

# India Prime City Index

2024







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# Foreword



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India's economic trajectory has been nothing short of phenomenal in recent decades. The nation has emerged as a global economic powerhouse, characterized by robust GDP growth, rapid urbanization, and a burgeoning middle class. This meteoric rise has been underpinned by the exceptional performance of a select group of cities that have transformed into economic and cultural hubs.

This research report delves into the growth dynamics of six such cities – Bengaluru, Hyderabad, Mumbai-MMR, Delhi-NCR, Chennai, and Ahmedabad. The choice of these cities is deliberate and rooted in their pivotal role in India's economic landscape. Together, they represent a diverse cross-section of the country, encompassing different geographical regions, industrial profiles, and demographic compositions. Bengaluru, often dubbed the 'Silicon Valley of India', has been at the forefront of the country's IT revolution. Hyderabad, with its strong focus on pharmaceuticals and biotechnology, has emerged as a knowledge hub. Mumbai, the financial capital, continues to be the economic powerhouse of the nation. Delhi-NCR, as the political and administrative centre, is a major consumer market. Chennai, a significant industrial metropolis, has a robust automotive and manufacturing sector. Ahmedabad, Gujarat's capital, has witnessed rapid industrialization and urban development.

These six cities have consistently demonstrated exceptional growth metrics, outpacing the national average on various economic indicators. Their performance is a testament to their ability to attract investments, foster innovation, and create employment opportunities. A comparative analysis of these cities, across the dimensions of socio-economic characteristics, real estate market, physical infrastructure, and governance, is therefore crucial to understanding the factors driving their growth and identifying best practices. By dissecting the growth trajectories of these cities, this report aims to provide valuable insights for policymakers, urban planners, investors, and businesses. It seeks to identify the key drivers of growth, the challenges faced by these cities, and the opportunities that lie ahead. Ultimately, the findings of this study will contribute to the ongoing discourse on sustainable and inclusive urban development in India.



# Methodology

This section outlines the methodology used to create a framework for analysing the growth potential of cities. The framework is based on four key categories in which each category is composed of several factors and sub-factors that collectively enhance the city's economic ability, quality of life, demographic assessment, infrastructure and real estate developments. The data is collected at two levels - state and city level. By systematically analysing these factors and sub-factors across the six chosen cities, this framework provides a robust and multi-dimensional perspective on their relative growth potential.

This methodology offers several advantages:

**Comprehensiveness** - It considers a wide range of factors that influence urban growth.

**Standardization** - The framework allows for a consistent and comparable assessment of different cities.

**Data-driven** - It relies on objective data to support its findings.

This framework serves as a valuable tool for policymakers, urban planners, investors, and businesses to identify promising cities for growth and make informed decisions about resource allocation and investment strategies.

## Analytical Framework

The analysis uses 49 subfactors from which data is collected for each city through various government and private sources. The measurement of the indicators is varied, they are further normalized to be comparable. The normalized scores range between 0 and 1. Weights are assigned for each of the indicators through qualitative and quantitative assessments. The final score of each city is derived from the weighted average of the normalized score of each key indicator, as mentioned in Figure 1. The ranks are provided as per the final scores.



### Socio Economics

Ease of living  
Income & Employment  
Health & Education



### Real Estate

Launches & Sales Price  
Investments



### Physical Infrastructure

Network Coverages  
Traffic Environment



### Governance

Accessibility  
Accountability  
Transparency

Figure 1 Categories and its factors

## OVERALL RANKINGS



### Urban Nexus



Mumbai-MMR

### Technology Powerhouse



Bengaluru

### Rising Real Estate



Hyderabad

### Good Governance

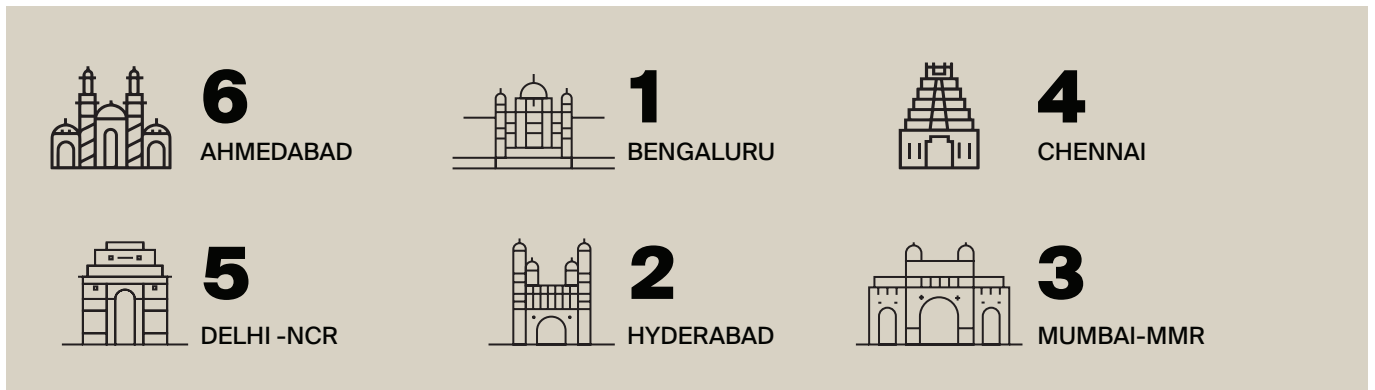


Delhi

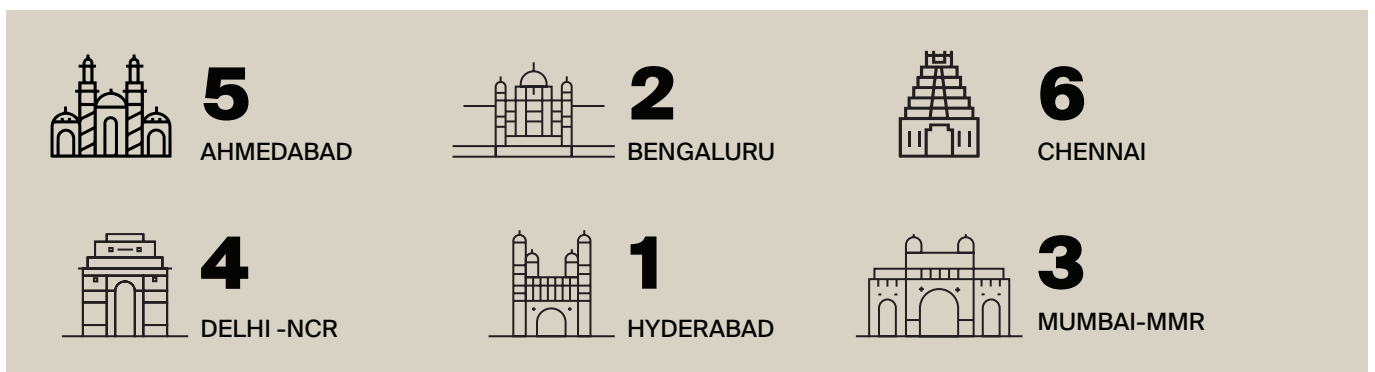
Through our assessment, we found that the dynamics of each city varies; hence, the strength of each city varies too. Our final assessment indicates Hyderabad as an emerging city due to its fast-paced growth in various economic activities, attributed to its strong real estate market and socio-economic environment. Bengaluru displays robust socio-economic performance and a relatively strong real estate market, continuing to be a favourable location for commercial establishments and start-ups. Mumbai-MMR shows consistent performance across all categories,

backed by its status as the financial capital of India. Delhi-NCR displays strong physical infrastructure and governance, but lags in terms of socio-economic factors and real estate market performance. Ahmedabad and Chennai follow in 5th and 6th positions respectively. These cities have experienced growth on a slower scale compared to the other cities, resulting in relatively lower scores across multiple categories and consequently lag in the comprehensive assessment.

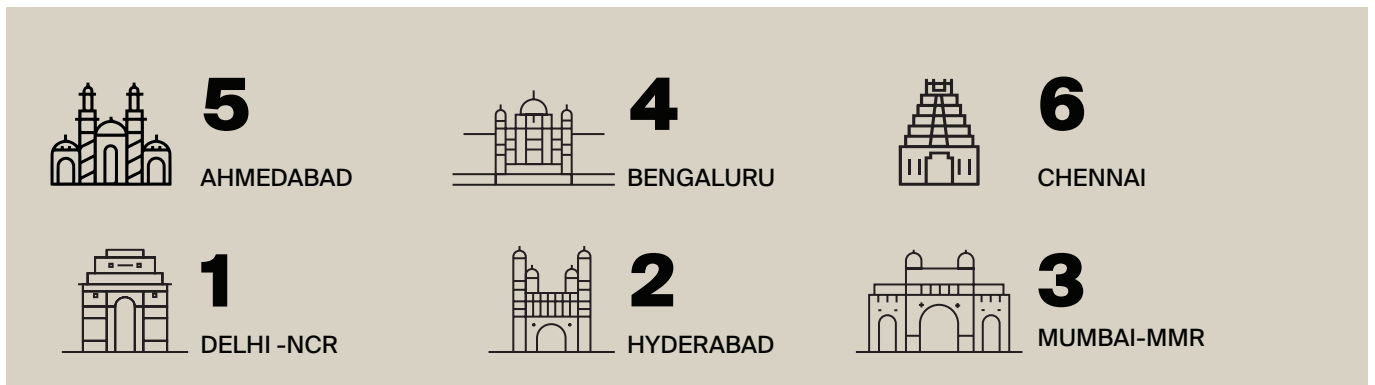
## SOCIO-ECONOMIC



## REAL ESTATE



## PHYSICAL INFRASTRUCTURE



## GOVERNANCE

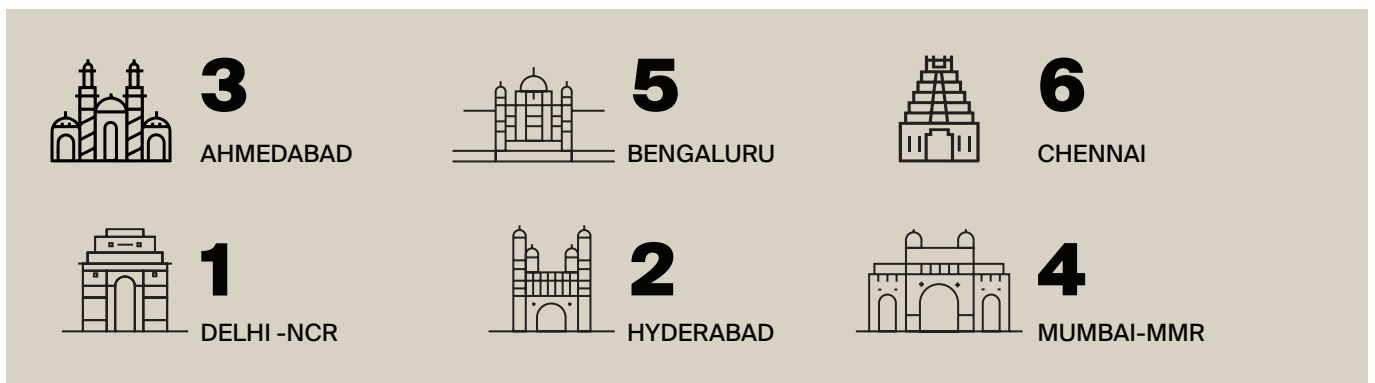


Figure 2 Rank of each city in various categories

# Analysis



# 1

## HYDERABAD

Hyderabad outperforms other cities, driven by its robust growth across various social economic parameters and strategic positioning in key sectors. Hyderabad is emerging as a fastest growing city amongst the top six cities in India, considered in this study. The city's diversified economy, encompassing sectors beyond IT such as pharmaceuticals and manufacturing, has bolstered its stability and growth prospects.

