

Second Tier, First Choice

A Readiness Assessment of
India's Emerging GCC Hubs

TABLE OF CONTENTS

Foreword	05
Executive Summary	06
India's Emergence as the Global GCC Hub and Imperatives for the Next Wave of Growth	09
Understanding the Key Enablers Shaping GCC Location Decisions	15
GCC Investment Readiness Index	21
City Wise Detailed Assessment on GCC Investment Readiness Index	24
Strategic Recommendations	94
Annexure	105



Foreword



Nilaya Varma

Co-Founder and Group CEO Primus Partners

India's Global Capability Centre (GCC) growth story has become a defining pillar of the country's economic transformation. From cost-driven beginnings, India has emerged as the world's leading hub for high-value GCC operations, driving advanced engineering, digital innovation, analytics, AI, cybersecurity, finance transformation and enterprise-wide strategic functions for global corporations.

This rapid evolution, however, has been geographically concentrated. India's major metropolitan centres have historically attracted the lion's share of GCC investments from across the world. While these cities continue to offer scale and ecosystem maturity, rising costs, congestion, talent saturation and infrastructure pressures highlight the need for a more balanced and future-ready growth model.

The time is now opportune to expand India's GCC footprint beyond the metros and unlock the untapped potential of Tier-2 and emerging GCC hubs. These cities offer a compelling proposition: growing talent pools, improving urban infrastructure, strengthened digital connectivity, competitive operating costs and supportive state policies.

This report, *Second Tier, First Choice: A Readiness Assessment of India's Emerging Tier-2 GCC Hubs*, serves this purpose with clarity and depth. By evaluating 15 emerging GCC hubs through a comprehensive, multi-dimensional readiness framework, it provides an objective and holistic assessment of their strengths, gaps and long-term potential. The analysis spans critical enablers—including talent ecosystems, airport and regional connectivity, Grade-A office infrastructure, ease of doing business, technology and digital readiness, quality of life and policy support—offering a nuanced understanding of each city's preparedness for GCC investments.

Importantly, this report also serves as a valuable guide for global enterprises seeking credible, low-risk and competitive alternatives to Tier-1 centres. Its insights enable informed decision-making, helping organisations evaluate where and how to expand their operations in alignment with future capability needs. For governments, the report provides a clear evidence base to shape targeted interventions that can accelerate ecosystem maturity and positioning of their cities as next-generation GCC destinations.

As India enters a new phase of economic transformation, a more geographically diversified GCC ecosystem will be central to achieving inclusive, innovation-led and regionally balanced growth. I am confident that the findings of this report will meaningfully contribute to policy deliberations, strategic planning and investment decisions, and help chart the next chapter of India's GCC success story.

Executive Summary

The next chapter of India's GCC story will be written beyond our metro cities. Tier-2 locations hold immense promise—but real progress requires clarity, readiness, and decisive action.



Kanishk Maheshwari

Co-Founder and Managing Director, Primus Partners

India has firmly established itself as the world's leading destination for Global Capability Centres (GCCs), hosting the largest and most diverse concentration of captive centres globally. Over the past two decades, GCCs in India have evolved from cost-efficient back-office operations into strategic global hubs delivering high-value outcomes across engineering, digital transformation, analytics, artificial intelligence, cybersecurity, finance, and research and development. Today, GCCs play a central role in shaping global enterprise competitiveness, innovation pipelines, and operating resilience.

However, this success has also produced a **structural concentration of GCC activity in a limited number of Tier-1 metropolitan hubs**. Cities such as Bengaluru, Hyderabad, Pune, Chennai, Mumbai, and the NCR region account for a disproportionate share of India's GCC footprint. **While these metros continue to offer depth and scale, mounting cost pressures, talent saturation, infrastructure congestion, and rising attrition are increasingly challenging the sustainability of a Tier-1-centric growth model.** Industry leaders now acknowledge that the next phase of India's GCC growth cannot rely on the same geographic playbook that defined the last two decades.

Against this backdrop, **Tier-2 cities are emerging as the natural frontier for the next wave of GCC expansion in India.** Improved physical and digital connectivity, expanding talent pools, lower operating costs, targeted policy support, and improving urban infrastructure have

collectively strengthened the investment proposition of several non-metro cities. Yet, **while the opportunity is widely recognised, outcomes will depend on a nuanced and evidence-based understanding of which Tier-2 cities are truly prepared to support large-scale, high-value GCC mandates**—and what targeted interventions are required to accelerate their evolution.

From Industry Signals to Systematic Assessment

Insights gathered from extensive industry consultations form a central pillar of this report. Global enterprises, GCC leaders, and **location strategy experts reached out to as part of this report have emphasised that location decisions are no longer driven by cost arbitrage alone. Instead, investors increasingly evaluate cities through a multi-dimensional lens encompassing talent sustainability, infrastructure readiness, digital capability, policy predictability, ecosystem maturity, quality of life, and long-term scalability.**

To translate these qualitative industry insights into a structured, comparable, and data-driven assessment, this study develops and applies a comprehensive GCC readiness framework **to evaluate 15 Tier-2 cities across India. The framework assesses cities across 13 critical pillars and 43 sub-parameters**, spanning across airport and regional connectivity, talent and skilling ecosystems, Grade-A office infrastructure, fiscal and policy support,

technology and innovation ecosystems, ease of doing business, urban livability, cost of living, safety and law-and-order, transportation infrastructure, and R&D and startup ecosystems. This approach enables a shift away from anecdotal perceptions towards a robust, evidence-based view of Tier-2 city readiness—highlighting both leading contenders and latent potential across the country.

Key Findings: A Heterogeneous but Promising Landscape

The assessment reveals that **India's Tier-2 cities are far from uniform in their GCC readiness**. Instead, they **fall across a spectrum—from cities that are already credible alternatives to Tier-1 metros for select GCC mandates, to cities that possess strong foundational strengths but require targeted interventions to unlock their full potential**.

Several cities demonstrate strong performance across core enablers such as talent availability, cost competitiveness, and improving connectivity, positioning them as near-term candidates for scaled GCC expansion. These cities benefit from proximity to major talent catchments, presence of anchor institutions

or enterprises, improving Grade-A office stock, and supportive state policies. Importantly, they also exhibit structural advantages in terms of lower attrition, better work-life balance, and more predictable operating costs.

At the same time, the analysis also identifies persistent gaps that constrain broader GCC adoption across Tier-2 locations. These include limited availability of large, contiguous, plug-and-play Grade-A office spaces; uneven quality of digital and last-mile connectivity; fragmented skilling initiatives not fully aligned with emerging GCC mandates; and inconsistencies in city-level facilitation and regulatory responsiveness. Livability outcomes—particularly in healthcare access, urban mobility, and environmental quality—also vary significantly across cities, influencing talent attraction and retention outcomes.

Critically, the findings underscore that **Tier-2 cities should not be viewed as substitutes for Tier-1 metros, but as complementary nodes within a more distributed and resilient GCC network**. Cities that perform well across multiple pillars are better positioned to attract higher-value, innovation-led GCC mandates rather than remaining confined to cost-driven functions.



Strategic Imperatives to Accelerate Tier-2 GCC Ecosystems

Drawing on the city assessments and industry insights, the report identifies five strategic imperatives that are critical to accelerating the emergence of Tier-2 cities as globally competitive GCC hubs:

1. Presence of Enabling Plug-and-Play, Scalable Office Infrastructure and Mix-Use Integrated GCC Townships

Cities must prioritise the creation of ready-to-deploy, ESG-compliant Grade-A office spaces at scale, supported by flexible building norms, mixed-use township development, and fast-tracked approvals to reduce time-to-market risks for global firms.

2. Presence of High Performance and Robust Digital and Technology Infrastructure

Future GCC growth will be anchored in AI, data, and digital mandates. Tier-2 cities must ensure resilient fiber connectivity, access to data centre and cloud infrastructure, and shared high-compute environments to support next-generation workloads.

3. Development of Deep Talent Pipelines Aligned to GCC Mandates:

While Tier-2 cities offer strong talent supply and retention advantages, sustained growth will depend on deeper industry-academia collaboration, applied learning models, and targeted skilling initiatives aligned with high-value GCC functions.

4. Creation of a Predictable, Low-Friction Regulatory Environment:

Speed, certainty, and ease of doing business are decisive differentiators. Digitised single-window systems, GCC-specific facilitation cells, and self-certification/risk-based compliance frameworks can significantly enhance investor confidence.

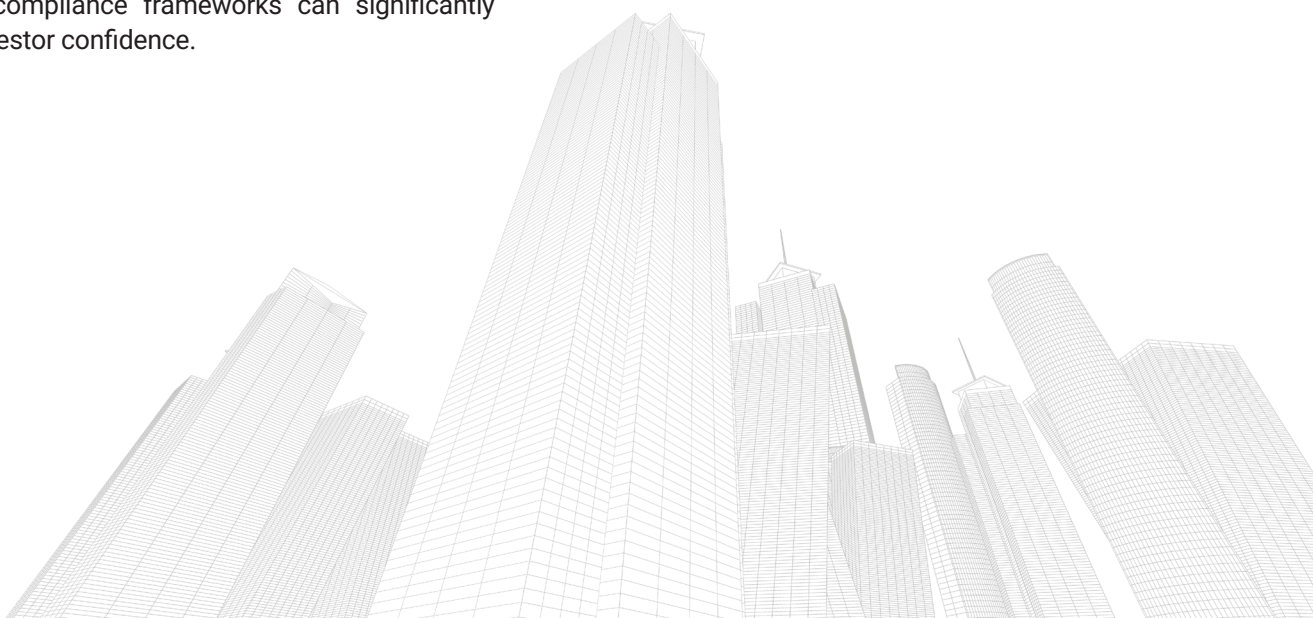
5. Strong Focus on Urban Mobility and Branding / Positioning of Tier-2 Cities as Credible Low Risk Alternatives for Tier-1 Cities:

Successful Tier-2 cities will be those that clearly articulate and deliver on city-specific GCC value propositions—backed by visible infrastructure commitments, talent assurances, and a coordinated investor engagement strategy.

From Readiness to Realisation

This report demonstrates that **India's Tier-2 cities possess the foundational ingredients required to support the next phase of GCC expansion. However, readiness does not automatically translate into outcomes.** Cities that move decisively—by aligning policy intent with execution, investing in ecosystem depth, and positioning themselves clearly in the global GCC landscape—will emerge as preferred destinations for high-value global capability investments.

By offering a structured assessment of city readiness and a clear set of strategic actions, this report aims to support investors, industry leaders, and policymakers in shaping a more balanced, resilient, and future-ready GCC ecosystem for India. The findings that follow provide a deeper, city-by-city view of readiness, strengths, gaps, and the pathways required to unlock the full potential of Tier-2 cities in India's GCC growth story.



India's Emergence as the Global GCC Hub and Imperatives for the Next Wave of Growth

Over the last two decades, India has firmly established itself as the global epicenter for GCCs. What began in the late 1990s as a cost-driven offshoring experiment has evolved into a mature, strategic ecosystem that today plays a central role in the global operating models of multinational corporations. **India now hosts an estimated 1,700–1,800 GCCs, employing close to two million professionals and generating annual economic value exceeding USD 60 billion.** More than one-third of Fortune 500 companies and a significant share of the Forbes Global 2000 operate GCCs in India, underscoring the country's position as the preferred destination for global in-house centres.

This scale and depth are not incidental. **India's GCC success is underpinned by a unique combination of factors: a large and diverse technology talent pool, a globally competitive cost structure, a mature IT and digital services ecosystem, and an enabling policy environment.** Over time, these fundamentals have allowed GCCs in India to move far beyond transactional back-office functions. Today, Indian GCCs are integral to enterprise-wide value creation, leading high-end work across digital engineering, product development, advanced analytics, artificial intelligence and machine learning, cybersecurity, risk management, finance transformation, and research and development. Many centres now own global mandates, manage intellectual property, and influence strategic decision-making at the enterprise level.



~1,700

GCCs Setup in India



1.9 Million

Employees in India



\$64 Billion

GCC export revenue in FY24



400+

GCCs established in last 5 years



~20%

Forbes 200 companies
have set up GCCs in India



1%

GCC Contribution to India's GDP

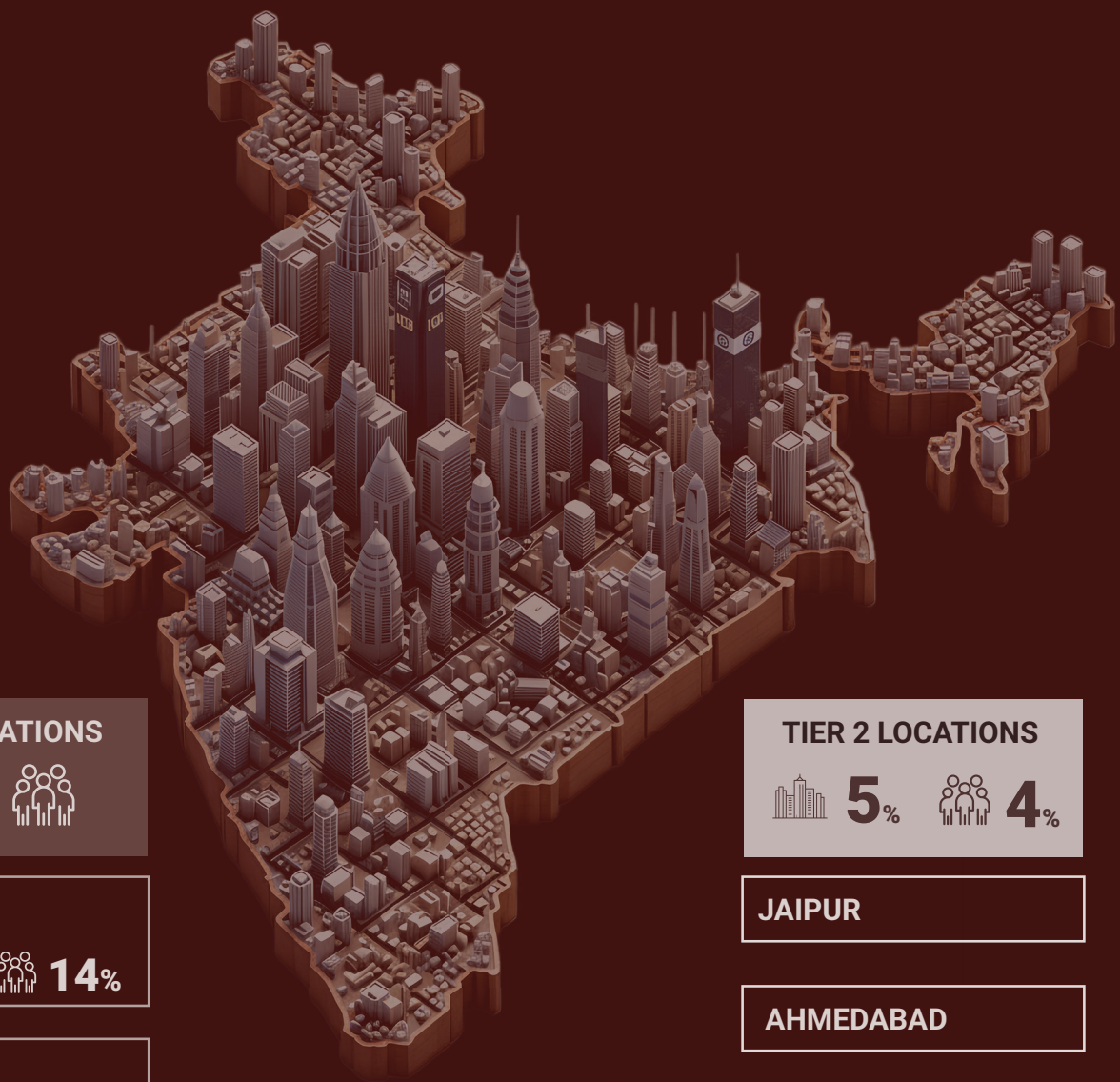
The evolution of India's GCC ecosystem can be broadly understood across three phases. The first phase, spanning the late 1990s to the early 2000s, was largely cost-centric, focused on IT support, application maintenance, and basic business process outsourcing. The second phase, from roughly 2010 onwards, saw GCCs mature into centers of process excellence and scale, with expanded ownership of enterprise platforms, shared services, analytics, and engineering support. The current phase marks a structural shift: GCCs in India are increasingly innovation-led global hubs, anchoring next-generation capabilities in areas such as cloud architecture, AI-driven decision systems, advanced manufacturing engineering, and digital product

design. This transition has fundamentally altered the role of India within global corporate value chains—from an execution destination to a strategic nerve center.

Despite¹ this transformation, **the geographic footprint of India's GCC ecosystem remains highly concentrated. A small set of Tier-1 metropolitan cities**—primarily Bengaluru, Hyderabad, Pune, Chennai, Mumbai, and the National Capital Region—**account for nearly 90–95 percent of all GCCs in the country.** Bengaluru alone hosts the highest concentration of GCCs globally, followed by Hyderabad and Pune, which have emerged as strong hubs for engineering, digital, and financial services GCCs.

¹ Zinnov-Nasscom





TIER 1 LOCATIONS



DELHI NCR



15%



14%

MUMBAI



12%



11%

PUNE



10%



9%

HYDERABAD



19%



18%

CHENNAI



9%



10%

BENGALURU



30%



34%

TIER 2 LOCATIONS



5%



4%

JAIPUR

AHMEDABAD

VADODARA

NAGPUR

KOLKATA

BHUBANESWAR

VIZAG

COIMBATORE

TRIVANDRUM



Distribution of GCCs



Talent Availability

This graphic compares the presence of Global Capability Centre (GCC) hubs and workforce distribution across Tier-1 and Tier-2 cities.

From Advantage to Constraint: The Tier-1 GCC Challenge

Though Tier-1 cities **offer deep talent pools, strong global connectivity, established vendor ecosystems, and proven operating environments, making them natural choices for early GCC investment**, this concentration has also resulted in **mounting structural pressures**.

Over the past decade, **Tier-1 GCC locations have experienced sharp increases in real estate costs, wage inflation, infrastructure congestion, and talent attrition**. Prime office rentals in leading micro-markets are often 30–50 percent higher than comparable Grade-A spaces in Tier-2 cities, while overall operating costs can be 15–25 percent higher. Intense competition for experienced talent has led to rising attrition rates—often exceeding 20–25 percent annually—eroding productivity gains and

increasing replacement costs. At the same time, **urban infrastructure in several Tier-1 cities is under strain**, with long commute times, environmental challenges, and stretched civic services affecting employee experience and long-term sustainability.

As India's GCC ecosystem scales further and moves into higher-value, knowledge-intensive work, these constraints are becoming increasingly binding. **The traditional advantages of Tier-1 cities—while still significant—are no longer sufficient on their own to support the next phase of expansion**. This has led enterprises, investors, and policymakers alike to re-evaluate India's GCC geography and explore a more distributed, resilient growth model.

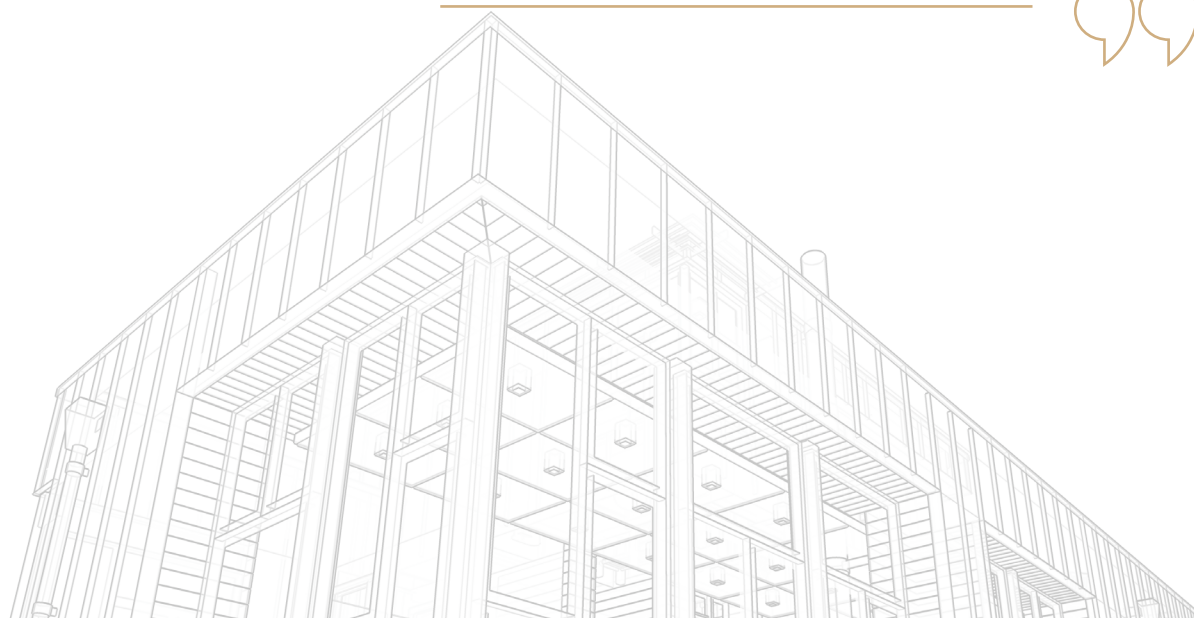


SUNITA MOHANTY
Managing Director,
Primus Partners



Relocating to emerging Indian hubs like Coimbatore, Jaipur, Indore, and Bhubaneswar offers significant cost advantages in real estate, utilities, and talent, serving as an ideal alternative to congested Tier 1 cities. Supported by robust digital infrastructure, modern office spaces, and improved connectivity, these cities cater to a workforce seeking a better lifestyle, which helps organizations ensure business continuity, long term value creation and reduce attrition rates.

These GCCs eventually evolve into deep R&D centers thereby contributing the growth of the nations.



The Case for a more distributed GCC Growth Model, led by Tier-2 Cities

In this context, **Tier-2 cities are emerging as the natural frontier for the next wave of GCC growth in India.** These cities collectively **represent a vast, under-leveraged opportunity** and offer the following benefits:

A. Superior Unit Economics for Establishing and Operating GCCs

The cost of establishing and operating GCCs in Tier-1 cities has risen sharply over the past decade. Escalating real estate prices, sustained wage inflation, infrastructure congestion, and high talent attrition have materially increased the total cost of ownership in leading metropolitan markets. **Office rentals in prime Tier-1 micro-markets are typically 30–50 percent higher than comparable Grade-A office spaces in Tier-2 cities**, while **overall operating costs—including facilities, transportation, and employee compensation—are often 15–25 percent lower in Tier-2 and Tier-3 locations.** In addition, the **cost of living in Tier-2 cities is generally 10–35 percent lower than in nearby Tier-1 metros**, creating further downstream benefits for employee compensation structures. Wage inflation in Tier-1 cities has also intensified due to fierce competition for experienced talent, resulting in higher attrition and increased replacement costs. In contrast, Tier-2 and Tier-3 cities offer a **structurally lower and more stable cost base, enabling GCCs to achieve superior long-term unit economics.** For enterprises planning sustained, multi-year scaling of their GCC operations, these cost advantages are increasingly decisive rather than marginal.

B. Natural Talent Catchments with Low Attrition Rates for GCCs to Build a Scalable and Sustainable Workforce

Tier-2 and Tier-3 cities represent a substantial and growing talent reservoir for GCCs. These cities are home to a large proportion of India's engineering, IT, and science graduates, supported by an extensive network of regional universities, engineering colleges, and technical institutions. As a result, they function as **natural talent catchments for GCCs seeking to build scalable and sustainable workforce pipelines.**

Equally important, GCCs operating in Tier-2 cities **consistently report lower attrition rates than those in Tier-1 metros**, where frequent job switching is common due to market saturation. Attrition in Tier-1 cities often ranges between 20 and 25 percent annually, while Tier-2 locations have been observed **to record attrition rates up to 10 percentage points lower.** Employees in Tier-2 cities tend to demonstrate stronger organisational loyalty and longer tenure, driven by lower living costs, proximity to family, and improved work-life balance. These factors collectively reduce hiring costs, limit productivity losses, and support more predictable workforce planning.

C. Improved Livability and Employee Experience

Livability has become an increasingly important consideration in GCC location decisions, particularly as enterprises seek to enhance employee experience and well-being. Compared to Tier-1 metros, **Tier-2 and Tier-3 cities typically offer lower congestion, shorter commute times, better air quality, and more affordable housing.** Urban challenges commonly associated with large cities—such as traffic bottlenecks, pollution, drainage issues, and overstretched civic infrastructure—are generally less acute in many Tier-2 locations.

These conditions translate into tangible quality-of-life benefits, including improved work-life balance, reduced commute-related stress, and higher overall employee satisfaction. For GCCs competing globally for skilled professionals, the ability to offer a superior living environment alongside meaningful career opportunities has emerged as a significant differentiator in talent attraction and retention.

D. Location Differentiated Incentive Frameworks That Explicitly Favour Tier-2 and Tier-3 Cities of States

Government policy—at both the Central and State levels—has emerged as a critical enabler for GCC expansion beyond Tier-1 cities. Recognising the need for balanced regional development and the decongestion of major metros, **several states have introduced location-differentiated incentive**

frameworks that explicitly favour Tier-2 and Tier-3 cities. For example, Karnataka through its Bengaluru and Beyond Bengaluru framework offers enhanced capital subsidies, rental reimbursements, payroll-linked incentives, and operational support for enterprises establishing centres outside established metropolitan districts. These initiatives showcase **a strong policy preference for nurturing new GCC hubs rather than reinforcing existing concentrations.**

E. Rapidly Improving Physical and Digital Connectivity

Historically, limitations in physical and digital connectivity constrained the attractiveness of Tier-2 and Tier-3 cities for large-scale GCC operations. Over the past decade, however, this gap has narrowed significantly. The Government of India's sustained focus on regional connectivity—through airport development, expansion of domestic aviation networks, and improved rail infrastructure—has substantially enhanced access to non-metro cities.

The increased frequency of premium and semi-high-speed trains has reduced travel time between Tier-2 cities and major metros, improving accessibility for senior leadership, global visitors, and distributed teams. Parallel investments in digital infrastructure—including fiber networks, high-capacity data connectivity, and cloud access—have further strengthened the operating environment. Many Tier-2 cities today offer enterprise-grade digital infrastructure capable of supporting global, time-critical GCC operations with minimal performance differentials compared to Tier-1 locations.

F. Strategic Shift towards Distributed GCC Models

Global enterprises are increasingly adopting **distributed GCC models to mitigate concentration risk, enhance operational resilience, and access diversified talent pools.** Rather than relying on a small number of large metropolitan hubs, firms are designing **multi-location GCC networks that balance scale, cost efficiency, and risk diversification.**

Tier-2 and Tier-3 cities align well with this strategic shift, functioning as complementary hubs to Tier-1 locations rather than direct substitutes. As GCCs continue to move into higher-value work such as engineering, analytics, artificial intelligence, and research and development, the availability of cost-effective, talent-rich, and livable cities becomes critical. In this context, Tier-2 and Tier-3 cities are well positioned to absorb the next wave of GCC expansion and play a central role in shaping the future geography of India's GCC ecosystem.

Against this backdrop, the readiness of India's Tier-2 cities to emerge as future GCC hubs assumes critical importance. While the opportunity is evident, outcomes will depend on a nuanced interplay of factors—talent availability, infrastructure readiness, policy support, ecosystem maturity, and quality of life. This report seeks to assess these dimensions systematically, with the objective of identifying which Tier-2 cities are best positioned to support the next generation of GCC investments, and what interventions are required to accelerate their evolution.



ABHIMANYU
SHARAFF
Chairman, CII Haryana



The expanding footprint of Global Capability Centres into Tier-2 and emerging cities reflects a structural shift in India's growth model—one that strongly aligns with the vision of India@2047 and Visit Bharat. By harnessing distributed talent pools, strengthening regional infrastructure, and promoting balanced urban development, this decentralisation is enhancing India's position as a resilient, inclusive, and globally competitive hub for enterprise-led innovation. This report will serve as a valuable reference for GCCs across the world as they plan their India footprint and explore opportunities beyond traditional metropolitan locations.



Understanding the Key Enablers Shaping GCC Location Decisions

Insights from primary research conducted with GCC Ecosystem Stakeholders

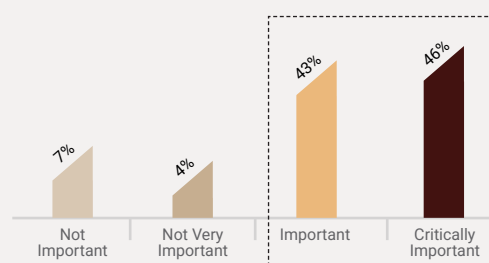
As India's GCC landscape expands beyond traditional metro hubs, the perspectives of industry leaders become critical to understanding what truly drives location decisions. Through **personal interviews and primary surveys with 50+ leading GCC executives**, GCC service providers and GCC real estate developers from across the country, this

section aims to **understand and identify the key enablers required to accelerate the shift toward emerging GCC destinations**. Based on the responses received from the stakeholders, the following key insights/ considerations for establishing a GCC in Tier-2 City have emerged:

Key Insight 1

89% of respondents stated that **International Airport Connectivity** is of **critical importance or important** in their **GCC location decisions**. This was found to be especially important in the context of GCCs whose global leadership/ decision-making power was concentrated in the global headquarters of GCCs located in the US or in Europe.

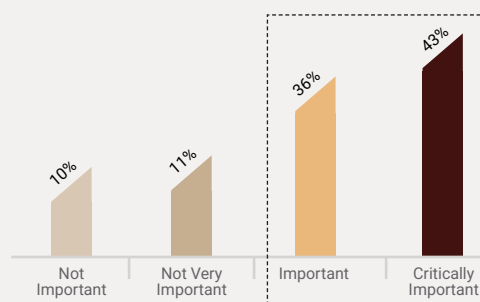
Understanding the Importance of International Airport Connectivity in GCC Location Decisions



Key Insight 2

79% of the respondents stated that the **availability of a strong talent ecosystem** that aligns with evolving business, technology, and innovation demands of GCCs was of **critical importance or important** in their **GCC location decisions**. It was highlighted by respondents that as GCCs move up the value chain—from back-office support to innovation hubs, the presence of a future-ready talent ecosystem—skilled in AI, data, and cross-domain expertise—is critical to sustain and accelerate the next phase of GCC growth.

Understanding the Importance of Skilling and Talent Ecosystem in GCC Location Decisions





KANISHK MAHESHWARI
Co-Founder and Managing
Director, Primus Partners

Tier-2 cities offer global enterprises a compelling talent proposition—deep and growing skill pools combined with significantly higher workforce stability. Lower attrition in these locations enables organizations to build institutional knowledge, manage costs more predictably, and sustain long-term value creation. As a result, Tier-2 cities are increasingly well-positioned to function as strong second offices, complementing primary global hubs while enhancing resilience across enterprise operations.



Tier-2 and emerging cities are home to abundant talent and a rapidly growing base of skilled professionals, reflecting the true spirit of a rising India. As opportunity decentralizes, these cities enable growth to democratize—allowing global enterprises and local talent to come together and shape the next chapter of India's digital and economic transformation.

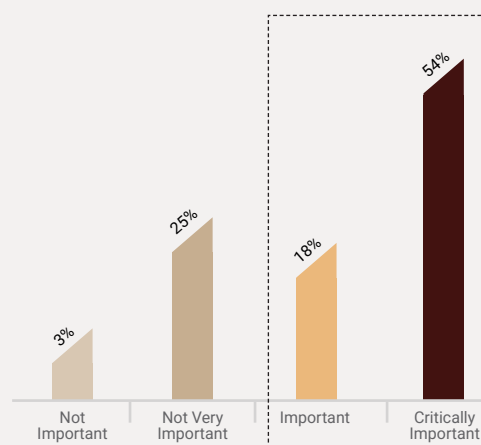


KAPIL JOSHI
CEO, IT Staffing,
Qess Corp Limited

Key Insight 3

72% of the respondents stated that availability of Grade A Office Space Infrastructure was of critical importance or important in their GCC investment decisions. Stakeholders noted that GCC office spaces are typically required to be developed and fitted-out in line with global corporate standards, making the availability of high-quality infrastructure at competitive costs particularly important. **In addition, 57% of respondents highlighted the importance of green-certified office buildings, reflecting the increasing emphasis placed by global enterprises on sustainability commitments and net-zero targets.** The presence of environmentally compliant infrastructure is therefore becoming an integral consideration in GCC location selection.

Understanding the Importance of Availability of Grade A Office Space Infrastructure in GCC Location Decisions





MUDASSIR ZAIDI
Executive Director-North,
Knight Frank India



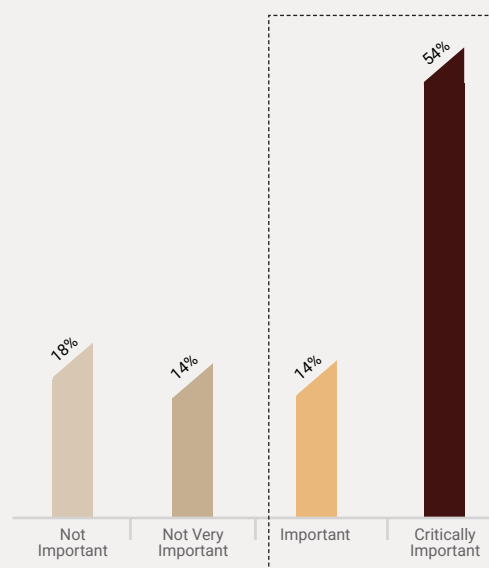
From an occupier and investor perspective, the availability of Grade A office infrastructure remains a critical factor in Global Capability Centre location decisions. While Tier-2 and emerging cities are making meaningful progress, they have yet to achieve the depth and scale of Grade A office stock seen in established metro markets. Bridging this gap—through timely development of globally benchmarked, sustainable office spaces—will be essential to unlock the next phase of GCC growth in these cities.



Key Insight 4

As GCCs increasingly take on complex, value-added functions such as artificial intelligence, digital engineering, cybersecurity, and data-driven decision-making, the quality of a city's technology infrastructure has also become a key determinant of location choice. GCCs now require dependable high-speed connectivity, secure and intelligent office environments, and proximity to innovation ecosystems including R&D facilities and collaboration hubs. Advanced infrastructure—ranging from high-availability data centers and next-generation telecom networks to sustainable, digitally enabled office campuses — enables operational resilience, supports flexible working models, and aligns with global standards on security, compliance, and sustainability. Reflecting this shift, around **68% of surveyed stakeholders identified strong technology infrastructure and ecosystem readiness as an important or critical factor in GCC investment decisions.**

Understanding the Importance of Technology Ecosystem in GCC Location Decisions





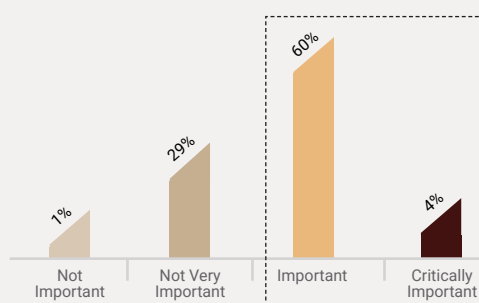
**SURESH KUMAR
JAGANNATHAN**
Chief Operating Officer
of Coforge DPA

For Global Capability Centres to thrive in the long term, India must strengthen the growth of technology talent across Tier-2 cities. Ensuring the right skills—at the right time and at the right scale—in areas such as core programming, AI, machine learning, delivery management and technology-led innovation should remain a priority for both government and industry. Equally important is the strength of a city's technology infrastructure. GCCs today rely on dependable high-speed connectivity, secure and intelligent workplaces, and close linkages with R&D and innovation ecosystems. Cities that combine deep talent pipelines with robust digital and innovation infrastructure will lead the next wave of GCC expansion and will be a key focus area for both governments and industry.

