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India's GCC Tech Talent Landscape: Q3FY26



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KAPIL JOSHI
CEO, QUESS IT STAFFING

From the Leadership Desk

As India’s GCC hiring moved from Q2 to Q3 of FY26, the market remained on a path of stable, incremental expansion, recording 4–6% QoQ growth. The quarter was characterised by continuity rather than disruption, with no material shifts observed in demand composition, location mix, hiring intensity, or compensation structures. Overall, Q3 reflected a phase of measured consolidation, as GCCs focused on sustaining momentum rather than accelerating structural change.

Despite increased hiring momentum, supply gaps remain significant, ranging from 18% to 43% across 5 categories: AI/ML Ops, platform engineering, cybersecurity, and emerging GenAI operations. These skill deficits extend hiring cycles, particularly for mid-senior and specialist roles. The widening gap underscores the industry's urgent need to scale upskilling frameworks, deepen functional mobility, and build Tier-2 capability maturity.

Geographically, Tier-1 metros continued to anchor 90-91% of GCC hiring, sustaining their dominance through ecosystem maturity and specialised talent clusters. However, Tier-2 hubs strengthened their foothold, expanding their share to 9-10% (up from 7-8% in previous quarters). Cities such as Coimbatore, Kochi, and Ahmedabad recorded consistent double-digit growth, attracting cost-optimized digital operations and FinOps centers.

Despite progress, talent depth in advanced AI, GenAI engineering and DevSecOps remains limited in Tier-2 markets. Senior digital roles in AI and cloud architecture continue to cluster in Bengaluru and Hyderabad, where ecosystem maturity and peer networks remain key differentiators.

As onsite deployment costs surged, multinational corporations intensified their India-first delivery strategies, accelerating GCC build-outs across high-value digital and engineering domains. The geographic distribution reflects a maturing hub-and-spoke model: Tier-1 cities specialize in innovation-intensive work, while Tier-2 hubs scale execution-centric operations.

As we look forward, India's GCC evolution is entering its most strategic phase yet, one defined by precision, not proliferation. At Quess, we are deeply committed to enabling our partners to balance capability, speed, and innovation, creating workforces that are not just fit for today's needs but built for tomorrow's challenges.

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EXECUTIVE OVERVIEW



INDIA GCC OVERVIEW Q3FY26



India's Global Capability Center (GCC) ecosystem continued its measured expansion in Q3FY26 with a 4-6% quarter-on-quarter hiring growth, reflecting a decisive shift from volume-driven scaling to capability-led specialisation.

- Tier-1 cities (Bengaluru, Hyderabad, Pune, Chennai, Delhi-NCR, Mumbai) accounted for 90-91% of national GCC hiring, consolidating their position as innovation anchors
- Tier-2 cities (Coimbatore, Ahmedabad, Kochi, Visakhapatnam, Jaipur, Indore) captured 9-10% share, expanding from 7-8% in Q2FY26 through accelerated distributed delivery models
- Talent scarcity widened across advanced domains, with AI/Data Analytics at 43% gap, Platform Engineering at 38%, and Cloud Infrastructure at 26%
- Sectoral divergence accelerated, with Professional and Shared Services (+22% QoQ), Real Estate & Infrastructure (+30%), and Hospitality & Logistics (+30% QoQ) driving growth, while BFSI (-5%), Healthcare (-13% QoQ), and Defence (-25% QoQ) contracted
- Geographic specialisation deepened, with Hyderabad emerging as co-equal with Bengaluru, posting fastest growth at +7.3% QoQ

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KEY INSIGHTS

Market Expansion & Talent Focus

AI, data, and platform skillsets drove most of the new demand in Q3FY26. Legacy IT operations continued to consolidate, while transformation-focused roles gained momentum.



- **Professional and Shared Services**: 11% share | +22% QoQ growth - driven by managed services scale-up, enterprise consulting modernization, and digital transformation programmes
- **Real Estate, Security & Infrastructure**: 6% share | +30% QoQ growth - led by infrastructure automation, smart building tech, and facility digitisation programmes
- **Telecom & Media**: 9% share | +12% QoQ growth - fuelled by OTT platform optimisation, telecom data analytics, and post-5G network operations
- **Construction & Engineering**: 3% share | +25% QoQ growth - driven by digital engineering, BIM (Building Information Modelling), and project control systems
- **Hospitality, Travel & Logistics**: 2% share | +30% QoQ growth - led by AI-based customer experience, supply chain optimisation, and post-pandemic digital reinvestment

Together, these sectors accounted for nearly 31% of overall GCC hiring in Q3FY26, reinforcing India's pivotal role in enterprise digital transformation.

