



20
26

INDIA AS THE UK'S

EXECUTION LAYER

Operating Model Realignment



Table of Contents



| | | | | | |
|----|-----------------------------------|----|----|---------------------------------------|----|
| 01 | From the Desk of CEO | 03 | 08 | Reckitt - Case Study Company Overview | 25 |
| 02 | Executive Summary | 04 | 09 | Future Recommendations | 36 |
| 03 | Recommendations | 05 | 10 | Conclusion | 37 |
| 04 | Key Takeaways | 06 | 11 | Glossary | 38 |
| 05 | The UK Business Landscape in 2026 | 07 | | | |
| 06 | Emerging India | 16 | | | |
| 07 | Some of the UK GCCs in India | 22 | | | |

from the Desk of CEO

A research report that elucidates the ascendancy of Global Capability Centres (GCCs), Offshore Delivery Centres (ODCs), Back-end Support Centres (BeSC), Global Innovation Hubs (GIHs), and Global Delivery Centres (GDCs) in INDIA, and their pivotal role in catalysing and contributing to disruptive transformations within the global business landscape.

The report explores how these centres are not only enhancing operational agility and scalability for global enterprises but also driving disruptive innovations, cross-border collaborations, and value creation across geographies and industries, making INDIA an indispensable partner in the evolving global business architecture.

Moreover, as organizations worldwide grapple with digital acceleration, cost optimisation, and the need for resilient, innovation-led R&D driven operating models, INDIA has emerged as a strategic powerhouse, offering scale, skill, and speed. These centres are no longer just support functions but are now at the heart of global enterprises' transformation agendas, delivering high-value outcomes in AI, Cybersecurity, R&D, Automation, and Customer Experience.

The report underscores why global businesses can no longer afford to view INDIA merely as an outsourcing destination, but as a critical enabler of competitive advantage, innovation leadership, by keeping them agile & future-ready.



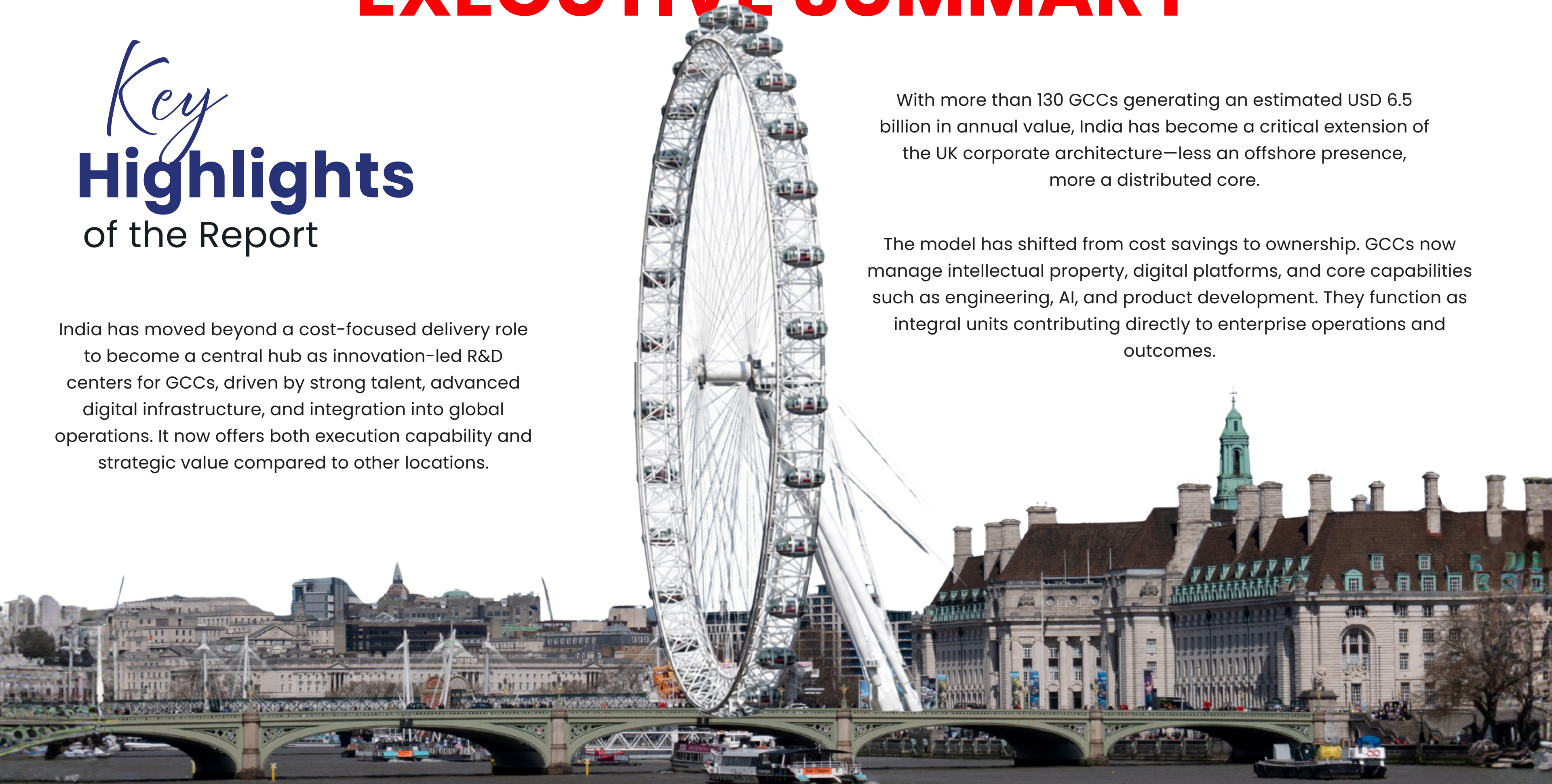
EXECUTIVE SUMMARY

Key Highlights of the Report

India has moved beyond a cost-focused delivery role to become a central hub as innovation-led R&D centers for GCCs, driven by strong talent, advanced digital infrastructure, and integration into global operations. It now offers both execution capability and strategic value compared to other locations.

With more than 130 GCCs generating an estimated USD 6.5 billion in annual value, India has become a critical extension of the UK corporate architecture—less an offshore presence, more a distributed core.

The model has shifted from cost savings to ownership. GCCs now manage intellectual property, digital platforms, and core capabilities such as engineering, AI, and product development. They function as integral units contributing directly to enterprise operations and outcomes.



RECOMMENDATIONS

Proactive Establishment/Expansion

In 2026's environment of AI disruption and cost realignment, UK firms must fast-track the establishment and scaling of Global Capability Centres (GCCs) in India as integrated strategic hubs, not peripheral units.

Adopt the GCC 3.0 operating model

The shift to GCC 3.0 is now a competitive baseline—centres are expected to own core functions such as AI, data platforms, cybersecurity, and digital engineering, directly influencing enterprise outcomes.

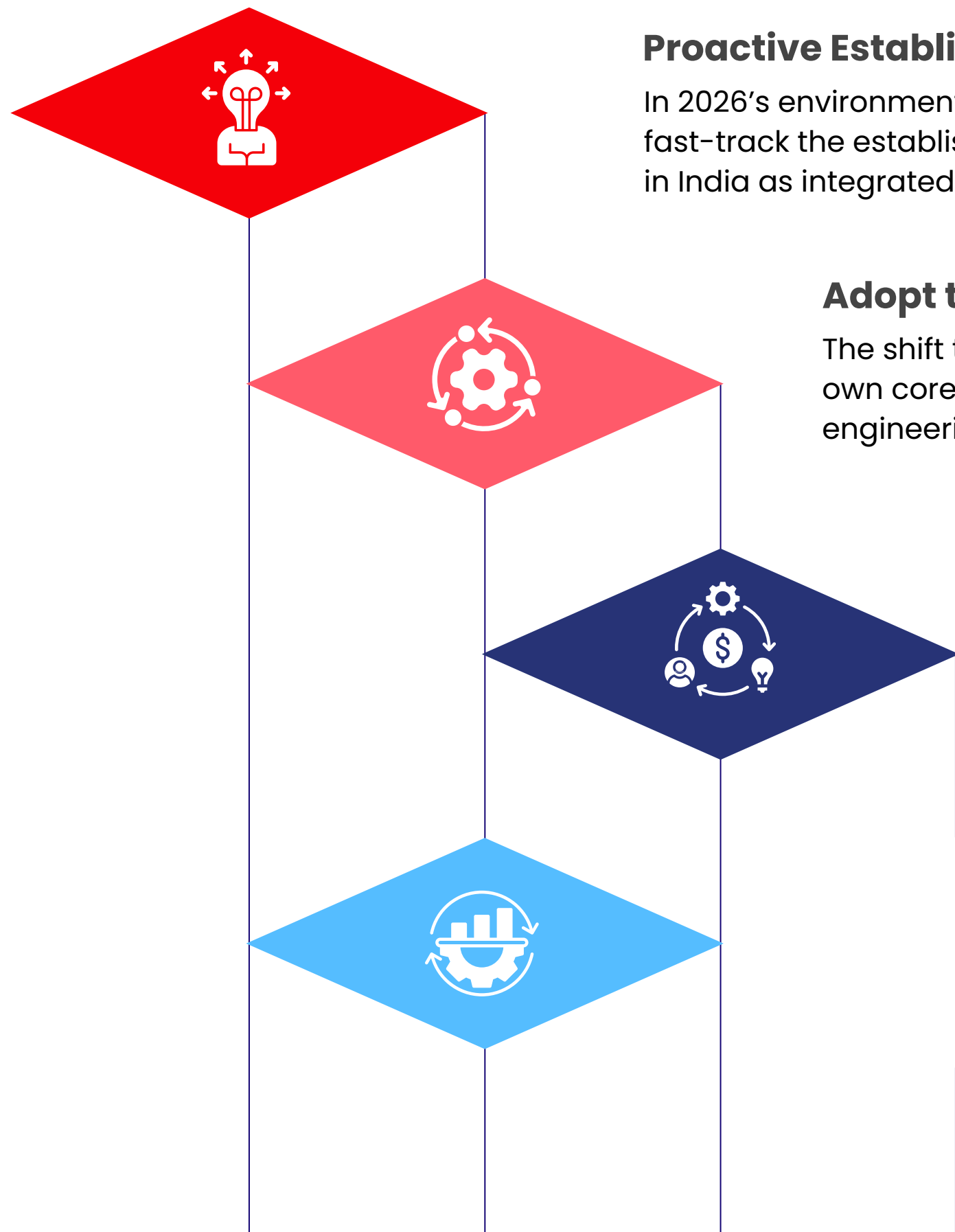
Specifically, businesses should

Firms should integrate with India's advanced digital backbone and thriving startup ecosystem to accelerate transformation, drive R&D, and co-create intellectual property.

India's rapidly expanding pool of AI-ready and digital talent provides a scalable solution to UK skill shortages, enabling faster capability build-out and innovation at scale

Building Resilience & Competitiveness

Well-integrated GCCs are emerging as anchors of resilience—enhancing agility, ensuring business continuity, and delivering sustained competitive advantage in a volatile global market.



KEY TAKEAWAYS



Reframing the GCC Mandate

UK firms should position Indian GCCs as core enterprise units with strategic roles, not just mere support functions.



Beyond Cost-Saving

GCCs are no longer defined by cost arbitrage. They function as high-impact engines that accelerate transformation, resilience, and speed-to-market in an increasingly volatile global environment.



