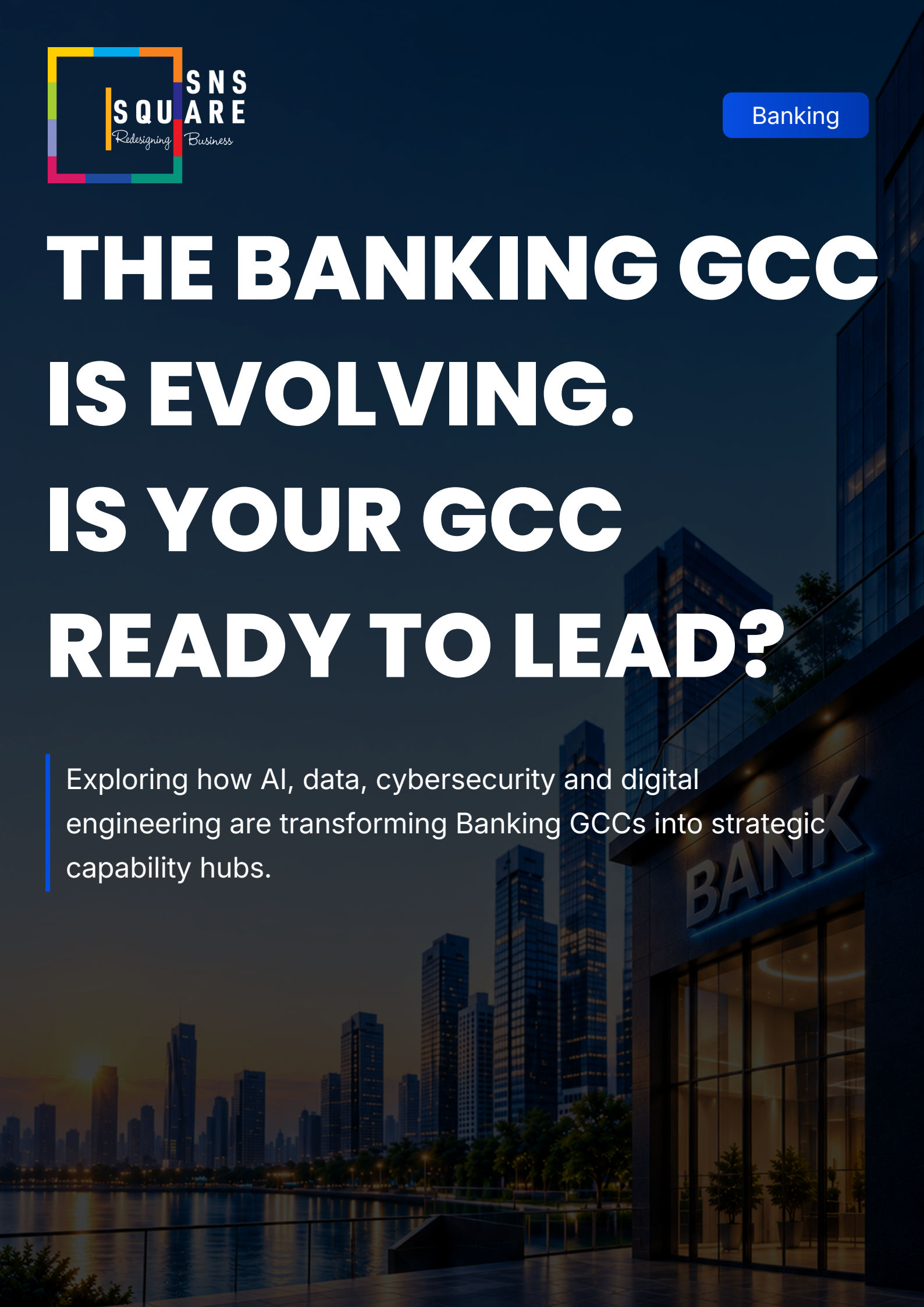


THE BANKING GCC IS EVOLVING. IS YOUR GCC READY TO LEAD?

Exploring how AI, data, cybersecurity and digital engineering are transforming Banking GCCs into strategic capability hubs.



