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....our Hyderabad Technology Centre has been instrumental in our growth, where some of the worlds best in class developers and engineers have been working on a wide range of innovations. The technology teams in Hyderabad have done us proud time and again, and as a team that will continue to grow for years to come.

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**Dara Khosrowshahi**  
**CEO, UBER**

# Hyderabad Location Perspectives



**A HYSEA Report**

**In partnership with KPMG**



# About Hyderabad

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Ease of living





# Overview & Context



## 01

This presentation presents factual position about Hyderabad as an attractive destination for IT and ITes industry.

## 02

The target audience for this presentation are – Global and Indian IT Business leaders in an evaluation mode to decide the best location to either set up or scale up their operations in India.

## 03

The presentation also acts as an information source for those with general interest in Hyderabad as a fast-growing global IT hub. This includes analysts, Governments, media, industry insiders, trade bodies etc.



## Mr. K. T. Rama Rao

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Our investment friendly industry policies have made Telangana home to some of the biggest companies in the world. These include **Microsoft, Apple, Amazon, Google, Facebook, OnePlus, Toshiba, Uber** and the state is now attracting significant investments in manufacturing sector.

The innovation ecosystem model consisting of organizations such as **T-Hub, TSIC, We-Hub, T Works and RICH** that actively collaborate with academia, industry and government departments to encourage innovation is today considered one of the best models in the country.



# 3 Reasons Why

## Future readiness of the city

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Hyderabad houses second largest offices for Tech Giants like **Amazon, Uber, Apple, Microsoft** outside their HQ.

## Proactive Government

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Favorable and focused policies for **IT, Electronics, Animation and Gaming, and Innovation** & a great Industrial policy framework.

## Culture and Habitability

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Hyderabad has a rich tradition of literature and fine arts, with many museums, art galleries and exhibitions dedicated to the display of Hyderabadi heritage. Being multicultural, festivals of all ethnicities, be it Diwali, Eid or Christmas, are given equal importance and celebrated with a lot of pomp and brilliance.



# Facts and Figures



**8.7%**

Year on year GDP Per Capita growth makes Hyderabad the fastest growing Metro area in emerging APAC



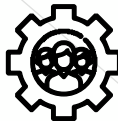
## Best City

Ranked Best city in India in terms of the standard of living by Mercer. LinkedIn research puts us among the top 3 cities in India to attract talent.



## TS-iPASS

Single window clearance system that grants all the approvals and clearances for setting up an industrial unit in less than 30 days.



## Co-working Ecosystem

Key location for flexible space providers viz.: 91 SpringBoard, OYO Rooms, WeWork India, Innov8 Coworking, SmartWorks, etc.



## Strong strides in ESG

- #2 in India in terms of solar power capacity per unit area of land mass
- 10.5% of India's solar capacity with just 3.5% of India's land area.
- #4 in solar power production ~ 3621 MW
- #6 in India with 106 LEED certified green building projects in 2019 with 44 mn sft of built-up area.



## METRO

Hyderabad metro, a rapid transit system is the second longest operating metro network in India



## Safety

Hyderabad is rated the highest in terms of safety.. Society for Cyberabad Security Council (SCSC), an IT industry body works with Cyberabad police to empower the IT industry and address their safety and security needs.



## Health

World class Health Infrastructure – 50+ Govt. & 165+ Private hospitals with 6000+ hospital beds



# Facts and Figures



**26%**

Year on year growth (FY 2021-22) rate of IT/ITES exports from Hyderabad was almost double the national average.

**\$23.7 b** revenues in 2021-22 FY, a growth of 2.5X from 2013-14



## MSMEs and Startups

T-Hub, India's largest incubator has helped 1100+ start-ups in their transformational journey. MSMEs & Startups also get special Tax and credit incentives to grow.



## R&D Hub

Hyderabad is an imp R&D hub for Pharma, Life sciences, Aerospace & Defense tech. e.g., HAL, RCI, DRDO, DRDL, DMRL, NFC, ECIL, BDL, BHEL, NRSA, BEL, MIDHANI, Ordnance Factory etc.



