

Impetus to GCCs in India

Odisha releases its GCC Policy

20 February 2026

Background

Following update is in furtherance to a series of our updates on state-wise GCC policies, available for [Karnataka](#), [Maharashtra](#), [Andhra Pradesh](#), [Uttar Pradesh](#), and [Rajasthan](#).

The Government of Odisha (State) has unveiled the 'Global Capability Centres Policy-2025' (Policy), valid for a period of 5 years from 31 December 2025, aimed at positioning the State as East India's premier destination for corporations looking to set up Global Capability Centres (GCCs). With the release of the Policy, the State joins the ranks of states such as Karnataka, Maharashtra, Andhra Pradesh, Gujarat, Madhya Pradesh, Uttar Pradesh, Bihar, and Rajasthan, which have released targeted policy measures for supporting the growth of GCCs in their respective states.

Vision, Mission and Objectives of the Policy

The Policy reflects the State's ambitious vision to position itself by creating a conducive business environment to attract over INR 10,000,000,000 (~USD 108,696,000)¹ in investments by 2030, establish at least 5 state-of-the-art GCC hubs starting in Bhubaneswar-Cuttack-Puri-Paradip and Bargarh-Jharsuguda-Sambalpur regions, and generate more than 50,000 direct and indirect jobs, while supporting sectors like information technology (IT), IT-enabled services, research and development, engineering and design services, manufacturing services, healthcare, artificial intelligence, machine learning, emerging technologies, etc. As per the Policy, the State has also extended benefits available under the Odisha IT Policy- 2025 (Odisha IT Policy) to the eligible GCCs.

Eligibility of GCC

The benefits under the Policy are available to those entities qualifying as 'GCC' as understood under the Policy. The Policy defines a GCC to be "fully owned offshore or nearshore units set up by a Multinational Corporation (MNC) to centralize and manage core business functions". It further clarifies that the GCC model extends beyond the traditional wholly owned subsidiary (captive) structure to include alternatives such as build-operate-transfer (BOT), company-owned partner-operated (COPO), or hub-and-spoke models. Given the above, despite the original definition stating that GCC to be "fully owned", we can interpret that the benefits would extend to GCCs that are not only wholly owned, but have been set under the BOT / COPO and other hybrid models.

Interestingly, the Policy provides that a GCC unit which would be eligible to receive the benefits of the Policy should be set up as a public / private limited company under the Companies Act, 2013 or a limited liability partnership under the Limited Liability Partnership Act, 2008, by a parent organisation listed in the Fortune 1000 or Forbes Global 2000, employing at least 50 persons in Odisha and engaged in a non-exhaustive list of services like IT, IT-enabled services, research and development, etc. An existing GCC unit

¹ Assuming the currency exchange rate of INR 92 per USD.

can be considered as a new unit if it increases its total headcount of employees in the State by 50% and can be claimed only once during the operational period of the Policy.

The Policy does authorise the relevant authorities to also provide incentives to a GCC unit which has not been set up by a company forming part of the list of Fortune 1000 or Forbes Global 2000 companies, as long as the same is considered as strategically significant in terms of investment potential, technology adoption, employment generation, or contribution to the State's economic development.

Key Highlights of the Policy

Incentives to GCCs as per Odisha IT Policy

Eligible GCCs, as per the Policy, enjoy the following benefits under the Odisha IT Policy:

- Land Rates: Allotment of land at the prevailing rates applicable for industrial units based on project assessment.
- Lease Rental: Reimbursement of up to INR 2,000 (~USD 20) per employee per month for 5 years for a lease for 50,000 square feet or INR 20 (~USD 0.5) per square foot for government-designated facilities.
- Power Tariff: Power tariff of INR 2 (~USD 0.1) per unit, which shall be reimbursed for power purchased and consumed for local distribution companies for 5 years from the date of commencement of operations, and the units will be eligible for industrial tariffs.
- SGST Reimbursement: 100% reimbursement on net State Goods and Services Tax paid, limited to 200% of the cost of plant and machinery, excluding the cost of land, after full adjustment of available and eligible input tax credit against the output tax liabilities.
- Interest Subsidy: Interest subsidy at the rate of 5% per annum on long-term loans availed from recognised financial institutions and banks, subject to a maximum of INR 100,000,000 (~USD 1,087,000) per year for 5 years from the date of commencement of commercial operations.
- Training Incentive: 50% reimbursement of training fees for obtaining industry-recognised skill certifications in emerging technologies, limited to INR 50,000 (~USD 540) per employee, subject to an overall ceiling of INR 2,000,000 (~USD 22,000) per unit for 5 years.
- Marketing Incentive: Reimbursement for participating in designated state / national / international exhibitions and approved trade delegation which can be availed for a maximum of 3 times for 5 years from the date of commencement of commercial operations in the State.
- Reimbursement for ESI / EPF Contributions: 100% reimbursement for the employer's contribution towards Employee's State Insurance and Employee's Provident Fund for 5 years for skilled, semi-skilled, and highly skilled workers who are domicile of the State.
- Research and Development incentive: Reimbursement of up to 50% of the investment made towards research and development, subject to a maximum of INR 100,000,000 (~USD 1,087,000) per unit based on specific conditions.
- Exemptions under Certain Laws: Declaration of GCCs as a 'public utility services' for exemption from the disruption caused by general strikes and grant of permission to work 24x7; exemption from limitations on daily and weekly hours of work, given that total number hours of work including overtime shall not exceed 12 hours during a day and total of overtime hours by an employee shall not exceed 144 hours during 3 months; exemption from routine inspection by the Labour Department except inspections arising out of complaints; allow for self-certification of records/registers under certain labour laws; and exemption from laws administered by the Odisha State Pollution Control Board.