Engines of Value Creation

Leading GCCs are now accountable for core business outcomes—owning end-to-end product lifecycles, advancing AI-led innovation, and embedding data-driven decision-making at scale. Their role is shifting from support to stewardship of critical capabilities.



Competitive Differentiator

The most forward-looking UK companies are leveraging GCCs as strategic differentiators—centers that not only create value but also unlock new growth vectors and sustained competitive advantage in a disruption-driven global economy.



The UK Business Landscape in 2026

Leading Through Structural Uncertainty

The UK economy in 2026 continues to navigate a low-growth equilibrium. **Real GDP expansion is projected at 0.9%–1.1%**, following a modest 1.3% growth in 2025. This trajectory is defined by a confluence of structural headwinds: subdued external demand from key trading partners, cautious capital formation by businesses, and the ongoing recalibration of real household disposable incomes.

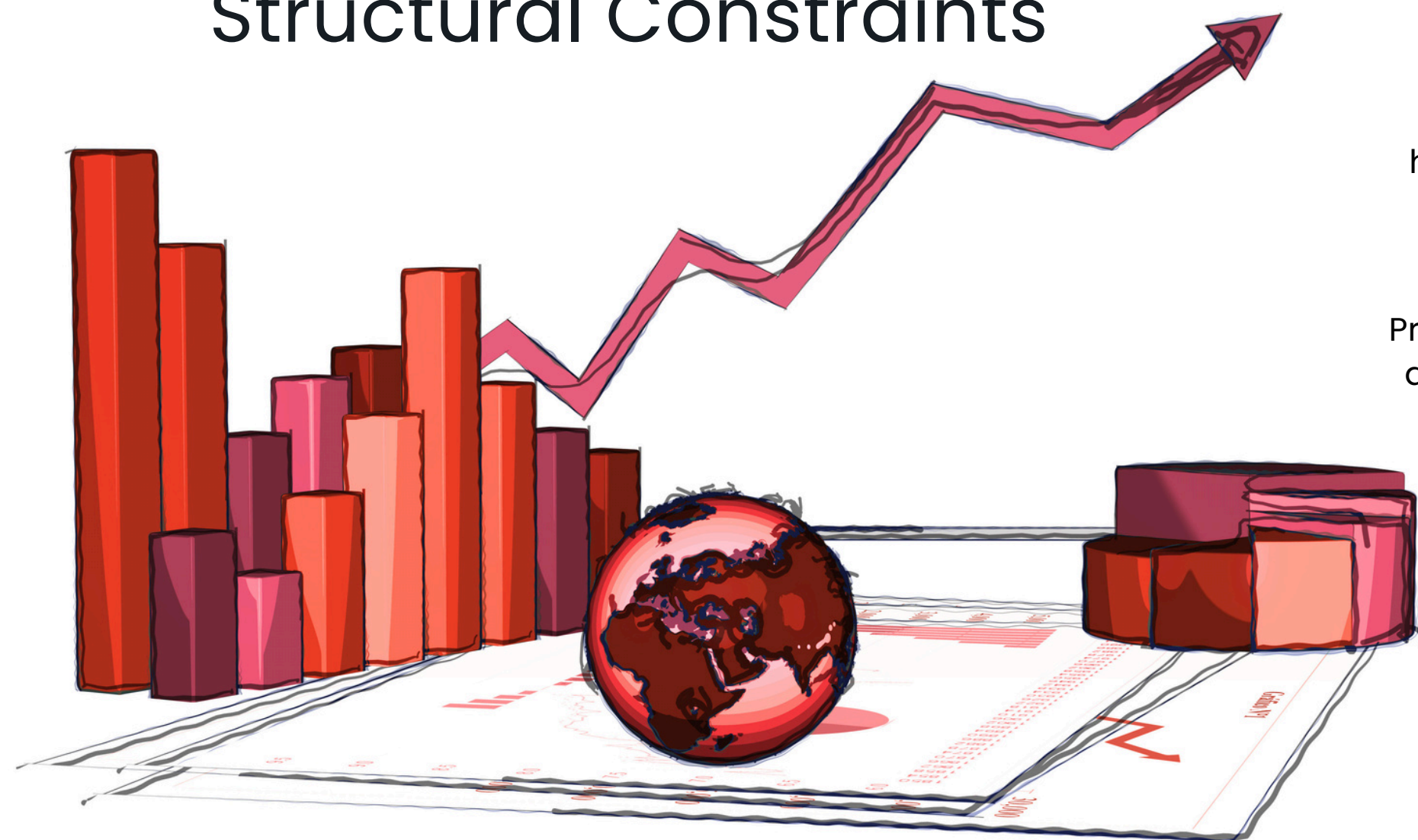
Consumer price inflation has declined materially from prior peaks, with **headline CPI currently in the ~2.2%–2.6% range, moving closer to the Bank of England's 2% target**. This moderation reflects lower energy prices, base effects, and the lagged impact of earlier monetary tightening. Services inflation remains elevated at approximately ~4.5%–5.5%, driven primarily by wage growth and domestic cost pressures. Core inflation continues to ease but remains above target-consistent levels, indicating that underlying price pressures have not fully normalized.

Since the monetary attitude is steadily loosening, fiscal restraint is needed. In light of severely limited budgetary policy and significant growth concerns, efforts to restore buffers should be intensified while maintaining public expenditures that boost productivity. It is crucial to continue advancing supply-side initiatives, which include implementing the promised planning reform to encourage investment, implementing welfare reform, and expanding childcare assistance to increase the labor supply.



UK ECONOMY

Stabilisation with Structural Constraints



Economic conditions in the United Kingdom show limited growth with uneven demand indicators. Output growth increased from 0.1 percent in the final quarter of 2024 to 0.7 percent in the first quarter of 2025 on a quarter-to-quarter basis. Private sector credit expanded during March following cumulative rate reductions of 100 basis points since August 2024.

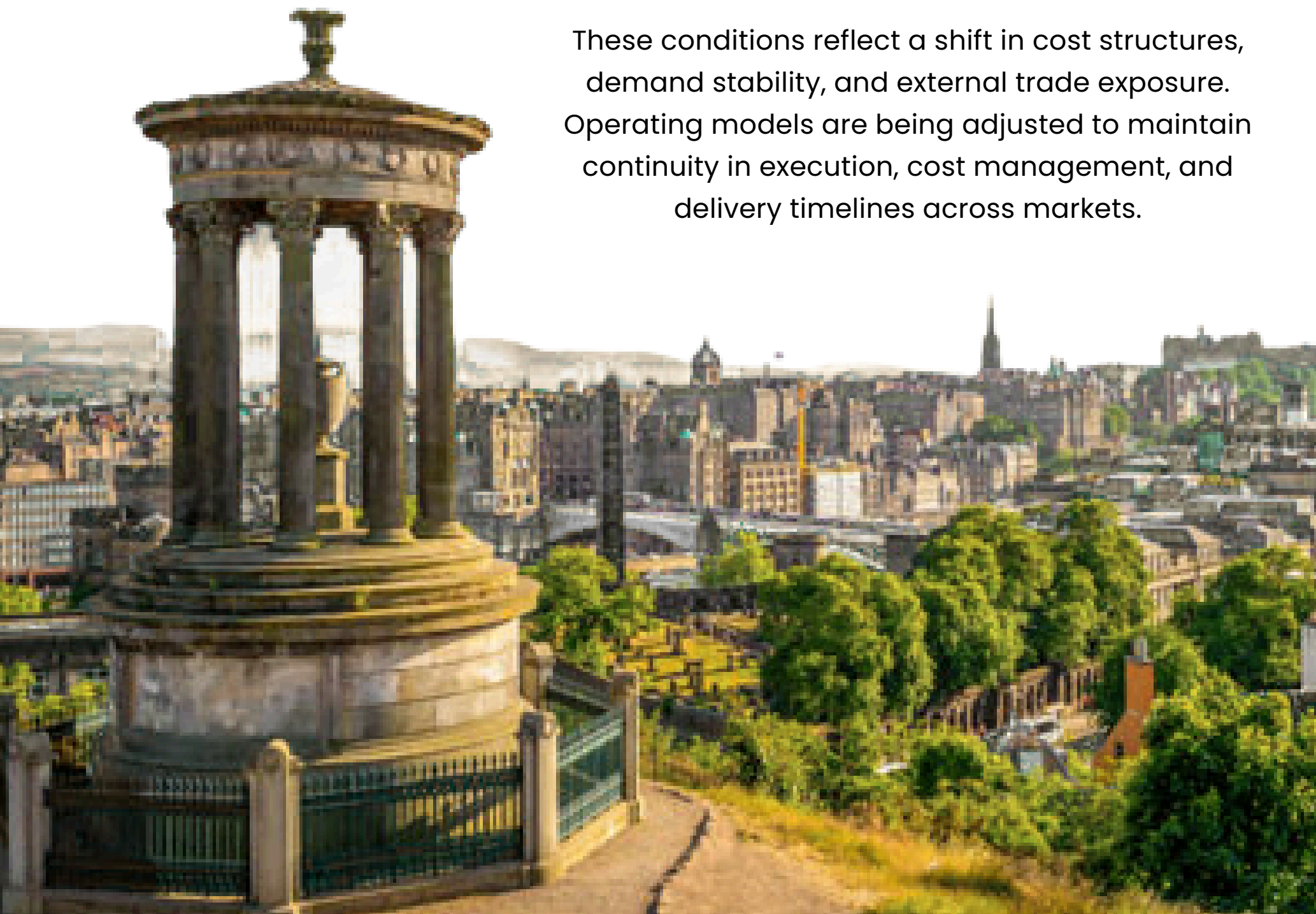
At the same time, business activity indicators show moderation. Corporate sentiment has declined, and retail sales volumes remain variable despite a short-term increase in March. Consumer confidence has remained low since the second half of 2024. Labor market conditions show adjustment, with the vacancy to unemployment ratio returning to pre-pandemic levels as vacancies decline.

Price levels remain elevated in selected segments. Services inflation stood at 5.4 percent in the year to April, reflecting increases in wages, employer contributions, and utilities. Consumer price inflation was recorded at 3.5 percent during the same period.