## Tech Hub

Hyderabad houses very large services companies such as Accenture, TCS, Infosys, Capgemini, Cognizant, Wipro, Tech Mahindra, L&T. HCL etc.



**770K +**

Professionals with a wide variety of skills from **AI/ML** to BPO in the city



## Access to diverse talent

60 Colleges per 100K population make Telangana one of the highest in India. 472 engineering and non-engineering colleges and home to premier academic institutions like ISB, BITS, IIT-H, IIIT-H, NALSAR etc.



## TASK

**Telangana Academy of Skill and Knowledge (TASK)**, a one-of-a-kind organization which bridges the gap between industry and academia. It enhances the employability quotient of graduating students by equipping them with industry skills.



## Diversity

**Nearly 50%** gender diversity at the entry level among Hyderabad IT / ITes associates





Dec  
2021

**Sri Kiran Patibandla**, *CEO, Cotelligent*

...We are delighted to collaborate with the Government of Telangana in the digital transformation, data management, and security services for the state. We will play a pivotal role in training and developing CyberWarriors, to help the state pioneer the Cybersecurity transformation in the country.

Dec  
2021

**Ganesh Ramani**, *MARS Petcare MD*

...Our experience in working with the Government authorities in Telangana has been superlative. It is their support that has encouraged this brownfield investment. I would like to extend a heartfelt thanks for providing us with speedy approvals and substantial incentives...

Oct  
2021

**Sumeet Anand**, *IFCCI President*

..... Telangana has a very healthy investment climate with strong leadership, investor-friendly reforms, strong cluster competency in key sectors, innovation and digital acceleration along with increased urbanisation and consumption levels.....



**Chris Vonderhaar**, *VP, AWS Data Centers*

...When we look at the growth rate of IT/ITES companies in the India, Telangana is close to double the national average of 8%. Telangana has policies specifically targeted towards the growth of IT and ITES companies fostering many innovative startups, enterprises and a skilled workforce ....

Dec  
2021

Dec  
2020

**Dr. Vas Narasimhan**, *CEO, Novartis*

...All our drug development operations are done out of Hyderabad. Our business service operations are also based there. India is, thus, a real operations hub for the whole company. We are entering a phase of new product launches in India. We have double-digit growth in India with novel medicines. The plan is to launch these medicines while maintaining the Hyderabad center which is one of the crown jewels of Novartis...



July  
2021

**Gunjan Samtani**, *Head, Goldman Sachs*

... The policies of Telangana State to promote research and support the startups ecosystem, access to trained manpower here and other factors swung the decision in favour of Hyderabad for our operations....





Having premier institutes and ensuring a high quality of living, the city of Hyderabad offers a rich and diverse talent pool and catering to every requirement of the constantly evolving business ecosystem

## Key Highlights

1

### Talent Accessibility

College density (no. of colleges per 100,000 eligible population) of Telangana stands at 60 against the national average of 28.

2

### Cost of Talent

The cost of talent in Hyderabad corresponds to only 40% of the commensurate revenue generated.

3

### Premiere Institutes

Hyderabad is home to premier institutions like ISB, IIT, BITS, IIIT, and NALSAR.

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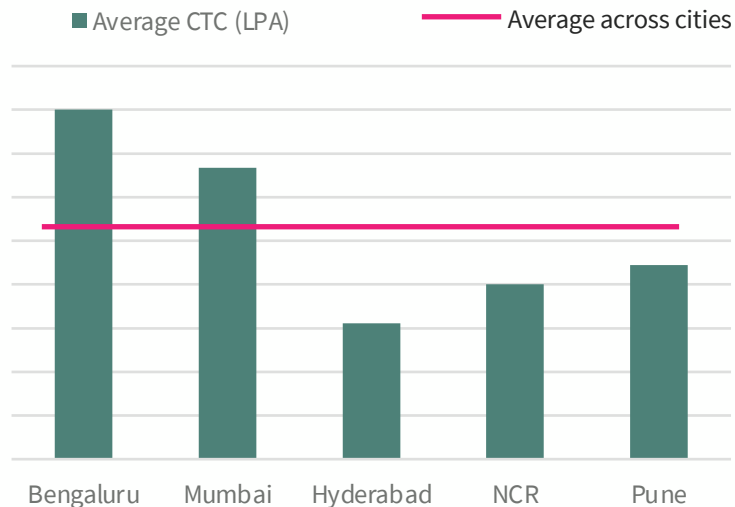
### Talent Magnet

LinkedIn research puts Hyderabad among the top 3 cities in India to attract talent.