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Skill Shortages Remain Critical

Persistent skill gaps continue to shape GCC hiring strategy. While entry and mid-level roles show improving readiness, specialized and senior roles remain scarce across advanced functions.

- **AI, Data & Analytics**: 43% gap (GenAI engineering, AI observability, MLOps integration)
- **Platform Engineering**: 38% gap (Terraform, Kubernetes, hybrid-cloud reliability)
- **Cloud & Infrastructure Engineering**: 26% gap (FinOps automation, cloud-native governance)

These deficits, though marginally improved from Q2FY26, remain a key bottleneck for scaling AI-first and platform-led capabilities, particularly in Tier-2 locations.

Geographic Recalibration Deepens

Tier-1 cities maintained their dominance with 90-91% of domestic GCC hiring, while Tier-2 hubs captured 9-11% share through accelerated growth. Within Tier-1 metros, Hyderabad (+7.3% QoQ) emerged as the fastest-growing city, while Bengaluru consolidated its position as the innovation anchor despite slower relative growth (+4.1% QoQ). Pune (+5.6% QoQ) and Chennai (+3.2% QoQ) sustained strong growth, reflecting continued broadening of Tier-1 specialisation.

Tier-2 cities posted 13-15 percentage points (pp) higher QoQ momentum, driven by cost optimization and distributed delivery models. However, absolute volumes remain concentrated in major metros, reflecting ecosystem advantages in specialized talent availability.

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DECODING THE DEMAND – MARKET OVERVIEW

Market Expansion & Capability Realignment

India's Global Capability Center (GCC) ecosystem continued to strengthen its role as a strategic innovation pillar for global enterprises in Q3FY26, progressing from scale-led recovery to capability-led acceleration. This quarter showcased how GCCs are evolving from back-office delivery models into AI-driven, platform-integrated, and automation-first transformation hubs.



Indicator	Number of GCCs	Expected Headcount
Q3FY26	1,850-1,900 active GCCs	~2.5 million

Shifting Demand Drivers

The demand landscape in Q3FY26 was shaped by the industrialisation of AI and platform technologies. GCCs increasingly prioritised data-decision architectures, AI-integrated workflows, and sustainability analytics.

- AI and Data Science roles saw a 9% QoQ uplift, driven by global mandates in predictive automation and generative AI model management.
- Cloud & Infrastructure hiring grew 7% QoQ, focused on FinOps, multi-cloud governance, and cost optimization.
- Cybersecurity roles increased by 6% QoQ, led by heightened emphasis on Zero-Trust frameworks and AI-driven risk mitigation.

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SECTOR-WISE HIRING TRENDS



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SECTOR-WISE GCC HIRING TRENDS

Q2FY26 vs Q3FY26 Comparative Analysis

Sector	Q2FY26 Share (%)	Q3FY26 Share (%)	Change (pp)	QoQ Growth (%)	Commentary
BFSI	22	21	(1)	-5	Large-base sector grew slower than the overall growth, leading to release in marginal shares
Manufacturing, Automotive & Energy	17	16	(1)	-6	Project-led GCC demand continued but trailed overall system growth
Technology & Hardware	14	13	(1)	-7	Platform rationalisation and selective investment moderated relative growth
Professional and Shared Services	9	11	2	-22	Faster-than-system delivery scale-up drove clear share gains
Retail & eCommerce	13	12	(1)	-8	Will it be "lacked"?
Telecom & Media	8	9	1	12	Above-system growth driven by optimisation and analytics-led work
Healthcare & Pharma	8	7	(1)	-13	Regulated capability builds continued but at a slower system pace
Real Estate, Security & Infra	4	6	2	30	Strong programme mobilisation on a relatively small base
Construction & Engineering	2	3	1	25	Expansion in digital engineering and project controls
Hospitality, Travel & Logistics	1	2	1	30	Capability builds from a low base without volume-driven expansion
Defence & Aerospace	2	1.5	(0.5)	25	Programme phasing and milestone-driven hiring moderated GCC share

Key Insights: Sectoral hiring patterns in Q3FY26 revealed divergence, reflecting how GCCs have moved from broad-based recovery to targeted capability expansion.

