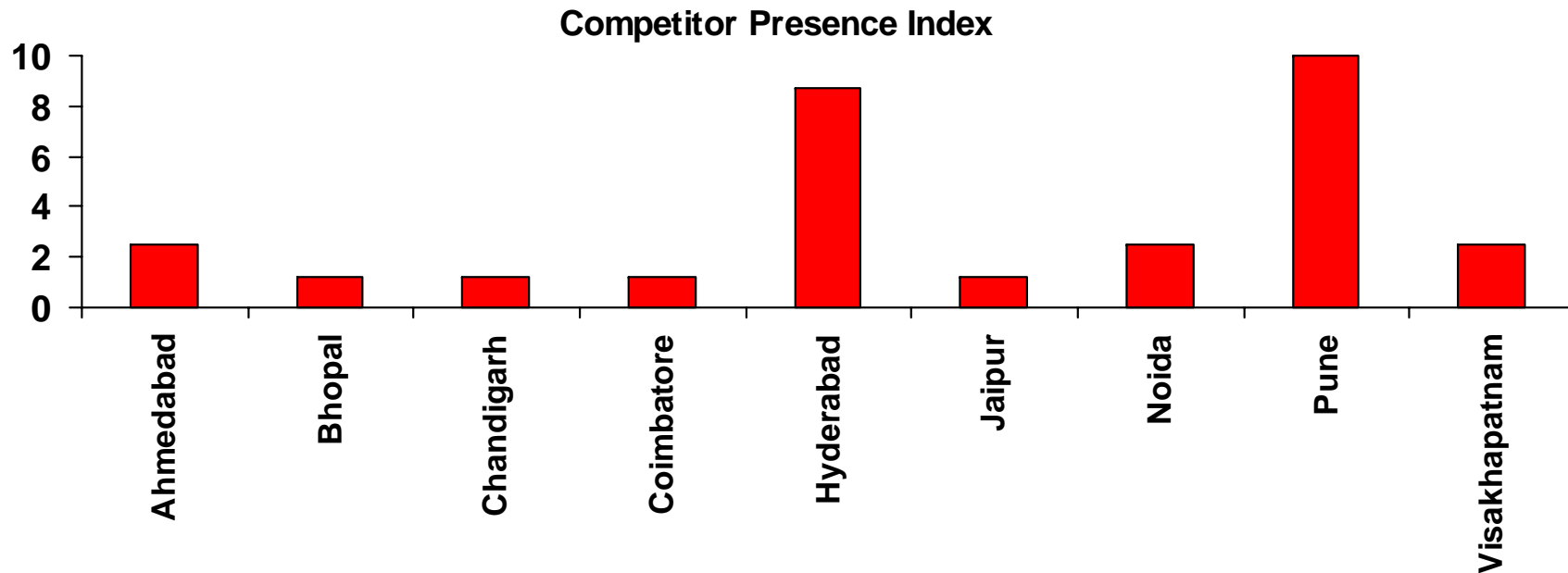
Talent Supply Index is based on 6 underlying sub-indices for talent supply in the city and its catchment area, re-normalised on a base of 10

*Note: An index value of 10 denotes the best comparative option for each parameter.*

# Raw data and detailed computation of talent index deleted from this document



# Competitor Presence



***The presence of identified competitors is a positive\* phenomenon, as it indicates the attractiveness of that city for IT services businesses. Pune has the greatest presence of such competitors.***

\* The presence of competitors also has a negative connotation – as their recruitments reduces the talent pool available for the client. This dimension is captured in the Talent Demand Index.

*Note: An index value of 10 denotes the best comparative option for each parameter.*

# Key Competitor Presence Index\*

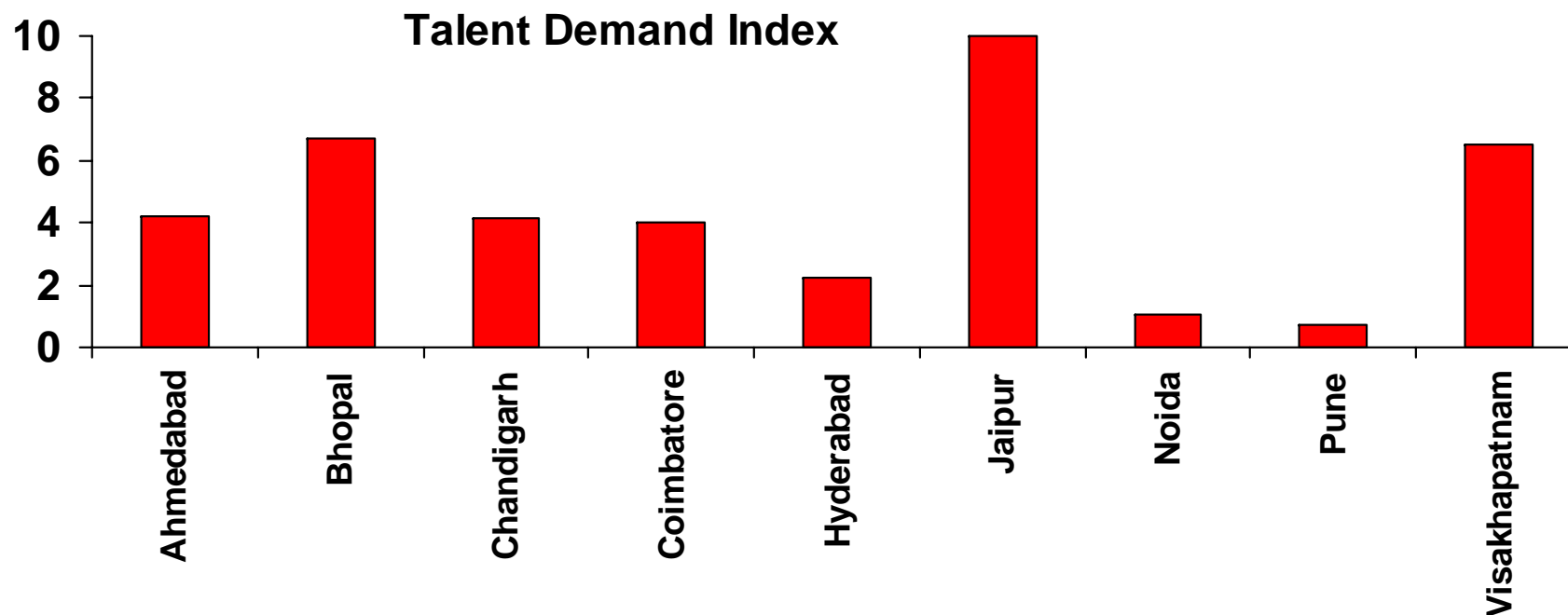
|               | Key competitor presence in the city |
|---------------|-------------------------------------|
| Ahmedabad     | 25.0                                |
| Bhopal        | 12.5                                |
| Chandigarh    | 12.5                                |
| Coimbatore    | 12.5                                |
| Hyderabad     | 87.5                                |
| Jaipur        | 12.5                                |
| Noida         | 25.0                                |
| Pune          | 100.0                               |
| Visakhapatnam | 25.0                                |