# Talent Availability

## Salary Trends

The IT industry did not see a negative business impact of the Covid-19 pandemic over the last 24 months and the salaries and wages have increased across the country, but Hyderabad remains cost effective for companies with salary rates 10% lesser compared to other metros and approximately 3.4% lesser when compared to the national average



## Hyderabad - the talent powerhouse

- ♦ **Talent pool:** Hyderabad has a total technology talent pool of almost 700K professionals.
- ♦ **Access to diverse talent:** With 472 engineering and non-engineering colleges, Hyderabad has the third highest number of colleges in any district in India
- ♦ **Low attrition rate:** It was found that, against national attrition rate of 16.3%, the attrition rate in Hyderabad was one of the lowest at 11% when compared with other metro cities: Bangalore (19%), Delhi (18%), Chennai (15%), Mumbai (14%) and Kolkata (12%).
- ♦ **Language skills:** With a growing interest amongst the locals, Hyderabad has become home to various foreign language institutes like Alliance Française, Goethe Zentrum, EFLU, VIFL to cater to growing demand.
- ♦ **TASK (Telangana Academy of Skill and Knowledge):** aims to enhance synergies between the government, industry and educational institutions.



Hyderabad is home to second largest offices for Amazon, Microsoft, Google, Uber and Apple outside their HQ in USA . Hyderabad also has a thriving innovation ecosystem with 1000+ start-ups and many soonicorns

## Key Highlights

1

### GCC Capital

13% of the total GCC count in India

2

### Tech Haven

Key technology firms like Google, Facebook, Apple, Microsoft, Amazon

3

### MNC Presence

Second largest MNC presence in IT software and semiconductor sector

4

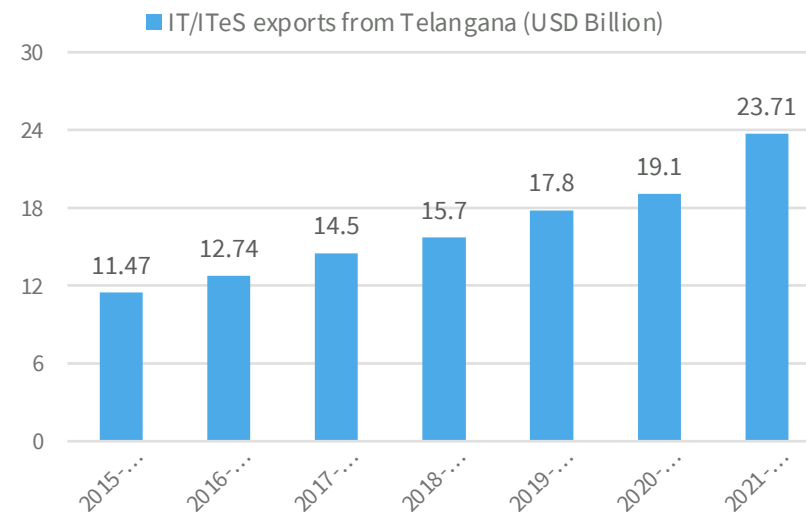
### Pharma Industry

Accounts for 20% of the Pharma exports for India

# Business Ecosystem

## Business Growth in Hyderabad

- The number of new employees in IT and ITES industries are up by **23.78%** and has reached around **778K+** people
- Despite Covid-19 and its adverse impact on the economy, Telangana registered nearly **26.14% growth** in IT exports to cross Rs 1.83 lakh crore during 2021-22



