The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

GLOBAL CAPABILITY CENTRES

ICAI GCC INSIGHTS

3RD EDITION

FROM LEDGERS TO GLOBAL LEADERSHIP

CHARTERED ACCOUNTANTS SHAPING GCCs

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About ICAI

The **Institute of Chartered Accountants of India (ICAI)** is a statutory body established on 1st July 1949 Under **The Chartered Accountants Act, 1949,** by an Act of Parliament. As the premier regulatory authority For the Chartered Accountancy profession in India, ICAI has a distinguished legacy of over 75 years. Today, ICAI is recognized as one of the largest and most respected accounting bodies in the world. With a robust International footprint, ICAI operates **179 branches** across India, **54 overseas chapters,** and **31 Representative** offices in **85 cities across 47 countries.** The Institute serves a diverse and dynamic community of more than **4,80,000 members**, including over **42,000 members** based abroad, and nearly **10 lakh Students.** Our members' professional excellence and their significant contributions to economic growth, financial transparency, and social development are widely acknowledged on a global scale.

INTERNATIONAL PRESENCE

The Institute of Chartered Accountants of India

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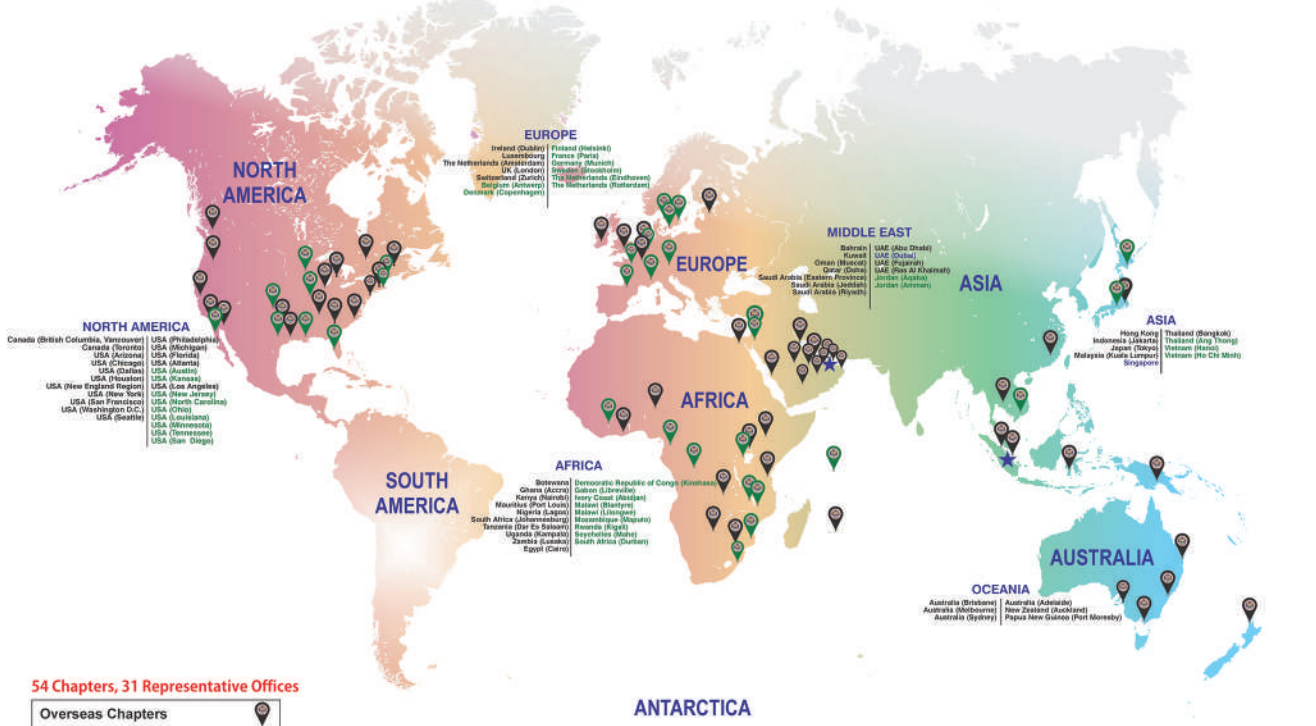
ICAI International Network



54 Chapters, 31 Representative Offices

Overseas Chapters	
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Disclaimer :
The places marked in the map are indicative only and not fit to scale. The depiction and use of boundaries, geographic names and related data shown on map are not warranted to be error free nor do they imply any endorsement or acceptance by the ICAI.

Presence in 85 Global Cities in 47 Countries

as on 04th June, 2025

About GCC Summit 2025

GCC Summit 2025 is a flagship initiative by the Institute of Chartered Accountants of India (ICAI), aimed at convening thought leaders, global industry experts, Chartered Accountants, and corporate decision-makers to explore the dynamic and expanding role of Global Capability Centers (GCCs) in today's business landscape.

Under the theme "From Ledgers to Global Leadership – Chartered Accountants Shaping GCCs," the summit will spotlight the growing influence of finance professionals—especially Chartered Accountants—in steering innovation, governance, and leadership across diverse sectors within the GCC ecosystem.

India today is home to over 1,800 GCCs, employing more than 1.9 million professionals. These centers have rapidly evolved from back-office support units into strategic hubs driving transformation in finance, analytics, AI, cybersecurity, ESG compliance, and more.

As the apex body for Chartered Accountants in India, ICAI's objective through this summit is to:

- Create a platform for knowledge exchange, cross-industry dialogue, and collaboration
- Showcase leadership opportunities for CAs in the expanding GCC ecosystem
- Facilitate connections between professionals, policymakers, and global corporations
- Highlight ICAI's global initiatives to upskill and position members for international leadership roles in GCCs
- Promote India—particularly centres like GIFT City—as a prime destination for finance-driven GCCs

GCC Summit series, scheduled for June 27–28, 2025, at Hotel The Grand, New Delhi, followed by Ahmedabad (Gift City), Mumbai and Hyderabad. will feature impactful keynote sessions, expert panels, masterclasses, and curated networking opportunities. This summit reflects ICAI's ongoing commitment to shaping future-ready professionals and contributing to India's position as a global leader in capability and innovation.

THEMES OF GCC SUMMIT

01 Finance Innovation

02 AI

03 Data Privacy

04 ESG Sustanability

05 Ethics & Governance

06 Accounting and compliance

07 Cyber security

08 Talent Development

09 Setting Up GCCs

10 Taxation (BTAA, Transfer procing and International taxation compliance)

11 HR Perspective

12 Marketing Strategies

13 IFSCA / Gift city

14 Funding Arrangements

15 Business Process Reengineering

PREFACE

CA. Sanjib Sanghi
Convenor

CA. Abhay Chhajed
Dy. Convenor & Convenor
of DITS & WTO Directorate

CA. Sridhar Mupala
Program Director
Hyderabad Series

CA. Dayaniwas Sharma
Program Director
Hyderabad Series

In a rapidly transforming global economy, India stands at the forefront of talent, innovation, and professional excellence. To further strengthen India's position in the global business ecosystem, a dedicated **Group for Promoting India as an Accounting Global Capability Center (GCC)** has been established under the Development of International Trade and Services & WTO Directorate. This initiative reflects the visionary outlook of the **Institute of Chartered Accountants of India (ICAI)**—a step forward in showcasing the leadership and global acumen of Indian Chartered Accountants in the international arena.

