



Confederation of Indian Industry

Global Capability Centers **Suggestions for a National Framework on GCCs**

Unlocking potential as the preferred destination for GCCs



July 2025

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Mr Chandrajit Banerjee
Director General
CII

Foreword from the Director General, CII

The global economic landscape is undergoing a profound shift. Traditional paradigms are giving way to new models of value creation—anchored in talent, technology, and trust. In this evolving context, nations that can build agile innovation ecosystems and position themselves as strategic knowledge partners will lead the future.

India's Global Capability Centres (GCCs) have steadily emerged as a critical component of this transformation. From their initial role in delivering efficiency-driven support functions, GCCs in India have evolved into high-impact centres of innovation, strategy, and capability development for global enterprises. Today, they serve as key enablers of enterprise resilience, technological acceleration, and global competitiveness.

The release of the suggested Framework for a National Policy on GCC, is a timely and significant step towards realizing the full potential of this sector. The suggested framework provides a structured national vision to support the continued expansion and elevation of India's GCC ecosystem. It outlines a strategic blueprint that brings together policy coherence, enabling infrastructure, talent development, and institutional coordination to ensure sustained value creation.

Importantly, the framework is rooted in India's broader economic development priorities. By aligning the growth of GCCs with national missions—whether in digital transformation, sustainability, manufacturing, or innovation—the policy framework signals a strong intent to integrate knowledge industries into the heart of India's growth story. It also seeks to unlock new frontiers of opportunity by encouraging regional expansion, deepening research linkages, and fostering enterprise-level agility.

The Confederation of Indian Industry (CII) is proud to lead this initiative. As a longstanding advocate for industry-led policy development, CII recognizes the transformative role that knowledge sectors play in enhancing productivity, boosting exports, and creating high-quality employment. This framework resonates with CII's broader efforts to foster a future-oriented economy—one that is globally competitive, digitally empowered, and inclusive in its impact.

We look forward to continued collaboration with government, industry, and academia to translate this vision into action. Together, let us shape an ecosystem where India's knowledge capital not only powers the enterprises of tomorrow—but also redefines our place in the global economic order.

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impact.*



Gunjan Samtani
Chairman
CII GCC Task Force



Romal Shetty
Co-chair
CII GCC Task Force

Foreword from the Chairman and Co-Chair

Dear Members and Stakeholders,

We are pleased to present the Framework for a National Policy on Global Capability Centre (GCC). India's GCC ecosystem has evolved into one of the most dynamic in the world, with over 1,800 centres employing 2.16 million professionals. These centres anchor mission-critical operations for global enterprises across domains such as AI/ML, engineering R&D, ESG, and digital platforms. Increasingly, GCCs function as extended headquarters, contributing not only to execution but also to enterprise design, strategy, and innovation.

Today, our GCCs are not just delivering outcomes, they are designing the future. With the rise in ER&D, the fastest-growing segment, India's GCCs are accelerating enterprise innovation. No longer peripheral, they now host global leadership roles, serve as extended headquarters, and are on the pathway to become the cognitive command hubs for breakthroughs in space tech, smart cities, logistics, quantum analytics, and more. Backed by significant STEM talent, these centers are India's most powerful export, world-class talent, and capability factory.

Yet, the full promise lies ahead. To unlock it, we must shift from individual state-led momentum to a strategically and holistically aligned national approach. This framework proposes key enablers for a unified policy - an empowered single-window system, integration with national missions, and the creation of legislatively backed Digital Economic Zones (DEZs) offering plug-and-play physical and digital infrastructure, harmonized regulations, and competitive incentives. A National GCC Council to guide strategy, drive reforms, and ensure a seamless, touchless lifecycle experience for investors through close partnerships across central ministries, states, and industry, supported by dedicated cells for investment, talent, infrastructure, innovation, and regulatory ease to strengthen execution. A dedicated push to upgrade Tier 2 and 3 cities as emerging GCC destinations further reinforces regional inclusion and expands the talent-access footprint. With a focused investment promotion strategy and end-to-end facilitation, India can aspire to significantly scale the presence and impact of GCCs in the next 5 years.

It is anchored in a three-pillar framework that sets a clear national direction, strengthens enablers, and ensures measurable outcomes. The framework focuses on four success factors: developing talent through industry-academia linkages, enhancing physical and digital infrastructure, promoting balanced regional growth, and fostering an innovation-friendly environment.

To ensure sustained impact and agility, the framework also embeds performance levers such as defined metrics, feedback mechanisms, and adaptive strategies.

This is not just a framework - **it is integral to India's continued ascent as a global powerhouse.** We envision our youth pioneering transformational innovation, our cities becoming beacons of invention, and our enterprises guiding global purpose and scale. We invite every stakeholder to join us in forging a future where India shifts from capability to leadership, from national strength to global impact, from Bharat to the world.

Let this be the defining moment when India stakes its claim as a premier architect of global innovation - driven by vision, conviction, and collective ambition.

National GCC Council to guide strategy, drive reforms, and ensure a seamless, touchless lifecycle experience for investors through close partnerships across central ministries, states, and industry, supported by dedicated cells for investment, talent, infrastructure, innovation, and regulatory ease to strengthen execution.

Section 1

The Rising Importance of the GCCs in India



Introduction: The Rising Importance of the GCCs in India

The global economy is going through a period of heightened uncertainty, driven by the cumulative impact of geopolitical conflicts and realignments, and evolving threat of tariffs.

According to the latest projections by the International Monetary Fund (IMF), global GDP growth is expected to slow down, and it may range between 2.4%-2.8%¹ in 2025 before rebounding slightly to 3.0%¹ in 2026, down from 3.3%¹ in 2024. This deceleration largely reflects a significant slowdown in advanced economies amid heightened global uncertainties.

India remains strong and well-positioned within the global context. CII Research projects India's real GDP growth to range between 6.4-6.7%¹ in FY26, driven by robust domestic demand, waning of the peak drag from fiscal policy tightening, easing of financial conditions and strong corporate & banking sector balance sheets. India's long-term growth is supported by favourable demographics, which, if realized should buoy private consumption. The government's recent focus on infrastructure development, a nudge towards boosting manufacturing growth through the production linked incentive (PLI) schemes, and digital public infrastructure can increase India's long-term economic growth potential. With external balances stable, foreign exchange reserves healthy, and the government committed to the path of fiscal consolidation, India stands out as a relative macroeconomic bright spot among emerging markets.

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As global capital looks for scale, stability and growth, India, with its rising strategic relevance is offering both resilience and opportunity amid a shifting global economic order. Over the medium term, if India can continue economic reform, it has a golden opportunity to attract foreign investment and boost potential growth further. It is worth noting that important factor market reforms like land reforms and labour market reforms will go a long way in improving India's ease of doing business and help attract higher FDI over time.

This environment is accelerating the adoption of Global Capability Centers (GCCs), with India emerging as a preferred destination for strategic investments. The Indian GCC sector stands out as a beacon of opportunity – offering scalable talent, robust infrastructure, and policy support that align with the evolving needs of global enterprises.

¹ CII Research

GCCs are microcosms of an enterprise, established by multinational companies to deliver a broad spectrum of capabilities – such as technology innovation, engineering, research & development and service delivery across enterprise functions such as IT, finance, human resources, procurement, sourcing, supply chain and customer experience.

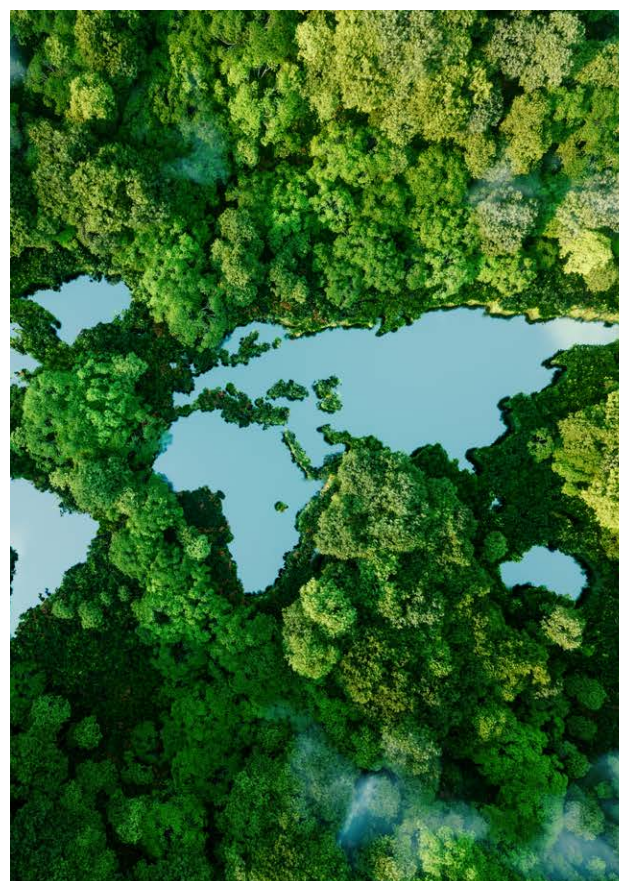
While they were initially set up to drive cost efficiencies, GCCs have rapidly matured into strategic hubs that power innovation, digital transformation, and enterprise agility. India has established itself as the global hub for GCCs, hosting over 1,800² centers as of FY25. This growth is fueled by the country's deep talent pool, well-developed ecosystem, and supportive infrastructure-enabling enterprises to drive core functions and deliver impactful business outcomes. India's GCC sector currently contributes ~\$68 billion² as Direct Gross Value Addition (GVA) – around ~1.8%³ of the national Gross Domestic Product (GDP).

With the Government of India's national policy push and continued momentum in global demand, the GCC sector is poised for exponential growth. Global companies are increasingly adopting in-house offshore and hybrid sourcing models to scale innovation, drive technology adoption, and transform operations. With nearly ~60%⁴ of GCCs looking to scale their operations, the market presents substantial headroom for expansion. By 2030, the direct GVA from GCCs to the Indian economy can potentially range between \$154 Billion⁵ and \$199 billion⁵. The sector's net economic impact – including indirect and induced effects – may reach ~\$470 billion⁵ to ~\$600⁵ billion. Subject to this growth trajectory, gross employment generation can be for 20 to 25 million⁵ individuals, including 4 to 5 million⁵ direct jobs, reinforcing the sector's strategic importance in shaping India's future economic landscape.

1.1 | Evolution of the GCC Ecosystem in India: A Multi-Phase Journey

The journey of the GCCs in India has been one of progressive transformation – from **cost-focused technology and operations enablement partners** to becoming an **extended headquarters housing multiple business functions of the entire enterprise**. What started as a cost-saving initiative focused on technology enablement has steadily evolved into a strategic capability – deeply embedded in core business operations, while also emerging as a sophisticated ecosystem that drives enterprise research and development, as well as market and business growth.

Over the past three decades, this journey can be traced across four distinct phases. Each phase marks a significant shift in the role, capability, and strategic importance of Indian GCCs within the global operating model.



² Dun and Bradstreet report on "Economic Impact of Capability Centers in India."

³ Considering current India's GDP of \$4.19 trillion in FY25 as published by IMF in its April 2025 forecasts

⁴ Deloitte Global Business Survey

⁵ Vision for 2030 – Deloitte and CII Analysis

Phase 1

1990-2005: Rise of IT Support and the Birth of Captives

In the foundational phase, multinational companies primarily leveraged India for cost-effective IT and back-office support, driven by efficiency, scale and time-zone advantages. Initially reliant on outsourced partners to manage operations, firms began setting up 'captives' to gain control over talent and IP – laying the groundwork for today's GCC model.

Key Drivers:

- Labor cost arbitrage
- Standardized, transaction process delivery
- Continuous operations through time zone leverage

At this stage, the GCCs operated in silos with limited integration into the core business strategy of their parent organizations – **primarily positioned as doers focused on execution.**

Phase 2

2005–2015: Expansion into Multi-Function Delivery and Hybrid Sourcing

As confidence in India's delivery capabilities grew, the GCCs began expanding beyond IT, increasingly taking on complex, cross-functional responsibilities and playing a more active role in core business operations. This phase saw the emergence of multi-function centers, delivering services in finance, HR, procurement, and customer operations, among others. The operating model also matured, with organizations adopting hybrid sourcing strategies, combining the scalability of third-party vendors with the control of captive units.

Key Drivers:

- Higher degree of ownership and influence
- Initiation into knowledge-based work such as analytics, R&D, and engineering
- Integration of Global Business Services (GBS) models

At this stage, the **GCCs moved beyond pure execution to become optimizers** – driving efficiency, enabling cross-functional integration, and contributing to core business operations with greater ownership and strategic alignment.

Phase 3

2015–2022: GCCs as Innovation and Digital Hubs

The GCCs in India underwent a paradigm shift towards developing themselves as innovation hubs. No longer limited to transactional work and with continued focus on delivery core business functions, many centers led the charge on digital transformation, product development, data science, cybersecurity, and Artificial Intelligence (AI)/ Machine Learning (ML) initiatives. In FY'19, COVID-19 pandemic marked a pivotal point for the GCCs. Organizations that had previously invested in digital capabilities were better equipped to navigate the disruption.

Key Drivers:

- Extensive involvement into knowledge-based work such as Analytics, Engineering, Research & Development (ER&D)

- Emergence of Centers of Excellence (CoE) focused on emerging technologies such as cloud and automation
- Focus on customer experience, product development, intellectual property development and innovation
- Closer alignment with enterprise priorities and direct contribution to revenue growth
- Remote and hybrid work models

At this stage, GCCs gradually stepped beyond the optimizer role to **embrace thinker and influencer roles** – laying the foundation to drive innovation, influence enterprise priorities, and contribute more directly to business growth.

Phase 4

Phase 4: 2022 Onwards: Global Enterprise Hubs of Resilience and Digital Acceleration

Post 2022, the GCCs have been increasingly transforming into Global Enterprise Hubs – orchestrating AI-first operations, open innovation ecosystems, and leading corporate growth strategies

Key Drivers:

- Generative AI integration across enterprise functions
- Deep-tech R&D, start-up ecosystem collaboration
- AI/ML modeling, Generative AI, convergence of physical and AI, robotics and autonomous

- Environmental, Social and Governance (ESG), supply chain transformation and digital twins

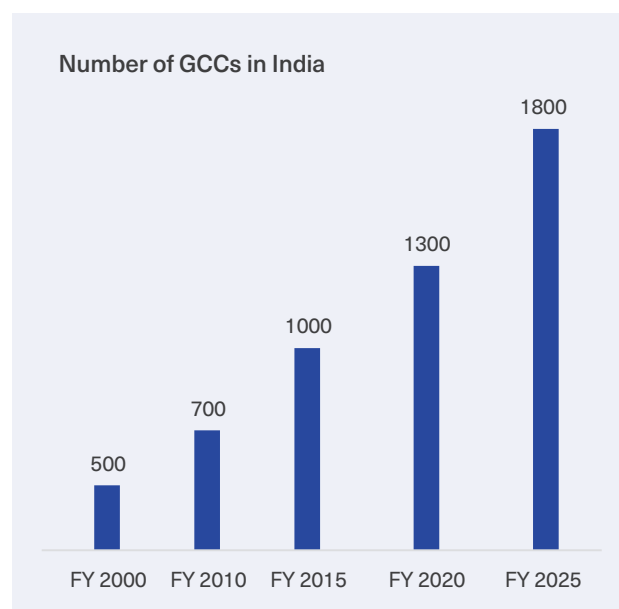
GCCs today are seen as innovation-driven, talent-rich, and digitally enabled organizations critical to enterprise growth. They are drivers of ER&D, market and business development, while co-creating new products, driving digital-first strategies, and acting as incubators for future-ready skills and solutions. Many GCCs have already **assumed roles as process owners and sponsors, further embedding themselves into core enterprise operations.**

1.2 | India's GCC Footprint – Scale, Scope, and Global Standing

India's Current GCC landscape

Over the years, India has firmly cemented its leadership as the global epicenter for GCCs, now hosting **nearly 50%⁶ of all GCCs worldwide**. Over the last 5 years, the count of GCC's in India has grown from ~1,300 in FY'20 to ~1,800⁷ in FY'25 marking a CAGR of 7%.

Notably, post pandemic, **3⁶ new GCCs are currently being setup in India every two weeks**, highlighting sustained investor confidence and ease of set-up in the Indian ecosystem. India adds more GCCs annually than any other country, positioning itself as the fastest-scaling destination in the global GCC network.



Source: Multiple Sources

⁶ Deloitte Research

⁷ Dun and Bradstreet report on "Economic Impact of Capability Centers in India."