Key Insight 5

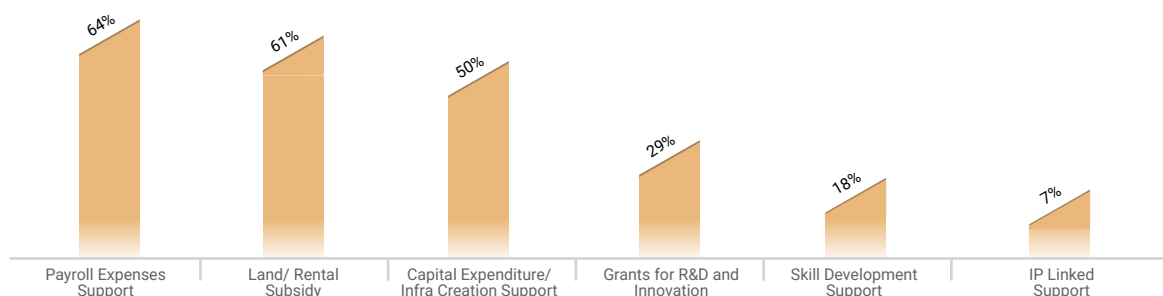
Cost remains one of the most significant considerations in GCC location decisions in India, particularly in Tier-2 and Tier-3 cities. Nearly **64% of survey respondents indicated that fiscal support — especially measures aimed at offsetting high payroll costs and office lease rentals—plays a critical or important role in influencing GCC investment decisions.**

Understanding the Importance of Fiscal Incentives in GCC Location Decisions



Amongst the different types of fiscal incentives offered by States, in the survey, respondents prioritized payroll expenses support and rental subsidy as showcased below:

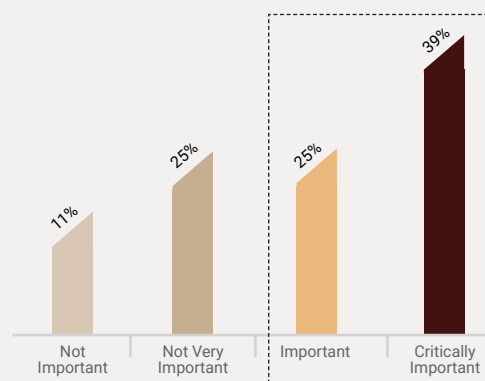
Importance of Different Cost of Doing Business Related Parameters for Establishing a GCC in Tier-2 Cities



Key Insight 6

64% of survey respondents rated quality of life and the strength of social infrastructure as critical or important considerations in GCC location decisions. Social infrastructure—such as access to quality education, healthcare, housing, and recreational facilities—along with quality-of-life parameters including traffic congestion, air quality, cleanliness, and overall urban livability, play a decisive role in attracting and retaining high-quality talent, and therefore was observed to be particularly relevant as GCCs increasingly compete for specialized and globally mobile skill sets.

Understanding the Importance of Quality of Life and Social Infrastructure in GCC Location Decisions



The next generation of Global Capability Centres will thrive in cities that place equal emphasis on people and progress—where infrastructure, liveability, safety, and culture converge, and sustainability, backed by strong social infrastructure and vibrant ecosystems, fosters both enterprise success and a sense of belonging.



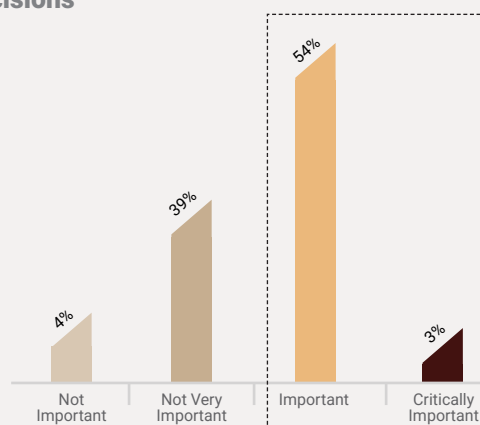
VIDYA BASARKOD
Executive Vice President,
COWI



Key Insight 7

57% of survey respondents highlighted Ease of Doing Business and Regulatory Simplicity as critical or important in influencing location decisions. Respondents emphasized the value of industry-friendly regulatory frameworks—including the availability of a dedicated single-window GCC helpdesk, provisions for self-certification or third-party certification, deemed approvals, ease of obtaining right-of-way (RoW) permissions, liberalized labour regulations, and flexible building norms as key measures enabling faster project set-up, smoother day-to-day operations, and greater scalability by reducing compliance burdens and creating a more predictable operating environment for GCCs.

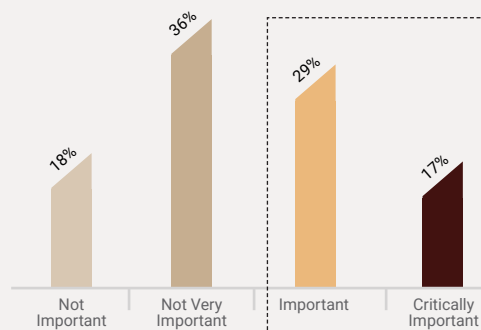
Understanding the Importance of Ease of Doing Business and Regulatory Ease in GCC Location Decisions



Key Insight 8

46% and 43% of respondents emphasized the importance of public transportation and regional connectivity infrastructure (road/rail) as important factors in GCC location decisions. These factors were emphasized to be more important for hiring and retention of entry and mid-level talent by GCCs.

Understanding the Importance of Public Transportation Infrastructure in GCC Location Decisions



For technology-led Global Capability Centres, efficient public transportation and strong regional connectivity through road and rail networks are increasingly important location determinants. Seamless mobility not only improves workforce accessibility and productivity but also supports business continuity, inclusivity, and scale. Cities that invest in integrated transport systems are better positioned to attract and sustain GCC operations over the long term.



ADITI SHUKLA
Head of India Shared Services
and Country Head India at AXA XL



Key Insight 9

Though there has been a transition in the functions performed by GCCs over the years - from mere back-office operations to emerging as central innovation hubs for the group, the presence of a strong R&D and Innovation and Startup Ecosystem in the vicinity of the location was not observed to be a critical factor in GCC location decisions with only 36% and 32% of the respondents rating these factors as important. Stakeholders noted that although engagement with research institutions and startups is valuable, such collaborations are largely location-agnostic and do not necessarily require physical proximity to the GCC.

Key Insight 10

Cost of Living and Law and Order/Safety, though important, were not rated as key considerations for finalization of a GCC location by respondents.

GCC Investment Readiness Index

A Comprehensive Tool Based on 13 Parameters and 43 Sub-Parameters to Assess the GCC Investment Readiness of India's Tier-2 Hubs

Building on the key insights and perspectives emerging from the extensive industry consultations outlined in the preceding section, it is evident that the future trajectory of India's GCC ecosystem will be increasingly shaped by location decisions beyond traditional Tier-1 hubs. Against this backdrop, a rigorous and structured assessment of the readiness of India's Tier-2 cities to emerge as future GCC hubs becomes critical.

To translate these industry-led insights into an objective and comparable assessment, this report adopts a comprehensive, multi-dimensional framework that

evaluates cities across a carefully selected set of economic, infrastructure, policy, ecosystem, and livability parameters. The framework has been designed based on feedback received from industry stakeholders and aims to **provide an evidence-based view of which Tier-2 cities are best positioned to support the next generation of GCC investments.** Individual parameter wise weightages have been assigned based upon the importance assigned by stakeholders to different factors. Factors assessed as critically important and very important were aggregated and normalized to arrive at cumulative weightages totaling 100%.



GCC Investment Readiness Index

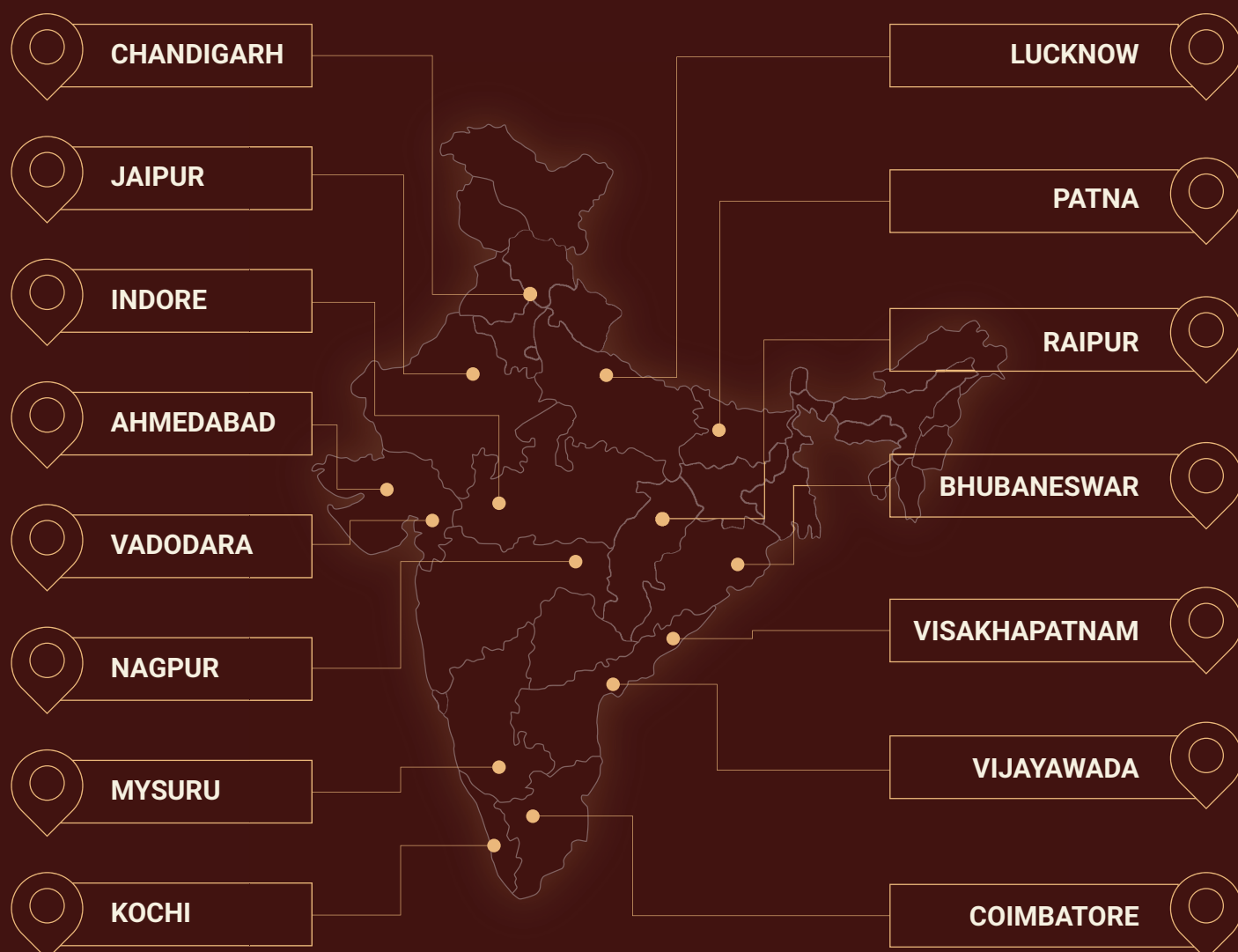
PARAMETER	OVERALL WEIGHTAGE
Airport Connectivity	12.8%
Presence of International Airport in City	
Number of Flights and Global Connectivity	
Skilling and Talent Ecosystem	11.4%
Presence of NIRF top 100 ranked educational institutions	
Employability level of candidates	
Presence of leading PSUs and Anchor Enterprises	
Expenditure of State on Higher / Technical Education	
Strength of State Skilling/ ITI Ecosystem	
Grade A Commercial Office Space Infrastructure	10.2%
Available Stock of Grade A Commercial Office Infra	
Average Grade A Office Space Pricing	
Policy Related Fiscal Support	9.2%
Presence of dedicated GCC Policy in the State	
Average Fiscal Support offered under the GCC Policy	
Technology Ecosystem	9.8%
Presence of Integrated IT Parks / SEZs / STPI Parks	
Presence of High and Medium End Technology Firms	
Data Centre / AI Infrastructure Strength	
Quality of Life and Social Infrastructure	9.2%
Healthcare Infrastructure	
Education Infrastructure	
Traffic Commute Times	
Pollution	
Cleanliness and Hygiene	
Quality of Urban Municipal Services	
Recreational Infrastructure	
Climate	

PARAMETER	OVERALL WEIGHTAGE
Ease of Doing Business	8.2%
Ease of Doing Business Performance	
Building Norms (FAR, Ground Coverage, Building Height)	
Local Transportation Infrastructure	6.6%
Quality of Metro Services	
Quality of City Bus Services	
Availability of Cab Aggregator Platforms	
Regional Connectivity Infrastructure	6.2%
Road Connectivity Infrastructure	
High Speed Passenger Train Connectivity Infrastructure	
R&D and Innovation Ecosystem	5.1%
Presence of Top NIRF Research Institutions	
Expenditure of State on R&D Infrastructure	
Quantum of Patent Filings from State per lakh population	
Ranking of State in India Innovation Index	
Startup Ecosystem	4.6%
Start-up Ecosystem Strength of the City	
Number of recognized Startup Accelerators	
Cost of Living	4.2%
Cost of Living Index Score	
Average Residential Property Price to Income Ratio	
Average Monthly Rentals of Residential Properties	
Safety and Law and Order	2.6%
Performance in safety regulations	
Police Station Coverage	
Women Police Station Coverage	
Cyber Policing Infrastructure	
Number of IT/IP Acts in place	

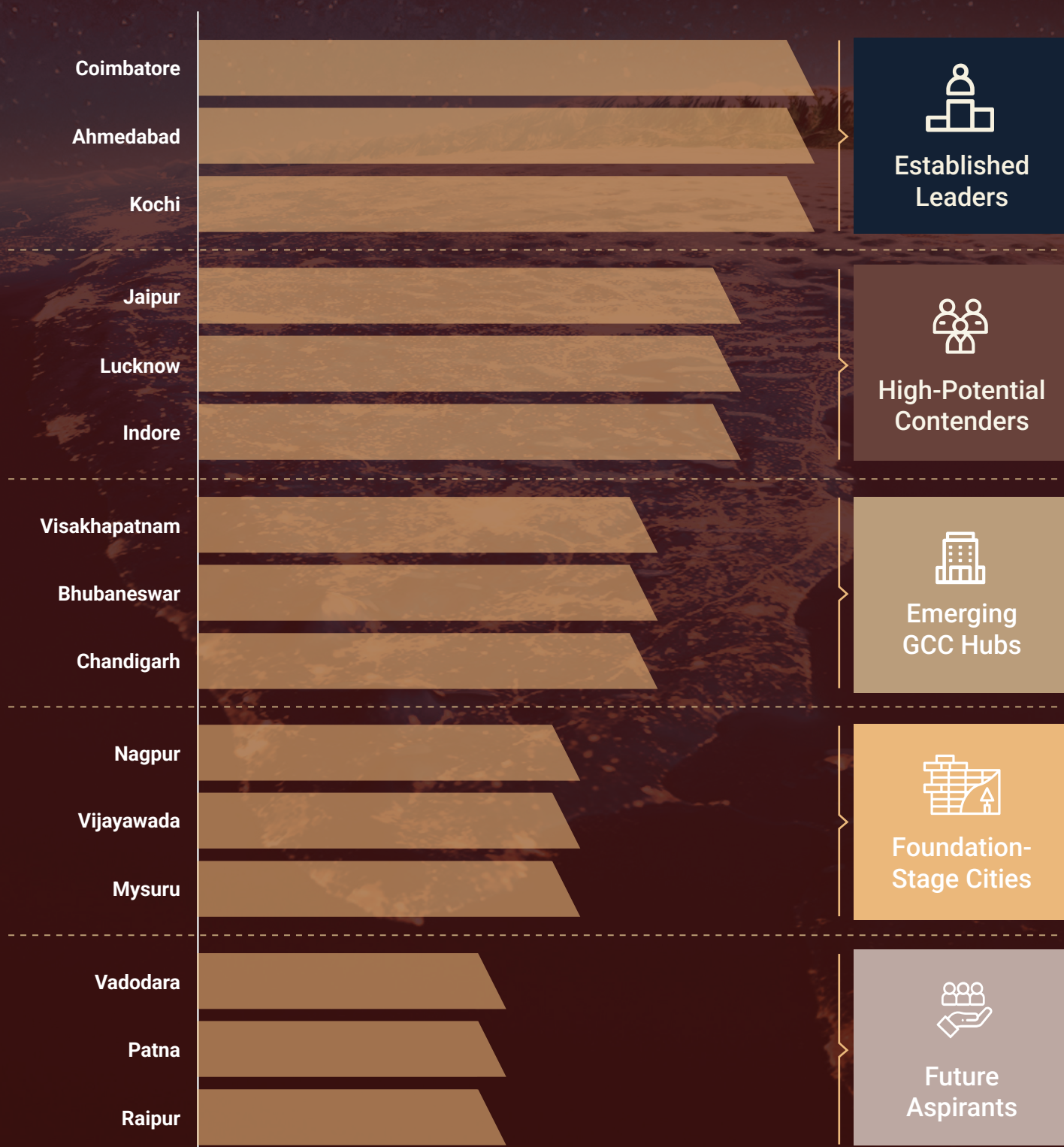
City Wise Detailed Assessment on GCC Investment Readiness Index

A Comprehensive Assessment of 15 Tier-2 Cities on their GCC Investment Readiness

Cities Identified for Assessment



Categorisation of Tier 2 Cities Based on GCC Investment Readiness Index





ESTABLISHED LEADERS

COIMBATORE

The Engineering and Manufacturing Hub of South India

Coimbatore stands out as one of India's strongest Tier-2 GCC destinations, offering an exceptional balance of cost efficiency, talent depth, industrial infrastructure and urban livability. Often referred to as the "Manchester of South India", the city combines a strong manufacturing heritage with a rapidly expanding IT and engineering services ecosystem, making it **highly attractive for GCCs with engineering, analytics and digital mandates**.

The city records high scores across **Cost of Living, Safety & Law and Order, Quality of Life, Skilling, and Talent Ecosystem and Technology Readiness**. Coimbatore's extensive base of engineering colleges and technical institutions can offer a consistent talent pipeline, while comparatively low attrition rates have been observed historically showcasing strong workforce stability. The strong manufacturing, automotive, textile and precision engineering industrial ecosystem offers a conducive environment for **applied R&D and industrial technology GCCs**.

Coimbatore's startup ecosystem, though smaller than Bengaluru or Chennai, is growing steadily, particularly in deep-tech, manufacturing tech and SaaS. **Regional connectivity and airport infrastructure** are adequate, though international connectivity remains limited. Availability of Grade-A commercial space is improving, supported by IT parks and private developments. The Coimbatore SEZ (ELCOT), integrated with TIDEL Park Coimbatore, is positioned specifically for IT, ITes, healthcare tech and AI-driven firms— and provides a ready-made campus environment for GCCs.

Overall, Coimbatore is among the **most GCC-ready Tier-2 cities**, suitable for **large-scale, multi-functional GCCs**, especially those focused on engineering services, analytics and digital transformation.



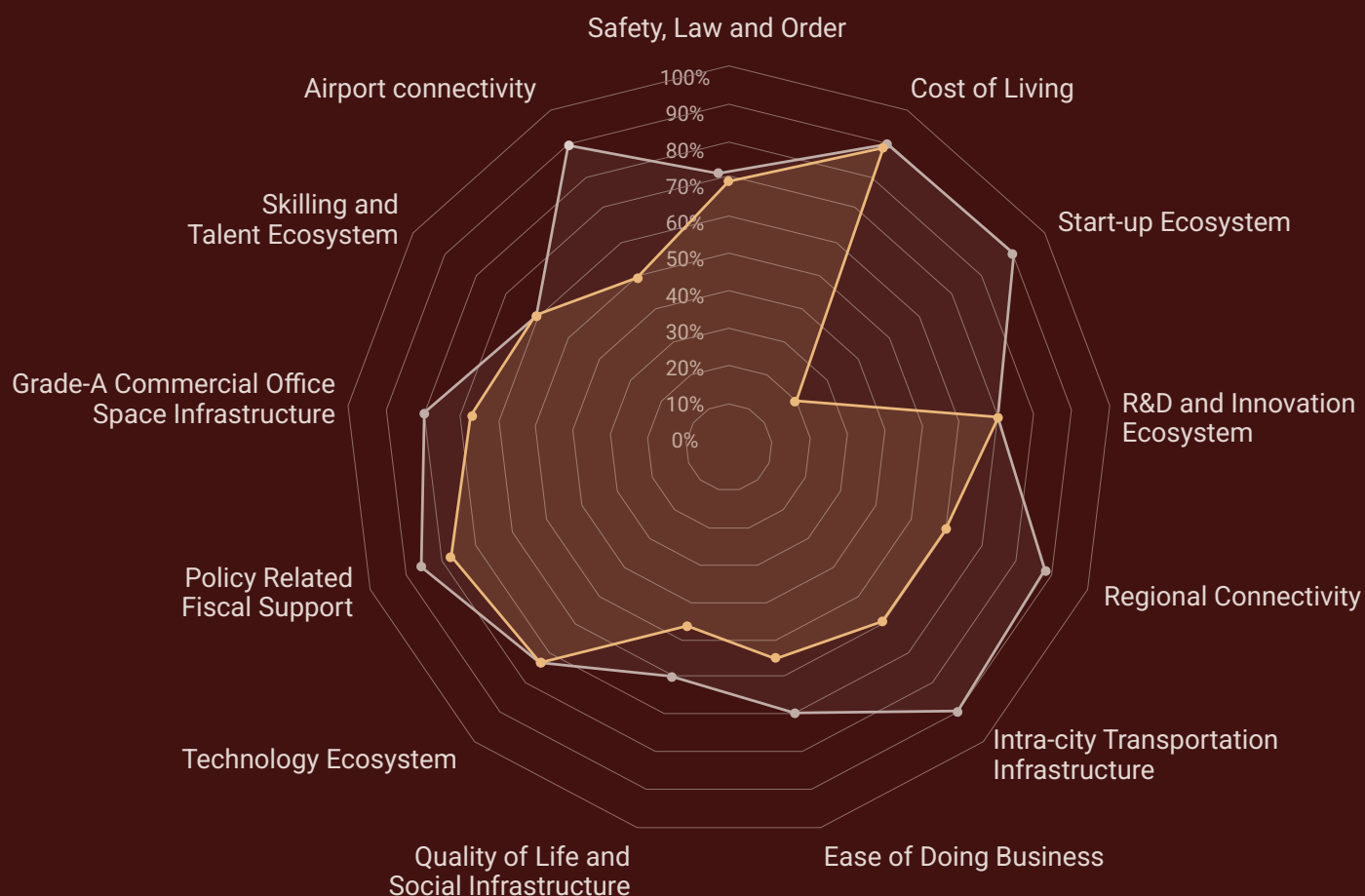
Established Leaders

Based on GCC
Investment Readiness Index

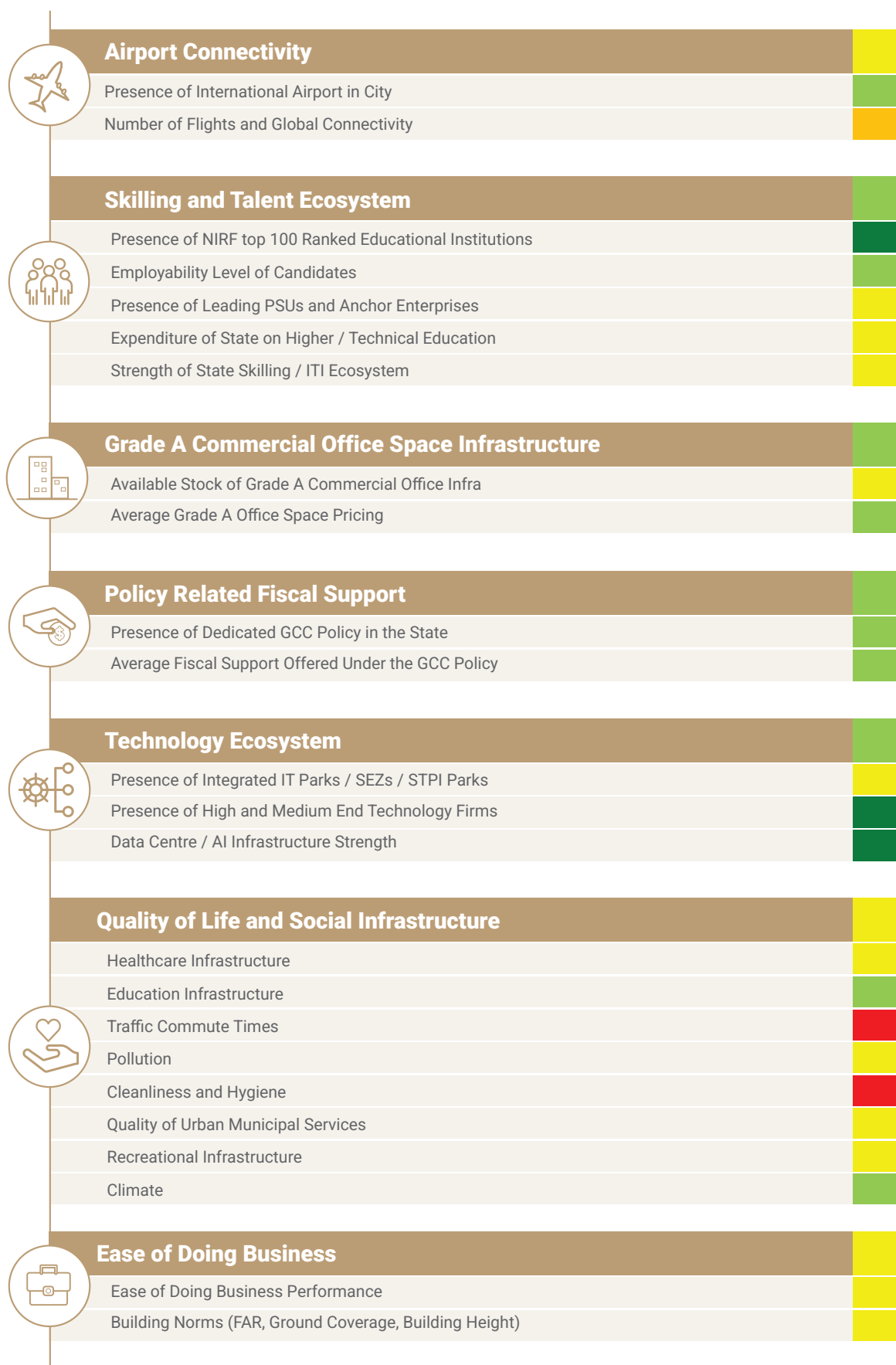


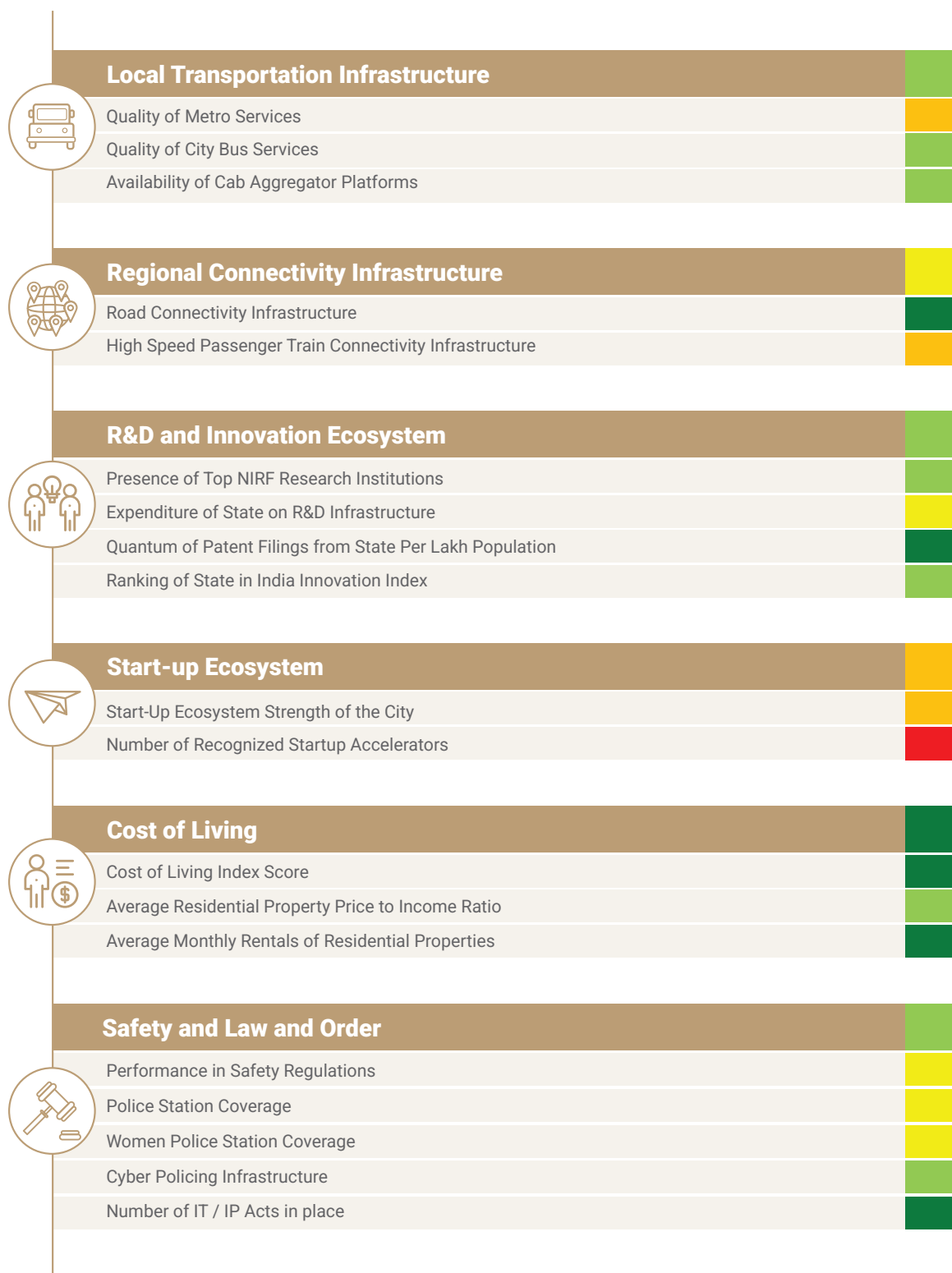
Performance of Coimbatore City Relative to Other Tier-2 Cities

- Highest benchmarked parameter score among peer cities
- Coimbatore's parameter-wise score



Detailed Assessment across the GCC Index





Assessment Score Bands

0-20 ■ >20-40 ■ >40-60 ■ >60-80 ■ 81-100 ■

GCC ECOSYSTEM IN THE CITY



BOSCH

flex.



AHMEDABAD

Manchester of India

Ahmedabad is one of the most mature and scalable Tier-2 cities for GCCs, supported by strong industrial foundations, business-friendly governance and expanding digital infrastructure. As Gujarat's economic capital, the city offers a robust ecosystem for companies seeking long-term, large-scale GCC investments.

Ahmedabad clearly **outperforms all peers in the strength of the start-up ecosystem**, combining the highest ecosystem depth with a very strong accelerator base. This reflects Gujarat's long-standing focus on start-up policy, institutional incubation and corporate participation. The City also scores highly on **Availability of Grade-A Commercial Office Space, Ease of Doing Business, Policy-Related Fiscal Support and Regional**

and Airport Connectivity. The city's international airport provides direct global connectivity, while **GIFT City** nearby strengthens its appeal for financial services and technology-led GCCs.

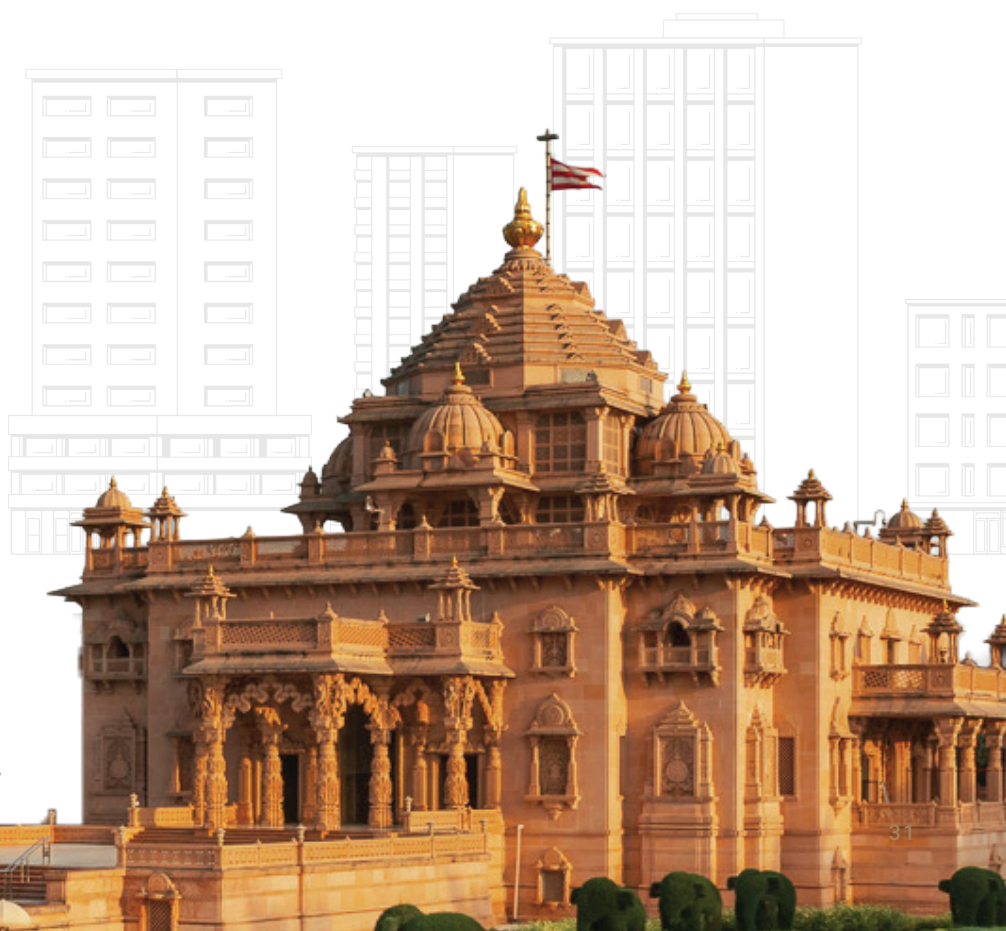
Ahmedabad's **talent ecosystem is anchored by premier institutions** and a large graduate base, supporting IT, finance, analytics and engineering functions.

