INDUCTUS

US, UK, EUROPE & JAPAN

The Burgeoning GCC Quadruples

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Executive SUMMARY

Developed markets are facing significant challenges in talent availability. In the United States, United Kingdom, Europe, and Japan, businesses are facing ageing population, rising labor costs, shortages of digital skills, and declining workforce. These conditions are structural and ongoing.

India has emerged as a major location for Global Capability Centers (GCCs)/Offshore Delivery Centers (ODCs). As of 2026, India hosts over 2100+ GCCs, employs nearly 2.4 million professionals, and generates around USD 98.5 billion in annual revenue from this segment. The role of GCCs has expanded beyond outsourcing to include core business functions.
This report outlines the workforce and cost challenges in Japan, the USA, Europe, and the UK and explains how setting up GCCs in India can address these issues.

Report Highlights

- The global skilled labor shortage is expected to reach 85 million workers by 2030, with an estimated USD 8.5 trillion in lost economic output.
- India has a median age of 28 years and produces around 2.5 million STEM graduates annually.
- Companies setting up GCCs in India report 50–60% lower labor costs compared to the US and Europe and other developed economies, with break-even timelines reduced to around 2 years.
- Around 110 new GCCs were established in India between 2024 and 2025.
- GCCs in India now handle product development, research, and management roles, with over 6,500 leadership positions based in the country.
- Policy measures such as the EU-India Free Trade Agreement, UK-India Free Trade Agreement (May 2025) and India's National GCC Framework (2025–26 Budget) have improved conditions for foreign companies setting up operations.
- India accounts for approximately 45–50% of the global GCC workforce, making it the largest concentration globally.
- Around 60% of GCCs in India handle end-to-end operations, including core business functions beyond support roles.
- Attrition rates in GCCs have reduced to around 13% in 2023 to 9% in 2025, indicating improved workforce stability.
- A mid-sized GCC (50–100 employees) in India typically requires USD 0.5–2 million setup cost and USD 1.5–2 million annual operating cost.
- India's time zone (GMT+5:30) enables overlap with both US and European working hours, supporting continuous operations.

Global Context - Why Developed Markets Are Under Pressure

The structural challenges in Japan, the USA, Europe, and the UK are long-term and persistent. These include workforce ageing, rising labor costs, shortage of digital skills, and declining labor force. These factors affect hiring and scaling of operations.

2.1 Global Talent Shortage: Scale and Impact

A global shortage of over 85 million skilled workers by 2030. In financial and business services, estimated unrealized revenue is around USD 870 billion across major financial centers including the US, UK, Germany, France, and Japan. The shortage is estimated at 21% of the skilled workforce across 20 countries.

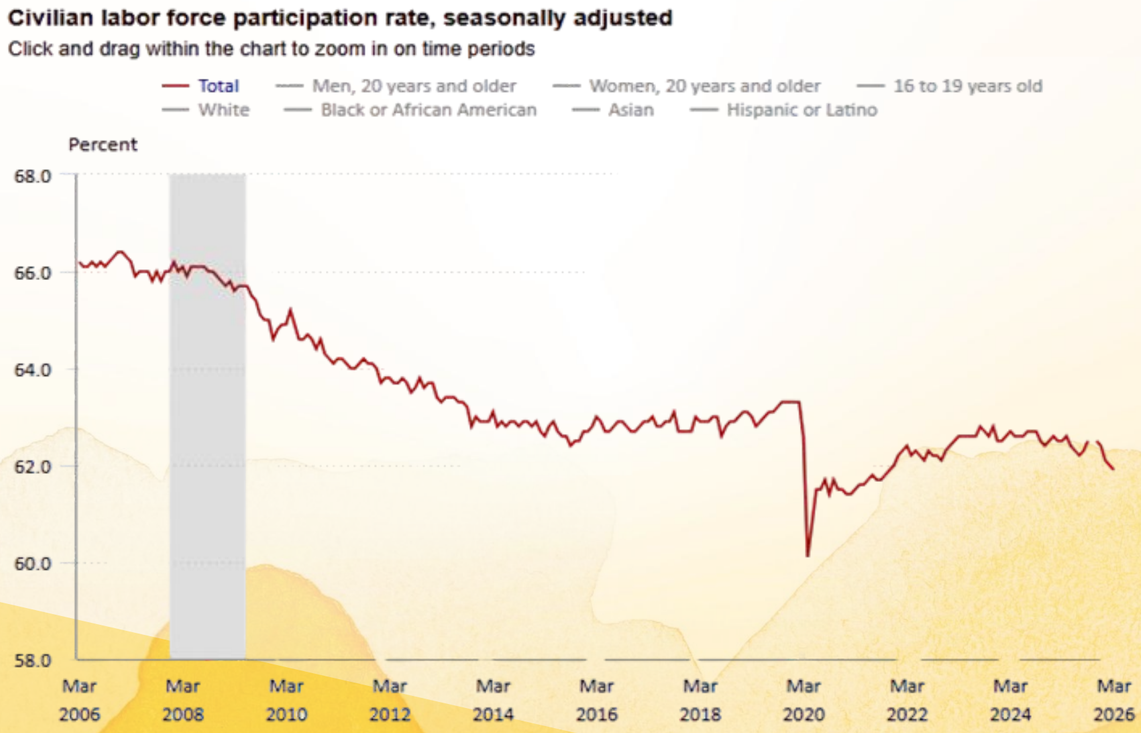
Main contributing factors include:

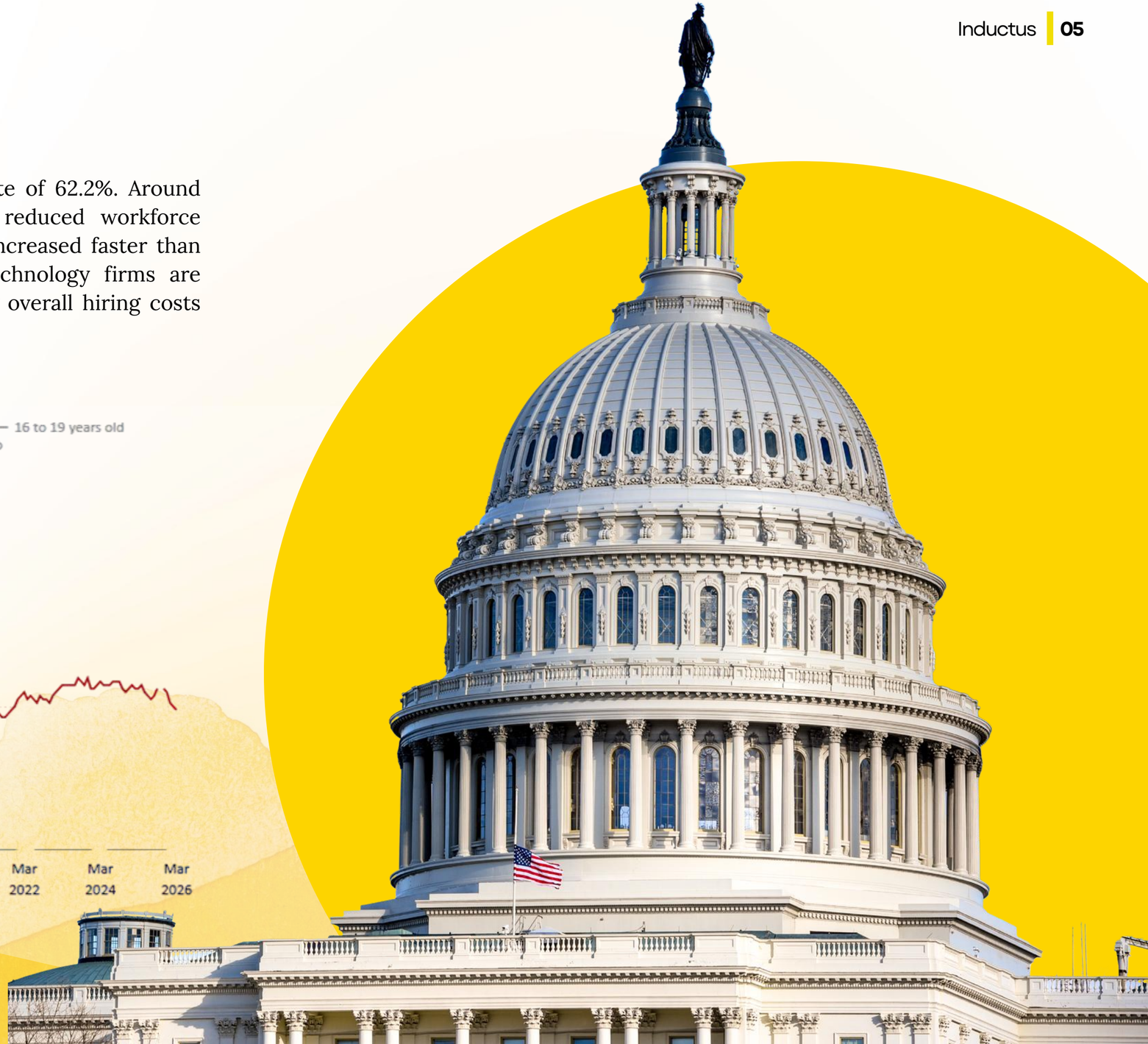
- Retirement of older workers exceeding new workforce entry.
- Faster changes in digital and AI-related skills compared to education systems.
- Lower workforce participation in some income groups.

Region	Shortage Level	Estimated Impact by 2030	Key Driver
USA	High	USD 1.748 trillion	Retirements, digital skills gap
UK	High	USD 90 billion	Post-Brexit workforce changes
Germany	4.9 million worker gap	EUR 500 billion productivity loss	Ageing population, low birth rate
Japan	Severe	220,000 IT roles	High ageing population

2.2 United States

The United States has a declining labor force participation rate of 62.2%. Around 10,000 people reach retirement age daily, contributing to reduced workforce availability. Demand for AI, data science, and cloud roles has increased faster than supply. Compensation levels for AI-related roles in large technology firms are commonly between USD 150,000 and USD 200,000, increasing overall hiring costs across engineering teams.





2.3 United Kingdom

The UK workforce has been affected by reduced migration after Brexit and exit of EU workers from key sectors such as finance, technology, and healthcare. Between 2020 and 2021, over 400,000 workers left employment due to long-term health conditions, according to the Office for National Health Statistics.

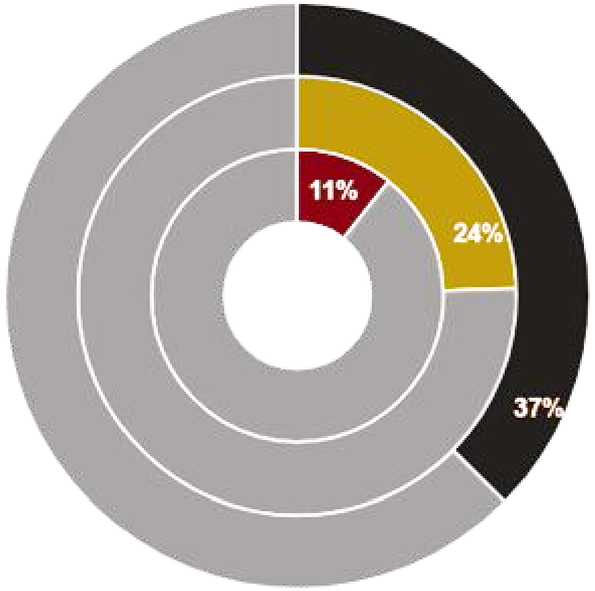
Nearly one in four of the working-age population are classed as disabled

Figure 5: Proportion of the population with a long-term health condition, or classed as disabled, including those limited a lot, people aged 16 to 64 years, UK, 2024/25

37% of the working-age population report having a long-term health condition

24% of the working-age population are classed as disabled

11% of the working-age population are classed as disabled, limited a lot



The projected economic impact of talent shortages is around USD 90 billion by 2030, with high concentration in financial and business services. The UK-India Free Trade Agreement (May 2025) provides updated regulatory conditions for offshore operations.

2.4 Europe

Germany faces a projected shortage of 4.9 million workers by 2030. Similar trends are observed across France, the Netherlands, Belgium, Spain, and Poland.

Common characteristics include:

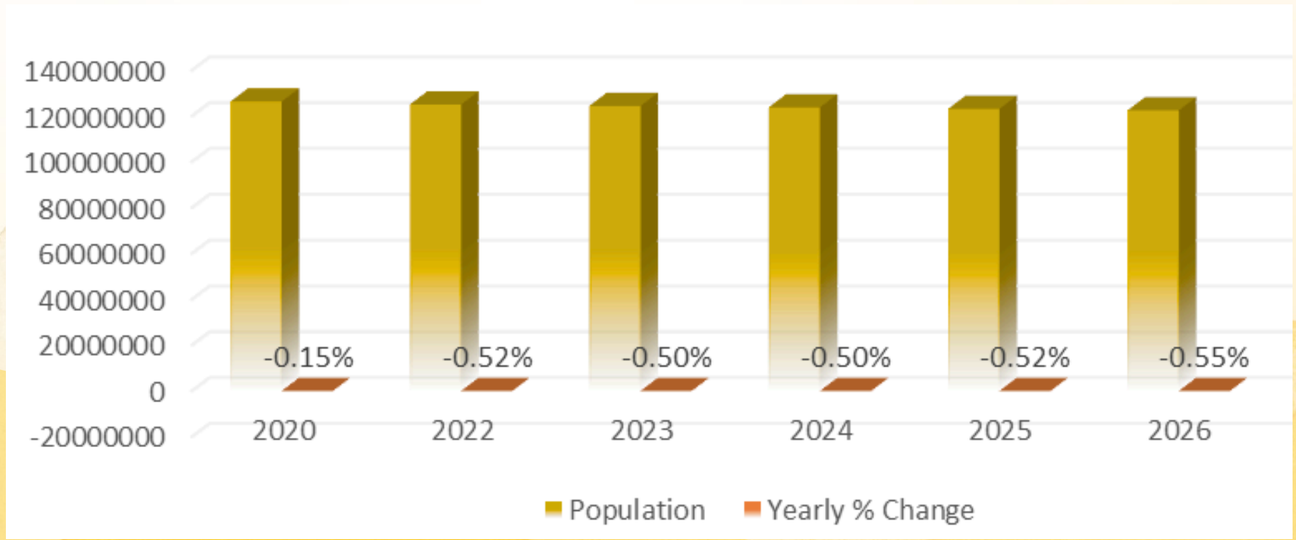
- Declining working-age population
- Low birth rates
- Increasing dependency ratios

Labor costs are high due to taxes and mandatory benefits, reaching 150–180% of base salary in countries such as Germany, France, and the Netherlands. This limits expansion in technology and R&D roles.