India as the Nerve Center of Global Enterprise Operations

India's GCCs cater to a truly global clientele, reflecting the country's strategic importance in enterprise operations. Approximately 64%⁸ of these centers serve United States (US)-headquartered organizations, while around 28%⁸ support companies based in Europe, Middle East, and Africa (EMEA), and the remaining 8%⁸ cater to firms headquartered in Asia-Pacific (APAC). Interestingly, over the last five years, **non-US GCCs are growing at a CAGR of 6.8%⁸, nearly twice the growth rate of US based firms reflecting India's expanding global footprint beyond traditional markets.**

As the global GCC hub, India is bringing the world together connecting 50+ countries across leading industry sectors making it the '**Business Culture Capital of the World**'. These GCCs span across multiple sectors with more than 70%⁹ contribution coming from Banking, Financial Services, and Insurance (BFSI), Consumer Packaged Goods (CPG), Automotive/ Industrials and Technology sectors put together.

Preferred GCC Destination across Enterprise Sizes and Stages

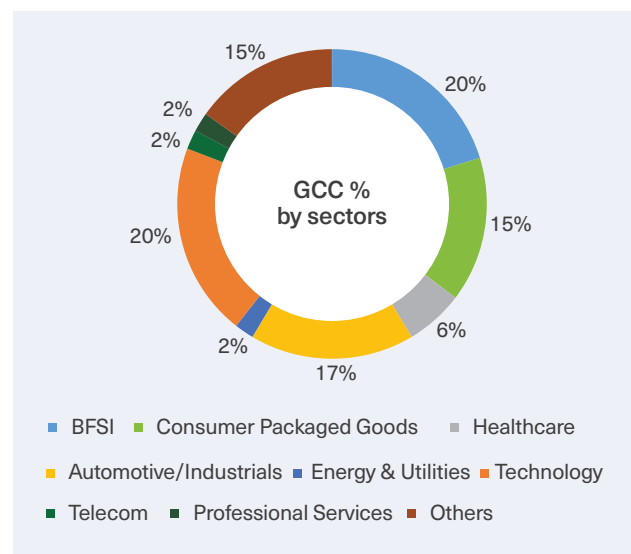
India continues to remain the most preferred choice of countries for setting up of GCCs globally.

More than 33%¹⁰ of Fortune 500 companies and nearly 450⁸ of the Forbes Global 2000 have established GCCs in India. Yet, the country's GCC ecosystem is not limited to global giants – it increasingly supports mid-market enterprises as well.

A dynamic trend is the rise of mid-market companies (annual revenue typically ranging between \$100 million to \$1 billion) leveraging India for capability development. As per industry estimates done in 2024, 480 GCCs, accounting for 27% of India's total, are operated by mid-sized enterprises. India is no longer just a destination for large Multinational Corporations (MNCs) – mid-market firms, emerging globalizers, regional powerhouses, and single-country enterprises now represent the next growth wave of the GCC movement.



Source: Deloitte GBS Survey 2025



Source: Multiple Sources

Accelerating Economic Contribution and Job Creation

The growing GCC base is having a direct economic impact. Today, India's GCC sector contributes ~\$68 billion¹¹ as Direct Gross Value Addition contributing ~1.8%¹² to the national GDP. The economic footprint of the GCCs extends far beyond direct value. They also generate \$55 billion¹¹ in indirect value¹³ through supply chain linkages and an additional \$59 billion¹¹ in induced impact¹⁴ driven by employee-led consumption, bringing the approximate **total impact to over ~\$182 billion.**

⁸ Inductus GCC Report "GCC Industry Brief, Feb 2025"

⁹ Deloitte Research

¹⁰ <https://avasant.com/report/pioneering-innovation-in-global-capability-centers-insights-and-success-stories/>

¹¹ Dun and Bradstreet report on "Economic Impact of Capability Centers in India."

¹² Considering current India's GDP of USD 4.19 Trillion as published by IMF

¹³ Indirect value refers to the economic activity stimulated along the GCC value chain and includes business generated for vendors, service providers, and technology partners

¹⁴ Induced impact refers to the wider economic effects driven by consumption spending of employees working in GCCs and their supply chains

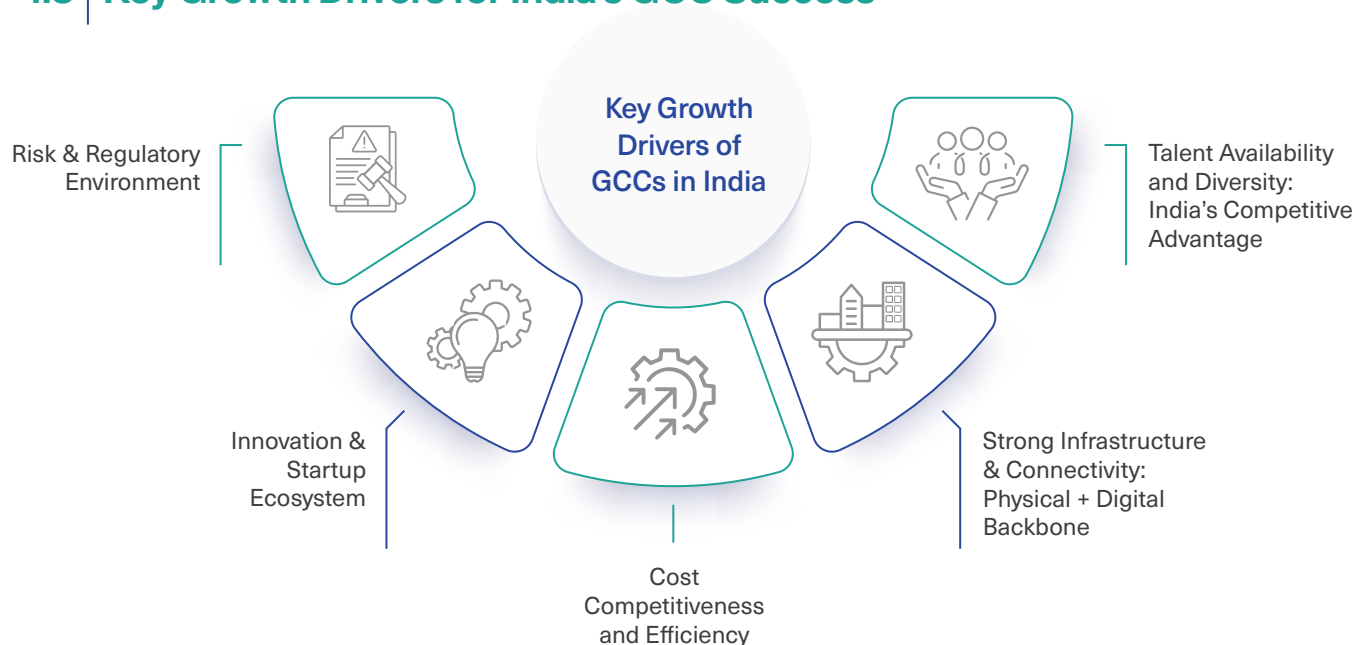
This makes them not just corporate outposts – but vital contributors to India’s broader economic momentum.

Employment Engine

India’s GCCs employ ~2.16 million¹⁵ professionals as of 2025, having grown at a CAGR of ~11% over the last 5 years. **Every direct job at a GCC is estimated to generate 1x¹⁵ indirect jobs¹⁶ across**

allied services – telecommunications, facilities and 3x¹⁵ induced jobs¹⁷ through spending on housing, retail, education etc. **The net employment impact of India’s GCC ecosystem is estimated at ~10.4 million¹⁵ in FY’25.** With the broader Indian tech talent base standing at 5.4 million¹⁸, and digital talent expanding at ~35% CAGR¹⁸ over the past four years, the country offers unmatched talent strength.

1.3 | Key Growth Drivers for India’s GCC Success



Talent Availability and Diversity

India is home to one of the largest and most future-ready talent pools globally, making it an unparalleled hub for scaling GCCs.

Global STEM Leader	2.1 million+, Science, Technology, Engineering and Mathematics (STEM) graduates annually, representing ~31% ¹⁹ of global output
AI & Tech Expertise	#1 globally in Relative AI skill penetration ²⁰
Diverse Workforce	~35% ²¹ female participation in GCC Workforce; ~89% ²² English-speaking tech talent; Median age of workforce is ~28 ²³ years

¹⁵ Dun and Bradstreet report on “Economic Impact of Capability Centers in India.”

¹⁶ Indirect employment refers to jobs in allied industries supporting GCC operations (e.g., Telcom, facilities management etc.)

¹⁷ Induced employment refers to jobs generated by the spending of direct and indirect employees (retail, housing, transport etc.)

¹⁸ Deloitte Report on “Emerging technology hubs of India”

¹⁹ Inductus GCC Report “GCC Industry Brief, Feb 2025”

²⁰ Press Information Bureau & MEITY Release – India’s AI Revolution

²¹ TeamLease Digital Report on “Women at the Heart of India’s Digital Evolution”

²² Zinnov Report on “APAC CoE Hotspots of the world”

²³ United Nations Population Prospects 2024



Strong Infrastructure and Connectivity

India offers a robust and evolving infrastructure foundation – both physical and digital – that enables seamless global service delivery.

Vast Office Footprint	700M+ ²⁴ sq. ft. of office space across IT- Special Economic Zones (SEZs), Software Technology Parks of India (STPIs), and co-working hubs
World-Class Connectivity	All major GCC cities are linked via international airports, metros, and highways
Digitally Native Population	970M+ ²⁵ internet users and the world's lowest mobile data rates drive a strong digital adoption base
Tier-2/3 Expansion	Emerging cities offer ready infrastructure, better civic amenities, and high-speed internet
Next-Generation Digital Backbone	5G rollout in ~99.6% ²⁶ of the districts and 250+ ²⁷ live data centers support low-latency, cloud-first operations; Bharat Net that has already connected 2.14 lakh ²⁸ Gram Panchayats; Platforms like Aadhaar, Unified Payment Interface (UPI), Unified Health Interface (UHI), Digi Locker, and e-KYC enable secure, real-time digital interactions



Cost Competitiveness and Efficiency

India continues to deliver strong value across cost dimensions, making it one of the most attractive destinations for cost optimized GCC operations.

Labor Arbitrage	Talent costs 30–50% ²⁹ less than in the US, UK, and Australia
Affordable Rentals	Office space in Tier-1 cities ranges between \$0.80–1.50/sq. ³⁰ ft./month. It is much lower in Tier 2 cities, which offer high-quality infrastructure at a lower cost
Incentives & Subsidies	SEZ-based GCCs benefit from tax holidays

²⁴ Colliers India's Office Snapshot Q4 2024

²⁵ Press Information Bureau (PIB) & Ministry of communications Release – Expansion of 5G network in the country

²⁶ United Nations Population Prospects 2024

²⁷ <https://www.datacentermap.com/india/>

²⁸ <https://telecom.economicstimes.indiatimes.com/news/internet/bharatnet-connects-over-2-14-lakh-gram-panchayats-with-broadband-centre/116534863>

²⁹ Everest Study

³⁰ Vestian Report on "The Connect Q1 2025"



Innovation & Startup Ecosystem

India has transformed into a dynamic innovation hub, offering the GCCs access to a vibrant start-up ecosystem, R&D infrastructure, and co-creation models.

Massive Start-up Base	177,000+ ³¹ start-ups, 119 unicorns ³² , and 5,800+ ³³ deep tech ventures in AI, Internet of Things (IoT), blockchain, and green tech. 3rd largest ecosystem in the world
Global R&D Hub	1,600+ ³⁴ MNCs run R&D or digital innovation centers in India, often co-innovating with startups and academia
World-class Academia	Top institutes like IISc, IIT Madras, and IIIT-Hyderabad drive deep tech R&D with industry partners
IP Creation Surge	There is a more than 2-fold increase in patent filing since 2014-15, and patent grants have increased by more than 17-fold from 2014-15 ³⁵
Government Support	Schemes like Startup India, Atal Innovation Mission, and Technology Incubation and Development of Entrepreneurs (TIDE) 2.0 offer funding, incubation, and regulatory support.
Corporate Venture Capital (CVC) Momentum	GCCs are increasingly setting up corporate venture capital arms in India to fund and scale disruptive innovations aligned with enterprise priorities.



Risk & Regulatory Environment

India offers a relatively stable and improving regulatory environment with proven resilience in ensuring business continuity and policy transparency.

Business Continuity Leadership	94% of GCCs shifted to remote work within 10 days during COVID-19; 97% maintained Service level agreements (SLAs) – setting global standards ³⁶ .
Data & Cyber Compliance	The 2023 Digital Personal Data Protection Act aligns with EU's General Data Protection Regulation (GDPR); national strategies for cybersecurity and AI ethics underway
FDI-Friendly Regime	100% Foreign Direct Investment (FDI) allowed in Information Technology (IT), Business Process Management (BPM), and R&D via the automatic route, with facilitation cells in key hubs
Strengthened Intellectual Property (IP) Protection	Faster IP enforcement through dedicated courts and digital filing systems supports innovation.
Stable Geo-Politics and Legal Framework	India's democratic setup, stable governance and independent judiciary ensure predictable contract enforcement and business continuity
ESG Alignment	Mandatory Corporate Social Responsibility (CSR), Diversity, Equity, and Inclusion (DEI) mandates, and green building norms support global sustainability and governance expectations while also driving long-term capital and operational expenditure efficiency

³¹ <https://www.startupindia.gov.in/> - Refers to DPIIT Recognized Startups only

³² Tracxn

³³ Tracxn

³⁴ Deloitte Report on "Spotlight on Germany & evolving ER & operating model strategy: Tapping into India advantage"

³⁵ Economic Survey of India 2024-25

³⁶ Protiviti GCCs in India Survey Report

1.4 | Emerging Trends Shaping the GCC Landscape

The following are some of the emerging trends shaping the GCC landscape:

- **GCCs as Microcosms of the Enterprise**

India's GCCs are no longer mere recipients of work transitions. They've evolved from migration-focused setups to hubs of capability germination – owning core business functions, enabling cross-functional synergies, and operating as natural extensions of global headquarters. This transformation supports a unified global operating model where Indian GCCs act as co-pilots in enterprise strategy, product development, and innovation delivery – accelerating outcomes across time zones.

- **Rise of Engineering and R&D (ER&D) in GCCs**

As per industry estimates, India's ER&D segment has been the fastest-growing segment in the Indian tech industry with a **CAGR of 13%, over the last three years and accounted for an estimated increase of 55.4% in technology export between 2023 and 2024**. ~90% of the GCCs have ER&D component in their existing portfolio of work. As per industry estimates, with ER&D sector exports expected to grow over 4x by 2030, GCCs are going to be at the forefront of establishing India as the worldwide leader in driving cutting-edge innovation.

- **AI, Digitization, and Emerging Tech Powering Sectoral Transformation**

Indian GCCs are spearheading the shift from AI experimentation to enterprise-scale adoption – embedding AI/ML, cloud, and analytics across every layer of the business and product development.

This transformation is powered by India's unmatched talent pool, with Indian STEM graduates accounting for ~31%³⁷ of the global STEM output. **As per industry estimates, over ~53% of GCCs in India are driving enterprise-wide transformation** through pilot tech initiatives, centralized solution hubs, and technology COEs. **Notably as per industry estimates, 200 Indian GCCs now host AI COEs** that are architecting integrated, real-time digital ecosystems – enabling predictive decision-making, operational agility, and sector-specific innovation from within.

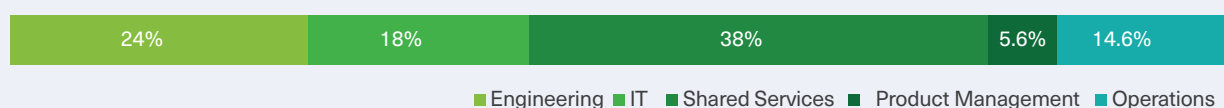
- **Sustainability as a Strategic Enterprise Mandate**

Sustainability is no longer an adjunct – it's becoming a core capability housed within Indian GCCs. From developing ESG-aligned digital solutions to optimizing enterprise energy footprints through data-led operations, GCCs are emerging as global custodians of sustainable innovation. Many are leading green infrastructure programs, driving responsible AI adoption, and embedding Diversity, Equity, and Inclusion (DEI) and Corporate Social Responsibility (CSR) into operational DNA – contributing meaningfully to enterprise-wide ESG goals.