As the world of trade, technology, and services evolves at lightning speed, the accounting profession finds itself at the center of opportunity and transformation. The creation of this group represents a defining move towards positioning India as a powerhouse of financial intelligence, compliance, and strategic governance in the **Global Capability Center** landscape—one of the most dynamic business ecosystems worldwide. The mission is clear: to make Indian Chartered Accountants the preferred global partners in value creation and governance excellence.

We extend our sincere appreciation to **CA. Charanjot Singh Nanda, President, ICAI, and CA. Prasanna Kumar D, Vice President, ICAI**, for their trust, guidance, and unwavering support in leading this vision. Their constant encouragement has been the driving force behind every milestone achieved. We also express heartfelt gratitude to our dedicated team, whose passion, collaboration, and commitment continue to fuel this inspiring journey.

PREFACE

It fills us with immense pride to present the **Third Edition of the GCC Summit**, held at **HICC Novotel, Hyderabad,** building upon the phenomenal success of the first two editions in Delhi and Ahmedabad. Each edition has set a new benchmark—expanding the conversation, deepening collaboration, and amplifying India's voice in the global GCC dialogue. The third edition continues this legacy, envisioning even greater impact by bringing together visionary leaders, global thinkers, and innovators who are shaping the future of global capability centers.

We are privileged to feature the insights of distinguished contributors whose expertise enriches this publication with strategic depth and forward-thinking perspectives. Special thanks to **CA. Mithilesh Reddy, Founder & CEO, Steadfast Business Consulting LLP; Rashi Singh, Executive Director and India Tax Practice Leader Citrin Cooperman India; CA. Sreekar Yaddanapudi, Executive Director & CFO, Broadridge India; Mr. Abhishek Rungta, Founder & CEO, INT; Mr. Gurinderpal Singh, Founder & CEO, Talent 21; and CA. Rajashekar Reddy Yedla Head of Operations Assuranceprep;** Their thought leadership and experience offer invaluable guidance to professionals navigating the GCC domain and aspiring to lead globally.

The **Third GCC Summit** stands as a celebration of India's growing influence in the world of finance and services—a reflection of our collective ambition to lead, innovate, and inspire. It is not just a summit, but a movement to propel Indian Chartered Accountants onto the global stage as architects of trust, transformation, and sustainable growth.

With renewed vision and purpose, we dedicate this edition to the continued success, resilience, and global recognition of the Indian accounting fraternity—driving progress for India and the world.

Members of the 32nd Council of ICAI


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Shri Naveen Singhvi
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C&AG (C&AG Nominee)


Shri Sanjay Sharan,
Indian Postal Service
Group A (1989)


Justice (Former) Shashi Kant Gupta
Allahabad High Court


Shri Mukhmeet Singh Bhatia, IAS-1990, (Retd)


Shri Vinod Kumar Jindal
Indian Cost Accounts Service (1988)

TP Challenges and Strategic Considerations for GCCs established in India

CA. Mithilesh Reddy, Founder and CEO, Steadfast Business Consulting LLP

1. Background

Global Capability Centers (GCCs) are strategic hubs for multinational enterprises, centralizing IT, ITeS, R&D, and business support functions in India to leverage cost efficiencies and skilled talent. India's robust talent pool, infrastructure, and cost advantages make it a preferred location for GCCs.

However, from a transfer pricing (TP) perspective, GCCs face a complex regulatory landscape with rigorous scrutiny on functional characterization, arm's length pricing, comparables, and Safe Harbour or APA applicability. Newly established GCCs often struggle to define their functional profile, align global and local TP policies, and ensure compliance, making proactive TP planning, documentation, and risk mitigation critical.

2. Strategic TP Planning to Mitigate Risk

- Global MNEs setting up operations with the intent to gain synergy through cost benefits and the establishment of back-office shared services would face transfer pricing (TP) planning and implementation as one of the key challenges.
- GCCs typically operate across various service lines within Information Technology (IT)/Information Technology Enabled Services (ITeS) and back-office support.
- These GCCs typically operate across a wide range of service categories:
  - IT & ITeS Services
  - Knowledge Process Outsourcing
  - R&D Services
  - Technical Support Services
  - Business Support Services (BSS)
  - Market Support Services (MSS)
  - Design Engineering Services
- Globally or at a consolidated level, margins are often minimal across jurisdictions, even when a uniform and justified TP policy is maintained. India, as a jurisdiction, is aggressive in TP enforcement as the tax authorities have been using bucketing or clubbed ALP range of comparable to both low end vs high end GCCs.
- Litigation mainly revolves around:
  - Functional Characterisation
  - Treatment of Outstanding receivables
  - Disclosure of profit margins and effective tax rates (ETR)
  - Treatment of free-of-cost assets and employee stock options (ESOPs)
  - Determination of the cost base
  - Recognition of hidden intangibles or "substance over form" issues.
- Proactive TP planning, India-specific documentation, and proactive/voluntary benchmarking and disclosure are essential from the outset to manage risk effectively.

- While Safe Harbour Rules (SHR) and Advance Pricing Agreements (APA) can offer some certainty, businesses must carefully evaluate whether these options align with their global pricing strategies and risk profile.

3. The Realities of TPin India

- TP Scrutiny: TP has become one of the most debated and closely scrutinized areas in tax assessments in India, particularly for companies in the IT and ITeS sectors.

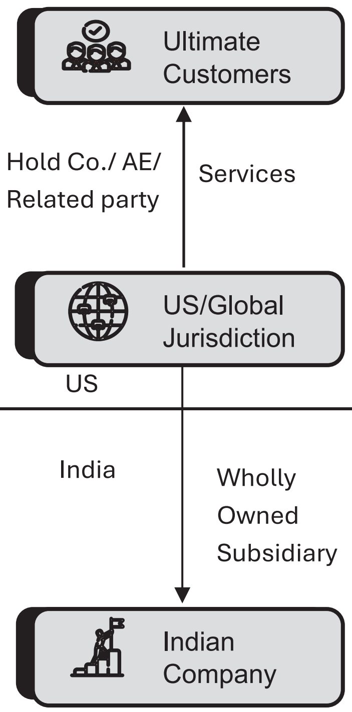
- Role of Captive entities and Markup: Service providers offer back-office, software, and R&D support to MNCs, typically operating on a cost-plus model with fixed margins.

- Global Mark-up Range: Globally, service providers earn an average net margin in the range of 3–5% or a maximum of 10–12%, but Indian TP regulations/audits and SHR/APA have also been allowed or signed with expectations around 17–25%. Such high mark-up expectations arise despite the fact that GCC entities:
  - Have no ownership of intangibles,
  - Operate under group control,
  - And bear minimal entrepreneurial risk.

4. TP Illustrative Model of IT/ITeS Industry

Functions Performed by US Entity:
- Entrepreneurial functions
- Front-end (client-facing) services
- Marketing and business development services
- Product or service customization activities

- US Corporate Tax Rate: 37%
- Global Profit Margin: 3%–5% (on average)
- IP Ownership: Yes



Functions Performed by US Entity:
- Captive Service Operations
- Business Support Services
- Back-office Processing Services
- Software Module Development

- India Tax Rate: 37%
- Global Profit Margin: 5%-15% Min Average industry disclosure
- IP Ownership: No

5. Consistent TP Challenges for GCC's in India

- Characterization of the entity based on Inter Company Agreement, terms - Jargons responsibility & SOP's/PO's :

- What does it consist of, and how do you determine whether it is low-end or high-end?
  - ✓ The classification into low-end or high-end is determined based on nomenclature conclusion, scope of service, terms of delivery, contractual terms, global industry reputation and the nature of responsibilities assumed all of which may lead to a high-end categorization.