2.5 Japan

Demographic Challenge:

Japan has 33% of its population aged 65 or older, with a shrinking working-age population. The country is projected to face a shortage of 220,000 IT professionals by 2025, particularly in AI, cyber security, and cloud roles. Average IT salaries are around JPY 15 million (USD ~100,000). Despite this, companies report multiple job offers per candidate, leading to longer hiring cycles. Mandatory retirement age was raised to 65 in April 2025. The labor structure limits domestic expansion in digital roles, increasing reliance on external talent markets.



Economical & Financial Factors Impacting Industrial Growth of the Japan:

· **High Public Debt and Fiscal Pressure:** Japan's public debt remains very high at around 243 percent of GDP in 2023 and projected above 235 percent by 2026. High debt levels increase fiscal pressure and limit government spending on industrial development.

· **Low GDP Growth:** Japan's economic growth remains low. GDP growth is estimated at:
1.0 percent in 2024 and 1.1 percent in 2025. Low growth reduces industrial expansion and investment activity.

· **Rising Input Costs and Inflation:** Consumer price inflation was 3.2 percent in 2023 and around 2.6 percent in 2024. Higher input costs such as energy and raw materials increase production costs. Business sentiment index dropped to 42.2 in 2026, reflecting cost pressures on firms.

· **Increasing Business Failures:** Corporate stress is rising. Japan recorded 10,425 bankruptcies in 2025, a 3.5 percent increase year on year. Higher operating costs and weak demand contribute to business closures.

· **Weak External Demand and Export Slowdown:** Exports have shown periods of contraction, with global demand remaining uncertain. Japan's economy remains dependent on external demand, which affects industrial production during global slowdowns.

· **Monetary Policy Shift and Interest Rates:** The Bank of Japan increased interest rates to around 0.75 percent in 2024 after a long period of low rates. Higher borrowing costs affect capital investment by industries.

· **Labor Market Tightness and Wage Pressure:** Unemployment remains low at around 2.5 percent in 2024 and expected near 2.3 percent by 2026. Tight labor markets increase wage costs for firms, raising overall production costs.

· **Demographic Pressure on Productivity and Demand:** Population decline reduces consumption demand and workforce availability. Japan's economic structure is affected by long term demographic decline, leading to lower productivity growth and reduced industrial output.

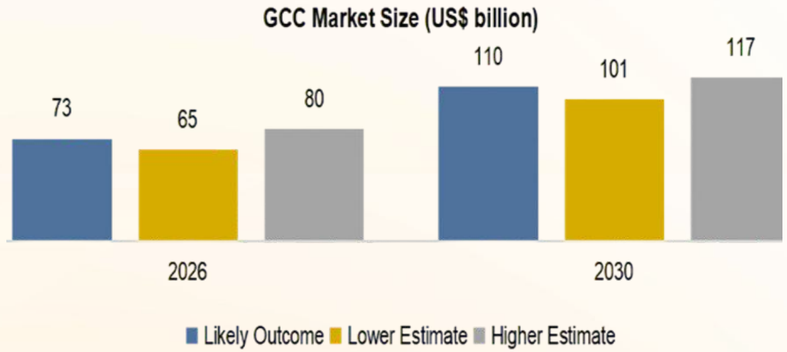
India's GCC Landscape

India has developed a large base of Global Capability Centers (GCCs) across multiple sectors. GCCs in India have expanded from IT support functions to handling product development, analytics, and research activities.

3.1 Scale and Growth

As of FY 2024–25, India hosts between 1,800 and 1,950 GCCs. These centers employ around 1.9 to 2.0 million professionals and generate USD 64.6 billion in annual revenue. India accounts for about 45% of the global GCC workforce and a significant share of offshore centers.

Between 2024 and 2025, around 110 new GCCs were established. In the first half of 2025, about 50 new centers were set up. Projections indicate 2,100–2,400 GCCs by 2030, employing 2.5 to 2.8 million professionals, with revenue expected to exceed USD 100 billion.



3.2 Scope of Work

GCCs in India now handle a wide range of functions:

- Product development
- Data analysis
- Cloud operations
- Cyber security
- Research and development

Around 60% of GCCs manage end-to-end functions. Over 78% of new centers in 2024 focused on digital and technology-related work.

Global leadership roles in India increased from 115 in 2015 to over 6,500 in 2024. These include roles in technology, data, and product management.

3.3 Talent Availability

India has a median age of 28.4 years, with about 68% of the population in the working-age group. This level is expected to remain above 67% until 2040. India produces around 2.5 million STEM graduates annually, with about 34% of graduates in science and technology fields. The number of professionals working in AI-related roles has increased significantly, with over 126,000 working in GCCs of large global companies as of 2025. English is widely used in the workforce, supporting communication with global teams.

3.4 Cost Structure

Labor costs in India are lower compared to developed markets. For example, average annual compensation for a software engineer is around USD 7,700 in India, compared to about USD 110,000 in the United States. Companies report 50–60% cost savings after including operational expenses. A mid-sized GCC (50–100 employees) typically requires USD 500,000 to USD 2 million for setup and USD 1.5–2 million annually for operations. Government incentives such as Special Economic Zones (SEZs) and state policies can reduce costs further. National and state-level initiatives introduced in 2025–26 aim to simplify setup processes.

3.5 Location Distribution

Most GCCs are located in six major cities: Bengaluru, Hyderabad, Pune, Chennai, Mumbai, and Delhi NCR, which account for 90–95% of total centers. Tier-2 cities such as Coimbatore, Jaipur, Ahmedabad, Mysuru, Nagpur, and Nasik are also attracting new GCCs due to lower costs and available talent. Growth in these cities is expected to increase in the coming years.

Current Concentration

- Around 94 percent of GCCs operate in six cities: Bengaluru, Hyderabad, Chennai, Pune, Gurugram, and Mumbai.
- These cities have established ecosystems, infrastructure, and access to large talent pool

Expansion to New Locations

- New GCC setups are increasing in cities such as Pune, Noida, Gurugram, Coimbatore, Indore, and Ahmedabad.
- Tier 2 cities account for about 15 to 20 percent of new GCC establishments.

