From Policy to Prosperity:
GCCs Leading India's Growth Journey

December 11, 2025

Overview

As talent meets technology, a new future for enterprise solutions is being shaped in India with over **1,700 Global Capability Centers (GCCs)**. These are the backbones of big companies, and they've come a long way. What started as a basic support desk has now evolved into an **innovation powerhouse**, driving **research, design, and development**. Global Capability Centres (GCCs) are **offshore units** set up by companies to deliver a range of services for their parent organisations. Functioning as integral parts of the global corporate structure, they provide specialised expertise in areas such as **information technology, research and development, customer support, and other business operations**. GCCs play

GLOBAL CAPACITY CENTRES

Over **1700 GCCs** in India currently

Combined Revenue in FY 24 reached $64.6 USD

Employs 19 lakh people

Source: Ministry of Electronics and Information Technology

a vital role in achieving cost efficiency, tapping into skilled talent pools, and fostering collaboration between parent firms and their international affiliates.

Many multinational companies in India have set up GCCs to handle verticals like business processes, IT services, R&D centres, innovation hubs, customer service centres, and other key functions. These GCCs have rapidly grown into strategic hubs for innovation and value creation.

In just five years, their combined revenue has jumped from **$40.4 billion in FY19 to $64.6 billion in FY24**, growing at a healthy pace of **9.8% annually**. Not limited to numbers, these GCCs now **employ over 19 lakh people** across the country, shaping the future of tech and business from right here in India. These centres drive innovation, digital transformation, and strategic operations for their parent organizations worldwide. The Government of India has played a pivotal role in nurturing this ecosystem through **progressive policies, infrastructure development, and startup support**, positioning India as a preferred destination for global enterprises.

India at the Heart of Global GCC Expansion

India has become a leading hub for Global Capability Centres (GCCs), with major clusters in **Bengaluru, Hyderabad, Pune, Chennai, Mumbai, and the National Capital Region**. The sector is projected to reach **USD 105 billion** by 2030, supported by nearly **2,400 centres** employing over **2.8 million professionals**.

- ❖ **Expansion** – Over 400 new GCCs and 1,100 units added in the past five years.
- ❖ **Technology** – GCCs centralising ecosystems in India, especially in aerospace, defence, and semiconductors.
- ❖ **R&D Growth** – Engineering research GCCs are growing 1.3 times faster than overall GCC setups.
- ❖ **Talent** – India contributes 28% of the global STEM workforce and 23% of global software engineering talent.
- ❖ **Leadership** – Global roles expected to rise from 6,500 to over 30,000 by 2030.
- ❖ **Innovation** – AI and ML adoption with centres of excellence strengthening India's GCC landscape.

Government-Led Ecosystem: Enablers for GCC Growth in India

India's rise as a global destination for GCCs is the result of a carefully crafted approach that spans **infrastructure, innovation, talent development, and supportive policies**. Government-led initiatives have created a strong foundation where international companies can grow, collaborate, and innovate with confidence. From **nurturing startups** to building a **digitally skilled workforce**, the environment is well-prepared for GCCs to thrive and lead transformative change.

GCC GROWTH ENABLERS IN INDIA

- Infrastructure and cluster development
- Startup and innovation support
- Policy and ecosystem enablement
- Talent and digital skilling
- Ease of doing business and regulatory support

INFRASTRUCTURE AND CLUSTER DEVELOPMENT

Modified Electronics Manufacturing Clusters (GENESIS)

➢ Launched by the **Ministry of Electronics and Information Technology (MeitY)**, this scheme supports the creation of **world-class infrastructure** for electronics and IT industries.

➢ Offers **Ready Built Factory (RBF) sheds** and **Plug-and-Play facilities**, ideal for GCCs seeking rapid deployment and scalability.

➢ Encourages global manufacturers and their supply chains to set up operations in India.

STARTUP AND INNOVATION SUPPORT

GENESIS – Gen-Next Support for Innovative Startups

➢ A flagship initiative by MeitY with a **budget of ₹490 crore**, aimed at nurturing startups in **Tier-II and Tier-III cities**.
➢ Helps build a **feeder ecosystem** for GCCs by accelerating innovation and talent development.
➢ Encourages collaboration between startups and GCCs for co-creation and digital transformation.

POLICY AND ECOSYSTEM ENABLEMENT

Startup India and DPIIT Recognition

➢ India is now the **third-largest startup ecosystem** globally, with over **1.97 lakhs DPIIT-recognized startups**.

➢ These startups contribute to the GCC ecosystem by offering **cutting-edge solutions**, **AI/ML capabilities**, and **digital services**.

➢ Government reforms and digital infrastructure have created a **business-friendly environment** for GCCs to thrive.

TALENT AND DIGITAL SKILLING

➢ Initiatives like **Skill India**, **Digital India**, and **Future Skills Prime** (by MeitY and NASSCOM) are equipping India's workforce with **next-gen digital skills.**

➢ These programs ensure a **steady pipeline of skilled professionals** for GCCs in areas like cybersecurity, cloud computing, data analytics, and AI.

EASE OF DOING BUSINESS AND REGULATORY SUPPORT

➢ India's consistent improvement in the **Ease of Doing Business rankings**, along with **liberalized FDI policies**, has made it easier for global firms to establish and expand GCCs.

➢ **SEZ reforms**, **tax incentives**, and **single-window clearances** further streamline operations.

The **Economic Survey 2024–25**, released by the Ministry of Finance, highlights that **Global Capability Centres (GCCs)** in India have moved beyond their traditional back-office roles to become **strategic hubs** for engineering R&D, particularly in aerospace, defence, semiconductors, and advanced manufacturing. GCCs are driving growth and innovation in the services sector, supported by India's **skilled workforce, ease of doing business reforms, and liberalized FDI policies**. This transformation positions India as a global leader in digital and engineering innovation while strengthening its **self-reliance in high-tech industries**.

Conclusion:

With a thriving ecosystem driven by innovation, talent, and forward-looking policies, India has become a launchpad for global capabilities. As GCCs continue to evolve from support engines to strategic nerve centers, the country stands poised to shape the future of enterprise. The momentum is strong, the foundation is ready, and the world is watching India lead the way. The journey from service to strategy is not just underway, it's accelerating.

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