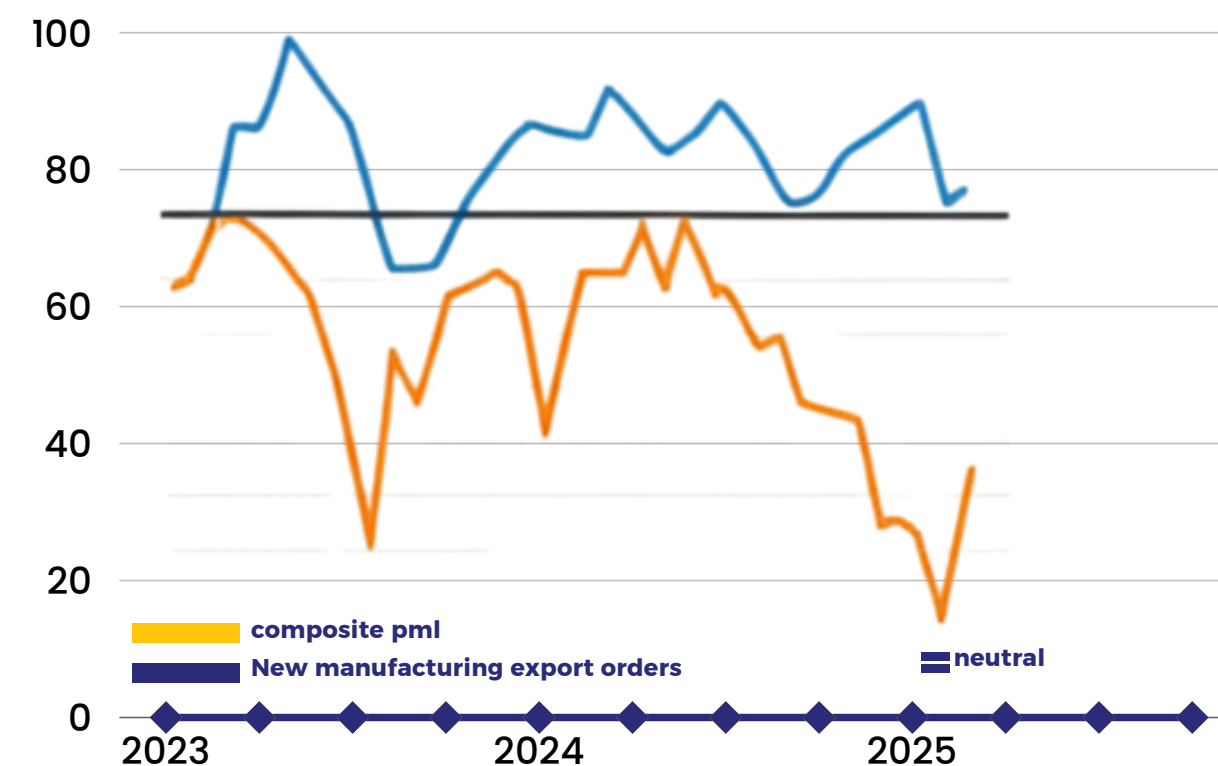
Trade conditions have also shifted. The effective tariff faced by UK goods exports to the United States has increased by approximately 8 percentage points since the start of the survey period. Export order indicators show a decline. Recent trade measures include duty-free quotas for beef exports up to 13,000 metric tons and tariffs of 10 percent on cars within a quota of 100,000 vehicles, along with 10 percent tariffs on other goods excluding pharmaceuticals, steel, and aluminum.

Goods account for less than one third of total UK exports and approximately 2 percent of GDP. Over one fifth of goods exports are directed to the United States. Pharmaceuticals account for about one third of these exports, while automobiles and components account for around 20 percent. No additional tariffs have been imposed on US imports, alongside duty free quotas for US beef and ethanol.

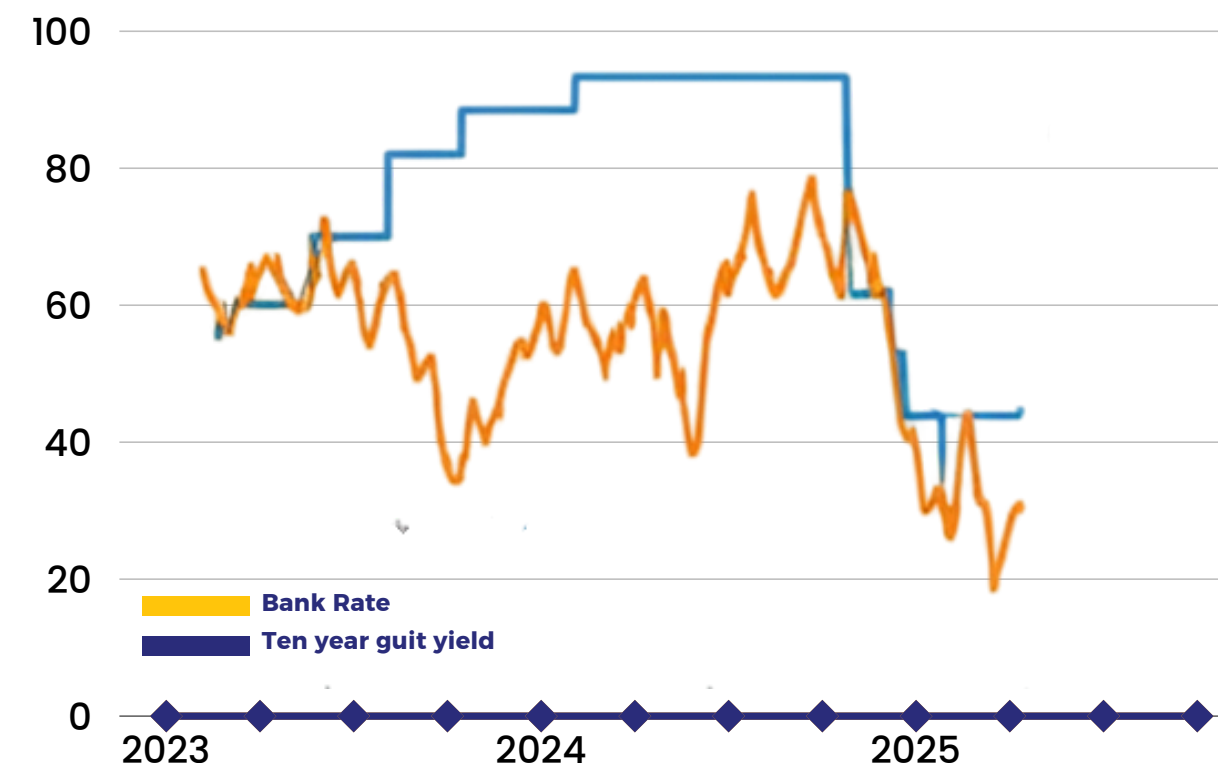
These conditions reflect a shift in cost structures, demand stability, and external trade exposure. Operating models are being adjusted to maintain continuity in execution, cost management, and delivery timelines across markets.



Trade tension are weighing on external demand



Borrowing cost are rising, despite monetary easing



Monetary & Fiscal Divergence

Monetary Policy and Liquidity Management

The bank rate is projected to descend from the **current 4.25% to a terminal rate of 3.5% by Q2 2026**. This adjustment aligns with cooling growth and the convergence of inflation toward established targets. Concurrently, the Asset Purchase Facility will maintain its quantitative tightening pace. The objective of reducing the gilt stock by GBP 100 billion, initially set for the 12 months ending September 2025, has been extended through September 2026.

Fiscal Position and Debt Dynamics

Public debt is forecasted to reach 104% of GDP by 2026. Despite ongoing fiscal consolidation, tax revenues are expected to rise to approximately 37.5% of GDP by the 2026–2027 fiscal year. While revisions to the National Planning Policy Framework and other supply-side reforms are intended to enhance potential output, the immediate outlook remains constrained by elevated debt levels and narrow fiscal buffers.

Growth and Labor Market Projections

GDP expansion is projected at 1.3% for 2025, decelerating to 1.0% in 2026. Trade-related uncertainties and higher import costs are expected to temper private consumption and business investment, offsetting the impact of government investment measures. Downward pressure on inflation is anticipated by 2026 as labor market tightness eases, with unemployment projected to reach 4.6%.

Risk Factors

The structural integrity of public finances remains a primary risk; current fiscal buffers provide limited capacity for intervention in the event of further exogenous shocks. Persistent service price inflation may necessitate a more restrictive monetary stance than currently projected. Additionally, the realization of excess household savings remains a variable for private spending and domestic investment.



Comparative Economic Performance

Europe and the United States

Real GDP Trajectories

Data indicate a widening divergence in real GDP per head between the United States and major European economies. Using 2019 as a baseline (2019=100), the United States is projected to reach an index value exceeding 110 by 2026. In contrast, major European economies demonstrate a flatter recovery trajectory.



United Kingdom: The UK trajectory aligns closely with France and Italy, remaining significantly below the US growth curve and projected to reach approximately 105 by 2026.

Germany: The German economy is projected to show the least growth relative to 2019 levels, remaining near the 100 baseline through 2024 before marginal increases.



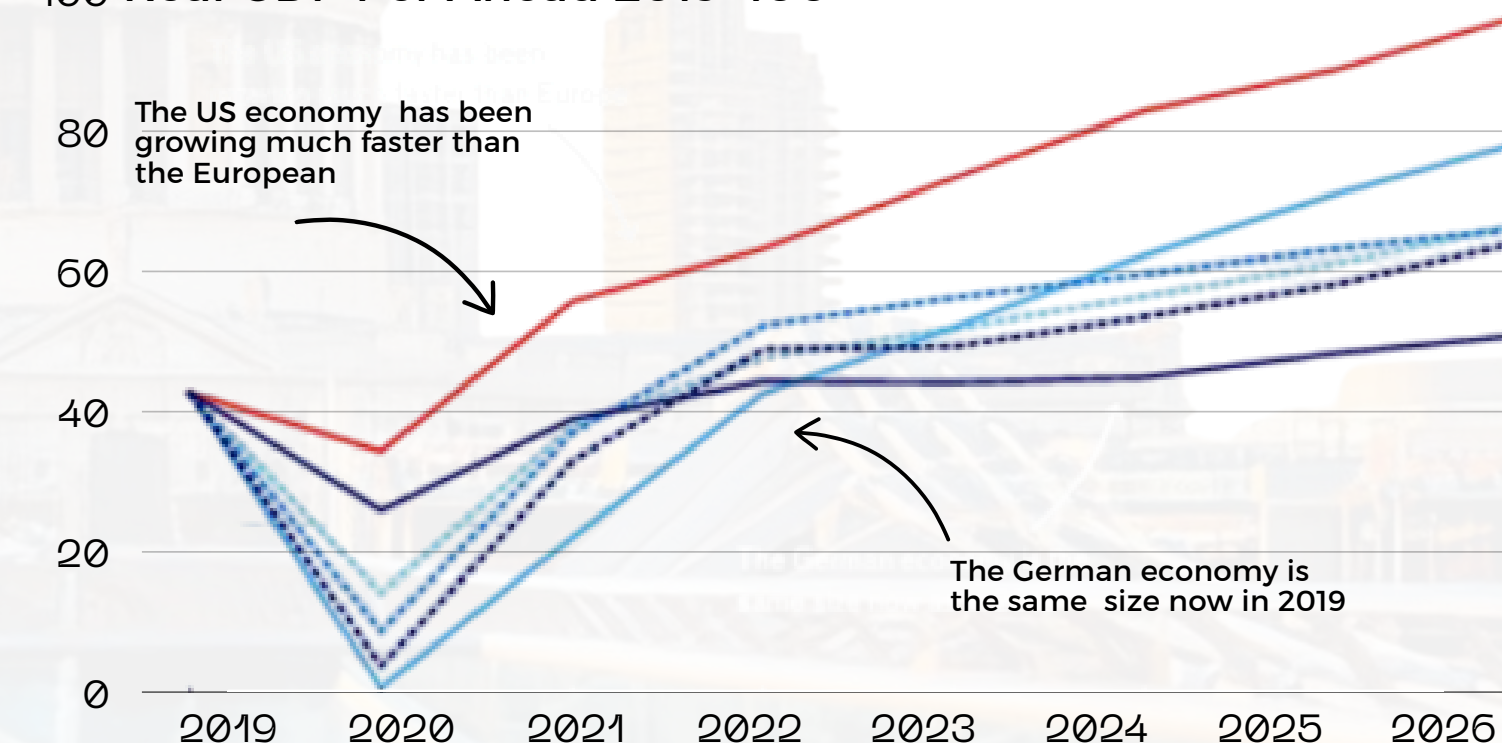
Spain: Among the European nations tracked, Spain shows the strongest recovery trend after 2020, though it remains secondary to the US performance.