Drivers of Expansion

- Availability of skilled workforce in smaller cities.
- Lower real estate and operating costs.
- Improved infrastructure and connectivity.

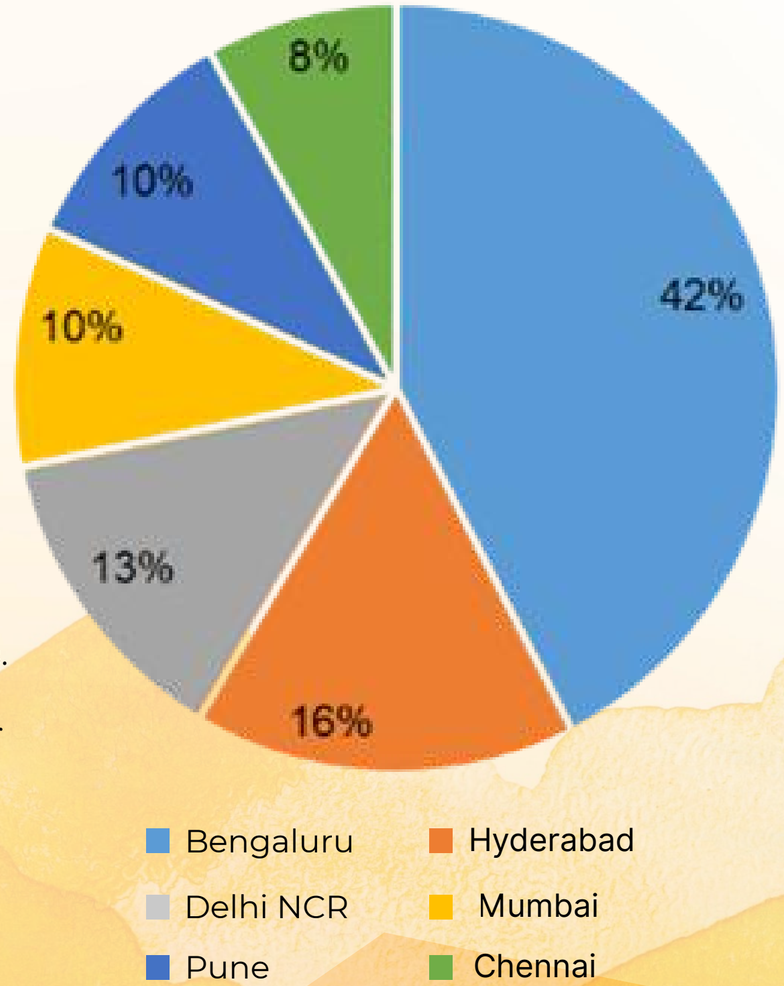
Workforce and Cost Trends

- Tier 2 and Tier 3 locations offer 20 to 35 percent lower talent costs compared to major cities.
- Attrition levels are lower by around 10 to 12 percent in these locations.
- Projections indicate that about 39 percent of GCC workforce may be based in Tier 2 and Tier 3 cities by 2030.

Operating Model Changes

- Smaller GCC units with less than 100 employees are being set up for focused functions such as research and development and advanced technology work.
- These centers operate with defined scope and limited team size.

This shift reflects a broader distribution of GCC operations across multiple cities in India.



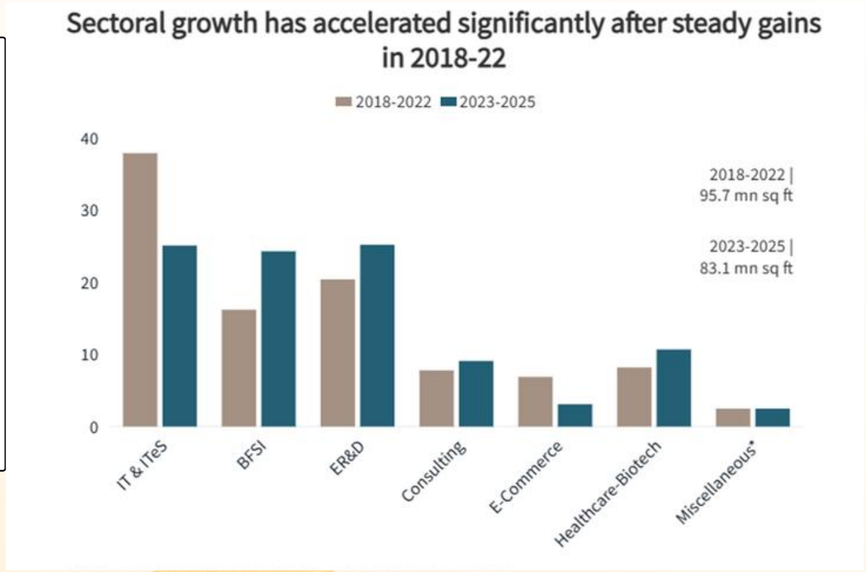
GCCs in India as per cities

3.6 Sector Presence

GCCs in India operate across multiple sectors:

- Information Technology and IT-enabled services
- Banking, Financial Services, and Insurance (BFSI)
- Engineering. Research and product development
- Consulting and E-Commerce
- Healthcare and life sciences

Engineering and R&D activities generated around USD 36.4 billion in FY2024. Many new GCCs are focused on technology-related functions, including data, cloud, and AI.



3.7 Time Zone Advantage

Overlap with Europe and United States

India is approximately 4.5 hours ahead of Europe, creating a daily overlap window between 4 to 6 hours during standard business hours. India is around 9 to 12 hours ahead of US time zones depending on location, enabling handoff based work cycles. Limited overlap of around 0 to 1 hour exists with US East Coast during standard working hours.

Working Window Alignment
A typical overlap occurs between 12:30 PM to 6:00 PM in India and 8:00 AM to 1:30 PM in Europe, allowing same day coordination.

Extended Global Coverage
Combined operations across India, Europe, and the United States can support up to 18 to 24 hour operational coverage within a single cycle through sequential work shifts.

Faster Work Completion Cycles
Work initiated in the United States can be processed in India and returned before the next US working day, reducing turnaround time.

Continuous Operations Support
Functions such as IT operations, customer support, and monitoring can be executed across time zones without interruption.

Reduced Idle Time Between Regions
Time zone differences allow work transfer between regions without waiting for the next business day, improving process continuity.