While **quality of life and social infrastructure** are improving steadily, they trail southern Tier-2 peers. Nonetheless, Ahmedabad's scale, policy support and infrastructure depth positions it as a prospective contender for establishing **large-scale, globally integrated GCCs.**



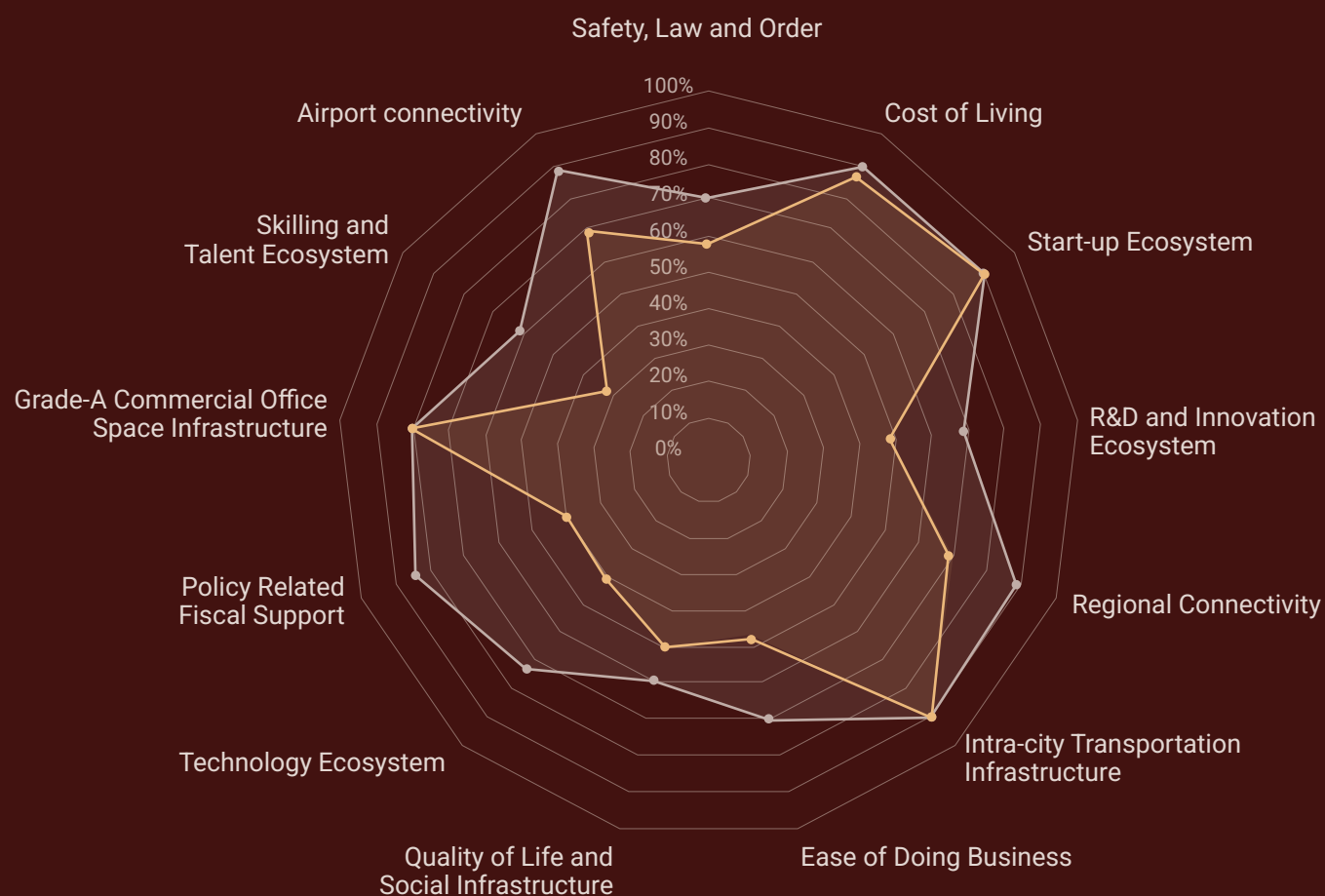
Established Leaders

Based on GCC
Investment Readiness Index

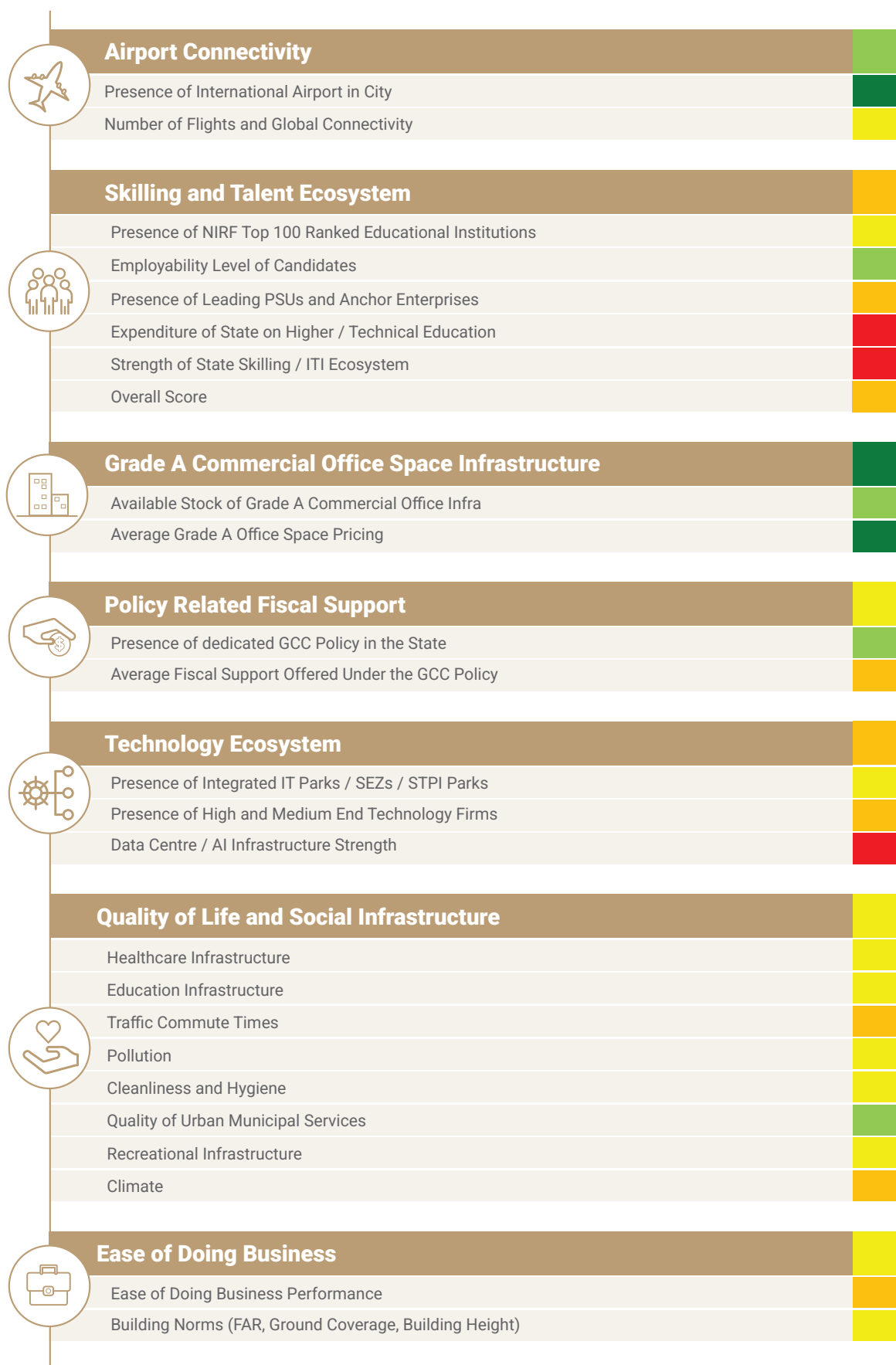


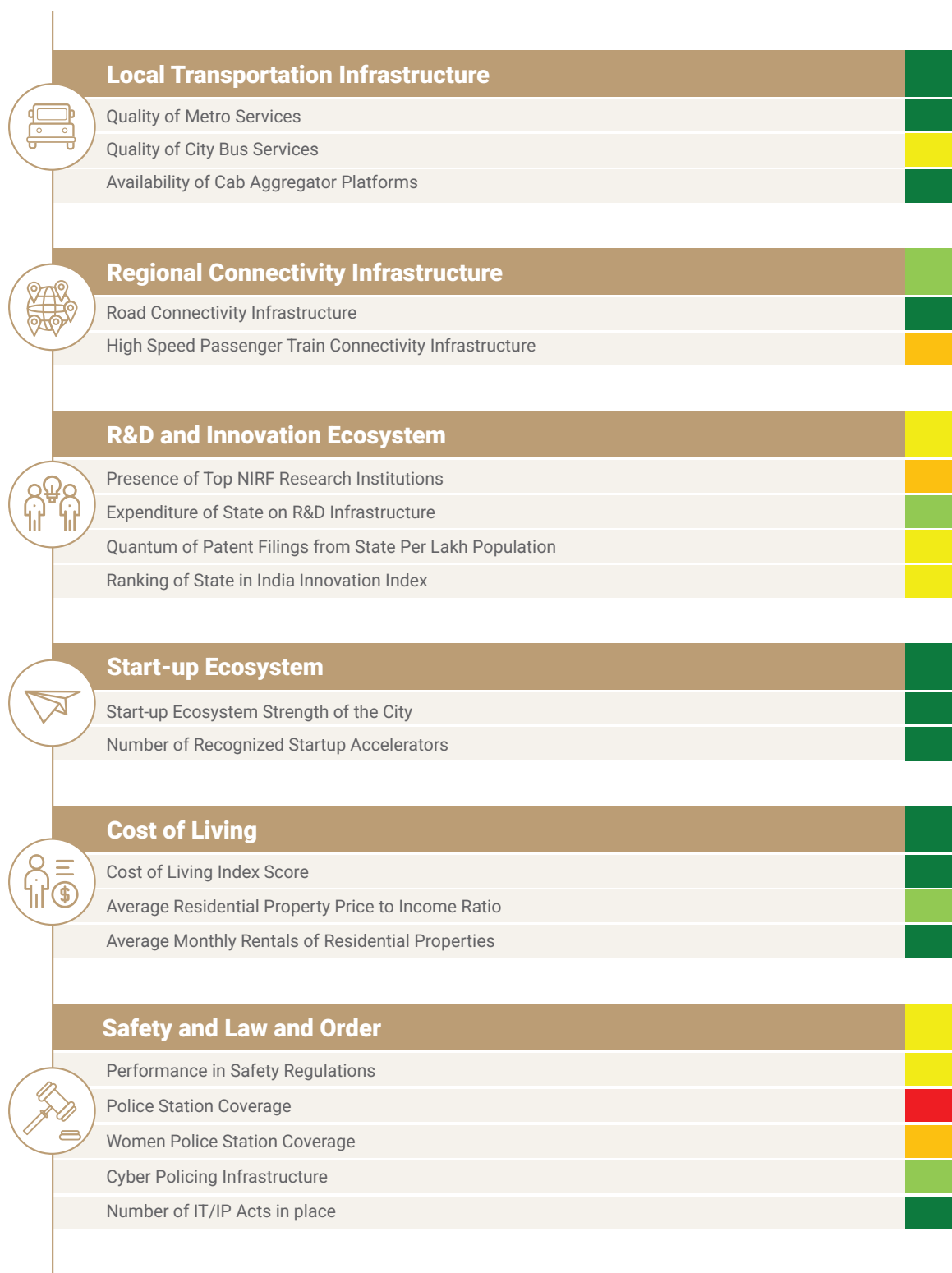
Performance of Ahmedabad City Relative to Other Tier-2 Cities:

- Highest benchmarked parameter score among peer cities
- Ahmedabad's parameter-wise score



Detailed Assessment across the GCC Index





Assessment Score Bands

0-20 >20-40 >40-60 >60-80 81-100

GCC ECOSYSTEM IN THE CITY



KOCHI

Queen of the Arabian Sea

Kochi has established itself as one of India's most promising Tier-2 cities for knowledge-driven GCCs, leveraging strong digital infrastructure, high human development indicators and global connectivity. As Kerala's commercial hub, Kochi offers a **highly skilled, English-proficient workforce and a cosmopolitan living environment**, making it particularly attractive for global firms prioritizing talent quality and retention.

Kochi performs strongly across **Technology Ecosystem, Quality of Life, Safety & Law and Order and Airport Connectivity**. Kochi shows strong performance on the Office Space Index, anchored by its **well-developed IT park ecosystem—Infopark, SmartCity, KINFRA and WTC Kochi**—along with significant upcoming capacity such as **Infopark Phase IV**, which is set to add millions of square feet of new Grade A office space and expand the city's readiness for large-scale GCC operations. Kochi International Airport's extensive international

connectivity, particularly to the Middle East and Southeast Asia, significantly enhances its suitability for globally integrated GCC operations.

The city's **startup and innovation ecosystem** is steadily strengthening, supported by Kerala Startup Mission and state-led digital initiatives. Kochi also scores well in **skilling and talent availability**, with a steady supply of engineering, IT and life-science graduates. However, **cost of living and office rentals** are relatively higher compared to some Tier-2 peers and **large contiguous Grade-A office space availability** can be a constraint for very large GCCs.

Overall, Kochi is particularly well-suited for **technology-led GCCs, digital engineering, analytics, product support and innovation-oriented centres**, where talent quality and global connectivity outweigh pure cost considerations.



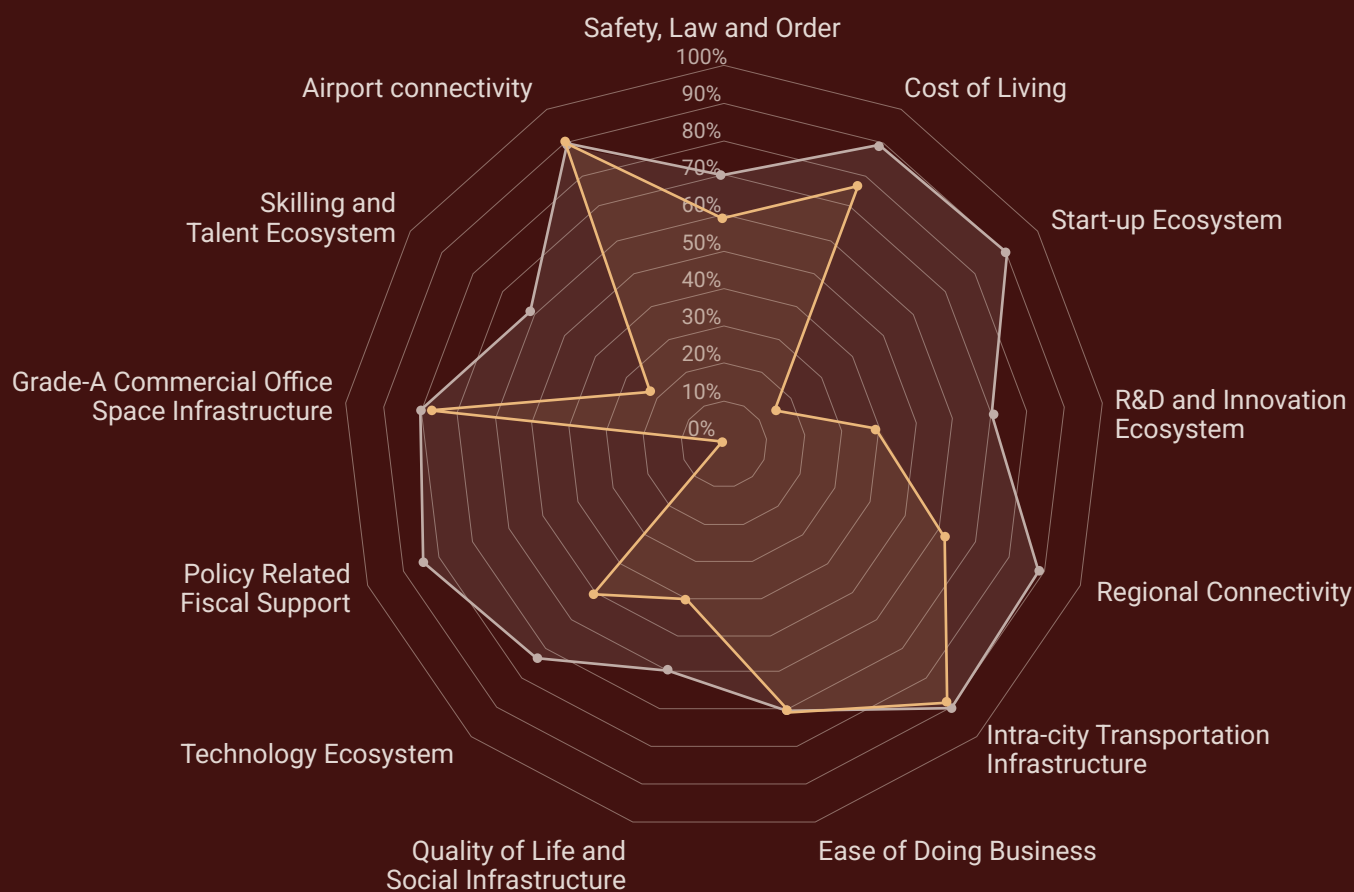
Established Leaders

Based on GCC
Investment Readiness Index

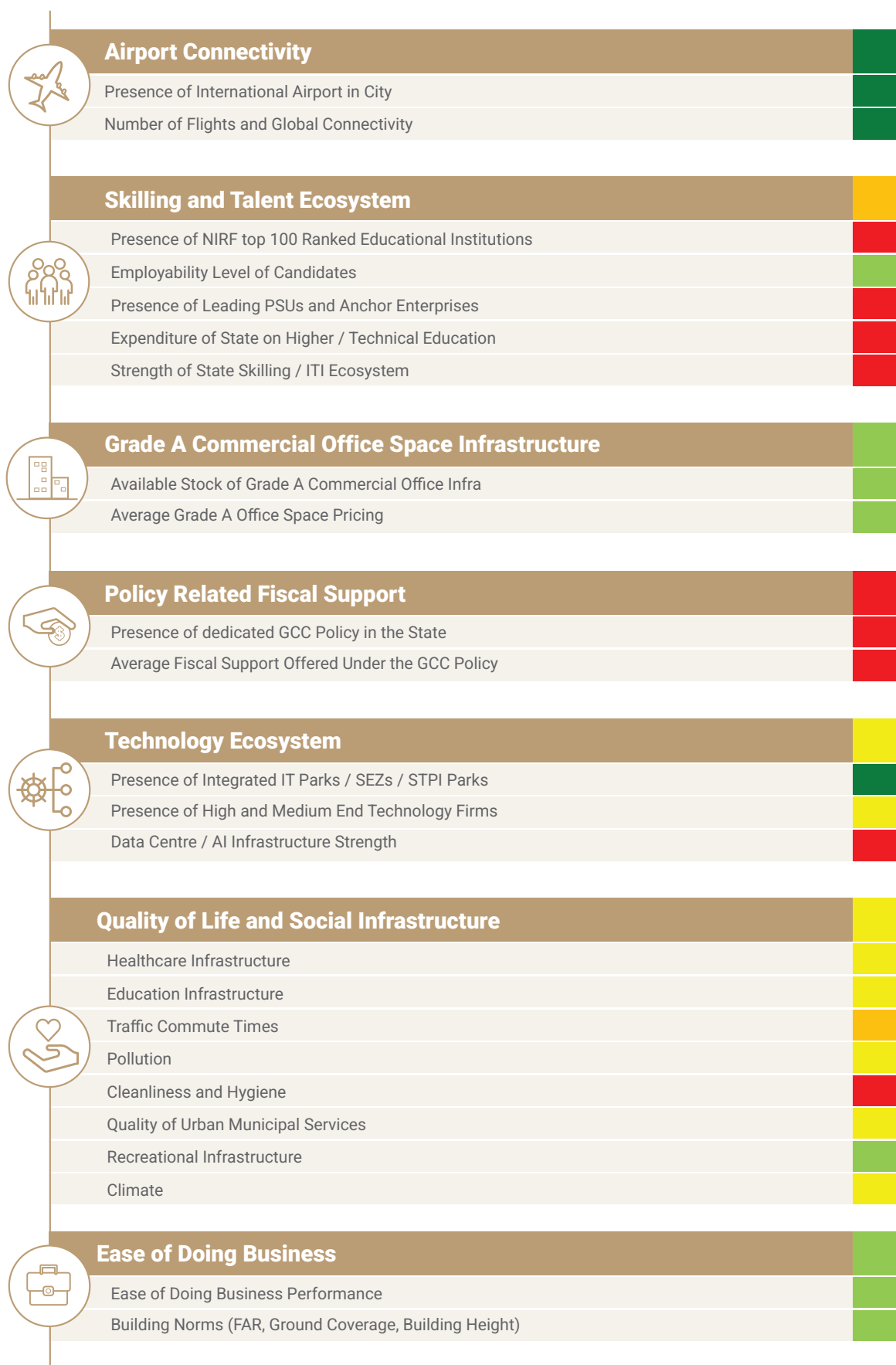


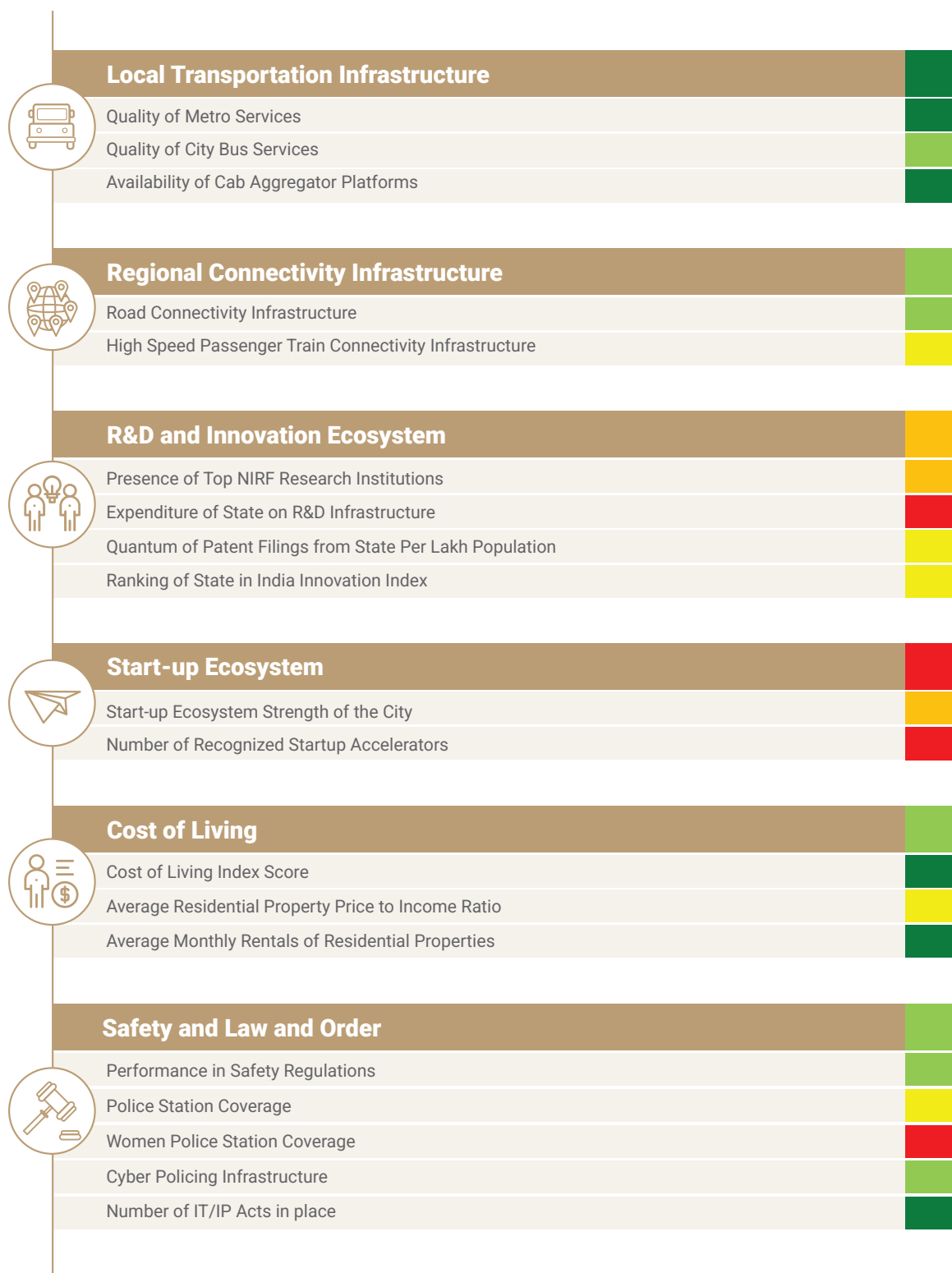
Performance of Kochi City Relative to Other Tier-2 Cities

- Highest benchmarked parameter score among peer cities
- Kochi's parameter-wise score



Detailed Assessment across the GCC Index





Assessment Score Bands

0-20



>20-40



>40-60



>60-80

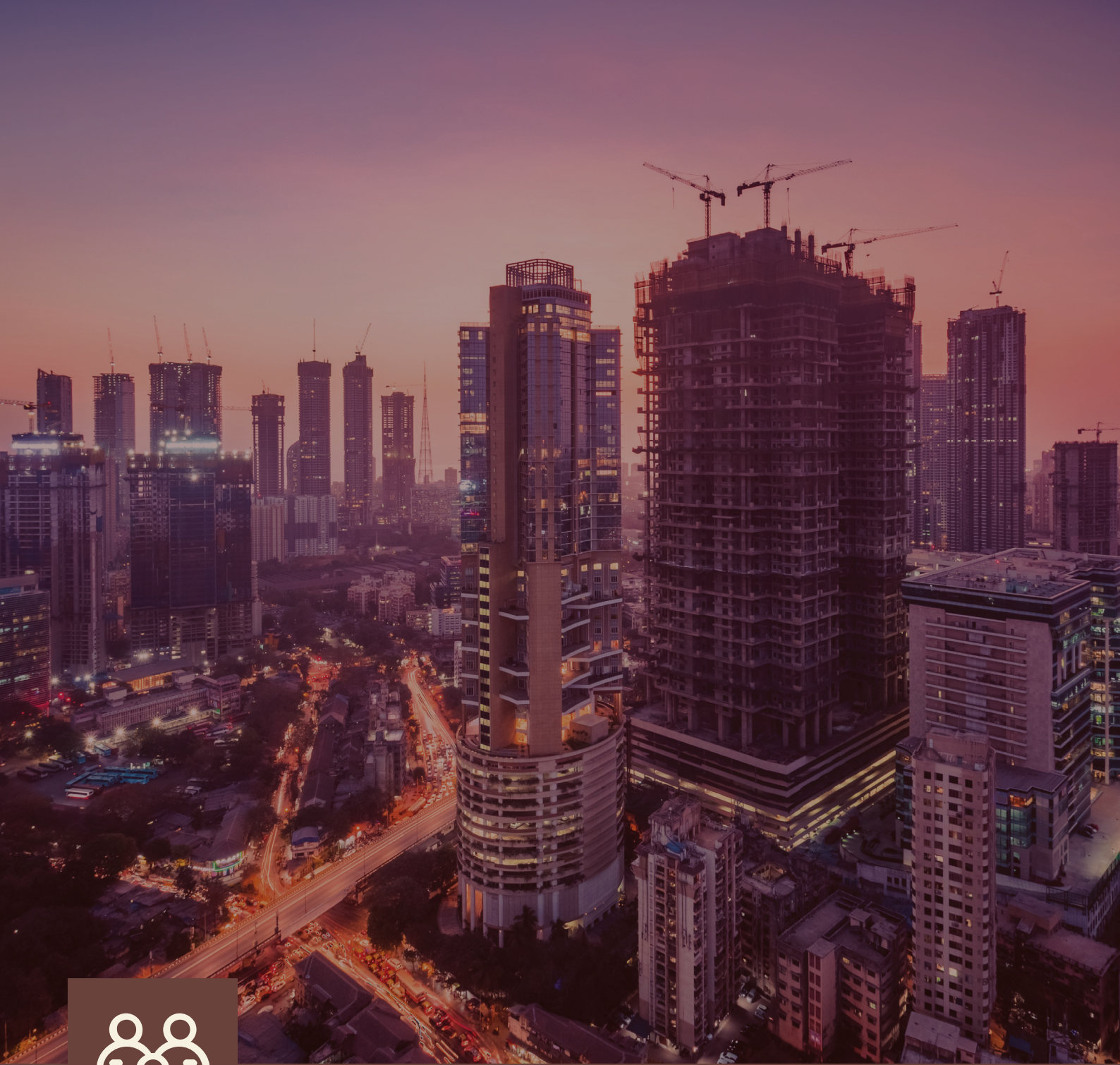


81-100



GCC ECOSYSTEM IN THE CITY





HIGH-POTENTIAL CONTENDERS

JAIPUR

Pink City

Jaipur is emerging as a prominent Tier-2 GCC destination in North India, driven by its proximity to the NCR region, expanding infrastructure base and improving digital ecosystem. As the capital of Rajasthan, the City benefits from administrative importance, strong policy focus and sustained public investment in urban infrastructure. Jaipur offers GCCs access to a growing talent pool at competitive costs, making it an attractive alternative for companies seeking diversification beyond traditional metro hubs.

Across the 13 parameters, Jaipur performs well in **Regional Connectivity, Quality of Life, Cost of Living and Ease of Doing Business**. Its proximity to Delhi-NCR allows firms to leverage the NCR talent and business ecosystem while maintaining significantly lower operating costs. The City has witnessed steady growth in **Grade-A commercial office space**, particularly along the Ajmer Road and Mahindra SEZ belt, supporting office-based GCC operations. Jaipur International Airport provides good domestic connectivity, though international routes remain limited.

Jaipur's **technology and startup ecosystem** is evolving, supported by State initiatives such as the Rajasthan IT and StartUp Policy and the iStart Program, though it remains less mature compared to southern Tier-2 cities. The **skilling and talent ecosystem** is anchored by universities, engineering colleges and management institutions, supplying talent for IT services, analytics, finance and customer operations. However, **R&D intensity and deep innovation capabilities** remain areas for growth.

Overall, Jaipur is well-suited for **shared services, IT support, finance and & accounting and back-office GCC functions**, with potential to scale into higher-value roles as the technology ecosystem matures. Its balanced performance across livability, cost and governance makes it a stable and scalable Tier-2 option.



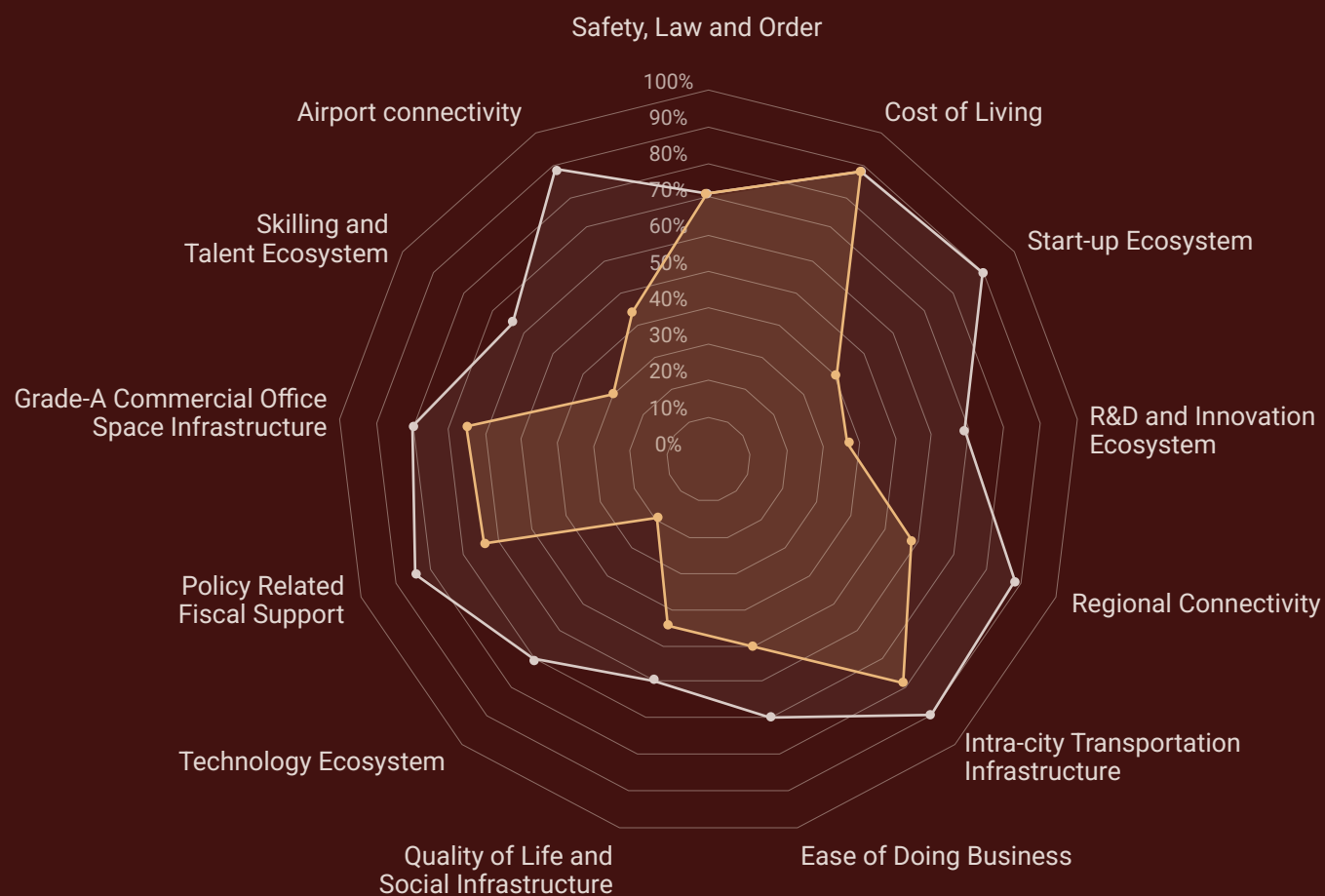
High-Potential Contenders

Based on GCC
Investment Readiness Index

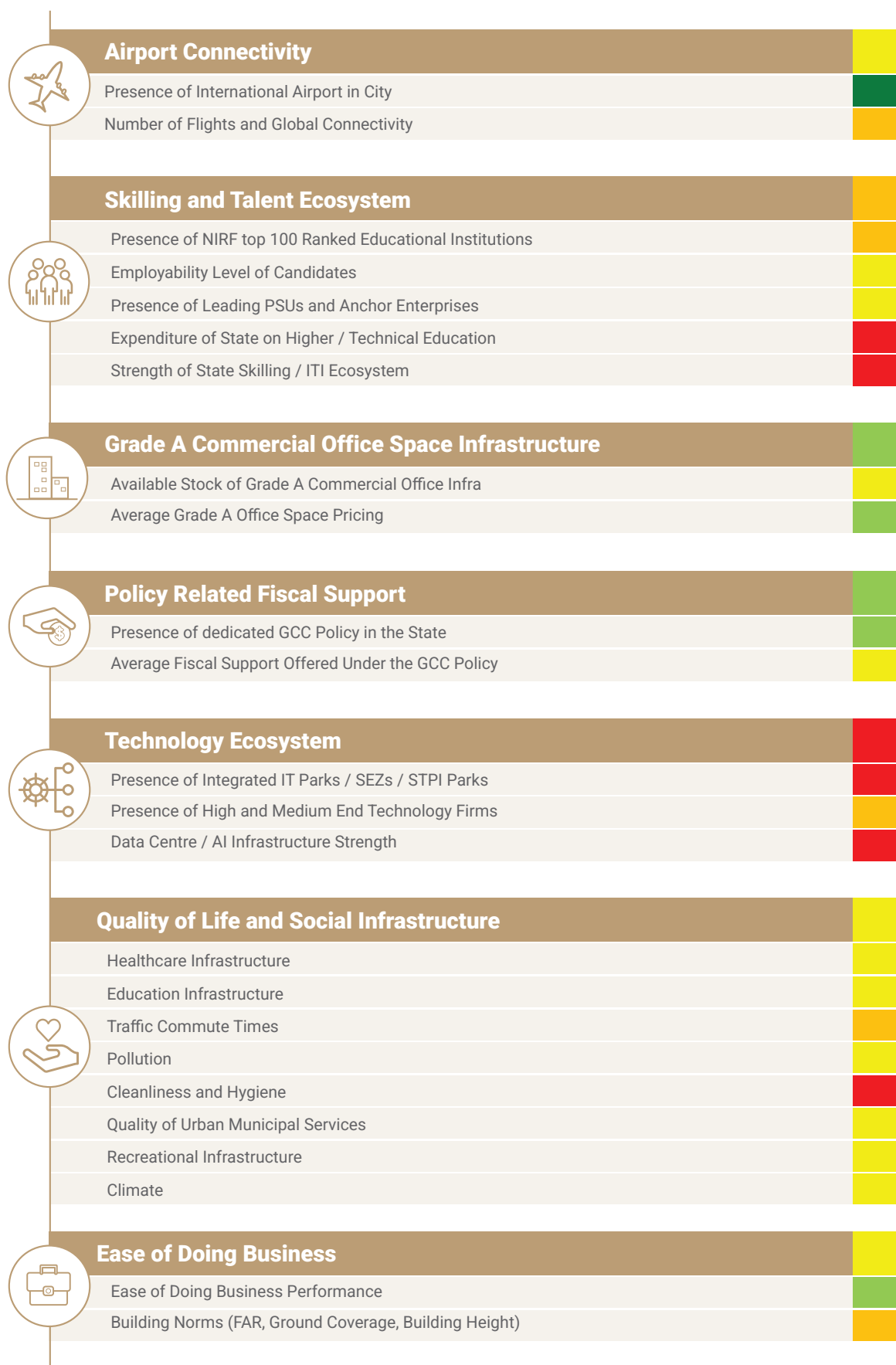


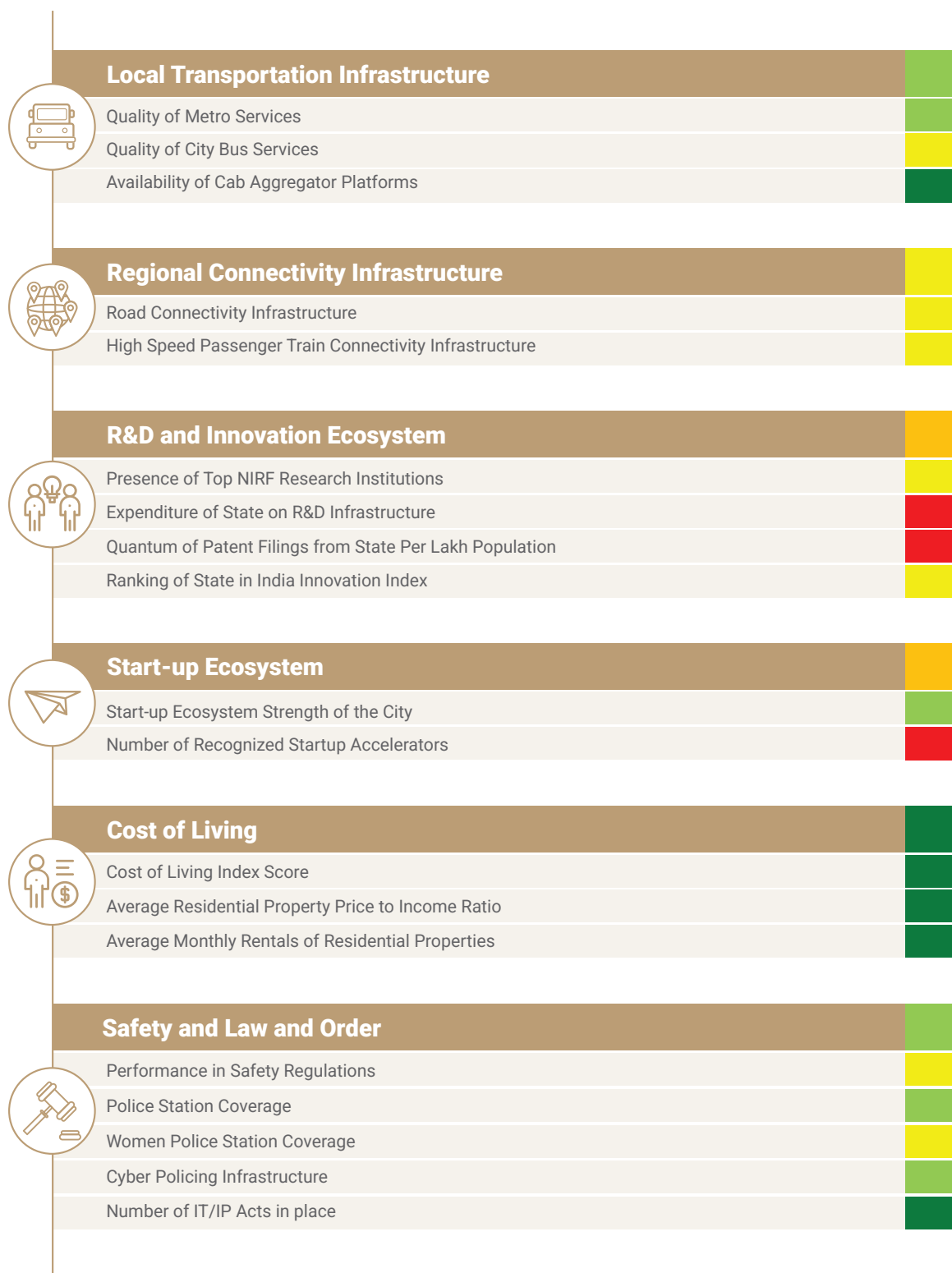
Performance of Jaipur City Relative to Other Tier-2 Cities

- Highest benchmarked parameter score among peer cities
- Jaipur's parameter-wise score



Detailed Assessment across the GCC Index





Assessment Score Bands

0-20 >20-40 >40-60 >60-80 >80-100

GCC ECOSYSTEM IN THE CITY

LUCKNOW

City of Nawabs and Creative City of Gastronomy

Lucknow is emerging as a key Tier-2 GCC destination in North India, supported by administrative prominence, expanding infrastructure and improving urban services. As the capital of Uttar Pradesh, the city benefits from strong government focus on digital governance and infrastructure modernization, creating new opportunities for technology-enabled services and shared operations.