Low-end Services	High-end Services
✓ Business Support services	✓ SWD Services
✓ Low Value Adding Intra Group Services	✓ ITeS Services
	✓ KPO

  - ✓ The nomenclature and description of services such as R&D, Artificial Intelligence, development, and distribution play a crucial role in defining the group's functional profile.

- No Profit Shifting Incentive in High -Tax Countries: The lower-level tax authorities fail to understand that there is no tax-driven incentive to shift profits when both the service provider and the AE operate in countries with similar or higher tax rates. (37% and 25% in the above illustration)
- Most common question/FAQ among GCCs: When the overall margin from ultimate customers is only 3% to 5% on consolidated basis, how can a captive entity be expected to maintain a 17 - 25% mark-up?
- Tax Authorities Approach: It is pertinent to note that the data used in computing the arm's length price is neither reliably comparable to the specific turnover, functionality, or profile of GCCs set up within the <5 to <10 years category, nor appropriately adjusted. Tax authorities cherry-pick comparables with high margins, including large or R&D-intensive companies, skewing the analysis.
- Judicial Precedents vs. Tax Authority Practice

High Court judgments hold that TP adjustments should not exceed global profits.

In practice, first level tax authorities mostly impute adjustments beyond global profits, leading to illogical and unjustified TP disputes.

- Characterization of the GCC Entity
- At the foundation of every TP analysis lies the functional characterization of the Indian entity, which determines the appropriate benchmarking approach and arm's length pricing. Newly established GCCs often face challenges in articulating their precise characterization, given their evolving roles within the group's global operations.
- Newly set-up GCCs often struggle to articulate whether they operate as captive service providers (routine, low-risk entities performing back-office or IT services exclusively for the parent) and Contract R&D centres.
- The correct classification depends on a Functional, Asset, and Risk (FAR) analysis that evaluates:

- ✓ Functions performed help determine whether the entity's role is limited to routine operational support or extends to strategic decision-making and value creation.
- ✓ Assets employed such as ownership or access to tangible and intangible assets, proprietary tools, or IP indicate the degree of control and contribution to the group's value chain.
- ✓ Risks assumed including market, credit, operational, or R&D-related risks further define whether the entity operates as a low-risk captive center or a more entrepreneurial unit.

◆ Based on this FAR evaluation, entities can broadly fall within one of the below two categories:

Category	Limited Risk	Fully Fledged
Service Provider	Low-End: ▪ Provision of low value adding or supportive services ▪ No significant assets or risks ▪ Predetermined routine return.	High-End: ▪ Provision of high value adding or core services ▪ Ownership of significant assets (e.g. Unique skills, Proprietary software, intangibles) ▪ Potential for higher, non-routine returns

6. Indian Safe Harbour Rules framework

Eligible Transactions - Service Providers

Software Development (SWD) Services; Information Technology Enabled Services → Low Value-Adding Intra-Group Services → Contract Research and Development (R&D) Services → Knowledge Processing Outsourcing (KPO) Services

TP Margin framework for IT/ITeS Industry

The key issue revolves not only around selection of comparables and their margins but also Characterisation of the entity

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#	Eligible International Transaction	Threshold Limits	Safe Harbour Rates as per Rule 10TD	APA	TP Litigation	ITAT–Second Appellate Authorities
1	Provision of SWD Services and ITeS	Up to INR 100 crores	17%	Unilateral APA - 16.70% to 22% Bilateral APA – 13% to 15%	ALP around 18% to 25%	Finally, ALP is reduced to 8% - 12% or even lower at ITAT Level on an average AY 2005-06 to AY 2016-17
		INR 100 crores to INR 300 crores	18%			

7. TP Check points for New GCC's coming in India

- A well-drafted intercompany agreement (ICA) is a cornerstone of TP compliance and risk mitigation. Many GCCs, especially new entrants, operate for months without formal contracts, inadvertently exposing themselves to TP challenges during audits. Key components of a strong ICA include scope of services , pricing methodology and Risk allocation .
- Group TPPolicy : Ensure alignment between global TP policies and local operational realities.
- Invoicing Terms: Establish consistent and timely invoicing practices that match service delivery and accounting periods.
- Ownership of IP: Clearly specify that all intellectual property (IP) rights remain with the parent or global entity.
- Substance over form : Ensure that the actual conduct of the parties aligns with the terms of the agreement.
- **POEM (Place of Effective Management):** Evaluate decision-making processes to avoid unintended tax residency implications.
- Global Services vs. Outsourcing Services: Distinguish between in-house group services and third-party outsourcing arrangements.
- Profit and Supply Chain Reconciliation: Reconcile declared profits with global operations, describe key profit drivers and the group's intangible property strategy, including R&D locations, with FAR determined as per profit attribution.
- DTAA, PE, and TDS Considerations: Assess whether the foreign entity creates a Permanent Establishment (PE) in India under applicable DTAAs, ensure services do not "make available" critical know-how, and clarify withholding tax (TDS) obligations on cross-border payments.
- Ideally, agreements should be executed contemporaneously, i.e., at or before the commencement of services not post-facto.

8. Conclusion: The Way Forward

- Transfer Pricing in India, particularly for GCCs, is complex and evolving. India offers substantial potential for strategic global service delivery, but its TP environment demands a balance between compliance, commercial realism, and global consistency.
- Key strategies for GCCs:
  - Reassess the practicality of existing mark -up models.
  - Maintain robust documentation and functional characterization.
  - Engage in proactive TP planning aligned with both Indian and global frameworks; and
  - Prepare litigation strategies that are grounded in sound legal and economic principles.
- In a jurisdiction as dynamic as India, proactive planning and transparency are the most effective tools to mitigate TP risk and ensure sustainable compliance.

Future-Ready Finance Talent: Enabling Leadership for the Next-Gen GCC

By Rashi Singh, Executive Director and India Tax Practice Leader, Citrin Cooperman India

Global Capability Centers (GCCs) have long been the backbone of multinational enterprises, providing critical support across functions such as finance, technology, operations, and analytics. Over the past decade, GCCs have evolved significantly—from the early days of GCC 1.0, which focused on cost arbitrage and transactional efficiency, to GCC 2.0, where centers began to take on more complex, process-driven work. Today, we stand at the cusp of GCC 3.0, a transformative phase where GCCs are no longer just support engines but strategic partners driving innovation, digital transformation, and enterprise growth.

This evolution is particularly evident in professional services and accounting GCCs, which are increasingly being entrusted with high-value functions such as financial planning and analysis (FP&A), controllership, audit, tax strategy, and compliance. These centers are not just executing tasks—they are influencing decisions, shaping strategy, and enabling global leadership. The shift from GCC 2.0 to GCC 3.0 is not merely operational; it is philosophical. It reflects a change in mindset, where GCCs are recognized as centers of excellence, capable of delivering insights, innovation, and leadership.

The next wave of GCCs is being built on the pillars of agility, innovation, and talent. As organizations seek to navigate increasingly complex regulatory environments, embrace digital finance, and respond to global market shifts, the role of GCCs becomes even more critical. In this context, India's GCC landscape is emerging as a global leader—not just in scale, but in capability.