EXECUTIVE SUMMARY

Global Capability Centers (GCCs) have evolved significantly from their original role as cost-efficient back-office and support operations. In the banking and financial services sector, this transformation is particularly visible as global institutions increasingly use their India-based centers for technology engineering, data and analytics, cybersecurity, product development, artificial intelligence, risk management, and enterprise transformation.

India has emerged as the world's largest GCC ecosystem. By FY2026, the country had more than **2,100 GCCs employing over 2.3 million professionals**, with sector revenues approaching **US\$100 billion**. The evolution is increasingly shifting GCCs from cost-focused delivery models toward capability- and outcome-driven strategic centers.

The Banking, Financial Services and Insurance (BFSI) sector is one of the largest contributors to India's GCC ecosystem. Industry data places BFSI at approximately **21% of India's GCC sector mix**, highlighting the strategic importance of financial services within the country's global capability landscape.



Nearly half of **GCCs** established since **FY2021** were built with **AI as a core focus**.

KEY STATISTICS

2100+

GCCs operating in India

2.3M+

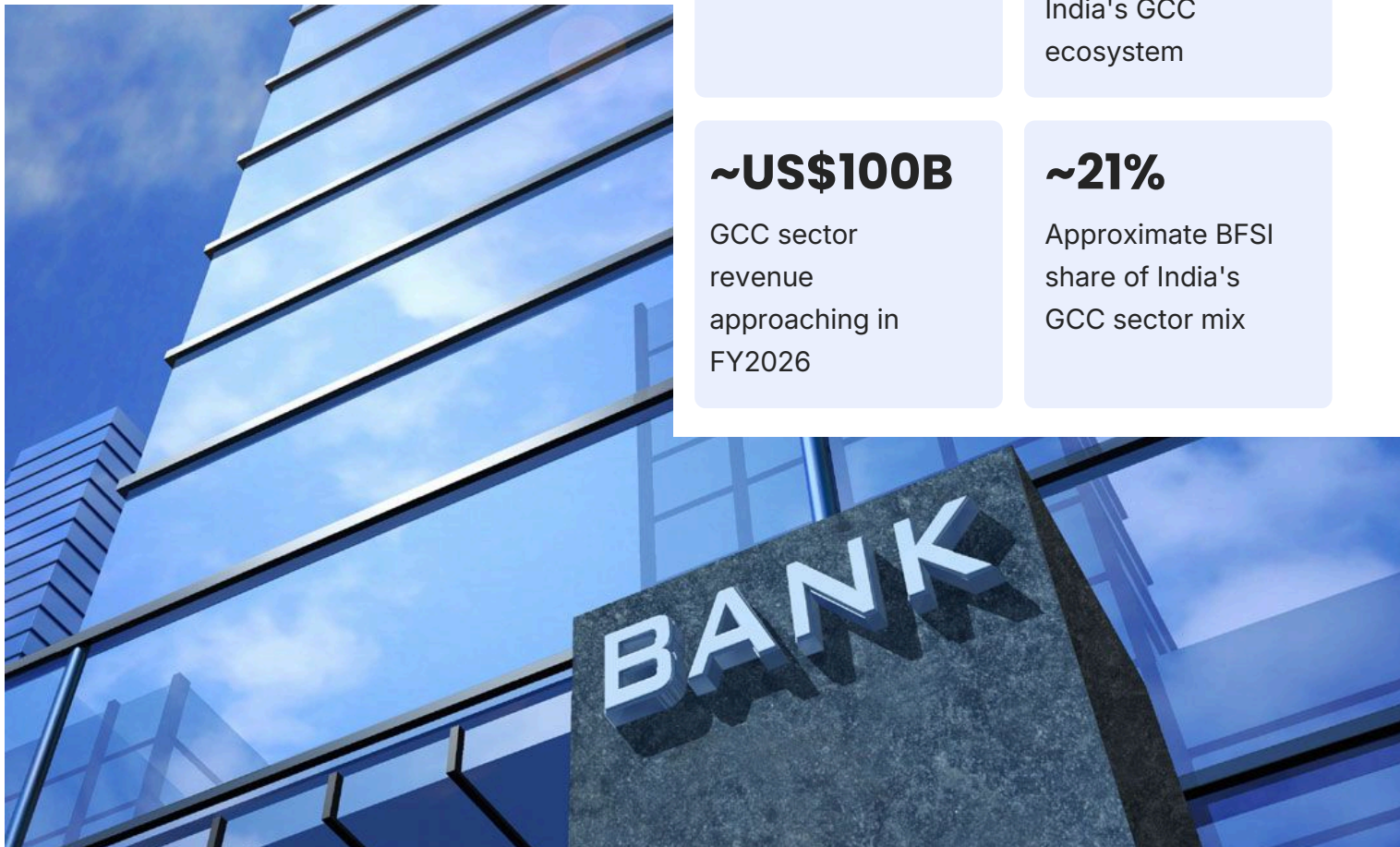
Professionals employed across India's GCC ecosystem