The city's relative strength is in its real estate market, where it has the highest score among the six cities. In 2023, residential annual sales rose by 6% YoY, driven by homebuyers prioritizing lifestyle upgrades, showing a preference for amenity-rich communities in well-established areas. The demand for housing is further stimulated by the city's robust and well-planned network of roads, flyovers, underpasses, and wide ring roads. The government has also invested strategically in key infrastructure projects, such as Hyderabad Metro Rail, ring roads etc. As per Mercer's quality of living report, Hyderabad ranks top among other major cities in India. Hyderabad is also has large concentration of wealthy population. As per Hurun's 2024 list, Hyderabad ranks third with most number of wealthy residents and is ahead of Bengaluru.

The city has also been notable for its efficient administration and proactive approach to implementing infrastructure projects and urban development plans. Transparency in operations, coupled with initiatives aimed at improving ease of doing business has further enhanced Hyderabad's appeal as a business-friendly destination.

Hyderabad's continued emphasis on fostering a conducive environment for businesses and residents alike underscores its potential to sustain and enhance its standing as a leading global city in the years ahead.

### Ranking

Socio-economic	2
Real Estate	1
Physical Infrastructure	2
Governance	2

### Key Facts

Population CAGR (2011-23)	2.80%
Per Capita Income (USD)	7347
Per Capita Income (CAGR)	19.3%

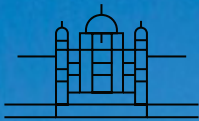
### Strengths

Quality of Living  
Real Estate  
Ultra-HNI's & HNI's

### Opportunities

Education & Health  
Foreign Investments  
Warehousing





# 2 BENGALURU

Bengaluru ranks second, closely trailing Hyderabad. Renowned as India's Silicon Valley, the city's entrepreneurial spirit, coupled with its vibrant startup ecosystem and skilled workforce, continues to attract global attention and investment.

The city performs exceptionally well in terms of socio-economic growth, driven by its robust service sector attracting skilled workforce from across India and abroad. The city has the highest workforce participation rate and the lowest unemployment rate among the six cities. As per the Hurun India Rich List 2024, Bangalore ranks just below Hyderabad in 4th with a total of 100 wealthy individuals including 27 billionaires.

Bengaluru's residential real estate market has witnessed continued growth momentum. Presence of multiple sectors in the city, such as IT firms, non-IT consulting firms, educational institutions, research and development organisations etc has balanced the city's economic profile. In the last two years, despite the volatility in start-up ecosystem, the economic profile of the population continued to remain strong as witnessed in record home purchases in the city. In 2023, the city registered a residential sales volume of 54,046 units, which is a nine-year high. The city also continues to be the most favoured market by commercial occupiers, accounting for 21% of the overall transactions across the top cities. Bengaluru's office market fundamentals remain strong supported by the acceleration of return to office by firms and the growth in India-facing businesses along with stable business inflow from multinationals into India.

Despite challenges in governance impacting public services and urban planning, Bengaluru maintains its attraction as a preferred destination for global investments and talent.

Ranking	
Socio-economic	1
Real Estate	2
Physical Infrastructure	4
Governance	5
Key Facts	
Population CAGR (2011-23)	3.90%
Per Capita Income (USD)	6767
Per Capita Income (CAGR)	18%
Strengths	
In-migration	
Talent Pool	
Healthy Real Estate	
Opportunities	
Stock Market investments	
Infrastructure	
Governance	





# 3

## MUMBAI-MMR

Mumbai, India's financial capital, ranks third, showcasing a complex economic and social landscape. The city is a powerhouse of economic activity, hosting the headquarters of major financial institutions, stock exchanges, and a thriving services sector. The city performs well in all categories in the study, showing only a slightly lower ranking in governance.

Mumbai retained its status as the leading residential real estate market in 2023, recording 86,871 units sold, marking the highest sales volume in the past eleven years. The residential market poised to maintain its positive trajectory, buoyed by strong consumer demand. Factors such as ongoing infrastructure projects, rising affluence, and evolving consumer preferences, are anticipated to drive continued demand in the foreseeable future. This upsurge in leasing activity is attributed to optimistic market sentiments and substantial investments in enhancing infrastructure. Since the last few years, Mumbai has been witnessing substantial investments into infrastructure development. Large scale projects such as coastal road development, metro rail expansion, development of Navi Mumbai airport etc are aimed at improving connectivity and support the economic activities of the city.

Since the last few years, Mumbai has been witnessing substantial investments into infrastructure development. Large scale projects such as coastal road development, metro rail expansion, development of Navi Mumbai airport etc are aimed at improving connectivity and support the economic activities of the city. The city however faces challenges relating to socio-demographics, particularly in terms of disparities in living conditions between different socio-economic groups. However, the city is facing certain challenges such as wide disparity in living conditions of various socio-economic households. However, it is worth noting that, these challenges are being addressed, as evident in its Swachh Survekshan score being the highest among the six cities, indicating that initiatives are being taken to promote cleanliness, hygiene, and sustainable sanitation practices across the city.

Ranking	
Socio-economic	3
Real Estate	3
Physical Infrastructure	3
Governance	4
Key Facts	
Population CAGR (2011-23)	1.20%
Per Capita Income (USD)	5000
Per Capita Income (CAGR)	14%
Strengths	
Foreign Investments	
Real Estate	
Ultra HNI's & HNI's	
Opportunities	
Health facilities	
Quality of Living	
Governance	





# 4

## DELHI-NCR

Delhi-NCR ranks fourth, showcasing strong governance capabilities with ongoing administrative reforms aimed at improving efficiency and transparency. Initiatives such as digital governance, citizen-centric services, and infrastructure development projects like the Delhi Metro and Eastern Peripheral Expressway highlight the city's commitment to enhancing connectivity and urban infrastructure.

The city also boasts a competitive physical infrastructure bolstered by extensive road networks; the Delhi Metro is the largest operational metro in India with a coverage of 350 km. The city has seen continued investment to improve transportation and connectivity.

Delhi-NCR's primary residential real estate market continued to witness unhampered growth in homebuying demand, clocking a decadal high of 60,002 residential units being sold during 2023. The lack of ready-to-move-in projects in desired locations contributed to some delays in homebuying decisions. Despite this, homebuyers continued to lap up new products from credible developers across different cities in NCR as the year ended. India's capital currently houses 217 wealthy individuals, a significant number of whom are industrialists and political figures. This figure includes 68 billionaires.

Delhi-NCR, however, faces challenges in sustaining robust economic growth compared to other cities, evidenced by its workforce participation and employment numbers being some of the lowest among the six cities.

Ranking	
Socio-economic	5
Real Estate	4
Physical Infrastructure	1
Governance	1
Key Facts	
Population CAGR (2011-23)	0.1%
Per Capita Income (USD)	5560
Per Capita Income (CAGR)	8%
Strengths	
Infrastructure	
Governance	
Talent Pool	
Opportunities	
Real Estate	
Ease of commute	
Quality of living	







5

## AHMEDABAD

Ahmedabad ranks fifth with strengths displayed in stable government practices and improving physical infrastructure, supported by initiatives in urban development and social welfare programs. It is one of the fastest-growing cities in India, with a strong industrial base. It is also emerging as an economic hub in Gujarat, with a growing presence of industries like pharmaceuticals, chemicals, and IT. It is also home to several large industrial estates and SEZ's such as the Sanand Industrial Estate and the Gujarat International Finance Tec-City (GIFT City). This has further enhanced the job-creation across various sectors and fuelled the development of educational and vocational institutions in the city.

Historically, Ahmedabad has stood out as the most cost-effective market among the leading cities in India. This distinction can be largely attributed to the government's urban planning efforts aimed at accommodating the city's expanding population. The residential market has rebounded and grown consistently from the lows experienced during the pandemic as improving home-buyer sentiments drove sales volumes. With the establishment of the International Financial Services Centres Authority, the commercial real estate market has also seen significant volumes in the past two years, increasing the city's stature as a growing economic hub. Ahmedabad is currently home to 67 wealthy individuals and 14 billionaires as per the Hurun India Rich List 2024.

Quality connectivity, upcoming high-speed rail network, industrial infrastructure and business-friendly policies provides an impetus to Ahmedabad to emerge as a preferred destination for companies looking to establish their presence in India. The city's strategic location, coupled with the evolving infrastructure positions it as a competitive player.

Ranking	
<b>Socio-economic</b>	6
<b>Real Estate</b>	5
<b>Physical Infrastructure</b>	5
<b>Governance</b>	3
Key Facts	
<b>Population CAGR (2011-23)</b>	2.50%
<b>Per Capita Income (USD)</b>	3126
<b>Per Capita Income (CAGR)</b>	9%
Strengths	
Trade & Business	
Quality of Living	
Ease of commute	
Opportunities	
Real Estate	
Infrastructure	
Health & Education	







# 6 CHENNAI

Chennai ranks sixth, due to its relatively slower growth and performance across the key indicators in comparison to other cities in this study. The city is known for its vibrant cultural scene and is of historical significance. It is also a major manufacturing industrial hub, especially in the automotive and IT sectors, which play a crucial role in its economy. Chennai also boasts some of the best healthcare and educational institutions in India, providing quality services that attract people from across the country. Chennai has 82 ultra-wealthy individuals and 16 billionaires, Chennai's wealth comes from its diverse industries including automotive, IT, and manufacturing.