- **Evolving Talent Landscape: India's GCCs Moving Towards Product-Centric, Globally Impactful Roles**

The talent operating model is rapidly maturing. Inspired by global product firms, GCCs are shifting to cross-functional, product-aligned structures that integrate engineering, design, data science, and product management. Product and architect-level roles have grown significantly. It is estimated that India GCCs host ~6,500 global leadership roles. Mid-market GCCs now are embracing this model faster, democratizing global roles across company sizes.

Global Roles by Industry²⁹



³⁷ Inductus GCC Report "GCC Industry Brief, Feb 2025"

1.5 Tier-2/3 Cities: The New Frontier for GCC Expansion

India's GCC growth is entering a decisive new phase – defined by geographic decentralization and strategic diffusion. ~95%³⁸ of the GCCs are currently hosted in six Tier-1 cities (Bengaluru, Hyderabad, Pune, Chennai, Mumbai, Delhi NCR) and these cities remain strongholds of scale and maturity. However, Tier-2/3 cities are rapidly emerging as credible, competitive alternatives for global enterprises seeking efficiency, talent diversity, and resilience.

This is no longer a peripheral trend. It is estimated that between FY2019 and FY2024, GCC units in emerging cities grew by ~1.4X, the local talent pool expanded to 82,000 professionals, and ~6% of all new GCCs were launched in Tier-2/3 locations. These cities are evolving from satellite outposts to strategic anchors – playing a core role in innovation and global delivery.

Emerging Technology Hubs of India



Source: Deloitte Report on Emerging Technology Hubs of India

³⁸ Deloitte Research

What's Driving This Momentum?

The attractiveness of Tier-2/3 cities stems from a powerful convergence of enablers:

Talent Depth and Retention: Over 60%³⁹ of India's graduates emerge from non-metros – many skilled in AI, automation, and digital engineering. These cities also see stronger retention due to proximity to hometowns. Notably, ~75% of digital talent still migrates to metros, representing a sizable untapped opportunity GCCs are beginning to harness

Cost Advantage: Emerging cities offer up to ~50% lower commercial real estate costs³⁹ and ~25–35% lower living expenses, translating into better employee affordability and organizational productivity

Infrastructure Maturity: Cities like Ahmedabad, Coimbatore, and Kochi now boast Grade-A tech parks, SEZs, and metro connectivity. 83 of India's 242 operational SEZs³⁹ and 15 of 60 STPI centers are located in these hubs, with Smart Cities and PM Gati Shakti initiatives further boosting physical and digital infrastructure.

Rise of Mid-market GCCs: Mid-sized, digital-first GCCs are fueling decentralization. It is estimated that today 480+ such centers make up ~27% of

India's total, with ~35% of recent GCC launches in the last 2 years falling into this category. Focused on agility and cost-effectiveness, 7% of their workforce is already in Tier-2/3 cities.

Start-up Ecosystem and Government Incentives Catalyzing Growth: 7,000+³⁹ startups operate from emerging cities, with Deep-tech ventures doubling between 2019–2021. In 2022, ~13%³⁹ of India's total tech funding went to Tier-2 locations. Plug-and-play infrastructure, capital subsidies, and state incentives are catalyzing further growth.

Quality of Life and Business Continuity: These cities offer shorter commutes, cleaner air, and lower stress – translating into improved work-life balance and stronger employee satisfaction. Lower risk of civic unrest and infrastructure bottlenecks make them ideal for business continuity planning.

As enterprises adopt a multi-tier model, India has the potential to evolve beyond metro-centric delivery into a pan-India network – leveraging distributed, digitally enabled Tier-2/3 cities. However, unlocking this opportunity at scale will require a coordinated national strategy focused on infrastructure, talent development, and ecosystem enablement to build a more inclusive, resilient, and future-ready GCC landscape.



³⁹ Deloitte Report on "Emerging technology hubs of India"

Section 2

Policy Imperatives for Navigating the GCC lifecycle in India



Policy Imperatives for Navigating the GCC lifecycle in India

GCCs are maturing in complexity and scale and India's aspiration to sustain its global leadership as a preferred GCC destination requires creating an efficient system to facilitate their operations across their lifecycle.

Each stage in the lifecycle of a GCC- Planning, Establishing, and Operating, presents distinct decision points, capabilities and enablers that influence its success and economic impact. A granular understanding of what entails in this lifecycle is critical to develop targeted interventions to strengthen the ecosystem.



2.1 Planning Phase

2.1.1 GCC Vision & Strategic Priorities

The first – and perhaps most critical – step in the GCC lifecycle is when the parent organization recognizes the need for an operating model shift – whether through a major transformation or a series of micro and nano interventions that collectively signal the need for a new approach.

At this stage, global firms assess the whitespace in their current operating model and identify where a GCC can create differentiated value – be it driving digital transformation, building innovation capabilities, managing end-to-end product development, or supporting enterprise functions at scale. This discovery phase also involves clarifying the strategic intent: whether the GCC will function primarily as a cost-efficient delivery hub, evolve into a CoE for specialized capabilities, or become an embedded part of the organization's global innovation and R&D agenda.

India has made commendable progress in positioning itself as a preferred destination for GCCs. However, many of these efforts could be positively reinforced to consistently influence upstream decisions made at global headquarters. In markets where such choices are shaped by strategic advisors, peer benchmarks, and macro-policy narratives, a more unified and nationally coordinated approach can unlock disproportionate gains. By aligning policy signals, amplifying India's cross-sectoral advantages, and partnering proactively with industry leaders, Indian missions abroad, and global influencers, India can shape GCC location strategies at their source.

Such a coordinated approach not only strengthens India's leadership in the global services economy but also encourages companies to view India more holistically – as both a strategic operations hub, manufacturing and exports hub and a high-potential growth market. Enabling GCC investments alongside India market access creates a compelling dual proposition that aligns enterprise priorities with national economic ambitions.

Policy Imperatives: For India to feature prominently in these early strategic decisions, it must strengthen its positioning as not just a delivery location with talent availability and cost efficiency, but as a strategic partner that offers a compelling innovation ecosystem, advanced digital infrastructure, ease of doing business, and strong IP/data protection frameworks. Enhancing India's visibility in global boardroom conversations through coordinated branding efforts, proactive investor outreach and clear articulation of sector-specific value propositions will ensure that India aligns with the long-term strategic vision of global enterprises as they chart the future of their GCCs.

2.1.2 Feasibility Analysis & Site Selection

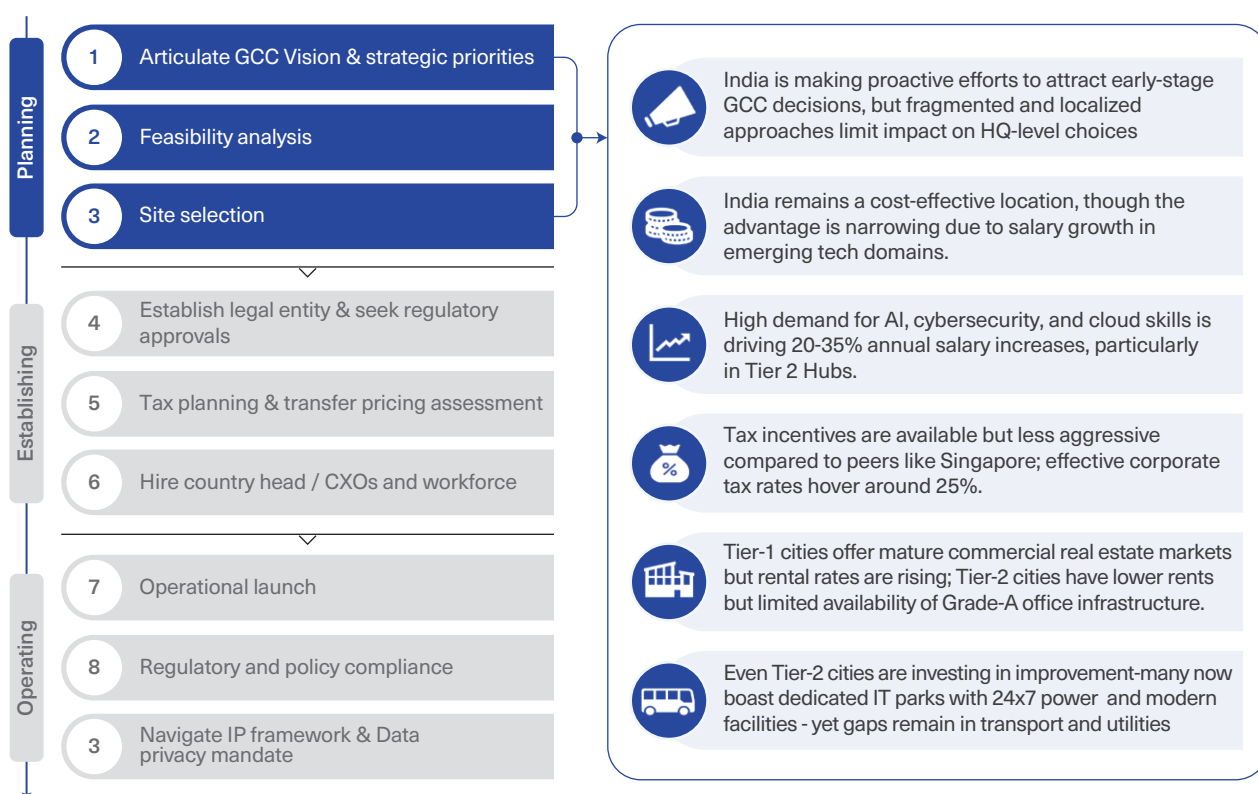
Following the identification of the strategic purpose, businesses typically undertake a comprehensive evaluation of the Cost of Doing Business (CoDB) and comparative returns to determine the most suitable country–city combination for establishing their GCCs. This phase is pivotal, as it drives key investment decisions based on an integrated assessment of factors such as the host government's policy intent and regulatory environment, the maturity of the local business ecosystem, macroeconomic stability, geopolitical risk, and talent availability. A favorable alignment across these dimensions significantly enhances a location's attractiveness in the global GCC landscape.

India has long enjoyed a strong cost advantage, making it a preferred destination for setting up GCCs. The country continues to offer significant savings in capital and operational expenditures compared to Western markets, especially in areas such as workforce costs, real estate, and service delivery.

For instance, operational expenses in India are up to ~40% lower than in Eastern Europe for comparable GCC setups⁴⁰; The rentals in top Indian cities are ~60% lower than cities in Eastern Europe such as Warsaw and Prague,⁴¹ while India's most expensive markets are ~70-75% cheaper than Singapore, Tokyo, Hong Kong (and ~20-25% cheaper than many prominent ASEAN markets).⁴² Even in terms of workforce cost, the average salary of a software professional in India is one-tenth as compared to talent cost in the US for a similar role.⁴³

However, over time, with increasing demand for digital and high-end skills, salary levels for niche roles, especially in AI, cybersecurity, and cloud engineering, have been rising steeply. Emerging

GCC hubs like Hyderabad, Pune or Coimbatore are seeing ~20–35% year-on-year pay increases in areas like AI, cybersecurity, and cloud engineering⁴⁴. The cost gap between Tier-1 and Tier-2 locations is narrowing, which may influence location strategy. Similarly, the effective corporate tax rate for most companies remains around ~25% or higher, which is less competitive when benchmarked against other emerging markets offering lower or incentive-driven tax regimes. Additionally, prime office rents in major Indian cities have surged amid record leasing demand. Office space absorption by GCCs hit record highs – by Q3 2024, GCCs had leased a cumulative ~28 million sq. ft. for the year, accounting for roughly ~40% of India's Grade A office leasing.⁴⁵



⁴⁰ India Briefing article on India Working on New GCC Policy to Tap Sector Growth with Fresh Incentives (Dec 2024)

⁴¹ CBRE Research Report: India's Global Capability Centres Charting a New Technology Era (2023)

⁴² Cushman & Wakefield report on GCCs: Powering the Growth of Indian Commercial real estate (2024)

⁴³ CBRE Research Report 2023: India's Global Capability Centres Charting a New Technology Era

⁴⁴ Indian Express article 'GCCs enter tier-2 cities on cost agility, talent diversification' (Apr 2025)

⁴⁵ JLL article: 'GCCs drive record 77.2 mn sq. ft office leasing in India' (Jan 2025)

Policy Imperatives: It is imperative to design National and State-level policy-based interventions to identify critical success factors for future opportunities and enhance their quality and availability in Tier-1, 2 and 3 cities of India. There is also a strong case for convergence between state-level GCC initiatives and central government schemes such as Smart Cities Mission, Gati Shakti, and Digital India to enhance local ecosystem readiness by enabling synergies in infrastructure development, last-mile connectivity, particularly in emerging Tier-2/3 hubs. By further addressing emerging cost-pressures, India can not only sustain but further enhance its value proposition as a cost-efficient, high-impact GCC destination in an increasingly competitive global landscape.

2.2 | Establishment Phase

The 'Establishment' phase marks the formal entry of a GCC into India's business ecosystem, transitioning from planning to execution. This phase involves critical foundational activities - setting up the legal entity, navigating regulatory and tax frameworks and building the leadership and talent backbone.

2.2.1 Establishment of Legal Entity & Regulatory Approvals

Once an investment decision is made, the formation of a legal entity and the acquisition of requisite approvals mark the initial point of interaction between a business and the Central and state governments and various statutory and regulatory institutions. The efficiency and responsiveness of these processes significantly influence the ease of doing business. Streamlined regulatory pathways and timely approvals not only enhance investor confidence but also contribute to the international perception of India as a business-friendly destination.



Establish legal entity & seek regulatory Approvals

- India has simplified many processes, but companies still must engage with multiple regulatory bodies for approvals across taxation, foreign investment, and location specific permissions.
- Absence of a fully integrated single-window system leads to procedural complexity

Tax planning & transfer pricing assessment

- Transfer Pricing planning and compliance is a central consideration for GCCs, that are predominantly engaged in intra-group transactions.
- India's safe harbour rules specify high minimum markups with relatively low ceilings for eligibility and rigid conditions around coverage, resulting in low takers
- While Advance Pricing Agreements (APAs) offer predictability, they often involve extended processing and conclusion timelines.

Hire country head / CXOs and workforce

- Attracting top Indian or expatriate talent to non-metros is improving but remains a constraint.
- Seasoned professionals in India's offshoring industry are mostly concentrated in metro cities, with Tier-2 cities historically lacking ready pool of GCC leaders
- India offers a large talent base, but there is gap between academic training and industry needs
- Demand for advanced tech talent continues to outpace supply, especially in emerging tech.
- Tier-2 cities have smaller talent pools with higher migration and attrition rates

India has made commendable strides in improving its overall business environment, with reforms aimed at simplifying compliance, promoting trust-based governance, and enhancing regulatory transparency. These include various initiatives such as Business Reforms Action Plan (BRAP), wherein all the states and UTs in the country are assessed on the basis of reforms implemented by them on designated parameters, initiatives to reduce compliance burden on citizen and business activities as well as introduction of Jan Vishwas (Amendment of Provisions) Act, 2023 for rationalizing criminal provisions.⁴⁶

That said, a few regulatory aspects continue to warrant attention to ensure a smoother and more predictable experience for global enterprises. Establishing and operating a GCC in India often involves navigating a complex, layered regulatory landscape involving multiple departments and bodies across both central and state governments, often leading to inconsistent investor experiences and longer lead times during the setup phase. Typical considerations include deciding the legal structure (such as a Private Limited company or

LLP) and completing entity incorporation formalities like obtaining a Corporate Identification Number (CIN), Memorandum of Association (MoA), Permanent Account Number (PAN), and Tax Deduction and Collection Account Number (TAN). Companies must also secure licenses and permits, including approvals under Foreign Exchange Management Act (FEMA) from the RBI for foreign investments, and sector-specific authorizations from bodies such as STPI, SEZ authorities, or telecom and health regulators. In many cases, environmental and safety clearances – such as fire safety, pollution control, and building compliance are also required. Additionally, firms must interface with various state-level departments for approvals related to labour, utilities, or land use. For those operating in special jurisdictions such as SEZs or Gujarat International Finance Tec (GIFT) City, further approvals are needed from the SEZ Development Commissioner or International Financial Services Centres (IFSC) Authority, respectively. Further, in some cases, delays in Goods and Services Tax (GST) refunds or varied interpretations of export status may also impact timelines and working capital.

Large number of Central / State Stakeholders



Non-exhaustive

⁴⁶ PIB: DPIIT coordinates initiatives for Ease of Doing Business creating a conducive business environment (2024)

Without a streamlined and unified approach, this multi-agency coordination often results in delays and uncertainty – particularly for firms unfamiliar with the Indian regulatory environment. Addressing these friction points through structured facilitation will be critical for reinforcing India's positioning as a destination of choice for GCCs.