~US\$100B

GCC sector revenue approaching in FY2026

~21%

Approximate BFSI share of India's GCC sector mix



FROM SUPPORT CENTRE TO STRATEGIC CAPABILITY

The banking GCC is increasingly becoming an extension of the global enterprise rather than a geographically separated support centre.

What began as a cost-driven model to handle back-office operations has evolved into a strategic capability hub that contributes to innovation, drives digital transformation and creates measurable business value.

This evolution reflects the increasing trust in GCCs to own critical processes, leverage advanced technologies and work closely with global teams to solve complex business challenges

This shift is being driven by several simultaneous forces:



Accelerating digital banking and payments



Increasing adoption of cloud and modern engineering



Growing demand for AI and data capabilities



Rising cybersecurity and fraud risks



Increasing regulatory complexity



Need for 24x7 global operations



Shortage of specialised technology talent in mature banking markets

THE EVOLUTION OF THE BANKING GCC



**Cost
Centre**



**Shared
Services**



**Technology
Hub**



**Transformation
Centre**



**Innovation &
Intelligence Hub**

BANKING GCCS ENTER THE AI ERA

Artificial intelligence is further accelerating this transition. Banks are applying AI across fraud detection, credit assessment, customer service, compliance, risk management, software engineering and internal operations.

The Bank for International Settlements notes that financial institutions are increasingly using AI to process large datasets, support credit underwriting, detect fraud, manage risks and automate back-office functions.

FROM BANKING GCC TO GLOBAL INTELLIGENCE HUB

The first generation of banking GCCs was primarily designed around cost efficiency, transaction processing and operational support. Over time, global banks began expanding these centers into technology, analytics, finance, risk and engineering.

The next stage is fundamentally different.

Modern banking GCCs are increasingly expected to **own platforms, develop products, generate intelligence, manage technology estates and contribute directly to enterprise strategy.**



From operations to intelligence, GCCs are powering the **next generation of banking.**

The Evolution

1**Operational GCC**

Transaction processing, finance operations, customer support and shared services

2**Technology GCC**

Application development, infrastructure, cloud and enterprise technology

3**Digital & Data GCC**

Data engineering, analytics, digital products and automation

4**Intelligence GCC**

AI, GenAI, predictive analytics, intelligent operations and decision support

5**Strategic Capability Hub**

Global product ownership, innovation, transformation, risk intelligence and enterprise technology leadership

WHY BANKING GCCS ARE BECOMING MORE STRATEGIC

Banking is particularly suited to capability-centre models because modern financial institutions operate through enormous volumes of data, highly regulated processes and technology-intensive customer channels.

A Modern Banking GCC can Support:

Capability	Strategic Role
✦ Software Engineering	Build and modernise banking platforms
✦ Cloud & Infrastructure	Enable scalable and resilient operations
✦ Data & Analytics	Convert financial data into business intelligence
✦ AI & GenAI	Automate and augment decision-making
✦ Cybersecurity	Protect digital banking ecosystems
✦ Risk & Compliance	Strengthen regulatory and operational controls
✦ Product Engineering	Develop global banking products
✦ Automation	Improve speed, efficiency and process quality

India's banking and financial-services technology hubs demonstrate this evolution. Major global institutions operate large technology and capability centers in India, with functions spanning software development, product engineering, data analytics, AI, finance and operations. Reuters' 2026 analysis describes India's financial-services technology hubs as having moved substantially beyond low-cost back-office support toward higher-value technology and R&D functions.