Chennai's status as a major commercial and industrial hub, coupled with its emergence as an IT hub, has spurred substantial job opportunities, fostering an improved demand for residential properties in the city. The commercial real estate sector has experienced a remarkable upswing, achieving an all-time high in office leasing activities in 2023, rising sharply by 92% YOY to 10.8 mn sq ft.

It is also the preferred hub for Global Capability Centres (GCC's) noting a total area transacted of 6.02 mn sq.ft, which is the highest in comparison with the other cities. Notable firms currently operational include CMA, CGM, DHL, Maersk, etc. This appeal is driven by its mix of skilled workforce, cost-effectiveness, and supportive government policies.

Chennai also has a well-established transport network including roadways, railways, ports and airports as it is known for its thriving industrial sector, with a strong presence in the manufacturing industries, hosting plants of leading global companies. This industrial growth in Chennai has created numerous job opportunities, leading to a diverse economy that spans manufacturing, services and technology.

## Ranking

<b>Socio-economic</b>	4
<b>Real Estate</b>	6
<b>Physical Infrastructure</b>	6
<b>Governance</b>	6

## Key Facts

<b>Population CAGR (2011-23)</b>	2.50%
<b>Per Capita Income (USD)</b>	3445
<b>Per Capita Income (CAGR)</b>	10%

## Strengths

Quality of Living  
Health Care  
GCC Influx

## Opportunities

Talent Pool  
Real Estate  
Governance

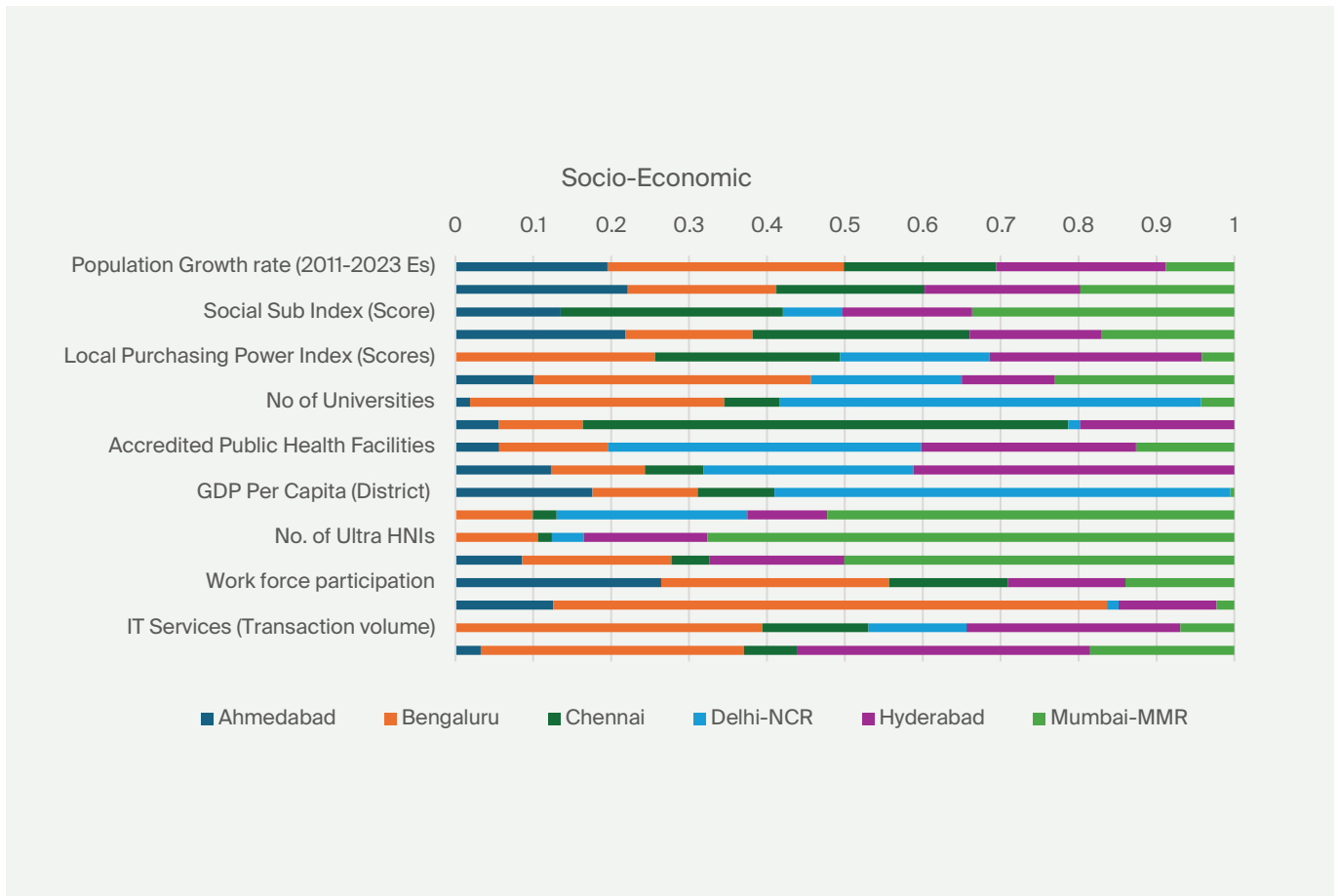
# ANNEXURE I

## Factor and Sub-Factor Analysis Socio-Economic

Table 1 Ranking on a scale of 1-6 on various Sub-Factors of Socio-Economic

Socio-Economic Sub-Factor	Ahmedabad	Bengaluru	Chennai	Delhi-NCR	Hyderabad	Mumbai-MMR
Population Growth rate (2011-2023 Es)	4	1	3	6	2	5
Economic Sub Index (Score)	1	4	4	6	2	3
Social Sub Index (Score)	4	6	2	5	3	1
Health Care Index (Scores)	2	5	1	6	4	3
Local Purchasing Power Index (Scores)	6	2	3	4	1	5
Cost of Living Index (Scores)	5	1	6	3	4	2
No of Universities	5	2	3	1	6	4
No. of Hospital Beds	4	3	1	5	2	6
Accredited Public Health Facilities	5	3	6	1	2	4
GSDP Growth Rate (2012-22)	3	4	5	2	1	6
GDP Per Capita (District)	2	3	4	1	6	5
Foreign Investments	6	4	5	2	3	1
No. of Ultra HNIs	6	3	5	4	2	1
No. of HNIs	4	2	5	6	3	1
Work force participation	2	1	3	6	4	5
Unemployment rate	2	1	6	5	2	4
IT Services (Transaction volume)	6	1	3	4	2	5
Per capita income (2012-2022)	5	2	4	6	1	3





## Ease of Living

**Ease of Living Index<sup>3</sup>:** As per the Ease of Living Index, the Mumbai-MMR region ranks highest among the listed cities, with a score of 57.8. This is reflective of the city's strong sense of community, cultural identity, and relatively safe environment. Despite facing challenges such as traffic congestion and housing affordability, Mumbai continues to thrive due to its robust physical infrastructure and status as India's financial capital. Chennai trails Mumbai with a score of 47.2, known for its excellent educational institutions, healthcare facilities, and rich cultural heritage. The city's community cohesion and cultural identity further enhance its liveability.

Ahmedabad and Hyderabad are ranked 3rd and 4th, with scores of 44.3 and 43.1, respectively. Ahmedabad is recognized for its good access to education and healthcare services, along with its effective social welfare programs and urban planning initiatives. Hyderabad's emergence in recent years as a major IT hub has resulted in significant advancements in healthcare and education, driven by its expanding IT sector, although it faces challenges in physical infrastructure and environmental sustainability. Delhi NCR and Bengaluru are on the lower end of the ranking with scores of 33.2 and 34.4, respectively.

The Ease of Living Index score of a city is based upon evaluation of the following three sub-indexes i.e. Economic Sub-Index, Social Sub-Index and Healthcare index

**Economic Sub-Index :** Ahmedabad achieves the highest score in the Economic Sub-Index with 2.3, indicative of strong economic conditions characterized by robust industrial activity, commercial growth, and financial health. Hyderabad, Mumbai-MMR, Bengaluru, and Chennai exhibit moderate scores, reflecting vibrant economic environments with diverse job opportunities and business activities. Delhi-NCR lags significantly with a score of 0.12, attributed to high unemployment rates, income inequality, a high cost of living, and environmental concerns.

**Social Sub-Index:** The Mumbai Metropolitan Region (MMR) leads in this sub index with a score of 15.6, indicating a safer environment and a strong sense of cultural identity and community among its residents. Chennai follows with a score of 14.4, noted for its excellent educational institutions and healthcare facilities, along with a rich cultural heritage and cohesive community. Hyderabad and Ahmedabad score 11.6 and 10.8, respectively, showing good access to education and healthcare services, with Hyderabad benefiting from its growing IT industry. Delhi-NCR scores 9.4, facing challenges in social infrastructure despite being the capital region. Bengaluru, with a score of 7.6, is at the lower end due to issues stemming from rapid growth such as traffic congestion, pollution, and uneven service distribution.

<sup>3</sup>Data as per Ease of Living Index – Smartcities.gov.in (Data level mentioned in annexures)

**Healthcare Index:** Chennai ranks highest in healthcare infrastructure among Indian cities, with a Health Care Index score of 69.4. This reflects the city's excellent healthcare services, availability of medical facilities, and overall health infrastructure. Major healthcare centres in Chennai include Apollo Hospitals, Fortis Malar Hospital, and MIOT International. Ahmedabad and Mumbai also have robust healthcare systems, scoring 67.2 and 65.3, respectively. Ahmedabad is home to well-known healthcare institutions like CIMS Hospital and Zydus Hospitals, while Mumbai boasts renowned facilities such as Kokilaben Dhirubhai Ambani Hospital and Lilavati Hospital. Hyderabad and Bengaluru have comparable Health Care Index scores of 65.3 and 65.1, respectively. Hyderabad features notable hospitals like Apollo Hospitals and CARE Hospitals, while Bengaluru is known for Manipal Hospitals and Narayana Health. Delhi-NCR, despite having substantial healthcare services, has a slightly lower score of 66.5. Key healthcare institutions in Delhi include AIIMS (All India Institute of Medical Sciences) and Fortis Hospital. Hyderabad features notable hospitals like Apollo Hospitals and CARE Hospitals, while Bengaluru is known for Manipal Hospitals and Narayana Health. Delhi-NCR, despite having substantial healthcare services, has a slightly lower score of 66.5. Key healthcare institutions in Delhi include AIIMS (All India Institute of Medical Sciences) and Fortis Hospital.