Sectors such as Professional and Shared Services, Real Estate & Infrastructure, and Construction & Engineering posted remarkable gains driven by digital transformation and automation mandates, while BFSI, Technology & Hardware, and Healthcare experienced contractions due to cycle normalisation, platform rationalisation, or consolidation after prior aggressive buildouts.

The shift underscores the GCC ecosystem's transition from volume-driven scaling to precision hiring focused on high-impact digital roles.

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SECTORAL INSIGHTS – GROWING SECTORS

Professional and Shared Services (11% share, +22% QoQ)

Increased by +2pp from Q2FY26, capturing fastest growth among large sectors.

Growth Drivers:

- Expansion driven by managed services modernisation and enterprise consulting programs
- This sector attracted mid-level consulting professionals (3-7 years' experience) and graduate consultants for structured transformation programs. New hiring focused on managed services delivery, business process advisory, and cloud consulting roles.

Real Estate, Security & Infrastructure (6% share, +30% QoQ)

Increased by +2pp from Q2FY26, posting highest growth rate among all sectors.

Growth Drivers:

- Firms focused on building digital-first infrastructure capabilities integrating IoT & AI
- Growth concentrated in emerging roles such as building automation engineers, smart infrastructure architects, and facility digitisation specialists.



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Telecom & Media (9% share, +12% QoQ)

Increased by +1pp from Q2FY26, maintaining strong growth momentum.

Growth Drivers:

- Above-system growth driven by optimisation and analytics-led work
- Cooling after 5G deployment peaks; slowdown in AI-integrated network operations
- Selective hiring in platform engineering for content delivery networks, data analytics and telecom infrastructure optimization roles.

Construction & Engineering (3% share, +25% QoQ)

Increased by +1pp from Q2FY26, emerging as unexpected growth catalyst.

Growth Drivers:

- Expansion in digital engineering and project controls
- Focused on BIM (Building Information Modelling), simulation tech, and digital twin deployment
- New demand concentrated in digital engineering specialists, project controls automation, and construction tech roles. Geographic concentration in metros with active infrastructure projects.

Hospitality, Travel & Logistics (2% share, +30% QoQ)

Increased by +1pp from Q2FY26, second-highest growth rate despite small base.

Growth Drivers:

- Capability builds from a low base without volume-driven expansion
- Investment in AI-led customer analytics, personalisation, and supply chain optimization
- Specialised hiring in supply chain analytics, logistics optimisation, and customer experience platforms. Strong concentration in emerging logistics tech hubs.



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SECTORAL INSIGHTS – DECLINING SECTORS

BFSI
(21% share, -5% QoQ)

- Large-base sector grew slower than the system, resulting in a marginal share release
- The sector is in a consolidation phase after aggressive AI-led automation build-out in previous quarters
- Hiring shifted from expansion to capability deepening in credit risk and embedded finance
- Entry-level hiring contracted 8% QoQ, while specialist roles in AI risk management and embedded finance remained stable

Manufacturing, Automotive & Energy
(16% share, -6% QoQ)

- Project-led GCC demand remained steady but trailed overall system growth
- Hiring in EV systems and sustainability analytics moderated after a strong H1FY26
- The focus shifted toward consolidating existing capabilities rather than expanding headcount
- Traditional automotive engineering hiring contracted, while work in battery systems and autonomous driving accelerated selectively

Technology & Hardware
(13% share, -7% QoQ)

- Platform rationalisation and selective investment moderated relative growth
- Semiconductor R&D hiring slowed after major build-outs in Q1-Q2
- Legacy platform modernisation projects reached completion, creating a temporary hiring pause
- Broad-based tech hiring declined, but specialised semiconductor and edge computing roles remained resilient.

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Retail & eCommerce (12% share, -8% QoQ)

- Hiring continued but lagged overall system expansion
- Post-festive season normalisation reduced near-term hiring velocity
- There was continued focus on AI-led personalisation, but at a steady-state pace
- Entry-level roles contracted significantly (-11% QoQ), while specialised analytics and platform roles remained stable

Healthcare & Pharma (7% share, -13% QoQ)

- Declined by 1pp from Q2FY26, marking the sharpest drop among major sectors
- Regulated capability builds continued but at a slower system pace
- Hiring in biotech analytics and AI-assisted diagnostics moderated
- The sector shifted from rapid expansion to quality-focused consolidation
- Biotech R&D hiring remained selective (+9% YoY) while traditional pharma operations contracted (-18% YoY)

Defence & Aerospace (1.5% share, -25% QoQ)