India is home to over 1,500 GCCs, employing more than 1.5 million professionals. The country's deep talent pool, strong educational infrastructure, and growing innovation ecosystem make it an ideal hub for next-gen finance operations. But what truly sets India apart is its ability to adapt and lead. The Indian finance talent is no longer confined to back-office roles; it is actively shaping global finance strategies, driving automation, and enabling digital transformation.
At the heart of this transformation lies talent. The success of GCC 3.0—and the transition to GCC 4.0—depends on how effectively organizations can attract, develop, and retain future-ready finance professionals. This requires a fundamental shift in how we view talent—not just as a resource, but as a strategic asset.

Across industry, there is a growing emphasis on capability building. Training modules now go beyond technical accounting and compliance to include data analytics, digital tools, business partnering, and leadership development. Organizations are investing in learning ecosystems that foster continuous growth, adaptability, and innovation. The focus is on creating finance leaders, not just finance executors.

At Citrin Cooperman India, we have embraced an employee-first training philosophy. Our programs are designed to empower professionals with the skills, mindset, and exposure needed to thrive in a global finance environment. Our Exchange program, CC Explore & Moore Leadership program aim at developing talent and making them global leaders. This approach ensures that our teams are not only aligned with global standards but are also equipped to lead transformation from the front.

One of the most significant shifts in the GCC narrative is the move away from being perceived as a back-office function. Today's accounting GCCs are deeply integrated into enterprise strategy. They are responsible for delivering insights that drive decision-making, ensuring compliance across jurisdictions, and enabling real-time financial visibility.

This transformation is powered by technology and talent. Automation tools are streamlining routine tasks, freeing up professionals to focus on strategic work. AI-driven platforms enable predictive forecasting, anomaly detection, and intelligent reconciliations. But technology alone is not enough. It is the human capability to interpret, contextualize, and act on data that creates true value.

As automation and AI become embedded in finance operations, from intelligent reconciliations to predictive forecasting, the expectations from finance professionals are evolving. The industry is responding with targeted training modules in data analytics, digital tools, and strategic thinking. At Citrin Cooperman India, our employee-first training approach ensures that our teams are not just adapting to these changes but actively leading them.

India's GCCs are investing heavily in talent infrastructure—from onboarding and mentorship programs to leadership development tracks and cross-functional exposure. The goal is to create a workforce that is globally aligned, digitally fluent, and strategically oriented.

This is particularly important in professional services and accounting, where the margin for error is minimal and the need for agility is high. Finance professionals must be able to navigate complex regulatory landscapes, manage cross-border compliance, and deliver insights that drive business performance. This requires not just technical expertise, but also critical thinking, communication skills, and a global mindset.

The industry is also seeing a rise in collaborative learning models, where professionals learn through real-world projects, peer interactions, and continuous feedback. These models foster a culture of ownership and innovation, enabling teams to respond quickly to changing business needs.

As the global business landscape continues to evolve, the concept of GCC 4.0 is beginning to take shape—ushering in a new era of AI-powered decision-making, hyper-automation, ecosystem orchestration, and real-time strategic enablement. This next phase envisions GCCs not just as centers of excellence but as intelligent hubs that drive innovation, agility, and transformation across global enterprises. In professional services and accounting, GCC 4.0 will likely integrate predictive analytics, autonomous finance operations, and cross-functional collaboration at scale. India, with its robust talent pipeline and maturing leadership capabilities, is uniquely positioned to lead this charge, building on the strong foundation laid during the GCC 3.0 era.

The journey from GCC 2.0 to GCC 3.0—and the emerging vision of GCC 4.0—is a testament to the power of talent-led transformation. As professional services and accounting GCCs continue to evolve, the focus must remain on empowering people. By investing in future-ready skills, fostering a culture of innovation, and aligning talent with global strategy, we can ensure that India's finance professionals are not just participants in the global economy—but leaders shaping its future.

The GCC Ecosystem in India: Transforming into Global Hubs of Innovation

CA. Sreekar Yaddanapudi, Executive Director and CFO, Broadridge India

Introduction

Over the past three decades, India has witnessed a remarkable transformation in how multinational corporations leverage their talent base, cost competitiveness, and technology adoption. At the center of this shift lies the Global Capability Center (GCC) model. Formerly referred to as "captive centers," GCCs were initially viewed as offshore back-office operations focused on cost arbitrage. Today, however, they have moved significantly up the value chain, often becoming the nerve centers for innovation, product development, R&D, and digital transformation.

India has emerged as the epicenter of the global GCC ecosystem, housing over 50% of the world's GCCs and contributing significantly to economic growth, employment generation, and technological advancement. This article delves into the history, evolution, and current state of the GCC ecosystem in India, analyzing the factors driving this surge and exploring future trends that will likely shape the industry.

Understanding GCCs: Beyond Captives

Global Capability Centers (GCCs) are dedicated offshore units set up by multinational corporations (MNCs) to carry out a wide range of functions including IT services, finance & accounting, engineering, research, analytics and customer support. While outsourcing companies like Infosys, TCS, and Wipro manage third-party contracts for global customers, GCCs are in-house centers staffed by employees of the MNC's Indian subsidiary itself.

Initially, GCCs emerged to take advantage of cost savings – particularly in IT support and basic operational processes. Over time, however, India's skilled workforce and rising innovation capabilities meant that GCCs became deeply embedded in global organizations' strategic roadmaps. Today, they are no longer just "support arms" but are integral to product engineering, AI-driven solutions, customer experience platforms, and long-term R&D.

Evolution of GCCs in India

Early Days (1990s–2005): Cost Arbitrage and Back-office Support
The first wave of GCCs came in the late 1990s and early 2000s, coinciding with India's IT outsourcing boom. MNCs were attracted by India's large pool of English-speaking professionals, favorable time zone differences, and low labor costs. Functions were largely restricted to transactional processes such as payroll, accounting, IT support, and call centers.

Consolidation and Value Addition (2005–2015): Toward Core Engineering
Over time, companies realized that the Indian workforce could handle much more complex tasks. GCCs expanded into knowledge-intensive functions like risk management in banking, market analytics, supply-chain optimization and higher-end software engineering. Many companies consolidated fragmented operations across regions and centered them in India, creating economies of scale.

Strategic Global Hubs (2015 Onwards): Innovation and Leadership
Since 2015, a new era has emerged where India's GCCs play a strategic role in global organizations. GCCs are now tasked with product ownership, AI/ML innovation, cybersecurity, advanced analytics, R&D in pharma and automobiles, and digital transformation initiatives. Indian GCCs are no longer "followers," but often leaders in global projects, shaping decisions and creating intellectual property.

Scale and Growth of GCCs in India

India has become the largest base for GCCs in the world, with ~1,700 GCCs operating presently and the number expected to cross 2,200 by 2030. The combined workforce stands currently at around 1.9 million professionals and is projected to grow further in the coming years.

GCCs contribute over $65 billion annually in export revenues, with forecasts suggesting growth to $110 billion by 2030. This indicates not only scale but also the sophistication of functions being housed within these centers.

Cities like Bengaluru, Hyderabad, Pune, Chennai, Gurugram and Noida dominate the GCC landscape, contributing to around 80% of the centers. A new wave of GCC activity is now spreading to Tier-2 cities, offering cost advantages and tapping into previously underutilized talent pools.

Sectoral Spread of GCCs

GCCs in India span almost every major global industry.

Information Technology (IT) and IT Enabled Services (ITES)
Core product engineering, enterprise application development, cloud services, DevOps, IT infrastructure and quality assurance. Example: Microsoft and Google's R&D centers in Hyderabad and Bengaluru drive global innovations in AI and cloud.