## Education & Health

**No. of Colleges and Universities:** Delhi NCT stands out with an impressive number of 3134 colleges consisting of reputable names such as the Jawaharlal Nehru University, Amity University Noida, and Jamia Hamdard. These universities contribute to Delhi's reputation as a key centre for higher education, attracting students from across India and abroad. Bengaluru, with 2087 colleges, also reflects a robust educational infrastructure. Major universities in Bengaluru include the Christ University and the Indian Institute of Science, both of which are renowned for their academic excellence and research contributions. Chennai, with 839 colleges, houses several prominent universities that offer significant educational opportunities. Notable institutions include the Anna University, which is known for its engineering programs, and the University of Madras which is one of the oldest universities in India. Mumbai, with 700 colleges, is another key hub for education. The University of Mumbai, which has numerous affiliated colleges, and the Tata Institute of Social Sciences are some of the major universities that contribute to the city's educational landscape. Hyderabad, with 491 colleges, is known for its growing educational sector. The University of Hyderabad and Osmania University are among the major universities in the city, both of which are recognized for their academic programs and research output. Ahmedabad also has a strong presence of educational institutions with notable universities such as the Indian

Institute of Management Ahmedabad (IIMA) and Gujarat University, contributing to its reputation as a centre for higher education.<sup>4</sup>

**No. of Hospitals and Hospital Beds:** Delhi-NCR boasts the largest number of accredited public health facilities with 102 establishments, indicating a robust healthcare system adhering to high standards. Notable hospitals in this region include AIIMS, Apollo Hospital, Fortis Hospital, and Max Hospital, which are renowned for their advanced medical services and infrastructure. The city however has the second lowest hospital bed per capita count of 10 beds per 10,000 population. Hyderabad follows with 75 accredited facilities and 31 beds per 10,000 population, with major establishments including but not limited to Yashoda Hospitals in Hi-Tech City, considered one of the largest hospitals in the country. This city's healthcare infrastructure is bolstered by institutions like Apollo Health City and KIMS Hospital, which provide comprehensive medical services. Mumbai-MMR, although having fewer accredited facilities, is home to several prominent hospitals such as the Bombay Hospital, Lilavati Hospital, Hinduja Hospital, etc. These institutions are well-regarded for their quality of care and medical expertise. Although Bengaluru consists of fewer accredited facilities and a per capita bed count of 21 beds per 10,000 population, it still offers top-tier healthcare through institutions like the Manipal Hospital, Fortis Hospital, and Narayana Health City. These hospitals are recognized for their specialized treatments and state-of-the-art technology.

Chennai ranks first in terms of health care infrastructure with a hospital bed per capita at 81 per 10,000 population, indicating its capacity to manage patient loads effectively. Notable hospitals in Chennai include Apollo Hospitals, Fortis Malar Hospital, and MIOT International, which are well-equipped to manage a wide range of medical needs. Ahmedabad, with fewer accredited facilities, is home to esteemed institutions like Zydus Hospital, Apollo Hospital, and Sterling Hospital. These hospitals provide quality healthcare services and contribute significantly to the city's medical landscape. In contrast, Delhi-NCR, Mumbai-MMR, and Ahmedabad have significantly lower per capita hospital bed counts among the cities in the study.

**Gross State Domestic Product (GSDP) Growth Rate (2012-2022):** Telangana has emerged as a standout performer with the highest compounded annual growth rate (CAGR) of 10.89% over the last decade. This impressive growth can be attributed to rapid urbanization, and substantial investments in physical and social infrastructure, second only to Karnataka. These advancements have not only attracted significant foreign investments but also contributed to robust job creation. NCR follows closely with a CAGR growth rate of 8.74%, bolstered by its status as the nation's

<sup>4</sup>Mumbai-MMR and Delhi-NCR includes urban agglomeration data.

capital, thriving real estate sector, excellent connectivity, and rich cultural heritage. Karnataka and Gujarat have exhibited comparable growth rates, with a CAGR hovering around 6.50% to 6.53% between 2012 to 2022. Karnataka's growth is underpinned by its robust economic ecosystem, particularly in IT and technology sectors, while Gujarat reflects steady economic development and infrastructural enhancements. Maharashtra has a CAGR of 4.69% between 2012 to 2022, which can be attributed to the higher base figures, as it is one of the highest GSDP contributors among Indian states.<sup>6</sup>

**GDP Per Capita 2020 (USD):** Amongst the 6 cities considered in this study, Delhi-NCR has the highest GDP per capita at approximately 11,289 USD. The mix of diverse economy, strong service sector, significant industrial activities, and high foreign direct investment (FDI) inflows contribute significantly to this figure. The city also benefits from a large skilled workforce and robust infrastructure, contributing further to its high economic output per capita. Ahmedabad follows with a GDP per capita of approximately 7,692 USD. The city boasts a strong industrial base, particularly in textiles, chemicals, and pharmaceuticals, The strategic location of the city along with government initiatives to promote industrial development and urban planning further support the economic growth of the city. Bengaluru trails Ahmedabad closely with a GDP per capita of approximately 7,339 USD. The economy in the city is largely driven by the technology sector, along with aerospace, biotechnology, and manufacturing industries. The city has also become a base for numerous multinational companies and start-ups which boost the city's economic output. Chennai has a GDP per capita of approximately 7,014 USD, owing to its diverse economy, with strong contributions from the automobile industry, healthcare, and education sectors. The city is also a trade and commerce hub, being one of the major port cities in India. Mumbai MMR and Hyderabad currently have the lowest GDP per capita among the six cities with 6,193 USD and 6,148 USD, respectively. Mumbai's economy is fuelled by finance, commerce, entertainment, and the real estate sectors. Bengaluru trails Ahmedabad closely with a GDP per capita of approximately 7,014 USD.<sup>7</sup>

**The Inflow of Foreign Investments 2021 (USD):** Mumbai-MMR has been a magnet for foreign investments, attracting substantial commitments totalling 1.7 bn USD. Major investors include financial giants like JP Morgan Chase which expanded its operations in the city's financial services sector. Real estate developers such as Blackstone Group have also made significant investments in commercial and residential projects, further solidifying Mumbai's status as a global financial hub. Delhi-NCR secured 835 mn. USD in foreign investments, with notable contributions from companies like Samsung Electronics, which strengthened

its manufacturing and research presence in the region. Additionally, international real estate developers like DLF and Embassy Group have invested in luxury housing and commercial properties in Gurugram and Noida. Hyderabad has seen a rise in foreign investments amounting to 357 mn. USD, driven by technology giants such as Microsoft and Google, both of which have expanded their presence in the city's thriving IT sector. Pharmaceutical companies like Novartis have also made significant investments in research and manufacturing facilities in the region.<sup>8</sup>

In Bengaluru, foreign investments have focused heavily on the IT and startup ecosystem, with companies like Amazon and Accenture expanding their tech development centres. Additionally, Japanese conglomerates like Toyota and Suzuki have invested in automotive manufacturing facilities in and around the city. Chennai has attracted investments in automotive manufacturing from companies like Hyundai and Renault-Nissan, leveraging its skilled workforce and strategic location. IT service firms like Infosys have also expanded their delivery centres in the city, contributing to its growing stature in the technology sector. Ahmedabad's foreign investments have predominantly been in pharmaceuticals, with companies like Zydus Cadila and Torrent Pharmaceuticals investing in research and manufacturing facilities. Additionally, global logistics firms like DHL have expanded their operations in the city to capitalize on its growing trade and industrial base.

**Number of HNI's:** Mumbai leads with 101,942 HNIs, fueled by its role as India's financial capital and thriving real estate market, and is projected to see further growth in HNIs due to ongoing investment in financial services and luxury real estate. Bengaluru, with 41,156 HNIs, owes its position to its booming technology sector and startup culture, attracting tech entrepreneurs and investors alike. Hyderabad, with 37467 now a key business hub, is expanding its HNI base due to its strong IT, Pharma and other business services growth. Other cities like Ahmedabad and Chennai have smaller HNI populations, primarily centered around traditional industries and localized economic bases.

**Number of UHNWI's:** Mumbai also leads with 1,596 UHNWIs, expected to grow with India's increasing wealth generation, which could see the national UHNWI population rise by nearly 50% by 2028. Hyderabad, with 467 and Bengaluru, with 352 UHNWIs, continue to see impressive growth rates as these cities attract global tech talent and investment, boosting luxury property and high-value investments. Ahmedabad and Chennai, with smaller UHNW populations, showcase steady, industry-driven UHNWI expansion primarily through manufacturing and logistics sectors.<sup>9</sup>

<sup>6</sup>Data is on state level.

<sup>7</sup> District level data (Mumbai-MMR and Delhi-NCR includes UA) <https://metroverse.cid.harvard.edu/city>

<sup>8</sup> District level data (Mumbai-MMR and Delhi-NCR includes UA)

<sup>9</sup> No. of HNI's and UHNWI's in Delhi includes only NCT.



## Employment

**Workforce Participation (2021-22):** Bengaluru has the highest workforce participation rate in India at 76%, underscoring its dynamic economy driven by the IT sector, startups, and robust service industries. The presence of tech giants like Infosys, Wipro, and a myriad of innovative startups contribute to ample employment opportunities, making it an attractive destination for professionals. Ahmedabad closely follows with a participation rate of 75%, buoyed by its thriving industrial and manufacturing sectors, which provide ample job opportunities. The city also has a sturdy base in textiles, chemicals, and pharmaceuticals, which contributes to its high employment rate. Hyderabad, Mumbai-MMR and Chennai each have a workforce participation rate of 69%, reflecting their roles as major economic centres with diverse industries including IT, manufacturing, and services.

Hyderabad is a rapidly expanding employment hub primarily driven by the IT and pharmaceutical sectors. The city hosts major IT firms like Microsoft, Google, and Infosys, alongside a flourishing pharmaceutical industry that employs over 400,000 people across firms like Dr. Reddy's, Aurobindo Pharma, and Divi's Laboratories. Genome Valley, the life sciences corridor, alone employs over 1,500 professionals within top biotech and research firms and is projected to receive an addition of 300 acres, all of which fortifies Hyderabad's role in life sciences, generating substantial job opportunities and further enhancing its workforce participation rate.

Mumbai, as the financial capital, offers extensive job opportunities in the banking, finance, media, and entertainment sectors. Mumbai is focusing heavily on digital banking and fintech advancements, with key projects like the establishment of a Digital Banking Transformation Office and extensive support for innovations in AI, machine learning, and cybersecurity. Chennai's economic activities are diversified across automotive, IT, and manufacturing sectors, with major companies like Ashok Leyland and TVS Motor Company being key drivers of employment in the city. Further development projects, including the Chennai-Surat Economic Corridor and the Smart City initiative, are expected to significantly enhance connectivity and infrastructure, creating more employment opportunities by 2030.