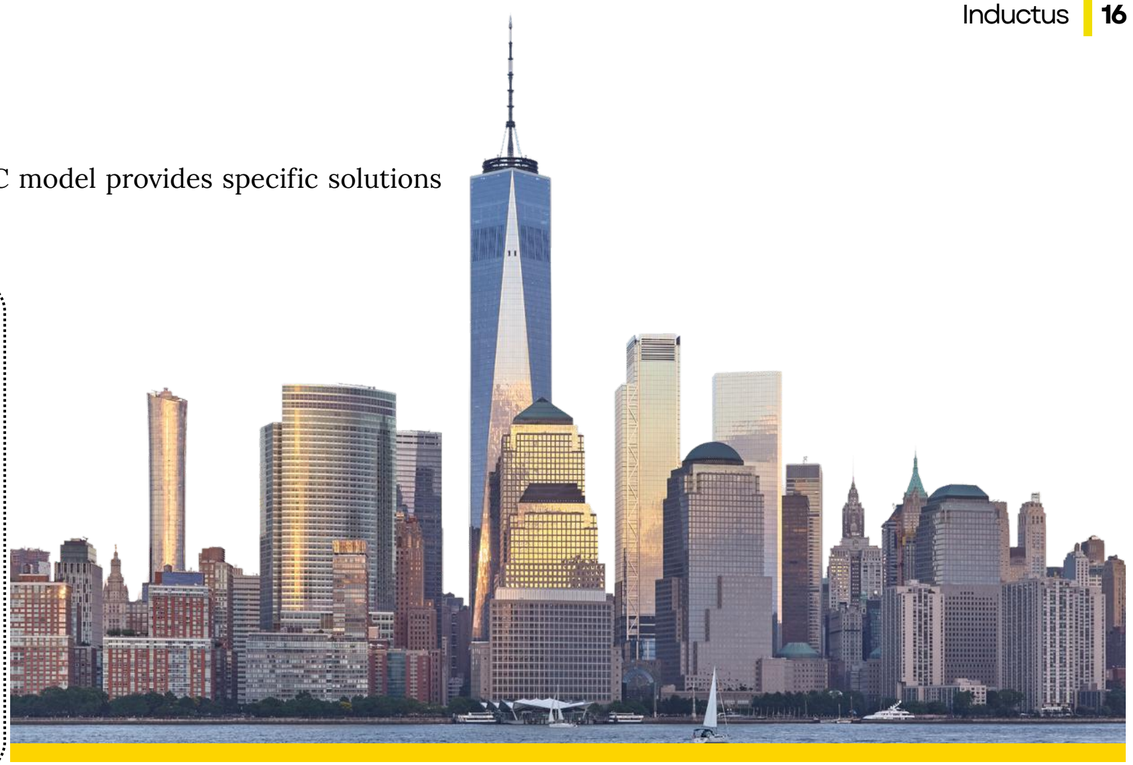
Structured Handoff Model
Organizations use defined handoff windows between US, Europe, and India to maintain workflow continuity and reduce delays.

Global Talent Competitiveness: India in Focus

Metric	India	United States	United Kingdom	Europe	Japan
Median Age	~28.4 years	~38.5 years	~40.7 years	~44 years	~49 years
Annual STEM Graduates	~2.5 million	~820,000	~500,000	~4–5 million (fragmented)	~140,000
Working-age Population (%)	~68%	~64%	~63%	~64%	~59% (declining)
AI Talent Growth	+252% (2016–2024)	High but supply constrained	Moderate	Uneven across countries	Limited
Labor Shortage	No structural shortage	~1M+ tech vacancies	Skill shortages in tech & finance	4.9M shortage (Germany alone)	~220,000 IT gap
Language Advantage	Large English-speaking workforce	Native English	Native English	Multi-language fragmentation	Limited English workforce
Cost of Tech Talent	Low (USD ~7K–10K avg)	High (USD 150K+)	High (USD 80K–120K)	High (varies by country)	High

Country-Specific Opportunity Analysis

The USA, UK, Europe, and Japan face different workforce and cost-related challenges. India's GCC model provides specific solutions based on these conditions.



4.1 United States

Primary Challenge:
Shortage of technology professionals, high wage levels, and need for continuous operations.

India GCC Opportunity:
The United States accounts for over 65% of GCC presence in India. Companies such as Goldman Sachs, JPMorgan, Walmart, Microsoft, and Google operate large centers in India.

India provides access to a larger talent pool at 50–60% lower cost. Time zone differences allow work to continue across regions, supporting round-the-clock operations. India also has a high concentration of professionals in data, cloud, and related technology roles.

4.2 United Kingdom

Primary :
Reduced access to EU workers after Brexit, decline in workforce participation, and shortage of skilled professionals.

India GCC Opportunity:
The UK-India Free Trade Agreement (May 2025) has improved conditions for setting up operations and cross-border work.

India offers a workforce familiar with English language and UK business practices. Data protection regulations are being strengthened, with compliance requirements in place by May 2027. Attrition levels in GCCs have reduced from 13% in 2023 to 9% in 2025, supporting workforce stability

4.3 Europe

Primary Challenge:
Aging population, worker shortages, and high labor costs.

India GCC Opportunity:
European companies such as Bosch, Siemens, SAP, ZF, and Continental operate engineering and technology centers in India.

India provides engineering and technical talent required for manufacturing and product development. A 500-person GCC can generate up to EUR 275 million in savings over five years. Time zone overlap with Europe allows daily coordination, while also supporting operations with the US.

4.4 Japan

Primary Challenge:
Shortage of IT professionals, aging population, and limited domestic workforce growth.

India GCC Opportunity:
India provides access to technology professionals in areas such as cyber security, cloud, and data. Japan-India collaboration programs and availability of Japanese language skills in cities like Pune and Bengaluru support operations.

Examples include Daikin's GCC in Gurgaon and Daiichi Sankyo's operations in Hyderabad. The GCC model allows Japanese companies to maintain control while accessing external talent.

Region	Primary Challenges	India GCC Opportunity
United States	Talent shortage in technology roles, high wages, need for continuous operations	Access to large talent pool, 50–70% cost savings, support for round-the-clock operations.
United Kingdom	Reduced EU workforce, declining participation, skill gaps	Improved trade framework (2025 FTA), English-speaking workforce, lower attrition (9% in 2025)
Europe	Aging population, worker shortages, high labor costs	Engineering and R&D talent access, cost savings (EUR 275M over 5 years), time zone overlap.
Japan	IT talent shortage, aging population, limited workforce growth	Access to technology talent, Japan-India collaboration, availability of Japanese-speaking professionals.

Strategic Framework for GCC Establishment

Establishing a GCC in India is no longer complex, multi-year undertaking it was a decade ago. The combination of mature service provider ecosystems, government single-window portals, plug-and-play GCC-as-a-Service models, and experienced local leadership talent means that time-to-launch has compressed from 18–24 months to under 6 months for mid-scale centers. Operational break-even is now achievable in Year 2 rather than Year 5.

5.1 Entry Models -

Build-Operate-Transfer (BOT)	Partner with an experienced GCC setup firm to build and operate the center, then transfer ownership. Reduces setup risk, accelerates launch, appropriate for first-time India entrants.
Direct Entity Setup	Register a wholly-owned subsidiary and build operations directly. Maximum control over culture, IP, and talent strategy. USD 500K–2M setup investment for a 50–100 person center.
Employer of Record (EOR)	Use an EOR to hire Indian talent immediately without entity registration. Ideal for testing the market with 10–50 person pilot teams before committing to full entity setup.
GCC-as-a-Service	Plug-and-play models offering ready infrastructure, HR, payroll, and compliance. Time-to-launch under 6 months. Best for mid-market companies scaling into India for the first time.