Lucknow performs well on **Cost of Living, Quality of Life and Regional Connectivity, offering a stable and affordable operating environment**. The City has a growing pool of graduates from universities and professional institutions, supporting **skilling and talent availability** for IT services, operations and analytics. Policy initiatives under the UP IT & Startup Policy have begun to strengthen the local technology ecosystem.

State Government, with the aim of becoming a global AI hub with tech parks, research labs, modern workspaces and tech job opportunities, is developing an integrated AI city in Lucknow on 70 acres of land. With AI City,

Aerocity, and the UPSCR initiative, Lucknow is on its way to becoming a major center for business, technology and investment.

However, as of current position, **technology maturity, startup density, R&D activity and Grade-A commercial office space availability remain developing**. Airport connectivity is improving but remains largely domestic. These factors currently limit Lucknow's suitability for highly specialized or innovation-heavy GCCs.

Overall, Lucknow is well positioned for **shared services, government-linked GCC functions, back-office operations and IT-enabled services**, with long-term potential as ecosystem depth improves.



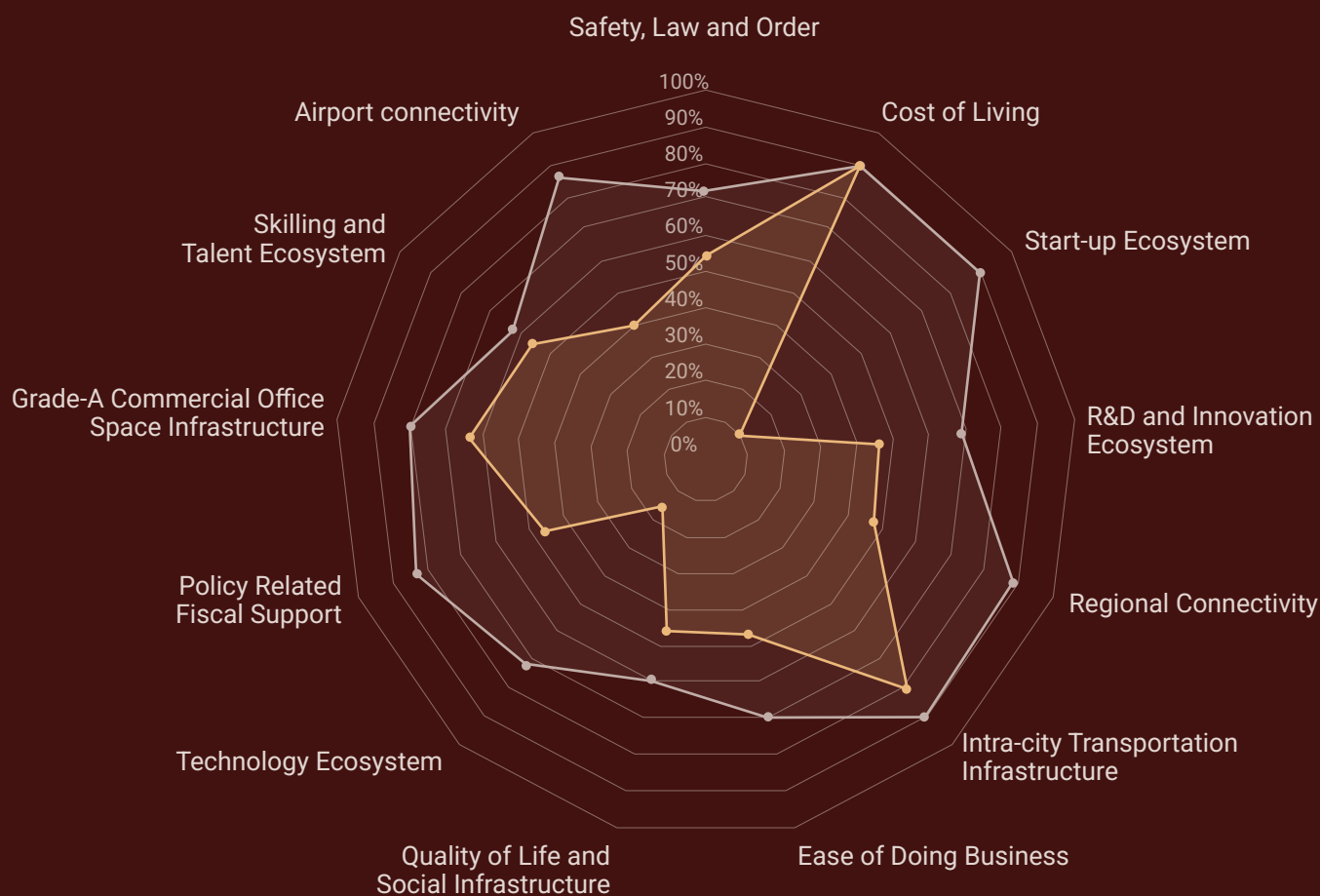
High-Potential Contenders

Based on GCC
Investment Readiness Index

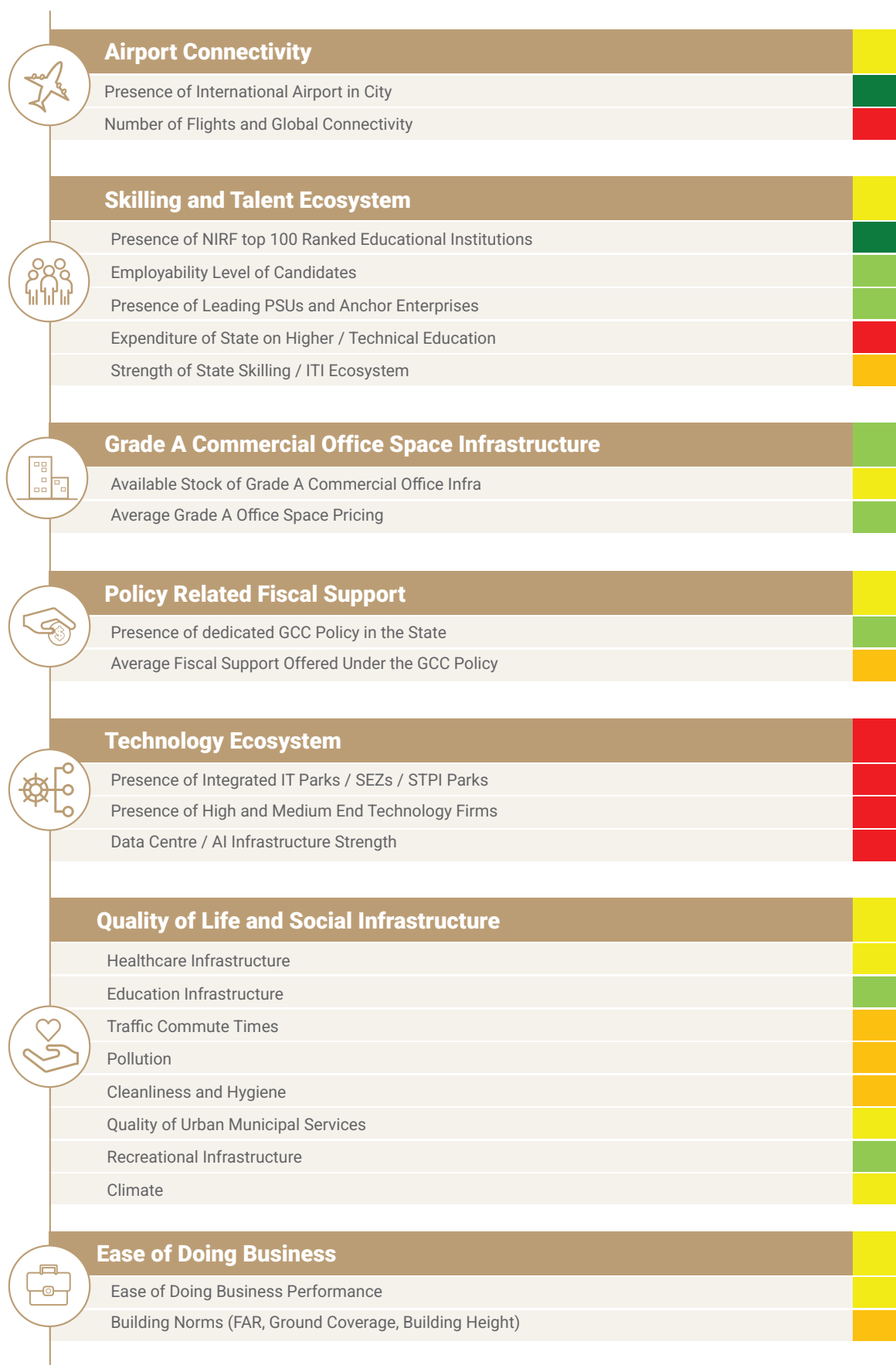


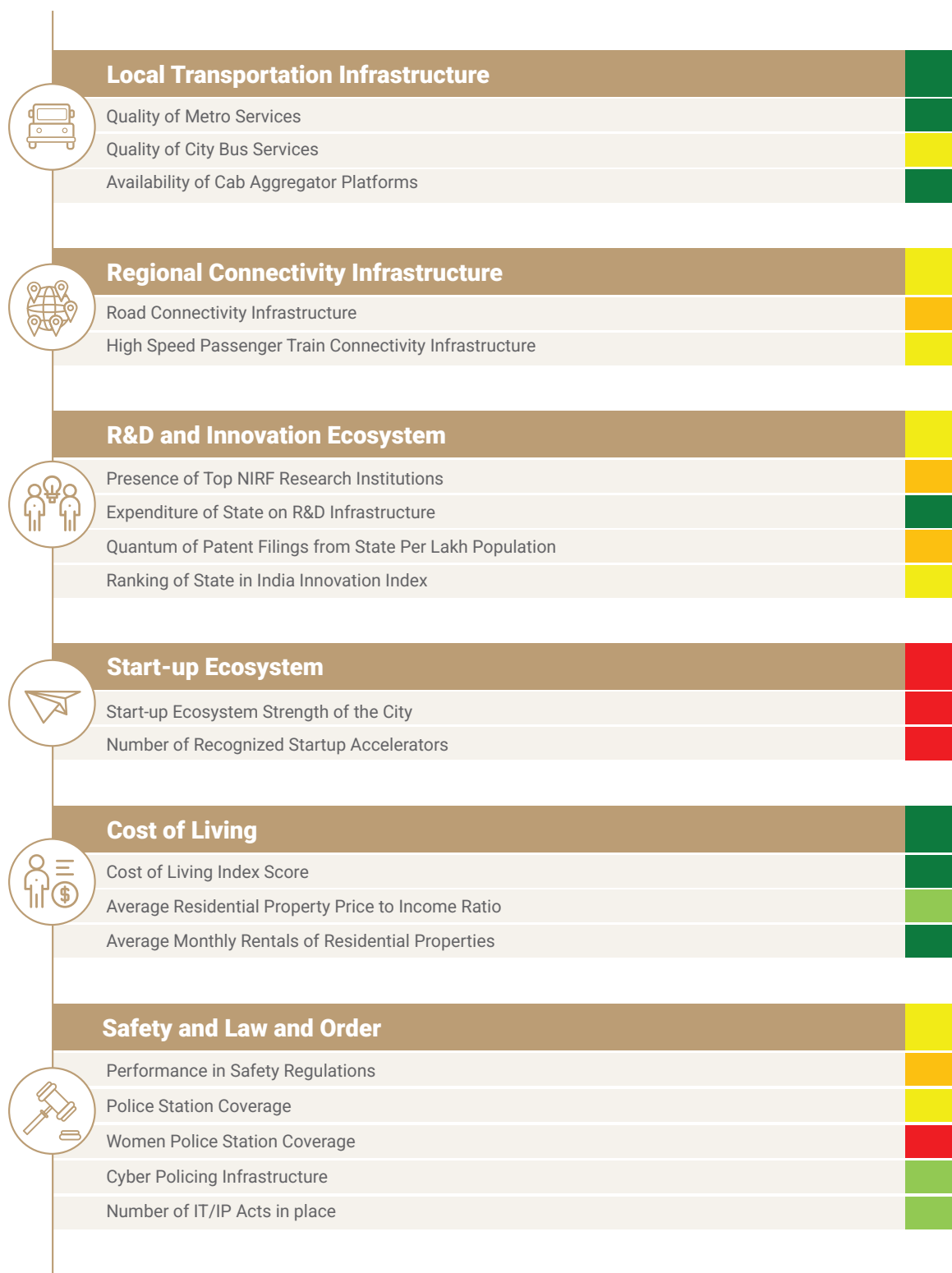
Performance of Lucknow City Relative to Other Tier-2 Cities

- Highest benchmarked parameter score among peer cities
- Lucknow's parameter-wise score



Detailed Assessment across the GCC Index





Assessment Score Bands

0-20



>20-40



>40-60



>60-80



81-100



GCC ECOSYSTEM IN THE CITY

INDORE

Mini Mumbai

Indore is increasingly positioning itself as a competitive Tier-2 destination for Global Capability Centres (GCCs), offering a strong combination of cost efficiency, talent availability and urban governance. As the commercial and financial capital of Madhya Pradesh, Indore benefits from its central geographic location, enabling efficient regional access to North, West and Central India. The city's **consistent recognition as India's cleanest city and its stable law-and-order environment** enhance its attractiveness for global firms prioritizing employee well-being and operational continuity. For GCCs focused on shared services, analytics, IT delivery and emerging digital functions, Indore presents a compelling value proposition.

From a performance perspective, Indore scores strongly on **Cost of Living, Quality of Life, Safety and Law & Order and Ease of Doing Business**, reflecting a well-managed urban ecosystem. The presence of premier institutions such as **IIT Indore and IIM Indore** supports a steady pipeline of engineering, management and analytics talent,

strengthening the city's **skilling and talent ecosystem**. Indore's technology and startup ecosystem, while still maturing compared to larger Tier-2 peers, has shown positive momentum, with IT/ITeS exports from SEZs registering double-digit growth in recent years.

Connectivity is adequate at a regional level, supported by a strong road network, though **airport connectivity and international linkages** remain moderate, impacting suitability for globally networked GCC mandates. Availability of **Grade-A commercial office space** is improving through new IT parks and SEZ expansions, though scale remains a constraint for very large operations. Overall, Indore emerges as a strong **cost-efficient GCC destination** suited for mid-scale centres, delivery hubs and support functions, with clear upside potential as its technology ecosystem and air connectivity deepen.



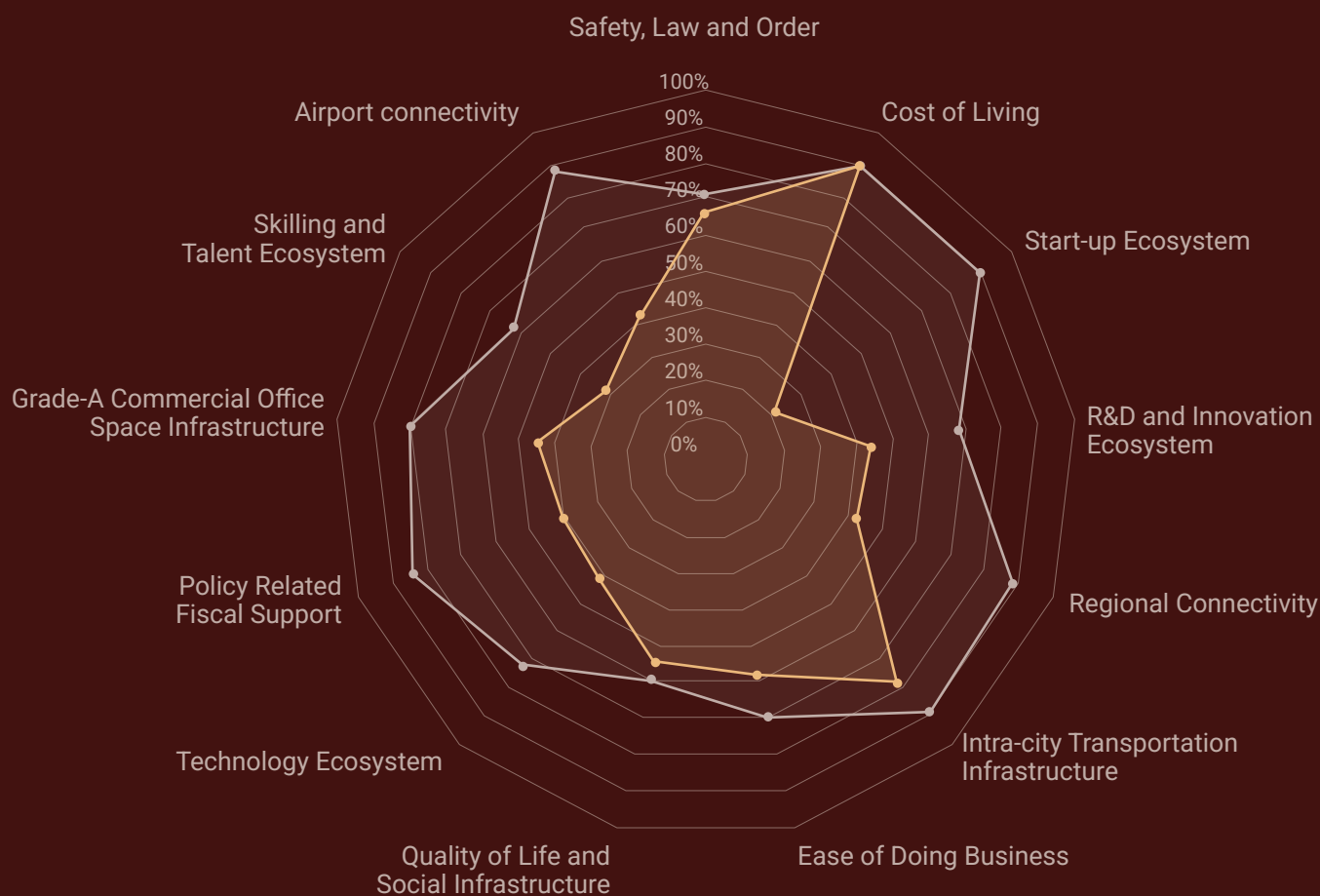
High-Potential Contenders

Based on GCC
Investment Readiness Index

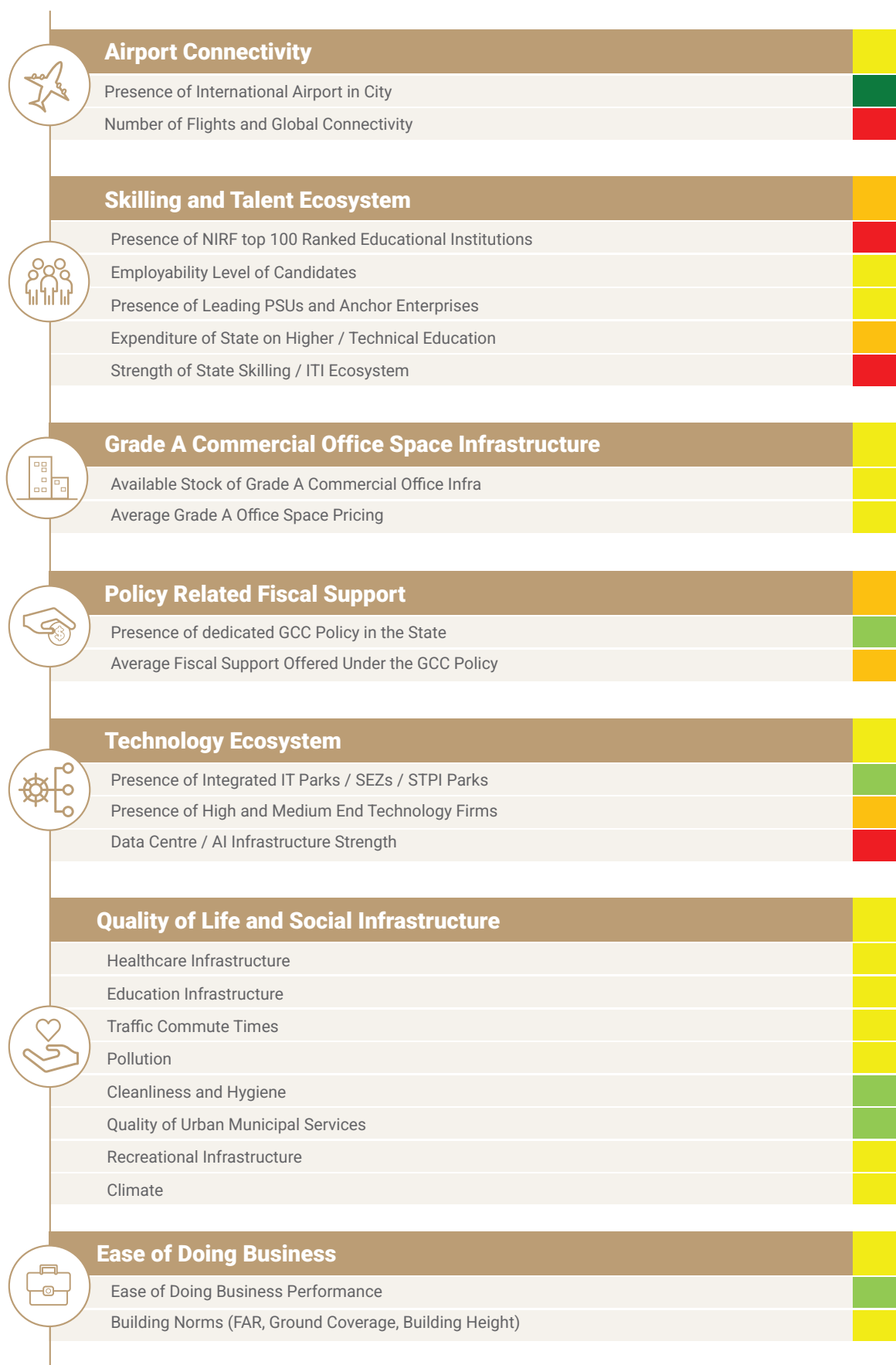


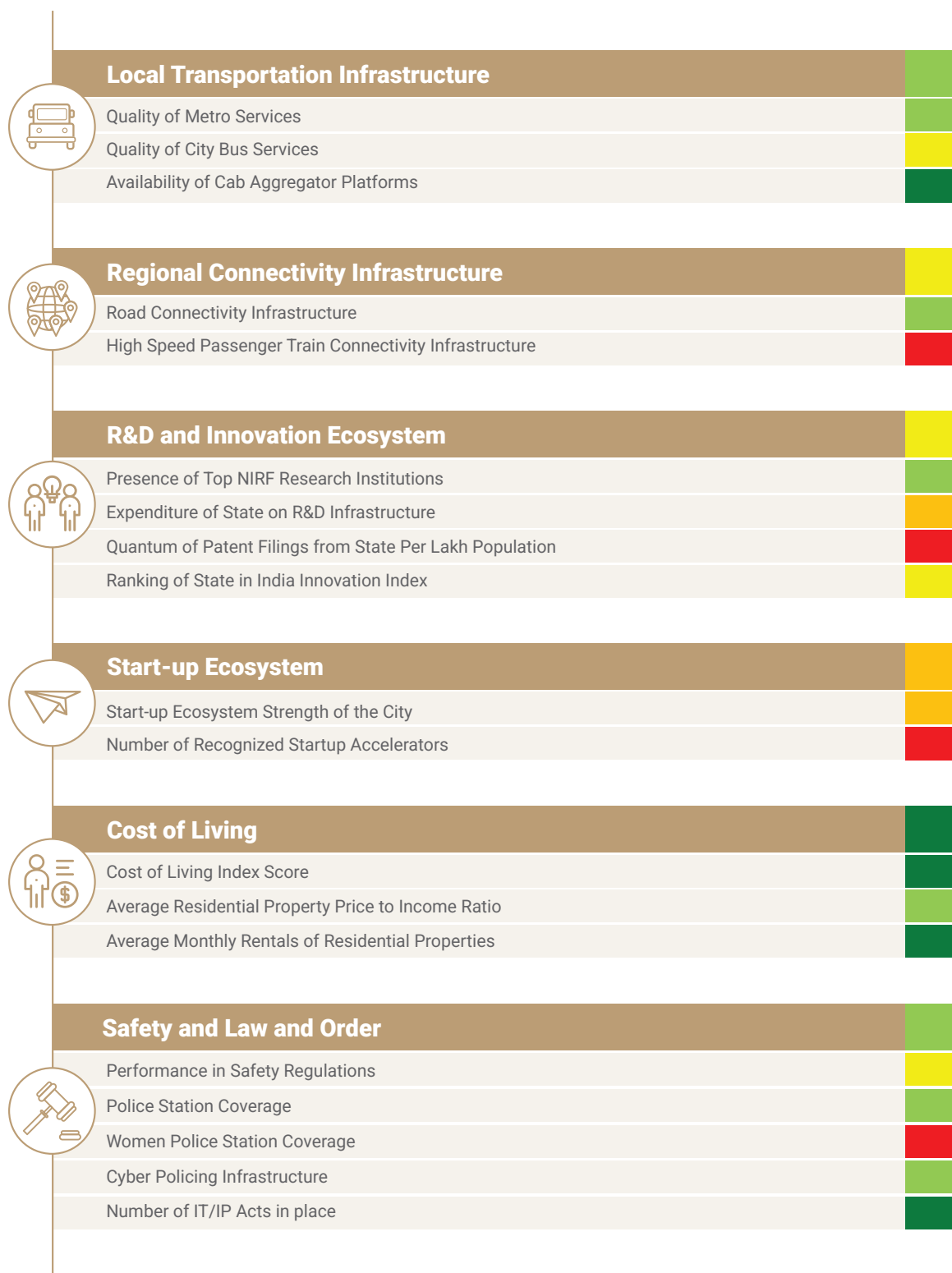
Performance of Indore City Relative to Other Tier-2 Cities

- Highest benchmarked parameter score among peer cities
- Indore's parameter-wise score



Detailed Assessment across the GCC Index





Assessment Score Bands

0-20



>20-40



>40-60



>60-80



81-100



GCC ECOSYSTEM IN THE CITY

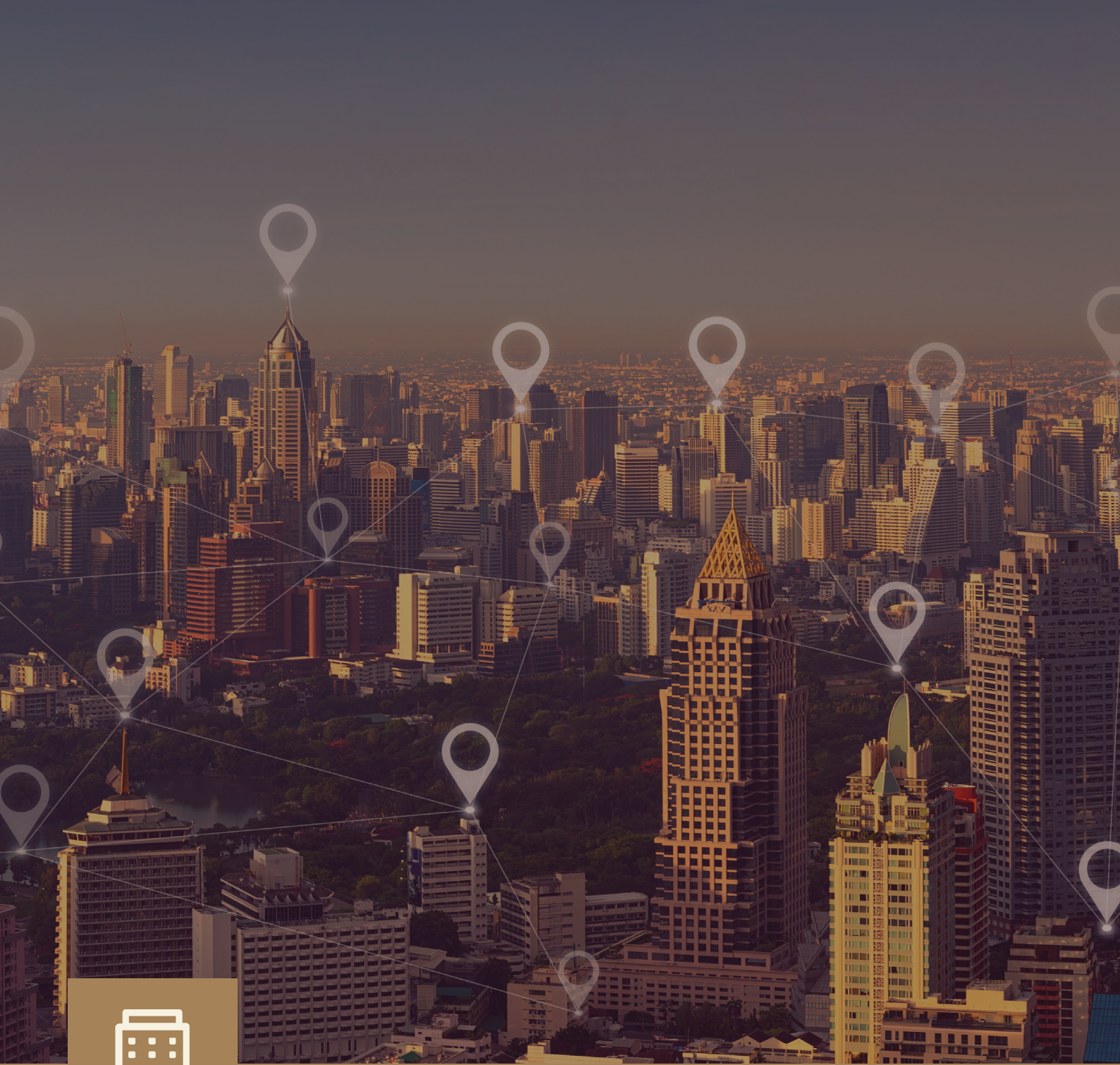


Clinisupplies



SOLUGENIX





EMERGING GCC HUBS

VISAKHAPATNAM

City of Destiny

Visakhapatnam (Vizag) is emerging as a strategic east-coast Tier-2 GCC destination, driven by port-led industrial growth, improving IT infrastructure and strong state policy support. The city offers a blend of industrial depth and quality urban living, making it increasingly attractive for scalable GCC operations.

Visakhapatnam demonstrates strong performance across **regional connectivity, quality of life, policy support and technology ecosystem development**, positioning it as one of India's most promising emerging Tier-2 technology hubs. The City benefits from **well-established IT SEZs, dedicated technology zones and improving urban infrastructure**, which together have strengthened its digital and commercial footprint. Enhanced airport capacity has improved national connectivity and enabled limited international access, supporting business mobility.

Andhra Pradesh's proactive IT, electronics and data center focused policies have further reinforced investor confidence, with streamlined approvals and targeted incentives for large technology investments. A key inflection point for Visakhapatnam has been Google's announcement of a large-scale AI Data Centre and Technology Campus, which has materially strengthened the city's market positioning. This momentum has been reinforced by RMZ Group's recent commitment to develop a dedicated GCC Park at Kapuluppada IT Park, with a potential built-up area of up to 10 million sq. ft., alongside plans for a hyperscale data centre cluster. Together, these anchor investments illustrate how select hyperscale projects can serve as tipping points, catalysing ancillary investments, enhancing ecosystem



Emerging GCC Hubs

Based on GCC
Investment Readiness Index



credibility and accelerating Visakhapatnam's emergence as a competitive GCC destination.