BFSI (Banking, Financial Services, Insurance)
Risk and compliance, digital banking solutions, cybersecurity frameworks, automated trading algorithms and fraud analytics. Global giants like JPMorgan Chase and Goldman Sachs have large Indian GCCs.

Engineering and Manufacturing
Automotive design, aerospace engineering, IoT-based automation, and Industry 4.0 innovations. Companies like Boeing, Bosch and GE have set up deep engineering centers in India.

Pharmaceuticals and Life Sciences
Clinical trial data management, bioinformatics, regulatory compliance support and R&D innovation pipelines. Players such as AstraZeneca and Novartis operate out of India.

Retail and Consumer Goods
E-commerce platforms, customer data analytics, personalization engines, and supply-chain transformation. Walmart and Target's Indian GCCs are among the largest.

Telecom and Media
5G engineering, OTT platforms, network virtualization, and user experience innovation.
This sectoral diversification makes India not just an IT outsourcing hub but a cross-industry innovation hub.

Key Drivers of India's GCC Growth

1. Talent Advantage : India produces over a million engineering and technology graduates annually. The combination of technical acumen and English-language proficiency provides an unmatched talent pool.

2. Cost Competitiveness : While costs in India have risen, wage differentials with developed markets still offer significant savings, particularly when talent quality is factored in.

3. Tech Hubs : Established hubs like Bengaluru, Hyderabad, and Pune offer advanced infrastructure, global connectivity, and a deep ecosystem of startups, academia, and service providers.

4. Startup Ecosystem Integration : GCCs collaborate with India's thriving startup environment

to accelerate adoption of frontier technologies. This model promotes corporate-startup partnerships for innovation. T-Hub in Hyderabad, Telangana is one of such incubation centers that supports the ecosystem.

5. Government Policy Support : Initiatives like "Digital India," "Startup India," and increased ease of doing business rankings have boosted India's attractiveness. Special Economic Zones (SEZs), GIFT city also provide tax and policy incentives.

Future of GCCs in India: Key Trends

AI and Generative Technologies : Increasing adoption of AI/ML, robotics, and generative AI will redefine the innovation scope of GCCs. India's workforce is being trained on these digital skills at scale.

Tier-2 Expansion : Rising costs and infrastructure maturity in Tier-1 cities are pushing GCCs to newer locations such as Coimbatore, Ahmedabad, Trivandrum and Indore.

Workforce Evolution : Hybrid work models, diversity and inclusion practices, and flexible structures will define the next wave of GCC workforce management.

ESG and Climate-tech : GCCs are becoming focal points for their parent organizations' sustainability initiatives, from carbon accounting solutions to green supply chains.

Integration With Academia and Innovation Hubs : Industry-academia links are strengthening, as GCCs partner with IITs, IIITs and NITs for cutting-edge R&D and talent pipelines.

Challenges for the GCC Ecosystem

Even as GCCs thrive, they face certain challenges:

- **Talent retention:** Attrition in the tech industry remains high.
- **Rising costs:** Salaries and workspace costs in metro hubs are increasing.
- **Skill gaps:** Rapidly advancing technology often outpaces training and curricula.
- **Geopolitical and regulatory compliance** (data protection laws, data localization and more recently, tariffs)

To remain competitive, GCCs need to continue evolving toward higher-value functions rather than relying solely on cost arbitrage.

The Economic & Social Impact of GCCs in India

The importance of GCCs extends far beyond corporate innovation:

- **Employment generation:** Over 1.6 million jobs created with significant focus on high-skilled, knowledge-intensive roles.
- **Export revenues:** GCCs are a major driver of India's global services exports.
- **Urban development:** Growth in cities like Bengaluru and Hyderabad has been fueled by GCC operations.

- **Skill development:** Continuous upgrading of tech skills across areas like AI, cloud, and cyber-security.
- **Global integration:** Indian professionals are now at the forefront of solving global business problems.

Conclusion

The story of GCCs in India is not just about operational cost savings but about the transformation of India into a global hub for innovation, R&D and digital transformation. What began as a low-cost labor proposition has evolved into a globally strategic model, where Indian centers shape futures of industries as diverse as banking, healthcare, aerospace and retail.
As the world undergoes rapid digital shifts, the GCC ecosystem in India will play a critical role in providing scalable, innovative, and sustainable solutions. With a thriving talent base, favorable government policies, and integration with startups and academia, India is poised to remain the Global Capability Capital of the World for the foreseeable future.

How Technology is Shaping India's GCCs: Opportunities, Challenges & The Road Ahead

Mr. Abhishek Rungta, Founder & CEO, INT

Introduction

Over the last two decades, Global Capability Centers (GCCs) in India have undergone a dramatic transformation. From being viewed as back-office cost centers, they have now evolved into strategic hubs of innovation, resilience, and competitiveness for multinational corporations (MNCs). Today, India hosts more than 1,600 GCCs, employing 1.9 million professionals across industries such as banking, insurance, healthcare, manufacturing, and technology.

This shift was not accidental. MNCs realized India's GCCs were more than cost-saving engines—they could serve as centers of excellence, influencing global strategy, driving transformation, and co-creating intellectual property. As the founder of INT, a technology partner for Fortune 500s and mid-market enterprises worldwide, I have witnessed this journey firsthand.

Now, as we enter the next phase of GCC growth, success will no longer hinge on cost efficiency, but on how effectively these centers embrace cutting-edge technologies—particularly AI, data, cybersecurity, and digital transformation—to create value at scale.

The Next Wave: AI and Automation in GCCs

The most profound disruption facing GCCs today is Artificial Intelligence (AI). Once experimental, AI is now mainstream, enhancing efficiency, decision-making, and innovation.

- Finance Operations: AI-driven tools automate reconciliations, detect anomalies, and enhance audit accuracy.
- HR Processes: Predictive AI identifies attrition risks, optimizes workforce planning, and improves talent acquisition.
- Customer Support: AI chatbots and large language models reduce service costs while improving responsiveness and personalization.

Yet, the true value of AI in GCCs lies not just in automation, but in co-creation of insights with headquarters. For instance, when Indian GCCs use AI for R&D simulations, predictive customer analytics, or risk modeling, they deliver direct business value, not just efficiency.

At INT, we help enterprises deploy AI responsibly, ensuring bias mitigation, data privacy, and compliance frameworks are embedded from the start. We believe the future of AI in GCCs will be shaped not just by how powerful the models are, but by how responsibly they are governed.

Data as a Strategic Asset

If AI is the engine, data is the fuel. However, many organizations still struggle with fragmented data silos. GCCs can solve this by positioning themselves as custodians of enterprise data strategy.

1. **Unified Data Platforms**
   By integrating ERP, CRM, HRMS, supply chain, and finance systems, GCCs can build a single source of truth, enabling accurate enterprise-wide decisions.

2. **Predictive & Prescriptive Analytics**
   Moving beyond descriptive dashboards, predictive analytics allows GCCs to anticipate risks, demand, and opportunities. Prescriptive analytics takes this further, recommending specific actions to optimize outcomes.

3. **Data Visualization & Accessibility**
   Role-based dashboards empower C-suites, functional managers, and operational teams with insights tailored to their unique needs.

At INT, we've seen retailers achieve double-digit revenue growth by using data-driven pricing and promotions. Imagine that at GCC scale: millions in savings and billions in global impact.

Cybersecurity & Risk in a Distributed World

As GCCs move up the value chain, cybersecurity becomes a non-negotiable priority. The risk landscape is growing: ransomware, phishing, insider threats, and compliance breaches.