Policy Imperatives: By enhancing coordination across regulatory bodies, expanding the scope of integrated single-window system as a “one-stop-shop” for all GCC clearances, and driving state-level capacity-building to manage global investments, India can significantly ease the compliance burden for new GCC entrants. There is also an opportunity to harmonize overlaps and redundancies between existing policy frameworks such as SEZ, STPI, and IT policies to ensure greater coherence, long-term stability, and clarity in regulatory treatment for GCCs. If such efforts are sustained, India will be well-positioned to offer not just scale and talent, but also a seamless regulatory environment that aligns with the strategic priorities of global firms seeking to establish innovation and digital hubs.

2.2.2 Tax Planning & Transfer Pricing Assessment

The country's transfer pricing (TP) framework, combined with its safe harbour rules (SHR) provides GCCs with certain degree of clarity and certainty in operating as captive service providers.

India has made notable progress in building a transparent and compliance-oriented tax ecosystem, which is a key consideration for GCCs. Moreover, India's growing focus on high-value functions such as strategic decision-making and contributions to IP development reflects its expanding role in the global innovation ecosystem. The increasing adoption of Advance Pricing Agreements (APAs), especially Bilateral APAs also underscores the confidence that multinational companies are placing in India's tax environment.

However, India's SHR markups, though designed to ensure compliance, are relatively higher than global norms. Recalibrating these and rationalizing the eligible services to make them practical (such as by eliminating the now outdated distinction between Software Development and R&D in Software Development) can enhance India's tax competitiveness. The current eligibility thresholds under SHR could also be broadened to benefit a wider set of GCCs. For centres undertaking higher-value activities, there is potential to evolve a more flexible TP approach, one that retains the cost-plus model for routine services while allowing negotiated markups for advanced functions. Additionally, while the rising trend in Bilateral Advance Pricing Agreement (BAPA)s is encouraging, streamlining BAPA timelines, currently averaging 63 months, to align with OECD benchmarks would further strengthen tax certainty. On the corporate tax front, there is an opportunity to explore targeted concessional tax regimes for strategic service sectors, building on the success of the 15% rate offered to manufacturing units.

Policy Imperatives: Strategic refinements in the TP and taxation ecosystem, particularly those that align with global best practices, enhance procedural efficiency, and provide greater certainty, can further strengthen India's competitiveness, and support long-term GCC growth.

2.2.3 Hiring: Management and Workforce

Talent availability is a core enabler of GCCs, underpinning service quality, innovation, and business continuity. The focus is rapidly shifting from talent depth to talent velocity – the speed at which graduates and professionals can be mobilized, reskilled, and redeployed. Achieving this requires coordinated action between the center and states to align curricula, strengthen skilling infrastructure, and build scalable, industry-ready talent pipelines. Regions with integrated efforts and strong digital skilling ecosystems will lead in attracting next-generation GCC investments.

India's robust and growing talent pool continues to be a defining strength in its global appeal for GCCs. As per various industry reports, with a steadily expanding base of professionals in technology, engineering, and data science, the country is expected to host over ~6 million digital workers by 2028. Indian professionals are increasingly well-versed in next-generation technologies such as AI, cloud, and cybersecurity.

At the same time, several critical enablers must be strengthened to ensure sustainable access to the right talent at the right locations. As per various estimates, the widening digital skills gap, projected to grow from 25% in 2023 to nearly 29% by 2028 (in particular with advent of AI and AI based skills requirement) poses a challenge to maintaining the current growth momentum. Despite the high volume of graduates entering the workforce,

employability remains a concern, with only about ~43% of graduates⁴⁸ deemed industry-ready as per recent studies. This mismatch requires companies to make significant upfront investments in reskilling, especially when entering new or emerging geographies, showcasing limited industry-academia collaboration presently. Talent availability also becomes more complex with high levels of attrition in India viz other GCC destinations, though attrition in Tier-2/3 cities in India is lower than Tier-1 cities⁴⁹.

The ability to attract experienced leadership to smaller cities, essential for stabilizing new GCCs, remains limited due to lifestyle preferences, family relocation concerns, and uneven support ecosystems. With senior leadership roles in India projected to grow fivefold by 2030, from ~6,500 to ~30,000⁴⁷, the need for a strong, location-flexible executive talent pool is more critical than ever.



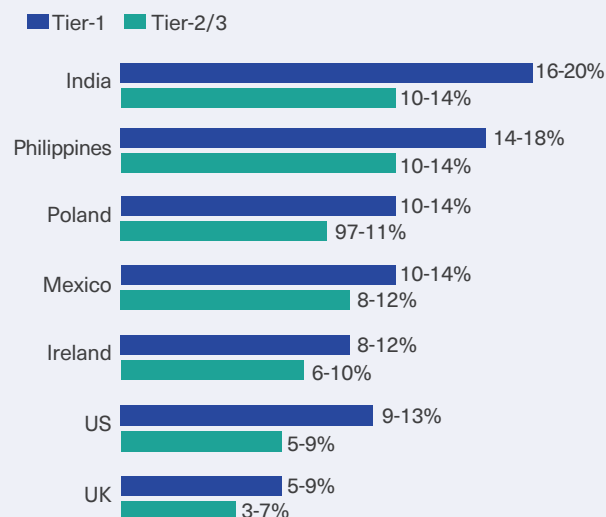
⁴⁷ Zinnov

⁴⁸ Mercer India Report on & India's Graduate Skill Index 2025

⁴⁹ Everest Group Report

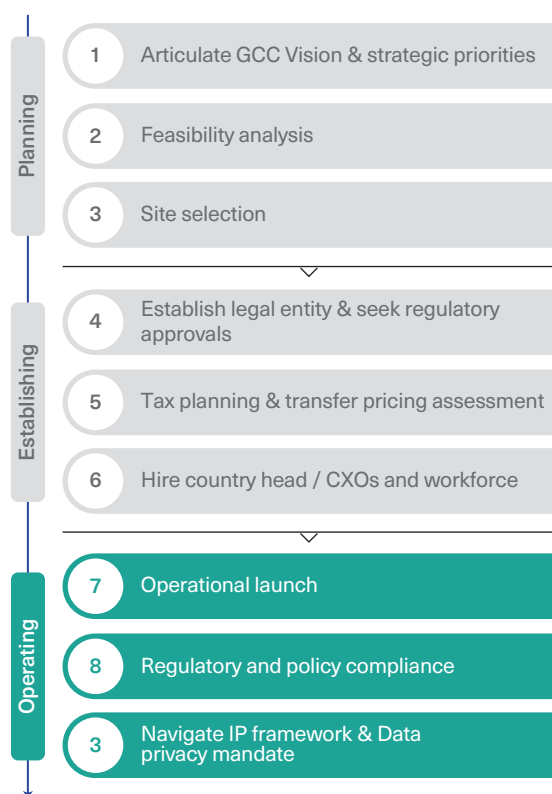
Policy Imperatives: By addressing these talent alignment gaps through targeted interventions, including stronger academia-industry collaboration, flexible skilling models tailored for regional needs, incentives for leadership relocation and infrastructure to support hybrid work, India can reinforce its position as a global hub for strategic and innovation-led GCCs. Encouraging the development of regional talent hubs through targeted incentives can help distribute opportunities beyond metropolitan areas, while fostering public-private partnerships can accelerate workforce readiness through practical training and certification programs. Ensuring accessible and industry-ready talent across locations will be instrumental in meeting the evolving demands of global firms and building resilience into the next phase of GCC growth.

Attrition for tier-1 and tier-2/3 cities for the IT services, by country 2025E; percentage



Source: Everest Group Report

2.3 | Operational Phase



Operational launch and Regulatory and policy compliance

- GCCs navigate overlapping central and state-level regulations across domains like tax, labor, SEZ rules and infra, leading to duplication and delays.
- Frequent regulatory changes (e.g., tax circulars) increase compliance burden and create operational uncertainty.
- Services exported by GCCs are zero-rated, allowing refund of input taxes. However, delays in refund processing have often tied up working capital.
- While several states have introduced policies offering subsidies and support, GCCs often face hurdles in eligibility, application complexity.

Navigate IP frameworks and Data localization mandates

- While India has made progress in strengthening its IP regime, enforcement remains a major concern, particularly for GCCs engaged in R&D, innovation, and product development. Recognition that legal ownership of IP is not imperative for functional contribution.
- Trade secret protection is primarily contractual, requiring robust internal policies for safeguarding sensitive data.
- Patent processing timelines longer in sectors with high filing volumes, due to administrative capacity.
- Data localization mandates require GCCs to invest in local data centers / India-based cloud infra

2.3.1 Operational Launch & Regulatory and Policy Compliance

During the operational launch phase, GCCs move from planning to execution, initiating services, embedding global processes, and establishing delivery operations. This includes securing licenses, ensuring compliance with corporate, labor, and tax regulations and operationalizing incentive packages. It is critical that GCC-specific incentives are harmonized with broader Central and State schemes, such as those for market access, manufacturing, and export promotion, available to the headquarters and associated entities. Such alignment enables a more integrated and strategic footprint in India, supporting long-term value creation across the enterprise.

India has made notable progress in easing regulatory processes and strengthening the overall business environment for GCCs. Several states have taken steps for streamlining approvals and simplifying administrative procedures. At the central level, reforms such as the introduction of the GST and consolidation of labour codes have improved regulatory clarity and reduced fragmentation across jurisdictions.

However, India's federal structure, while offering competitive advantages across states, also introduces layers of complexity. Many regulatory touchpoints, such as local labour approvals, utility connections, and compliance with municipal bylaws are governed at the state or city level, resulting in overlapping responsibilities, interpretational ambiguities, or longer-than-expected timelines during operational launch. Frequent regulatory updates, such as tax circulars, further require constant vigilance and adaptation to avoid compliance risks or refund delays.

India's GST framework has been a game-changer for improving ease of doing business. However, further efforts to streamline issues around working capital blockages and ease of doing business such as refund timelines and eliminate interpretational grey zones can enhance operational certainty.

Similarly, while government incentives are designed to promote innovation and investment, sometimes, GCCs struggle to access these benefits due to structural and procedural misalignments. Results

from an Industry survey highlight that the process of securing incentives remains encumbered by delays and administrative bottlenecks. Addressing these challenges, such as revising eligibility norms and streamlining application processes will be crucial to ensuring that GCCs can fully leverage the support intended for their growth and transformation.

To unlock the full strategic value of GCCs, it is essential to align their incentives with broader Central and State-level schemes, such as those supporting manufacturing (e.g., Production Linked Incentive (PLI)), exports, R&D, digital infrastructure, and market access. Further, states and the center need to collaborate to dovetail sectoral and functional incentive programs as well. In this regard, a single-window mechanism to navigate and consolidate eligible benefits across domains - technology, talent, infrastructure, exports, and manufacturing will also help improve ease of doing business, foster cross-entity synergies, and accelerate GCC scale-up and integration into global value chains.

Policy Imperatives: Continued efforts to simplify regulatory compliance, harmonize procedures across jurisdictions, and tailor incentive structures to the evolving needs of knowledge driven GCCs will be critical. Such measures will not only enhance India's competitiveness as a GCC destination but also enable long-term strategic value creation for global enterprises choosing to scale from India. A future-ready, facilitative policy ecosystem will reinforce India's stature as a global hub for innovation, digital delivery, and enterprise transformation.

2.3.2 Navigating IP Framework & Data Privacy Mandates

A well-developed intellectual property (IP) and data privacy framework is a foundational pillar for fostering innovation led GCCs. As GCCs increasingly undertake complex, knowledge-intensive functions – such as research and development, digital product engineering, and advanced analytics – the assurance of legal

safeguards for proprietary assets and sensitive data becomes indispensable. A coherent and enforceable IP regime, complemented by efficient adjudication mechanisms and specialized institutional infrastructure, enhances the credibility and reliability of the operating environment. Likewise, comprehensive data protection regulations, particularly those governing cross-border data transfers and sector-specific compliance, are critical for maintaining operational integrity in data-centric industries. The presence of such legal and regulatory architectures not only mitigates intellectual and informational risk but also significantly elevates a location's strategic appeal for global enterprises seeking secure, innovation-driven operations.

India has made notable strides in strengthening its IP and data protection frameworks – an increasingly important factor for global firms establishing innovation and R&D-led GCCs. The country's National Intellectual Property Rights (IPR) Policy 2016 and establishment of specialized IP Divisions in courts like Delhi, Calcutta, and Madras have laid the groundwork for a more structured and responsive IP ecosystem. The country has also introduced the Digital Personal Data Protection (DPDP) Act, 2023, which brings greater regulatory clarity on cross-border data transfers and provides a structured compliance pathway, particularly relevant for data-intensive sectors like finance, healthcare, and telecom.

India's evolving IP and data governance landscape presents a strong foundation for building a globally competitive environment for innovation led GCCs. With continued reforms, there is significant potential to further enhance IP enforcement, streamline judicial processes, and expand specialized IP infrastructure across geographies, which would boost investor confidence in high-value R&D operations.

Strengthening protections for trade secrets through a dedicated legal framework could offer additional reassurance to firms working with proprietary algorithms and sensitive technologies. Similarly, accelerating patent examination through digitization and capacity augmentation can help fast-track commercialization in advanced technology domains like AI, semiconductors, and pharmaceuticals.

Realizing this potential will require targeted institutional reforms and coordinated implementation across enforcement agencies,

judicial systems, and regulatory bodies. By addressing these critical gaps, India can elevate its attractiveness as a destination for IP-intensive GCC functions, positioning itself as a global leader in secure, innovation-driven capability development.

Looking ahead, national-level pathways are being established to enable continuous innovation and deeper integration of GCCs into global value chains. These include measures to support the evolution of GCCs into strategic hubs for digital capabilities and R&D, with access to emerging sectors, technology clusters, academic collaborations, and innovation-focused incentives. This positions India's GCCs to play a broader role in enterprise transformation and contribute to economic value creation across technology-intensive sectors.

In this context, alignment of GCC-specific incentives with broader Central and State-level schemes, covering areas such as market access, manufacturing, exports, and infrastructure is a key consideration. Such alignment will support enterprise-wide integration, where GCCs operate in conjunction with manufacturing units, commercial operations, and R&D centers within India. Mechanisms that consolidate and coordinate access to these incentives will be part of ongoing efforts to streamline operations and improve the ease of doing business for global enterprises.

Policy Imperatives: Realizing this potential will require targeted institutional reforms and coordinated implementation across enforcement agencies, judicial systems, and regulatory bodies. This includes accelerating patent processing through digitization, expanding specialized IP infrastructure, and introducing legal protections for trade secrets. On the data privacy front, the effective implementation of the Digital Personal Data Protection Act (DPDPA), 2023, and its accompanying rules requires clear compliance guidelines, institutional capacity building, and alignment with global standards.

Section 3

Suggested Framework and Contours of the National Policy on GCCs



Suggested Framework and Contours of the National Policy on GCCs

The National Policy on GCCs shall be structured around a three-pillar framework. This framework begins by setting up priorities and focus areas aligned with national economic goals, ensuring a clear direction and cohesive vision.

3.1 Overview of the Framework for National Policy for GCCs

A holistic governance structure with measurable outcomes and feedback mechanisms that keep pace with industry's evolution.

Anchored in this vision are key success factors across four pillars: developing a robust talent pipeline, creating world-class plug & play physical and digital infrastructure, enhancing competitiveness of our cities to act as engines of growth, and fostering an innovation-led ecosystem. Further to ensure effective implementation, impact and accountability, the framework also embeds key performance levers covering various policy instruments, investment promotion and facilitation activities and a holistic governance structure with measurable outcomes and feedback mechanisms that keep pace with industry's evolution.

1 Strategic Priorities

Vision & Objectives

- Bold vision
- Growth objectives (Scale, value creation, employment etc.)

Sectoral Focus & Prioritization

- High priority sectors (growing core areas: BFSI, Life Sciences, Engineering & Manufacturing, etc.)
- Emerging opportunity areas (Space tech, autonomous mobility etc.)
- Mapping sectoral linkages (India-entry for parent HQs)

2 Critical Success Factors

Talent

- Talent Development (Industry- Academia collaboration, specialized curriculum)
- Talent Mobility and Diversity

Infrastructure

- Physical Infrastructure (Digital Economic Zones, plug & play infra)
- Digital Infrastructure (Data Centers, Cloud Infrastructure etc.)