Source: Government of Telangana

## Ecosystem Drivers

- ◆ **Investment groups:** Hyderabad has multitude of investment groups along with state government arm called T-Fund that provide a great support system.
- ◆ **Top research institutes:** Hyderabad has top research institutes like ISB, IIIT-H, NALSAR and IIT-H doing research on cutting edge technologies and prominent business problems.
- ◆ **Innovation and start-up ecosystem:** The state government runs various mentorship programs for startups to drive innovation through Telangana State Innovation Cell (TSIC) and Consultative Committee on Information Technology (CCITI) for established IT industry.
- ◆ **Events:** Hyderabad has got a reputation for hosting world class events like 8<sup>th</sup> Global Entrepreneur Summit, World Congress on Information Technology (WCIT)





The physical infrastructure of Hyderabad has dramatically risen in the past few years. Even the installed power generation capacity has gone up 16,506 MW ensuring stable, high quality, and uninterrupted power supply for businesses

## Key Highlights

1

### Low rents

With monthly rent as low as INR 60 / sq. ft., Hyderabad is one of the least expensive cities in terms of leasing infrastructure

2

### Leasing space

In Q3 2021, Hyderabad was the second most desired destination for occupiers leasing space in the country owing to the city's IT parks and SEZs

3

### Connectivity

Hyderabad is centrally located and connected to all major domestic metro cities via two hours of flight time. It also has direct international connectivity to London, Chicago among others

4

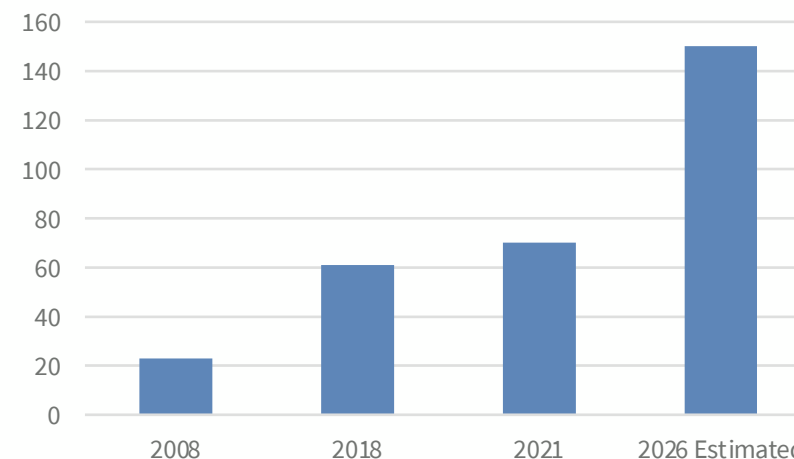
### Government subsidies

The govt of Telangana has drafted the GRID (Growth in Dispersion) policy for East and other regions of Hyderabad, wherein new setups will have subsidies for power and rent

# City Infrastructure

## Office space in Hyderabad (in Million Sq.Ft.)

Industry reports in 2021 indicate that Hyderabad is already sitting pretty on a supply of 70 million sq. ft., is likely to add another 80-odd million sq. ft. to **total 150 million sq. ft.** to its kitty over the next four to five years



Source: CBRE & KPMG Research

## Ongoing and upcoming projects

- ◆ **Technology Hub (T Hub):** The 70,000 sq. ft. T-Hub Catalyst building is an official landmark in Hyderabad and has been home to over 300 startups, 52 of which have gone on to raise funds and register 36 patents and trademarks. T-Hub phase 2 (largest incubator in the world) is now operational.
- ◆ **Metro connectivity:** Metro rail service to the Airport is being made to further improve connectivity between the city and the airport.
- ◆ **RGIA International Airport Expansion:** Expansion of the airport's capacity to up to 34 million passengers per annum by 2024
- ◆ **Regional Ring Road:** 340-km-long and 90-m-wide, 6 lane road to strengthen the existing road network by developing missing linkages is proposed to be completed by 2023



Continuous and focused efforts and proactive policies from the Telangana government have kept Hyderabad competitive in the business map and fostered an environment where businesses and entrepreneurs thrive

## Key Highlights

1

### Best government ranking

Telangana has bagged the first place in commerce and industry sector rankings in the Good Governance Index-2021 (GGI)