Future-ready GCCs must move from reactive defense to proactive resilience:

- Continuous Monitoring: Always-on detection systems for anomalies.
- Embedded Compliance: GDPR, SOC2, ISO27001 seamlessly integrated into workflows.
- Zero-Trust Architectures: Secure hybrid and distributed workforces.

Cybersecurity in GCCs is not just about avoiding financial loss. It is about protecting global client trust. A breach in an Indian GCC damages not just the local team, but the entire enterprise's reputation.

Beyond Technology: Human Capital & Upskilling

Technology adoption alone cannot guarantee GCC success. The real differentiator is human capital—the ability to reskill and upskill teams for the digital era.

Future GCC roles will require a fusion of domain expertise and digital fluency:

- Finance teams must interpret AI-driven forecasts.
- HR leaders must understand predictive attrition models.
- Supply chain managers must optimize AI-powered demand forecasting.

Investments Needed in Workforce Development

1. Continuous Learning Programs: Regular, modular learning to keep pace with evolving tech.
2. Partnerships with EdTechs & Universities: Bringing external expertise in niche areas.
3. Internal Digital Academies: Reskilling initiatives embedded in company DNA.

At INT, we've built internal "digital academies" for AI, cloud, and data analytics to ensure our teams remain future-ready. This philosophy, when applied at GCC scale, creates a digitally fluent workforce that is not only operationally efficient but also strategically indispensable.

Challenges in Adopting Emerging Technologies in GCCs

While the promise of AI, data, and digital transformation is clear, GCCs face significant challenges in adopting these technologies:

1. Change Management Resistance

- Employees accustomed to legacy systems often resist adopting new digital tools.
- Leadership may struggle to balance short-term disruption with long-term value.
- Cultural alignment between headquarters and India operations can slow adoption.

2. Upskilling & Talent Gaps

- Current workforces often lack deep expertise in AI, cloud, or advanced analytics.
- Upskilling at GCC scale is resource-intensive, requiring structured programs and governance.
- Attrition of trained talent to competitors further weakens ROI on training investments.

3. Technology Integration Complexities

- Legacy ERP, CRM, and supply chain systems don't always integrate seamlessly with modern AI/data platforms.
- GCCs often juggle fragmented tools across multiple global business units, creating inefficiencies.

4. Governance & Security Concerns

- Adopting AI without ethical guidelines risks reputational damage from bias or misinterpretation.
- Stringent global compliance regimes (GDPR, HIPAA, etc.) make deployment more complex.

How INT is Solving These Problems

At INT, we recognize that technology adoption is as much about people and processes as it is about platforms. Our approach blends technology, change management, and continuous learning:

1. Structured Change Management Programs

- We design step-by-step adoption roadmaps with pilots, stakeholder buy-in, and gradual scaling.
- Regular communication ensures employees understand "why" and "how" of the change.

2. Upskilling & Reskilling at Scale

- We run Digital Academies focused on AI, cloud, and analytics.
- Our partnership with universities and edtechs ensures workforce exposure to cutting-edge research.
- We emphasize applied learning—employees work on live innovation projects alongside training.

3. Seamless Technology Integration

- We specialize in building interoperable platforms that unify fragmented systems.
- Our expertise in data lakes, APIs, and middleware ensures smooth transitions from legacy tools.

4. Responsible Technology Adoption

- We embed AI governance, bias detection, and compliance frameworks in every deployment.
- Our philosophy is clear: innovation must be balanced with responsibility.

India's GCCs as Global Innovation Partners

The future of GCCs lies in moving from delivery engines to innovation partners. This means:

- Collaborating with HQ on R&D projects to co-create IP.
- Building domain-specific centers of excellence (fintech labs, supply chain AI hubs, etc.).
- Partnering with startups and tech innovators to accelerate breakthroughs.

Already, Indian GCCs are leading AI-driven risk modeling for global banks and healthcare data analytics for pharma leaders. These examples prove that India's GCCs can influence global strategy, not just support it.

A Responsible Future: My Perspective

In my experience working with global enterprises, the organizations that thrive are those that:

- Balance innovation with governance.
- Build inclusive, transparent, and ethical technology.
- Empower people rather than replace them.

This is the philosophy INT lives by, and it's the mindset India's GCC ecosystem must embrace. We have the talent, scale, and momentum to lead globally—but only if we do so responsibly.

Conclusion: From India to the World

The story of GCCs in India is one of transformation. From cost-saving hubs to strategic innovation engines, they have redefined India's role in the global economy.
The decade ahead will be about scaling this leadership—by adopting AI, data, cybersecurity, and digital transformation while overcoming challenges of change management, upskilling, and governance.

The future of GCCs is not cost arbitrage; it is value creation, innovation, and trust. And with the right balance of technology and human capital, India is uniquely positioned to lead this future.

GCC Ecosystem of India: Why Global Capability Centres Choose India And What Comes Next

Mr. Gurinderpal Singh, Founder – CEO, Talent 21

India is recognized as the GCC capital of the world.

India has become the world's GCC (Global Capability Center) capital, home to 1,700+ centers, employing ~1.9 million professionals and generating US$64.6 billion in FY2024. Growth is still accelerating: analysts project 2,100–2,400 centers and US$99–110 billion in output by 2030, with headcount expected to cross 2.5–2.8 million. The shift is qualitative as well as quantitative: GCCs are evolving from transactional hubs to global value organizations that co-create products, build platforms, and shape enterprise strategy.

What exactly is a GCC—and how India became the hub

A Global Capability Center is an in-house (captive) unit run by a multinational to deliver specialized capabilities, technology, finance, analytics, engineering, design, HR, legal, procurement, and more, for the enterprise worldwide. The GCC model differs from outsourcing because the capability is owned and governed by the parent, enabling tighter IP control, deeper domain alignment, and long-horizon capability building. India's ascent rests on five reinforcing advantages:

1. **Depth of talent:** A large STEM pipeline and experienced leadership pool across tech, finance, and operations.
2. **Cost–value equation:** Competitive total cost of talent while enabling scale, 24×7 operations, and sophisticated work.
3. **Ecosystem density:** Peer GCCs, hyperscalers, start-ups, GIC-focused advisors, and a mature vendor network; six Tier-1 cities account for ~92% of India's GCCs, creating network effects.
4. **Digital infrastructure:** Cloud, cybersecurity, and collaboration tooling are mainstream; India's telecom and data-center growth supports distributed operations.
5. **Policy stability and business services:** Streamlined corporate structures (IFSC/GIFT, SEZs in earlier waves), improved compliance rails, and supportive state policies.

By the numbers: scale, speed, and momentum

- **Installed base:** 1,700+ GCCs in India as of FY2024; 400+ new centers and 1,100+ new units were added in the last five years alone.
- **Revenue & jobs:** FY2024 GCC revenue US$64.6B; employment >1.9M.
- **Real estate signal:** 29.2 million sq. ft. of office leasing by GCCs in 2024—+29% YoY—underscoring continued expansion.
- **Mid-market surge:** 480+ mid-market GCCs employing ~210,000 professionals—evidence that the model is no longer limited to Fortune 500s.
- **2030 outlook:** Market size US$99–110B, 2,100–2,400 centers, 2.5–2.8M jobs.

These statistics reflect more than scale, they map a capability shift from support operations to enterprise-wide innovation and decision support.