THE NEW GCC VALUE EQUATION

The traditional equation was:

Talent + Cost Efficiency = **Value**

The emerging model is:

Talent + Technology + Intelligence +
Innovation + Resilience =
Strategic Value

This changes how banking GCCs should be designed, measured and governed.

Success should increasingly be measured through business outcomes, such as:

Revenue enablement	Product velocity
Automation impact	Risk reduction
Customer experience	Innovation throughput
Platform reliability	Cyber resilience

INDIA AS A STRATEGIC BANKING TECHNOLOGY BASE

India's technology talent, digital infrastructure, financial-technology maturity, and experience in large-scale financial operations provide a strong foundation for banking GCC expansion and long-term **innovation, resilience, scalability and global competitiveness.**

The opportunity is particularly significant because India's own financial ecosystem has undergone rapid digitalisation. The resulting combination of banking domain expertise + digital public infrastructure + technology talent gives global banks a platform for building capabilities that can serve multiple markets.

THE AI-NATIVE BANKING GCC

Artificial intelligence is changing the role of the banking GCC from executing predefined processes to **augmenting decisions, predicting outcomes and orchestrating intelligent workflows**. AI is already used across financial services for data analysis, credit underwriting, fraud detection, risk management, compliance, and operational automation. GenAI is expanding these applications into knowledge work, software engineering, customer interaction and enterprise productivity.

AI Opportunity Across the Banking GCC

Customer Intelligence

- ◆ Personalised financial recommendation
- ◆ Conversational banking
- ◆ Customer sentiment analysis
- ◆ Intelligent service automation

Risk & Fraud Intelligence

- ◆ Transaction anomaly detection
- ◆ Fraud pattern recognition
- ◆ AML monitoring
- ◆ Synthetic identity detection

Credit Intelligence

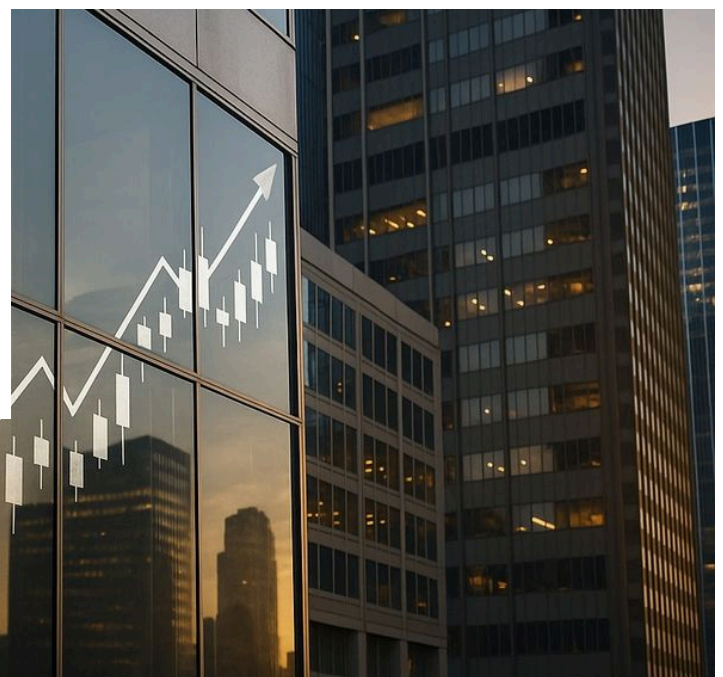
- ◆ Automated underwriting
- ◆ Alternative-data analysis
- ◆ Credit-risk prediction
- ◆ Portfolio monitoring

Enterprise Intelligence

- ◆ Financial forecasting
- ◆ Regulatory reporting
- ◆ Knowledge management
- ◆ Decision support