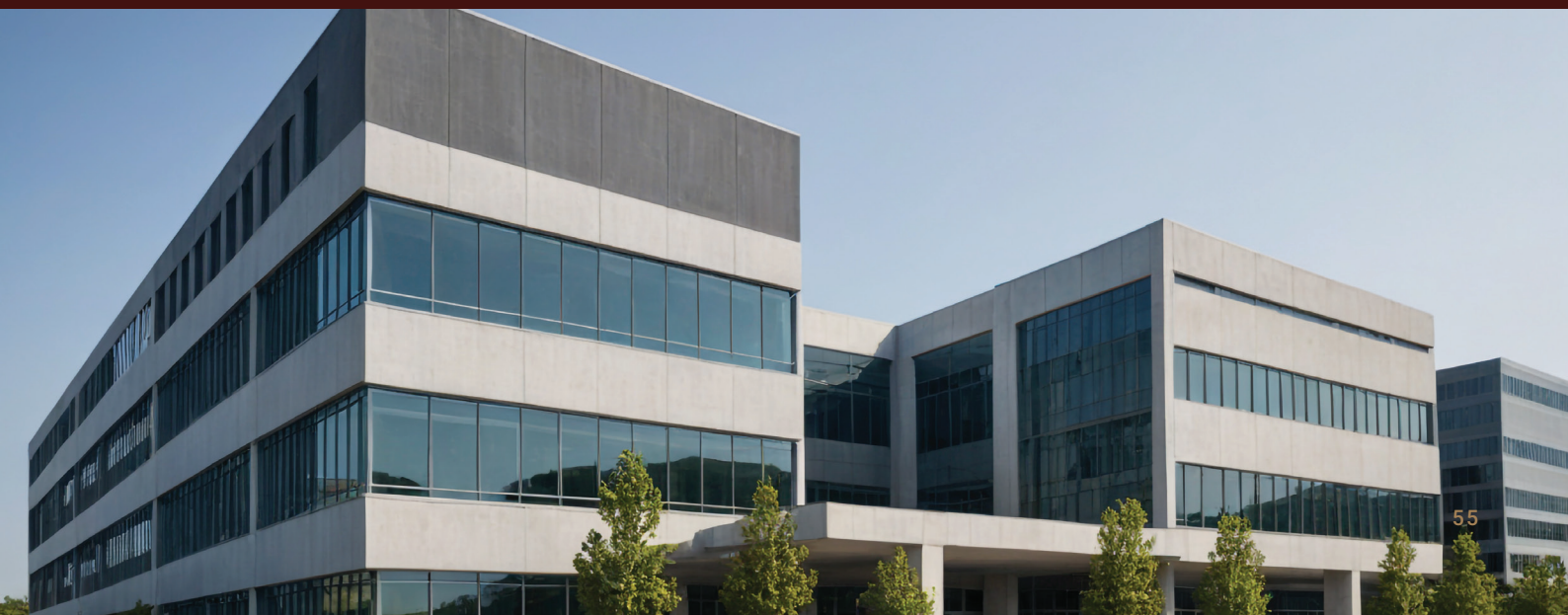
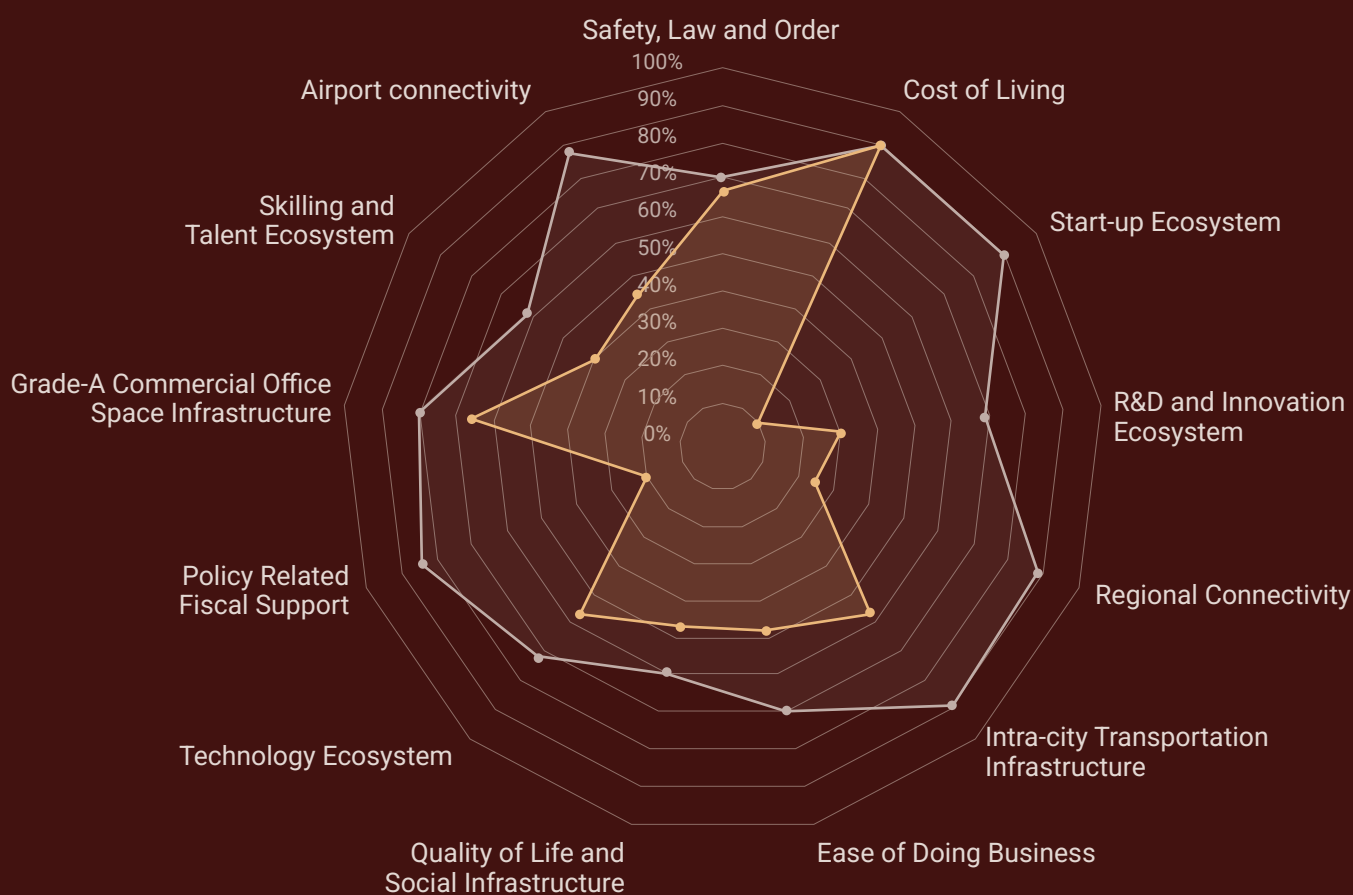
Notwithstanding this momentum, startup density, deep R&D capabilities and the presence of global enterprise R&D centres remain at a developing stage. While talent availability is improving, core IT and engineering roles, advanced and niche digital skills—critical for high-end GCC functions, are still evolving when benchmarked against more mature Tier-2 hubs, though through proximity to Hyderabad and Bengaluru this challenge can be addressed.

Overall, Visakhapatnam is transitioning from a strong foundational hub to a scale-ready GCC destination, with anchor investments, policy continuity and targeted skill deepening likely to define its next phase of growth. As per current scores, Vizag is well suited for **delivery centres, engineering support, sector-specific GCCs (manufacturing, energy, ports, analytics)**, with strong long-term upside as ecosystem maturity increases.

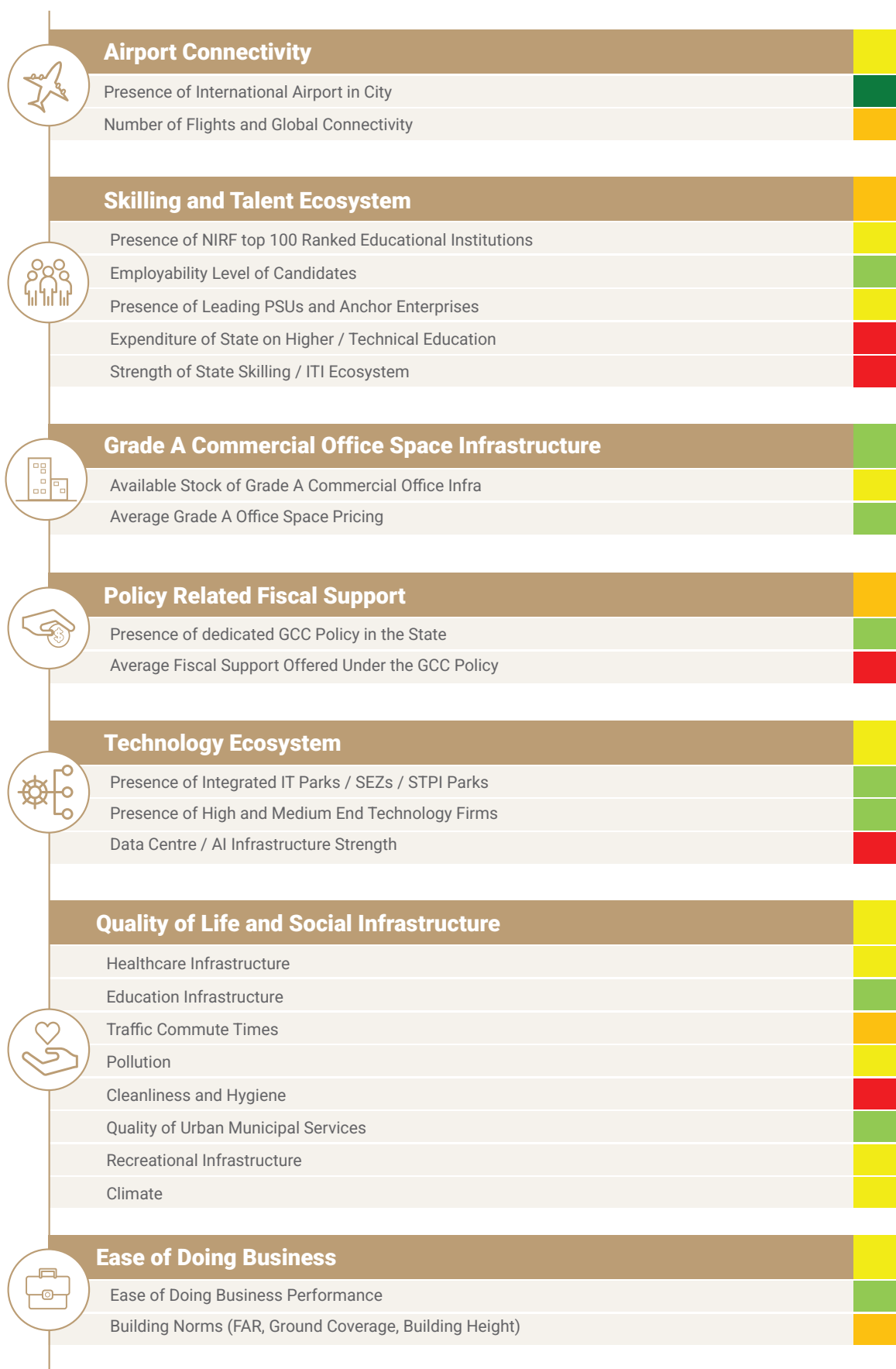


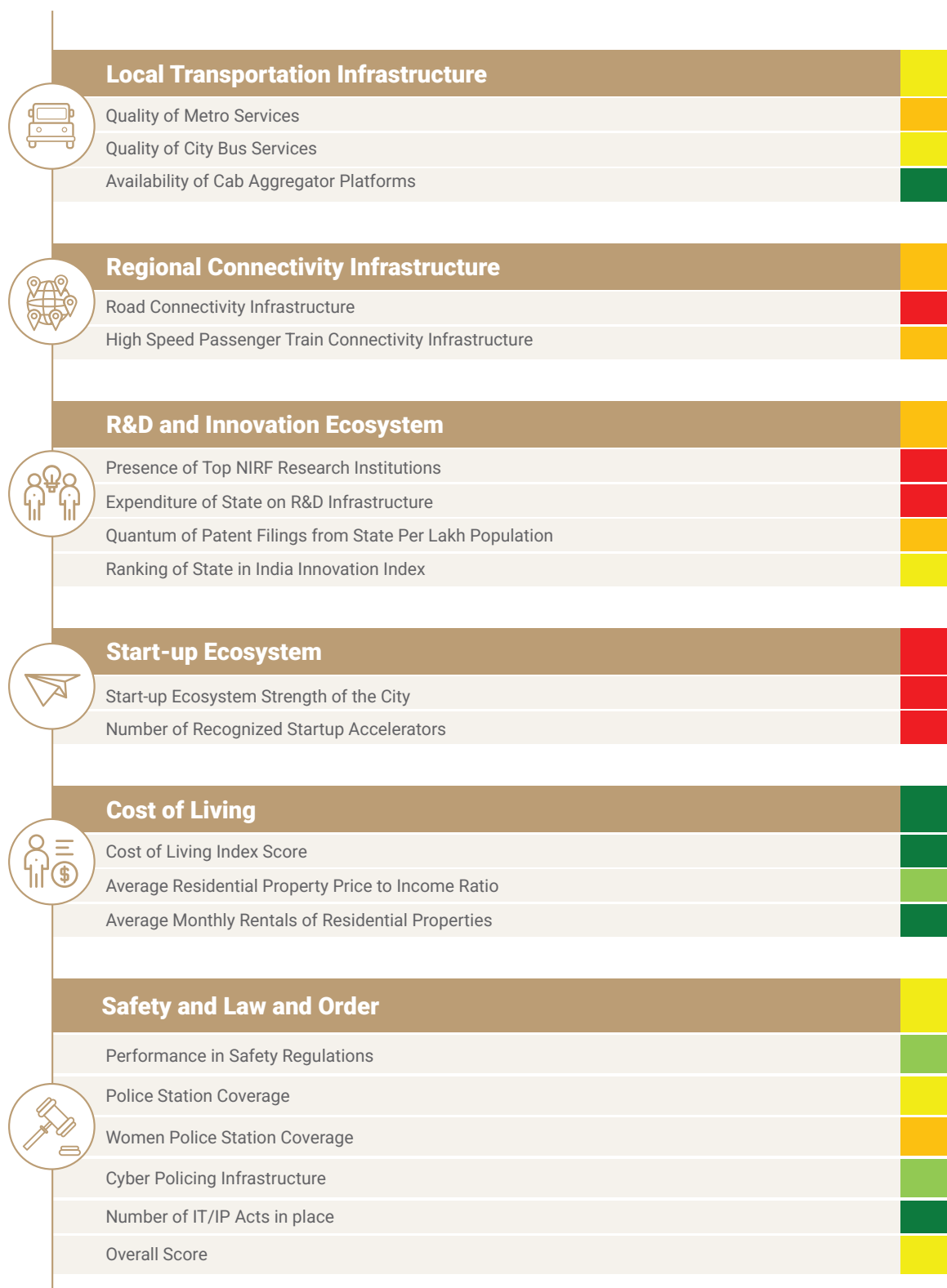
Performance of Visakhapatnam City Relative to Other Tier-2 Cities

- Highest benchmarked parameter score among peer cities
- Visakhapatnam's parameter-wise score



Detailed Assessment across the GCC Index





Assessment Score Bands

0-20



>20-40



>40-60



>60-80



81-100



GCC ECOSYSTEM IN THE CITY



BHUBANESWAR

Temple City of India

Bhubaneswar has emerged as one of eastern India's most promising Tier-2 GCC destinations, supported by planned urban development, strong governance and growing IT presence. The City offers a balanced combination of affordability, livability and policy support.

Bhubaneswar scores well in **Quality of Life, Safety, Policy Support and Regional Connectivity**. The City hosts several IT parks and a growing base of technology firms, supported by a steady pipeline of engineering and management graduates. The technology ecosystem in Bhubaneswar is expanding, underpinned by existing IT parks like Infovalley and Infocity and the emergence of premium commercial spaces such as iHub Tech Park and plans for large-scale digital and FinTech hubs. The State has also earmarked nearly 5,500 acres for IT parks, electronics and tech infrastructure and the Centre has announced a Rs 7,000 crore plan to develop a major IT hub and 3 million sq ft of built-space in the city.

A **growing talent base** supported by premier institutions (including IIT Bhubaneswar and IISER Berhampur) and evolving skilling partnerships—such as the recent **MoU with Singapore's ITE Education Services for advanced technology training—further strengthen Bhubaneswar's human capital credentials**. However, factors such as **airport connectivity**, startup and R&D ecosystem are improving but remain average as compared to other competing Cities. **In aggregate, Bhubaneswar's ecosystem shows strong fundamentals and momentum** with a quality living environment, strategic policy frameworks, improving digital infrastructure and expanding talent pathways, placing it on a clear trajectory to become among the **top GCC destinations in the country**.

Currently, Bhubaneswar is well suited for **scalable, cost-efficient GCCs**, particularly in IT services, analytics and shared services.

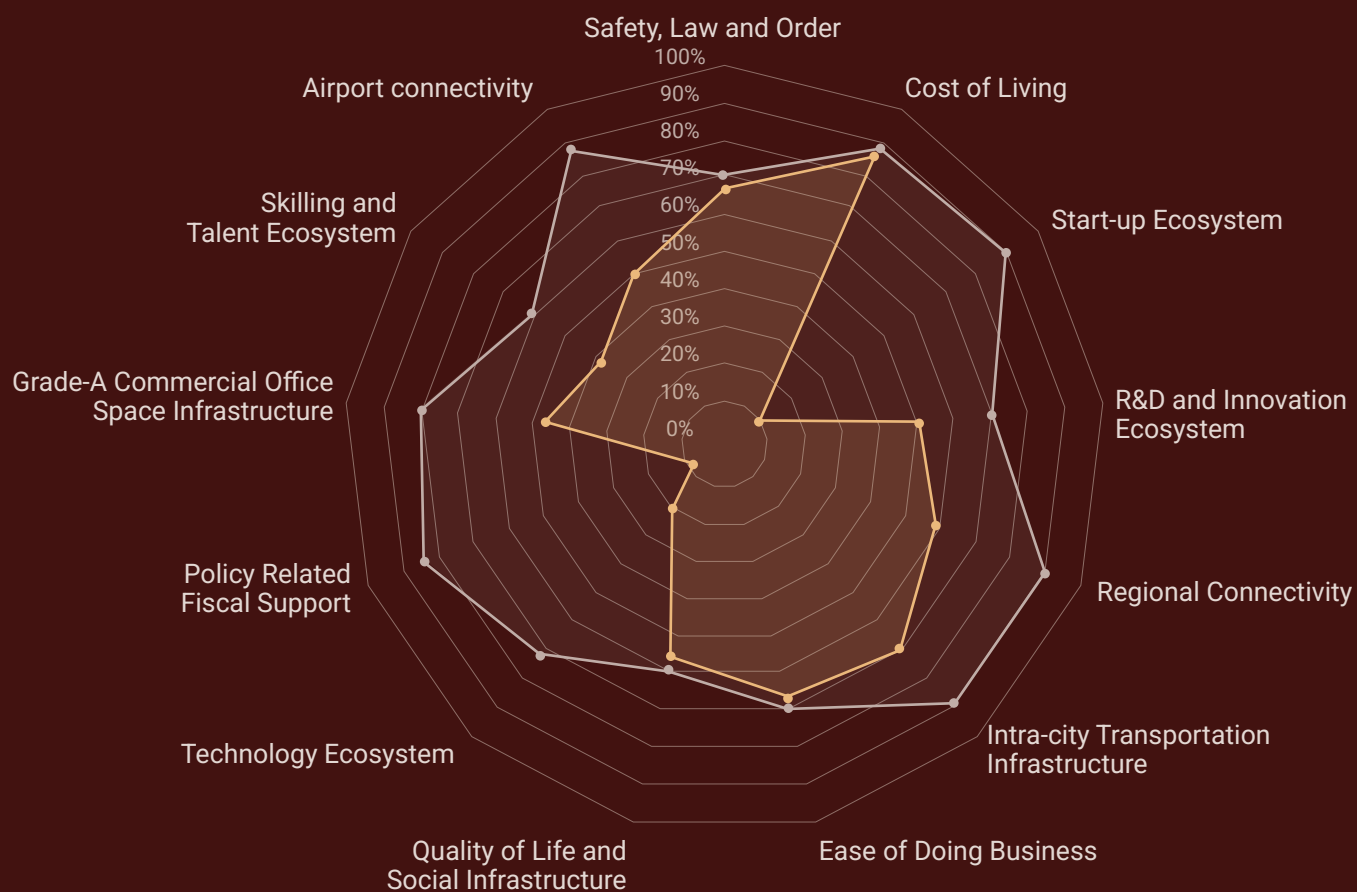


Emerging GCC Hubs

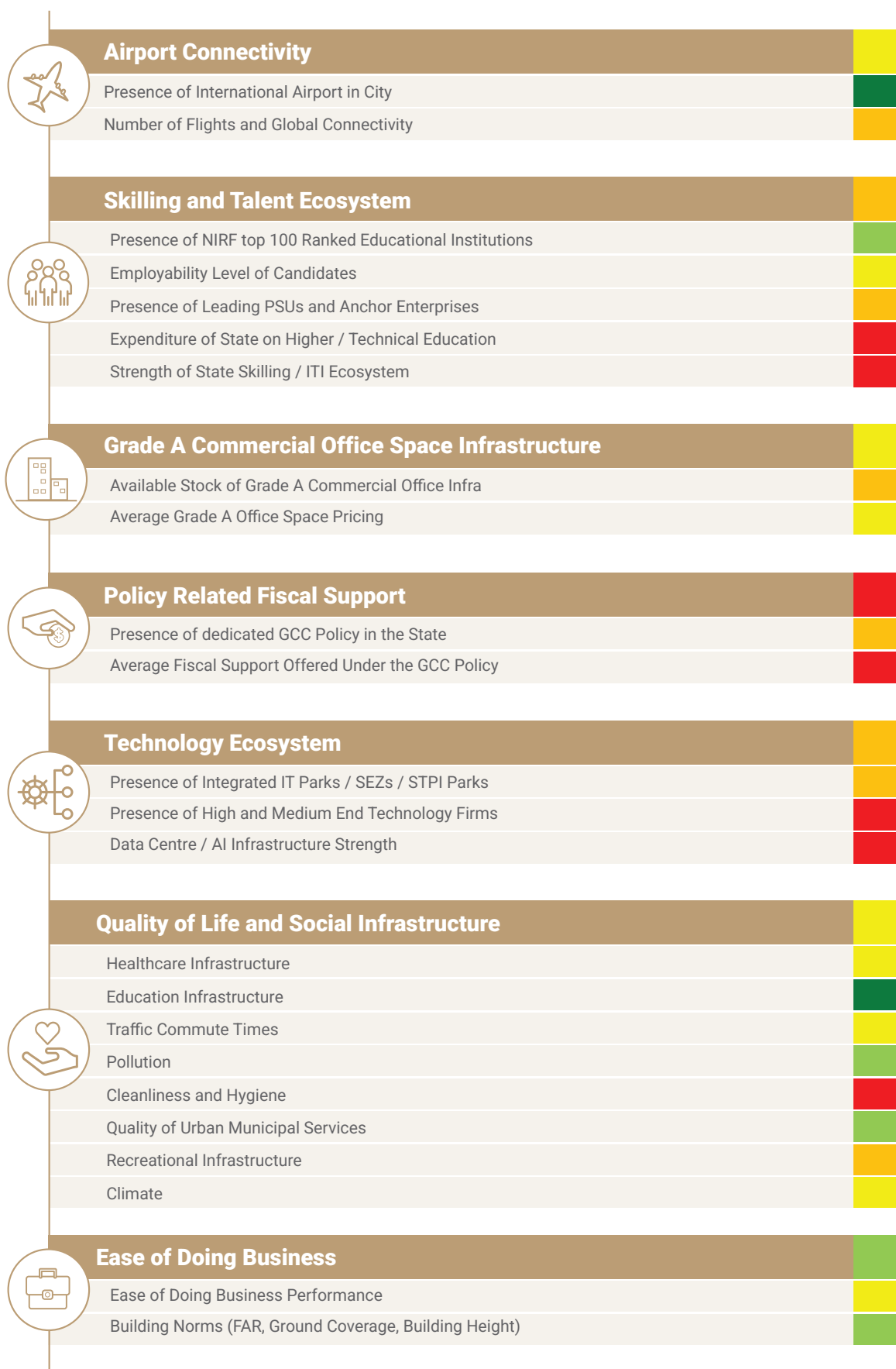
Based on GCC
Investment Readiness Index

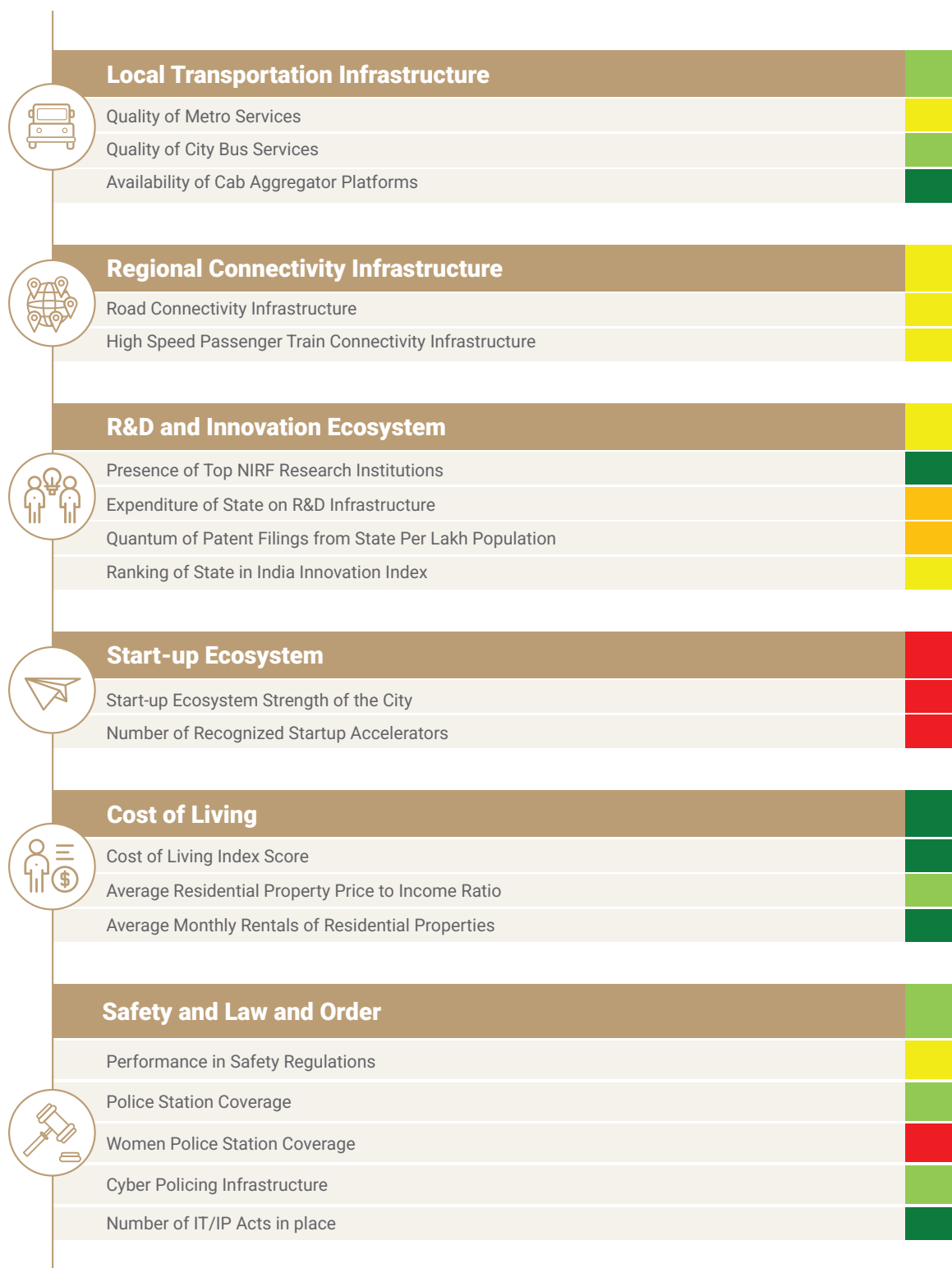
Performance of Bhubaneswar City Relative to Other Tier-2 Cities

- Highest benchmarked parameter score among peer cities
- Bhubaneswar's parameter-wise score



Detailed Assessment across the GCC Index





Assessment Score Bands

0-20



>20-40



>40-60



>60-80



81-100



GCC ECOSYSTEM IN THE CITY

CHANDIGARH

The City Beautiful

Chandigarh — *the city beautiful*, is emerging as a niche yet high-quality Tier-2 destination for GCCs, offering exceptional urban planning, governance stability and superior quality of life. The city benefits as the joint capital of Punjab and Haryana and the anchor of the Tricity region (Chandigarh, Mohali, Panchkula), and its proximity to North India's industrial belts and the Delhi-NCR market. For GCCs prioritizing employee experience, operational stability and mid-scale specialized functions, Chandigarh presents a differentiated value proposition.

Across the parameters, Chandigarh performs strongly in **Safety and Law & Order, Quality of Life, Social Infrastructure and Cost of Living**, consistently ranking among India's most livable cities. The city has a well-educated workforce, supported by reputed institutions in engineering, healthcare and management across the Tricity region. Mohali's IT corridor further complements Chandigarh by providing **Grade-A commercial office space** and a growing base of IT and technology firms.

However, Chandigarh's **technology ecosystem and startup density** remain moderate compared to leading Tier-2 peers and large-scale R&D activity is limited. **Airport connectivity**, while improving, is primarily domestic, which can constrain globally networked GCC mandates. Despite these limitations, the region's governance efficiency, low attrition and high employee satisfaction create strong conditions for **analytics, IT support, HR shared services and niche engineering GCCs**.

Overall, Chandigarh is best positioned as a **specialized, mid-sized GCC location**, particularly for firms seeking stability, high talent retention and proximity to North India without the cost pressures of NCR.