Where the action is: cities and clusters
Bengaluru, Hyderabad, Pune, Chennai, Mumbai, and NCR host ~92% of Indian GCCs, each with distinctive strengths:

- **Bengaluru:** Product engineering, AI/ML, cloud platforms, developer tooling; deep startup and R&D linkages.
- **Hyderabad:** Data engineering, cybersecurity, platform operations, and large enterprise captives.
- **Pune:** Automotive, industrial engineering, embedded software, and enterprise apps.
- **Chennai:** BFSI platforms, ERPs, manufacturing IT/OT integration.
- **Mumbai:** Financial services, risk/treasury analytics, corporate functions.
- **NCR:** Shared services, customer analytics, martech/AdTech, and policy-facing roles.

The Tier-2/Tier-3 beachhead is emerging too (e.g., Coimbatore, Kochi, Ahmedabad, Jaipur, Vadodara), driven by hybrid work models and cost-quality arbitrage, but Tier-1 density remains a key magnet.

What GCCs actually do in India (today)
The Indian GCC portfolio has diversified far beyond back-office processes:

- **Digital + Product Engineering:** Full-stack development, SRE/DevOps, platform modernization, API ecosystems, microservices, and GenAI use-cases (code assistants, LLM-based customer support, knowledge search).
- **Enterprise Analytics:** From BI to predictive and prescriptive modeling (pricing, supply chain, fraud, credit risk, churn, assortment).
- **Finance & Risk:** Record-to-report, FP&A, regulatory reporting, treasury, stress testing, Basel/IFRS analytics, and ESG disclosures.
- **Operations & Supply Chain:** Global procurement, logistics control towers, IoT telemetry, and production-quality analytics.
- **Cybersecurity:** Threat intel, SecOps, AppSec, dev-sec platform engineering.
- **Customer & Growth:** Martech, experimentation platforms, personalization, and design systems.

In EY's pulse work, service expansion was cited by 86% of GCCs as a top priority; 55% have mature data & analytics practices; 77% operate in hybrid mode.

Sector snapshots: how different industries leverage India GCCs

(a) BFSI: risk, platforms, and real-time analytics

Global banks and insurers use India GCCs for core banking modernization, digital channels, data platforms, risk/ALM, and regulatory reporting across jurisdictions—linking North America, Europe, and APAC time zones. The work has matured into product ownership (not just development), with GCCs co-leading cloud data lakes, real-time decision engines, and model governance. (Representative examples include US and European universal banks and card networks operating multi-city India GCC footprints.)

(b) Retail & CPG: platforms at scale

Large retailers run e-commerce platforms, supply-chain visibility, dynamic pricing, and personalization engines from India—often with cross-functional squads (engineering + design + data + product). These centers increasingly own end-to-end journeys (e.g., cart, checkout, returns).

(c) Industrial & Automotive: software-defined everything

Automotive and industrial firms operate GCCs for embedded software, digital twins, PLM, and predictive maintenance for global plants. Pune/Chennai clusters contribute engineering talent that blends IT + OT (operational technology).

(d) Healthcare & Life Sciences: regulated data done right

Pharma/medtech GCCs support clinical data platforms, pharmacovigilance, RWE (real-world evidence), and compliant analytics—plus AI for trial design, coding, and case intake automation.

Why multinational boards like the India GCC model (the business case)

a) Time-to-value: A single India hub can coordinate global rollouts across regions, compressing release cycles and enabling "follow-the-sun" incident response.

b) Capability depth: With adjacent talent (design, product, AI, security) in the same city, teams move from "ticket resolution" to platform building.

c) Control & compliance: In-house governance reduces IP and regulatory risk versus multi-vendor sprawl.

d) Total cost of ownership: Savings fund innovation—enterprises reinvest the arbitrage into R&D, experimentation, and platform renewal.

e) Leadership pipeline: Many GCCs now run leadership academies; the centers are succession benches for global VP/CXO roles. EY surveys highlight this shift from efficiency to global value creation.

Illustrative examples (capabilities & outcomes)

These are representative of patterns visible across India's GCC landscape; individual centers vary.

1. **A global retailer's India GCC** unified three legacy ecommerce stacks into a single cloud-native platform, cutting infra costs by double digits and enabling weekly feature releases across 20+ markets. (Retail/CPG pattern.)
2. **A universal bank's analytics COE** in India built a cross-jurisdiction risk data fabric that accelerated stress-testing cycles by ~30% while meeting evolving Basel standards. (BFSI pattern.)
3. **A global industrial major** set up an engineering GCC in Pune/Chennai to build digital twins of core equipment, improving first-time-right manufacturing and reducing downtime. (Industrial/automotive pattern.)

The talent equation: skills, leadership, and pathways

Hard skills in demand

- **Cloud-native engineering** (Kubernetes, serverless, IaC, SRE).
- **Data & AI** (data engineering, MLOps, GenAI safety & governance, model risk management).
- **Cybersecurity** (threat intel, zero trust, AppSec, product security).
- **Enterprise platforms** (ERP modernization, finance transformation, SCM/PLM suites).
- **Finance & compliance** (IFRS/US GAAP, Basel/AML, stress testing, ESG reporting).

Power skills

- **Product thinking & business storytelling** to influence global stakeholders.
- **Design & experimentation** mindset—AB testing, growth loops, and customer empathy.
- **Change leadership** across time zones and cultures.

The mid-market wave (480+ centers; 210k jobs) is particularly hungry for full-stack generalists who can wear multiple hats, while large GCCs scale specialist guilds (SRE, data science, product management) and leadership academies

Beyond Tier-1: the shape of the next expansion

While Tier-1 cities remain dominant, three vectors are widening the map:

1. **Hybrid & hub-and-spoke models** allow modular teams in Tier-2/3 cities linked to a major hub, expanding access to talent and improving retention.
2. **Real estate economics** and **flex workspaces** support rapid ramp-up; 2024's 29.2M sq. ft. GCC leasing shows the capacity pipeline is alive and well.
3. **University partnerships** in regional clusters build specialized talent (e.g., cybersecurity in Kochi, embedded systems in Coimbatore), adding resilience to hiring funnels.

Policy and macro trends shaping GCC decisions

- **Localization in end-markets** (e.g., the Gulf, North America) is changing onsite–offshore mixes. Tighter mobility regimes in some countries are nudging firms to scale offshore GCCs and hire locally in onshore markets—often complementary, not either/or.
- **Digital public infrastructure** in India (UPI, Aadhaar-stack-inspired standards) has raised expectations on platform scale and cost efficiency, influencing how global CIOs think about India-based builds.
- **Data protection & cyber:** The move to in-house GCCs supports stricter governance—critical as AI and data regulations evolve globally.
- **Sustainability:** More GCCs now report ESG metrics and run green IT programs (cloud optimization, energy-aware coding, renewables-backed leases), aligning with corporate disclosures.

Risks and how sophisticated GCCs mitigate them

Talent churn & wage inflation

- Countered with career lattices (horizontal moves), clear skills taxonomies, and guild communities.
- Learning wallets, sabbaticals, and rotations reduce attrition in pivotal roles.

Over-centralization

- Mature GCCs avoid monoliths: they build multi-hub footprints (e.g., BLR + HYD + Pune) and near-shore satellites (Poland, Mexico, the Philippines) for resilience. (EY)

Scope creep & value dilution

- High-performing centers maintain a portfolio view: ring-fenced product bets, sunset criteria, and transparent business cases.

Regulatory complexity

- Embed risk and legal early; adopt model risk and AI governance patterns to stay audit-ready.