Engineering Intelligence

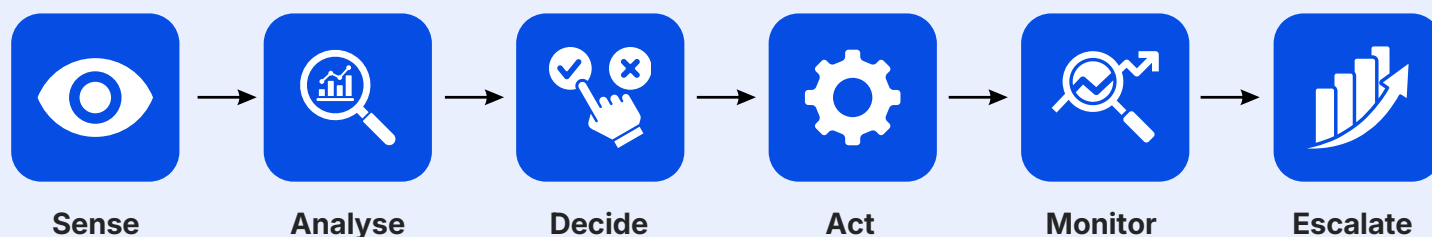
- ◆ AI-assisted software development
- ◆ Code testing and modernisation
- ◆ Application documentation
- ◆ DevSecOps automation



THE RISE OF AGENTIC AI

The next stage is moving from systems that respond to systems that can **reason, plan and execute within defined boundaries**.

An agentic banking model could allow AI systems to:



For example, an intelligent fraud workflow could identify an unusual transaction, analyse customer and transaction context, assess risk, initiate predefined controls and escalate high-risk cases to human investigators.

However, financial institutions cannot treat agentic AI as unrestricted automation. Banking decisions involve financial, regulatory and reputational consequences. AI systems therefore require defined authority, human oversight, auditability and continuous monitoring.

AI CREATES A NEW GCC MANDATE

The banking GCC can become the enterprise's AI execution and governance layer, responsible for:

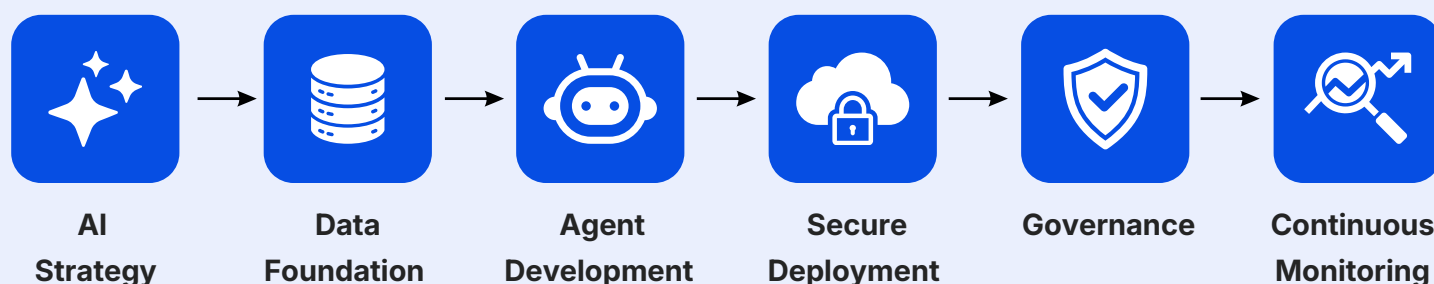
✦ AI engineering	✦ Model development
✦ Data preparation	✦ AI infrastructure
✦ Model validation	✦ AI security
✦ AI governance	✦ Human-in-the-loop controls

The BIS highlights that AI adoption in finance can improve efficiency and decision-making, but also creates challenges involving model risk, data quality, explainability, third-party dependencies and cyber vulnerabilities.

FROM AI ADOPTION TO AI INDUSTRIALISATION

The competitive advantage will not come from experimenting with isolated AI pilots.

It will come from building a repeatable enterprise capability:



This is where a mature banking GCC can move from being a technology delivery centre to becoming an **AI transformation engine for the global bank**.

TRUST, CYBERSECURITY & OPERATIONAL RESILIENCE

Banking Intelligence Must Be Trusted

The digital transformation of banking has expanded the attack surface of financial institutions. As banks become increasingly dependent on APIs, cloud platforms, mobile channels, AI systems and third-party technology providers, cybersecurity can no longer be treated as an isolated IT function.

It is becoming an enterprise resilience capability.

RBI's Annual Report 2024–25 states that frauds occurred predominantly through digital payments in terms of number, while loan portfolios accounted for the largest share by value. RBI has also continued strengthening cyber-risk assessment, fraud detection and technology-risk supervision.