- Project cycles creating lumpy demand patterns
- Secure systems and classified cloud hiring remained specialised and selective
- The talent pool continued to be highly specialised, with episodic demand patterns

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LOCATION INSIGHTS



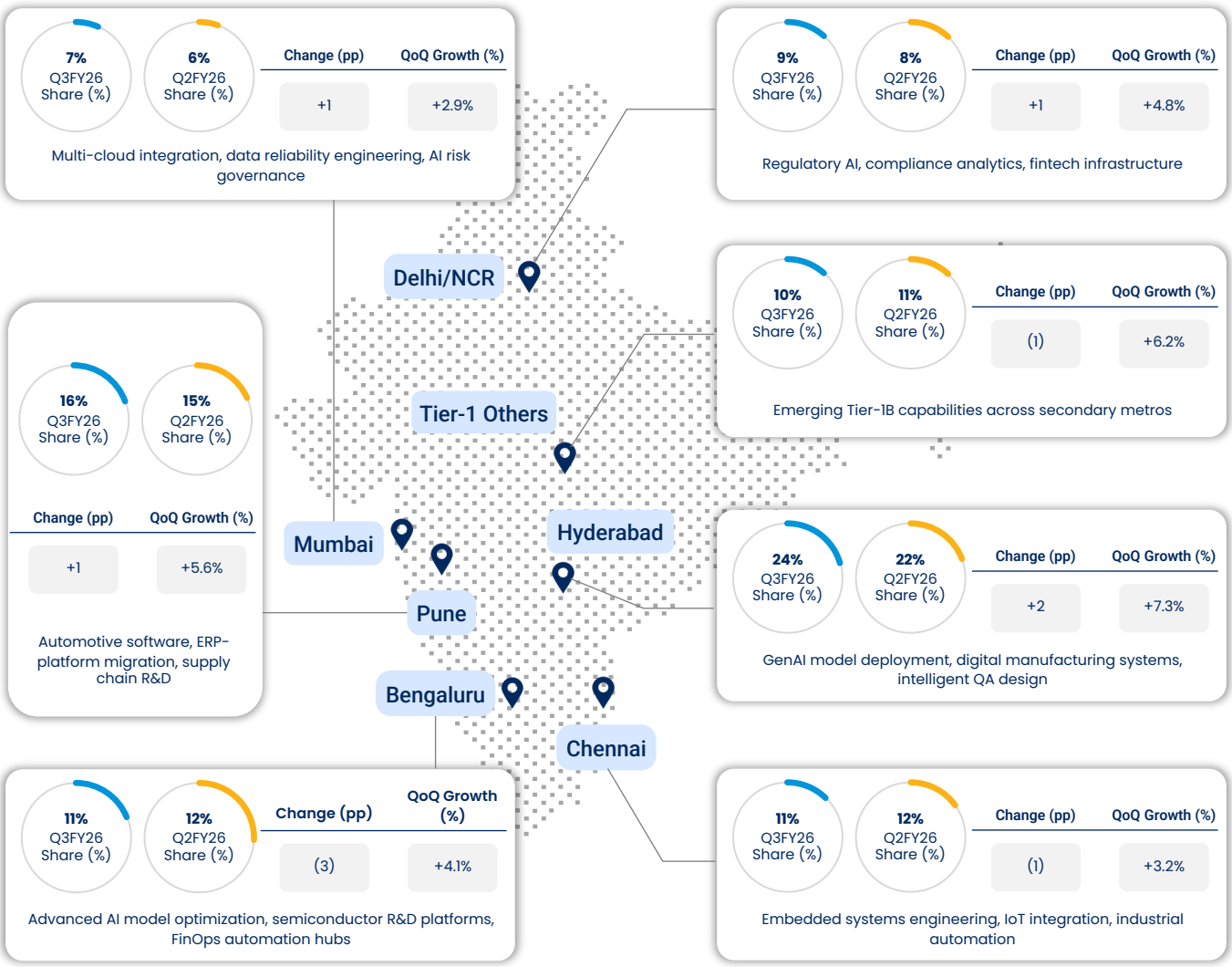
GEOGRAPHIC DISTRIBUTION – TIER-1 CITIES

Overview

Q3FY26 witnessed a phase of measured yet decisive geographic recalibration across India's Global Capability Center (GCC) landscape. Tier-1 cities maintained their structural dominance, accounting for 90-91% of national GCC hiring, while Tier-2 hubs captured 9-10% share through accelerated growth in distributed delivery models.