5.2 Location Selection Criteria

City selection should be driven by sector-specific talent availability, infrastructure quality, cost positioning, and strategic growth horizon not by historical precedent alone.

5.3 Regulatory and Compliance Considerations

India follows a central and state-level regulatory framework for business operations and employment. Key requirements include:

- Entity registration under the Companies Act, 2013, usually as a Private Limited Company or as a Liaison/Branch Office based on the scope of operations.
- Registration under Special Economic Zones (SEZs) for companies seeking tax benefits, available across major cities.
- Compliance with the Digital Personal Data Protection (DPDP) Act, with full implementation expected by May 2027, including data protection and reporting requirements.
- Adherence to state-specific labor laws covering working hours, leave policies, and employment contracts. Written contracts are required.
- Compliance with intellectual property laws under the Patents Act and Copyright Act for protection of business and technology assets.

City	Best For	Key Advantage	Cost Index
Bengaluru	Tech, AI/ML, Cloud	Deepest talent pool globally	High
Hyderabad	Pharma, ER&D, AI	Lower cost than Bengaluru	Medium-High
Pune	Auto, BFSI, Manufacturing tech	European corporate affinity	Medium
Chennai	Auto, Retail tech, Mfg	Japanese corporate presence	Medium
Mumbai	BFSI, Insurance, Media	Financial services ecosystem	High
Tier-2 Cities	Niche, AI, Cost-conscious	30-40% lower cost vs Tier-1	Low-Medium

5.4 Risk Considerations

Setting up a GCC in India involves the following risks and mitigation measures:

Risk	Description	Mitigation Measures
Talent competition	High demand for skilled professionals in major cities	Expansion into Tier-2 cities, structured hiring plans, retention programs
Cultural differences	Variations in communication and work practices	Cross-cultural training, alignment of management practices
Attrition	Movement of skilled employees across companies	Defined career paths, training programs, competitive compensation

Organizations with Existing GCCs/ODCs in India and their Measurable Outcomes

India hosts over 1,800 Global Capability Centers (GCCs) as of 2024–2025, depending on classification and reporting criteria. These centers collectively employ roughly 1.9 to 2.0 million professionals and generate an estimated USD 64.6 billion in annual revenue.

1. USA: American Express

American Express is a US-based financial services company headquartered in New York. It provides credit cards, payment solutions, travel services, and commercial financial products to millions of individuals and businesses worldwide. The company has operated in India for several decades, with its primary GCC located in Gurugram, Haryana.

Establishment and GCC Locations

American Express has existing facilities in Gurugram, Delhi, Mumbai, Bengaluru, Chennai, and Pune. The new Gurugram campus, situated in Sector 74A, opened in May 2024. It is spanning nearly one million square feet, is the largest office American Express has built from the ground up globally. The campus received the LEED Gold certification for Building Design and Construction Core and Shell Development.

Functions Handled

The Gurugram GCC handles technology, data analytics, performance marketing, financial operations, risk management, and customer service functions for American Express's global businesses. Technology teams align investments with business objectives through portfolio management, program management, and tech vendor management. Product teams define and prioritize new products, features, and customer needs to support development across product engineering, policies and standards, and program management. American Express

Top players in various industries including American Express have established their global captive centers in NCR, covering a wide spectrum of services. Reports indicate that 30 percent of office market growth in NCR has been driven by GCCs alone.

Outcomes

Largest Global Office:

The Gurugram campus is the largest office American Express has built from the ground up across all its global locations. The facility incorporates sustainability design standards and received LEED Gold certification.

01

Consolidated Operations:

The new Gurugram facility consolidates teams from across multiple existing offices into a single purpose-built campus, enabling more coordinated delivery of technology and financial services for global clients.

04

Access to Finance and Technology Talent:

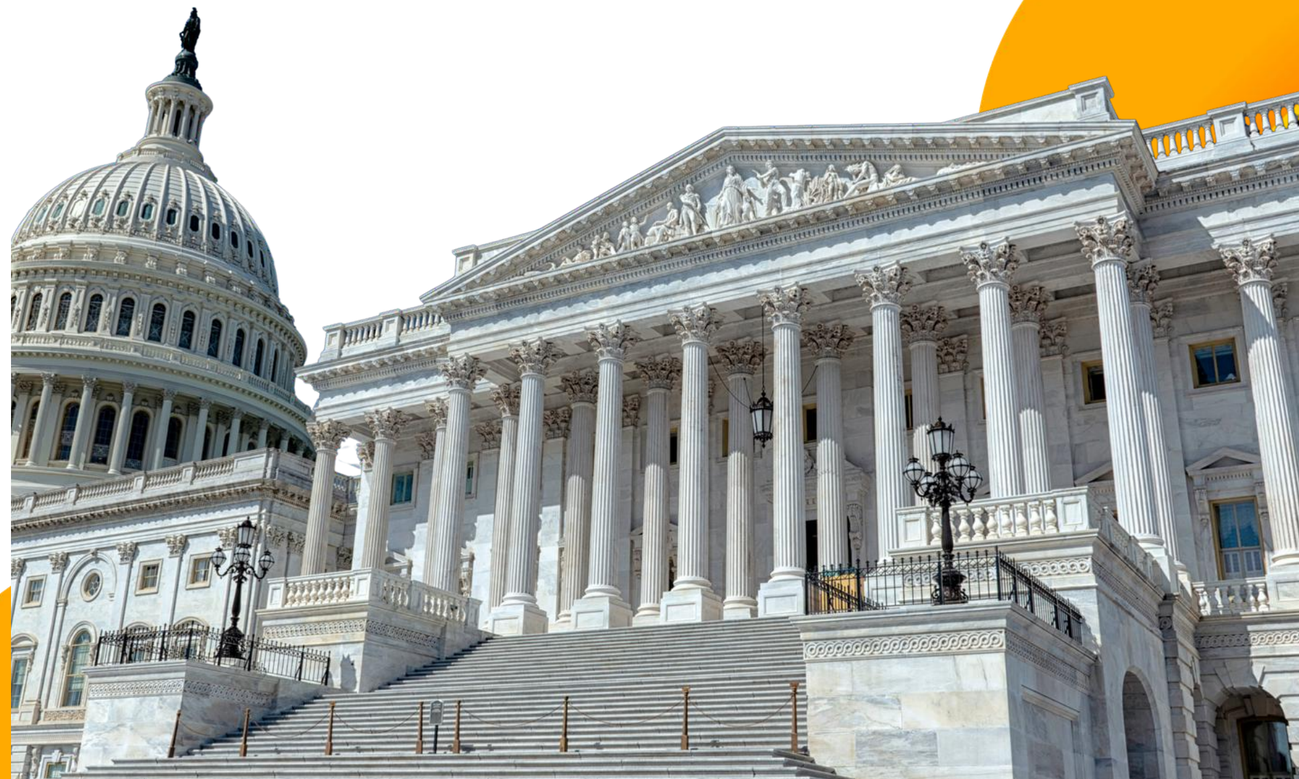
Delhi-NCR hosts about 270 GCCs, with particular strength in IT, telecom, consulting, fintech, and travel. The region gives American Express access to a wide talent pool across Gurugram, Noida, and Delhi. Flexiple

02

Policy Environment:

Delhi-NCR accounts for 16 percent of India's GCC landscape and benefits from favorable government policies, which reduce setup and operational friction for organizations like American Express. Workforce Solutions

03



2. UK: DAZN

DAZN is a UK-headquartered sports streaming company. It holds broadcast rights across more than 75 sports properties and operates in over 200 territories globally. As of 2024, DAZN claimed to be approaching 20 million paid subscribers globally. The company holds key domestic broadcast rights in Italy, Spain, Germany, Japan, France, Portugal, Belgium, Taiwan, the United States, and Canada. It is considered Europe's largest digital sports broadcaster.