THE EXPANDING BANKING GCC RISK SURFACE

A more connected, digital and AI-driven banking ecosystem brings new risks, expanding the GCC's risk surface.

Key Areas of the Expanding Risk Surface

 Digital Channels Mobile banking, internet banking, APIs	 Data Customer information, transaction data, sensitive financial records
 Cloud Infrastructure, platforms and third-party services	 AI Models, training data, prompts, agents and automated decisions
 Third Parties Cloud providers, fintechs, technology vendors and managed services	 Human Layer Employees, privileged access, and social engineering

Emerging Threat Landscape

 AI-enabled phishing and social engineering	 Deepfakes and impersonation
 Synthetic identities	 Account takeover
 API attacks	 Ransomware
 Data leakage	 Model manipulation
 Prompt injection	 Data poisoning

The BIS has identified AI-related risks, including cyber vulnerabilities, model risk, data-quality issues, opaque models, third-party concentration, deepfakes, and synthetic identities as areas requiring increasing attention across the financial system.

BUILDING A RESILIENT BANKING GCC

A future-ready banking GCC should embed security across the operating model:

 Identity Security Employees, privileged access, and social engineering	 Application Security Mobile banking, internet banking, APIs
 Data Security Customer information, transaction data, sensitive financial records	 AI Security Models, training data, prompts, agents and automated decisions
 Cloud Security Infrastructure, platforms and third-party services	 Security Operations Cloud providers, fintechs, technology vendors and managed services
 Operational Resilience Business continuity, disaster recovery, and third-party resilience	



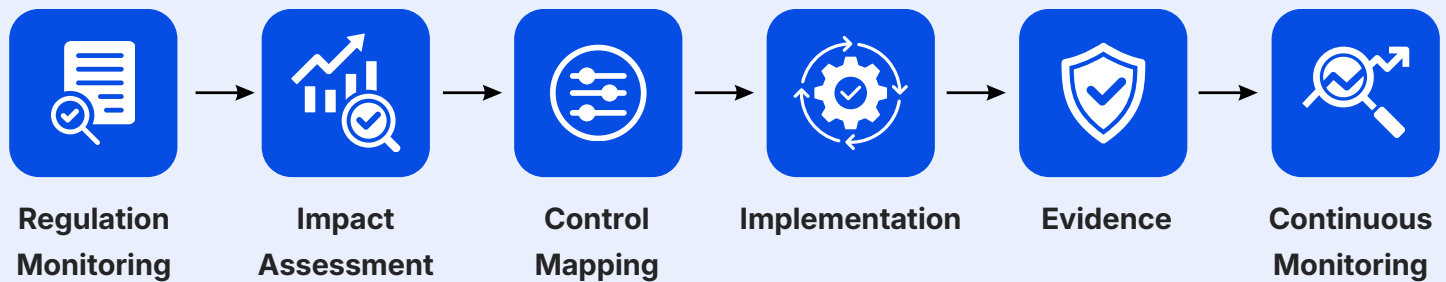
The Strategic Shift



For banking GCCs, this progression is essential because the value created through AI and digital transformation can be undermined if customers, regulators or the enterprise cannot trust the underlying systems.

REGULATORY INTELLIGENCE AS A GCC CAPABILITY

As global banks operate across multiple jurisdictions, regulatory requirements become increasingly complex. A mature banking GCC can support regulatory intelligence through:



This enables the GCC to contribute not only to compliance execution but also to enterprise-wide regulatory readiness.

Responsible AI

The Reserve Bank of India constituted the FREE-AI Committee in December 2024. The committee submitted its Framework for Responsible and Ethical Enablement of Artificial Intelligence (FREE-AI) in the financial sector in August 2025.



The future banking GCC must build AI that is not only capable, but explainable, accountable, secure and compliant.

THE GOVERNANCE STACK

A strong Banking GCC governance model can be represented as:



Enterprise Governance



Risk & Regulatory Governance



AI Governance



Data Governance



Cybersecurity Governance



Operational Governance

THE FUTURE-READY BANKING GCC

The next generation of Banking GCCs will not be defined by the number of employees they house. They will be defined by the capabilities they create, the outcomes they deliver and the strategic decisions they influence.