*\*The overall index represents the values of the weighted average index calculated on the basis of individual parameters, re-normalised on a base of 100. An index value of 100 denotes the best comparative option for each parameter.*

*Note: This index represent a positive phenomenon as greater presence of key competitors indicates attractiveness of a city*

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# Talent Demand



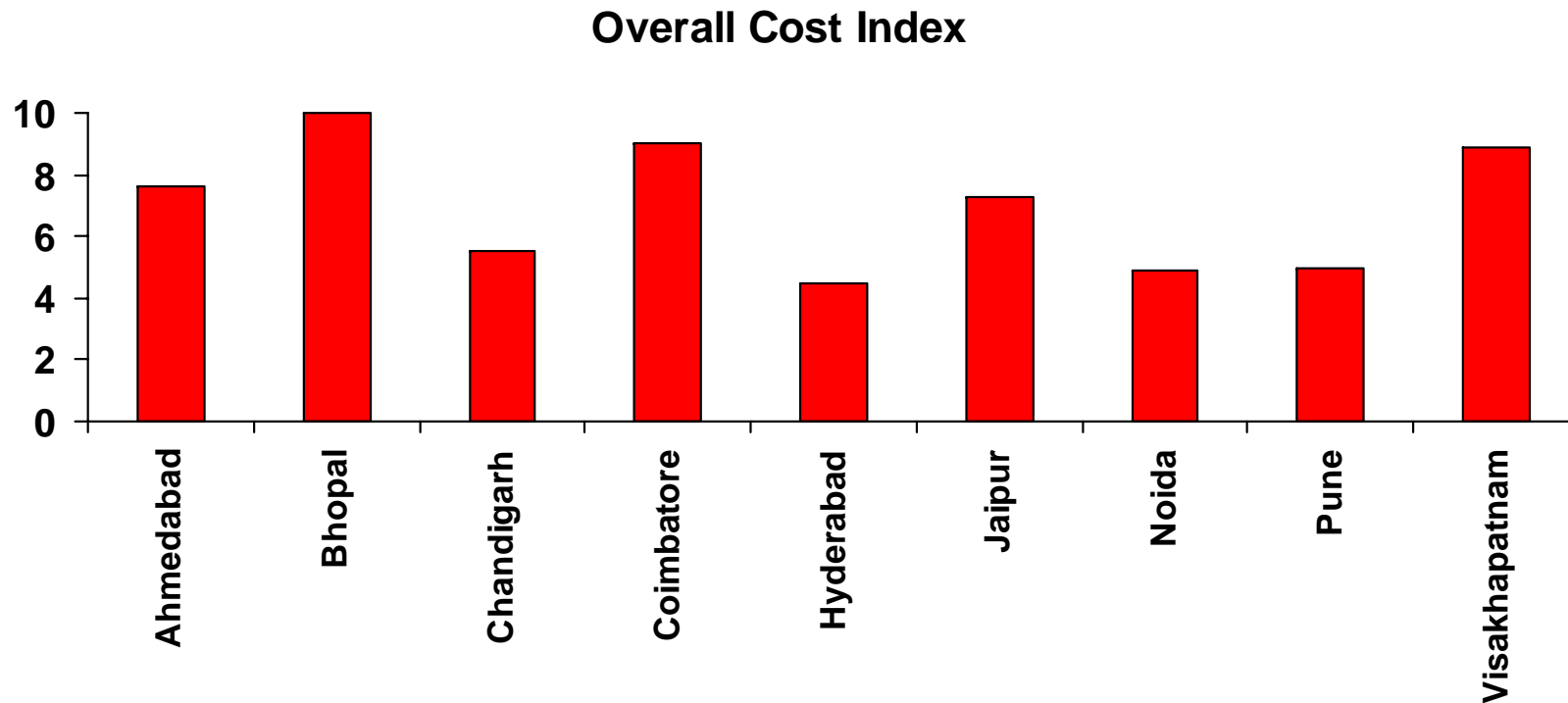
***In terms of overall demand for fresh talent, Jaipur has the highest score i.e. the least competing demand for the same talent***

Talent Demand Index is based on 3 underlying sub-indices for estimated recruitment by identified competitors in ranked colleges, estimated recruitment by other software engineer recruiters in the city, and intensity of job postings for software engineers on 2 job boards

*Note: An index value of 10 denotes the best comparative option for each parameter.*

# Raw data and detailed computation of talent demand index deleted from this document

# Cost Index



***In terms of overall cost of operations, Bhopal is the most attractive (cheapest) city, while Hyderabad is the least attractive***

Cost Index is based on 3 underlying sub-indices for real estate costs, manpower costs and power tariffs, re-normalised on a base of 10

*Note: An index value of 10 denotes the best comparative option for each parameter.*