Within the Tier-1 ecosystem, specialisation deepened as cities evolved distinct capability clusters. The quarter reflected not uniform expansion but strategic rebalancing, with slower-growing cities consolidating innovation-intensive work and faster-growing metros attracting execution-centric operations.

Tier-1 City Hiring Distribution (Q3FY26)



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GEOGRAPHIC DISTRIBUTION – TIER-2 CITIES

Overview

Tier-2 cities captured 9-10% of GCC hiring in Q3FY26, up from 7-8% in previous quarters, driven by significantly faster growth rates (9-13% QoQ) compared to Tier-1 metros (4-5% QoQ average). However, the absolute volume gap remains substantial, since Tier-2 hiring represents only about one-tenth of the scale of Tier-1 operations.

The Tier-2 narrative reflects proportional emergence, not volumetric parity. While growth rates outpace major metros, total headcount additions in Tier-2 cities remain constrained by ecosystem maturity, talent availability, and infrastructure readiness.

Tier-2 City Hiring Growth (Q3FY26)



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TIER-2 TALENT DYNAMICS & CONSTRAINTS

Tier-2 cities further strengthened their GCC positioning in Q3FY26, recording a 9-12% QoQ increase in digital and engineering hires, but talent constraints in advanced domains continue to restrict large-scale transitions. While cost efficiency and local incentives make Tier-2 hubs increasingly attractive, shortages in AI operations, SRE reliability, and advanced cybersecurity remain the primary deterrents to scaling high-complexity mandates.

Despite progress, talent depth in advanced AI, GenAI engineering and DevSecOps remains limited. About 45-50% of complex senior mandates in these functions were re-routed back to metros due to capability constraints. Tier-2 cities excel in execution-centric work but face structural limits in innovation-intensive roles.

Tier-2 Talent Constraints & Re-routing Patterns

Role Cluster	Tier-2 Talent Depth	Typical Tier-1 Destination(s)	Key Capability Gaps in Tier-2 Pools	Workstreams Still Viable in Tier-2 Hubs
AI-Integrated Full-Stack & Edge Engineering	~1:7 (GenAI API)	Hyderabad, Bengaluru	Limited GenAI deployment expertise, cross-platform model integration gaps	L2 production support, API testing, edge-device coding
TestOps / Automation Quality Specialists	~2:5 (Senior Cypress + AI testing)	Pune, Chennai	AI test orchestration, ML-based defect analytics	Test automation suites, continuous UAT automation
GenAI & Data Science Engineers	~2:8 (MLOps + LLM fine-tuning)	Bengaluru, Hyderabad	Data governance & fine-tuning at scale, GenAI optimization	BI reporting, data annotation, AutoML pipeline support
Advanced Site Reliability (L3/L4)	~1:6 (p99.99 SLO + Infra-as-code)	Hyderabad, Bengaluru	Chaos engineering maturity, multi-cloud resilience tuning	L1/L2 observability, service uptime monitoring
UX & Product Experience Design	~1:5 (Growth-led & cognitive design)	Mumbai, Pune, Bengaluru	Human-in-the-loop UX frameworks, design system scalability	Visual prototyping, accessibility testing, experience QA
Cloud & Cybersecurity (AI-led Risk)	~1:6 (Zero Trust + red/purple teams)	Bengaluru, Hyderabad, NCR	AI-based threat modelling, OT/ICS and API-level security integration	SOC L1/L2 analysis, governance compliance dashboards

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DEMAND AND SUPPLY TRENDS



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TECH TALENT DYNAMICS – DEMAND AND SUPPLY SHIFTS

Acute Shortages in High-Impact Digital Skills

Despite steady hiring growth, talent scarcity widened across advanced digital domains, especially in AI/ML Ops, platform reliability, and FinOps. The supply gap averaged 35-42% across high-impact clusters, signaling intensifying competition for niche expertise. Geographic concentration also deepened, with 90-91% of advanced-skill hiring concentrated in Tier-1 metros due to ecosystem advantages.

