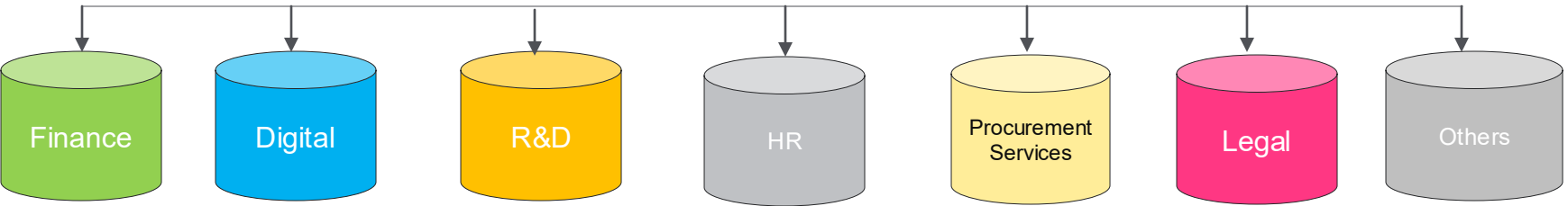


# Financing Models for GCC Setup



# SE GCC Overview

Schneider Electric Pvt Ltd (9600+ employees)  
Shared Services Entity



Head Count

611

3748

3616

580

386

18

653

# Zoom in to SE Finance GCC Overview

## Global Accounting Competency Centres (ACC)

Bengaluru (BACC)



Jaipur (JACC)



China (CACC)



Poland (PACC)



Head Count

611

403

280

186

Territories

11

13

1

5

Activities

Month close, Analysis  
Recons & Reporting

Rule based, Invoice  
posting, Receipt A/c  
Operational activities

Month close, Analysis,  
Operational activities,  
Invoice posting, Receipt  
A/c, Recons & Reporting