Delhi-NCR, while slightly lower, maintains significant labour force participation, driven by its status as the capital region and a hub for governmental, commercial, and service-related activities. Despite challenges relating to pollution and traffic congestion, the city remains a hub for job seekers due to its diverse landscape and numerous opportunities in the major sectors.

**Unemployment Rate (2021-22):** Chennai currently has the highest unemployment rate at 5.20%, due to the city's transition from traditional manufacturing to IT and service sectors. This shift has led to a temporary mismatch between available jobs and the skills of the workforce. Delhi-NCR follows with an unemployment rate of 5%, influenced by rapid urbanization and population growth. Although the region is an industrial hub, the influx of job seekers from across the country creates stiff competition for open positions. Mumbai's unemployment rate stands at 4.90%. As India's financial capital, the city attracts numerous job seekers from across the nation. However, job market saturation in sectors like finance and entertainment, coupled with the high cost of living, makes it challenging for individuals to find suitable employment. Ahmedabad and Hyderabad each have moderate unemployment rates of 3.90%, indicating stable job markets with fewer employment challenges. Bengaluru has the lowest unemployment rate at 1.80%, reflecting its vibrant and growing job market. The city's strong IT sector, along with expanding industries in biotechnology, aerospace, and startups, provides ample employment opportunities.



## Service Economy

### IT Services (Office Transaction Volume) 2019-2023:

Bengaluru records the highest IT services transaction volume with 24.17 mn sq ft, underscoring its significant role in the tech industry in India. Major tech parks such as Electronic City and Whitefield host numerous global and Indian IT firms, cementing Bengaluru's status as the Silicon Valley of India. Hyderabad follows with 17.42 mn sq. ft, reflecting its growing importance as an emerging IT hub. The city's HITEC City and Gachibowli areas are home to major tech companies and have seen rapid expansion in recent years, contributing to Hyderabad's rising prominence in the IT sector. Delhi-NCR shows substantial activity with a transaction volume of 9.04 mn sq ft. The region's IT sector is bolstered by areas like Gurugram and Noida, which host numerous IT and software companies, making it a key player in the national IT landscape. Mumbai-MMR, with a volume of 5.84 mn sq ft, indicates a robust IT service sector. The city's IT parks, such as SEEPZ and MIDC, support a sizeable number of IT companies, contributing to Mumbai's diverse economic base.

Chennai records a lower transaction volume but remains an important IT destination with key areas like Tidel Park and SIPCOT IT Park. This indicates potential for growth as the city continues to attract IT investments and expand its tech infrastructure. Ahmedabad, while having lower volumes compared to the other major cities, shows potential for growth in the IT sector. The presence of institutions like the Gujarat International Finance Tec-City (GIFT City) and growing tech infrastructure highlights the city's emerging status in the IT landscape.

## Income

**Per Capita Income (CAGR 2012-22):** Telangana has recorded the highest per capita income growth rate of 19.3% (CAGR) in the last decade, with the emergence of Hyderabad as a major IT hub. The establishment of HITEC City and the presence of global IT companies has generated vast employment opportunities thus increasing the income levels of the households. The government has also supported significant investments in the city by introducing pro-business policies and promoting a business-friendly environment. Karnataka follows with a per capita income growth rate of 18.1% (CAGR) in the past decade, owing to the strong performance of Bengaluru as an IT sector and an Aerospace and Defence hub, presence of premier educational institutions and R&D centres supporting a skilled workforce which has attracted both domestic and international investments and the development of other cities such as Belgaum and Dharwad into industrial townships. Maharashtra is ranked 3rd in terms of per capita income with a CAGR of 13.6%. This is attributed to a multitude of factors including a well-developed service sector, strong industrial base and diversification, infrastructural development, the emergence of Pune as an IT Hub and a strong centre in the country for education and attracting talent. Gujarat and Tamil Nadu show similar levels of CAGR growth rates of 9.0% and 8.0% respectively.

Chennai houses a strong automotive manufacturing sector, earning its moniker as the "Detroit of India". Other factors contributing to the growth include the IT sector and the fact that it is a major port city in South India, facilitates important trade across the country and abroad. Ahmedabad has a strong textile and chemical industrial base. Gujarat also has business-friendly policies that have attracted significant investments.

The National Capital Territory (NCT) witnessed the lowest per capita income growth rate over the decade with a CAGR rate of 8.0%. Delhi-NCR heavily relies on the service sector including IT, BPO, and government services. The growth in these sectors has been steady but not exceptional. Another factor is the significant slowdown in the real estate sector due to the regulatory changes, market correlations, and reduced investor confidence.

**Local Purchasing Power Index (Scores):** Local Purchasing Power Index (LPPI) - In Hyderabad, the LPPI score is 125.9, reflecting significant purchasing power driven by its dynamic job market and tech-driven economy. Residents benefit from competitive incomes and comparatively lower living costs, making Hyderabad a favorable city for disposable income and consumption. Bengaluru follows closely with an LPPI score of 122.4, showcasing its robust local purchasing power fueled by high salaries in the IT and services sectors. This score highlights the city's economic dynamism and residents' capacity to meet local expenses comfortably. Chennai, with a score of 118.2, demonstrates solid purchasing power, supported by its diverse economy spanning manufacturing, IT, and the automotive industry. The city's moderate cost of living allows residents to enjoy a stable standard of living. Delhi-NCR has a score of 108.3, indicating moderate local purchasing power, bolstered by its varied economy in finance, government, and manufacturing. However, higher costs in certain areas can offset some of the economic advantages in this region. Mumbai-MMR's LPPI score of 75.3 reflects the city's high living costs, which limit local purchasing power despite the high incomes in finance, media, and corporate sectors. Residents face relatively elevated prices for housing and services. Lastly, Ahmedabad has an LPPI of 66.1, indicating the lowest purchasing power among the cities analyzed. However, its growing industrial base and comparatively lower costs in non-essential goods help support residents' purchasing power and point toward future growth potential.

**Cost of Living Index (Scores):** Chennai has the lowest cost of living index score at 21.95, indicating a more affordable living environment. Ahmedabad also shows a low Cost of Living Index at 23.07, making it an economically attractive city. Hyderabad and Delhi-NCR have moderate scores at 23.27 and 24.11 respectively, reflecting decent affordability. Mumbai-MMR and Bengaluru have higher scores, indicating higher living costs. This is largely attributed to rent and property rates.





## Real Estate

**Residential Price Appreciation:** Hyderabad remains a highly desirable location for investors and end users. Residential prices in Hyderabad increased by 11% as of 2023. Mumbai-MMR and Bengaluru experienced moderate price appreciation of 7% and 9% respectively, supported by sustained demand, with Bengaluru particularly exhibiting strong demand in the premium segment. In Delhi, residential prices have continued to appreciate, with a 6% increase observed. Chennai and Ahmedabad have the lowest appreciation rates at 4%, with significant increases in neighbourhoods such as Mogappair, Anna Nagar, and Perambur. Ahmedabad also has the lowest per-square-foot residential prices among the top markets, with most sales occurring in the affordable category (below INR 5 mn).

**Residential Launches (per capita):** Mumbai-MMR leads in residential launches over the past 5 years, indicating a robust real estate development sector. Although the new launches in Hyderabad are lesser compared to Mumbai-MMR, it's positioning with respect to launches per capita of the population is equal to Mumbai-MMR. Launches in West Hyderabad continue to dominate the residential landscape, commanding 63% of the overall launches. In terms of the other cities, Bengaluru follows closely with 35,771 launches on average recorded over the past 5 years. Per capita new launches in Chennai have been the lowest in comparison with the other cities.

**Residential Sales (per capita):** Mumbai-MMR leads in per capita residential sales, indicating a stable market environment. This stability is driven by factors such as economic conditions, increasing disposable incomes, a preference for larger homes, and a sense of urgency among buyers to invest before further price escalations. Bengaluru and Hyderabad also demonstrate robust sales activity, with per capita sales rates. Bengaluru has seen strong post-COVID sales volumes, with units often selling rapidly within a week of launch, reflecting strong buyer confidence. Hyderabad has emerged as an attractive option for homebuyers seeking upgraded lifestyles and better living environments. Ahmedabad is noted for its cost-effectiveness, with per capita residential sales. Chennai, however, has yet to return to its pre-COVID sales levels, with the lowest per capita residential sales among the cities, concentrated primarily in the south and west micro-markets.

**Residential Sales (CAGR 2013 - 2023):** Hyderabad shows the highest compound annual growth rate (CAGR) over the past decade in residential sales at 6%, indicating a rapidly growing market poised for further expansion in the coming years. This growth reflects the city's booming real estate market, driven by its expanding IT sector, improved infra-

structure, and favourable government policies. Delhi-NCR and Mumbai-MMR also demonstrate positive growth rates in residential sales, with CAGRs of 3% and 2% respectively. These regions continue to attract homebuyers due to their established infrastructure, economic opportunities, and status as key metropolitan areas in India. In contrast, Bengaluru, Chennai, and Ahmedabad exhibit negative growth rates in residential sales suggesting a declining trend in these markets. Bengaluru's negative CAGR may be due to market saturation and high property prices, while Chennai and Ahmedabad may be experiencing slower growth due to economic and policy challenges. Despite these trends, these cities still possess strong potential for future development given their industrial bases and ongoing urbanization efforts.<sup>10</sup>

**Residential Launches (CAGR Timeline 2013 - 2023):** Hyderabad has demonstrated resilience in its residential market with a positive growth rate of 10% (CAGR) in residential launches over the past decade. In contrast, the other 5 cities have experienced a decline in residential launches with Delhi witnessing a decline at 5%. This can be attributed to regulatory challenges, oversupply in certain segments, and economic disruptions that have affected buyer sentiment and investment flows in the real estate sector. Bengaluru and Chennai both recorded a declining rate of 4%. For Bengaluru, while the tech industry continues to drive demand, the market has faced periodic slowdowns due to regulatory hurdles and fluctuating buyer confidence. Chennai's decline can be linked to slower economic growth and a mismatch between supply and demand, particularly in certain localities. Mumbai-MMR has also seen a contraction in residential project launches, owing to the high cost of living, complex regulatory environment, and market saturation which have contributed to this trend. With the land area of the city being fully saturated, redevelopment is emerging as one of the options for builders to get their hands on prime real estate in the financial capital. Another driving factor for redevelopment is the fact that such a community gets upgraded amenities, more open spaces with all safety installations in place.<sup>11</sup>

**Quarters to Sell:** Bengaluru at 4.0 quarters, has the shortest average time to sell properties, indicating fast-moving markets in this city. The affordable segment in Bengaluru has seen the highest increase in the quarters taken to sell due to the rise in inventory, caused by a drop in sales in this segment. The decrease in QTS witnessed in the mid and premium segments suggests healthy market conditions. Chennai follows with 4.3, witnessing the national lowest QTS in the INR 10 mn category. Hyderabad also shows a quick turnover with 5.7 quarters, with increases observed in the less than INR 5 mn and INR 5-10 mn categories, reinforcing

<sup>10</sup> India Real Estate Outlook H2 2023 – Knight Frank (CAGR 10-year data)

<sup>11</sup> India Real Estate Outlook H2 2023 – Knight Frank (CAGR 10-year data)

the prevailing narrative of the Hyderabad housing market, emphasizing a strong preference for luxury or higher-value homes over the affordable or mid categories. Delhi-NCR, Mumbai-MMR, and Ahmedabad have longer selling times, indicating slower market activity.