Talent Supply-Demand Balance by Job Family (Q3FY26)

Job Family	Supply Status	Supply Gap %	Key Skill Clusters Facing Shortages
AI, Data & Analytics	Shortage	43%	Generative AI optimisation, LLM fine-tuning, MLOps pipelines, AI observability, data engineering for real-time analytics
Platform Engineering	Shortage	38%	Infrastructure as Code (Terraform, Ansible), container orchestration (Kubernetes, Helm), multi-cloud reliability, and L3/L4 automation
Cloud & Infrastructure Engineering	Moderate Gap	26%	FinOps and multi-cloud cost control, cloud-native modernization, performance automation
Cybersecurity & Risk Management	Moderate Gap	19%	AI-enabled threat detection, Zero Trust architecture, cloud and application-level defense
Software & Digital Engineering	Moderate Gap	21%	Microservices, cloud-native full-stack development, test automation, DevSecOps integration
Business & Functional Analysis	Stable Supply	–	AI-assisted BI dashboards, workflow automation, strategic analytics
IT Service Management & Digital Operations	Stable Supply	–	Intelligent ITSM, workflow orchestration, AI-based issue triage
Enterprise Applications & ERP	Stable Supply	–	Cloud ERP automation, compliance workflows

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TIER-2 TALENT CONSTRAINS AND RE-ROUTING PATTERNS

Traditional IT and enterprise support domains, including ERP, ITSM, and business analysis, maintained stable supply. Hiring in these areas plateaued as GCCs redirected budgets toward AI-first transformation, workflow digitisation, and process automation. Talent maturity continued to strengthen across Tier-1 ecosystems through internal academies and AI-skilling pods. Tier-2 centres, meanwhile, focused on building foundational capability in workflow automation and digital workplace orchestration.

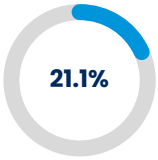
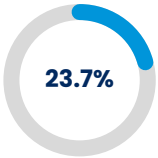
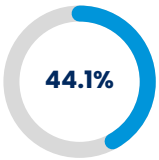
Advanced Role Clusters: Supply-Demand Analysis

Role Cluster	Tier-2 Talent Depth	Typical Tier-1 Destination(s)	Key Capability Gaps in Tier-2 Pools	Workstreams Still Viable in Tier-2 Hubs
AI-Native Full-Stack & Edge Engineering	~1:6 (Multi-agent + GenAI API)	Bengaluru, Hyderabad	Limited deployment of AI-native frameworks and weak integration of LLM pipelines with edge environments	API orchestration, edge-device inference tuning, lightweight model serving
Intelligent Testing & Automation Quality	~2:5 (AI-driven testing + model validation)	Pune, Chennai	Lack of autonomous testing maturity, AI-test-based test generation gaps	AI-augmented régression testing, continuous A/B test automation, continuous QA/T, test data simulation
GenAI & Applied Data Science	~2:7 (LLM fine-tuning + agentic AI)	Bengaluru, Hyderabad	Low availability of advanced data curation and multi-modal model expertise	Feature engineering, data annotation, AutoML experimentation
Resilience & Observability Engineering (L3/L4)	~1:5 (Infrastructure as Code (IaC) + adaptive SRE)	Hyderabad, Bengaluru	Skill gap in observability automation and self-healing infrastructure design	Monitoring automation, incident analytics, SLO/SLA management
Product Experience & Cognitive Design	~1:4 (GenAI-driven UX + research-led strategy)	Mumbai, Pune, Bengaluru	Deficit in prompt-driven design workflows and AI-human interaction modelling	Design system QA, A/B testing automation, adaptive UI prototyping
Cloud Security & AI-Infused Architecture	~1:5 (Zero Trust + threat intelligence automation)	Bengaluru, Hyderabad, NCR	Scarcity of AI-augmented threat modeling, OT/IoT security orchestration skills	SOC observability, compliance dashboards, cloud configuration audits

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MID-MARKET VS LARGE GCC DEMAND CONCENTRATION IN 2025

(Mid-Market GCCs are defined as companies with a hiring scale of less than 1,000 roles, while Large GCCs are defined as companies with a hiring scale of more than 1,000 roles)

GCC Company Hiring Scale in India	What This Group Means	Share of Total India GCC Hiring
Companies Hiring <500 Roles	Each company hired fewer than 500 roles in India	
Companies Hiring 500–1,000 Roles	Each company hired between 500 and 1,000 roles	
Companies Hiring 1,000–5,000 Roles	Each company hired between 1,000 and 5,000 roles	
Companies Hiring >5,000 Roles	Each company hired more than 5,000 roles in India	

Demand is highly skewed towards large GCCs

- Companies hiring >5,000 roles contribute 44.1% of total India GCC demand
- This reflects centralised global delivery and ownership mandates

Mid-Market GCCs dominate by count, not by demand

- Companies with <500 roles account for the majority of GCC entities
- Yet they contribute only 21.1% of aggregate demand