Operating model patterns that win

- **Product-centric pods:** Cross-functional pods aligned to value streams (e.g., "Checkout," "Underwriting," "Terminal Ops"). Clear OKRs, customer metrics, and tech roadmaps.
- **Platform + enablement:** A platform team (IDP/DevEx) accelerates pods; SRE sets reliability SLAs; FinOps governs cloud cost.
- **Data mesh & governance:** Domain-oriented data products with shared standards; MLOps and ModelOps unify lifecycle management and risk controls.
- **Talent architecture:** Role families with skill matrices, progression paths, and compa-ratios benchmarked to market data; internal "marketplaces" to book gigs across pods.
- **E2E accountability:** GCCs own roadmaps, not just deliverables—co-chairing steering forums with business owners.

EY's pulse surveys show a sustained push toward service expansion, mature analytics, and hybrid operating norms—consistent with these patterns. (EY)

Funding innovation inside GCCs

High-maturity GCCs institutionalize innovation with repeatable vehicles:

- **Innovation sprints:** Quarterly, with seed funds and clear stage gates.
- **Venture funds-in-miniature:** Internal capital for platform ideas; require cross-BU sponsorship and measurable ROI.
- **Open innovation:** Co-build with start-ups/ISVs and academia; protect IP with standardized frameworks.
- **Outcome-based scorecards**: Balance cost KPIs with growth KPIs (revenue influenced, time-to-market, CSAT/NPS, risk reduced, carbon intensity avoided).

Real estate & workplace design: a strategic lever

The post-pandemic workplace is a collaboration studio, not a cubicle farm. GCCs are investing in studio spaces, design labs, cybersecurity war rooms, and experience centers that host global executives. The 29.2M sq. ft. leasing momentum signals a reimagined purpose: talent brand + innovation theater.

1 What 2025–2030 will likely look like

From "build in India for the world" to "lead from India for the world." Expect more global product ownership and P&L-adjacent roles anchored in India.

GenAI industrialization: Safety, governance, retrieval architectures, and evaluation platforms will be core GCC competencies; India hubs will codify AI risk and model ops at enterprise scale.

Financial services & healthcare will deepen in model governance and reg-tech; industrial will scale digital twins and autonomy.

Mid-market and private equity-backed firms will accelerate first-time GCC builds, drawn by the proven playbooks and talent access. (Already 480+ mid-market centers.)

Multi-hub global networks: India as the core, complemented by near-shore satellites (e.g., Poland, Mexico, the Philippines) for language/regulatory proximity.

US$100B+ industry: Consensus forecasts point to US$99–110B by 2030, 2,100–2,400 centers, and 2.5–2.8M employees—still not saturated.

Practical playbook for enterprises building or scaling an India GCC

Phase 0: Strategy & site selection

- Anchor on capability thesis (what unique edge will the GCC own in 24 months?).
- Choose city based on talent guild strength (e.g., AI in BLR/HYD; embedded in Pune/Chennai). (Zinnov)

Phase 1: Incorporation & foundational ops

- Hire a GM/Center head with product + people credentials.
- Set up shared services early (HRBP, finance, legal, ITSec) to prevent friction later.
- Build talent brand with university partnerships and guild meetups.

Phase 2: Build pods & platforms

- Start with 2–3 value streams; establish platform enablement (IDP, SRE, data platform).
- Define governance: quarterly business reviews, OKRs, and risk boards.

Phase 3: Scale & diversify

- Add adjacent capabilities (e.g., from analytics to experimentation, from DevOps to SRE).
- Launch leadership academy; rotate high-potential leaders globally.
- Introduce innovation funding; measure revenue influence and risk reduction alongside cost.

Phase 4: Global integration

- Co-chair roadmap councils with business/product owners.
- Institutionalize security & compliance (model risk, data lineage, AI safety).
- Build a multi-hub network for resilience.

India's GCC ecosystem has crossed the threshold from "efficient operations" to "strategic advantage." With 1,700+ centers and an installed base of 1.9M+ professionals, the country's hubs are building products, platforms, and analytics that power the world's largest enterprises. The next frontier isn't just more centers—it's more center-led innovation: industrial-scale GenAI with strong governance, data products built as first-class assets, and leadership tracks that see India-based executives steering global roadmaps.

If you're expanding or building your first GCC, the playbook is clear: start with a capability thesis, hire builder-leaders, design for platforms, and measure value beyond cost. By 2030, the firms that treat India not merely as a delivery location but as a global leadership engine will define the competitive curve. (Zinnov)

India's GCC Revolution: From Cost Arbitrage to Global Innovation Powerhouse

CA. Rajashekar Reddy Yedla, Head of Operations, Assuranceprep

Over the past two decades, India has emerged as a global leader in the evolution of Global Capability Centers (GCCs). What began as a back-office support model has transformed into a strategic engine driving global operations, product development, analytics, and decision-making for multinational corporations (MNCs) across the world.

The Rise of GCCs in India

By 2024, India hosted over 1,500 GCCs, generating USD 5 billion in revenue and employing more than 1.8 million professionals. With a projected CAGR of 8%, the sector is expected to reach USD 100 billion in revenue and employ 2.5 million people by 2030. This growth positions GCCs as a critical force in India's journey toward Viksit Bharat 2047, the vision of a developed and self-reliant India.

Beyond Cost: Strategic Value Creation

India's GCCs have evolved far beyond their original cost-arbitrage foundations. Today, they are centers of excellence in:

- Artificial Intelligence & Machine Learning
- Product Engineering
- Advanced Analytics
- Strategic Leadership & Decision Support

This transformation is underpinned by India's deep and diverse talent pool, world-class infrastructure, and the ability to scale up the value chain. India produces the largest number of engineers, data scientists, and Chartered Accountants globally, enabling MNCs to access specialized skills at scale.

Chartered Accountants: The Unsung Heroes

Chartered Accountants (CAs) play a pivotal role in India's GCC success story. Their expertise supports:

- Financial Reporting
- Audit Readiness for Global Subsidiaries
- Tax Compliance & Transfer Pricing
- Financial Planning & Analysis (FP&A)
- Data-Driven Decision Making

Their contributions help GCCs move from transactional services to strategic financial leadership, reinforcing India's position as a global financial hub.

Economic Ripple Effects

The impact of GCCs extends beyond direct value creation. They stimulate growth in:

- Technology and IT Services
- Infrastructure and Real Estate
- Professional Services and Vendors
- Innovation Ecosystems

GCCs are becoming flag bearers of innovation, fostering collaboration between academia, start-ups, and R&D institutions.

Challenges on the Horizon

Despite the momentum, GCCs face several challenges:

- Intense competition for experienced talent
- Balancing quality with scalability
- Navigating regulatory and legal complexities
- Sustaining innovation and transformation

Addressing these challenges will be key to maintaining India's leadership in the global GCC landscape.

Vision 2030 and Beyond

Looking ahead, India's GCCs are poised to become global nerve centers for innovation and stra-

- Vertical GCCs with domain specialization
- AI, Automation, and Generative AI at the core
- Integrated ecosystems with universities and R&D units
- Partnership-driven innovation models

Conclusion: A Catalyst for Global Transformation

India's GCC model is no longer defined by scale or cost—it is a blueprint for global innovation and competitive advantage. With foundational enablers like talent, infrastructure, and policy support already in place, the next phase will require sustained momentum, capability upgrades, and inclusive growth beyond urban hubs.

If navigated skillfully, India's GCC journey will redefine how global enterprises structure their operations and innovation engines—cementing India's role as the strategic heart of global business transformation.

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