Establishment and GCC location

DAZN opened its India Development Centre in Hyderabad within ten days of its announcement. At the time of launch, the center had 350 employees, with a plan to scale to 1,000 by the end of that year and to 2,500 by December 2024. DAZN plans to invest approximately INR 1,000 crore in Hyderabad over five years.

DAZN subsequently announced the expansion of its Centre of Excellence in Hyderabad with the launch of India's first global sports operations centre. The new facility is expected to create over 3,000 jobs by the end of 2026, backed by an investment of INR 500 crore over the next three years. DAZN has already invested INR 500 crore in its existing Centre of Excellence, which employs engineers, data scientists, and developers.

Functions Handled

The India Development Centre in Hyderabad is crucial for DAZN's global operations and growth. Apart from the streaming platform, DAZN is building an interactive application covering sports ticketing, merchandise, online gaming, and event tracking, with the Hyderabad centre playing a significant role in developing these capabilities.

The Hyderabad centre focuses on sports technology development, real-time analytics, and product work. It positions Hyderabad as a key hub for the company's global technology and product initiatives.

Outcomes

Cost-Effective Talent Access:

Hyderabad gives DAZN access to engineers, data scientists, and developers at costs significantly lower than equivalent roles in the UK or other European markets, allowing the company to scale its technology teams at a pace that would not be feasible from its headquarters.

01

Workforce Scale:

The Hyderabad centre is part of DAZN Group's five-centre network globally. At the time of its Hyderabad launch, the combined global workforce across five centres stood at 3,000 employees. Telangana Today

02

Sports Technology Infrastructure:

This positions Hyderabad as a key hub for DAZN's global technology and product work, covering areas including real-time sports operations, data science, and engineering.

03

Investment Return:

The investment of INR 500 crore and planned creation of 3,000 or more jobs by end of 2026 reflects how the Hyderabad GCC supports DAZN's global expansion across sports operations, engineering, and content development.

04

3. Europe: SAP

SAP SE is a German multinational enterprise software company headquartered in Walldorf, Germany. It is the world's leading provider of business software solutions. SAP Labs India is SAP's largest R&D location outside the headquarters in Walldorf, Germany. It is innovating key use cases and working across the entire solution base, from S/4 HANA to HXM and the sustainability suite of solutions.

GCC Locations in India

SAP Labs India is present across five cities in India. Bengaluru is its largest hub. The company also has offices in Mumbai, Gurgaon, Pune, and Hyderabad. Business Standard

SAP Labs already has about 14,000 employees in Bengaluru. In August 2025, SAP Labs inaugurated its second campus in Bengaluru with an investment of EUR 194 million. The new campus spans 41 acres and has a capacity of 15,000 employees, bringing the projected Bengaluru headcount to approximately 29,000. Besides Bengaluru, there are offices in Hyderabad, Pune, and Mumbai, which includes the Gurgaon presence in the NCR region.

Functions Handled

SAP Labs India is the only location of SAP where the entire breadth of its product portfolio is present in one location. As of 2024, SAP Labs India had 15,600 employees in India, with 13,600 focused on core R&D. The center covers work across the company's full product portfolio including enterprise resource planning, human experience management, and sustainability software.

The Gurgaon office specifically handles product engineering, consulting, customer support, and software development functions aligned with SAP's enterprise product lines. SAP India began operations in 1996 with headquarters in Bangalore and offices in Mumbai, New Delhi, Kolkata, and a direct presence in nine cities across India, besides having marketing associates in Sri Lanka and Bangladesh.

Outcomes

Largest R&D Base Outside Germany: SAP Labs India is the biggest R&D hub for SAP outside its headquarters in Germany. It is the only center that covers the full breadth of SAP's services and products within a single country.

Workforce Scale: SAP Labs already has about 14,000 employees in Bengaluru, with a combined India workforce of over 15,600. The second campus adds capacity for 15,000 more employees, bringing the total projected India workforce to approximately 29,000.

Infrastructure Investment: The second Bengaluru campus was built with an investment of EUR 194 million, with the first phase requiring a capital expenditure of EUR 80 million. This reflects SAP's long-term commitment to India as its primary R&D location outside Germany.

Multi-City Delivery: SAP is present across five cities in India, including Gurgaon in the NCR region, enabling the company to draw from talent pools across the country and provide geographic distribution of its India workforce. Bengaluru represents the company's largest hub, while other cities including Gurgaon, Pune, Mumbai, and Hyderabad support additional engineering, product, and customer-facing functions.

4. Japan: Dai Ichi Life

Dai-ichi Life Holdings is one of Japan's largest life insurance companies, headquartered in Tokyo. Dai-ichi Life Holdings signed a multi-year agreement with Capgemini to create a Global Capability Center in India, supporting the insurer's global digital modernization efforts across its key markets.

Establishment and GCC Location

Dai-ichi Life Group established its first Global Capability Centre outside Japan in Hyderabad in 2025. The centre was launched through a multi-year strategic partnership with Capgemini, a global IT and business transformation firm. The Hyderabad GCC was launched at Capgemini's existing facility and operates under a Build-Operate-Transfer model. This structure allows Dai-ichi Life to build in-house capabilities, supported by Capgemini's expertise in delivering large-scale technology solutions. Over time, the centre is expected to transition into a fully Dai-ichi-owned and operated entity.

Functions Handled

The center supports Dai-ichi Life's main markets in Japan, the United States, and Australia, and may expand to more countries. By using India's technology talent, Dai-ichi Life aims to build advanced digital systems across the company's global operations.

The centre is designed to accelerate technology delivery across software development, infrastructure modernization, and cybersecurity, using India's talent pool in these areas.

Outcomes

First Overseas GCC:

This is Dai-ichi Life's first Global Capability Centre outside Japan. It represents a significant departure from the company's previous approach of keeping its digital operations entirely within Japan.

01

Technology Competency Building:

Tetsuya Kikuta, President and CEO of Dai-ichi Life Holdings, stated that the partnership allows the company to build important digital skills inside the organization. Through Capgemini's support, the company aims to improve its use of data, cybersecurity tools, and technology infrastructure, positioning it for future digital operations.