## Overall Cost Index

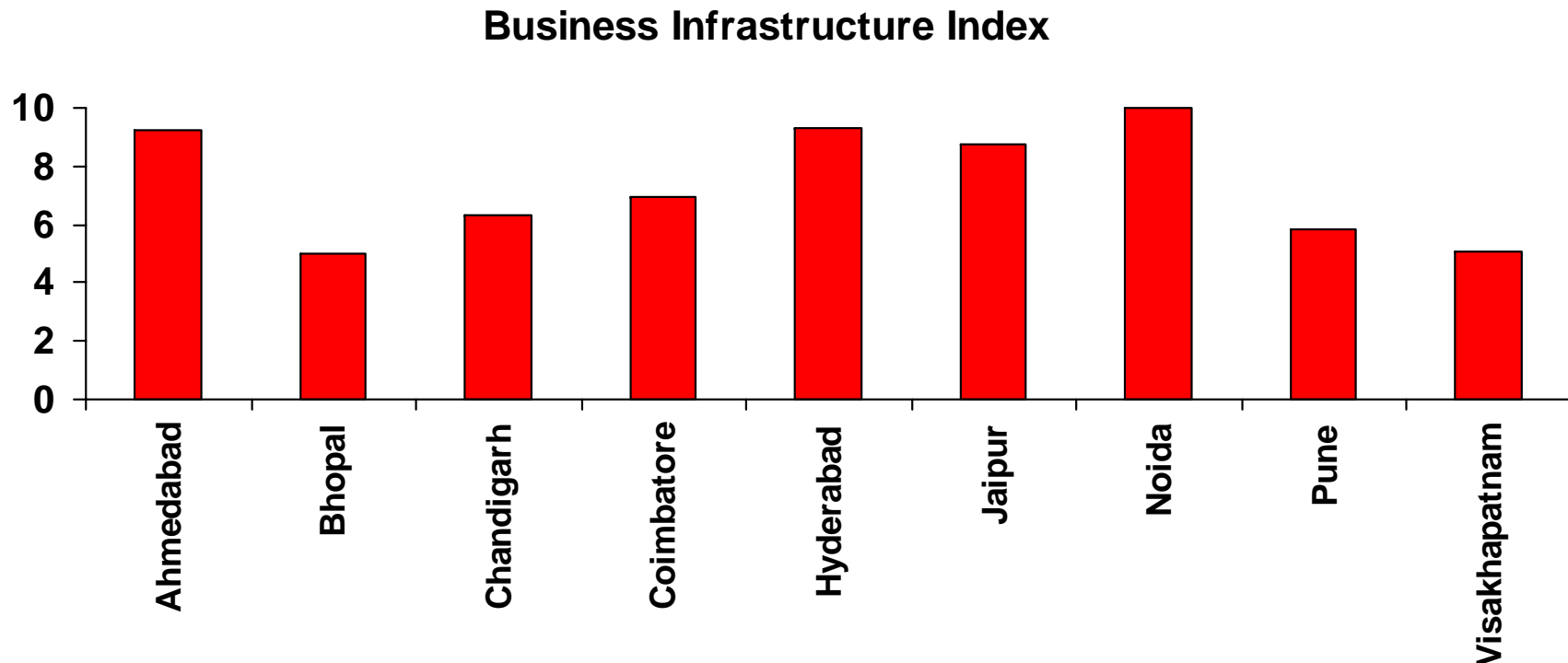
|               | Wages | Real estate | Electricity tariff | Total cost index |
|---------------|-------|-------------|--------------------|------------------|
| Ahmedabad     | 6.9   | 7.8         | 7.1                | <b>7.6</b>       |
| Bhopal        | 10.0  | 6.4         | 6.2                | <b>10.0</b>      |
| Chandigarh    | 5.1   | 3.3         | 10.0               | <b>5.5</b>       |
| Coimbatore    | 8.6   | 7.7         | 5.8                | <b>9.0</b>       |
| Hyderabad     | 4.0   | 4.2         | 5.4                | <b>4.5</b>       |
| Jaipur        | 7     | 5.7         | 6.9                | <b>7.3</b>       |
| Noida         | 4.4   | 4.4         | 8.6                | <b>4.9</b>       |
| Pune          | 4.4   | 5.2         | 6.0                | <b>5.0</b>       |
| Visakhapatnam | 8.1   | 10.0        | 5.4                | <b>8.9</b>       |

*\*The overall index represents the values of the weighted average index calculated on the basis of individual parameters, re-normalised on a base of 10. An index value of 10 denotes the best comparative option for each parameter*

# Raw data and detailed computation of cost index deleted from this document



# Business Infrastructure Index



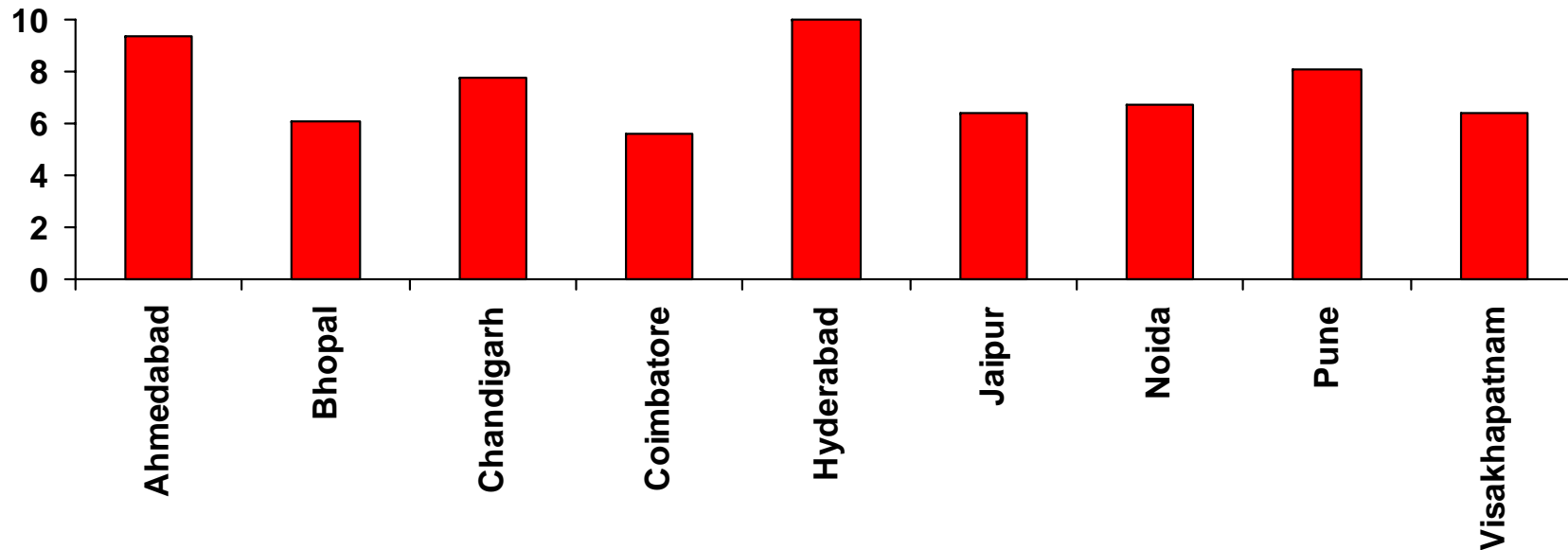
***In terms of overall business infrastructure, Noida has the highest score, followed closely by Hyderabad***

Business Infrastructure Index is based on 6 underlying sub-indices for electricity availability, telecom operator presence, road, rail and air connectivity and presence of IT parks/SEZs in the city

*Note: An index value of 10 denotes the best comparative option for each parameter.*