Specific Incentives for GCCs under the Policy

- Capital Subsidies: The Policy provides for capital subsidies in line with the extant Odisha IT Policy, i.e., 30% reimbursement for the fixed capital investments (**FCI**) excluding costs of land, made up to 2 years from the date of commencement of commercial operations. Further, units relocating their operations to the State will receive 50% relocation cost reimbursement, up to INR 100,000,000 (~USD 1,087,000) for

domestic moves and INR 200,000,000 (~USD 2,174,000) for international ones. This one-time incentive applies only to the first 10 GCCs relocating to Odisha from other Indian states or countries, with full details outlined in the operational guidelines.

- Rental Assistance: GCCs can claim rent expense reimbursement for GCCs establishing or expanding operations up to 5 years from the date of commencement of commercial operations. However, units claiming FCI for building construction and infrastructure cannot avail rental aid, whereas those receiving rental assistance would still remain eligible for FCI. Other than incentives for lease rentals, eligible units utilising co-working spaces can claim reimbursements of up to INR 6,000 (~USD 65) per seat per month, and cumulatively up to INR 200,000,000 (~USD 2,174,000) per applicant over 5 years.
- Patent Registration Incentive: The Policy provides for 100% reimbursement for costs of successful domestic and international patent filings, applicable only to approved patents, for 5 years from the date of commencement of commercial operations.
- Fiscal Incentives with Employment Generation: The Policy provides for one-time recruitment assistance to GCCs setting up or expanding operations, structured in slabs based on employees (domiciled in Odisha) recruited, having a base pay with cost to company of a minimum of INR 1,200,000 (~USD 13,040), for 5 years from the date of commencement of commercial operations of GCC:
 - (a) INR 40,000 (~USD 430) per employee (up to INR 5,000,000 (~USD 54,350)) for 50 to 200 hires;
 - (b) INR 40,000 (~USD 430) per employee (up to INR 15,000,000 (~USD 163,040)) for 201 to 400;
 - (c) INR 30,000 (~USD 330) per employee (up to INR 20,000,000 (~USD 217,390)) for 401 to 700;
 - (d) INR 30,000 (~USD 330) per employee (up to INR 25,000,000 (~USD 271,740)) for 701 to 1,000; and
 - (e) customised packages for over 1,000 hires.
- Internship Incentives: The Policy provides for reimbursements of 50% of internship stipends (up to INR 10,000 (~USD 109) per month per intern for a maximum of 6 months) in GCCs, for up to 2,000 interns per year and 10,000 over a period of 5 years from the date of commencement of commercial operations. GCCs can avail this incentive for up to 15% of their workforce, up to a maximum of 100 interns per year. However, the subsidy for the internship is applicable to the domain of emerging technologies, and the interns should be undergraduate, post-graduate, or PhD students who are domiciled in the State or enrolled in colleges established in the State.

Customised Incentives

The Policy enables tailored incentive packages for the GCC units (new and expanding) that generate direct employment of more than 2,000 employees and / or invest more than INR 2,500,000,000 (~USD 27,174,000), evaluated on a case-by-case basis, subject to approval by the relevant State empowered committee.

Other Key Provisions

- Single Window Clearance: The Policy provides for the GO SWIFT portal as a single window platform and one-stop solution for investment-related applications and information, post land allotment services, grievance redressal, etc.
- Project Committees: The Policy provides implementation of a 3-tier single window clearance mechanism for GCC units, which are as follows:
 - (a) investments up to INR 500,000,000 (~USD 5,435,000) will be approved by the Special Single Window Clearance Committee (SSWCC);
 - (b) investments above INR 500,000,000 (~USD 5,435,000) up to INR 10,000,000,000 (~USD 108,696,000) will be approved by the State Level Single Window Clearance Authority (SLSWCA); and
 - (c) investments exceeding INR 10,000,000,000 (~USD 108,696,000) will be approved by the High Level Clearance Authority headed by the Chief Minister of Odisha.

- o Governance Mechanism: The Policy provides for multiple committees and authorities tasked with addressing project delays, advising on policy matters, ensuring timely GCC Policy implementation, policy execution, setting up a sector agency for attracting investments, developing talent, building infrastructure, periodically reviewing mid-course corrections, resolving interpretation doubts or disputes, and issuing final, binding government decisions.

Conclusion

The Policy's broad GCC definition covering BOT, COPO and hub-and-spoke models provides clarity on diverse MNC structures that can be adopted as entry mechanisms (i.e., beyond the traditional subsidiary setup). The focus on Fortune 1000 / Forbes Global 2000 companies also indicates that Odisha primarily intends to woo companies with proven track records, which can enjoy the incentives while successfully building GCCs that prioritise domiciled hirings, thereby not only protecting public funds but also prioritising local employment and growth.

- *Rabindra Jhunjhunwala (Partner), Swathy Ramanath (Partner), Ayush Nanda (Counsel) and Priya Maharishi (Associate).*



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