02

Multi-Market Coverage:

The GCC's modular design allows Dai-ichi Life to scale operations into new markets, starting with Japan, the United States, and Australia. The replicability of this model is a key advantage of the Build-Operate-Transfer structure.

03

Controlled Transition to In-House Operations:

By adopting the Build-Operate-Transfer model, Dai-ichi Life is investing in long-term in-house expertise across data analytics and cybersecurity, with Capgemini managing initial operations and transferring control over time.

04

Future Outlook and Strategic Recommendations:

India's GCC trajectory to 2030 is among the most clearly defined growth paths in the global economy. NASSCOM projects 2,100–2,400 GCCs by 2030, with revenue exceeding USD 100 billion and a workforce of 2.5–2.8 million professionals. The India Capability Centers Market is forecast to reach USD 149 billion by 2032, reflecting a CAGR of 14.61% through the decade.

For companies in Japan, the USA, Europe, and the UK, the decision framework has fundamentally changed. The question is no longer whether to establish an India GCC, it is how quickly to move and how ambitiously to scale. One of the major benefits is India's time zone (GMT+5:30) which enables overlap with both US and European working hours, supporting continuous operations.

Strategic Recommendations by Market

For US Companies: Move immediately and at scale. The US-India GCC model is the most proven in the world 65%+ of existing GCCs are US-headquartered. The risk of not moving is now greater than the risk of moving. Target Bengaluru or Hyderabad for technology and AI mandates; build leadership depth from Day 1.

For UK Companies: Leverage the FTA tailwind. The 2025 UK-India Free Trade Agreement creates a window of regulatory advantage that early movers will capture most fully. Financial services and technology firms should prioritize India GCC establishment as a post-Brexit talent strategy.

For European Companies: Lead with engineering R&D. European industrial and technology companies have the strongest use case for India's engineering talent. Start with a focused engineering or digital transformation mandate in Pune or Bengaluru; demonstrate value before expanding scope.

For Japanese Companies: Use consulting-led entry models. Japan-India GCC programs, with experienced bilingual management and sector-specific talent pipelines in automotive and pharma, offer the lowest-friction entry path. Chennai and Pune are particularly well-suited for Japanese corporate culture.

The 2030 Strategic Imperative

By 2030, an estimated 85 million skilled workers will be missing from developed market labor pools. The companies that build deep India GCC capability in 2025 and 2026 will have recruited, developed, and institutionalized the talent, culture, and systems that their competitors will still be trying to build in 2028. In technology and AI specifically, a two-to-three year head start in talent development translates to competitive advantages that compound for a decade.

The India GCC model has definitively crossed the threshold from 'strategic option' to competitive necessity. For any organization with significant technology, R&D, data, or knowledge work requirements which, in 2026, means virtually every enterprise of scale the India GCC is not an offshore experiment. It is the core of a global talent and innovation strategy built for the next decade.

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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**

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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.

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COPO & Digital Twin Integrated Service Model

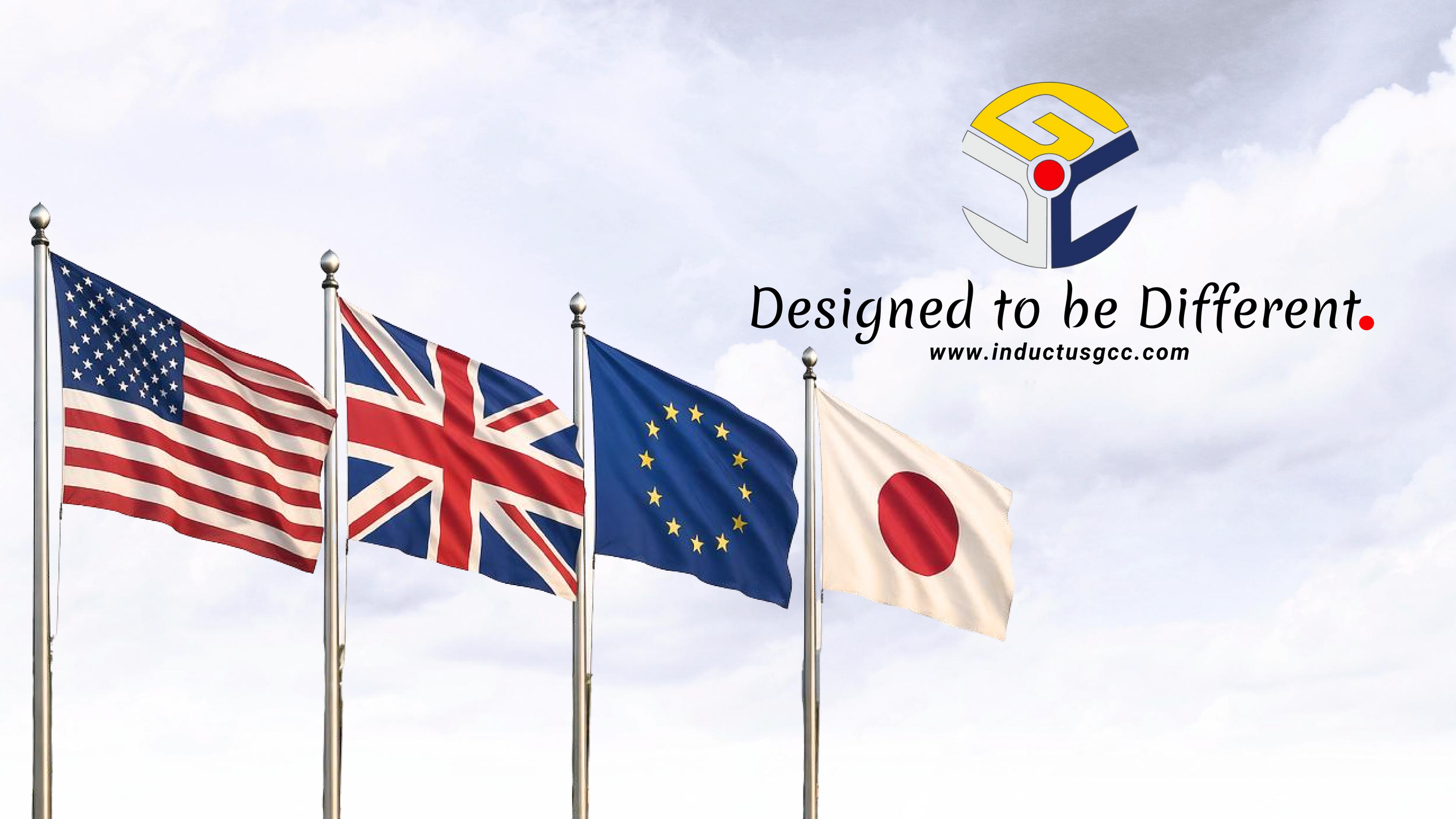
A study based proposition to build a global standard GCC mechanism for Large & Mid-sized Corporations

"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.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