Structural Competiveness

The differential in economic performance is attributed to variations in productivity and investment in advanced technologies. While US growth has maintained a consistent upward slope, European output remains impacted by demographic shifts and lower technology adoption rates relative to global competitors. Sustaining long-term economic relevance will depend on the effectiveness of supply-side adjustments and the stabilization of fiscal pressures across the region.

The European has been falling behind the US

100 Real GDP Per Ahead 2019=100




Technological Disruption & the Digital Skills Gap

In the United Kingdom, hiring conditions remain constrained in 2026. **Around 74–76% of businesses report difficulty in filling roles**, with technology roles showing limited improvement. The **Talent Shortage Survey 2026 continues to identify IT, data, and AI-related skills as the most difficult to source**. This has been the case for five consecutive years, marking a sharp contrast from a decade ago, when these skills didn't even appear among the top ten most in-demand.

Hiring intent in the technology sector remains active, while a majority of firms report constraints in sourcing qualified candidates. Demand is concentrated in areas such as software engineering, data analytics, cybersecurity, and AI/ML.

Digital capability levels remain uneven. **Approximately 7–8 million adults lack baseline digital skills**, while a large share of the workforce does not meet full digital competency requirements defined by industry and government.

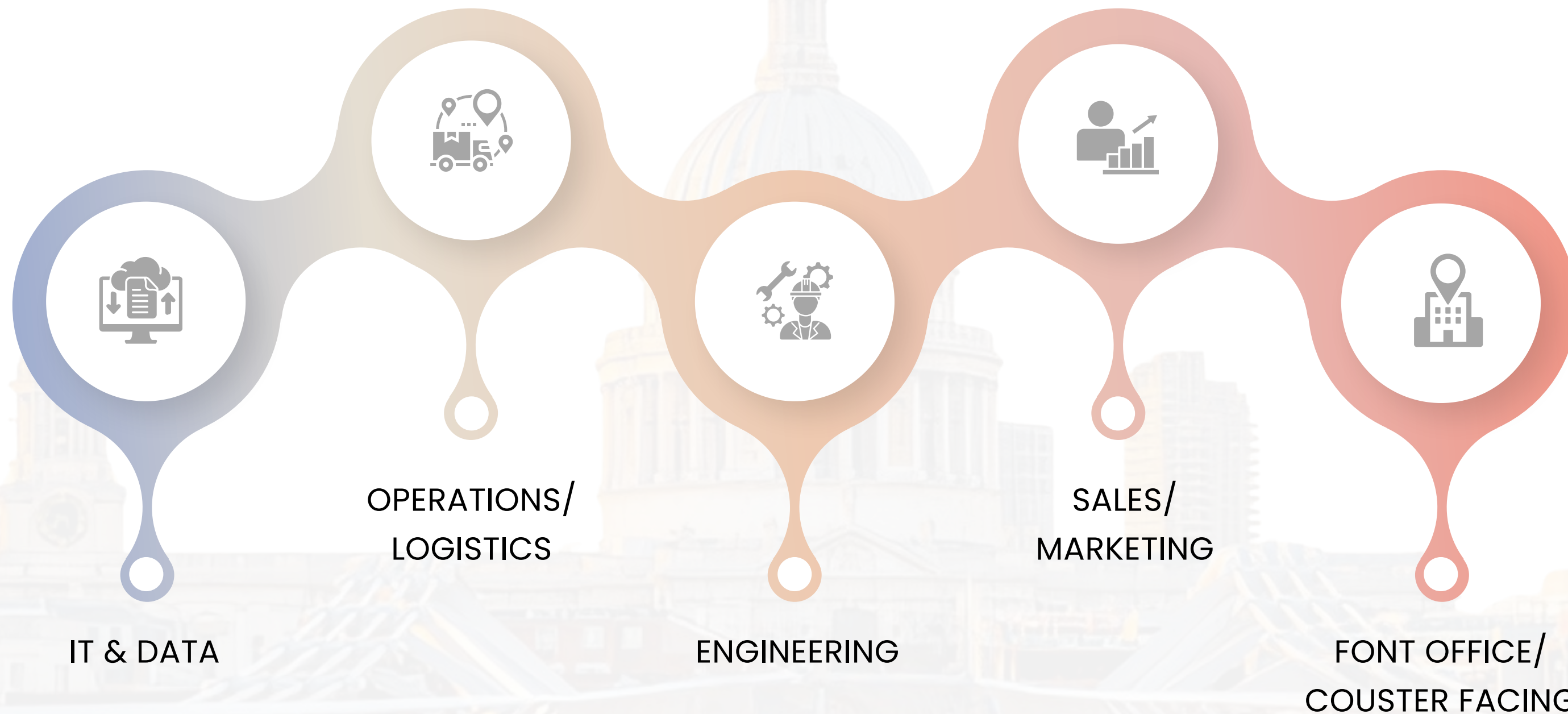


Prolonged shortages of skilled IT and data professionals could severely impact tech organizations, leading to stalled innovation, reduced productivity, and a decline in global competitiveness.

Without the necessary talent to lead innovation and oversee projects, advancing and deploying emerging technologies may become increasingly difficult, potentially hindering a company's ability to grow and respond to evolving market needs.

Additionally, the scarcity of skills is likely to push up recruitment and salary costs, as businesses compete fiercely for a limited pool of qualified experts.

“Talent availability affects hiring timelines, cost structures, and execution capacity across technology functions. Recruitment cycles remain extended, and compensation levels reflect supply constraints. Availability of skilled personnel continues to determine the pace of technology deployment and project delivery.”



Geopolitical Volatility & Supply Chain Vulnerabilities

The global geopolitical environment in 2025 presents an elevated risk for UK businesses. State-based conflict has emerged as a primary concern, with a significant share of respondents in the Global Risks Report 2025 identifying it as the most immediate risk. This represents a change in risk prioritization relative to prior periods.

Trade policy actions, including tariffs, sanctions, and export controls, are affecting cross-border flows of goods and capital. Higher tariffs in the United States are expected to reduce import demand, with secondary effects on global trade volumes. For the United Kingdom, this has implications for export demand, investment activity, and supply chain continuity.

Geopolitical conditions are also influencing the structure and reliability of supply chains. Disruptions linked to regional conflicts and climate-related events have affected production timelines, logistics networks, and input availability. These disruptions are reflected in increased input costs, extended lead times, and variability in supply.

Dependence on concentrated sourcing models introduces operational constraints under these conditions. Events affecting key trade routes, including those in the Red Sea corridor, have demonstrated the impact of localized disruptions on global supply networks.

Risk management approaches are adapting to these conditions. Geopolitical risk assessment is being incorporated into capital allocation, sourcing strategies, and network design. This includes supplier diversification, regional distribution of operations, and adjustments to inventory and logistics planning.

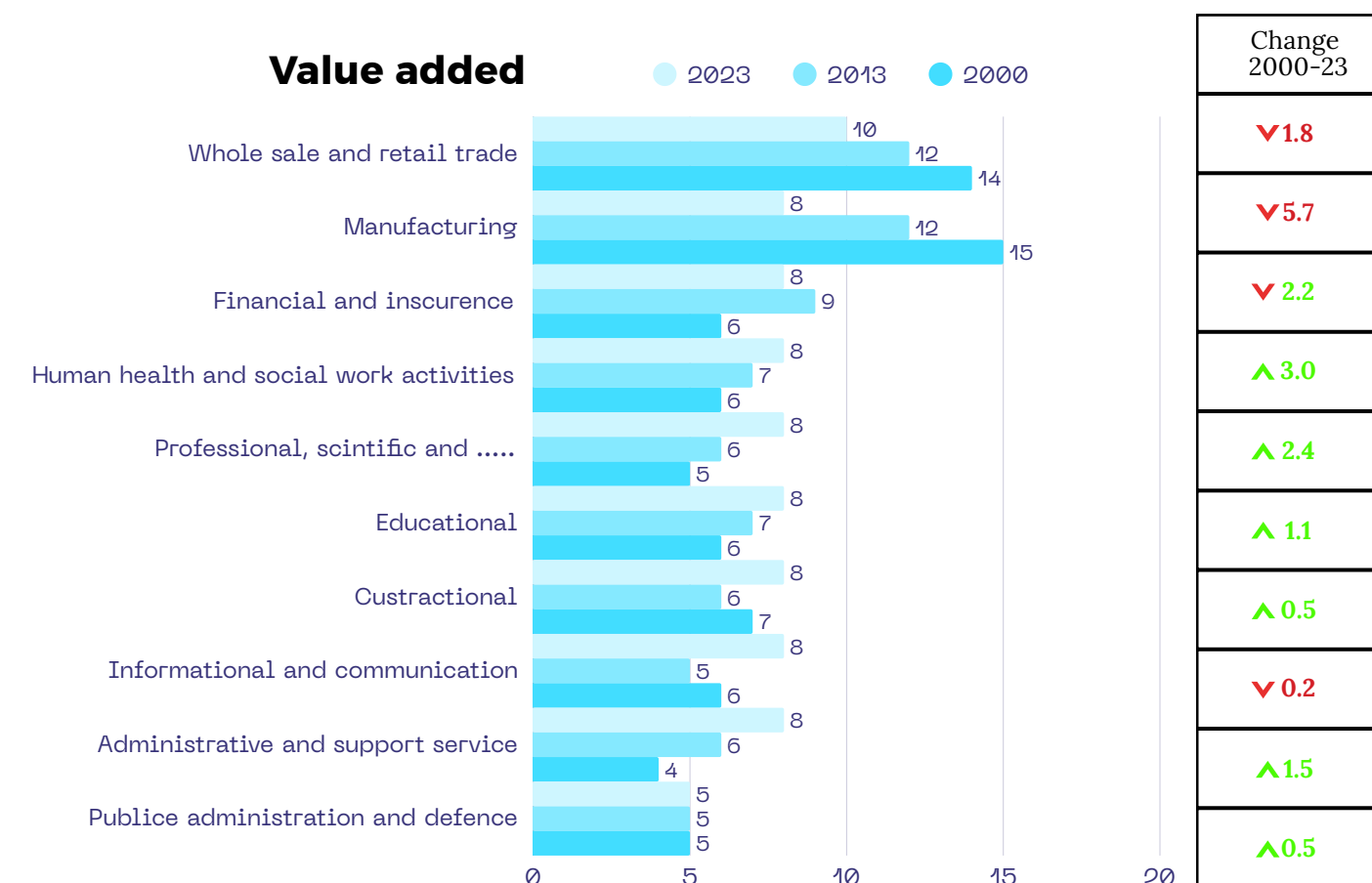
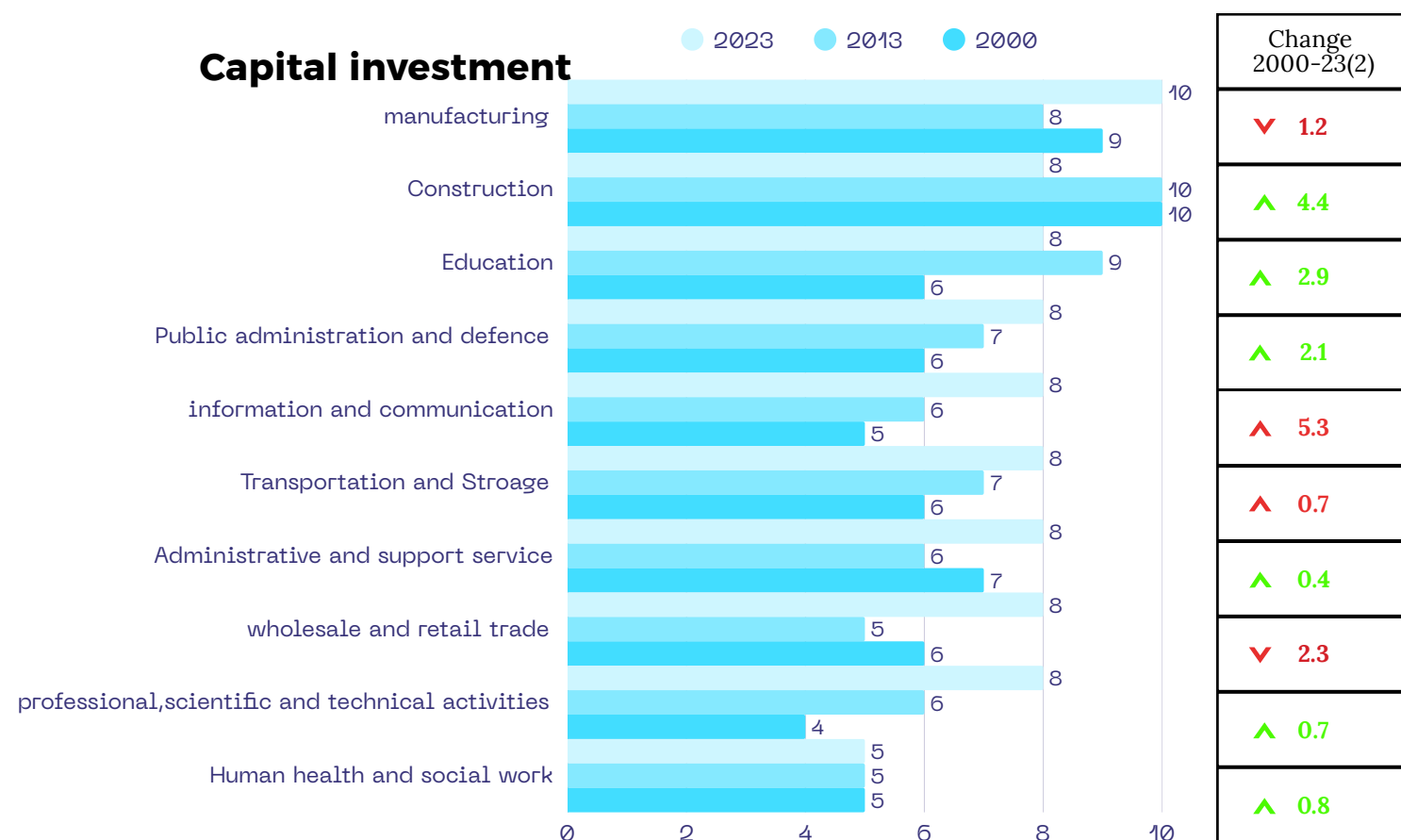
Operational models with distributed capabilities provide greater flexibility in managing these conditions. Structures such as Global Capability Centers support geographic diversification of functions, enabling continuity across multiple locations and reducing exposure to single-point disruptions.