2

### Cost of Talent

The Telangana 2<sup>nd</sup> ICT policy aims to increase total direct employment to 10L IT sector jobs by 2026

3

### Premiere Institutes

Product companies are provided a reimbursement of 10% of overall R&D expenses

4

### Talent Magnet

Product companies are provided a reimbursement of 10% of overall R&D expenses and the cost of successful patents

# Government Initiatives

## Ease of setting up shop



### Documentation

Reimbursement of 100% on stamp duty, transfer duty and registration fee paid on first sale / lease transaction



### Energy

For “Mega Projects”, a subsidy of 10% capital required for installation of solar power and 10% costs incurred is provided



### Policy Support

TS-iPASS is a single window clearance system ensuring all clearances for setting up a company are provided in **15-30 days**

## Other initiatives by the Government

### ◆ Telangana 2<sup>nd</sup> ICT Policy (2021-2026):

**IT/ITeS sectors:** The policy aims to achieve over Rs 3 lakh crore in IT exports over the next five years and target to reach over 10 lakh employees in the sector.

**Start-up incentives:** The policy states that a fund worth Rs.1300 crore will be set up with a govt. investment committee to support over 8000 start-ups and make. State-level tax is reimbursed for start-ups for first 3 years of operation

**Emerging Technologies:** The govt. shall setup TET(Telangana Emerging Technologies) corridor that targets to establish 10 CoEs by 2026

### ◆ Society for Cyberabad Security Council (SCSC):

An IT industry body that works with Cyberabad police to empower the IT industry and address their safety and security needs.

### ◆ Blockchain district:

Telangana is the first state in India to conceptualize its own Blockchain policy drafted in 2019 and has planned to set up India's first Blockchain district



The accommodating culture and availability of world class healthcare, education and recreational facilities makes Hyderabad a preferred destination to live for Indians and expats alike

## Key Highlights

1

### Cost of Living Index: 26.4

Estimates the cost of living in a city referenced to that of New York (value 100): Hyderabad is the best city among Indian metros

2

### Rent Index: 6.58

An estimator of price of renting apartments, referenced against that of New York City (value 100): Second best among the metros in India

3

### Mercer city Rank: 1

Hyderabad has emerged as the best city in terms of living standards among Indian cities as per the Mercer's Quality of Living rankings 2020

4

### Pollution Index: 2

Hyderabad is ranked as the second least polluted city among Indian metro cities

# Ease of Living

## Hyderabad salient features

Geographical area	199.6 sq. km. (5 <sup>th</sup> largest city in India)
Population	10.27 million
Attitude	562m above mean sea level
Terrain	Rocky terrain with pink and grey granite
Mean Temperature	26.6 annual mean

## Living in Hyderabad

- ◆ **Safety:** Hyderabad is rated the highest in terms of safety as compared with other major metro cities in India. The crime rate dropped another 11.5% in 2021 as compared to previous year.
- ◆ **Healthcare:** Hyderabad has 50 government hospitals, with bed facility of 5749. The city has around 165 Private hospitals and up to 4,000 clinics and nursing homes and 500 diagnostic centers, which brings the total number of bed spaces available to be around 12,000.
- ◆ **Primary Education:** with 20,000+ primary and 7,000+ upper primary schools in Telangana state, there is a plethora of private and public schools to choose from. Hyderabad has private CBSE, ICSE and IB schools.
- ◆ **Culture and heritage:** Hyderabad has been quoted as the city 'where north meets south' multiple times. The cultural diversity and inclusivity that Hyderabad offers has made it an ideal destination for talent across India.
- ◆ **Sports facilities:** Hyderabad is home to 10+ golf courses, 12 world class stadiums and more than 500 playgrounds catering to the requirements of all



A night photograph of the Charminar, a historic monument in Hyderabad, India. The monument is illuminated with warm lights, showing its intricate architecture and four minarets. In the foreground, a large crowd of people is gathered, and long light trails from vehicles and streetlights create a sense of movement and activity. The sky is dark blue with some clouds.

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# Thank You

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