The 1,000–5,000 band is the scale inflexion zone

- Only a small share of companies sit here
- They generate 23.7% of total hiring, almost equal to all mid-market GCCs combined

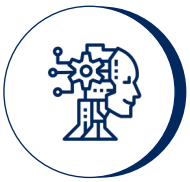
500–1,000 role GCCs show demand compression

- Transition-stage segment with limited growth signals
- They contribute only 11.1%, indicating cautious expansion behavior

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SUPPLY-DEMAND DYNAMICS & TALENT GAP ANALYSIS

Supply-Demand Mismatch



The AI Talent Crisis:

- Projected demand by 2027: 2.3 million AI professionals
- Projected supply by 2027: 1.2 million



Scarcity Drivers:

- Rapid GenAI and agentic AI adoption is outpacing training pipelines
- Global competition is pulling Indian talent to the US and Canada
- Specialised skills in areas such as quantum and agentic AI are virtually unavailable
- There is a leadership skills shortage, with only 10 to 15 percent of GCC leaders being local

Key AI Roles & Availability

Key Roles	Current Supply Level	Demand Momentum	Gap	Salary Impact
GenAI/LLM	Very Low	131% YoY	Critical	+40% premium
Platform Engineering	Moderate	15% YoY	Moderate	+10-20%
Cloud Architects	Moderate-High	10% YoY	Low-Moderate	+5-15%
Data Scientists	Moderate-High	15% YoY	Moderate	+10-20%
AI Product Managers	Low	Emerging	High	+30%+

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AI USE CASES ACROSS GCC'S

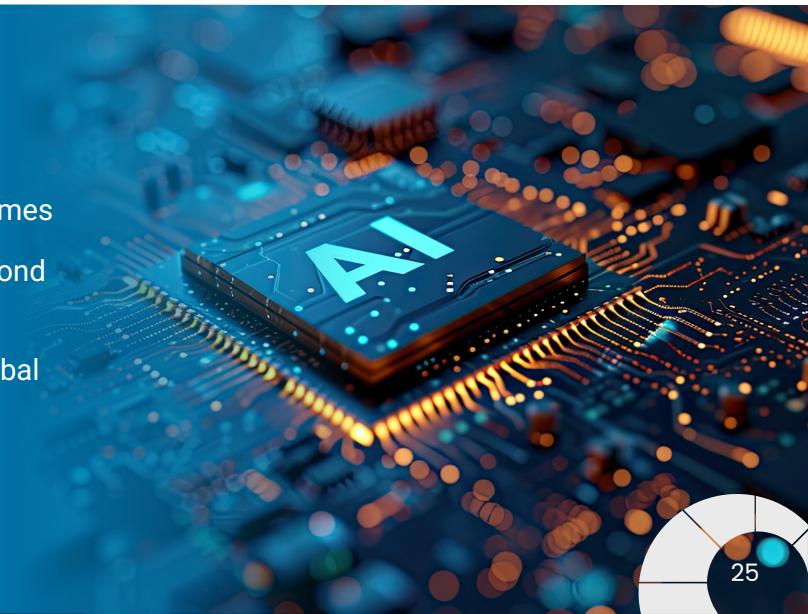


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SECTOR-WISE AI APPLICATIONS

Sector	Key Use Cases	Adoption/ Penetration
BFSI/Fintech	Fraud/AML detection, RegTech, digital banking, robo-advisory, treasury optimisation and personalised services	30-40% GCC activity
Tech & Engineering R&D	AI/ML model dev, platform engineering, DevOps/SRE, MLOps, LLM fine-tuning, quantum computing	Highest AI intensity
Pharma/Life Sciences	Drug discovery, clinical trials, regulatory affairs, medical affairs, supply chain and related functions	40% global pharma GCC workforce
Manufacturing	Digital twins, IoT anomaly detection, robotics, generative design, supply chain modelling	Medium-High
Retail/eCommerce	Demand forecasting, agentic supply chain, personalisation, inventory optimisation, sustainability tracking	Medium

- 67% of GCCs have established dedicated innovation teams and incubation programmes
- 92% of GCCs now aim to deliver value beyond cost arbitrage
- 87% manage end-to-end processes for global enterprises (strategic depth)



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ATTRITION AND INVESTMENT TRENDS



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ATTRITION & RETENTION ECONOMICS