Location Capability

- Tier-1 City Enhancement; Tier-2/3 City Development
- City Specialization / Branding

IT & Startup Ecosystem

- IT & Innovation Ecosystem (Activating IT sector in Tier 2/3, Research Parks)
- Start-up and Emerging Tech

3 Performance Levers

Policy Instruments

- Simplified Regulatory Environment (National Single Window Clearance, Fast-Track Approvals)
- Tax and Incentive Structure (Corporate Tax, R&D Incentives, Export Incentives, Investment Allowances)

Investment Promotion and Facilitation

- Investment Attraction Strategy (Sector and country-specific attraction campaigns, Annual India GCC Summit)
- Facilitation Services (Dedicated GCC Cell, Lifecycle support for GCCs)

Governance Framework

- Key Performance Indicators (Growth Metrics, Quality Metrics, Impact Metrics)
- Governance Structure (National GCC Council, Support cells, Advisory groups)

3.2 | Strategic Priorities

3.2.1 Strategic Vision & Objectives

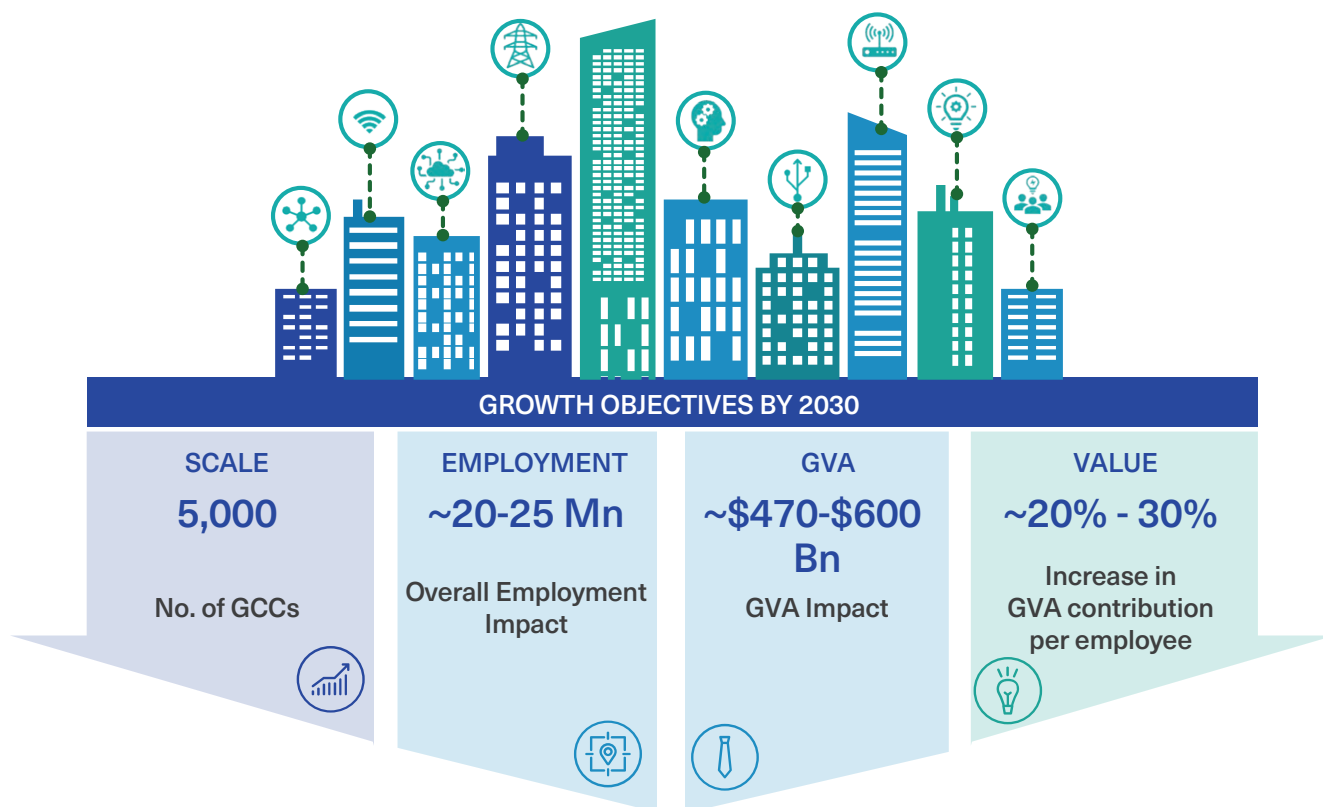
The strategic vision of the National Policy on GCCs will be formulated to drive bold, inclusive, and broad-based economic development by positioning GCCs as key contributors to India's growth. This would entail a purposeful shift from scale-intensive operations to capability-led mandates, with GCCs increasingly owning global functions in innovation, R&D, and decision-making. Along with this, the focus will also be on expanding the GCC footprint to Tier-2/3 cities to unlock diverse talent pools, leverage India's strategic regional depth and enable more balanced economic growth. The National Policy will

also seek to leverage the GCC ecosystem to catalyze service-led manufacturing by facilitating India's market access for global headquarters, thereby deepening India's role in global value chains, strengthening industrial linkages, and driving investment across allied sectors.

With this, the National Policy will aim to generate wide-ranging impact, spurring high-quality employment, advancing skilling in frontier technologies, and enabling knowledge spillovers through stronger collaboration between GCCs, academia, and startups, leading to stronger and resilient economic growth of the country.

STRATEGIC VISION AND OBJECTIVES

To drive bold, inclusive and broad-based economic development by positioning GCCs as strategic contributors to national growth, and enabling a ripple effect of innovation by leveraging AI and emerging technologies, employment, and investment across key allied sectors through India market access



Source: Deloitte and CII Estimate

Ambition to scale from 1,800 to 5,000

India has a strong potential to scale its GCC ecosystem from 1,800 to 5,000 centers, positioning itself as the global hub for high-value enterprise capabilities. This expansion will be driven by rising global demand, supportive government policy, and the proliferation of next-generation nano-GCCs focused on emerging technologies and innovation-led functions

Scale Driving the Economic Impact of \$470–\$600 billion

The GCC sector has the potential to contribute between \$470–\$600 billion to India's GDP by FY'30. This includes \$154–199 billion in GVA, with the remainder comprising \$151–\$195 billion in indirect and \$165–\$213 billion in induced economic impact. These projections reflect the sector's potential to grow from a support engine to a value creation powerhouse – contributing 2.2% to 2.8% of India's GDP and becoming a core pillar of the knowledge economy.

Driving Employment Generation Impact of ~20-25 million

India can aspire to enable employment generation of ~20–25 million through GCC-led growth, including ~4–5 million direct jobs. This could be complemented by ~3.4–4.3 million indirect and ~12.3–15.6 million induced jobs, creating a robust employment multiplier effect across sectors. A key objective is to achieve a ~20% - 30% increase in GVA contribution per employee, reflecting a shift toward higher-value work in areas like engineering, data science, digital product development, and AI/ML.

Key growth levers include accelerating the current CAGR of GCC expansion, scaling the GCC talent base at ~11% or higher, and driving a richer skill mix across centers. The emergence of nano-GCCs, increased functional ownership, and the establishment of technology-focused CoEs are central to this evolution. Together, these objectives position India to lead the next wave of global enterprise transformation – cementing its status as the premier destination for innovation-driven, talent-led capability centers.

3.2.2 Sectoral Focus & Prioritization

High priority sectors

National Policy on GCCs should prioritize the expansion and deepening of its core sectoral strengths. The policy should support the next phase of growth in these sectors by enabling advanced capabilities, promoting sector-specific skilling and research ecosystems, and fostering collaborative models between enterprises, academia, and government.

India's GCC ecosystem has firmly established itself as a critical node across global enterprise value chains, with more than ~70%⁵⁰ of centers anchored in BFSI, CPG and Retail, Automotive, Energy, Resources, and Industrials (ERI) and Technology, Media and Telecom (Software & Internet, ER&D etc.) sectors. Others include Healthcare and Life Sciences, Electronics System Design and Manufacturing. These sectors not only dominate existing GCC footprints, but are also undergoing rapid transformation, fueling demand and investments for deeper capabilities in data, AI, risk management, product engineering and platform.

For instance, unicorns in the Software & Internet and BFSI sectors can be viewed as a priority segment, having established a strong GCC presence in India – particularly from the EMEA region, which accounts for ~80% as per industry estimates of its unicorns operating in the country.



⁵⁰ Deloitte Research

Simultaneously, ER&D is emerging as a breakout opportunity, being the fastest-growing segment in India's tech industry and contributing more than ~50%⁵¹ of GCC revenue in 2024. Key sectors fueling this momentum include BFSI, CPG and retail, ERI, TMT, Healthcare and life sciences, Aviation, Electronics System Design and Manufacturing, Automotive and Manufacturing.

Emerging opportunity areas

The rapidly evolving global landscape demands that GCCs continuously expand beyond traditional mandates to harness emerging opportunity areas that will define the future of enterprise. These frontier domains represent not just incremental growth but transformative potential for GCCs and their parent organizations. This includes sectors like:

Advanced Mobility Hub

- As enterprises accelerate investments in autonomous mobility, GCCs – especially those with deep capabilities in systems engineering, clean-tech R&D, and advanced analytics – can evolve into nerve centers for orchestrating complex autonomous fleets, managing predictive maintenance, and integrating multi-node telemetry in real-time.

Neural core of the agentic

- GCCs are expanding their mandate from operational support to managing enterprise-wide AI ecosystems – spanning data pipelines, model training, and autonomous decision-making. These emerging “cognitive command centers” are transforming into the neural core of the agentic enterprise, embedding intelligence into every business function. This shift is underpinned by a ~17X⁵² increase in global research on agentic systems over the past two years, signaling a rapid acceleration in enterprise interest and investment in autonomous, decision-capable architectures.

Digital brain for healthcare

- India's healthcare GCCs are already evolving into digital brains of the enterprise – powering genomics-led R&D, managing regulatory processes, and enabling predictive diagnostics. With growing investment in clinical and AI

centers of excellence, they are becoming critical innovation partners for pharma, med-tech, and care delivery organizations.

Autonomous manufacturing orchestrator

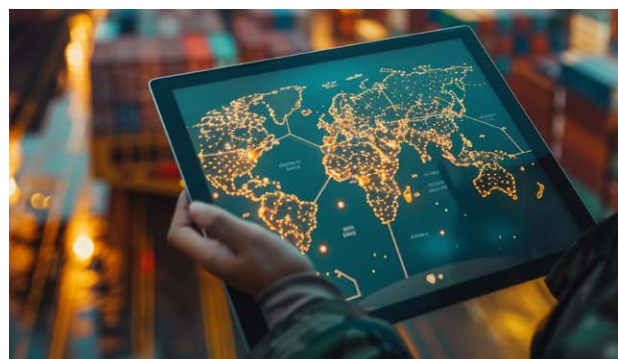
- With growing capabilities in industrial IoT, edge-AI, and predictive analytics, India-based GCCs are enabling a future where production is autonomous, factories are location-agnostic, and operational resilience is built into the code.

Quantum computing and frontier tech convergence

- Quantum computing is emerging as a key area where GCCs can shape enterprise readiness for the next computing paradigm. From quantum-safe encryption to simulation-heavy R&D and optimization problems, early investments in quantum capabilities can differentiate future-ready GCCs. As quantum, AI, IoT, and cloud converge, GCCs in India are uniquely placed to serve as integration hubs—facilitating the seamless fusion of frontier technologies across sectors like logistics, finance, aerospace, and life sciences.

Mapping sectoral linkages

The National Policy on GCCs may also consider including framework to build cross-sectoral linkages of GCCs with manufacturing, supply chain and logistics to also enable upstream and downstream investments. By embedding themselves deeply within the global value chains of their parent organizations, GCCs serve as critical market entry engines, enabling multinational enterprises to navigate India's diverse and complex ecosystem with greater agility and confidence. For instance, a GCC focused on ER&D may facilitate upstream manufacturing investments or downstream service expansions by providing vital localized expertise and operational capabilities.



⁵¹ Zinnov report on "India's GCC Landscape"

⁵² Accenture Report "Technology Vision 2025: AI: A Declaration of Autonomy"

3.3 | Critical Success Factors

The National Policy should strive to catalyse enablers for four critical success factors that will position India not only as the preferred destination for GCC operations but also as a hub for global headquarters, regional command centres, and integrated value chains. These factors hold potential to create multiplier effects across the economy while ensuring equitable development across all regions.

3.3.1 Talent

Talent development

The national policy should strive to develop specialized talent development mechanism in consonance with the demand from GCCs. This can include pivoting from traditional models to a more integrated model involving joint curriculum development, shared faculty, industry-sponsored research, and pathways to guaranteed employment. The idea is to foster a symbiotic relationship where academic institutions produce job-ready professionals, reducing onboarding and training efforts for companies while enhancing student employability. A key focus may also be on promoting global roles for the GCCs in India, enabling Indian centers to take on end-to-end ownership of strategic functions, innovation mandates, and leadership positions that serve global markets.

Additionally, the national policy should consider to emphasize developing specialized, industry-specific educational programs that go beyond generic courses to address nuanced GCC functional requirements. This includes modules in emerging technologies such as AI, blockchain, and quantum computing including ethics, governance and risk management around these emerging technologies, as well as domain knowledge in fields like financial modelling, healthcare informatics, supply chain optimization, and regulatory compliance. Curricula may be modular, adaptable, and updated quarterly through structured industry feedback loops to ensure relevance and cutting-edge skill delivery.

Talent mobility and diversity

Talent mobility component of the national policy may consider to incentivize and facilitate movement of skilled professionals in GCCs across high potential Tier-1, 2 and 3 cities. It will be crucial for

the GCCs that operate distributed models and need to scale operations in cost-effective locations while maintaining access to quality talent. It will reduce dependency on talent clusters concentrated only in metros.

Priorities of the National GCC Policy in this regard may include incentivizing continuous learning programs focused on advanced digital, AI, cloud, design, and leadership skills and establishing mechanisms to develop local talent pipelines in Tier-2 and Tier-3 cities through micro-clusters of industry-academia collaboration.

Further, the policy may promote “future of work” readiness initiatives such as micro-credentials and modular certifications, create a national mechanism to support talent relocation expenses across leadership and staff roles and consider developing reskilling and career-transition pathways tailored to emerging-tech and strategic functions within GCCs.

3.3.2 Infrastructure

Physical infrastructure

To attract and retain next-generation GCC investments, India should offer high-quality, business-ready physical infrastructure. The national policy should promote private sector led-development of world class plug and play infrastructure for GCCs, that will serve as integrated hubs for global delivery, R&D and digital innovation, combining Grade-A office spaces, high-quality utilities, efficient transport and logistics access, and vibrant living ecosystems to create globally benchmarked work environments. They should enable a competitive regulatory ecosystem (similar to that of SEZs) to promote upstream movement of GCC operations in India in respective business value chains.

These hubs may be equipped with plug-and-play workspaces, co-located data centers, power redundancy, high-speed fiber internet and shared testing/prototyping labs. Further, they can include **skilling centers, start-up incubators, and Centers of Excellence (CoEs)** to ensure a full-stack support ecosystem spanning talent development, R&D, and innovation. In this first phase, 10 DEZs may be targeted to be developed, with 5 in Tier-1 cities and 5 in Tier-2 cities.

Learnings from the GIFT City model—particularly around integrated infrastructure planning and progressive regulatory frameworks may inform the development of DEZs to attract high-end global service operations.



Digital infrastructure

As GCCs scale their roles in digital transformation, AI, and data-driven operations, the availability of robust digital infrastructure will be a key differentiator. The national policy may consider promoting the development of:

- AI-ready infrastructure in Tier-1/2 cities hosting GCCs, including multi-petaflop clusters, LLM training environments, and AI Infrastructure hubs integrated into the planning of integrated hubs (mentioned above), especially in states with power and data ecosystem readiness.
- Public-private compute clusters that offer shared access for GCCs and startups to support AI-driven experimentation and deployment.
- Reliable, high-speed internet connectivity and last-mile digital access in emerging Tier-2/3 locations to ensure seamless operations and business continuity.

Furthermore, strategic alignment may be encouraged with national missions such as Digital India, IndiaAI, and the National Broadband Mission, embedding digital infrastructure as a core enabler for globally competitive, future-ready GCCs.

The national policy may also consider exploring emerging infrastructure solutions such as satellite-based connectivity models and micro nuclear-powered data centers to build resilient and sustainable digital capacity, as well as assessing globally successful supercluster models to derive best practices for building India's own integrated digital innovation corridors with AI, connectivity, and computing capacity at the core.