Month close, Analysis  
Recons & Reporting

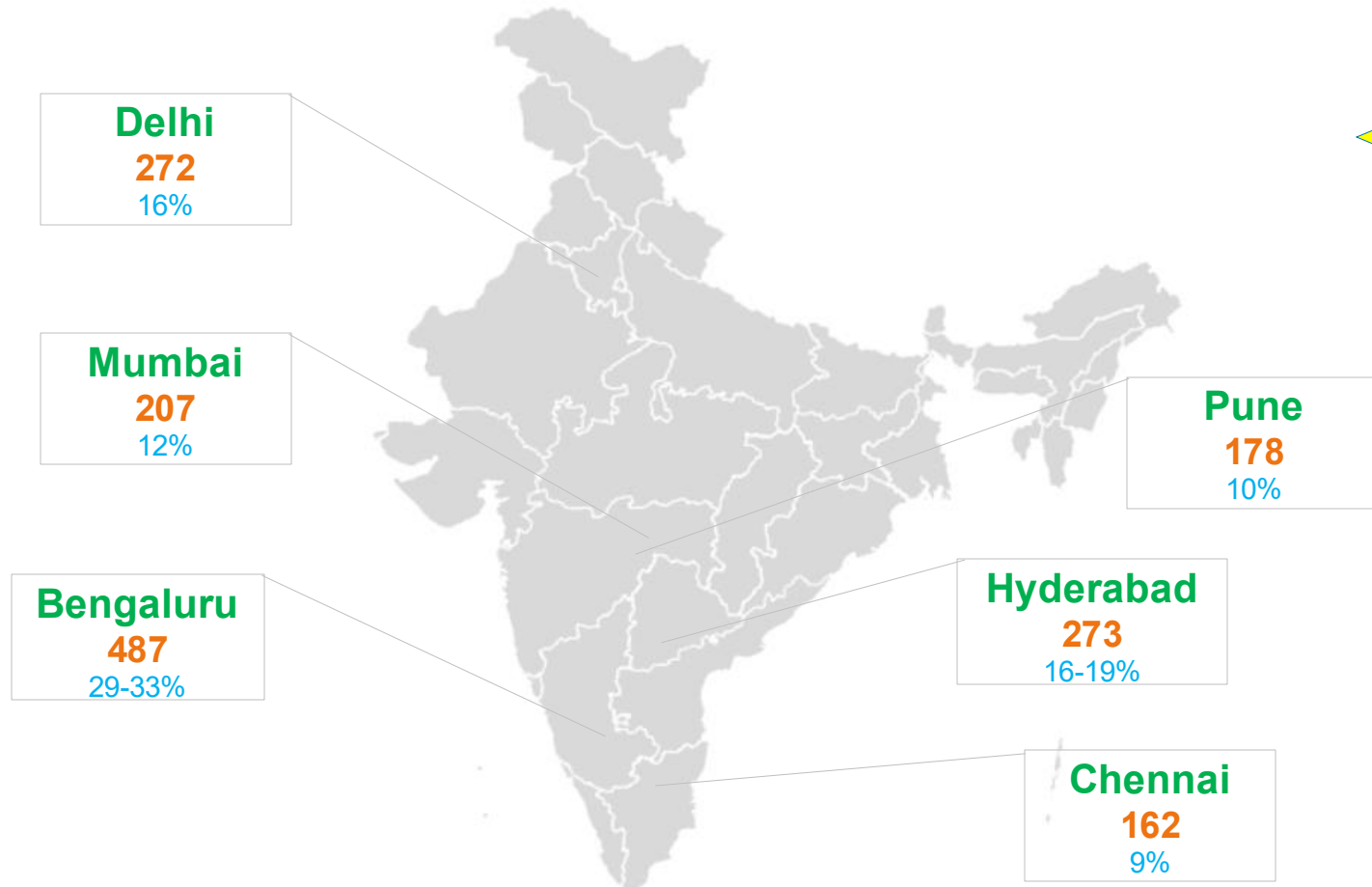
# Journey of GCC's



- Back office
- Labour Arbitrage
- Operational efficiency

- Investing in Tech (AI)
- Talent upskill
- Innovation / Automation
- Strategic objectives - Key Drivers:
  - Digital Transformation
  - Regulatory compliances
  - Talent Acquisition & Retention
  - Environmental Social Governance & Sustainability goals

# Top # 6 Cities GCC Footprints in India



Top 6 cities hosts 94% India's Lion's share in GCC

- ### Industries
- Tech Companies
  - AI/ML, IT Finance, R&D
  - Pharma
  - Aerospace
  - Consulting
  - Logistics
  - Engineering Automotive
  - Manufacturing
  - Media

**Cities**  
**No of GCC's**  
**% of share**

# INDIA THE EPICENTER FOR GLOBAL CAPABILITY CENTERS (GCCs)

Maximize ROI

Reward on Intelligence...

Labour arbitrage  
Stretched working hours .. Poland  
Talent abundance  
Multi Language Support  
Support for most of the Time zones

**~30%**

of the top 100 employers in the country are GCCs despite employing less than 5% of organised sector talent

**~60%**

Of the top 10 percentile of STEM graduates are employed by GCCs

**~20%**

GCCs pay ~20% higher compensation on average than services organisations

**1580+**

Total number of GCCs

**2740+**

Total Number of GCC units

**1.66 Mn+**

Total installed GCC talent

**71K+**

Installed Tier-2 GCC Talent



T1 CITIES



T2 CITIES

# Finance Models in GCC's

	Ownership	Pros	Cons	Remarks
Cost + Markup (Charge back/ Cost Allocation)	End-to-end /Partially process moved	When cost is uncertain & unbudgeted its good option	Cost may exceeds in the other recharge country (uncontrollable)	We adapted this model & align with TP Margin too
Activity Based Model	By Activity Outsourced completely	Pay for the volume	Employee Utilization issue	Few industries are following this model
Outcome based Pricing	Based on results / KPI	Pay against outcome only	Quality of deliverables	
Service Agreement Model	Fully owned by Parent – Funded by HQ	Full control by Parent	High Upfront cost, Slower scalability	
Joint Venture Model	Shared ownership with Local Partner	Risk Sharing, Local expertise	Governance Complexity, Profit sharing,	
Virtual Captive Model	Owned by 3 <sup>rd</sup> party & Take over later	Lower investment ; Faster setup	Transition Risk, Dependency on Vendor!	

# How can we leverage the sustainable GCC's



Thank you!