Metric	GCCs	IT Services	Advantage
Attrition Rate	**9%** (2025)	**12-15%**	Lower in GCCs
Historical Trend	Down from **13%** (2023)	Higher churn rate	Improving
Replacement Cost	**50-75%** of salary	**50-75%** of salary	Same
Retention ROI	**15-20%** cost savings	Baseline	Higher in GCCs

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OPERATIONAL EXCELLENCE & STRATEGIC POSITIONING

Category	Key Metrics	Benchmark	Strategic Implications
Time-to-Value	**25-35%** faster than traditional delivery	Accelerated ROI	Rapid business impact vs legacy models
Innovation Capacity	**67%** dedicated innovation programmes	2/3 GCCs innovating	Beyond cost arbitrage focus
Value Creation	**92%** aim beyond cost savings	Strategic evolution	Global enterprise partnership
End-to-End Ownership	**87%** manage full global processes	Near-complete ownership	Strategic control centers
Strategic Impact	GCCs shape global strategies	C-level leadership influence	Enterprise decision-making

Key Insights:

- Maturity Disparity Risk: An 86% BI adoption rate compared with only 7% cybersecurity CoEs creates a digital offence bias without corresponding defensive maturity. This 79% gap exposes significant strategic vulnerabilities.
- Cost Arbitrage Obsolescence: With 92% of GCCs moving beyond cost-led value and 67% establishing innovation programmes, the value chain has clearly shifted. GCCs now compete on strategic differentiation rather than pricing.
- Geographic Expansion Signal: The continued rise of hub-and-spoke models, with 4% operating hybrid structures, coupled with Tier-2 total cost savings of 25-35%, indicates imminent Tier-2 expansion to address the 1.1 million AI talent gap.
- Time-to-Value Leadership: Delivery that is 25-35% faster explains the strong preference for end-to-end ownership among 87% of GCCs. GCCs achieve levels of control and speed that fragmented vendors cannot match.

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AI DEPLOYMENT USE CASES IN GCCs



Top Deployment Areas

Emerging Use Cases

Key Use Cases

- BI: Predictive analytics, dashboards
- Customer Service: Conversational AI, chatbots
- Data Strategy: Governance, MLOps
- Finance: Invoice processing, forecasting
- Operations: Supply chain, workflow automation
- IT/Cybersecurity: Incident detection

- AIOps: Autonomous incident management
- Document Processing: OCR, compliance classification
- Fraud Prevention: Real-time transaction monitoring
- Data Science: AutoML pipelines, feature engineering
- CLTV/Churn: Predictive modeling
- Process Mining: Workflow optimisation

Scope

- GCC-wide and specially focused on BFSI

- Cross-sector

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INVESTMENT & FUNDING LANDSCAPE

AI Investment in India's GCC Ecosystem

Direct GCC AI Spending:

- 2024 GCC AI investment: $5.3 billion (15.7% of Asia-Pacific deals)

Broader AI Investment Ecosystem:

- Total cumulative AI investment: $20 billion (as of 2025)
- The IndiaAI Mission has a budget allocation of ₹10,371.92 crore (~$1.25 billion) over the past 5 years



Budget Allocation by GCCs (2025)

- Technology & Transformation: 25% of budget
- Digital transformation: Top strategic priority for 61% of GCCs
- Cost reduction focus: 54% of GCCs
- Functional scope expansion: 51% expanding roles

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CONCLUSIONS

Q3FY26 represents a fundamental transition in India's GCC evolution—from expansion-driven growth to capability-driven optimisation. Unlike previous quarters focused on building scale, this period demonstrated how GCCs are deliberately reshaping workforce portfolios to prioritize precision over volume, specialisation over generalisation.

The 4-6% QoQ growth rate masks deeper structural shifts. Sectoral rebalancing accelerated sharply, with five emerging sectors (Professional Services, Real Estate & Infrastructure, Construction & Engineering, Hospitality & Logistics, Telecom & Media) collectively gaining 7 percentage points of market share, while traditional anchors (BFSI, Technology & Hardware, Manufacturing, Retail, Healthcare) released equivalent share through consolidation.

This represents portfolio reengineering at ecosystem scale. GCCs are not merely hiring slower. They are fundamentally redistributing talent investments from mature operational domains toward transformation-enabling capabilities, including AI observability, FinOps governance, platform reliability and infrastructure automation.

The talent narrative shifted fundamentally in Q3FY26. What initially appeared as broad-based shortage (43% gap in AI/Data, 38% in Platform Engineering, 26% in Cloud Infrastructure) now presents itself as a scarcity of deep specialists within a large pool of generalists.

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