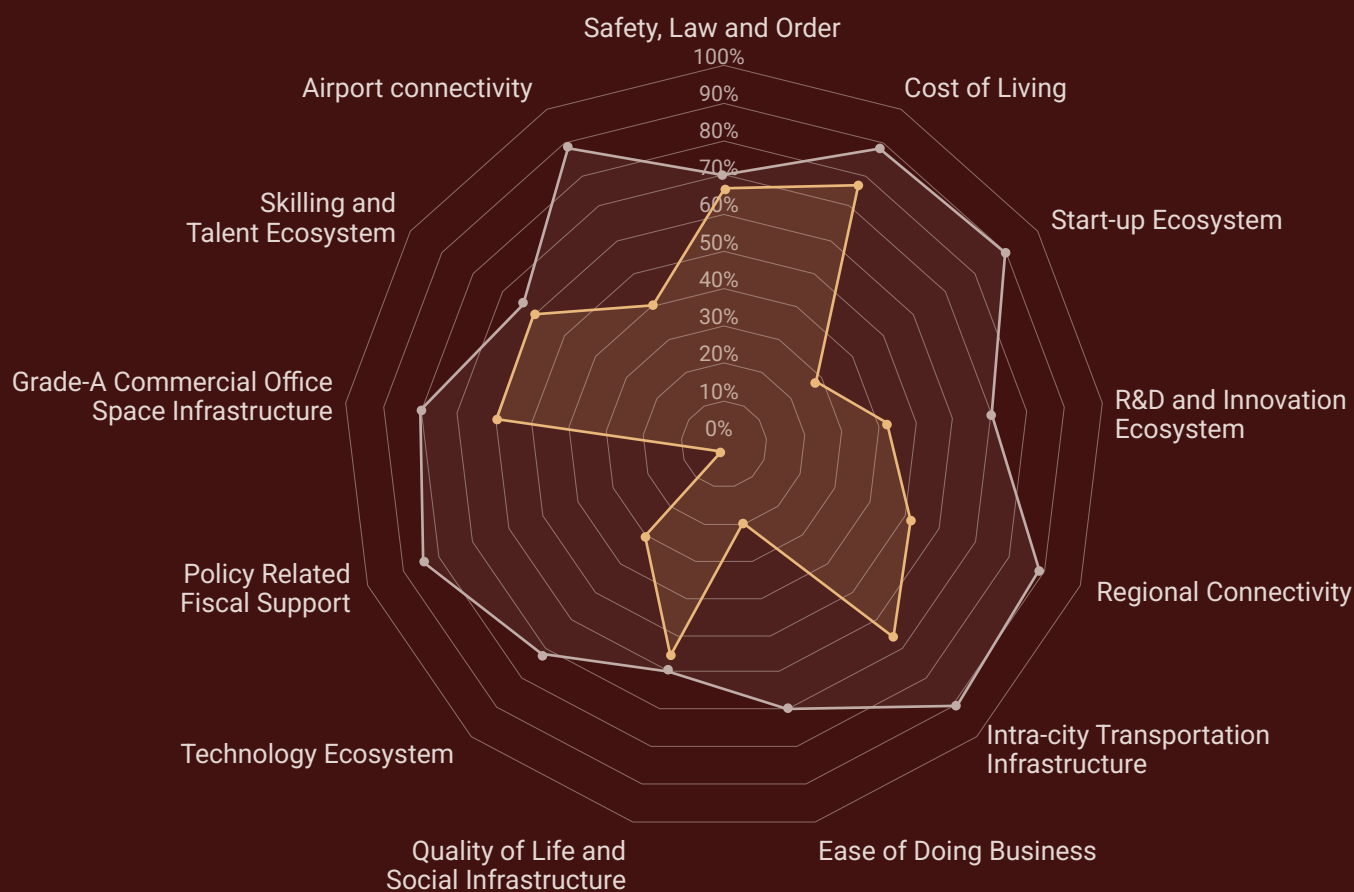
Emerging GCC Hubs

Based on GCC
Investment Readiness Index

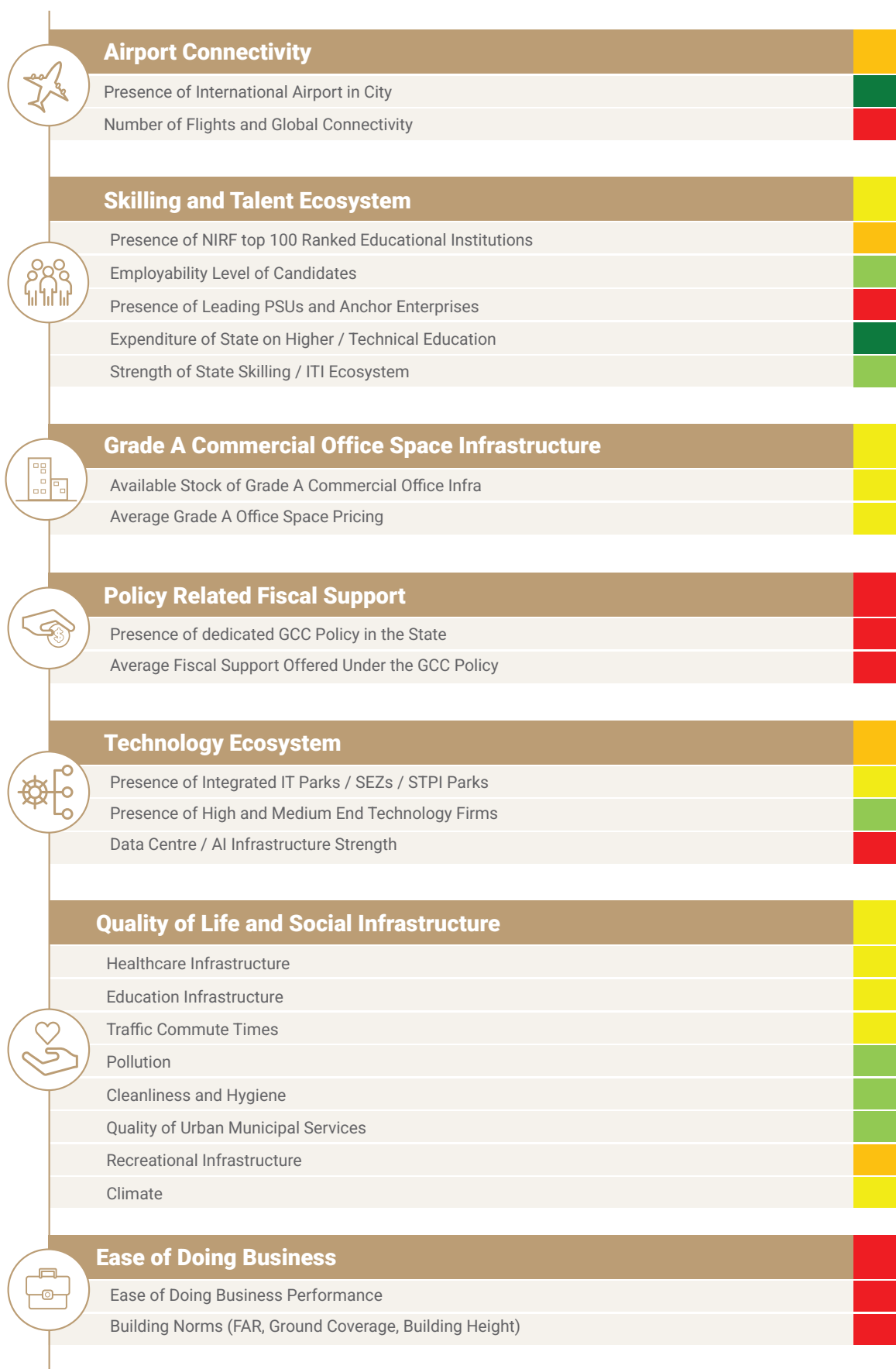


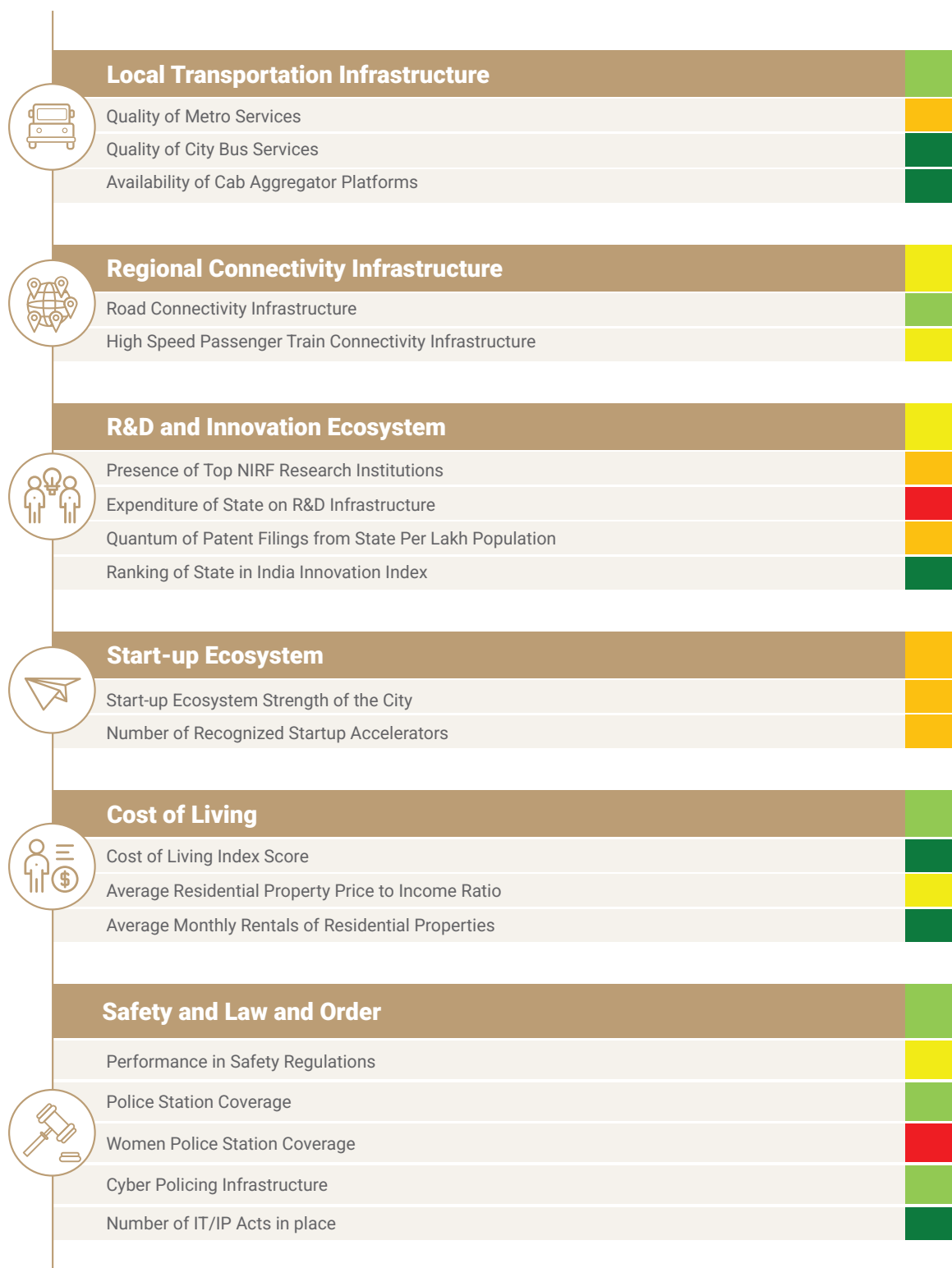
Performance of Chandigarh City Relative to Other Tier-2 Cities

- Highest benchmarked parameter score among peer cities
- Chandigarh's parameter-wise score



Detailed Assessment across the GCC Index





Assessment Score Bands

0-20



>20-40



>40-60



>60-80



81-100



GCC ECOSYSTEM IN THE CITY



FOUNDATION-STAGE CITIES

NAGPUR

Orange City

Nagpur's strategic central location and improving multimodal connectivity position it as a logistics-friendly Tier-2 city with growing GCC relevance. Known as the geographic centre of India, Nagpur offers efficient access to multiple regions, making it suitable for pan-India operations.

The city performs strongly in **Regional Connectivity, Cost of Living and Safety**, supported by road, rail and air infrastructure. Nagpur's MIHAN project has laid the foundation for IT and logistics-led growth, while affordable real estate and stable urban conditions support operational efficiency.

However, **technology ecosystem maturity, startup activity, R&D presence and talent depth** remain limited compared to other Tier-2 peers. While educational institutions exist, the scale and diversity of advanced digital skills are still developing. Airport connectivity is adequate domestically but limited internationally.

Nagpur is best suited for **cost-focused GCCs, logistics support centres, operations hubs and process-driven shared services**, with potential for gradual evolution as ecosystem investments mature.



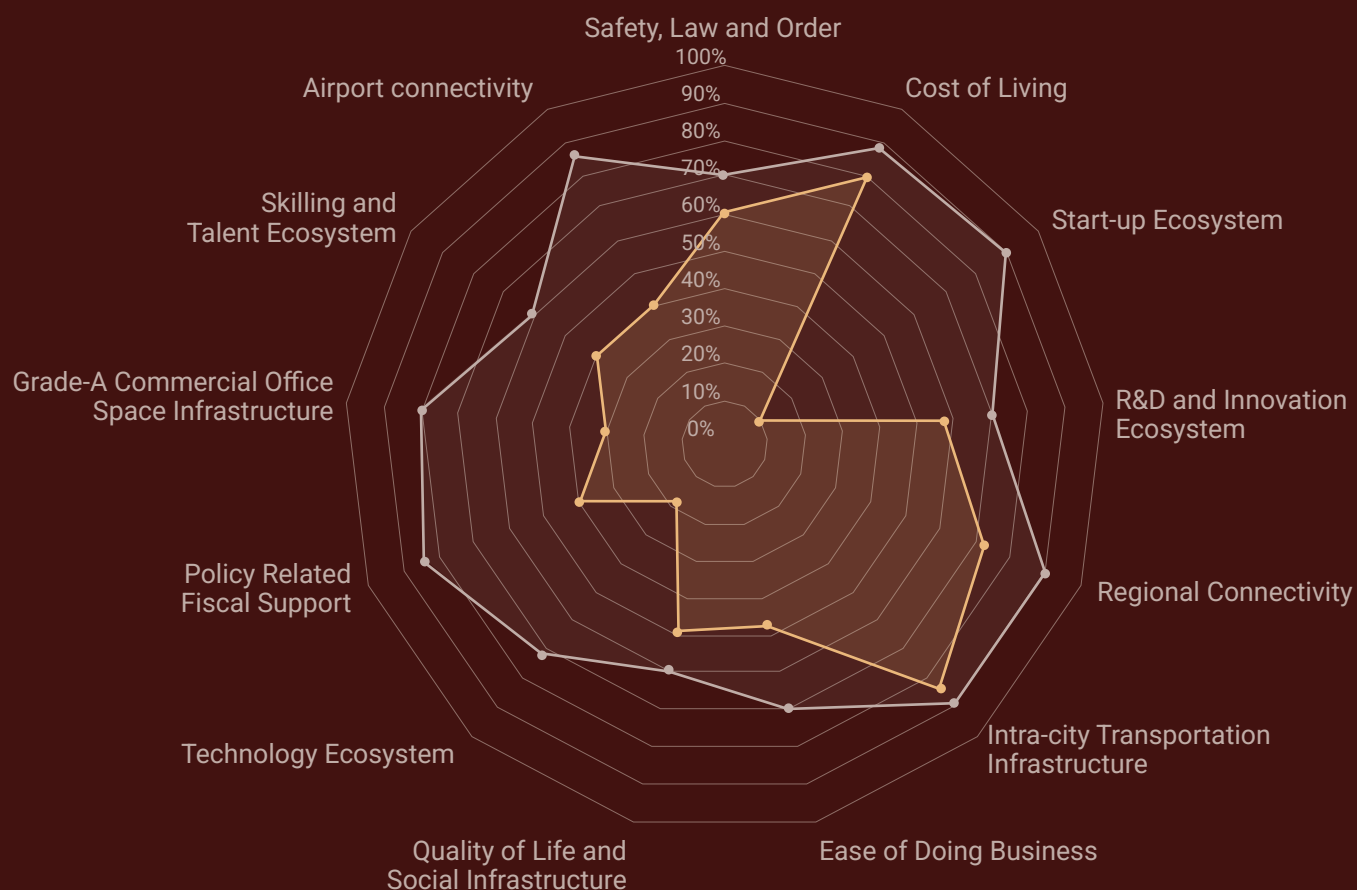
Foundation-Stage Cities

Based on GCC
Investment Readiness Index

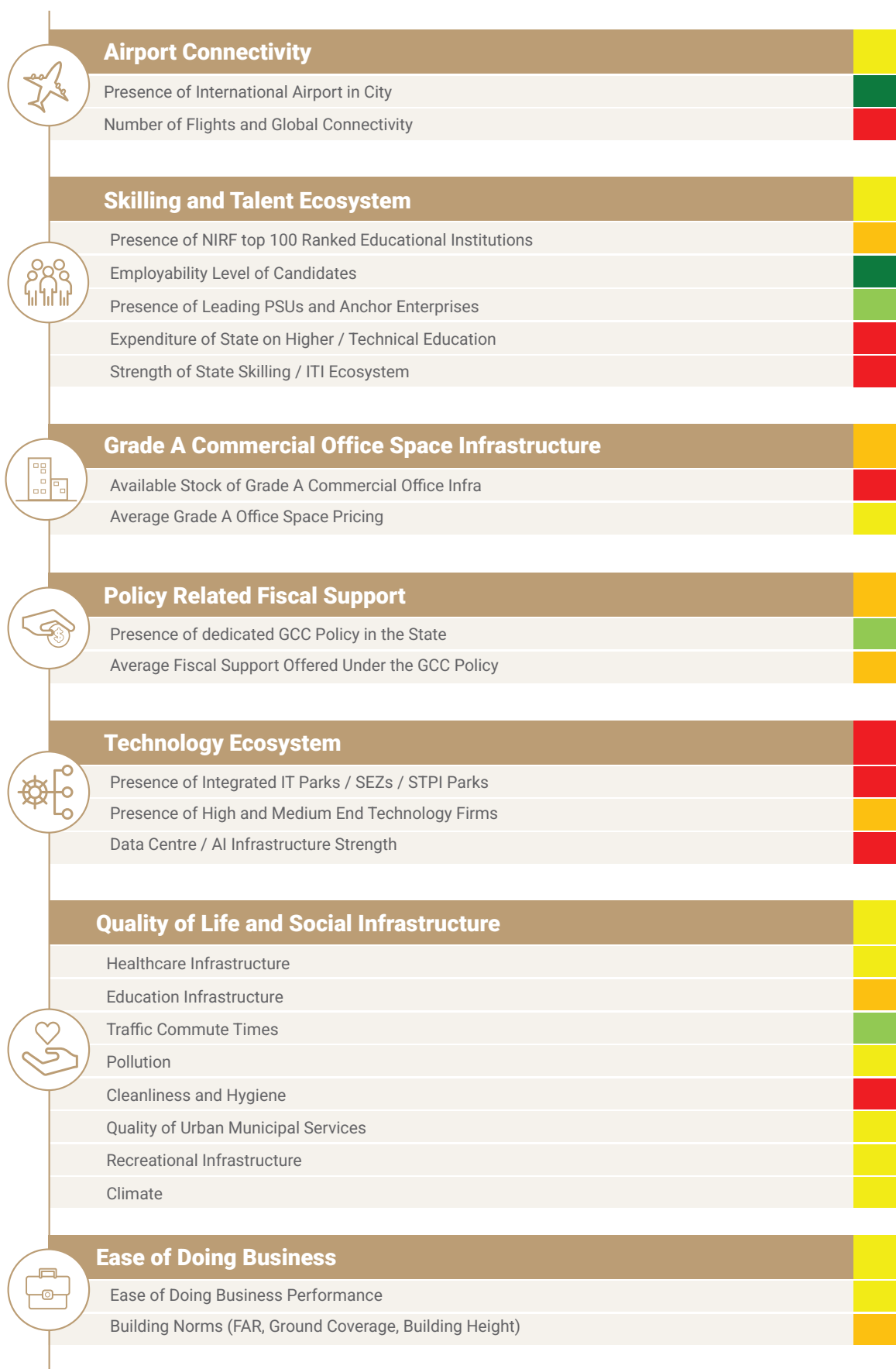


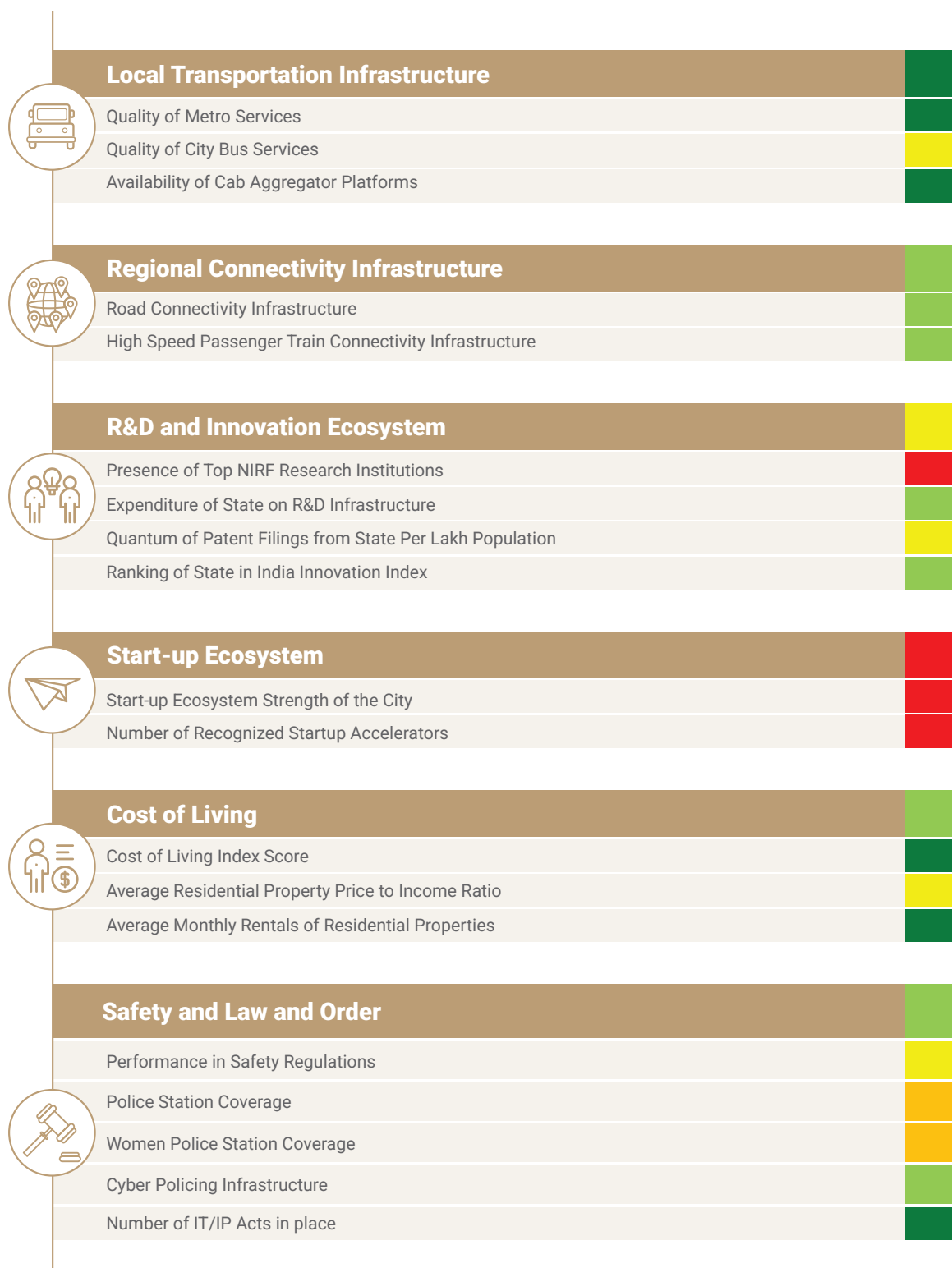
Performance of Nagpur City Relative to Other Tier-2 Cities

- Highest benchmarked parameter score among peer cities
- Nagpur's parameter-wise score



Detailed Assessment across the GCC Index





Assessment Score Bands

0-20



>20-40



>40-60



>60-80



81-100



GCC ECOSYSTEM IN THE CITY

VIJAYAWADA

Land of Victory

Vijayawada is developing as an administrative and commercial hub in Andhra Pradesh, benefitting from focused infrastructure development and policy attention. Its role as a governance centre positions it well for public-sector aligned and process-oriented GCCs.

Vijayawada performs strongly on **policy support, cost of living and regional connectivity**, offering a cost-efficient operating environment within Andhra Pradesh's decentralised development strategy. Its strategic location on key road and rail corridors supports intra-state and regional business movement, while comparatively lower operating costs enhance its attractiveness for price-sensitive service operations.

Talent availability is steadily improving, supported by a network of universities and technical institutions in and around Vijayawada and the Amaravati region. However, the depth of advanced digital, analytics and emerging

technology skills remains limited at present, though this can be addressed due to its proximity to Hyderabad and Bengaluru. **The State Government's intent to strengthen the research and technology ecosystem is evident from initiatives such as the development of India's first AI University in the Amaravati region, which is expected to create long-term capability depth and innovation spillovers.**

Despite these positives, technology ecosystem maturity, startup density, airport connectivity and availability of Grade-A office infrastructure remain nascent.

Vijayawada is currently suitable for **early-stage GCCs, shared services and government-linked operations**, with scope for expansion as infrastructure and ecosystem depth improve.



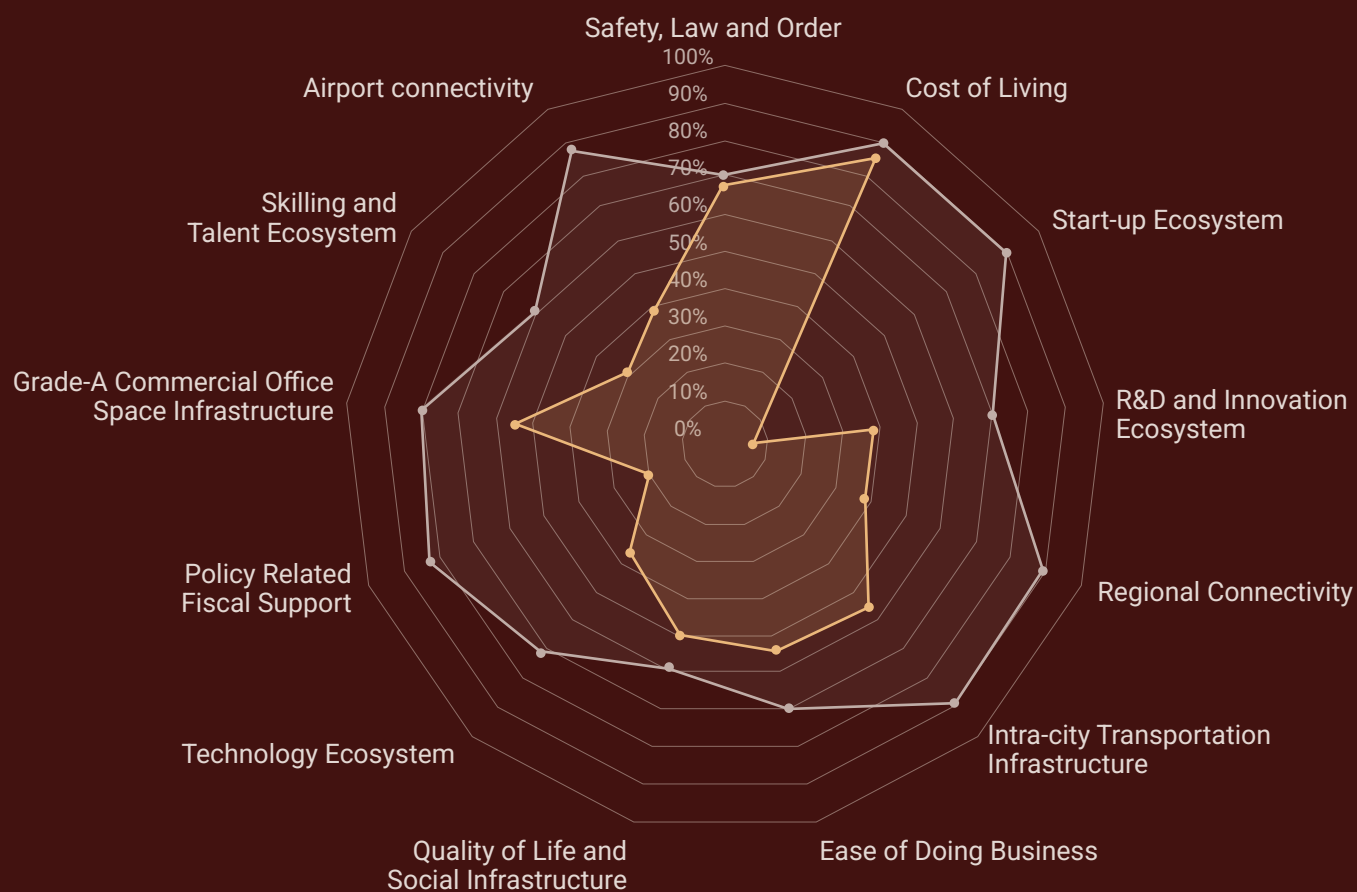
Foundation-Stage Cities

Based on GCC
Investment Readiness Index

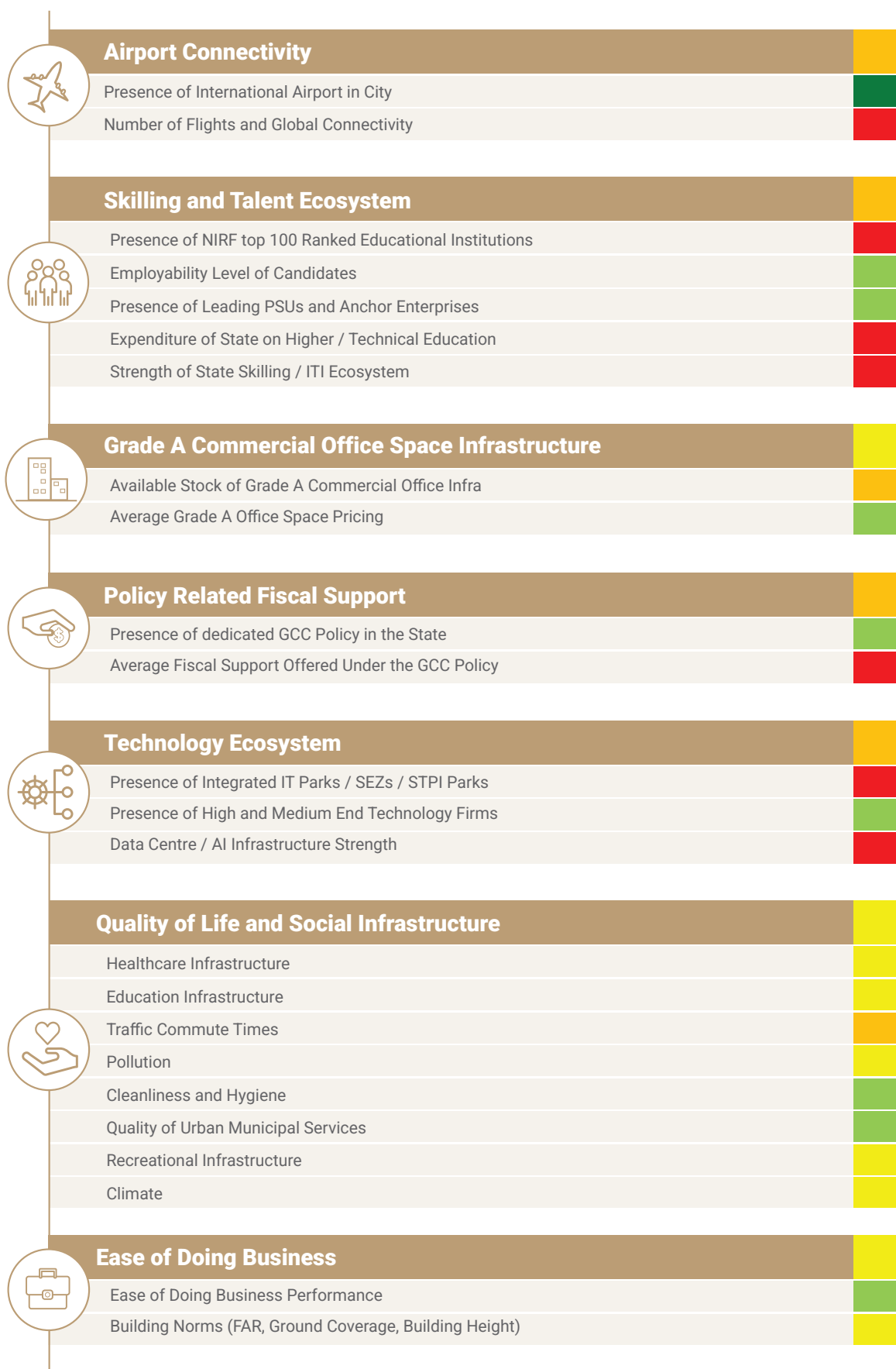


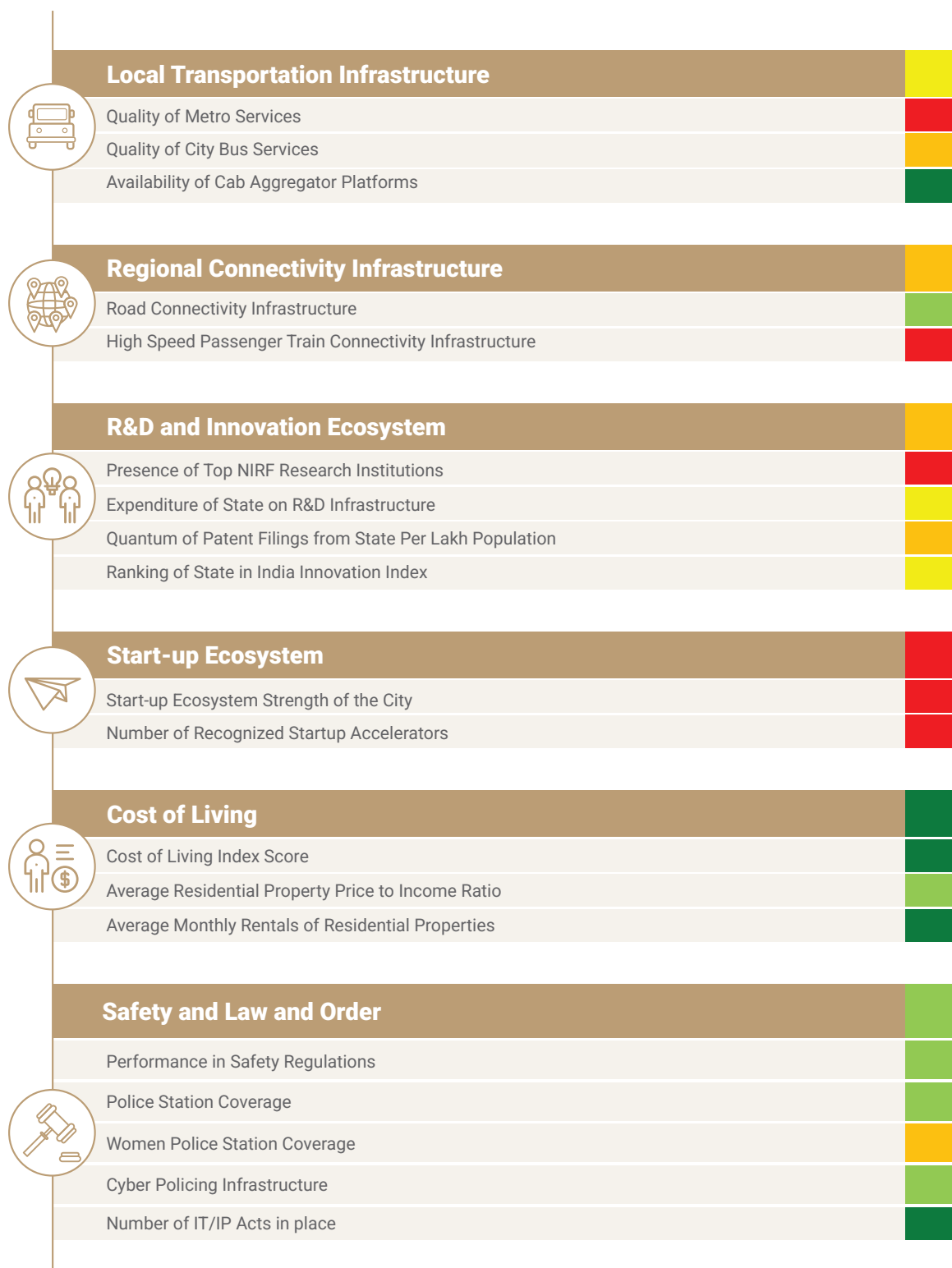
Performance of Vijayawada City Relative to Other Tier-2 Cities

- Highest benchmarked parameter score among peer cities
- Vijayawada's parameter-wise score



Detailed Assessment across the GCC Index





Assessment Score Bands

0-20 ■ >20-40 ■ >40-60 ■ >60-80 ■ 81-100 ■

MYSURU

City of Palaces

Mysuru is steadily emerging as a knowledge-oriented Tier-2 city, leveraging its educational legacy, proximity to Bengaluru and superior quality of life. For GCCs seeking a satellite or complementary location to Tier-1 hubs, Mysuru offers a compelling combination of cost efficiency, workforce stability and urban liveability.

The city performs well in **Quality of Life, Safety and Law & Order and Cost of Living**, making it attractive for talent retention and long-term workforce sustainability. Mysuru benefits from a strong **skilling and talent ecosystem**, supported by universities and engineering colleges and its closeness to Bengaluru enables access to a broader technology talent pool. This has encouraged several firms to consider Mysuru for **secondary delivery centres and captive support functions**.

However, Mysuru's technology ecosystem depth, startup activity and R&D presence remain limited compared to Bengaluru or Coimbatore. **Airport connectivity** is a notable constraint, with most international access routed through Bengaluru. Availability of **large Grade-A commercial office spaces** is improving but remains relatively limited in scale.

Overall, Mysuru is well-suited for **cost-efficient GCC extensions, IT support centres, testing, analytics and back-office operations**, particularly for firms already present in Karnataka. Its role as a **satellite GCC city** is expected to strengthen as infrastructure and connectivity continue to improve.