3.3.3 Locational Capability

Tier-1 city enhancement; Tier-2/3 city development

India's Tier-1 cities already host a significant share of global GCC operations. It is recommended that national policy may focus on reinforcing capabilities of these hubs by promoting the likes of integrated and smart urban mobility, upgraded zoning to enable vertical growth and flexible land use thereby incentivizing development of next-generation GCC infrastructure and enhancing livability for global talent.

Simultaneously, the national policy should recognize the untapped potential of Tier-2 and Tier-3 cities for the next wave of growth of GCCs in India. Policy interventions in this regard should focus on foundational urban planning (planned business districts, affordable and integrated housing), dedicated industrial infrastructure with clear land-use zoning to reduce entry barriers for GCCs, consistent and high-quality utilities infrastructure and a vibrant social infrastructure focused on high quality healthcare, education and housing for young talent. State Governments have a major role to play in implementing these initiatives. Development of regional airports into international nodes, alongside integrated multi-modal transit networks, will enhance mobility and business continuity.

City specialization / branding

City specialization and branding for the GCCs in India can play a pivotal role in enhancing the country's global positioning as a hub for high-value services. This includes aligning each city's inherent strengths such as talent availability, academic and research ecosystems, industrial base, and infrastructure with specific GCC domains. For instance, Bengaluru can be positioned as a hub for AI, product engineering, and advanced tech; Hyderabad for life sciences, cybersecurity, and pharma R&D; Pune for automotive engineering and analytics; Chennai for auto & auto ancillary and industrial automation; and Gurugram/Noida for digital operations and business transformation. These specializations may be articulated into clear city-specific value propositions, supported by detailed branding toolkits that highlight economic advantages, talent depth, liveability, and ease of doing business.

The national policy may encourage states to develop focused infrastructure upgrades, such as innovation labs, data centres, and R&D zones, aligned with each city's focus area. These efforts may be amplified through curated branding campaigns (e.g., "Design in Pune", "Secure in Hyderabad") and international outreach, positioning Indian cities not just as outsourcing hubs, but as global innovation destinations.

3.3.4 IT and Startup Ecosystem

To accelerate the geographical spread and depth of India's digital economy, the national policy on GCCs shall prioritize the activation of start-ups, IT and innovation ecosystems in Tier-2/3 cities. While the onus of this will largely be on state governments, the national policy shall strive to create synergies between states' initiatives with national flagship programs like Startup India, Digital India, IndiaAI mission, Smart City mission, Atal Innovation Mission, among others, to promote forward and backward linkages of the GCCs' operations with local ecosystems. The national policy should promote prioritizing ecosystem enablement in identified existing and potential GCC hotspots (Tier-1, 2 and 3 cities) through structured co-location of GCCs, start-ups, IT companies and R&D institutions.

3.4 | Performance Levers

3.4.1 Policy instruments

Simplified regulatory environment

The national policy should strive to streamline regulatory procedures for the GCCs, helping in fast-tracking approval mechanisms, simplifying, and reducing compliance burdens and ensuring consistency and predictability across states. This can be achieved through institutionalization of a **National Single Window Platform** to provide end-to-end regulatory compliance support to the GCC investors. The platform shall enable streamlining setup, operations, investors' grievance resolution and inter-agency collaboration, thereby functioning as an investor-first mechanism to boost investor confidence and operational agility for new and expanding GCCs.

Direct and indirect tax reforms

To make India a globally competitive and innovation-friendly destination for GCCs, the National GCC Policy should institutionalize a forward-looking and facilitative tax & incentive architecture that rewards high-value functions, fosters IP creation, promotes digital infrastructure and encourages ecosystem linkages.

■ Corporate taxation support

To promote high-end GCC activities, concessional tax regimes may be introduced for centres engaged in **R&D, product development, and IP creation**. These may include reduced effective corporate tax rates and tax holidays within notified DEZs. In addition, a concessional corporate tax rate may be introduced for GCCs setting up an entity or commencing operations within a specified timeframe in India. Further, to boost employment, a weighted deduction for salaries paid by GCCs to newly hired employees may be considered.

The national policy may consider harmonizing Permanent Establishment (PE) rules, especially for GCCs transforming into strategic powerhouses with the advent of AI and GCCs expanding into high-value areas. Such GCCs could see increased instances of global expatriate professionals (particularly senior management teams) travelling to India for strategic oversight functions. In addition, there may be an increased number of team members in the India GCC actively collaborating with their global counterparts on a daily basis. These instances are generally sought to be closely examined/ questioned by the tax authorities for whether they create a Permanent Establishment in India. The PE rules should clarify that such strategic oversight by expatriate professionals or global collaboration will not create a "Permanent Establishment" (PE) in India.

A framework similar to Section 9A of the Income-tax Act (enacted for overseas investment funds) may be adopted to provide comparable certainty to GCCs, ensuring that strategic oversight or cross-border collaboration by global personnel does not trigger PE exposure. Clear guidance on transfer pricing from tax authorities shall be essential to keep in line with the transformational activities to be performed from such GCCs.

In addition, with the Indian GCCs playing a key role in the parent company's global strategies overseas, there may be a potential examination by tax authorities into whether the overseas parent company creates a Place of Effective Management ("POEM") in India by virtue of Indian team members playing key commercial and strategic roles in overseas boards. Certain "safe harbor" rules in this context may also assist such GCCs in navigating this risk in the Indian tax landscape.

■ Transfer pricing facilitation

Recognizing the unique delivery models of GCCs, the policy may consider greater predictability in transfer pricing through the following measures:

- **Rationalized safe harbour margins** and broader as well as practical eligibility criteria to reflect actual business margins.
- Continued adoption of **cost-plus mark-up/assured return approaches**, especially for high-value-added services like R&D, advanced analytics, and design engineering.

The existing guidance contained in Circular 6/2013 currently envisages that, for a contract service provider with insignificant risk, inter alia,

- a) Foreign principal performs most of the economically significant functions involved in research or product development cycle either through its own employees or through its associated enterprises while the Indian Development Centre carries out the work assigned to it by the foreign principal. Economically significant functions would include critical functions such as conceptualization and design of the product and providing the strategic direction and framework;
- b) The Indian Development Centre works under the direct supervision of the foreign principal or its associated enterprise which has not only the capability to control or supervise but also actually controls or supervises research or product development through its strategic decisions to perform core functions as well as monitor activities on regular basis;

In view of the higher value functions that are envisaged to be performed by GCCs, they are increasingly assuming more economically significant functions and participating in strategic decisions to perform core functions and are capable of monitoring activities. To facilitate the compensation of the risk-insulated contract service provider on an assured return basis (such as cost plus, benchmarked under TNMM), the existing thresholds for determination of insignificant risk would have to be altered to allow for the Indian provider to participate in the aforesaid functions along with the foreign principal.

- Establishment of a **fast-track APA (Advance Pricing Agreement) and MAP (Mutual Agreement Procedure)** route for certified GCCs. Audits may be suspended until the APAs are concluded based on time-bound directives.

India's tax administration possesses substantial expertise in negotiating APA and MAP cases for GCCs, spanning various service types and global locations. To capitalize on this experience and expedite resolution, the authorities may consider to issue comprehensive guidelines that leverage past APA and MAP outcomes to provide reference agreements. These agreements should include suggested solutions and acceptable positions on key negotiation points such as Free on Charge (FOC), cost definitions, and profit margins. This standardization will reduce negotiation time, expedite conclusions and increase predictability.

- Clear guidelines on **block assessment of intra-group transactions** to ensure constructive closure and reduced compliance burden.
- Support for India's participation in the **International Compliance Assurance Programme (ICAP)** to promote multilateral tax certainty for large GCCs operating in multiple jurisdictions.

■ Goods and Services Tax (GST)

- To ease working capital issues, the policy may offer clarifications on nature of services provided by GCCs and how they don't qualify as 'intermediary' to expedite GST refunds and detailed scrutiny by tax authorities on refund applications. Further, since GCCs pay tax under reverse charge mechanism on various services imported from their offshore vendors, the policy may allow payment of GST under reverse charge mechanism by utilizing input tax credit. Applicability of input service distributor ('ISD') provisions to GCCs may also be dispensed as this leads to round tripping of credit between different

registrations of same legal entity especially where GCCs bill their offshore counterparts from one centralized registration.

- To facilitate uniform interpretation of GST laws across the country, the policy may allow GCCs an option for centralized GST audits.

To facilitate ease of doing business, the policy may recommend various measures such as continuation of GST exemption on import of equipment/servers for STPI units beyond the current sunset date of 31st March 2026, input tax credit eligibility on various procurements made for employee encouragement such as rent-a-cab, health and life insurance, cafeteria expense etc, non-applicability of interest or penalty in cases of retrospective amendments to GST laws.

Incentives

■ Talent development and mobility support

- Talent Acceleration Hubs may be developed in high potential Tier 2 and 3 cities via Center-State-Industry co-funding mechanism. These hubs should be located within prominent National / State academic institutions and shall focus on development of industry-aligned training courses and conduct upskilling and re-skilling training programs. The curriculum should include emerging technologies such as AI, blockchain, and quantum computing – along with associated ethics, governance, and risk management – as well as domain-specific modules. States may consider offering subsidies to the GCCs for leveraging these programs for their employees.
- National Digital Talent Platform may be developed to onboard three key stakeholder groups – Professionals, GCC companies and Recruitment service providers, for job matching and skill validation. It is recommended that this platform may feature:
 - o AI-driven talent-matching engines aligned to a GCC-specific skills taxonomy

- o Integrated skill passports that consolidate credentials across academic, vocational, and corporate sources
- o Demand-supply heatmaps to identify regional skilling gaps
- o Reskilling and career transition pathways tailored for emerging tech and strategic roles within GCCs, supported by periodic NCVET curriculum reviews to ensure future-ready alignment and integration with the National Digital Talent Platform for targeted skilling and mobility.
- o Standardized skill certification and recognition systems, ensuring that workers can move between GCC locations and functional domains.

This platform may also integrate and build upon existing government initiatives such as the National Career Services Portal, Career Lounges, Employment Linked Incentive Scheme and apprenticeship programmes to strengthen industry-ready workforce pipelines for GCCs.

The national policy may encourage the states to provide support such as:

- **Relocation assistance to the GCCs per skilled hire moving to Tier-2/3 cities.**
- **Tiered payroll incentives for talent hiring in GCCs (varying across Tier-1, Tier-2, and Tier-3 cities) to incentivize talent mobility.**
- **Stipend support to the GCCs hiring students for internships.**

■ **Infrastructure development support**

- The national policy may consider to enable the development of Digital Economic Zones (DEZs) to create world class plug and play infrastructure for GCCs. To achieve the same, it is recommended that we consider following measures:

- o Digital Economic Zone Development and Regulation Act to:
 - Define the structure, fiscal incentives, governance mechanisms, and legal sanctity of DEZs.
 - Establish a clear framework for compliance, dispute resolution, and benefits administration.
 - Encourage states to harmonize local laws and regulations to allow for unified jurisdiction, regulatory convergence, and ease of doing business across geographies.
- o A multi-tier regulatory architecture may ensure seamless implementation and responsive governance:
 - A Central DEZ Authority as a statutory body to oversee national-level strategy, inter-state coordination, compliance monitoring, and integration with other national digital and industrial missions.
 - State-level DEZ Facilitation Cells can be established to manage local infrastructure development, land and utility approvals, and investor support services. Creation of these cells will act as the single point of contact for all state-level processes related to DEZs.
- o Fiscal and regulatory incentives, including:
 - Viability Gap Funding for integrated infrastructure development (transit corridors, smart mobility infrastructure, last-mile solutions etc.)
 - Tax holidays
 - Import duty exemptions (customs and excise) on capital goods, R&D tools, and technology imports

In the first phase, the development of 10 DEZs may be targeted across Tier-1 and Tier-2 cities, with site selection undertaken through a challenge-based selection process.

- For facilitating the development of digital infrastructure for the GCCs, the national policy may consider covering:

- o Capex co-investment grants for the development of high-compute clusters, AI/ML infrastructure and LLM training facilities to PPP operators, GCCs and research institutions building such infrastructure.
- o Operational usage credits and compute leasing incentives for federated compute pools established under PPP models.
- o Mechanisms for ensuring private sector led development of high speed internet infrastructure, including accelerated depreciation, investment tax credits among other such support for telecom equipment deployed within DEZs, especially for dark-fibre, microwave links, and edge compute nodes.
- o Government-backed SLAs ensuring 'always-on' connectivity for mission-critical GCC operations,
- o Incentive support for establishing edge data centres in Tier-2 and Tier-3 cities for enhanced local network resilience.
- o Playbooks for common GCC architectures (hybrid cloud, edge deployments etc.) to accelerate detection and remediation.
- o Issuance of a 'GCC Cyber Baseline Standard' aligned with global best practices to provide evolution-ready cybersecurity framework for GCCs.

It is requested that the National policy may encourage states to provide compute usage subsidies for model training, NLP engines and simulation-heavy R&D to GCCs and research institutions, and to integrate their existing Security Operations Center (SoC) infrastructure into DEZ governance frameworks for enabling 24x7 threat monitoring, incident response, and security analytics support for GCCs.

■ Locational capability development support

- The policy may urge states to work towards convergence of various schemes for the development of necessary enabling ecosystem, including planned affordable and integrated housing, integrated and smart urban mobility / multi-modal transit networks and related infrastructure in the identified 'Champion Cities'.
- The national investment-attraction and branding campaign under the 'Performance Levers' pillar may further amplify state-level outreach to draw GCCs to designated Champion Cities.

■ IT and Start-up ecosystem enablement

- The national policy may consider enabling development of a national network of incubators for emerging technologies and sectors such as AI/ML, Autonomous Systems etc. through private sector participation to promote innovation-led growth of GCCs in India.
- Accelerated IP processing and sandbox clearances through a fast-track "green channel".
- For data-intensive GCCs, a sector-specific Data Trust Framework may be considered under the Digital Personal Data Protection Act (DPDPA) to enable secure cross-border data flows, data localization compliance, and processing under mutually agreed transfer mechanisms.
- A dedicated 'GCC-Start-up Connect Platform' can be developed to facilitate collaboration through innovation challenges, reverse pitching and technology scouting.

- The Policy may encourage:
 - o To launch joint accelerator and venture builder programs to fast-track scale-ready, startup-led solutions targeting global enterprise use cases.
 - o Providing grants to GCCs to support Proof-of-Concept (PoC) development with DPIIT-registered startups, prioritized for:
 - Frontier tech (e.g., AI/ML, quantum computing)
 - ESG-aligned solutions (e.g., digital twins for energy efficiency)
 - Enterprise SaaS with export potential
 - o To promote sustainability, the Policy may consider ways to encourage States to offer capex support to the GCCs for developing infrastructure certified under LEED, GRIHA, or equivalent green building standards, encouraging the adoption of low-carbon, resource-efficient operations.

Drawing from best practices of successful state-level policies, a Model State GCC Policy framework may be developed to guide and support states in attracting and enabling GCC investments.

3.4.2 Investment Promotion and Facilitation

A key pillar of the National Policy on GCCs should be a comprehensive investment promotion framework aimed at attracting and facilitating high-quality GCC investments in India. This framework will ensure, both, the expansion of existing GCCs and the onboarding of new entrants, especially in underpenetrated markets and high-potential sectors.

On the investment attraction front, the national policy may adopt a segmented targeting Policy focusing on two investor categories:

- existing GCCs in India, for which the national policy will support in defining sector-specific entry opportunities, support technology-driven value addition within existing GCCs, as well as focus on net-new growth, capturing additional functions, verticals, or markets within the same corporate group, and
- global firms, including mid-sized enterprises, that have yet to establish a GCC presence in India.

Geographically, while the US and UK remain key markets, the national policy shall recommend a forward-looking market development strategy to attract GCC investments from underpenetrated geographies such as Japan, the Nordics, Australia, New Zealand and Middle Eastern economies among others, broadening India's global GCC footprint.





To operationalize this framework, it is recommended that:

- Customized sector- and country-specific investment campaigns that highlight India's value proposition across talent, infrastructure, cost, and innovation
- An annual India GCC Summit to be institutionalized in collaboration with key partner countries to deepen engagement and showcase India's readiness, including success stories of existing GCCs in India
- City-specific GCC value propositions to be developed to position emerging Tier-2/3 locations as credible alternatives to traditional metros, backed by local talent ecosystems and urban infrastructure.
- Development of a national 'GCC Opportunity Catalogue' that maps Tier-1 and Tier-2/3 cities based on their unique city value propositions, enabling potential investors to identify optimal locations aligned with specific sectoral strengths and business priorities.