**Rental Yields (%):** Ahmedabad and Hyderabad exhibit the highest rental yields at 5%, making it the most attractive market for rental investors. Delhi-NCR and Bengaluru show moderate yields at 3%, while Chennai and Mumbai-MMR have the lowest yields, indicating higher property prices relative to rental income.

**Addition to Office Stock in mn sq ft (between 2019-2023):** Bengaluru leads in new office stock addition over the last five years with 66.3 mn sq ft, indicating a stable market, with adequate inventory to meet future occupier needs. Hyderabad and Delhi-NCR also show substantial additions with 41.90 mn sq ft and 34.90 mn sq ft of launches respectively. Delhi witnessed launches mainly in Gurugram, Udyog Vihar and Noida, while Mumbai-MMR, Chennai, and Ahmedabad have lower figures, suggesting slower growth in office space development.

**Office Transactions in mn sq ft (per capita):** Bengaluru leads in terms of CAGR office transactions over the past 5 years at 13.4% and continues to be the most favoured market by occupiers. However, there has been moderation in leasing activities due to moderation in leasing by tech occupiers. Owing to these factors, Bengaluru registered a transaction leasing volume of 12.5 mn sq ft as of H2 2023. This does not, however, signal a decline in office transactions. On the contrary, office leasing in 2023, exceeded the 10-year average of 12.2 mn sq ft. Hyderabad has emerged as a compelling alternative to Bengaluru, witnessing an 8.1% CAGR growth in office transactions, with a significant 32% YoY growth witnessed as of H2 2023. This growth can be attributed primarily to an increase in office leasing activities during the second half of 2023. There has been substantial leasing by GCCs, especially those outsourcing their IT and back-end operations in the city. Delhi-NCR and Mumbai-MMR witnessed moderate office leasing transactions with 7.7% and 6.7% respectively. Delhi-NCR however witnessed a decadal high in 2023 recording 10.1 mn sq ft in office transactions. The occupier demand was supported by resilient domestic economic growth and is demonstrative of a positive trend for office space absorption despite weak global cues. Mumbai, meanwhile, witnessed approximately 7.4 mn sq ft of leasing, with a significant number of BFSI firms dominating the landscape. Mumbai's office leasing trajectory has consistently shown improvement, hitting its highest transactional volumes since 2020. Chennai follows with a CAGR of 6% growth over five years and has witnessed an all-time high in office leasing transactions. This surge is predominantly attributed to robust leasing momentum driven by large space take up by multinational companies. Ahmedabad has the lowest growth rate of 1.6%. However, the past two years have seen the market achieving significantly higher volumes, achieving the highest volumes seen

in a half-year period during H2 2023 of 1.3 mn sq ft, ending the year on a strong note as occupier sentiments have improved and influenced their willingness to ink longer-term commitments in the city.

**Average Office Rental (Appreciation):** Bengaluru leads with 7% rental appreciation, driven by strong demand from the booming tech industry. Chennai follows at 6%, benefiting from a mix of IT growth and manufacturing. Ahmedabad and Mumbai-MMR, both at 4%, see moderate appreciation due to industrial focus and financial sector stability, respectively. Delhi-NCR's 2% reflects high supply and sluggish economic growth, while Hyderabad, surprisingly low at 1%, may face oversupply issues despite its expanding tech sector. The variations highlight differences in economic drivers, sectoral demand, and real estate supply dynamics across these cities.

**GCC Area Transacted (2023):** Chennai leads in area transacted by Global Capability Centres (GCC) in 2023 with 6.02 mn sq ft, indicating robust growth in notable firms including CMA, CGM, DHL, Maersk, and Mediterranean Shipping Company. Chennai's appeal as a hub for GCC is driven by its skilled workforce, cost-effectiveness, and supportive government policies. Bengaluru continues to be a prime destination for GCC due to its strong technology platforms and diverse talent pool, evidenced by the transacted area of 3.75 mn sq ft, with Hyderabad rapidly gaining prominence as a compelling alternative, offering a winning blend of skilled talent, robust infrastructure, and cost efficiency. Delhi-NCR and Mumbai-MMR, although suitable locations for GCC, have observed lower transaction volumes in the last year, particularly in Delhi which sees greater occupancy by India-facing businesses as compared to GCCs. Ahmedabad continues to be an emerging location and is yet to witness a major GCC footprint.





**Warehousing Transactions:** Delhi-NCR and Mumbai led in terms of overall transaction volumes in 2023 with 8.6 and 9.5 mn sq ft respectively. However, Bengaluru and Mumbai-MMR led in terms of CAGR transactions over the past 5 years at 6% each. Hyderabad observed lower transaction volumes in 2023 with 5.1 mn sq ft warehouse area transacted but witnessed 5% CAGR growth in warehousing transactions over the past 5 years.

Chennai and Ahmedabad witnessed the lowest warehouse area transacted at 4.5 and 3.8 mn sq ft respectively. However, Chennai has shown a slight growth in CAGR with area transacted at 2.06% over the last 5 years, while Ahmedabad shows a negative CAGR of 2.28%. These cities house a significant industrial base, which will gradually gain traction as the government's focus on increasing India's manufacturing heft starts to pay dividends.

**EMI to Income Ratio:** While affordability levels have improved marginally, Mumbai is the only city beyond the affordability threshold of 50%, a level exceeding which banks rarely underwrite a mortgage.

Hyderabad follows with 30%, while Bengaluru, Chennai, and Delhi-NCR show similar levels ranging between 25% and 27%. Ahmedabad remains the most affordable housing market in the country with an affordability ratio of 21% which implies that on average, a household in Ahmedabad needs to spend 21% of its income to pay EMI for a housing loan.

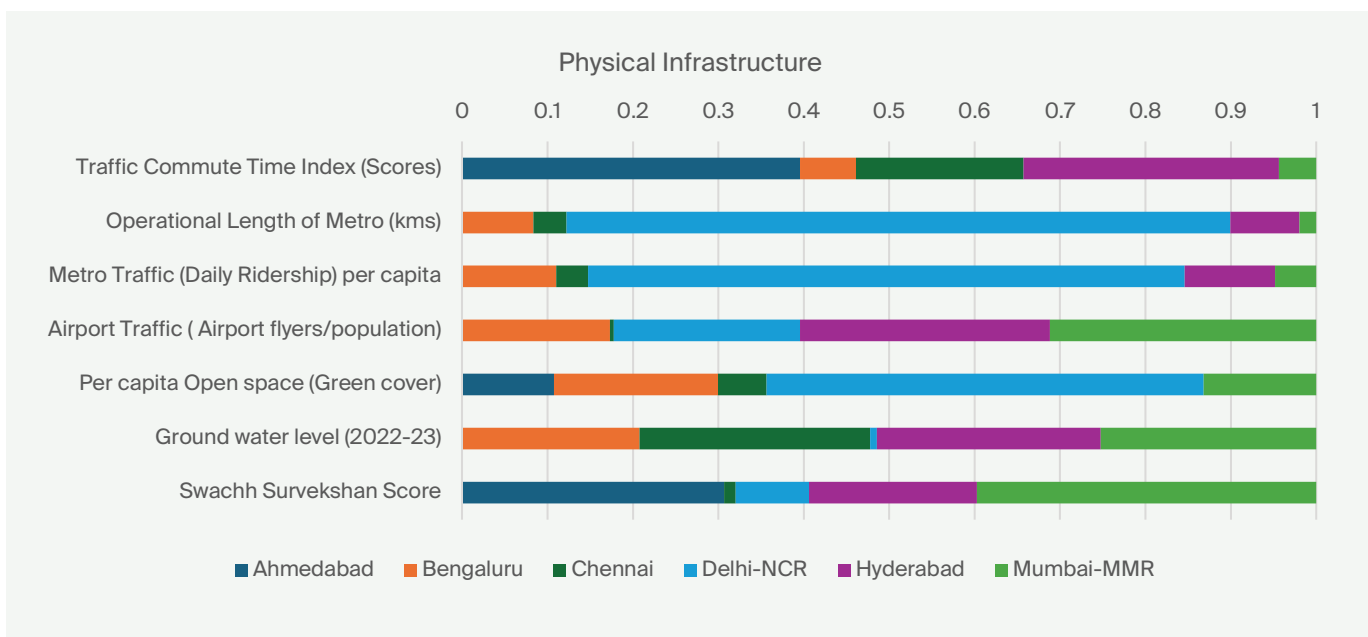
**Housing Loans Per Capita:** Chennai and Ahmedabad have the highest housing loans per capita, which is evidenced by their EMI to Income ratio being among the lowest in India. Bengaluru also shows significant activity in terms of housing loans per capita, continuing to be an affordable destination for residential investment. Although Hyderabad has a higher EMI to income ratio as compared to the other cities except for Mumbai, it has emerged as a compelling market for investors to buy residential properties, owing to its significant infrastructural and economic growth.