Industry Update

In 2023, the distribution of value added across industries in the United Kingdom, based on the UK Standard Industrial Classification, was led by **wholesale and retail trade (9.9%)**, **manufacturing (9.1%)**, **financial and insurance services (8.8%)**, **healthcare and social work (8.5%)**, and **professional, scientific, and technical services (8.3%)**.

Over the period from 2000 to 2023, healthcare and social work increased its share of value added from 5.5% to 8.5%. Professional, scientific, and technical services rose from 5.8% to 8.3%. Financial and insurance activities increased from 6.6% to 8.8%.



During the same period, manufacturing declined from 14.8% to 9.1%. Wholesale and retail trade reduced from 11.7% to 9.9%.

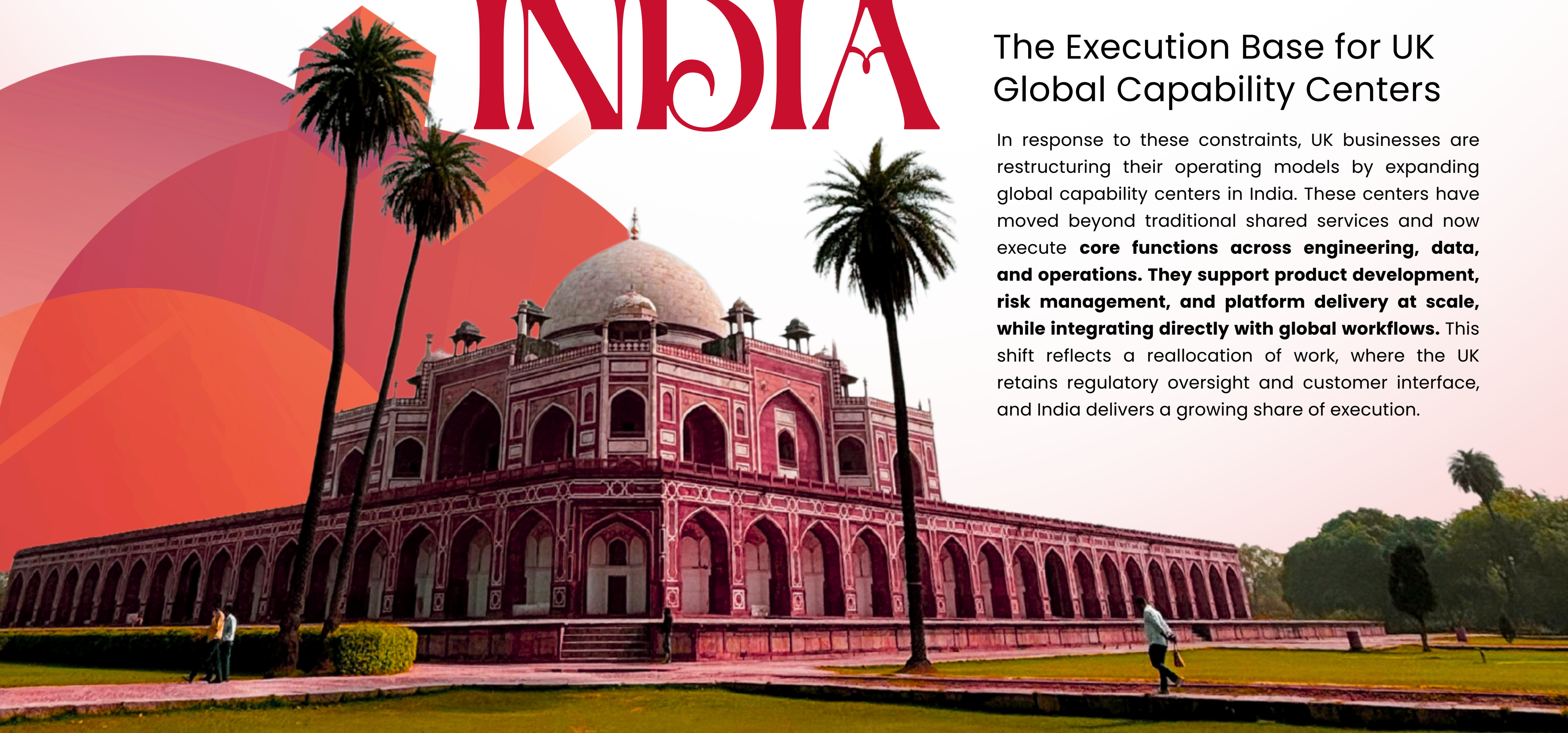
In 2023, capital investment was concentrated in manufacturing (9.2%), construction (8.9%), education (6.9%), public administration and defense (5.6%), and information and communication (4.7%).

From 2000 to 2023, the share of capital investment in information and communication declined from 10% to 4.7%. Construction increased from 4.5% to 8.9% over the same period.

Emerging INDIA

The Execution Base for UK Global Capability Centers

In response to these constraints, UK businesses are restructuring their operating models by expanding global capability centers in India. These centers have moved beyond traditional shared services and now execute **core functions across engineering, data, and operations. They support product development, risk management, and platform delivery at scale, while integrating directly with global workflows.** This shift reflects a reallocation of work, where the UK retains regulatory oversight and customer interface, and India delivers a growing share of execution.



Indian GCCs are structured to



Anchor global capability build-out

through concentrated delivery of product engineering, data science, and domain-aligned functions directly mapped to core business operations.



Support regulated and control-intensive functions

including financial reporting, risk management, and compliance operations, aligned to UK regulatory and audit requirements.



Execute innovation and R&D mandates

via dedicated teams across AI, cloud, cybersecurity, and platform engineering, with defined ownership of product development and technology roadmaps.



Enable enterprise-wide data and digital platforms

through centralized ownership of analytics pipelines, data governance, and cloud infrastructure management.



Operate as integrated delivery hubs

managing continuous development cycles, combining scale, specialized talent, and standardized process frameworks within enterprise-aligned governance structures.



Maintain delivery consistency

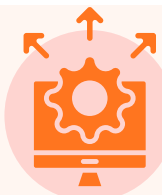
through standardized controls, performance metrics, and reporting frameworks integrated with headquarters-led operating models.

Structural Elements of the Indian GCC Execution Mode



Competitive Value Creation

- **Expansion beyond support functions:** India-based GCCs execute product engineering, data analytics, risk operations, and platform development across global business lines.
- **Specialized capability units:** Dedicated teams operate in areas such as AI/ML, cybersecurity, data science, and cloud engineering, aligned to enterprise requirements.
- **Intellectual output and ownership:** Teams contribute to product development, proprietary tools, and internal platforms used across the organization.



Talent Deployment and Integration

- **Access to specialized talent:** GCCs provide scale in engineering, data, and domain expertise to address skill gaps in the UK.
- **Continuous capability development:** Structured training and role-based upskilling support evolving technology and regulatory requirements.
- **Integrated operating model:** Teams in India work within global structures, aligned to common processes, systems, and performance metrics.



Technology-Driven Transformation

- **Execution environment:** Operations are supported by cloud platforms, enterprise systems, and standardized development environments.
- **Process standardization and automation:** Routine processes are centralized and automated where applicable to improve consistency and throughput.
- **Data and analytics capability:** Data platforms support reporting, monitoring, and decision processes across business functions.

By strategically embracing Global Capability Centers in India, UK businesses can **reallocate execution across engineering, data, and operations, support product and technology delivery at scale, and maintain consistency in cost and output within a globally integrated operating model.**

Comparative Matrix: Traditional GCCs vs GCCs (2026 Operating Model)

| Feature | Traditional GCC Operating Model | 2026 GCC Operating Model |
|---------------------------------------|--|--|
| Primary Focus | Execution of support and back-office processes | Execution of engineering, data, operations, and product functions |
| Work Scope | Transaction processing, standardized workflows | End-to-end ownership of defined global processes and platforms |
| Services Offered | Routine, Transactional, Process-driven | Complex, R&D, AI/ML, Product Development, Analytics |
| Operating Model | Task-based delivery from headquarters instructions | Integrated delivery with global teams across time zones and systems |
| Technology Stack | Legacy systems with limited integration | Cloud-native platforms, automation tools, and unified digital environments |
| External Ecosystem Integration | Limited vendor and partner dependency | Structured integration with technology partners and platform providers |

India's Economic Powerhouses

Leading and Future-Ready Industries

Understanding India's dynamic economic landscape is crucial for UK businesses seeking to strategically leverage its capabilities. The inherent strength and dynamism of India's leading sectors directly influence the depth of the talent pool and the vibrancy of the innovation ecosystem available for GCCs.