Investment Landing

Converting prospects into committed investors with operational presence

- Investor pitch deck development
- Business case preparation support
- Site visits and familiarization tours
- Location comparison analyses
- Investment incentive structuring
- Due diligence support services
- Negotiation facilitation
- MoU and agreement finalization



Investment Aftercare

Ensuring investor success and encouraging expansion investments

- Dedicated relationship management
- Expansion opportunity identification
- Operational challenge resolution
- Policy advocacy and representation
- Investor satisfaction surveys
- Networking and community building
- Success story documentation
- Reinvestment facilitation services

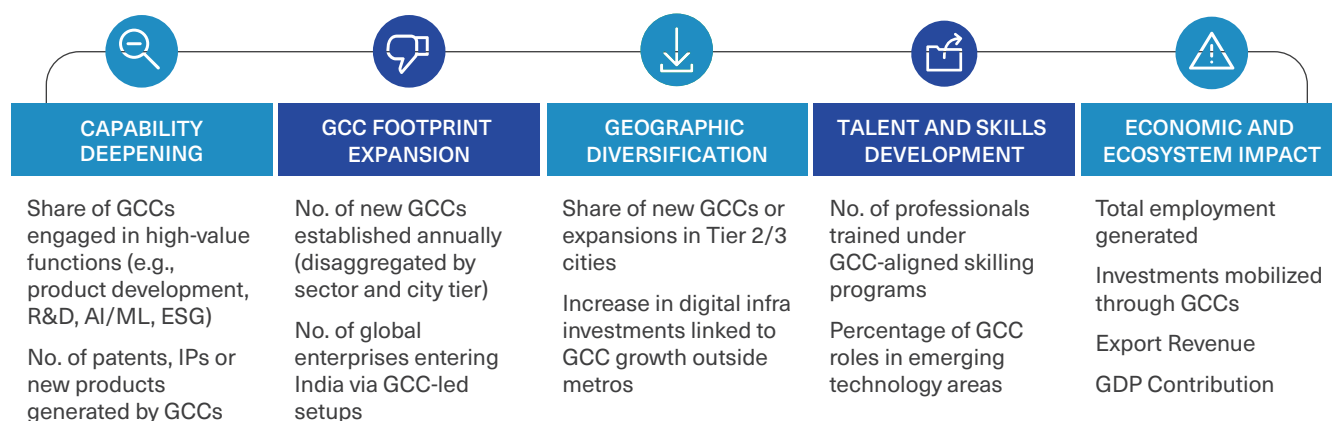
Complementing these efforts, investment facilitation mechanisms may be strengthened to ensure smooth onboarding, grounding, and long-term retention of GCC investments. Tailored landing support may be provided to assist with site selection, regulatory compliance, and infrastructure onboarding. Additionally, structured investment aftercare services can be offered to existing GCCs to ensure operational continuity, address challenges proactively, and support future expansion plans. This end-to-end lifecycle support is intended to position India as a globally competitive and investor-friendly destination for GCCs.

3.4.3 Governance Framework

Key performance indicators

To monitor progress and evaluate the impact of the various initiatives undertaken to promote growth of GCCs in India, the national policy should identify a set of clear and outcome-oriented Key Performance Indicators (KPIs). The national policy should also suggest the mechanism and custodian institution for collection and monitoring of data for KPIs.





Governance structure

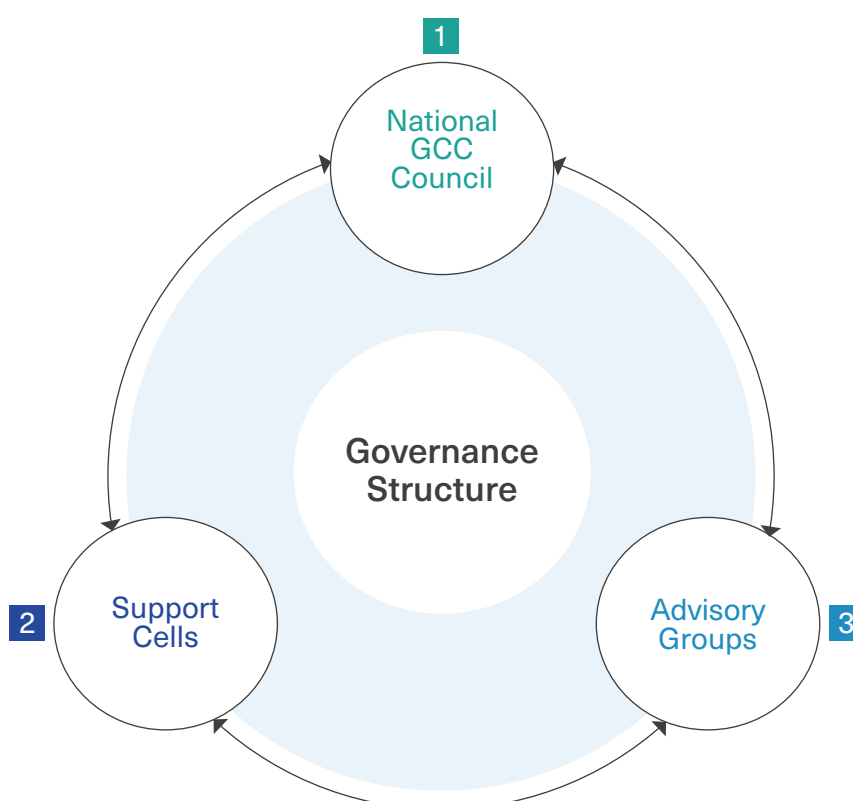
To ensure effective implementation, cross-stakeholder alignment, and responsive national policy evolution, the national policy on GCCs may be anchored by a three-tiered governance structure. This structure shall facilitate coordination across ministries, states, and industry bodies.

National GCC Council

A whole-of-government institutional framework will form the backbone of India's GCC ecosystem. A key enabler would be the establishment of a National GCC Council at the apex, comprising representatives from key Union Ministries such as

Finance, Commerce, Electronics & IT, Education, Skill Development, Labour & Employment and NITI Aayog among others. Its responsibilities may include:

- Setting the strategic direction for India's GCC agenda
- Reviewing the baseline and the economic impact created by the GCCs and their enabling ecosystem on a continuous basis
- Approving major reforms and cross-sectoral initiatives
- Establishing mechanisms for identifying and rewarding best performing states



This council will act as the central coordinating body to drive coherence in National Framework direction, inter-agency collaboration, and long-term strategic planning, clearly defining roles and responsibilities across departments, ensuring accountability, and enabling funding flows where needed, such as towards infrastructure development, talent skilling, or regulatory reforms.

The National GCC Council may also support the Government of India by facilitating industry inputs to inform negotiations under Free Trade Agreements (FTAs) and secure benefits aligned with GCCs' interests.

It is recommended that National Policy on GCCs be reviewed every three years by the National GCC Council to ensure continued relevance and responsiveness. The review will take into account global trends in the GCC landscape, advancements in technologies such as AI, quantum computing and robotics, as well as domestic macroeconomic performance and industry feedback. It will also take into account evolving international trade and investment agreements. This comprehensive review process will help ensure that the National Policy remains adaptive, future-ready, and aligned with India's broader economic and innovation objectives.

Under the guidance of the National GCC Council, five dedicated cells can be constituted to steer priority action areas:

- Investment Promotion Cell : to engage with global investors and promote India as a GCC destination.
- Talent Cell: For drafting curriculum blueprints and certification models, overseeing disbursement of mobility-linked incentives, coordinating curriculum alignment reviews etc.
- Infrastructure Cell: For identification of high-potential IT zones; Assessing Tier-2/3 infrastructure proposals including development of regional digital corridors; Designing of regulatory architecture for DEZs; Priority development of transit corridors; Smart mobility infrastructure; Last-mile solutions etc.
- Ease of Doing Business / Regulatory Reforms Cell: For identifying and addressing regulatory bottlenecks across the GCC lifecycle; Recommending streamlined processes for entity setup, compliance, and IP/data approvals; Coordinating on single-window clearances; Designing fiscal instruments and incentive frameworks aligned with global best practices etc.
- Innovation Support Cell: To monitor implementation of the startup collaboration instruments; Ensure alignment with broader IndiaAI, Startup India, and Digital India missions; Develop strategy for creation of regulatory sandboxes for startup-GCC pilots etc.

These five cells may be supported by three Advisory groups:

- **Inter-Ministerial Working Groups (IMWGs)** comprising officials from Ministry of Electronics and IT, Department for Promotion of Industry and Internal Trade, Ministry of Skill Development and Entrepreneurship, Ministry of Education, Ministry of Finance, Ministry of Communications, Ministry of Housing and Urban Affairs, etc., who will contribute to thematic areas like talent, infrastructure, reforms, and innovation.
- **State GCC Facilitation Committees**, led by State Chief Secretaries and senior officials from departments such as IT, Industries, Urban, Labor, Transport, Home and Education / Skilling, will:
 - Facilitate local GCC investments and fast-track clearances
 - Develop tailored incentives aligned with State's strengths
 - Undertake city-level branding in coordination with the National GCC Council
 - Coordinate with industry and academic institutions for local talent pipeline development.
- **The Industry Advisory Panel**, consisting of senior officials from departments such as IT, Industries, Urban, Labor, Transport, Home and Education / Skilling, will:

- Provide ongoing market intelligence and industry feedback
- Co-develop initiatives such as innovation hubs, sandbox pilots, or benchmarking studies
- Ensure the National Policy remains future-ready and enterprise-responsive

This governance architecture will enable a whole-of-government and whole-of-ecosystem approach, driving sustained growth and innovation in India's GCC landscape.

3.5 | Implementation Roadmap

The National Policy on GCCs will be implemented through a phased roadmap spanning from 2025 to 2030, with clearly defined milestones and aforementioned governance mechanisms to ensure accountability and adaptive course correction.

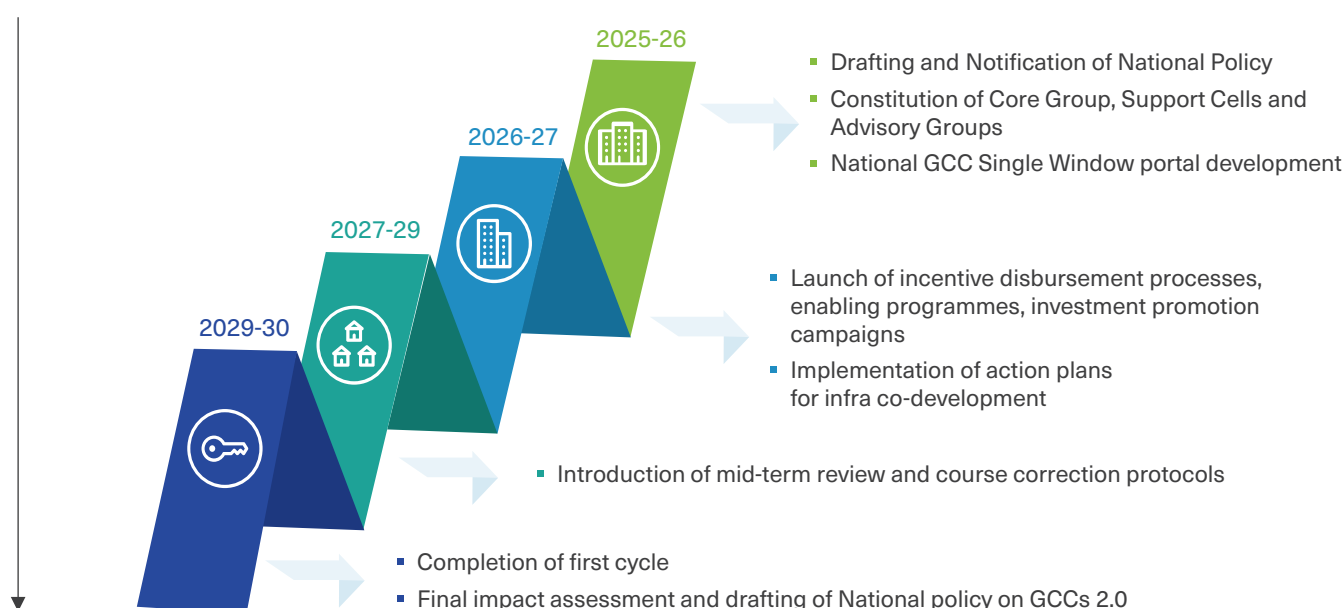
2025–26: National Policy launch and Institutional setup: The initial year of implementation will focus on laying the foundational architecture for the National Policy on GCCs. A key digital enabler during this phase will be the development of the National GCC Single Window Portal, which will serve as a

centralized platform for investors to access approvals, and policy-related updates, while also supporting facilitation across the GCC lifecycle.

2026–27: Incentivization and Infrastructure enablement: This phase will focus on operationalizing core programs to activate the national policy on GCCs on the ground. CII can partner with State Governments and relevant Ministries in Central Government to run targeted investment promotion campaigns to position India as a leading hub for GCCs.

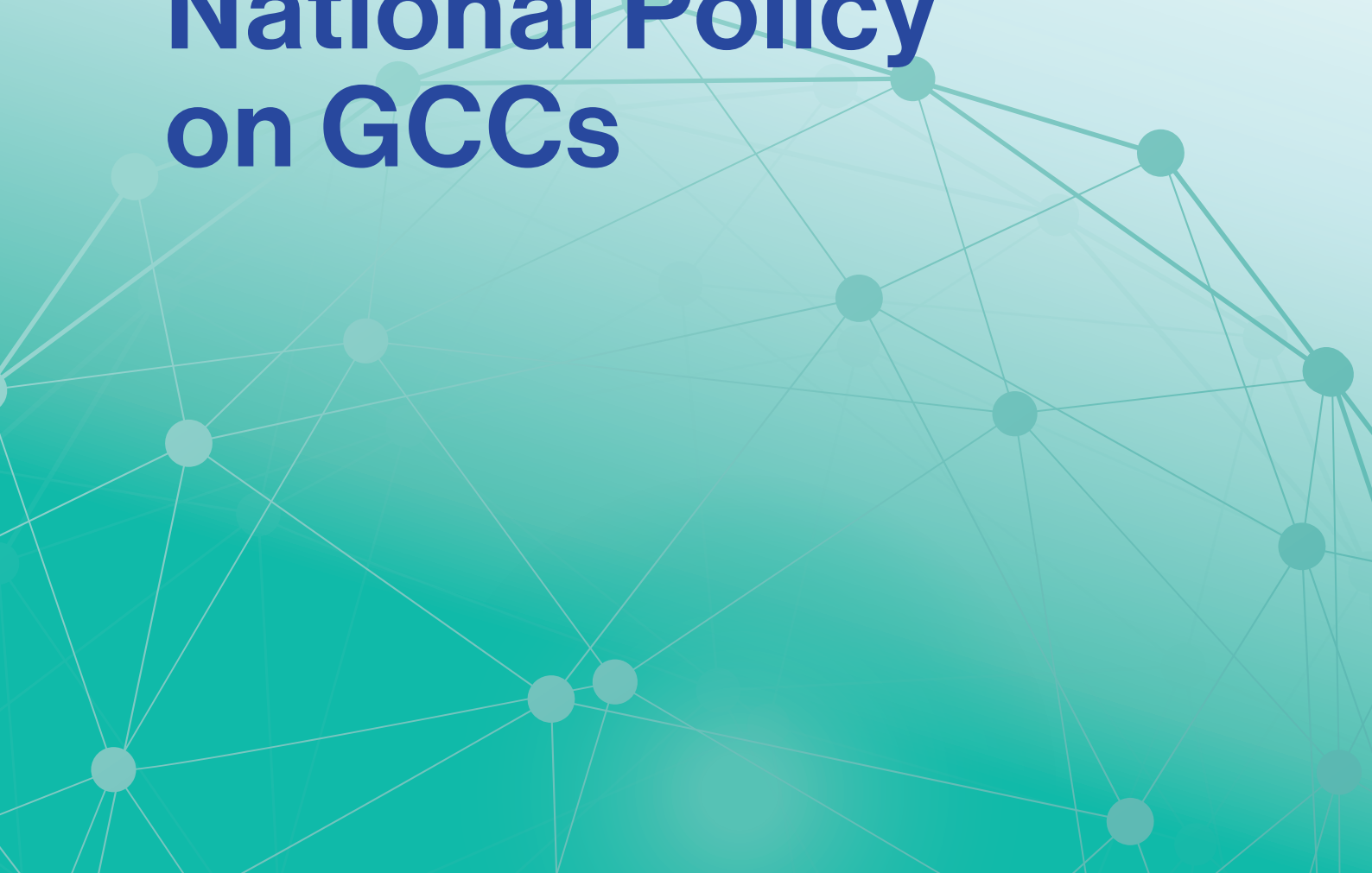
2027–29: Mid-term review and course correction: This phase will introduce a formal mid-term review mechanism to assess the policy's progress against predefined objectives and implementation milestones. The review will evaluate the effectiveness of institutional arrangements, uptake of incentives, investor feedback, and emerging challenges.