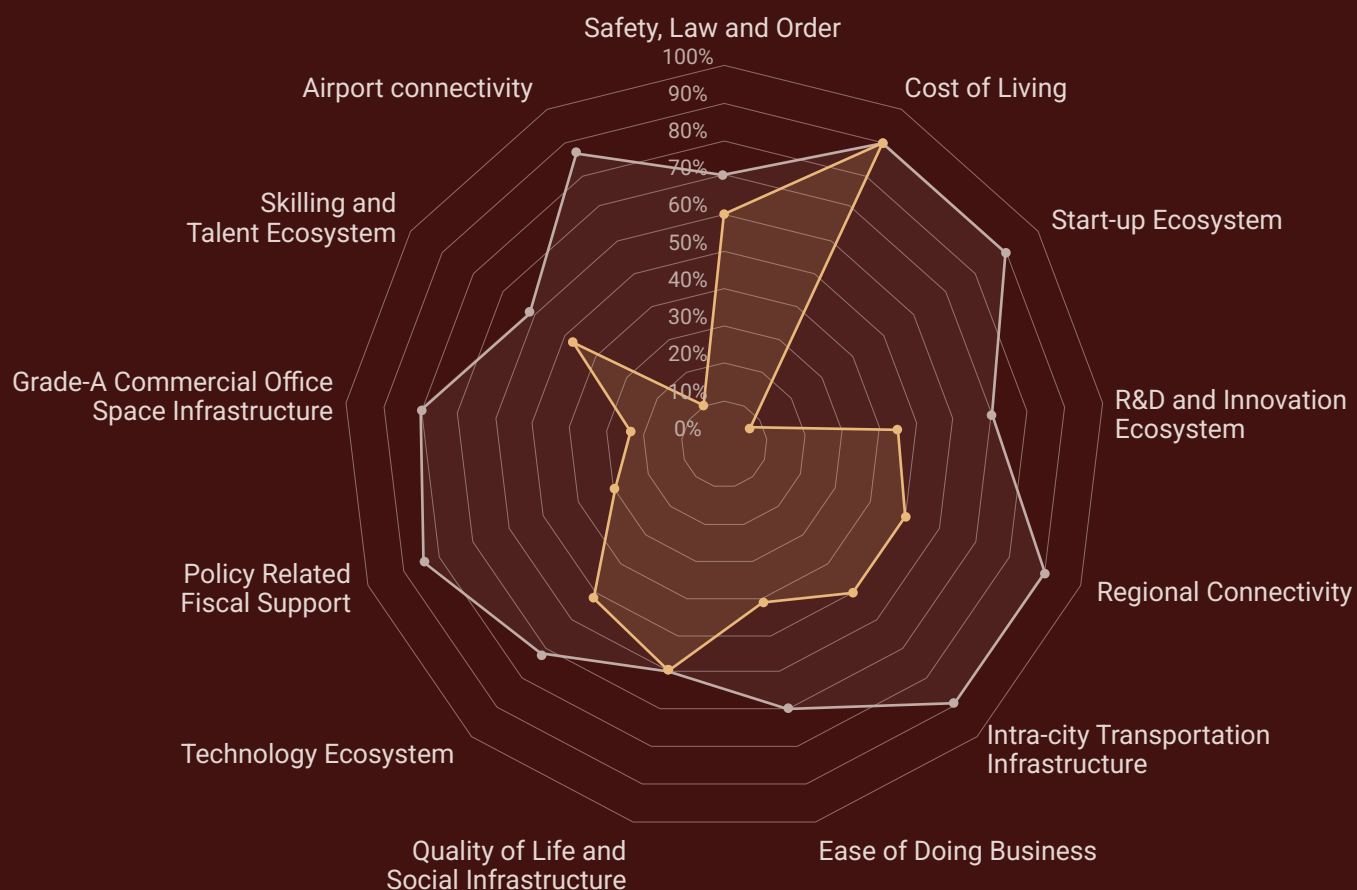
Foundation- Stage Cities

Based on GCC
Investment Readiness Index

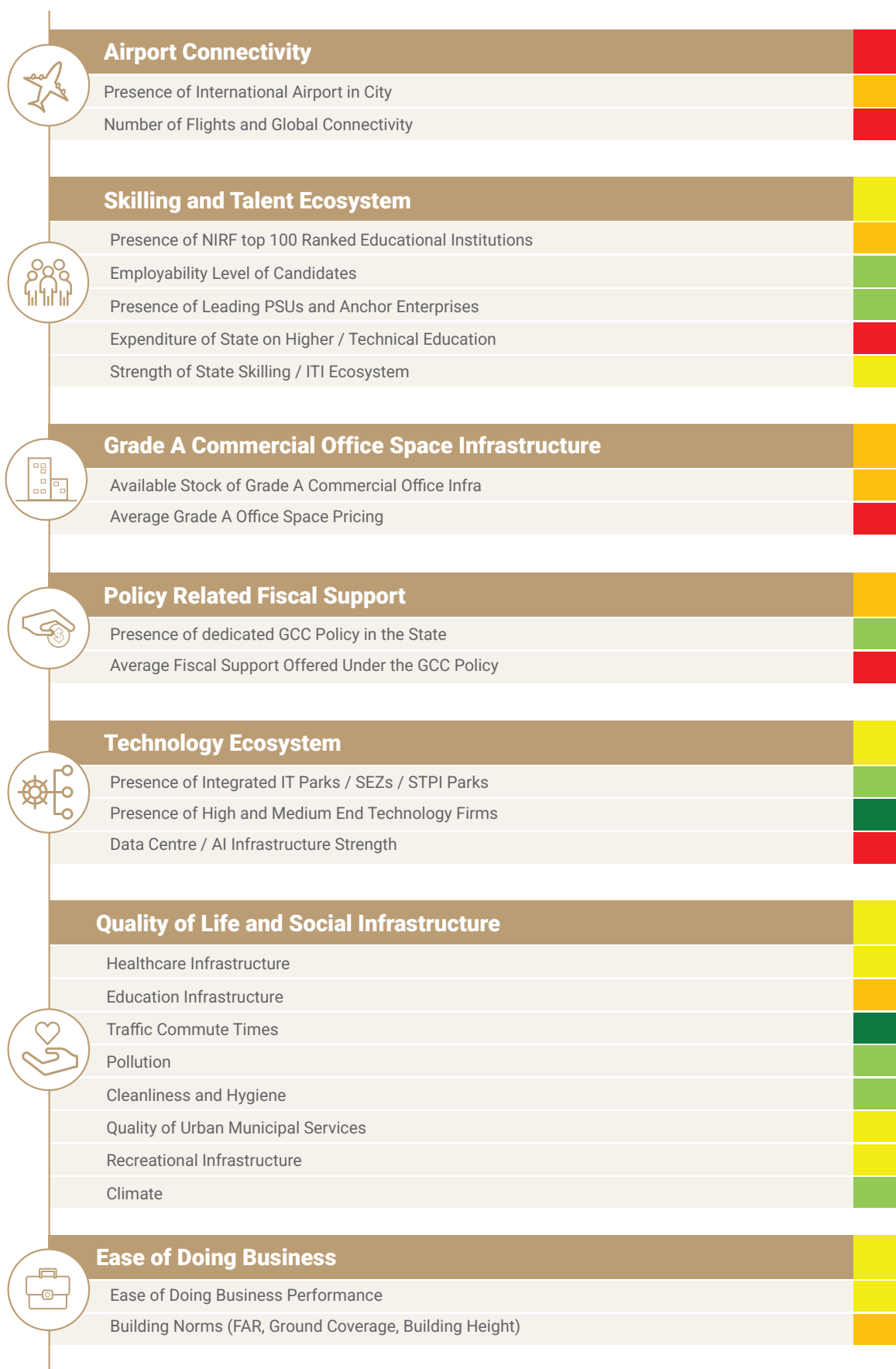


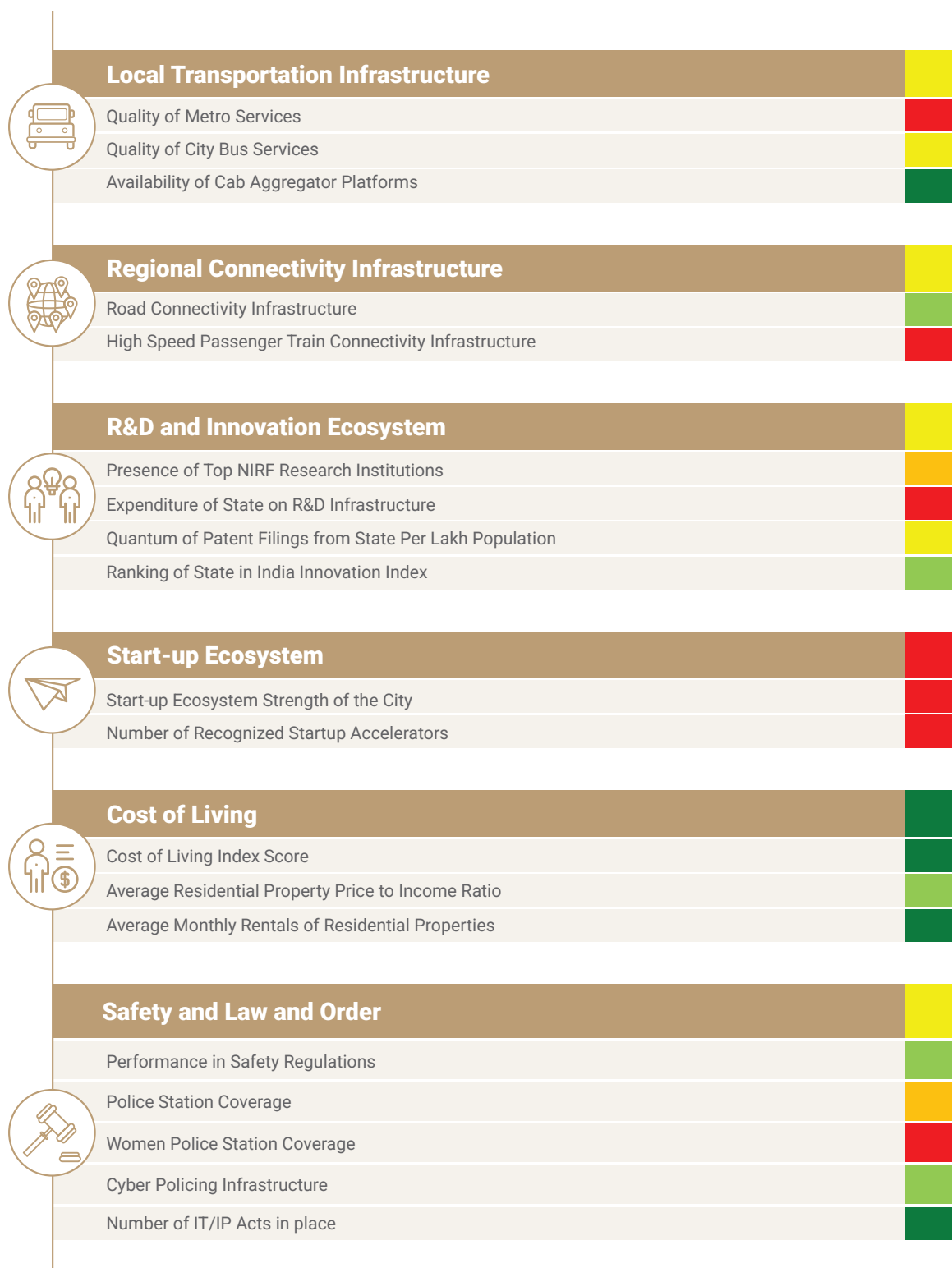
Performance of Mysuru City Relative to Other Tier-2 Cities

- Highest benchmarked parameter score among peer cities
- Mysuru's parameter-wise score



Detailed Assessment across the GCC Index





Assessment Score Bands

0-20



>20-40



>40-60



>60-80



81-100



GCC ECOSYSTEM IN THE CITY



FUTURE ASPIRANTS

VADODARA

Cultural City

Vadodara benefits from Gujarat's strong industrial base and proximity to Ahmedabad, positioning it as a supportive Tier-2 GCC location. The city offers cost efficiency and a stable business environment.

Vadodara demonstrates moderate performance across cost of living, policy support and regional connectivity, supported by its strategic location within Gujarat and strong road and rail linkages. The city offers relatively lower operating costs compared to major metros, making it viable for mid-scale commercial operations.

Airport connectivity is largely domestic and the availability of Grade-A, GCC-ready office spaces is modest, constraining the city's ability to attract large global technology and services firms.

Large industrial and aerospace initiatives are underway, such as the introduction of advanced manufacturing facilities tied to aircraft production, positioning Vadodara to play a role in high-technology industrial clusters

and value chains. Local entrepreneurial support is strengthening too: events like the **"Vibrant Start-up Synergy 2026"** conclave aim to catalyse connections between founders, investors and policymakers and broaden the innovation network within the city and region.

Despite these positive signals, **the overall ecosystem scale for technology services, R&D and startup acceleration remains comparatively limited**, partly because Ahmedabad is more strongly positioned as a flagship GCC destinations for Gujarat. With targeted prioritization—especially in IT infrastructure, innovation ecosystems and talent-led industries—Vadodara could emerge as a complementary Tier-2 GCC location within Gujarat's broader growth framework.

Vadodara is best positioned as a **satellite GCC location**, supporting nearby hubs for operations, engineering support and shared services.



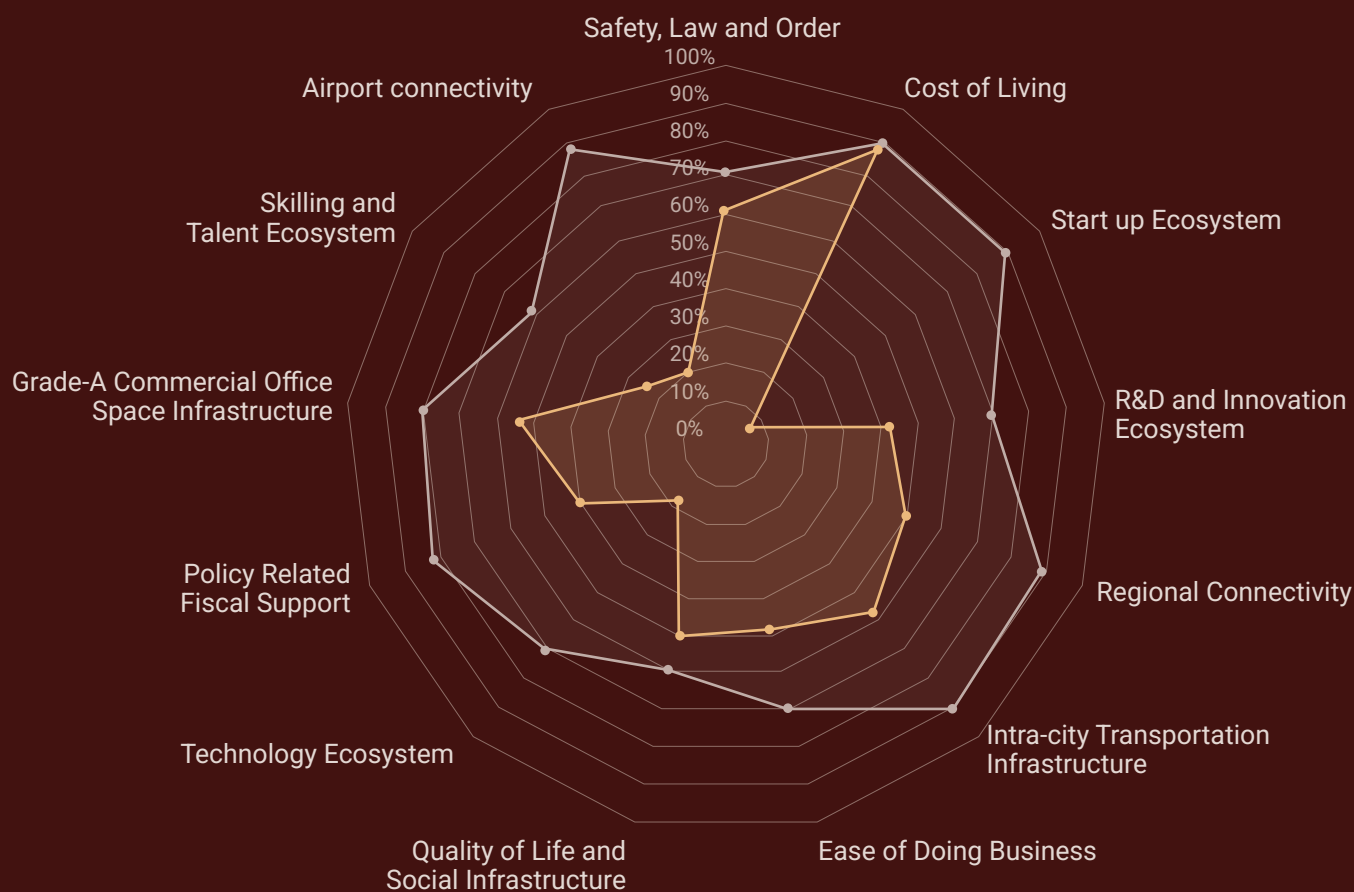
Future Aspirants

Based on GCC
Investment Readiness Index

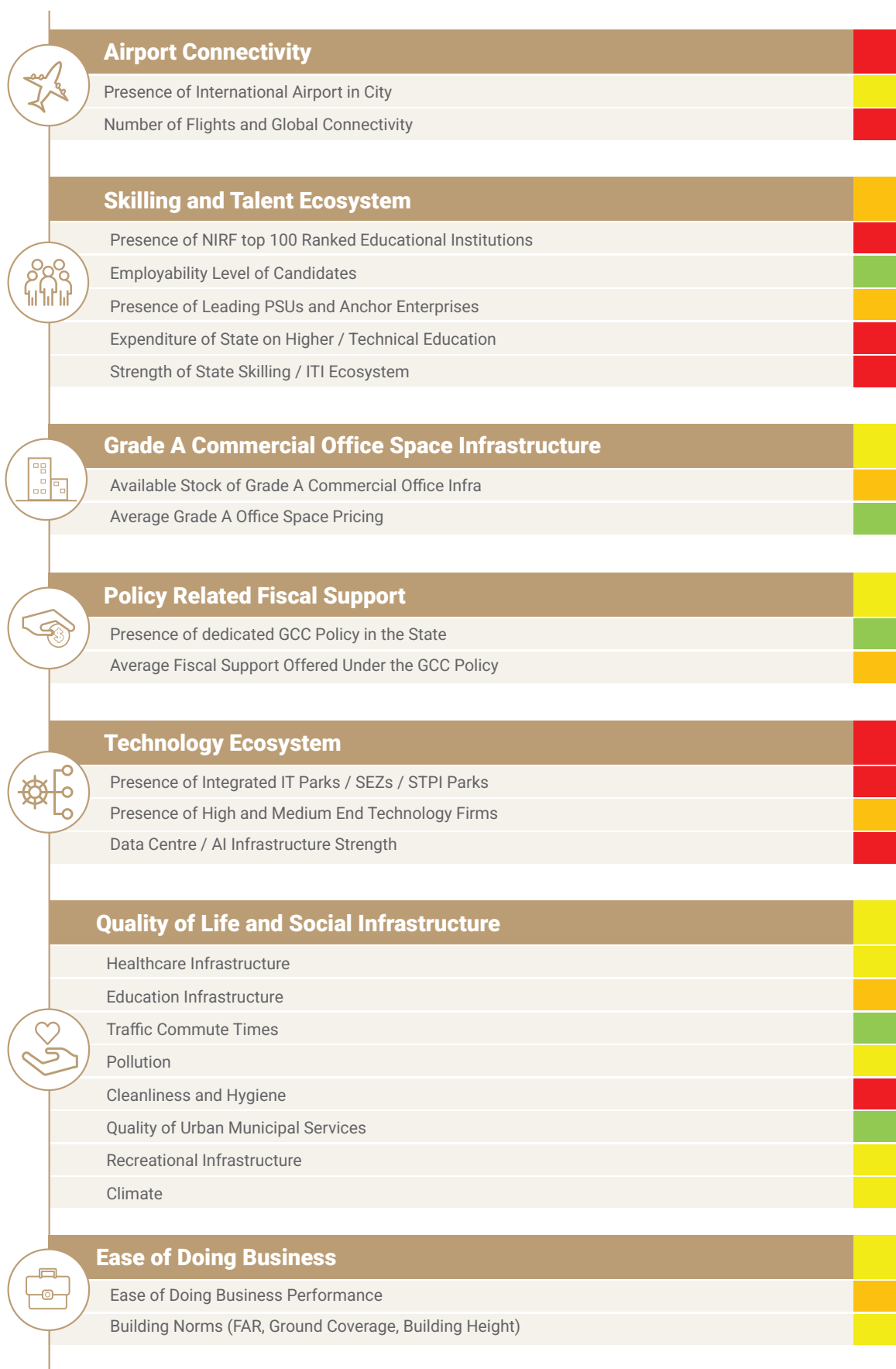


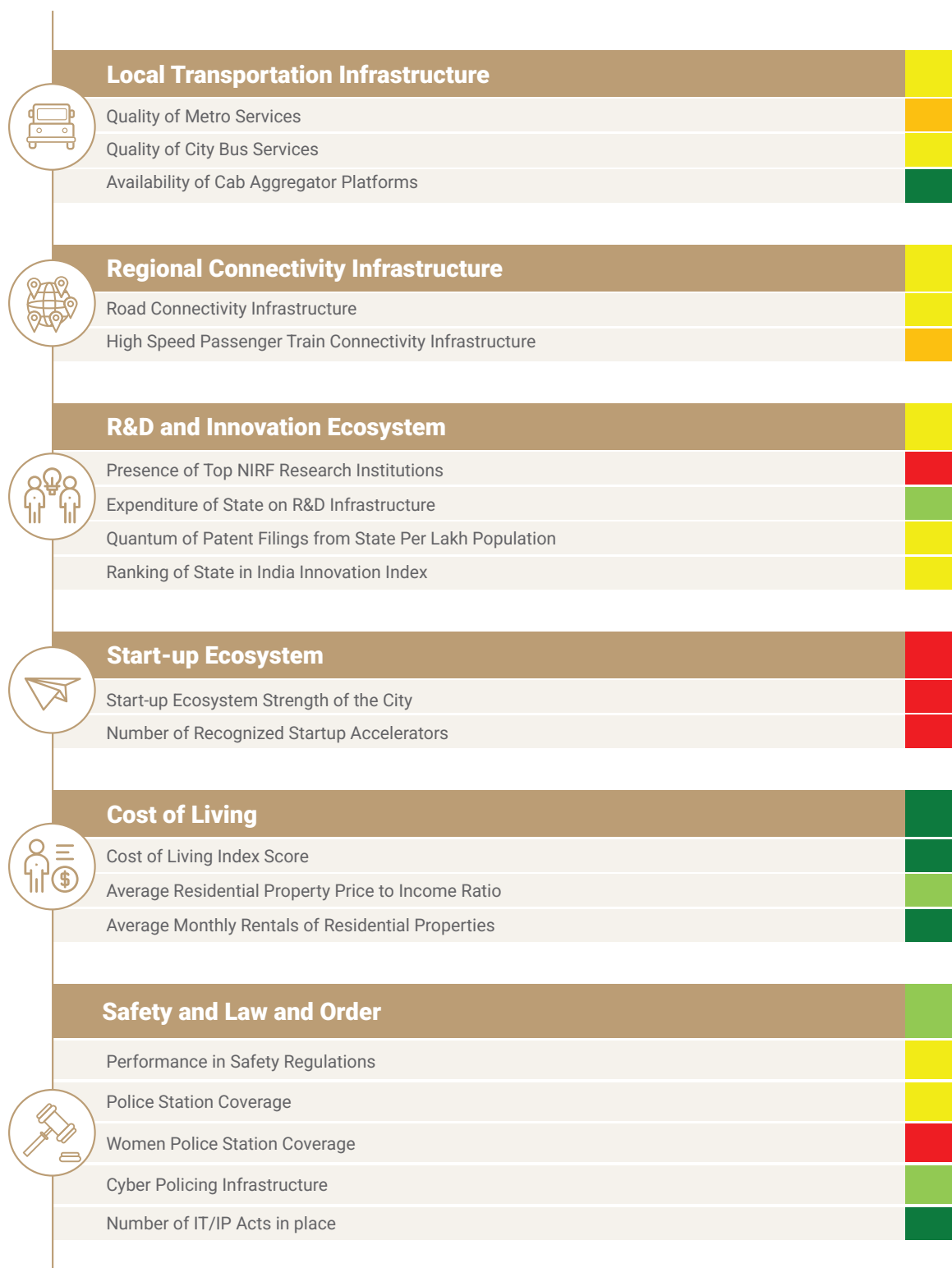
Performance of Vadodara City Relative to Other Tier-2 Cities

- Highest benchmarked parameter score among peer cities
- Vadodara's parameter-wise score



Detailed Assessment across the GCC Index





Assessment Score Bands

0-20



>20-40



>40-60



>60-80



81-100



GCC ECOSYSTEM IN THE CITY

PATNA

The Land of Buddha

Patna is progressively improving its urban and economic infrastructure, administrative processes and connectivity, positioning itself as an emerging long-term opportunity among Tier-2/ Tier-3 Indian cities for business and investment. Recent state government initiatives such as the Pragati Yatra infrastructure announcements—including elevated roads and multi-modal transport hubs—signal a renewed focus on urban development in the region. **Patna tops amongst these cities in terms of regional connectivity, however air connectivity is limited only to Indian cities.** Airport connectivity, though rapidly expanding, is in transition. Jayaprakash Narayan International Airport is being upgraded with a new terminal and capacity expansion that would substantially increase passenger throughput and may soon support international operations. Additionally, construction for a second major commercial airport at Bihta has commenced and is expected to be operational later in the decade, which will further enhance regional and national connectivity.

Patna benefits from significant cost advantages and **one of the largest population bases** in eastern India, providing a sizeable consumer market and potential labour pool. The **city's social infrastructure and education ecosystem have been strengthening gradually**, with increased public investment in facilities, urban services and connectivity projects that enhance overall livability. However, several **structural gaps** continue to constrain Patna's readiness as a destination for GCCs and high-value corporate investments.

Technology ecosystem maturity remains nascent relative to established GCC hubs, with limited presence of large technology companies, R&D centres and deep-tech clusters. While major steps have been taken—such as the launch of a state-of-the-art STPI incubation facility in Patna to catalyse IT innovation and entrepreneurship—scale and network effects are still developing. Grade-A office space supply suitable for GCC operations is limited. While the city does have commercial clusters, the scale and quality of plug-and-play office infrastructure remains below what



Future Aspirants

Based on GCC
Investment Readiness Index



global captives typically require, slowing large-scale corporate relocations. Startup activity has seen positive policy support, including free office space allocations for early-stage startups under the Bihar IT Policy 2024, but overall ecosystem density, venture funding activity and corporate engagement are still evolving.

One persistent challenge for Patna and Bihar at large is talent retention. Despite a growing base of skilled young professionals and graduates, many engineers, developers and innovators migrate to larger national IT and services hubs for broader opportunities and exposure, highlighting the need for stronger local career pathways.

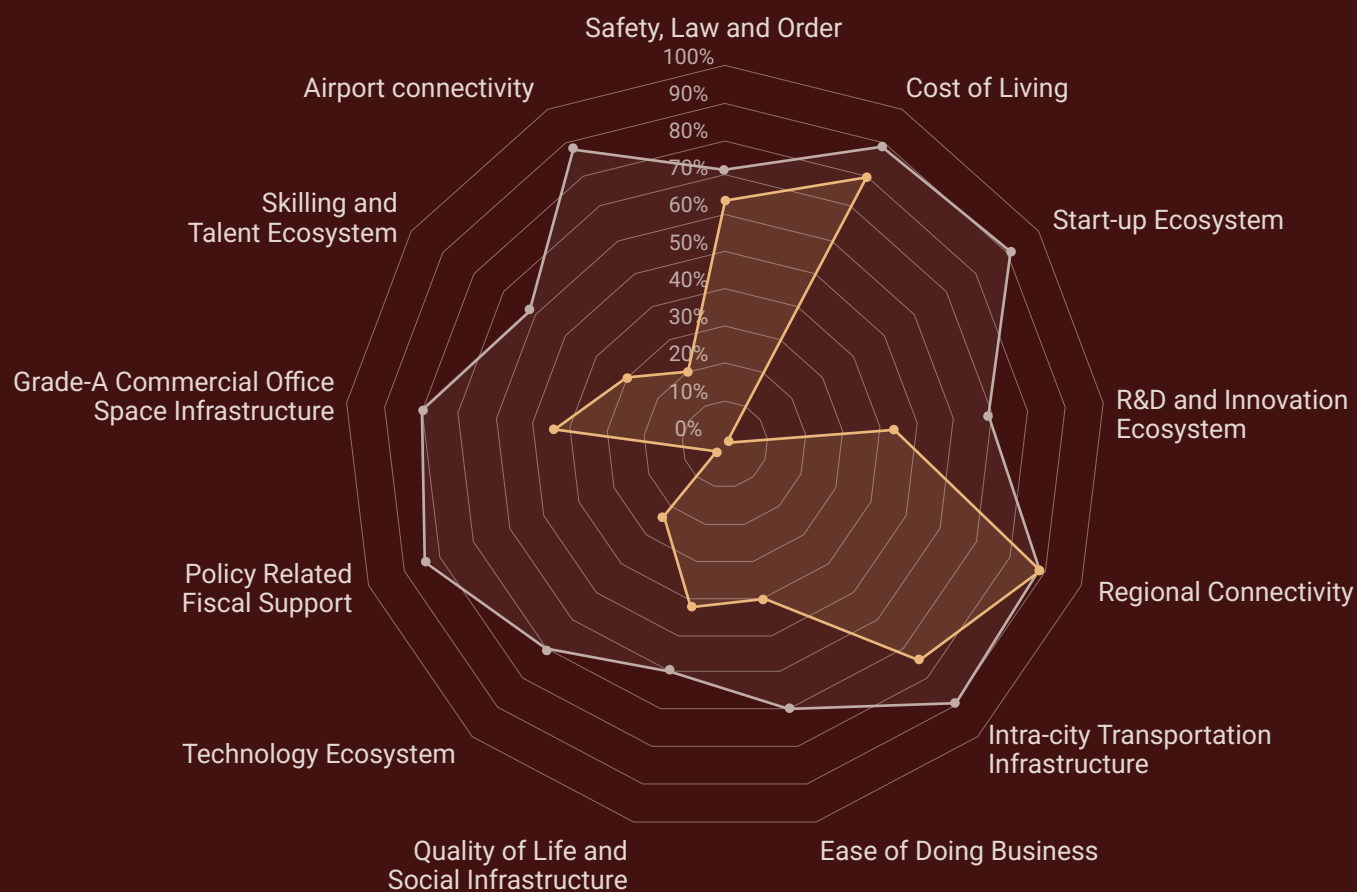
At present, Patna's suitability for GCCs is constrained not by lack of potential, but by the combined deficit in advanced technology ecosystems, world-class office infrastructure and comprehensive connectivity. A strategic and sustained push in R&D, innovation cluster development and corporate-academia partnerships, alongside continued investment in air and commercial infrastructure, would be essential to elevate the city's competitiveness and attract long-term GCC commitments.

As per our current analysis, Patna is best suited for **small, cost-driven support functions**, with long-term potential as ecosystem investments scale.

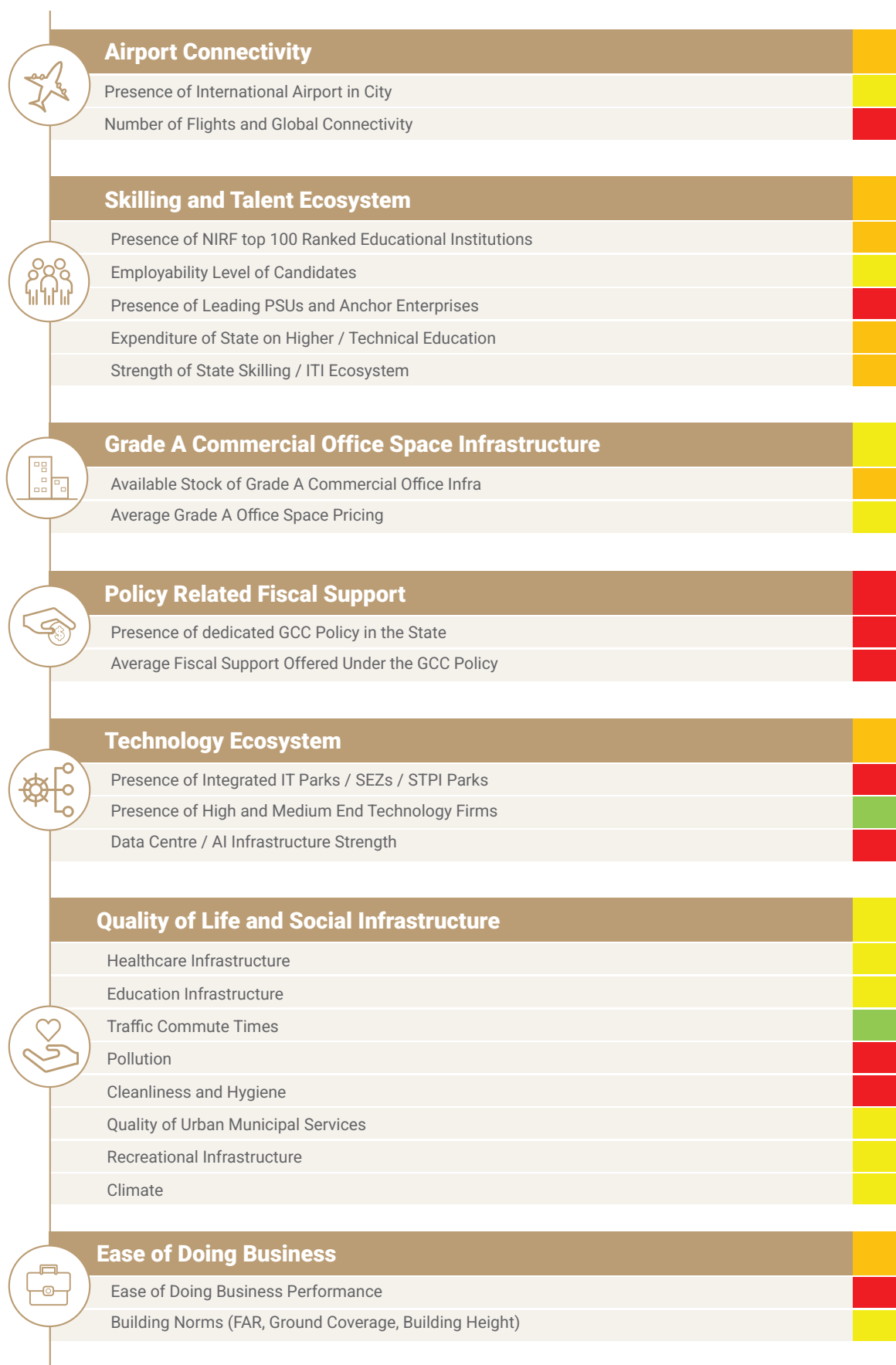


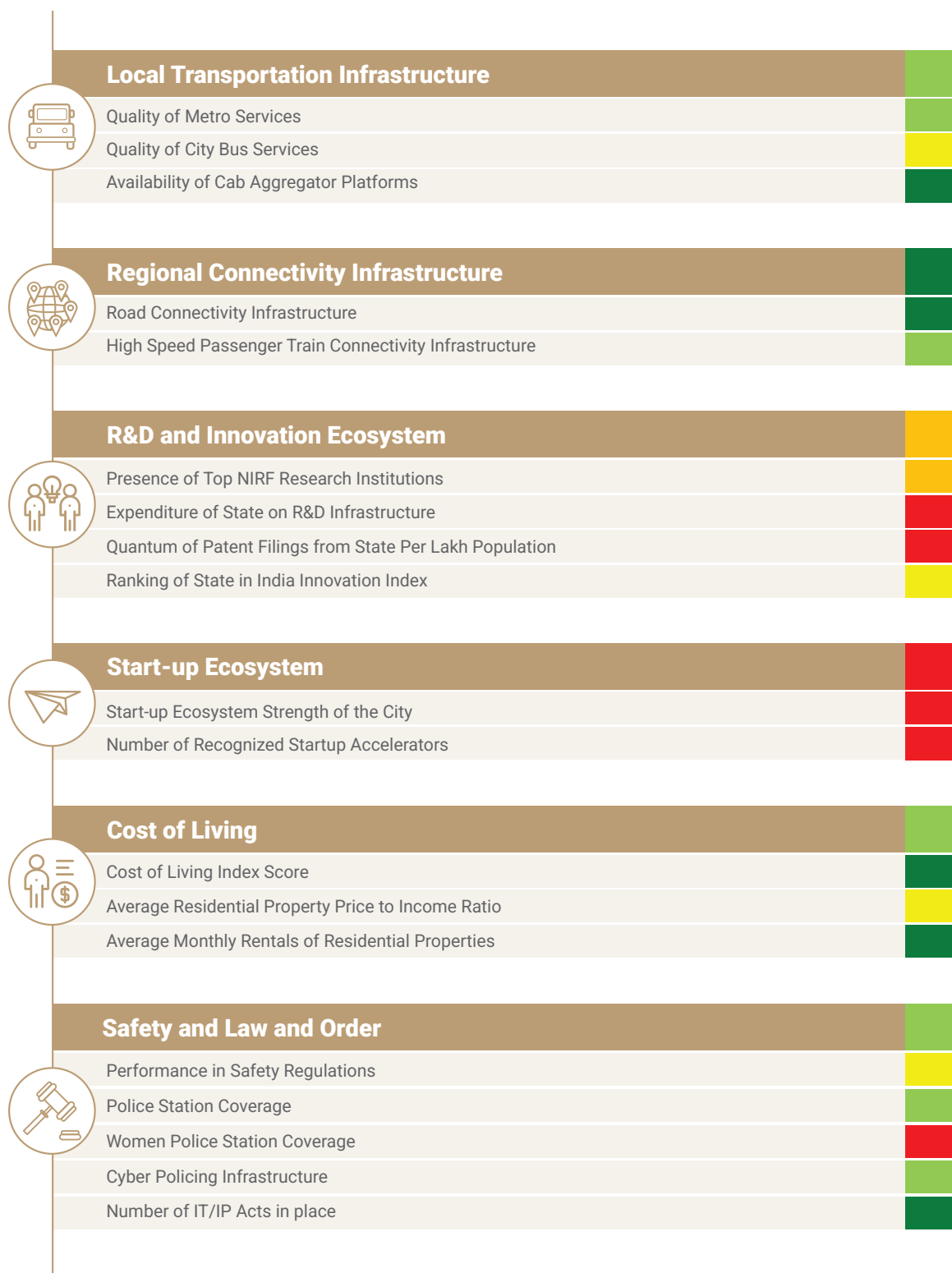
Performance of Patna City Relative to Other Tier-2 Cities

- Highest benchmarked parameter score among peer cities
- Patna's parameter-wise score



Detailed Assessment across the GCC Index





Assessment Score Bands

0-20



>20-40



>40-60



>60-80



81-100



RAIPUR

Rice Bowl of Central India

Raipur is an emerging central-India city with administrative importance and improving infrastructure. The city offers low operating costs and improving urban services. Strengths lie in **Cost of Living, Policy Support and Safety index**, while **technology ecosystem maturity, talent depth, airport connectivity and commercial infrastructure** remain limited. To position Raipur as a competitive destination for Global Capability Centres (GCCs) and allied knowledge-driven enterprises, the State Government would need to significantly strengthen the city's skilled talent pipeline and availability of specialised Grade-A commercial office spaces.

While Raipur serves as the administrative capital of Chhattisgarh and has a steady base of graduates from institutions such as NIT Raipur, AIIMS Raipur and multiple state universities, the depth of industry-ready talent in advanced IT, data analytics, engineering design and digital services remains limited when compared to established GCC hubs. Targeted interventions in industry-aligned skilling, specialised training programmes and academia-industry collaboration would therefore be critical to meet GCC workforce requirements.