**Raw data and detailed computation of business infrastructure index deleted from this document**

# Quality of Life Index



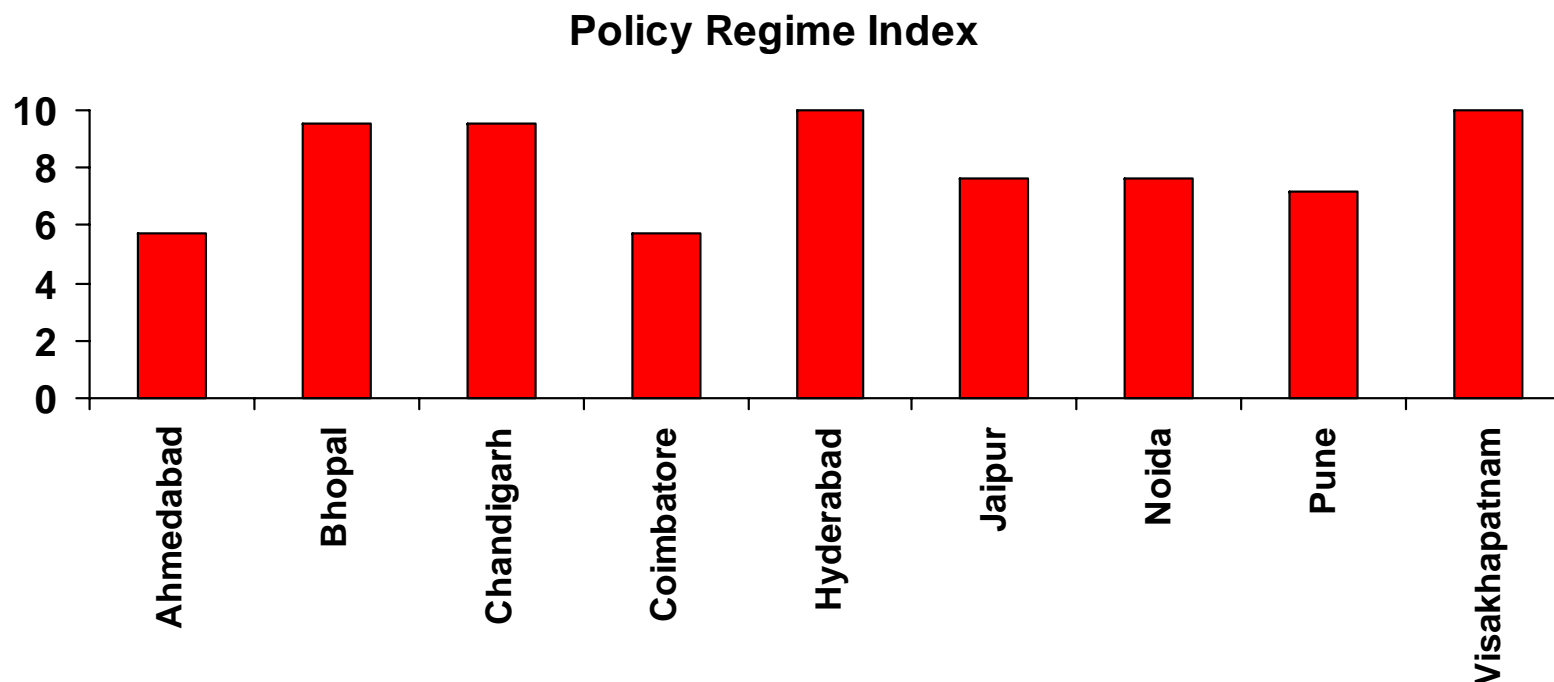
***In terms of overall quality of life, Hyderabad has the highest score***

Quality of Life Index is based on 7 underlying sub-indices for availability of utilities, entertainment options, air pollution levels, residential real estate rentals, presence of hospitals, ICSE/CBSE-certified schools in the city and public transport

*Note: An index value of 10 denotes the best comparative option for each parameter.*

**Raw data and detailed computation of quality of life index deleted from this document**

# Policy Regime Index



***In terms of the policy regime for IT companies, Hyderabad and Visakhapatnam have the highest scores***

The Policy Regime Index is a function of the presence of 8 specific state-level fiscal and policy incentives that are considered relevant for IT players

*Note: An index value of 10 denotes the best comparative option for each parameter.*

# Law and Order Index



***In terms of law and order, Chandigarh has the highest score (the safest city)***

The Law and Order Index is based on 4 sub-indices of incidence of crime, frequency of civil disturbances, size of police force and judicial infrastructure in the corresponding state. Each of these, in turn, is based on several other sub-indices.

*Note: An index value of 10 denotes the best comparative option for each parameter.*

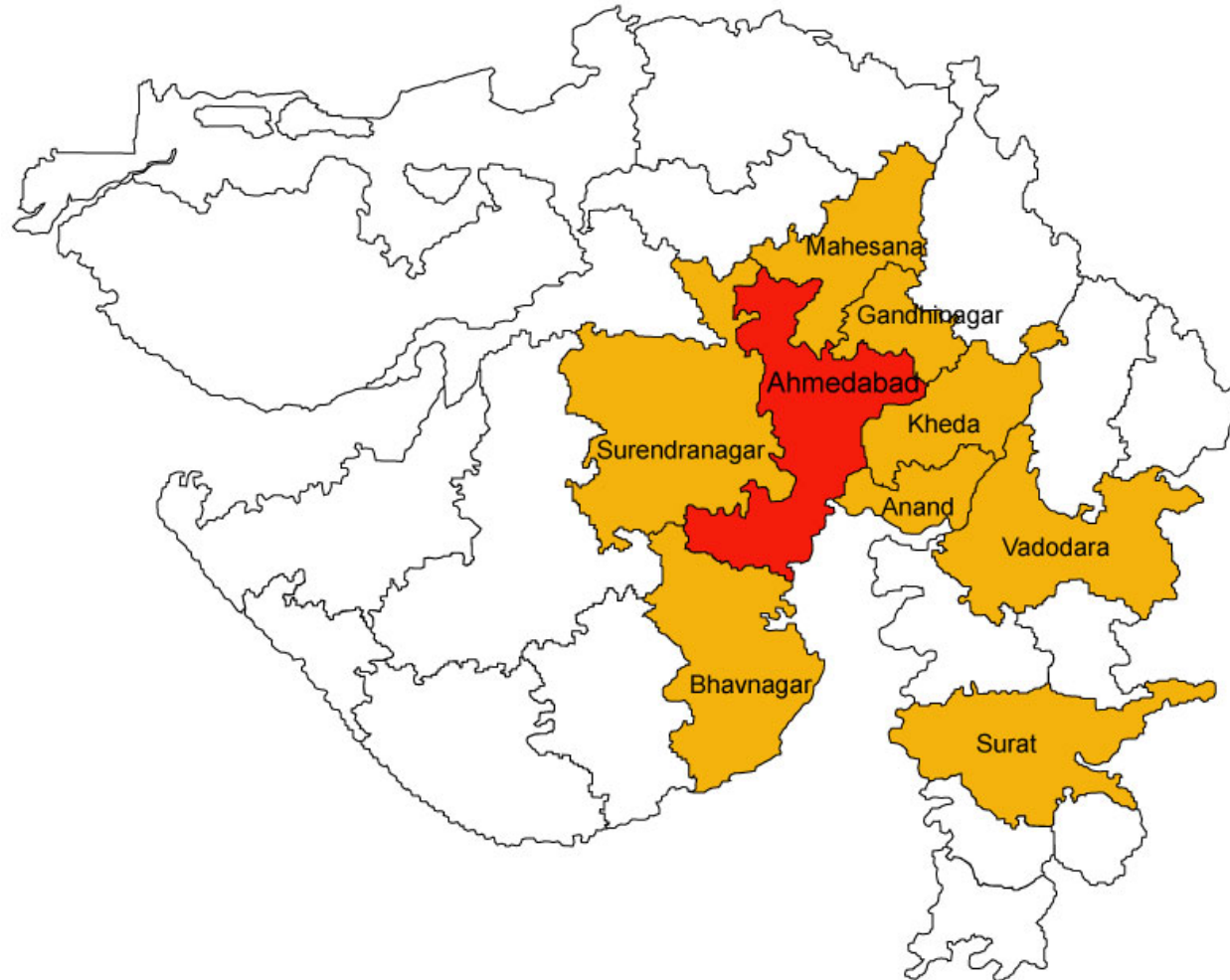
**Raw data and detailed computation of law and order index deleted from this document**