# Physical Infrastructure

Table 3 Ranking on a scale of 1-6 on various sub factors of Physical Infrastructure

Physical Infrastructure Sub-factor	Ahmedabad	Bengaluru	Chennai	Delhi-NCR	Hyderabad	Mumbai-MMR
Traffic Commute Time Index (Scores)	1	4	3	6	2	5
Operational Length of Metro (kms)	6	2	4	1	3	5
Metro Traffic (Daily Ridership) per capita	6	2	5	1	3	4
Airport Traffic ( Airport flyers/population)	6	4	5	3	2	1
Per capita Open space (Green cover)	4	2	5	1	6	3
Ground water level (2022-23)	6	4	1	5	2	3
Swachh Survekshan Score	2	6	5	4	3	1



**Metro Rail Coverage & Daily Ridership:** The Delhi Metro is currently the largest metro network in India with over 350 km of operational lines and numerous routes serving various parts of the National Capital Region (NCR). The metro has a daily average ridership of 6.8 mn. The system includes underground, at-grade, and elevated sections, offering comprehensive connectivity across the city and its suburbs. The Bengaluru metro, also known as Namma Metro, spans over 72 km, currently includes two main lines, with several planned extensions to cover more areas of the city. It has a daily average ridership of 0.7 mn. The ongoing construction and future plans aim to significantly expand the network to meet the growing demand for public transport. Hyderabad Metro trails closely with a total operational coverage of 71 km, connecting major parts of the city. The metro recorded an average daily ridership of 0.53 mn. The metro was

developed as a Public-Private Partnership model, one of the largest of its kind in the world. The metro has three operational corridors, with further extensions planned to enhance connectivity and reduce traffic congestion. Chennai Metro currently covers 54 km and has an average daily ridership of 0.25 mn. The metro has a mix of elevated and underground sections covering two major corridors, with Phase 2 under construction to add an additional 118.9 km to the network. Mumbai Metro currently spans 46.5 km, with multiple lines under construction. The expansion plans aim to cover around 337 km in the future, significantly enhancing the city’s public transport infrastructure. The metro currently has an average daily ridership of 0.55 mn. Ahmedabad Metro is still in its initial stages and currently covers only 38.63 km of the key areas of the city having an average daily ridership of 0.05 mn.



**Traffic Commute Time (Index):** Ahmedabad has the shortest average traffic commute time at 39.04 minutes, indicating relatively less traffic congestion. Hyderabad follows with 42.41 minutes. Delhi-NCR on the other hand, has the longest commute time at 57.81 minutes, reflecting significant traffic congestion. Bengaluru and Mumbai-MMR experience similar traffic time taken with 53.55 and 54.89 minutes respectively, while Chennai shows moderate congestion at 46.69 minutes.

**Airport Traffic Per Capita (Passengers/Population):** Mumbai-MMR leads in airport traffic per capita at 2.07, indicating high air travel activity. Hyderabad also shows significant airport traffic, followed by Delhi-NCR. Bengaluru has moderate traffic, while Chennai and Ahmedabad have the lowest figures, suggesting lesser air travel activity relative to their populations.

**Per Capita Open Space (2011):** Delhi has the highest per capita open space, indicating its availability of green and open areas. Bengaluru has the second-highest per capita

open space of followed by Mumbai-MMR.

**Ground Water Level:** Chennai and Delhi-NCR have the deepest groundwater levels at 67 and 65.16 meters, respectively, indicating potential challenges in water availability. Hyderabad and Bengaluru have moderate groundwater levels, while Mumbai-MMR and Ahmedabad have the shallowest levels, suggesting better groundwater availability.

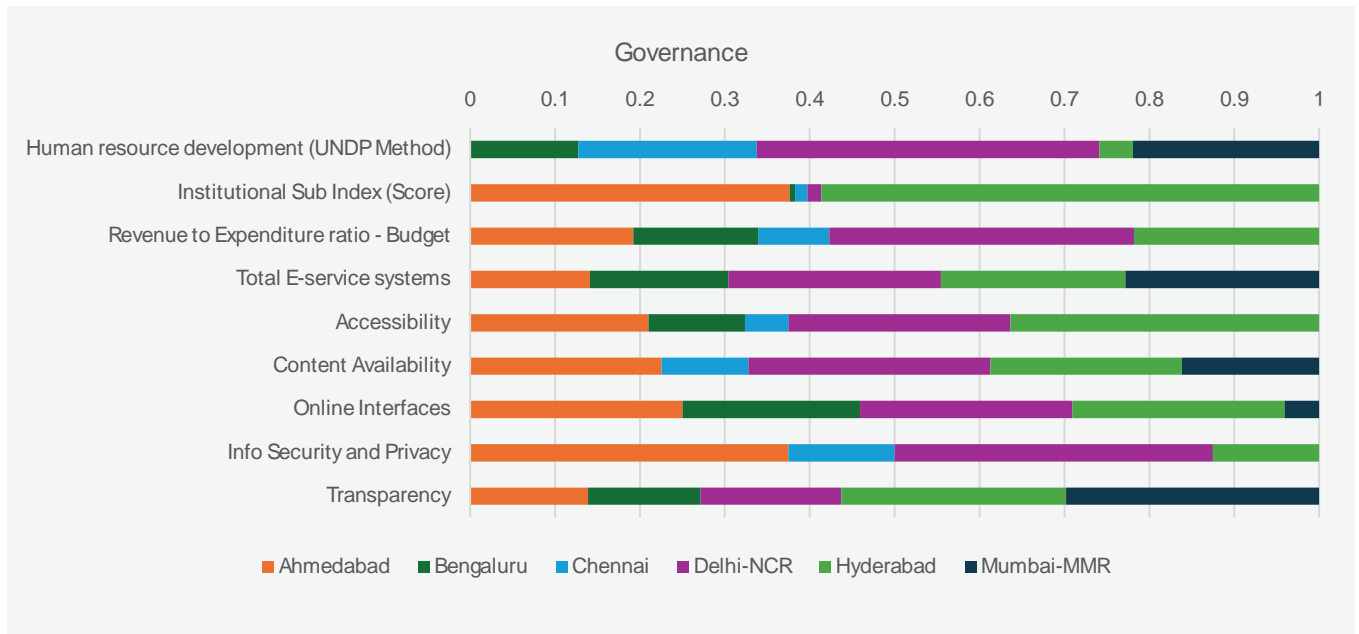
**Swachh Survekshan Score:** Mumbai-MMR scores the highest in the Swachh Survekshan survey with 1532 points, reflecting excellent cleanliness and sanitation standards. Ahmedabad and Hyderabad also have high scores, indicating good cleanliness levels. Delhi-NCR, Chennai, and Bengaluru have moderate scores, suggesting areas for improvement in sanitation and cleanliness.



# Governance

Table 4 Ranking on a scale of 1-6 on various Sub-Factors of Governance

Governance Sub-Factor	Ahmedabad	Bengaluru	Chennai	Delhi-NCR	Hyderabad	Mumbai-MMR
Human resource development (UNDP Method)	6	4	3	1	5	2
Institutional Sub Index (Score)	2	5	4	3	1	6
Revenue to Expenditure ratio - Budget	3	4	5	1	2	6
Total E-service systems	5	4	6	1	3	2
Accessibility	3	4	5	2	1	6
Content Availability	2	6	5	1	2	4
Online Interfaces	1	4	6	1	1	5
Info Security and Privacy	1	5	3	1	3	5
Transparency	4	5	6	3	2	1





## Good Governance Index

**Human Resource Development (UNDP Method)<sup>12</sup>** : The United Nations Development Programme (UNDP) uses the Human Development Index (HDI) as a composite statistic to assess human resource development. The HDI incorporates three key dimensions: Health – Life expectancy at birth. Education – Years of schooling for adults aged 25 years and above. Standard of Living – Gross National Income (GNI) per capita, adjusted for Purchasing Power Parity (PPP). The National Capital Territory (NCT) ranks first in terms of human resource development among the six cities with a score of 0.73. Delhi-NCR has relatively advanced healthcare infrastructure, several top-tier hospitals, and medical research institutions contributing to higher life expectancy. The region also hosts a plethora of prestigious educational institutions, from primary to higher education, ensuring widespread access to quality education. Maharashtra trails the NCT closely with a score of 0.69. Mumbai has robust healthcare facilities, which caters to the large population and is therefore sometimes a drain on the resources. Disparities exist in access to education between affluent areas of the city and the slums. The city however offers extensive economic opportunities, driving income and living standards. Tamil Nadu jointly ranks second with Maharashtra, with the same score at 0.69, owing to its excellent healthcare infrastructure, high literacy rate, and hosting of several renowned educational institutions. The city however offers extensive economic opportunities, driving income and living standards. Although the healthcare infrastructure of the city is improving, rapid urbanization poses challenges. Karnataka trails both these states closely with a score of 0.67. Hyderabad ranks 5th with a score of 0.65. The city has made significant strides in education with numerous schools and universities. However, more efforts are needed to ensure equitable access across different socio-economic groups. Ahmedabad currently ranks last and has the lowest score among the six cities at 0.64. Being an industrial hub, Ahmedabad offers various economic opportunities, but the benefits are not evenly distributed, affecting the overall HR department.

**Revenue to Expenditure Ratio – Budget:** Delhi-NCT has the highest revenue-to-expenditure ratio at 1.66, indicative of robust fiscal management and a strong revenue base. The Municipal Corporation of Delhi has implemented several reforms to enhance revenue collection efficiency, such as digitization of tax records and improved compliance measures. Additionally, substantial investment in public infrastructure projects has been strategically planned to ensure financial sustainability. Hyderabad follows with a ratio of 1.22 owing to the ability of the Greater Hyderabad Municipal Corporation to maintain a healthy balance between its revenue and expenditure. Hyderabad has focused on urban development projects and efficient service delivery. Implementation of property tax reforms and enhanced e-governance systems has improved revenue collection. The city has also leveraged public-private partnerships (PPP) for infrastructure development. Ahmedabad is third with a ratio of 1.14, indicating the support the city has received through effective

property tax collection, user charges, and state government grants. The Ahmedabad Municipal Corporation (AMC) has invested in urban infrastructure and sanitation projects and adopted measures to improve tax compliance and broaden the tax base through better assessment and collection practices. The Bruhat Bengaluru Mahanagara Palike (BBMP) has a balanced revenue-to-expenditure ratio of 1.00, indicating stable fiscal operations. Bengaluru has focused on enhancing its revenue through property tax reforms and improved collection mechanisms. Investments in smart city projects and public infrastructure have been significant, balanced by efforts to control unnecessary expenditure. Chennai and Mumbai are on the lower end of the spectrum in terms of revenue-to-expenditure ratio with 0.80 and 0.54 respectively. The Greater Chennai Corporation (GCC) has faced challenges due to high urbanization costs and infrastructure demands. The GCC has implemented measures to increase revenue through property tax reforms and better enforcement of trade licenses. The Municipal Corporation of Greater Mumbai (MCGM) has displayed higher expenditures relative to its revenue, driven by extensive urban infrastructure needs and social services. The MCGM has adopted strategies such as increased efficiency in service delivery and exploring additional revenue sources like PPPs and enhanced user charges.<sup>12 13</sup>

**Institutional Sub-Index:** Hyderabad leads the Institutional Sub-Index with a score of 15.23, reflecting strong governance, effective regulatory frameworks, and robust institutional support. This high score indicates efficient administration, well-implemented public policies, and highly effective government services. Ahmedabad also performs well with a score of 13.9, suggesting a solid institutional framework supporting urban management and service delivery. Other cities, including Delhi-NCR, Mumbai-MMR, Bengaluru, and Chennai, have similar scores around 11.6 to 11.8, indicating a decent institutional environment with potential for improvement.

