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Building Indian Consulting Champions: Primus Partners' Davinder Sandhu

The dominance of foreign firms in India's consulting sector is not inevitable. With clear intent, bold policies, and coordinated action, Indian firms can rise to global stature.

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Article Content:

As India envisions a self-reliant, innovation-driven economy, the time has come to focus on a sector that quietly shapes decisions across government, industry, and capital markets—management consulting. While India's IT services have conquered the global stage, management consulting remains overwhelmingly dominated by foreign firms, who control nearly 85% of India's consulting market.

This is not merely a business statistic, it points to a structural imbalance in how high-value knowledge services are procured and delivered in India. Today, even Indian public sector tenders and private equity deals often mandate or tacitly prefer foreign-branded advisors. This preference has entrenched a system where Indian firms remain small,

fragmented, and locked out of scale opportunities—despite a surging domestic market and abundant talent.
The Indian consulting industry is projected to grow to $24 billion this year. Yet, the share of Indian-owned firms is minimal.

A premium layer of advisory fees also flows out, as foreign networks repatriate profits and shape strategic decisions across Indian institutions. This undermines the sovereignty of insight—how Indian problems are diagnosed and solved.

India must now actively nurture Indian-owned and managed consulting champions—a “Bharatiya Big Four”—to balance this equation.

Davinder Sandhu, Co-founder & Chair at Primus Partners

Lessons From Our Own Playbook
India has successfully built domestic dominance in other service sectors through strategic policy design. In IT services, the Software Technology Parks scheme, export incentives, and public procurement enabled the rise of TCS, Infosys, and Wipro. In financial services, foreign bank access was calibrated, allowing Indian banks to grow. In legal services, strict controls on foreign entry gave Indian firms the runway to mature. Even in digital payments, UPI was designed to let Indian players take the lead. The pattern is clear: when policy combines well-designed protection and capacity building, local champions emerge.

The Global Playbook

China offers a compelling case. In 2023, its regulators instructed state-owned enterprises to favour local firms. China also mandates joint ventures and local control in key advisory services. ShineWing is now a global brand operating in 19 countries.

Singapore built global consulting brands like Surbana Jurong using diplomacy. Surbana today master-plans cities in Africa and India. South Korea relied on domestic institutions to incubate local consulting talent.

What India Must Do Now

A comprehensive policy push is needed to build Indian champions in consulting. Indian consulting firms, especially mid-tier and start-ups, need growth capital. A Consulting Innovation Fund (perhaps under SIDBI) should provide seed finance, working capital, and export development support. Tax benefits—for instance, GST concessions for certified Indian firms—can improve margins and encourage reinvestment in talent.
Most critically, government procurement from empanelling agencies like NICSI must pivot. An amended General Financial Rules framework should provide explicit preference for Indian firms in tenders. Bid scoring advantages, MSME set-asides, and mandatory sub-contracting by foreign lead consultants to Indian partners (say 50%) will ensure knowledge transfer and market access.

Current rules often disadvantage Indian consulting companies. Simplifying compliance norms, banks recognising government consulting contracts as collateral for working capital and easing visa norms for global talent in Indian firms will ease their growth journey. Simultaneously, regulators can bar undue fee-sharing or brand franchising with foreign networks to prevent skirting local ownership laws.
India should launch a National Consulting Skills Development Program under Skill India, in partnership with IIMs, ICAI, and the Quality Council of India. Consultant bootcamps, certification systems and quality benchmarks will lift the credibility and capability of Indian firms.

A public directory of certified Indian consulting firms can showcase Indian talent globally. Moreover, India's foreign assistance programs should include Indian consulting firms. This will build international experience and brand recognition.

Why This Matters
A strong domestic consulting sector serves strategic national interests. First, it ensures that public sector advisory—be it on digital governance, citizen welfare, infrastructure, climate finance, defence and internal security, or public health—is grounded in local realities. Second, it creates high-skill, future-ready jobs. Third, it retains economic value onshore and reduces reliance on external gatekeepers. Finally, it projects Indian intellectual influence globally. The consulting services export market was worth $36.95 billion in 2021–22. With the right push, Indian firms can capture a larger share of this pie.
The dominance of foreign firms in India's consulting sector is not inevitable. With clear intent, bold policies, and coordinated action, Indian firms can rise to global stature. A new wave of Indian knowledge exporters—practicing management, governance, and advisory—can emerge. They will help build not just Indian businesses, but India's global

brand. The next “Big” consulting firm need not be from London or New York. It can be proudly and powerfully Indian.

The author was Director at PMO and Advisor to India Executive Director at the World Bank Board of Directors. Views are personal.