# VI. Annexures



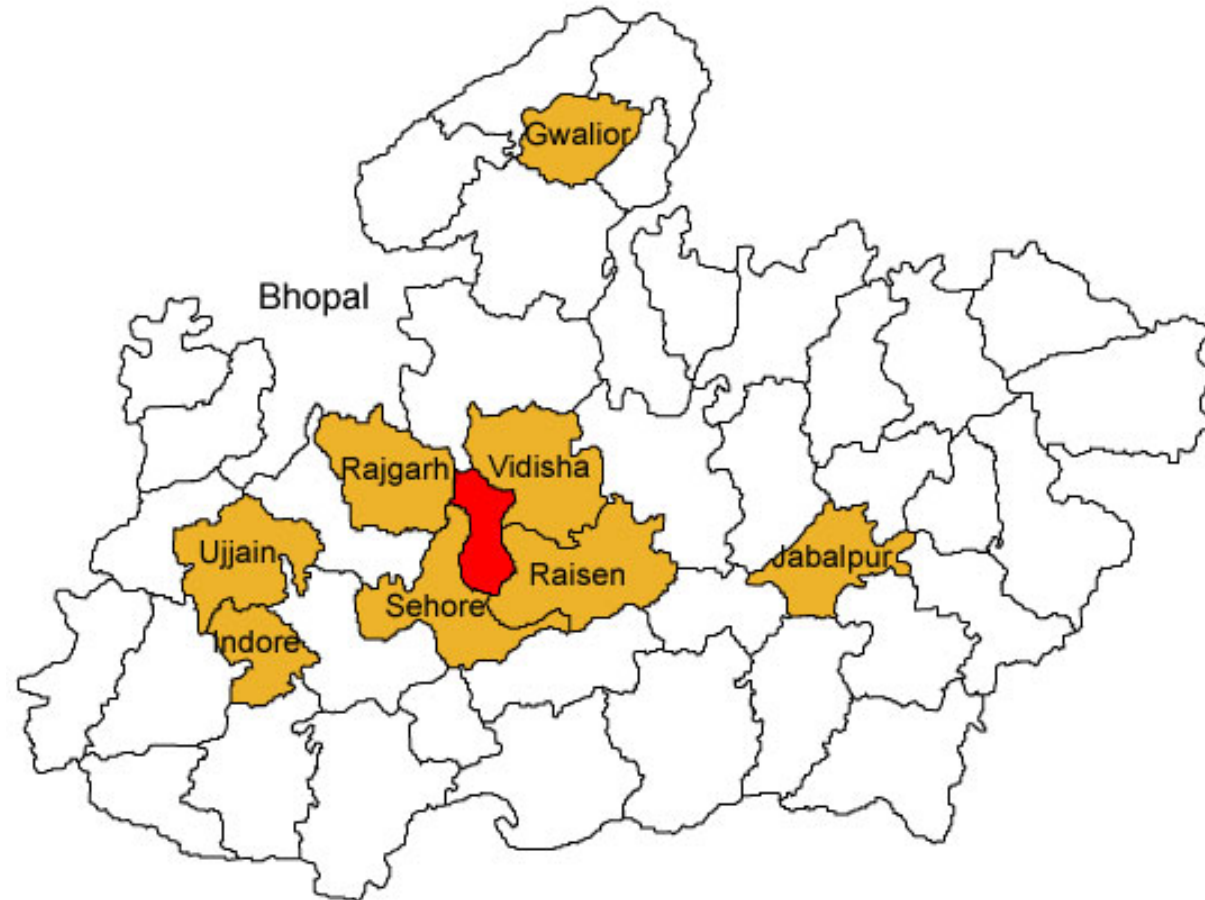
## A. Maps of Cities, Districts and Catchments