Pillars of the Indian Economy: Key Contributors to GDP

India remains the fastest-growing major economy, with the International Monetary Fund projecting GDP growth of approximately **6.4–6.5% in 2026**, sustaining its lead among large economies. This macroeconomic momentum is reinforcing the expansion of Global Capability Centers (GCCs), with India hosting **1,800+ GCCs that generate ~\$65 billion in annual revenue and employ ~1.9 million professionals**. The sector is projected to **scale to \$110+ billion by 2030, with a workforce of 2.5–2.8 million, contributing close to ~1% of national GDP**.



Key Drivers

Economic Stability

India's sustained high growth contrasts with the UK's subdued ~0.7–0.8% 2026 outlook, providing a stronger base for Global Capability Center expansion.

Large and Scalable Talent Base

Continuous supply of skilled professionals supports rapid setup and expansion across functions.

Established GCC Ecosystem

Proven operating models and experienced talent reduce execution timelines and risk.

Regulatory and Policy Enablement

Clear frameworks for foreign ownership, operations, and data handling support stable operations.

Time Zone Leverage for Continuous Delivery

Enables extended working hours and faster turnaround across UK-based operations.

Strategic Imperatives

Full-Ownership Mandates

Assign end-to-end responsibility for core functions with clear output accountability.

Integrated Operating Model

Align GCCs with UK workflows, planning cycles, and performance metrics.

Leadership at Inception

Install senior local leadership with defined authority and global linkage.

Focused Talent Build

Hire experienced talent and institutionalize capability development.

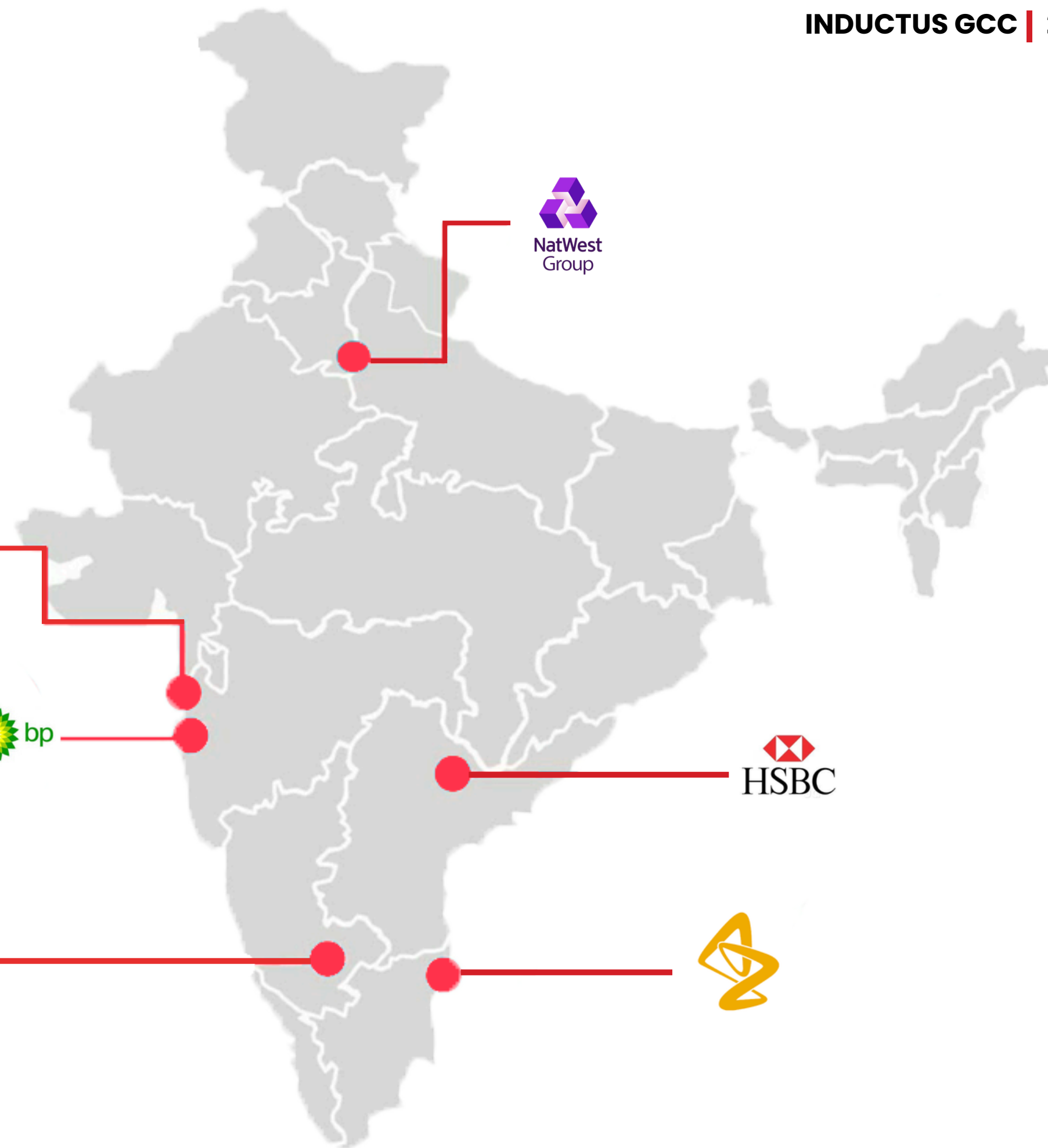
Phased Transition

Execute migration through structured knowledge transfer and parallel runs.



Some of the UK GCCs in India

- **HSBC** - Bengaluru, Hyderabad
- **NatWest Group** - Bengaluru, Gurugram
- **Standard Chartered** - Mumbai, Bengaluru
- **Barclays** - Pune, Mumbai
- **AstraZeneca** - Chennai
- **BP** - Pune
- **Rolls-Royce** - Bengaluru
- **Unilever** - Bengaluru



UK Industries Leveraging India's Advantage

Banking, Financial Services, and Insurance (BFSI)

1



HSBC

- **Cities:** Bengaluru, Hyderabad
- **Details:** Focuses on data analytics, AI, and cybersecurity for global banking solutions.

2



NATWEST GROUP

- **Cities:** Bengaluru, Gurugram
- **Details:** Operates as a technology and operations center of excellence.

3



STANDARD CHARTERED

- **Cities:** Mumbai, Bengaluru
- **Details:** Supports banking software development and AI-driven financial services

4



BARCLAYS

- **Cities:** Pune, Mumbai
- **Details:** Handles technology, operations, and financial services for global markets.

Pharmaceuticals and Life Sciences

5



ASTRAZENECA

- **Cities:** Chennai
- **Details:** Global Innovation and Technology Centre focusing on AR/VR and pharmaceutical R&D.

6



GLAXOSMITHKLINE (GSK)

- **Cities:** Bengaluru
- **Details:** Engages in R&D for drug discovery and digital health solutions.



Energy and Utilities

7



BP (BRITISH PETROLEUM)

- **Cities:** Pune
- **Details:** Supports IT, engineering, and shared services like HR and finance.

Consumer Goods and Retail

9



UNILEVER

- **Cities:** Bengaluru
- **Details:** Drives IT, analytics, and digital transformation for global operations.

Consulting and Professional Services

11

DELOITTE.

- Deloitte.**
- **Cities:** Bengaluru, Hyderabad, Mumbai
 - **Details:** Provides consulting, audit, and financial advisory services for global clients.

13



KPMG

- **Cities:** Bengaluru, Mumbai, Gurugram
- **Details:** Supports tax, advisory, and digital transformation initiatives.

Aerospace and Engineering

8



ROLLS-ROYCE

- **Cities:** Bengaluru
- **Details:** Focuses on engineering, R&D, and aerospace technology development.

10



RECKITT

- **Cities:** Gurugram
- **Details:** Supports digital marketing, analytics, and supply chain optimization.

12



EY (ERNST & YOUNG)

- **Cities:** Bengaluru, Gurugram, Hyderabad
- **Details:** Focuses on cybersecurity, data analytics, and consulting services.

Telecommunications

14



VODAFONE

- **Cities:** Pune, Bengaluru
- **Details:** Manages IT, network operations, and customer experience solutions.



Reckitt – Case Study

Company Overview

Reckitt Benckiser Group plc (Reckitt) is a British multinational FMCG company headquartered in Slough, United Kingdom. The company operates across three business units: Hygiene, Health, and Nutrition, with a portfolio of brands including **Dettol, Lysol, Durex, Nurofen, Strepsils, and Enfamil.**

| Parameter | Detail |
|----------------------------|---|
| Headquarters | Slough, United Kingdom |
| Revenue (FY2025) | Approx. GBP 14.2 billion (Group); Core Reckitt LFL net revenue growth of 5.2% |
| Employees | Approx. 36,200 globally (post-portfolio simplification) |
| Geographic Presence | Operations in 60+ countries; products sold in 190+ markets |
| Business Units | Health, Hygiene, Nutrition (Essential Home divested December 2025) |
| Listed | London Stock Exchange (LSE: RKT); Market cap approx. USD 41.2 billion (April 2026) |
| Strategic Programme | Fuel for Growth – fixed cost reduction of 150bps to 19.4% of net revenue in FY2025; targeting sub-19% by end-2027 |

“

Reckitt's operational model is organized around centralized global functions and regionally distributed commercial operations. In December 2025, Reckitt completed the divestment of its Essential Home division to Advent International for GBP 2.2 billion, sharpening the portfolio to health, hygiene, and nutrition. Emerging Markets, including India, delivered **14.6% LFL net revenue growth in FY2025**, reinforcing the strategic weight of the region within Reckitt's operating structure.

”

Context for GCC Establishment

Reckitt's decision to establish a GCC in India was shaped by a convergence of structural pressures and strategic priorities that are common across large, multi-geography FMCG enterprises. The GCC initiative is directly embedded within Reckitt's **Fuel for Growth program, announced in 2024, which targets a 300 basis point reduction in fixed costs by end-2027**. Standing up a global business services platform in India is a stated component of the program's structural phase.

Business Drivers

- **Cost Structure**

Reckitt reduced fixed costs to 19.4% of net revenue in FY2025 (-150 bps). GCC/GBS is part of the next phase. Restructuring cost: GBP 195 million.

- **Digital and AI**

Generative AI deployment in marketing and R&D reduced product concept time by up to 60%. India GCC supports scale.

- **Scale of Operations**

Portfolio including Dettol, Lysol, Durex, Nurofen, and Strepsils across 190+ markets. GCC supports volume without proportional cost increase.

- **Operating Model**

Reduced management layers and unified go-to-market. GCC centralizes support functions.

External Factors

- **Ecosystem**

India hosts 2,000+ GCCs, ~2 million workforce, USD 64.6 billion exports (FY2024). Projected: USD 105 billion and 2,500+ GCCs by 2030. GCCs accounted for 38% of office leasing in 2025 (31.3 million sq. ft.).

- **Policy Environment**

National GCC framework (2025) with expansion to Tier-II cities. State-level policies in Karnataka, Telangana, Maharashtra, and Tamil Nadu. GDP growth: 6.3% (FY2026, World Bank).

- **Peer Adoption**

Unilever, Procter & Gamble, Kimberly-Clark, Johnson & Johnson operate GCCs. >50% function as portfolio/transformation hubs (FY2024-25 vs 18% in FY2013).