India's GCC ecosystem is already moving in this direction. Current industry analysis indicates a shift from large-scale, cost-oriented operations toward smaller, specialised teams focused on AI, engineering and high-value capabilities.



A FUTURE-READY BANKING GCC FRAMEWORK



STRATEGY



Align GCC priorities with global business objectives

DIGITAL CORE



Modernise applications, infrastructure, APIs and cloud platforms.

DATA INTELLIGENCE



Build governed, accessible and analytics-ready enterprise data.

AI & AGENTIC AUTOMATION



Develop responsible AI, GenAI and agentic capabilities for high-value banking processes.

CYBER RESILIENCE



Secure identities, applications, data, AI systems, cloud environments and third parties.

GOVERNANCE



Embed risk, compliance, AI governance, data governance and regulatory intelligence.

TALENT



Build cross-functional teams across banking, engineering, AI, data, cybersecurity, and risk.

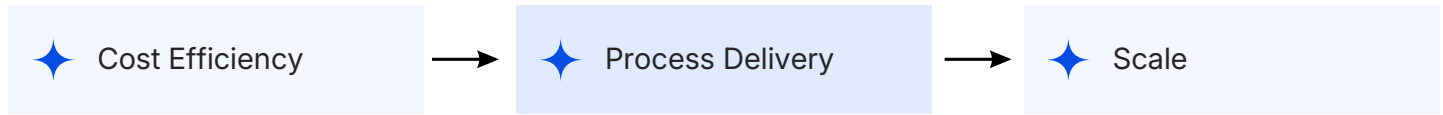
INNOVATION



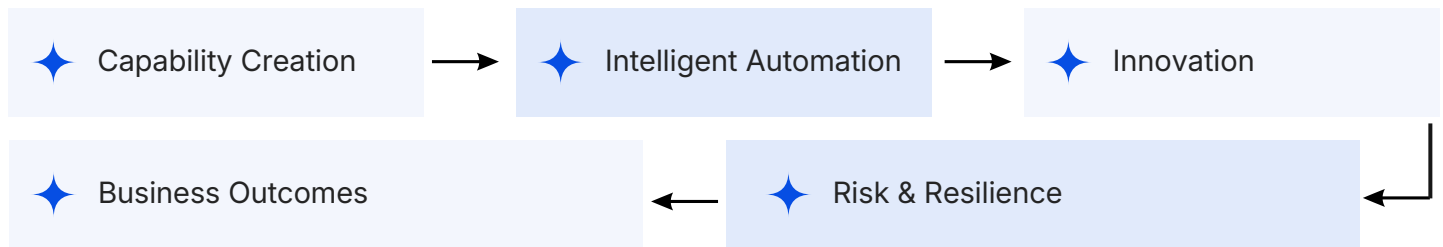
Shift from service delivery to product ownership and continuous innovation.

THE NEW BANKING GCC VALUE MODE

Traditional GCC



Future-Ready GCC



STRATEGIC PRIORITIES FOR BANKING LEADERS

- 01 Move beyond cost arbitrage
- 02 Establish an AI-ready foundation
- 03 Make security part of transformation
- 04 Measure business impact
- 05 Build for global ownership



Conclusion

Banking GCCs are entering a new phase of maturity. The competitive model is moving from cost-efficient delivery to capability-led transformation, and from traditional technology operations to AI-enabled, data-driven and resilient global intelligence hubs.

India is particularly well positioned for this transition because of the scale of its GCC ecosystem, technology talent, digital infrastructure and financial-services capabilities. Yet technology alone will not define the successful Banking GCC. The next generation will be built at the intersection of:

AI + Data + Digital Engineering + Cybersecurity + Governance + Talent

The strategic opportunity is therefore clear: build Banking GCCs not as offshore extensions of existing operations, but as trusted intelligence engines capable of creating technology, innovation and business value for the global enterprise.

Connect With Us

Whether you are establishing a new GCC, strengthening cybersecurity governance, managing regulatory requirements or accelerating AI-led transformation, SNS Square can help build the capabilities required for secure and sustainable growth.

Visit us at www.snssquare.com
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