## Cities and their Catchment\* Areas: Ahmedabad



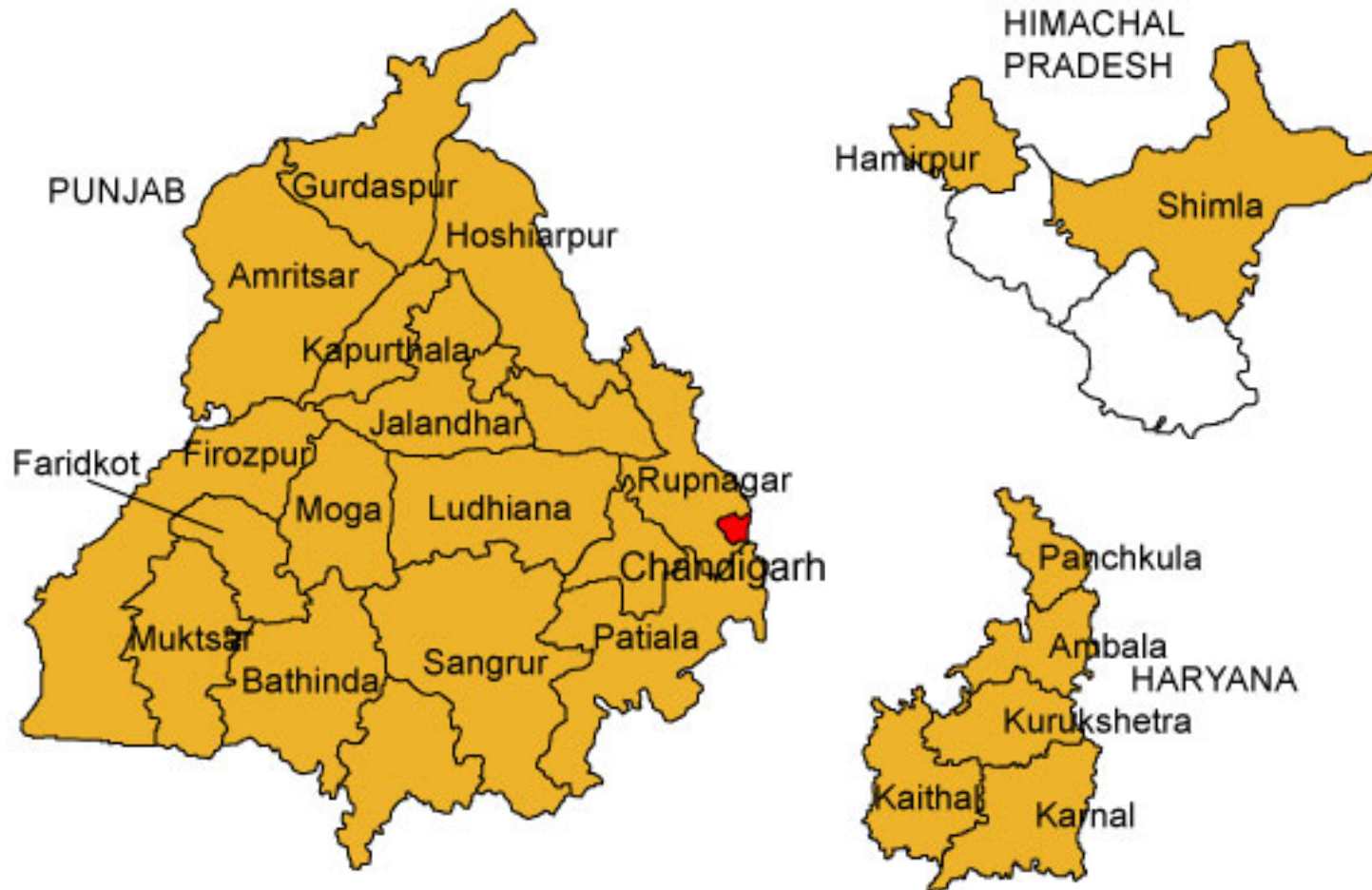
*Catchment area broadly denotes the geographical extent from where employers in the six study cities can potentially draw fresh and/or lateral recruits. These areas have been identified on the basis of proximity to the city in question, presence of engineering colleges in these areas, and resume analysis.*

## Cities and their Catchment\* Areas: Bhopal



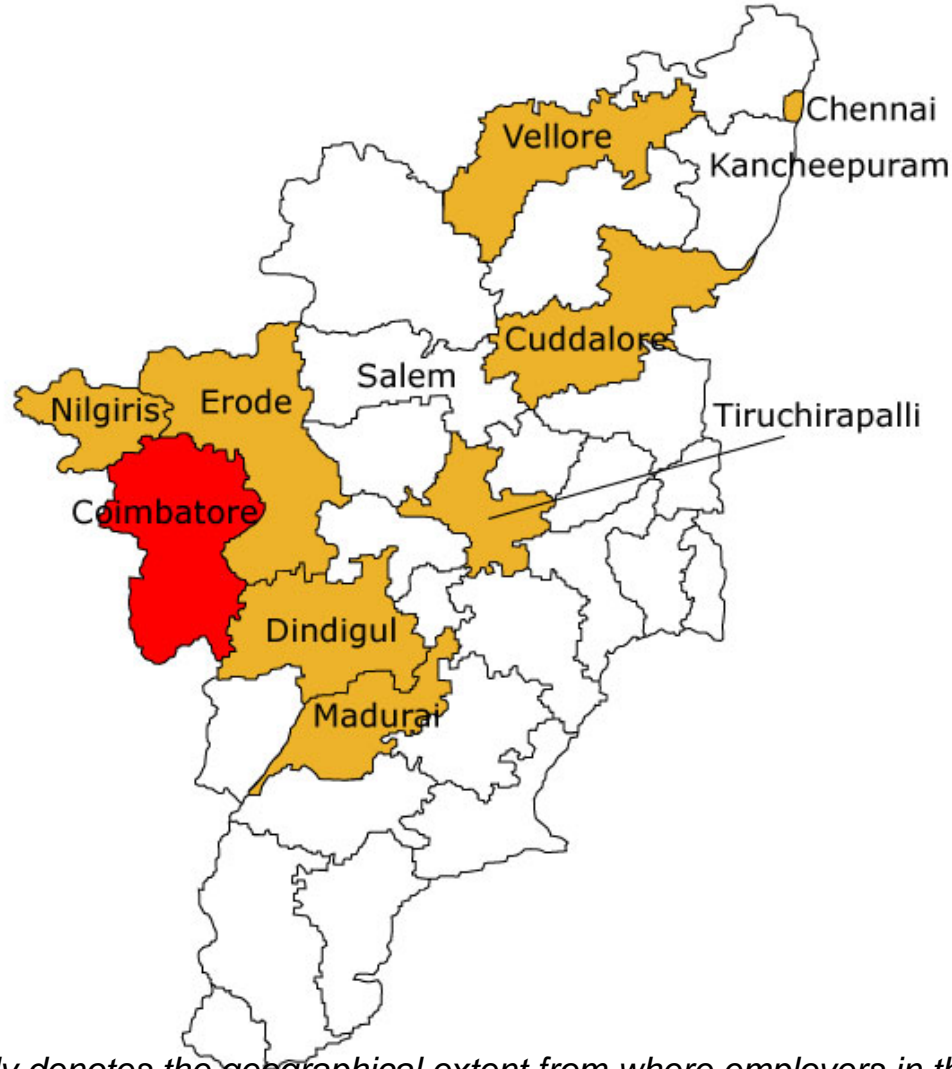
*Catchment area broadly denotes the geographical extent from where employers in the six study cities can potentially draw fresh and/or lateral recruits. These areas have been identified on the basis of proximity to the city in question, presence of engineering colleges in these areas, and resume analysis.*

# Cities and their Catchment\* Areas: Chandigarh



*Catchment area broadly denotes the geographical extent from which employees in the six study cities can potentially draw fresh and/or lateral recruits. These areas have been identified on the basis of proximity to the city in question, presence of engineering colleges in these areas, and resume analysis.*