GCC Setup in India

Location Strategy

Location Rationale Summary

- 01** NCR (Gurugram/Noida) hosts approximately 270 GCCs with strength across IT, fintech, FMCG, and consulting disciplines
- 02** DLF Cyber Park, Udyog Vihar — Grade A commercial real estate within an established GCC cluster
- 03** Hyderabad secondary hub selected for IT&D functions — the city captures 20–23% of India's GCC market with particular strength in BFSI and analytics
- 04** Established GCC peer community enabling benchmarking and talent mobility
- 05** Favorable regulatory environment; India's World Bank GDP growth forecast of 6.3% for FY2026 underpins macroeconomic stability for long-term investment



Functions Transitioned

The GCC was structured to absorb a mix of transactional, analytical, and technology functions from global operations:

| Function | Scope Transitioned |
|---------------------------------|--|
| Finance & Accounting | Accounts payable, receivable, general ledger, financial reporting, and management accounting – consolidated under the Global Business Services (GBS) model as part of Fuel for Growth |
| Information Technolog | Application management, ERP operations (SAP), IT helpdesk, infrastructure support, and digital platform operations; IT&D for Nutrition business unit based in Hyderabad |
| Data & Analytics | Commercial analytics, supply chain analytics, consumer insights, generative AI deployment support, and reporting automation – a growing scope aligned to Reckitt's AI investment programme |
| Supply Chain | Demand planning support, vendor coordination, logistics analytics, and inventory reporting |
| Customer Operations | Order management, customer service, and key account support functions |
| HR Operations | Payroll processing, employee data management, and HR shared services |

Operating Model

Reckitt operates its GCC as a captive unit under the Global Business Services (GBS) framework. The model is fully owned and managed, with GBS included in the Fuel for Growth programme as a source of structural cost reduction (H1 2025 results). Control remains with the company across data, intellectual property, processes, and talent.

Integration with Global Teams

Transitioning functions from geographically distributed teams to a centralized GCC requires deliberate governance design. Defining ownership boundaries, escalation paths, and performance accountability between the GCC and global business units is a recurring challenge in captive setups. Time zone misalignment between India operations and teams in the Americas adds coordination friction for functions requiring close business partnership.

Talent Strategy

Reckitt followed a phased hiring model combining lateral hiring and campus recruitment from Tier-I institutions. Roles cover technology, analytics, finance, and supply chain, with focus on data science, generative AI, RPA, and SAP.

India's GCC ecosystem provides ~120,000 AI/ML professionals and 185+ AI/ML Centers of Excellence. Mid-to-senior roles account for ~77% of GCC hiring.

Transition Risks and Operational Continuity

Process transitions carry inherent risks of throughput disruption, particularly during the period when knowledge is being transferred, and the GCC team is building operational familiarity. Transition planning, including parallel runs, shadow operations, and structured knowledge capture, is required to maintain continuity of service levels during handover.

Implementation Challenges

GCC implementations at this scale involve a defined set of execution risks. Reckitt's experience reflects challenges typical of first-generation captive setups in India, compounded by the concurrent execution of the Fuel for Growth restructuring programme. Standing up GBS while simultaneously reducing management layers and restructuring the operating model increases coordination complexity and transition risk relative to standalone GCC setups.

Talent Acquisition & Capability Alignment

In 2025 alone, approximately 50 new GCCs opened in India in the first two quarters, adding to competitive pressure for talent in analytics, AI, and technology. Approximately 40% of GCCs are now expanding hiring into Tier-II and Tier-III cities to mitigate attrition risk in Tier-I metros, though Reckitt's primary footprint remains in Tier-I locations. Aligning newly onboarded talent to Reckitt-specific processes, SAP systems, and Power Brand operating context required structured onboarding and a transition period before full productivity could be realized.

Regulatory and Infrastructure

India's Digital Personal Data Protection Act (2023) sets requirements for data handling and cross-border transfers. Compliance spans employment law, transfer pricing, and GST for captive entities. Infrastructure setup includes SAP integration, data security, and network redundancy across Gurugram and Hyderabad. Macroeconomic conditions remain stable, supported by a large domestic economy (Moody's).

Operational Outcomes

In Reckitt, the Fuel for Growth programme reduced fixed costs by 150 bps in FY2025. GBS/GCC implementation is part of the next phase. Outcomes align with cost, efficiency, and capability benchmarks observed in comparable FMCG GCCs.

| Dimension | Observed / Benchmark Outcome |
|----------------------------------|---|
| Cost Structure | Captive GCC models in India typically achieve 30–45% reduction in fully loaded cost for transitioned functions versus equivalent resourcing in Western markets; Tier-II city expansion can deliver an additional 20–35% cost reduction on talent relative to Tier-I metros |
| Finance Operations | Cycle time improvements of 20–35% in procure-to-pay and order-to-cash processes through process standardization and automation |
| Analytics & AI Output | Centralized analytics teams demonstrate 2–3x throughput improvement relative to fragmented regional models; India's GCC ecosystem now hosts 120,000+ AI/ML professionals and 185+ AI/ML COEs, directly supporting Reckitt's generative AI deployment agenda |
| Automation Coverage | GCCs at this maturity level typically achieve 25–40% task automation in high-volume transactional processes within 24–36 months; India's RPA market is projected to reach USD 1.8 billion by 2032 at a 23.6% CAGR, reflecting sustained investment in automation infrastructure |
| Leadership Depth | Over 6,500 global roles have been established within Indian GCCs as of 2024, with projections of 30,000+ by 2030; GCC heads increasingly hold dual mandates – running India operations while leading global portfolios |
| Technology Operations | Application support response times and resolution rates improve under a centralized, follow-the-sun model with defined SLAs; Reckitt's IT&D presence in Hyderabad provides dedicated platform support for enterprise products |

Strategic Impact

The GCC/GBS platform's contribution to Reckitt's operating model extends beyond cost reduction. At scale, it functions as an operational and capability infrastructure layer supporting the enterprise's broader strategic agenda—explicitly embedded within the Fuel for Growth programme as a structural savings driver beyond FY2025.

Strategic Contributions

- Cost Programme Delivery:** The Fuel for Growth programme reduced fixed costs by 150 bps to 19.4% of net revenue in FY2025. GBS operationalization is cited as a structural lever for the next phase, targeting sub-19% by end-2027. This positions the GCC not as a one-time cost reduction but as a recurring efficiency infrastructure.
- Business Scalability:** The GCC model allows Reckitt to absorb volume growth across emerging markets—which delivered 14.6% LFL growth in FY2025—and geographic expansion without proportional growth in cost. New market entries or innovation launches can be supported from the existing GCC infrastructure.
- AI and Digital Transformation:** Reckitt has publicly committed to generative AI deployment across marketing, R&D, and operations as part of Fuel for Growth. The India GCC provides the analytical and technical workforce required to execute at scale. India's GCC ecosystem hosts 120,000+ AI/ML professionals and 185+ dedicated AI/ML COEs—a structural talent advantage for this agenda.
- Portfolio Simplification Support:** Following the divestment of Essential Home in December 2025, Reckitt's GCC/GBS platform is responsible for supporting a more focused portfolio. The GCC's process standardization capabilities are directly relevant to managing the operational transitions that accompany significant portfolio changes.



Key Takeaways for Enterprises

- Scale**
 GCCs are viable for enterprises with high transaction volumes, typically above USD 2 billion revenue and multi-geography operations. India is projected to reach USD 105 billion and 2,500+ GCCs by 2030.
- Time Horizon**
 A 5+ year horizon supports the transition from cost delivery to capability build. Over 50% of GCCs have reached portfolio or transformation stages (FY2024–25).
- Program Alignment**
 GCC setup should align with enterprise transformation timelines, as in Reckitt's Fuel for Growth programme.

Critical Design Elements

| Design Element | Key Implication |
|---------------------------|--|
| Location Selection | 94% of GCCs are in 6 cities (Bengaluru, Hyderabad, Chennai, Pune, Gurugram, and Mumbai). Tier-II cities offer 20–35% lower costs and 10–12% lower attrition; ~40% of GCCs are expanding there. |
| Governance Model | Define ownership and decision rights from Day 1. Use outcome-based metrics with strong AI and data governance. |
| Capability Mix | Blend transactional, analytical, and tech work to balance cost and value. AI/ML and GenAI capabilities are now standard. |
| Transition Design | Use parallel runs, structured knowledge capture, and clear go/no-go criteria to reduce transition risk. |
| Leadership Model | GCC leaders need operational and business partnering skills; ~2/3 of Mega GCC heads come from technical backgrounds. |

Risks to Address During Setup and Scale

①

Talent concentration risk

Gurugram and Bengaluru face active competition for GCC talent, intensified by 50+ new GCC openings in India in the first half of 2025. Retention strategy, employer brand investment, and Tier-II expansion planning are ongoing requirements for maintaining workforce stability.

②

Regulatory compliance risk

India's DPDP Act, progressively operationalized through 2025, introduces data localization and cross-border transfer requirements. Enterprises handling consumer or employee data through their GCC must build compliance infrastructure into the operating model from the outset.

③

Scope creep

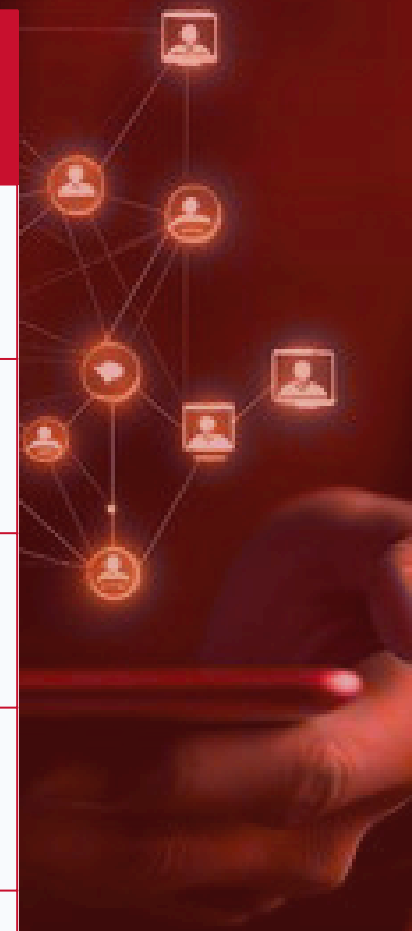
Expanding the GCC scope faster than governance and management bandwidth allows leads to quality degradation and internal credibility loss. This risk is elevated when the GCC setup is concurrent with a broader enterprise restructuring program.