In parallel, the city currently has a nascent supply of plug-and-play, technology-ready commercial office infrastructure, which is a key prerequisite for large-scale GCC operations. Focused development of integrated IT parks, SEZ-ready campuses and managed office spaces with high-quality digital and urban amenities would materially improve Raipur's investment readiness.

Further, the Technology and R&D ecosystem in Raipur is still at an early stage, with limited presence of corporate R&D centres, innovation labs, incubators and deep-tech startups. Strengthening this ecosystem through innovation clusters, R&D incentives, startup incubation support and partnerships with national research institutions would be essential to create a sustainable knowledge economy.

Collectively, a coordinated push across talent development, commercial infrastructure and technology-led innovation would be required for Raipur to emerge as a viable and scalable GCC destination in Central India. Raipur is currently at an **early stage of GCC readiness**, suitable for small, cost-focused operations with long-term potential.



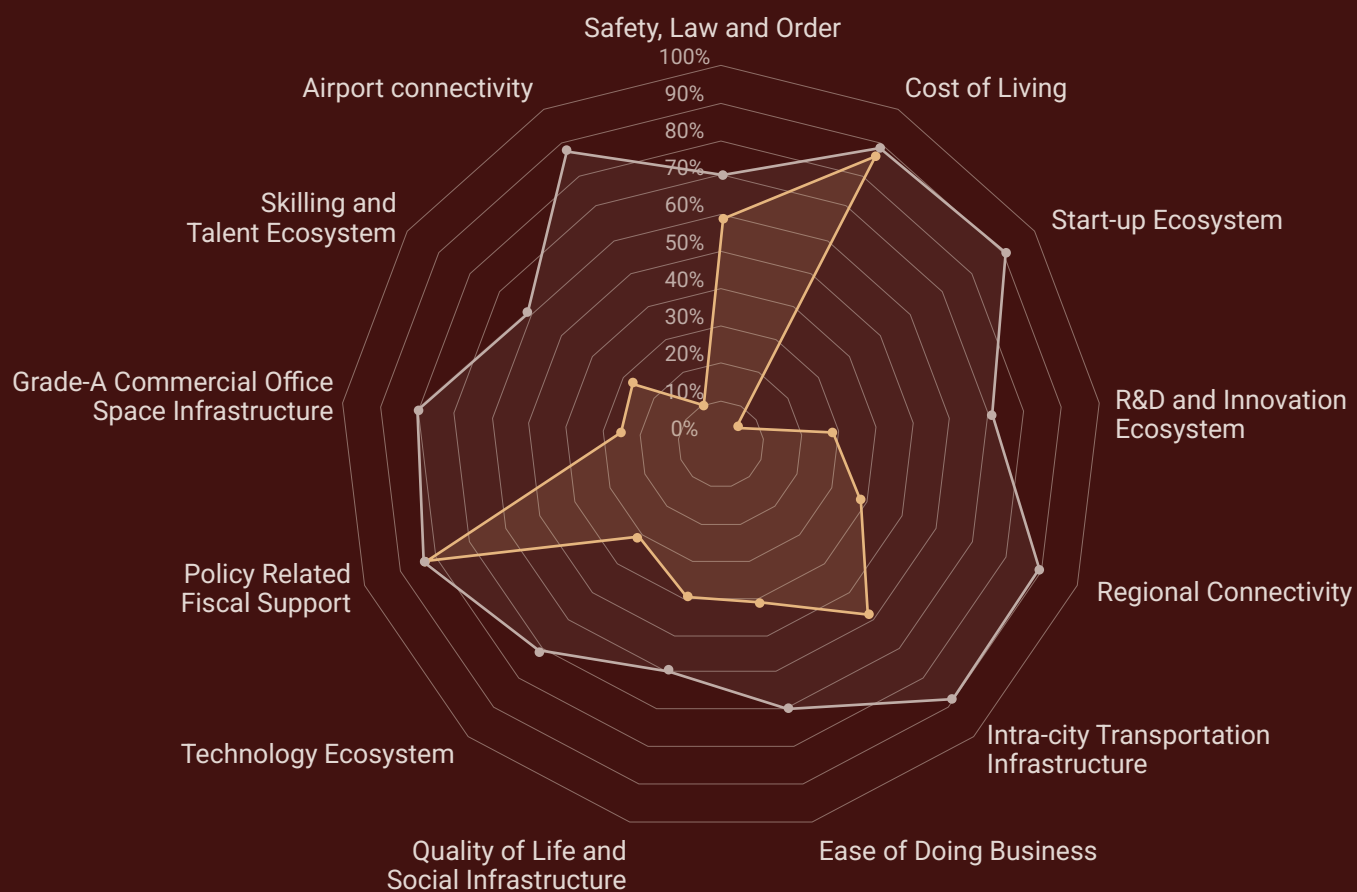
Future Aspirants

Based on GCC
Investment Readiness Index

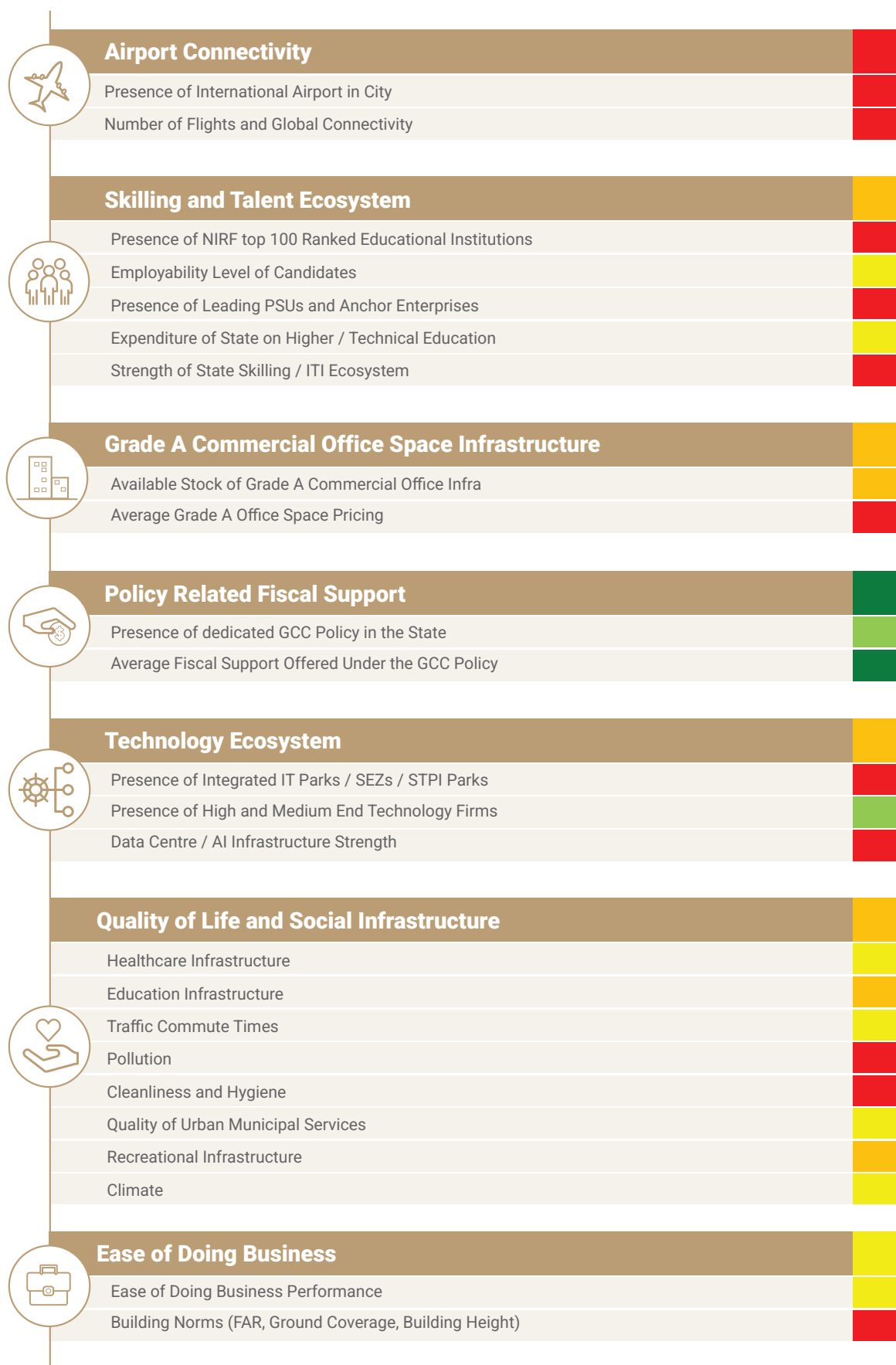


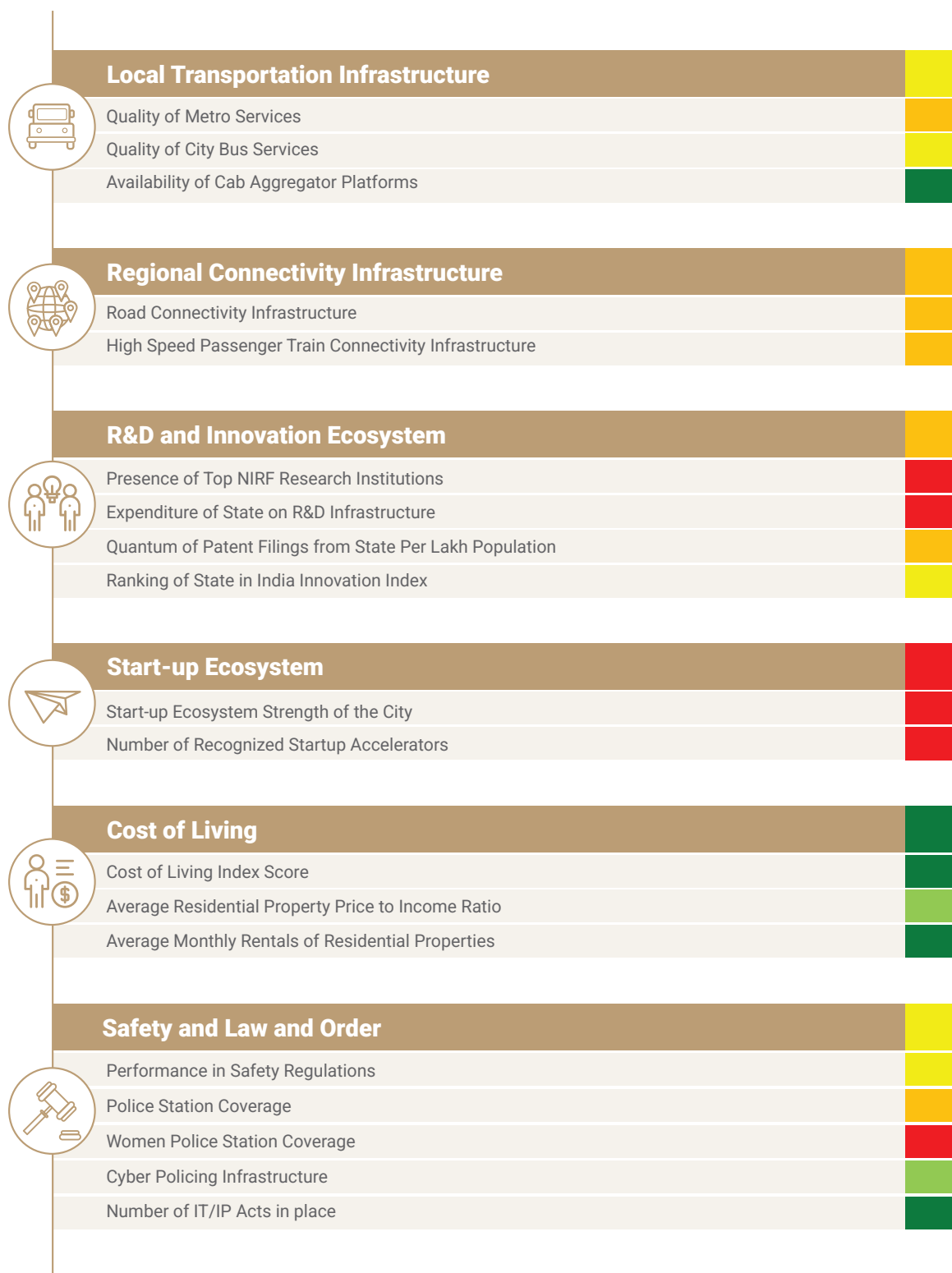
Performance of Raipur City Relative to Other Tier-2 Cities

- Highest benchmarked parameter score among peer cities
- Raipur's parameter-wise score



Detailed Assessment across the GCC Index





Assessment Score Bands

0-20



>20-40



>40-60



>60-80



81-100





STRATEGIC RECOMMENDATION

Strategic Recommendations

To Enable Transition of Emerging Cities from Viable Alternatives to Preferred GCC Destinations

The assessment of Tier-2 cities through the GCC readiness framework underscores a clear conclusion: while several cities demonstrate strong foundational potential, **transitioning from viable alternatives to preferred GCC destinations will require targeted, coordinated, and forward-looking interventions.** Cost arbitrage alone is insufficient. Global enterprises increasingly evaluate cities through a holistic lens encompassing infrastructure readiness, digital resilience, talent scalability, regulatory predictability, and ecosystem maturity. Against this backdrop, five strategic imperatives emerge for strengthening India's Tier-2 GCC ecosystem.

1. Enable Business-Ready Scalable Physical Infrastructure

The availability of Grade-A commercial office infrastructure remains one of the most decisive factors in GCC location selection. While several Tier-2 cities have witnessed growth in office stock, gaps persist in terms of scale, readiness, and alignment with global enterprise standards. GCCs increasingly prefer plug-and-play environments that minimize time-to-market, ensure business continuity, and meet global ESG, security, and resilience requirements from inception.

Key Gaps Observed

- Limited availability of large, contiguous and immediately usable Grade-A office spaces

- Fragmented development across multiple micro-markets and limited availability of integrated mix-use townships for GCC/IT/ITeS units
- Global enterprises increasingly prioritize ESG compliance and sustainability in location decisions. Insufficient ESG-certified and sustainability-compliant buildings was observed to be a key gap in Tier 2 cities.
- Regulatory rigidity around FAR, building heights, and mixed-use zoning

Action Priorities for the Government

- Focus on developing dedicated GCC and IT parks through PPP models. These parks should be **permitted to be developed as mix use integrated township developments** on the principles of **walk-to-work/transit-oriented developments** with world class trunk infrastructure and enabling social infrastructure at one place.
- Provide **flexibility to developers in land use** (i.e. component of commercial, residential, institutional) will enable greater interest from private developers in developing these parks due to enhanced economic viability.
- **Incentivise private developers to create modular, expandable campuses aligned with global GCC specifications** to allow GCCs to expand headcount seamlessly as operations mature. Such spaces should support high-density seating, collaboration zones, secure areas, and redundancy in utilities.

- **Promote the development of green buildings** (LEED/IGBC/EDGE compliant) with energy-efficient designs, water recycling, smart building management systems, and low-carbon construction practices—aligned with global corporate sustainability commitments through **fiscal incentives, permissions for enhanced FAR/mix-use developments and fast-track approvals**
- **Introducing Building Bye Law reforms to allow for higher Floor Area Ratio (FAR) and flexible internal modifications** without requiring structural modifications



2. High Performance Digital Infrastructure

Robust and future-ready digital infrastructure is a critical determinant for GCC location decisions, particularly as global enterprises increasingly anchor AI, data engineering, cybersecurity, product development, and platform operations within their GCCs. For Tier-2 cities to emerge as credible GCC destinations, digital infrastructure must move beyond basic connectivity and be positioned as a strategic capability enabler.

Key Gaps Observed

- Uneven quality of last-mile fibre connectivity
- Limited availability of data centre and high-compute infrastructure
- Inconsistent cybersecurity preparedness at city and state levels

Action Priorities for the Government

- Ensure the creation of city-wide **last mile high speed digital connectivity** with **multiple service providers**, international gateways and redundancy
- Promote **development of edge data centres and cloud-neutral digital infrastructure**
- Establish shared AI and high-performance computing facilities accessible to GCCs, startups, and research institutions such as
 - **Government-led shared High-Compute and AI infrastructure.**
 - **High-compute shared environments** where GCCs can fine-tune Large Language Models (LLMs) using the India Datasets Platform (non-personal, anonymized public data).

- **Incentive support for advanced AI infrastructure**, including multi-petaflop compute clusters, GPU-dense environments, secure sandboxes.
- **Promote setting up of City-level or regional Cyber Security Operations Centers (CSOCs)** with time-bound incident response mechanisms to address cybersecurity related concerns of GCCs.

High Performance Digital Infrastructure



Last Mile Digital Connectivity

- Assured availability of reliable, high-speed internet
- Universal Access to high-speed fiber-based broadband
- Multiple Internet Service Providers (ISPs) and international gateways.



Incentivize Private Sector to Develop Digital Infrastructure

- Incentivize private data centers to set up edge data centers in Tier-2 cities
- Incentivize private developers to develop plug-and-play infrastructure with pre-laid fiber and ready cloud access.



Shared Digital Infrastructure

- Government-led shared High-Compute and AI infrastructure
- Promote setting up of City-level or regional Cyber Security Operations Centers (CSOCs)
- Incentive support for advanced AI infrastructure, including multi-petaflop compute clusters, GPU-dense environments, secure sandboxes.



3. Deepen Talent Pipelines and Align Skills with Next Generation GCC Mandates

A robust, future-ready talent and skilling ecosystem is the single most critical enabler for attracting and scaling Global Capability Centers (GCCs) in Tier-2 and Tier-3 cities. While these cities offer cost advantages and lower attrition, global enterprises require assurance of a consistent, high-quality, and scalable talent pipeline aligned with evolving GCC mandates across digital, engineering, finance, and advanced technology functions.

Key Gaps Observed

- Limited exposure of graduates to industry-relevant, applied learning
- Fragmented skilling initiatives with weak industry alignment
- Underutilisation of regional institutions as innovation and R&D partner

Action Priorities for the Government

- **Development of Talent Acceleration Hubs:** State governments may consider the establishment of Talent Acceleration Hubs in selected Tier-2 and Tier-3 cities through Centre–State–Industry co-funding mechanisms. These hubs should be co-located with prominent national or state academic institutions and focus on:

- Industry-aligned skilling and re-skilling programs for GCC roles
- Short-term and modular training in emerging areas such as AI/ML, cloud computing, cybersecurity, data engineering, blockchain, and quantum computing
- Continuous upskilling for mid-career professionals to support higher-value GCC mandates

These hubs should function as anchor institutions for regional talent development and GCC readiness.

- **Institutionalize Industry–Academia Collaboration for GCC-Ready Curriculum:** States should formalize structured collaboration between GCCs, industry bodies, and academic institutions to produce “GCC-ready” curricula. Key actions include:

- Integrating GCC job-role taxonomies (e.g., data engineer, platform engineer, cybersecurity analyst, FP&A specialist) into academic programs
- Establishing GCC Curriculum Advisory Boards comprising GCC leaders, CTOs, CHROs, and academic experts to periodically revise curricula
- Developing a state-level GCC Curriculum Framework, jointly designed with leading GCCs and industry bodies, to ensure consistency and scalability across institutions

- **Embed Practical, Credit-Linked Industry Exposure in Education:** State governments may also mandate **credit-linked industry modules** within degree programs to bridge the academia–industry gap. These should include:

- Case studies based on real GCC workflows and enterprise use cases
- Exposure to automation tools, cloud platforms, analytics environments, and enterprise software
- Faculty Industry Immersion Programs, enabling faculty members to undertake 4–8 week rotations within GCCs to stay updated on industry practices
- Semester-embedded internships or apprenticeships of 6–12 months as part of the degree pathway

Such deep industry exposure significantly improves employability and reduces post-hiring training costs for GCCs.

- **Establish AI and Emerging Technology Centers of Excellence (CoEs):** To support higher-value GCC mandates, States should set up **Centers of Excellence (CoEs)** in AI, data science, cloud, cybersecurity, and advanced engineering in Tier-2 cities. These CoEs should:

- Provide shared access to advanced digital infrastructure, tools, and platforms
- Support applied research, proof-of-concept development, and innovation challenges in collaboration with GCCs
- Act as training grounds for next-generation digital and R&D talent

CoEs help position Tier-2 cities as credible destinations for innovation-led GCC functions rather than only execution roles.

- **Incentivize GCCs to hire & train talent locally:** State governments should introduce targeted incentives to encourage GCCs to invest in **local talent development**, including:

- Financial incentives linked to local hiring and training outcomes
- Support for apprenticeship, trainee, and graduate engineering programs
- Recognition and certification programs for GCCs contributing to regional skill development

Such incentives align enterprise interests with state employment and capability-building objectives.

Strengthening Talent & Skilling Ecosystem



Talent Acceleration Hubs

- State Government led Talent Acceleration Hubs in selected Tier-2 and emerging GCC Hubs
- Co-Located in prominent National/State academic institutions



Industry-Academia Collaboration

- Integrating GCC job-role taxonomies into academic programs
- Establishing GCC Curriculum Advisory Boards
- Developing a state-level GCC Curriculum Framework, jointly designed with leading GCCs and industry bodies.



Credit Linked Industry Exposure

- Credit-linked industry modules within degree programs
- Faculty Industry Immersion Programs
- Semester-embedded internships or apprenticeships



AI and Emerging Technology Centers of Excellence (CoEs)

- Shared access to advanced digital infrastructure, tools, and platforms
- Support applied research, proof-of-concept development, and innovation challenges in collaboration with GCCs
- Act as training grounds for next-generation digital and R&D talent



Incentivize GCCs to Hire and Train Talent Locally

- Financial incentives linked to local hiring and training outcomes
- Support for apprenticeship, trainee, and graduate engineering programs
- Recognition and certification programs for GCCs contributing to regional skill development

4. Ensure a Predictable, Low Friction Regulatory and Business Environment

Ease of doing business remains a critical differentiator, particularly for global firms operating across multiple jurisdictions. Tier-2 cities have an opportunity to position themselves as administratively efficient and investor-friendly alternatives to congested metros by simplifying regulatory processes and ensuring predictability.

Key Gaps Observed:

- Delays in approvals related to construction, utilities, and labour compliances
- Limited awareness of GCC-specific policies at the city level
- Fragmented institutional interfaces for investors

Action Priorities for the Government

- **Single Window Clearance and Fast-Track Approvals:** State governments should operationalize robust Single Window Clearance Systems that provide end-to-end facilitation for GCCs, covering land allotment, building permissions, utilities, registrations, and statutory approvals. These systems should be fully digitized and supported by clearly defined, time-bound service delivery standards with provisions of deemed approvals in case timelines are not met for key clearances.
- **Dedicated relationship managers or investment facilitation officers** should be assigned to GCC projects to ensure coordinated inter-departmental approvals and reduce procedural delays.
- **Simplified Regulatory and Compliance Framework:** State governments should proactively simplify regulatory requirements applicable to IT/ITES and GCC establishments, particularly in Tier-2 and Tier-3 cities. This includes rationalizing documentation, reducing redundant approvals, and transitioning toward self-certification and risk-based compliance models for non-hazardous, knowledge-based operations. Simplified regulatory frameworks lower administrative overheads for enterprises, reduce operational friction, and improve the ease of scaling GCC operations over time.

- **Rationalize Inspections and Decriminalize Minor Compliances:** States should further advance inspection reforms by adopting online, randomized, and risk-based inspection systems, thereby minimizing discretionary and repetitive physical inspections. Minor procedural and technical non-compliances should be decriminalized, with a focus on corrective action rather than punitive enforcement. Such reforms are particularly relevant for GCCs, whose operations typically pose low environmental and safety risks, and help build a trust-based regulatory relationship between government and industry.
- **Labour Law Exemptions and Employment Flexibility:** States should extend labour law relaxations and exemptions for IT/ITES and GCC establishments, particularly in areas related to working hours, night shifts (including for women, subject to safety norms), contract staffing, and overtime regulations. These relaxations should be accompanied by simplified digital reporting and compliance mechanisms. Greater labour flexibility enables GCCs to dynamically scale teams, respond to global business needs, and manage workforce structures efficiently, especially in rapidly growing Tier-2 and Tier-3 locations.

5. Strengthen Urban Livability, Mobility, and Ecosystem Depth

Livability and ecosystem maturity increasingly influence talent attraction, retention, and long-term GCC sustainability. Tier-2 cities must proactively invest in quality-of-life infrastructure and ecosystem depth to compete with Tier-1 metros on non-monetary dimensions.

Key Gaps Observed

- Inconsistent quality of healthcare and education infrastructure
- Limited public transport coverage in emerging business districts
- Gaps in safety, cleanliness, and municipal service delivery

Action Priorities

- Improve urban mobility through expanded public transport, last-mile connectivity, and traffic management
- Invest in healthcare, international schools, and recreational infrastructure
- Strengthen law and order, women's safety, and cyber policing mechanisms
- Enhance municipal service quality, cleanliness, and environmental sustainability
- Foster startup, innovation, and R&D ecosystems that complement GCC activity

6. Branding Tier-2 / Tier-3 Cities as Emerging GCC Centres

To accelerate the decentralization of GCC investments beyond Tier-1 metros, **states must proactively position select Tier-2 and Tier-3 cities as credible, low-risk alternatives for global enterprises.** This requires the development of **city-specific GCC value propositions** that clearly articulate each location's strengths across talent availability, infrastructure readiness, cost competitiveness,

and quality of urban living. Increasingly, global firms rely on early and credible signals from governments—through clear city-level positioning, visible infrastructure commitments, and assured talent pipelines—during their location evaluation and decision-making processes.

Effective city branding, however, extends well beyond logos or promotional campaigns. It must function as **a coordinated, execution-led programme that aligns physical infrastructure delivery, digital and AI readiness, talent ecosystem development, and a clearly articulated investment narrative.** Successful GCC city branding integrates tangible enablers—such as anchor GCC parks, ready Grade-A office space, shared digital and data infrastructure, and talent acceleration hubs—with soft infrastructure, including dedicated single-window investor interfaces and responsive facilitation mechanisms. Global experience demonstrates that when branding is underpinned by visible, on-ground delivery, it materially reduces perceived risk for first-mover GCC investments and enables Tier-2 and Tier-3 cities to transition from cost-arbitrage locations to recognized hubs for high-value, innovation-led global functions



SMITHA HEMMIGAE
Managing Director, ANSR

Over the past decade, Tier-II cities in India have evolved from peripheral options to integral pillars of global enterprise strategy. Enterprises are increasingly adopting distributed GCC networks through hub-plus-one models, tapping locations such as Coimbatore, Visakhapatnam, Bhubaneswar, Indore, Chandigarh, and Trivandrum to anchor specialised capability nodes across cybersecurity, test engineering, AI operations, digital risk, and domain-specific analytics. Our experience working with global organisations shows that these cities now offer a compelling mix of skilled talent, infrastructure readiness, and operational; resilience, far beyond a simple cost play. As AI continues to standardise work and democratise capability building, the traditional divide between Tier-I and Tier-II locations is narrowing, unlocking new possibilities for talent access, delivery models, and long-term scalability.





List of Abbreviations

S.NO	ABBREVIATION	FULL FORM
1.	AI	Artificial Intelligence
2.	AIIMS	All India Institute of Medical Sciences
3.	CHRO	Chief Human Resources Officer
4.	CoE	Centre of Excellence
5.	CSOC	Cyber Security Operations Center
6.	CTO	Chief Technology Officer
7.	EDGE	Excellence in Design for Greater Efficiencies
8.	ESG	Environmental, Social and Governance
9.	FAR	Floor Area Ratio
10.	FinTech	Financial technology
11.	FP&A	Financial Planning and Analysis
12.	GCC	Global Capability Centre(s)
13.	GIFT City	Gujarat International Finance Tec-City
14.	GPU	Graphics Processing Unit
15.	IGBC	Indian Green Building Council
16.	IHUB	Innovation Hub
17.	IIT	Indian Institute of Technology
18.	IIM	Indian Institute of Management
19.	IISER	Indian Institute of Science Education and Research
20.	IP	Intellectual Property
21.	IT	Information Technology



S.NO	ABBREVIATION	FULL FORM
22.	ITeS	Information Technology enabled Services
23.	ITI	Industrial Training Institute
24.	KINFRA	Kerala Industrial Infrastructure Development Corporation
25.	LEED	Leadership in Energy and Environmental Design
26.	LLM	Large Language Model
27.	MIHAN	Multi-modal International Cargo Hub and Airport at Nagpur
28.	ML	Machine Learning
29.	NCR	National Capital Region
30.	NIRF	National Institutional Ranking Framework
31.	NIT	National Institute of Technology
32.	PPP	Public–Private Partnership
33.	PSU	Public Sector Undertaking
34.	R&D	Research and Development
35.	SEZ	Special Economic Zone
36.	STPI	Software Technology Parks of India
37.	TIDEL	Portmanteau of TIDCO (Tamil Nadu Industrial Development Corporation) and ELCOT (Electronics Corporation of Tamil Nadu)
38.	USD	United States Dollar
39.	WTC	World Trade Centre

Sources

1. Reports:

- India Innovation Index 2021 by NITI Aayog
- *"Towards Resilient and prosperous cities in India"* by Ministry of Housing & Urban Affairs and World Bank
- *"The Office Sector's Ascent: Tier II cities on the Horizon 2024"* by CBRE
- *"Office Market Report 2024"* by CIRIL
- Industrial/GCC policies of State Governments
- Swachh Survekshan 2024-25 Awards
- *Municipal Performance Index 2020* by Ministry of Housing & Urban Affairs and Institute for Competitiveness
- *"Municipal Performance of Indian Cities: An evaluation based on UOF data"* by Ministry of Housing & Urban Affairs, National Institute of Urban Affairs and Institute for Competitiveness
- Indian Patents Office Annual Report 2023
- *"City Vitality Index"* by Dun & Bradstreet
- *"Global Startup Ecosystem Index 2025"* by Startup Blink, Statista and UNDP
- *"India Justice Report 2025"*: Ranking States on the Capacity of Police, Judiciary, Prisons and Legal Aid
- *"India Skills Report 2025"* by CII and AICTE
- *Mapping the Innovation Ecosystem in Indian States: A sectoral and institutional perspective based on GII Framework* by International Journal of Creativity Research Thoughts (IJCRT)
- News Articles

2. Websites:

- Airports Authority of India Website
- Ministry of Education, NIRF Website
- SEZ India website
- STPI India website
- State Governments Industry Department websites
- DPIIT website: Udyog Samagam "BRAP 2024"
- Indian Metrological Department Website
- State Government Urban Dept./Industries Dept. websites/Government Orders
- State Government Home Department websites
- State Government City Bus Services websites
- Ministry of Road Transport & Highways Website
- Swachh Bharat Urban website
- Real estate market websites: 99acres.com, Housing.com, MagicBricks.com etc.
- Cab Aggregator platforms (Ola, Uber, Rapido) websites
- Indian Railways website
- Various Metro Rail Websites

Annexure: Survey Questionnaire

Assesment of the relative importance of key enablers essential for facilitating the shift of GCCs to Tier 2 cities in India

Rate the importance of below factors on scale of 1 (Not Important) to 5 (Extremely Important) in location considerations for establishment of a GCC

	1	2	3	4	5
Grade A Commercial Office Space Infrastructure					
Available Stock of Grade A Commercial Office Infra	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Average Grade A Office Space Pricing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Airport Connectivity					
Presence of International Airport in City	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Number of Flights and Global Connectivity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Policy Related Fiscal Support					
Presence of dedicated GCC Policy in the State	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Average Fiscal Support offered under the GCC Policy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Assesment of the relative importance of key enablers essential for facilitating the shift of GCCs to Tier 2 cities in India

Rate the importance of below factors on scale of 1 (Not Important) to 5 (Extremely Important) in location considerations for establishment of a GCC

	1	2	3	4	5
Skilling and Talent Ecosystem					
Presence of NIRF top 100 ranked educational institutions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employability level of candidates	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Presence of leading PSUs and Anchor Enterprises	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Expenditure of State on Higher/ Technical Education	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Strength of State Skilling/ ITI Ecosystem	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ease of Doing Business					
Ease of Doing Business Performance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Building Norms (FAR, Ground Coverage, Building Height)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Assesment of the relative importance of key enablers essential for facilitating the shift of GCCs to Tier 2 cities in India

Rate the importance of below factors on scale of 1 (Not Important) to 5 (Extremely Important) in location considerations for establishment of a GCC

	1	2	3	4	5
Quality of Life and Social Infrastructure					
Healthcare Infrastructure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Education Infrastructure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Traffic Commute Time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pollution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cleanliness and Hygiene	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quality of Urban Municipal Services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recreational Infrastructure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technology Ecosystem					
Presence of Integrated IT Parks/ SEZs/STPI Parks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Presence of High and Medium End Technology Firms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Data Centre/ AI Infrastructure Strength	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Assesment of the relative importance of key enablers essential for facilitating the shift of GCCs to Tier 2 cities in India

Rate the importance of below factors on scale of 1 (Not Important) to 5 (Extremely Important) in location considerations for establishment of a GCC

	1	2	3	4	5
Safety and Law & Order					
Performance in safety regulations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Police Station Coverage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Women Police Station Coverage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cyber Policing Infrastructure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Number of IT/IP Acts in place	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Local Transportation Infrastructure					
Quality of Metro Services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quality of City Bus Services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Availability of Cab Aggregator Platforms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Regional Connectivity Infrastructure					
Road Connectivity Infrastructure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
High Speed Passenger Train Connectivity Infrastructure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Assesment of the relative importance of key enablers essential for facilitating the shift of GCCs to Tier 2 cities in India

Rate the importance of below factors on scale of 1 (Not Important) to 5 (Extremely Important) in location considerations for establishment of a GCC

	1	2	3	4	5
R&D and Innovation Ecosystem					
Presence of Top NIRF Research Institutions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Expenditure of State on R&D Infrastructure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quantum of Patent Filings from State per lakh population	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ranking of State in India Innovation Index	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Startup Ecosystem					
Start-up Ecosystem Strength of the City	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Number of recognized Startup Accelerators	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cost of Living					
Cost of Living Index Score	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Average Residential Property Price to Income Ratio	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Average Monthly Rentals of Residential Properties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Authors



Kanishk Maheshwari
Managing Director
& Co-Founder



Ananya Srivastava
Vice President



Nishant Mittal
Assistant Vice President



Akshil Dharni
Manager



Ahmad Adeel Khan
Manager

Contributors



Garima Rawat
Manager



Tarun Raj
Senior Consultant



Arvind Kumar
Senior Consultant



Animesh Dewan
Former Intern

Disclaimer

The report is prepared using information of a general nature and is not intended to address the circumstances of any particular individual or entity. The report has been prepared from various public sources and the information received from these sources is believed to be reliable.

The information available in the report is selective and subject to updation, revision and amendment. While the information provided herein is believed to be accurate and reliable, Primus Partners Private Limited does not make any representations or warranties, expressed or implied, as to the accuracy or completeness of such information and data available in the public domain.

While due care has been taken while preparing the report, Primus Partners Private Limited does not accept any liability whatsoever, for any direct or consequential loss arising from this document or its contents. We do not claim ownership over the images used in this document.



PRIMUS PARTNERS®

Solutions for Tomorrow

INDIA



Bengaluru

91 Springboard
Business Hub 175, 176
Bannerghatta Rd,
Dollars Colony,
Bengaluru – 560076



Chandigarh

4th Floor, Netsmartz,
Plot No. 10, Rajiv
Gandhi Chandigarh
Technology Park,
Chandigarh – 160101



Chennai

147, Pathari Rd, Door #3,
WorkEz Hansa Building, RK
Swamy Centre,
Thousand Lights,
Chennai, TN - 600006



Delhi

1 to 7, UG Floor,
Tolstoy House, Tolstoy Road,
Connaught Place
New Delhi - 110001



Kolkata

2/1 Russel Street,
Park Street Area,
Kolkata - 700071



Mumbai

156/157, 15th Floor,
Nariman Bhavan,
NCPA Road, Nariman Point,
Mumbai – 400021

INTERNATIONAL



Washington D.C.

United States of America
(USA)



Dammam

Kingdom of Saudi Arabia
(KSA)



Dubai

United Arab Emirates
(UAE)