# Cities and their Catchment\* Areas: Coimbatore



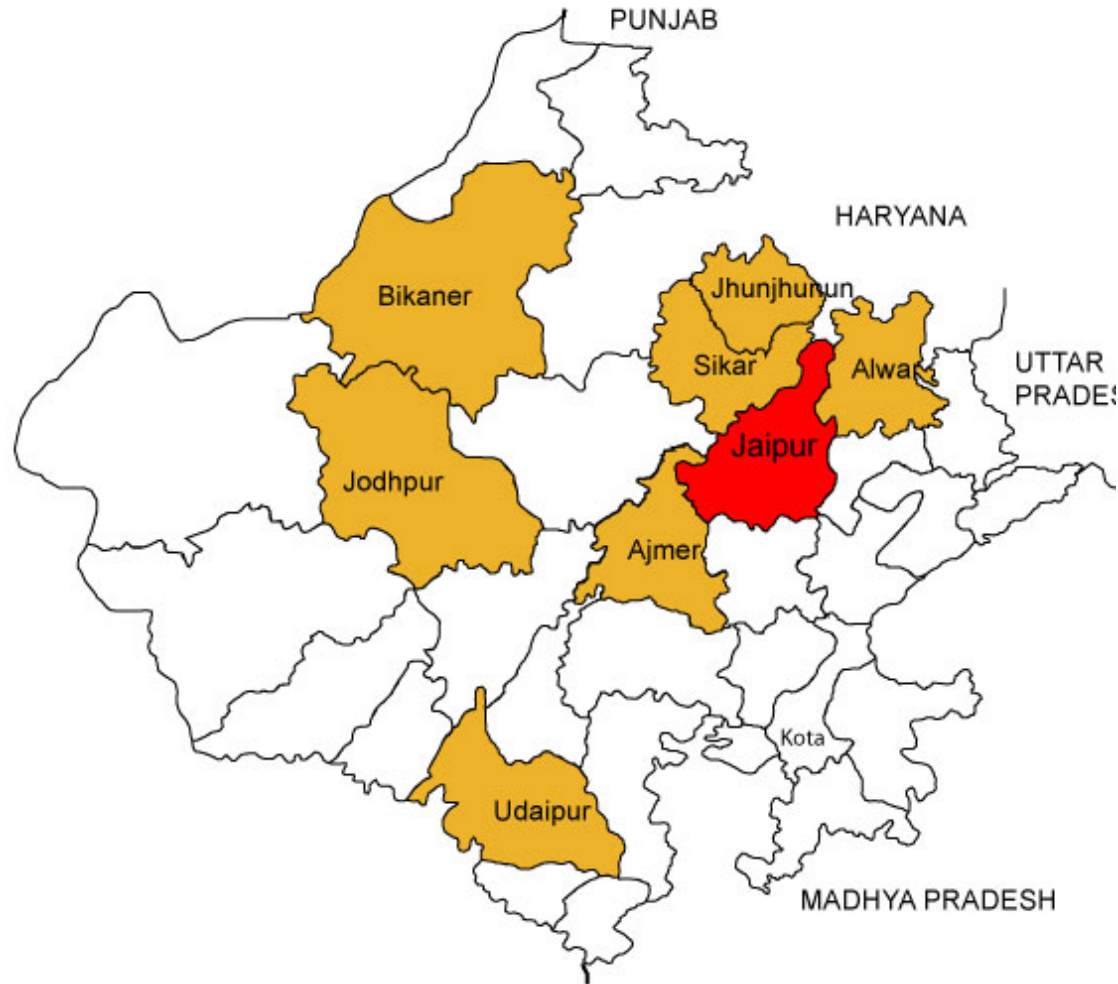
*Catchment area broadly denotes the geographical extent from where employers in the six study cities can potentially draw fresh and/or lateral recruits. These areas have been identified on the basis of proximity to the city in question, presence of engineering colleges in these areas, and resume analysis.*

## Cities and their Catchment\* Areas: Hyderabad



*Catchment area broadly denotes the geographical extent from where employers in the six study cities can potentially draw fresh and/or lateral recruits. These areas have been identified on the basis of proximity to the city in question, presence of engineering colleges in these areas, and resume analysis.*

# Cities and their Catchment\* Areas: Jaipur



*Catchment area broadly denotes the geographical extent from where employers in the six study cities can potentially draw fresh and/or lateral recruits. These areas have been identified on the basis of proximity to the city in question, presence of engineering colleges in these areas, and resume analysis.*

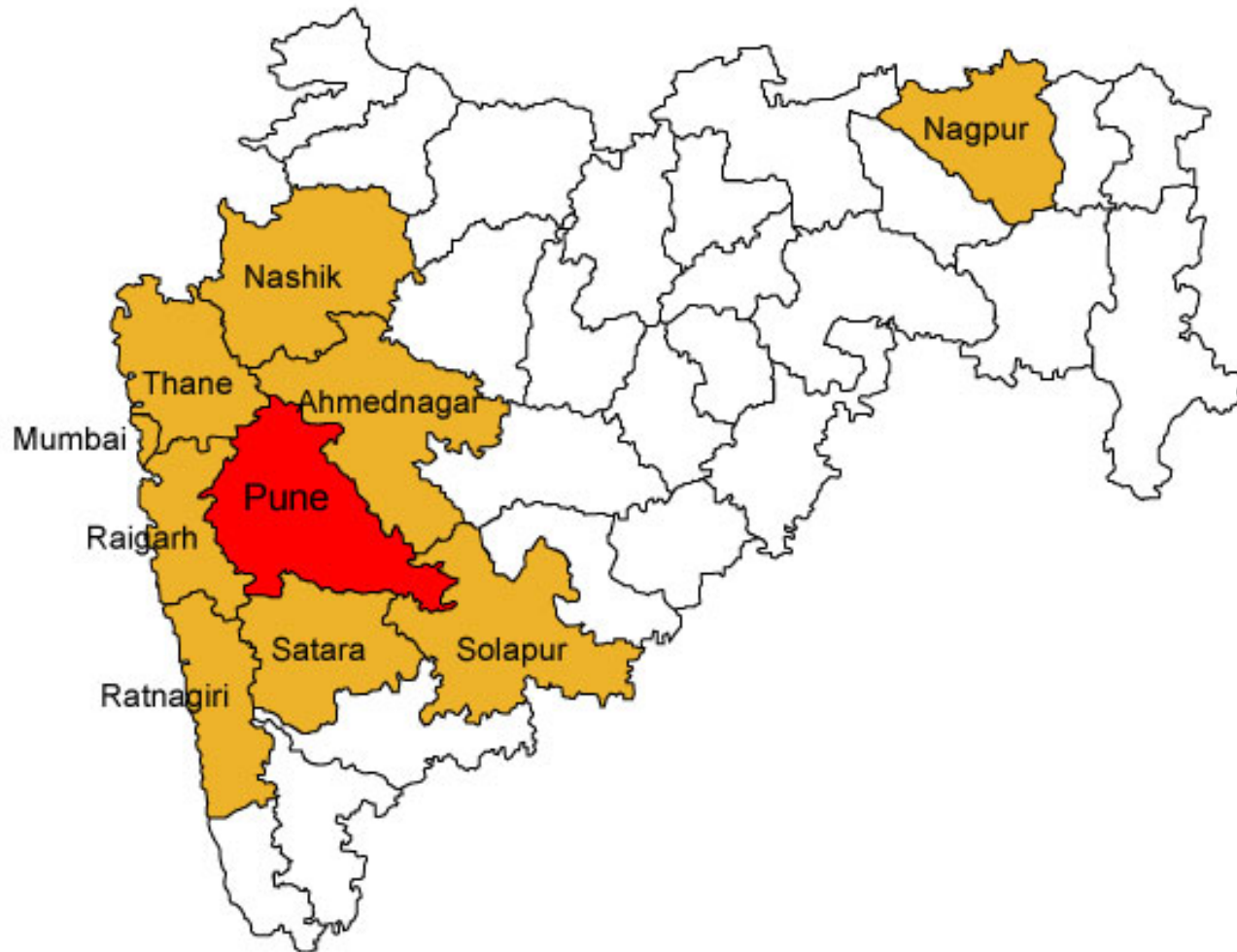
# Cities and their Catchment\* Areas: Noida