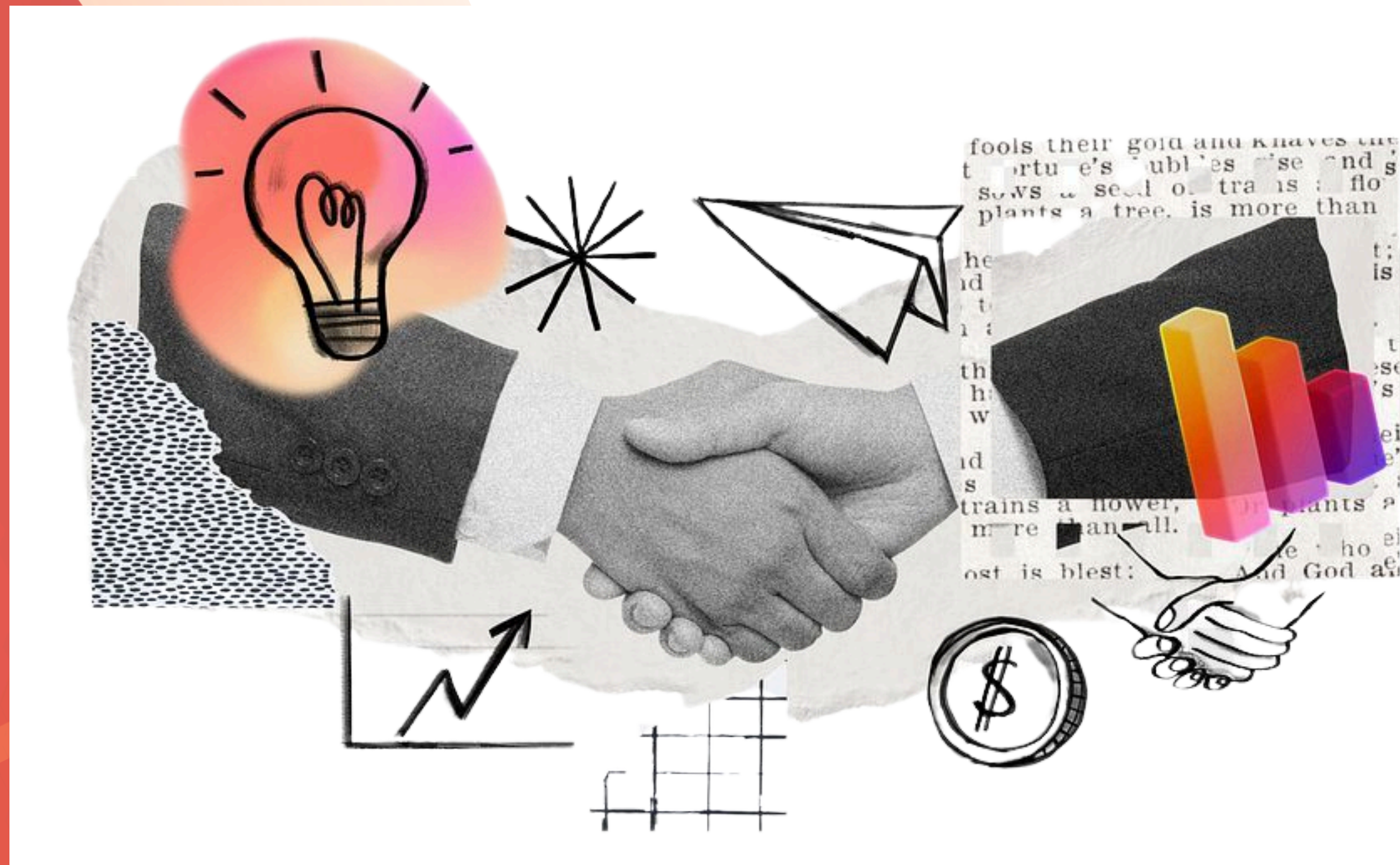
Implications for Client Engagement

Organizations evaluating or operating GCCs face a range of decisions where advisory support materially affects outcomes. The Reckitt case illustrates the typical intervention points.

| Engagement Area | Advisory Scope |
|-----------------------------------|--|
| GCC Feasibility and Design | Business case, function prioritization, location analysis, operating model, GBS framework, regulatory and DPDP setup |
| Setup and Transition | Governance design, process documentation, transition management, SLA design, risk planning |
| Talent and Organization | Workforce planning, role design, compensation benchmarking, AI and ML talent strategy, Tier II hiring |
| Technology and Automation | System integration, generative AI roadmap, automation design, analytics platform, ERP transition |
| Scaling and Optimization | Maturity assessment, scope expansion, capability development, peer benchmarking |
| Transformation Support | Digital and AI capability build, process redesign, GCC to global integration, programme management |



Organizations at different stages of the GCC lifecycle — from pre-feasibility through to mature operations — face distinct challenges. With India's GCC market projected to reach USD 105 billion and 2,500+ centers by 2030, and with competition for prime locations and senior talent intensifying, the design and governance decisions made at setup have compounding consequences over the operating horizon. Advisory engagement structured around the specific lifecycle stage, function mix, and strategic intent of the GCC consistently produces better outcomes than generalized shared services consulting.



Future Recommendations



Governance Architecture with Direct Business Line Integration

- Establish GCCs as extensions of core business units with aligned reporting structures, integrated performance metrics, and direct accountability to global P&L owners.
- Avoid parallel hierarchies. Decision rights, budget ownership, and delivery accountability should mirror onshore structures to ensure operational continuity and clarity of execution.



Location Strategy Anchored in Capability Density, Not Cost

- Select cities based on availability of specialized talent pools, academic linkages, and existing industry clusters relevant to targeted functions.
- Tier-1 and select Tier-2 cities should be evaluated based on role-specific depth rather than aggregate labor arbitrage. Capacity planning should be tied to long-term capability build-out, not initial cost benchmarks.



Regulatory and Data Architecture Alignment at Inception

- Design operating models in alignment with UK and India data protection, sectoral regulations, and cross-border data transfer requirements from day one.
- Embed compliance, audit, and data governance functions within the GCC structure rather than as external overlays. Systems, contracts, and workflows should be structured to support regulatory equivalence and audit readiness without retrofit.



By embedding GCCs within core governance, aligning location with capability depth, and establishing regulatory frameworks at inception, UK companies can ensure consistent execution, scalable capability, and compliance readiness.



Conclusion

India is embedded within UK operating models as an execution layer with defined ownership across delivery, control, and transformation. Integration is reflected in the co-location of decision rights, process accountability, and performance ownership within India-based GCCs, supported by standardized compliance and data governance frameworks that enable expansion into regulated and data-intensive functions.

Talent deployment is structured around specialized capabilities and leadership continuity rather than scale alone. The Reckitt GCC in India reflects this structure, with end-to-end ownership across finance, analytics, and supply chain operations, operating as part of global workflows rather than a support unit. These elements establish India as a fixed component of the UK enterprise architecture.



Glossary

- **Gilt Yields:** The return on investment for UK government bonds, indicating government borrowing costs and market sentiment.
- **Supply-Side Initiatives:** Policies aimed at increasing an economy's productive capacity, such as planning reform or welfare changes.
- **Monetary Easing:** A central bank policy, like reducing the bank rate, to stimulate economic growth and increase the money supply.
- **Fiscal Restraint:** Government policy to reduce budget deficits and public debt by cutting spending or raising taxes.
- **Leaner Team:** A smaller, more agile team focused on high-impact, strategic functions rather than high-volume, transactional work.
- **Cost Arbitrage:** The practice of exploiting price differences for goods or services between two different locations, often for labor costs.
- **Digital Skills Gap:** The discrepancy between the digital skills required by employers and the skills possessed by the available workforce.
- **Geopolitical Volatility:** The unpredictability of global political events that can disrupt business operations, trade, and supply chains.
- **Centers of Excellence (CoEs):** Specialized teams within a GCC that develop deep expertise in a specific, critical domain like AI or cybersecurity.
- **Value-Added:** The contribution of a specific industry to a country's GDP, representing the total value of its outputs minus its inputs.
- **BPO (Business Process Outsourcing):** The practice of contracting a specific business task, such as payroll or customer service, to an external provider.
- **Cloud-Native Platforms:** Applications and services designed specifically for cloud computing architecture, leveraging its scalability and flexibility.
- **DevOps:** A set of practices that combines software development and IT operations to shorten the development lifecycle and ensure continuous delivery.
- **Hyperautomation:** The application of multiple technologies, including AI and RPA, to automate as many business and IT processes as possible.
- **Intellectual Property (IP):** Creations of the mind, such as inventions or designs, that are legally protected and can be owned and commercialized.
- **RPA (Robotic Process Automation):** Software bots that automate repetitive, rule-based digital tasks and processes.
- **AML (Anti-Money Laundering):** A set of laws and regulations designed to prevent criminals from disguising illegally obtained funds as legitimate income.
- **Gilt Stock Reduction:** The process of a government selling its bonds back to the public, which is a form of quantitative tightening to reduce the money supply.
- **Offshoring:** The practice of relocating a business process or service to another country, often to reduce costs.



Inductus **GCC** Service Models

— India's Leading GCC Enabler —

BOT (Build-Operate-Transfer)

A structured pathway to establishing your GCC with minimized risk and maximum efficiency. We **build** and **operationalize** your center, ensuring seamless performance before **transferring full ownership** to you—**equipping your business with a mature, self-sustaining capability**.

COPO (Company-Owned, Partner-Operated)

Maintain **full ownership** while leveraging Inductus' operational expertise. This model enables you to establish a GCC with **absolute control over intellectual assets (IP), agility, and scalability** while we manage day-to-day operations, **ensuring zero liability, compliance, and maximum efficiency**.

Additionally, a **Zero Capex Model with Digital Twin or a Mirror Like Operational Structure** with superior process excellence.

FLEXI (Adaptive & Custom GCC Solutions)

Beyond predefined structures, **Flexi is a bespoke model offering absolute customization and adaptability**.

It molds itself around your unique business prerequisites, evolving seamlessly with your vision. **This isn't just a service—it's an agile, high-impact partnership crafted to maximize your success.**

Proud recipient of **Times Power Icons Award** for being one of the **Leading GCC Enabler of India**

Presented by 
THE TIMES OF INDIA



Inductus ensures that each model is executed with precision, innovation, and strategic foresight—helping you unlock the full potential of your GCC in India.

Our deep expertise in GCCs, coupled with a strong network of industry partnerships and policy-level advisory, positions us as a trusted partner for driving transformational outcomes.

Certificate of Excellence for Consulting & Advisory Services by **Chicago Open University USA**



COPO & Digital Twin Integrated Service Model

A study based proposition to build a global standard GCC mechanism for Large & Mid-sized Corporations



“

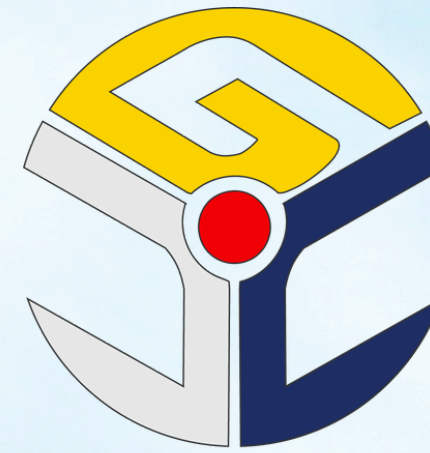
"In a world full of rapid tech & process disruptions, global corporations that invest in innovation-led R&D don't just survive—they lead. Innovation is the key to staying relevant, cost-competitive, and future-ready in an ever-evolving marketplace..."

—— Alouk Kumar - CEO, Inductus ——

”

Inductus GCC's Digital Twin and COPO (Company-Owned, Partner-Operated) Service Model creates a seamless, future-ready operational framework for global businesses setting up GCCs in India. The Digital Twin Process ensures real-time collaboration, decision-making, and operational efficiency by replicating physical systems in a virtual environment, enabling synchronized execution across multiple time zones. Meanwhile, the COPO Model allows MNCs to retain full ownership and strategic control while leveraging Inductus' expertise for execution, compliance, and scalability.

This hybrid approach optimizes costs, mitigates risks, and accelerates GCC growth, ensuring innovation-driven operations with minimal liabilities and maximum efficiency.



Designed to be Different.

www.inductusgcc.com