<sup>12</sup> Mumbai-MMR includes only Municipal Corporation Greater Mumbai (MCGM).

<sup>13</sup> Delhi-NCR includes only New Delhi Municipal Corporation (NDMC).

## Ease of Implementation Index

**E-Governance Systems (Total Nos.):** Delhi-NCR leads in the implementation of e-governance systems with a total of 56 systems in operation, indicating advanced governance and high service accessibility, exemplified by the Delhi Jal Board's e-bills and the Transport Department's online services for vehicle registration and driving licenses. Mumbai-MMR follows with 49 systems, showcasing robust digital governance through services like MCGM's online property tax payments and the Mumbai Traffic Police's e-challan system. Hyderabad has 45 e-governance systems, highlighted by the GHMC's online property tax payments and the MeeSeva Portal offering over 600 G2C services. Bengaluru, with 42 systems, includes the BBMP's online property tax payments and Karnataka One's integrated platform for multiple government services. Chennai has 39 systems, featuring the Chennai Corporation's online services for property tax and birth/death certificate issuance, and TNeGA's, TNeSevai portal. Ahmedabad, with the lowest number at 36, offers AMC's online property tax payments and the Digital Gujarat Portal for various government services. These numbers reflect each city's efforts and advancements in enhancing digital governance and service delivery.<sup>14</sup>

### E-Governance (ULB) <sup>15</sup>

**Accessibility (Score):** Hyderabad, Delhi-NCR, and Ahmedabad excel in ease of access to government services with scores of 1.0, 0.8, and 0.7 respectively, showcasing excellent user-friendly websites and efficient navigation interfaces. Hyderabad's government portals, such as the Telangana State Portal, are praised for their comprehensive information and seamless user experience. Delhi-NCR's e-governance initiatives, like the Delhi Government Services Portal, offer streamlined access to services and are regularly updated to improve user interaction. Ahmedabad's digital platforms, including the Ahmedabad Municipal Corporation website, are designed for easy navigation and efficient service delivery. Bengaluru and Chennai also perform well in this regard. Bengaluru's Karnataka Government website and various departmental portals provide robust e-services, reflecting the city's tech-savvy population and advanced IT infrastructure. Chennai's Tamil Nadu e-Governance Agency has been recognized for its effective online service delivery, offering accessible and user-friendly platforms.

Mumbai-MMR, however, shows room for improvement. While initiatives like the Maharashtra Government's Aaple Sarkar portal aim to enhance accessibility, users often report challenges with navigation and content usability, indicating a need for a more intuitive design and better user experience.

**Content Availability (Score):** Government websites, such as the Telangana State Portal, are known for their comprehensive and regularly updated information, ensuring public needs are always met. Delhi-NCR's e-governance initiatives, like the Delhi Government Services Portal, are frequently updated, providing timely and relevant information to users.

Similarly, Ahmedabad's digital platforms, including the Ahmedabad Municipal Corporation website, offer readily available and well-maintained content.

Mumbai-MMR, with a score of 0.7, despite having less user-friendly systems, ensures that information is readily available and updated on a timely basis. Bengaluru, with a score of 0.3, has significant room for improvement, with the lowest score among the cities, indicating a lack of readily available content and infrequent updates. Reports suggest that the Karnataka Government's online platforms need enhancements in both content availability and regular updates to better serve the public.

Chennai, with a score of 0.6, performs moderately, with the Tamil Nadu e-Governance Agency providing accessible and user-friendly platforms. However, there is room to improve the frequency and comprehensiveness of updates to better meet the public's information needs.

**Online Interfaces (Score):** Mumbai-MMR and Bengaluru lead in the quality of online interfaces, providing user-friendly and efficient digital platforms. Delhi-NCR and Chennai also show satisfactory performance, while Hyderabad and Ahmedabad need to enhance their online interfaces for better user experience.

**Transparency (Score):** Mumbai-MMR leads in transparency with a score of 100.0, reflecting high levels of openness and accountability in governance. Initiatives like the Right to Information (RTI) Act are actively implemented, and the Maharashtra government frequently publishes detailed financial and operational data to the public.

Hyderabad follows closely with a score of 95.0, demonstrating strong transparency in its operations. The Telangana government regularly updates its citizens on developmental projects and financial expenditures through accessible online platforms and public forums. Delhi-NCR has a moderate score of 80.0, indicating solid transparency measures. The Delhi government utilizes its e-governance portal to disseminate information regarding public spending, policy decisions, and other governance aspects, promoting a culture of accountability.

Bengaluru and Ahmedabad, both scoring 75.0, show improving transparency measures. Bengaluru's Karnataka Transparency in Public Procurements Act is one example of legislative efforts to enhance transparency, while Ahmedabad's municipal corporation regularly publishes performance reports and financial statements. Chennai has the lowest score of 55.0, suggesting a need for greater transparency practices. Reports indicate that while the Tamil Nadu government has made strides in certain areas, there is a significant gap in the availability and accessibility of detailed governance information, requiring more proactive transparency measures.

<sup>14</sup> Total no. of e-service systems used in each city governance.

<sup>15</sup> Data is all on state level.



**Information Security and Privacy (Score):** Delhi-NCR and Ahmedabad excel in information security and privacy, scoring 1.0. Delhi-NCR's implementation of robust data protection measures, such as encryption protocols and regular security audits, ensures the integrity and safety of citizen data. Similarly, Ahmedabad's government systems are fortified with advanced security features to prevent data breaches and ensure privacy. For instance, the Gujarat government has implemented comprehensive cybersecurity policies to protect sensitive information from unauthorized access.

Hyderabad and Chennai follow closely behind with scores of 0.8. Hyderabad's IT infrastructure includes stringent security measures and regular updates to prevent data corruption, as evidenced by the Telangana government's emphasis on cybersecurity initiatives. Chennai has also made significant strides in enhancing data security, with the Tamil Nadu e-Governance Agency focusing on implementing privacy-protective technologies and protocols. Mumbai-MMR and Bengaluru have slightly lower scores of 0.7, suggesting room for improved data protection. Mumbai-MMR has faced challenges in ensuring data privacy, with

instances such as the 2020 data breach where the Brihanmumbai Municipal Corporation (BMC) data was exposed due to a security lapse. Bengaluru, despite being a tech hub, has also encountered issues, such as the 2019 data leak incident involving the Karnataka government's citizen database, which highlighted the need for stronger security measures.

<sup>14</sup> Total no. of e-service systems used in each city governance.

<sup>15</sup> Data is all on state level.



## ANNEXURE II

Category	Factor	Sub-Factor	Unit	Sources	Data Level	
Socio-Economic	Population	Population growth rate (2011-2023 Es)	CAGR %	Census of India & World Population Review	City	
	Ease of Living	Economic Sub Index (Score)	Score	Ease of Living Index	City	
		Social Sub Index (Score)	Score	Ease of Living Index	City	
		Health Care Index (Scores)	Score	Ease of Living Index	City	
	Education & Health	No of Universities	No.	IRDAI	District	
		No. of Hospital Beds	No.	IRDAI	City	
		Accredited Public Health Facilities	No.	NIC	District	
	Economic Indicators	GSDP Growth Rate (2012-2022)	CAGR %	Telangana Economic Survey 2023	State	
		GDP Per Capita (District)	USD	Harvard.edu	District	
		Foreign Investments	USD in Million	NSE Archives	District	
		No. of Ultra HNIs	No.	KF Wealth Report	City	
		No. of HNIs	No.	KF Wealth Report	City	
	Employment	Workforce Participation	%	MOSPI	District	
		Unemployment Rate	%	MOSPI	District	
	Income	IT Services (Transaction Volume)	Million Sq.ft	KF Research	District	
		Per Capita Income (2012-2022)	CAGR %	Telangana Economic Survey 2023	State	
		Local Purchasing Power Index (Scores)	Score	Numbeo	City	
		Cost of Living Index (Scores)	Score	Numbeo	City	
	Real Estate	Real Estate	Residential Price Appreciation	%	KF Research	City
			Residential Launches	Per Capita	KF Research	City
Residential Launches (CAGR)			%	KF Research	City	
Residential Sales			Per capita	KF Research	City	
Residential Sales (CAGR)			%	KF Research	City	
Quarters to Sell			No. of quarters	KF Research	City	
Rental Yields			%	KF Research	City	
Office Stock (addition in last 5 years)			Million Sq.ft	KF Research	City	



		Average Office Transactions (5 year average)	Million Sq.ft	KF Research	City
		Average Rental (appreciation)	INR/Sq.ft/Month	KF Research	City
		GCC Area Transacted (2023)	Million Sq.ft	KF Research	City
		Warehousing Transactions	Million Sq.ft	KF Research	City
		Warehousing (CAGR)	%	KF Research	City
		EMI to Income Ratio	%	KF Research	City
		No. of Home Loans	Per capita	NHB Residex	City
<b>Physical Infrastructure</b>	Physical Infrastructure	Traffic Commute Time Index (Scores)	Score	Number	City
		Operational Length of Metro (km)	Km	Respective Metro Reports	City
		Metro Traffic (Daily Ridership)	Per capita	Respective Metro Reports	City
		Airport Traffic (Airport flyers/ population)	Per capita	Respective Airport Annual Reports /	City
		Per Capita Open Space (Green cover)	%	Various Articles	City
		Groundwater Level (2022-23)	Meters	Various Articles	City
		Swachh Survekshan Score	Score	Gramener	City
<b>Governance</b>	Good Governance Index	Human Resource Development (UNDP Method)	Index	Global Data Lab SHDI	State
	E-Governance (ULB)	Revenue to Expenditure Ratio - Budget	Ratio	State Municipal Corporation Annual Reports	City
		Total e-Service Systems	No. of e-services	NeSDA 2021	State
		Institutional Sub Index	Score	Ease of Living Index	City
		Accessibility	Score	NeSDA 2021	State
		Content Availability	Score	NeSDA 2021	State
		Online Interfaces	Score	NeSDA 2021	State
		Info Security and Privacy	Score	NeSDA 2021	State
		Transparency	Score	Municipal Performance Index 2020	State



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