*Catchment area broadly denotes the geographical extent from where employers in the six study cities can potentially draw fresh and/or lateral recruits. These areas have been identified on the basis of proximity to the city in question, presence of engineering colleges in these areas, and resume analysis.*

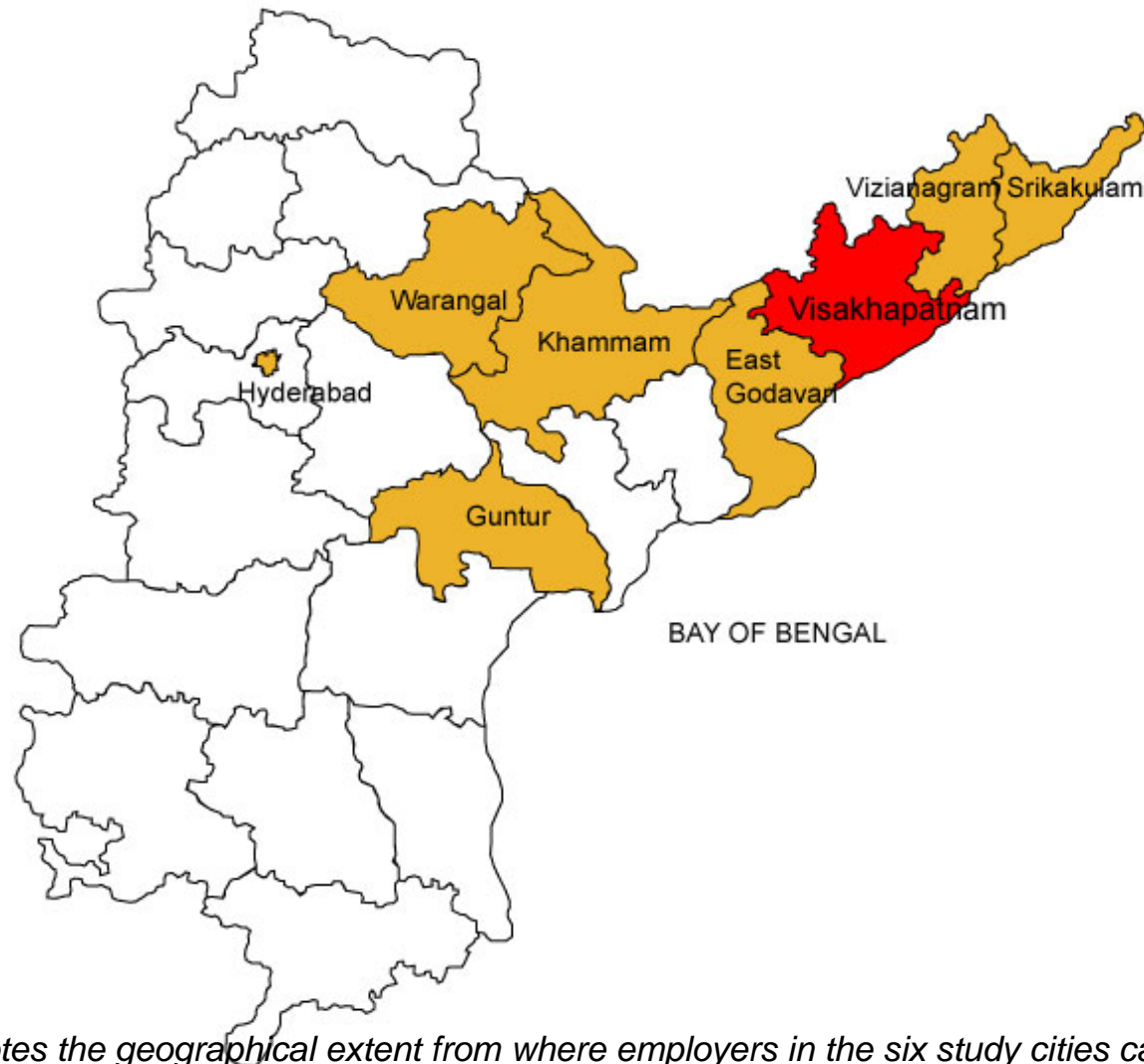


# Cities and their Catchment\* Areas: Pune



*Catchment area broadly denotes the geographical extent from where employers in the six study cities can potentially draw fresh and/or lateral recruits. These areas have been identified on the basis of proximity to the city in question, presence of engineering colleges in these areas, and resume analysis.*

## Cities and their Catchment\* Areas: Visakhapatnam



*Catchment area broadly denotes the geographical extent from where employers in the six study cities can potentially draw fresh and/or lateral recruits. These areas have been identified on the basis of proximity to the city in question, presence of engineering colleges in these areas, and resume analysis.*

**Annexure B deleted from this document**

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Disclaimer: This is a showcase report intended to illustrate the methodology and framework of IMA India's Location Attractiveness Index (LAI) model. It uses the example of a client (name masked to protect confidentiality) to demonstrate an illustrative set of findings.

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