2029–30: Completion and Transition to GCC National Policy on GCCs 2.0: By 2029–30, the first implementation cycle will conclude. A comprehensive impact assessment will be undertaken to evaluate outcomes across investment, employment, innovation, and infrastructure. Based on this, the drafting of National Policy on GCCs 2.0 can be initiated laying the foundation for India's next wave of GCC-led economic transformation.



Section 4

Annexure: Summary of the Suggested Framework and Contours of the National Policy on GCCs

An abstract graphic in the bottom right corner of the page. It consists of a network of interconnected nodes and lines. The nodes are represented by small circles in various shades of teal and green. The lines are thin and light green, connecting the nodes in a complex, web-like pattern. The background of the entire page is a light blue gradient, and the bottom right corner features a darker teal gradient where the network graphic is located.

A Strategic Priorities		
A.1 Vision and Objectives		
A.1.1	Vision (2030)	To drive bold, inclusive, and broad-based economic development by positioning GCCs as strategic contributors to national growth, and enabling a ripple effect of innovation, employment, and investment across key allied sectors through India market access
A.1.2	Growth Objectives (2030)	- No. of GCCs: 5,000 - Direct GVA contribution: ~\$ 154 – 199 billion (2.2% - 2.8%) - Overall GVA contribution: ~\$470-600 billion - Direct employment impact: ~4 – 5 million - Total employment: ~20-25 million - Increase in GVA contribution per employee: ~20%-30%
A.2 Sectoral Focus and Prioritization		
A.2.1	High Priority Sectors	- Banking, Financial Services and Insurance - Consumer Packaged Goods and Retail - Energy, Resources, and Industrials - Technology Media and Telecom (Software & Internet, ER&D etc.)
A.2.2	Emerging Opportunity Areas (Illustrative and Non-exhaustive)	- Enterprise AI - Quantum Computing - Digital Healthcare - Industry 4.0 (including Autonomous manufacturing orchestrator) and Robotics - Advanced / autonomous mobility - Convergence - Professional Services
A.2.3	Sectoral Linkages	- Manufacturing - Supply Chain and Logistics
B Critical Success Factors		
B.1 Talent		
B.1.1	Talent Development	- Joint curriculum development, shared faculty, industry-sponsored research to produce job-ready professionals. - Promoting global roles for GCCs in India - Development of GCC-specific educational programs (courses in emerging tech like AI, blockchain, quantum computing as well as domain-specific knowledge - financial modelling, healthcare informatics, supply chain optimization, regulatory compliance etc.)
B.1.2	Talent Mobility and Diversity	- Incentivization of continuous learning programs focussed on advanced digital, AI, cloud, design and leadership skills - Mechanisms for development of local talent pipelines in Tier-2 and 3 cities through micro-clusters of industry-academia collaboration - Promotion of “future of work” readiness initiatives such as micro-credentials and modular certifications

B.2	Infrastructure	
B.2.1	Physical Infrastructure	• Private sector led-development of world class plug and play infrastructure for GCCs (Grade-A office spaces, High-quality utilities, Efficient transport and logistics access, Integrated living ecosystems, competitive regulatory ecosystem similar to that of SEZs) - These hubs to include co-located data centers, power redundancy, high-speed internet, and shared R&D assets. - Skilling centers, incubators, and CoEs will be co-located to ensure end-to-end talent development and innovation support. - In this first phase, 10 DEZs may be targeted to be developed, with 5 in Tier-1 cities and 5 in Tier-2 cities.
B.2.2	Digital Infrastructure	• Facilitate AI-ready infrastructure (multi-petaflop clusters, LLM training infrastructure) in Tier-1/2 cities hosting GCCs. • Integrate AI Infrastructure hubs with plug and play hubs, especially in states with power and data ecosystem readiness. • Public-private compute clusters with shared access for GCCs and startups. • Reliable, high-speed internet connectivity and last-mile digital access in emerging Tier-2/3 locations • Strategic alignment with initiatives like Digital India, IndiaAI, National Broadband Mission • Assessment of globally successful supercluster models for replication in India
B.3	Locational Capability	
B.3.1	Tier-1 City Enhancement	• Promoting integrated and smart urban mobility • Upgraded zoning to enable vertical growth and flexible land use.
B.3.2	Tier-2/3 City Development	• Foundational urban planning (planned business districts, affordable and integrated housing) • Dedicated industrial infrastructure with clear land-use zoning to reduce entry barriers for GCCs • Consistent and high-quality utilities infrastructure and a vibrant social infrastructure • Development of regional airports into international nodes, alongside integrated multi-modal transit networks
B.3.3	City Specialization / Branding	• Aligning each city's inherent strengths (talent availability, academic and research ecosystems, industrial base, and infrastructure) with specific GCC domains • Clear city-specific value propositions, supported by detailed branding toolkits • Encourage states to develop focused infrastructure upgrades (innovation labs, data centres, R&D zones etc) aligned with each city's focus area • Curated branding campaigns (e.g., "Design in Pune", "Secure in Hyderabad")
B.4	IT & Start-up Ecosystem	
B.4.1	IT & Start-up Ecosystem	• Prioritize the activation of Startup, IT and innovation ecosystems in Tier-2/3 cities • Create synergies between states' initiatives with national flagship programs (Startup India, Digital India, IndiaAI mission, Smart City mission etc.) to promote forward and backward linkages of GCCs' operations with local ecosystems • Promote prioritizing ecosystem enablement in identified existing and potential GCC hotspots (Tier-1, 2 and 3 cities) through structured co-location of GCCs, Startups, IT companies and R&D institutions

C	Performance Levers	
C.1	National Framework Instruments	
C.1.1	Simplified Regulatory Environment	National-level Single Window platform to provide end-to-end regulatory compliance support to GCC investors
C.1.2	Direct and Indirect Tax reforms	- Corporate Taxation Support - Tax holidays for GCCs engaged in R&D, product development and IP creation. - Harmonize permanent established rules related to expats - Transfer Pricing: - Safe harbour margins and eligibility criteria be rationalised - Continue to adopt the cost-plus mark-up/ assured return approach for high value activities undertaken by GCCs - A fast-track framework for GCC for APA and MAP - Clarity around transactions being eligible for block assessment and constructive closure of the same - Introduction of International Compliance Assurance Program (ICAP) - Goods and Services Tax: - Provide clarifications on issues leading to working capital blockage viz services provided by GCCs are not in nature of intermediary services and facilitate timely grant of GST refunds, allowing payment of GST under reverse charge mechanism by way of utilizing credit, non-applicability of ISD provisions for GCCs adopting a centralized billing mechanism - Allow GCCs an option to get audit centrally by GST authorities to avoid different interpretation of law for each State in which a GCCs operate - Facilitate ease of doing business by extending the current GST exemptions on import of equipment/ servers by STPI units, allow input tax credit recovery on expenses incurred for employee engagement and non-levy of interest and penalty for any retrospective amendments to GST law
C.1.3	Incentives	- Talent development and mobility support - Talent Acceleration Hubs in high potential Tier 2 and 3 cities via Center-State-Industry co-funding mechanism, within prominent National / State academic institutions (to focus on development of industry-aligned training courses and conduct upskilling and re-skilling training programs) - National Digital Talent Platform for job matching and skill validation - AI-driven talent-matching engines aligned to a GCC-specific skills taxonomy - Integrated skill passports - Demand-supply heatmaps to identify regional skilling gaps - Reskilling and career transition pathways - Standardized skill certification and recognition systems - Infrastructure development support - Development of Digital Economic Zones to create world class plug and play infrastructure for GCCs - Legislative Framework - The Digital Economic Zone Development and Regulation Act will be introduced to define structure, governance, fiscal incentives, and legal sanctity. - States will be encouraged to harmonize their local laws to provide unified jurisdiction and ensure regulatory convergence.

- o Regulatory Architecture
 - A Central DEZ Authority will be established as a statutory body to oversee development, compliance, and national integration.
 - State-level DEZ Facilitation Cells will oversee local infrastructure, land approvals, and investor services.
- o Fiscal and regulatory incentives
 - Viability Gap Funding for integrated infrastructure development transit corridors, smart mobility infrastructure, last-mile solutions etc.)
 - Tax holidays
 - Import duty exemptions (customs and excise) on capital goods, R&D tools, and technology imports
- Facilitating the development of digital infrastructure for GCCs
 - o Capex co-investment grants for the development of high-compute clusters, AI/ML infrastructure and LLM training facilities to PPP operators, GCCs and research institutions building such infrastructure
 - o Mechanisms for ensuring private sector led development of high speed internet infrastructure, including accelerated depreciation, investment tax credits among other such support for telecom equipment deployed within DEZs, especially for dark-fibre, microwave links, and edge compute nodes.
 - o Operational usage credits and compute leasing incentives for federated compute pools established under PPP models
 - o Government-backed SLAs ensuring 'always-on' connectivity for mission-critical GCC operations,
 - o Incentive support for establishing edge data centres in Tier-2 and Tier-3 cities.
 - o Developing playbooks for common GCC architectures (hybrid cloud, edge deployments etc.) to accelerate detection and remediation.
 - o Issue a 'GCC Cyber Baseline Standard' aligned with global best practices to provide evolution-ready cybersecurity framework for GCCs.
- Locational capability development support
 - The policy may urge states to work towards convergence of various schemes for the development of necessary enabling ecosystem, including planned affordable and integrated housing, integrated and smart urban mobility / multi-modal transit networks and related infrastructure in the identified 'Champion Cities'.
 - The national investment-attraction and branding campaign under the 'Performance Levers' pillar may further amplify state-level outreach to draw GCCs to designated Champion Cities.
- IT and Startup ecosystem enablement
 - Development of a national network of incubators for emerging tech and sectors (AI/ML, Autonomous Systems etc.) through private sector participation
 - Accelerated IP processing and sandbox clearances through a fast-track "green channel".
 - Development of sector-specific Data Trust Framework under DPDPA to enable secure cross-border data flows, data localization compliance
 - Dedicated 'GCC-Startup Connect Platform' to facilitate collaboration through innovation challenges, reverse pitching and technology scouting
 - Joint accelerator and venture builder programs to fast-track scale-ready, startup-led solutions targeting global enterprise use cases.
 - Provide grants to GCCs to support Proof-of-Concept (PoC) development with DPIIT-registered startups, prioritized for frontier tech, ESG-aligned solutions etc.

C.2 Investment Promotion and Facilitation		
C.2.1	Investment Attraction Strategy	- Targeted Attraction Strategy - Focus on existing GCCs in India and global firms without a GCC presence, including mid-market players - Prioritize traditional markets (US, UK) and underpenetrated regions (Japan, Nordics, Australia, NZ, Middle East) - Launch sector- and country-specific attraction campaigns, Annual India GCC Summit and development of city-specific GCC value proposition and national 'GCC Opportunity Catalogue'.
C.2.2	Facilitation Services	- End-to-End Investment Facilitation - Provide investment landing support including regulatory handholding and site selection assistance - Offer structured investment aftercare to support retention and expansion of existing GCCs
C.3 Governance Framework		
C.3.1	Key Performance Indicators	- Capability deepening - Share of GCCs engaged in high-value functions (e.g., product development, R&D, AI/ML, ESG) - No. of patents, IPs or new products generated by GCCs - GCC footprint expansion - No. of new GCCs established annually (disaggregated by sector and city tier) - No. of global enterprises entering India via GCC-led setups - Geographic diversification - Share of new GCCs or expansions in Tier-2/3 cities - Increase in digital infra investments linked to GCC growth outside metros - Talent and skills development - No. of professionals trained under GCC-aligned skilling programs - Percentage of GCC roles in emerging technology areas - Economic and ecosystem impact - Total employment generated - Investments mobilized through GCCs - Export revenue - GDP contribution
C.3.2	Governance Structure	- National GCC Council (Finance, Commerce, Electronics & IT, Education, Skill Development, Labour & Employment and NITI Aayog, other key Union Ministries) - Dedicated GCC Cells - Investment Promotion Cell - Talent Cell - Infrastructure Cell - Ease of Doing Business / Regulatory reforms cell - Innovation Support Cell - Inter-Ministerial Working Groups (Representation from MEITY, DPIIT, Skill Development, Education, Finance, Telecom, MoHUA among others) - State GCC Facilitation Committees (To be headed by the Chief Secretary and comprising Secretaries of IT, Industries, Urban Development, Labor, Transport, Home and Education / Skilling and will be responsible for local execution of incentives, approvals, capacity building, and district-level coordination).

- Industry Advisory Panel (senior GCC leaders, startup ecosystem representatives, academia, and consulting experts)
- The National Policy on GCCs shall be reviewed every three years by the National GCC Council. The review will consider:
 - Global trends in the GCC landscape
 - Technological evolution (AI, quantum computing, robotics)
 - Domestic macroeconomic performance and industry feedback
 - International trade and investment agreements

Implementation Roadmap

- 2025–26: Drafting and Notification of National Policy; Constitution of Core Group, Support Cells and Advisory Groups of National GCC Council; Development of National GCC Single Window portal
 - 2026–27: Launch of incentive disbursement processes, enabling programmes and investment promotion campaigns; Implementation of inter-ministerial / -departmental action plans for co-development of infrastructure
 - 2027–29: Introduction of mid-term review and course correction protocols
 - 2029–30: Completion of first cycle; final impact assessment and drafting of National Policy on GCCs 2.0.
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Section 5

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Section 6

Glossary



Abbreviation	Full Form
AI	Artificial Intelligence
APA	Advance Pricing Agreement
APAC	Asia-Pacific
ASEAN	Association of Southeast Asian Nations
BAPA	Bilateral Advance Pricing Agreement
BFSI	Banking, Financial Services and Insurance
BPM	Business Process Management
BRAP	Business Reforms Action Plan
CAGR	Compound Annual Growth Rate
CII	Confederation of Indian Industry
CIN	Corporate Identification Number
CoE	Center of Excellence
CPG	Consumer Packaged Goods and Retail
CSR	Corporate Social Responsibility
CVC	Corporate Venture Capital
DEI	Diversity, Equity, and Inclusion
DEZ	Digital Economic Zone
DPIIT	Department for Promotion of Industry and Internal Trade
DPDPA	Digital Personal Data Protection Act
EMEA	Europe, Middle East and Africa
ER&D	Engineering Research & Development
ERI	Energy, Resources and Industrials
ESG	Environmental, Social and Governance
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act
GBS	Global Business Services
GCC	Global Capability Centers
GDP	Gross Domestic Product
GIFT	Gujarat International Finance Tec-City
GST	Goods and Services Tax
GVA	Gross Value Added
ICAP	International Compliance Assurance Program
IFSC	International Financial Services Centre

IMWG	Inter-Ministerial Working Group
IP	Intellectual Property
IPR	Intellectual Property Rights
IT	Information Technology
KPI	Key Performance Indicator
LLM	Large Language Model
ML	Machine Learning
MNC	Multinational Corporation
MeitY	Ministry of Electronics and Information Technology
MoA	Memorandum of Association
MoHUA	Ministry of Housing and Urban Affairs
OECD	Organisation for Economic Co-operation and Development
PAN	Permanent Account Number
PE	Permanent Establishment
PLI	Production Linked Incentive
SEZ	Special Economic Zone
SHR	Safe Harbour Rules
SLA	Service Level Agreement
SME	Small and Medium Enterprises
STEM	Science, Technology, Engineering and Mathematics
STPI	Software Technology Parks of India
TAN	Tax Deduction and Collection Account Number
TIDE	Technology Incubation and Development of Entrepreneurs
TMT	Technology, Media and Telecom
TP	Transfer Pricing
UAE	United Arab Emirates
UHI	Unified Health Interface
UK	United Kingdom
UPI	Unified Payments Interface
USA	United States of America
UT	Union Territory
YoY	Year-over-Year
e-KYC	Electronic Know Your Customer



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