BCG

Building The Next Indian Chemical Giant

The 10 point blueprint to scale

Amit Gandhi, Amita Parekh, Vinit Patel

January 2026

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Building The Next Indian Chemical Giant

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Executive Summary

India's chemical sector is a force to be reckoned with.

Over the last two decades, Indian chemical companies ("ChemCos") have proven they can commercialize complex chemistries, run plants reliably, and compete effectively. This is the result of many years of foundation building by first-generation founders. Starting small with single value chains, these founders have built strong companies through a combination of sheer determination and boldness. The outcome has been world-leading shareholder returns.

ChemCos now have capabilities, access to capital, and ambition to grow. Expectations are set for outstanding growth in an accelerating India—certainly more than momentum. More of the same (value chains, chemistries, and sales models) is not an option. It is time to think boldly again for the next phase. The focus must now be scale. Real, global scale.

The ambition needs to be $1+ billion in revenue by 2030 if you are sub $500 million, and $2.5+ billion if you are over that mark.

This is a large jump. Making this happen needs a thoughtful, planned approach. We have distilled this approach into a concise '10 point blueprint' to help every Indian ChemCo scale.

The blueprint covers five strategic moves to make, and five organizational muscles to build. Some of these will force you to evolve from habits that have made you successful so far. Others will challenge the way you think about risk. All of them demand choices: where you will bet, what you will stop doing, and how fast you will act to build an institution that thrives for the next 50 years.

This is the action-oriented design brief for building your ChemCo at scale.

It is time to make the next leap—to design with intention, and to execute with boldness.

The Context

Indian ChemCos have been on a strong run in recent years. Exceptional growth—powered by domestic consumption and exports—has been matched by standout stock performance and valuations.

This is the outcome of foundations laid in the past two decades (and longer). Rewind to the early 2000s, and you have an industry of many small firms (with revenues below $250 million) run by first-generation founders and promoters, often technocrats with deep chemistry expertise. Even getting to this scale has taken superhuman effort—deep focus on a single value chain or chemistry, technology development and capex deployment. At this scale, most firms were privately held and the few publicly listed ones were largely small-cap (only 19 had a market capitalization of above $250 million).

Fast forward to 2025, and the industry has undergone a sea change.

Core chemistries have been mastered and commercialized, creating stable revenue streams—typically in the $250-500 million range. Capital markets have rewarded this performance. Indian ChemCos lead the world in TSR (Total Shareholder Returns). They have outperformed the NIFTY by ~2x in the last 5 years. And now, 98 companies are valued at over $250 million, with 41 of these having billion-dollar-plus valuations (see Exhibit 1 and 2).

It is now time to build real scale for every ChemCo. Aim for $1+ billion revenue by 2030 if you are $500 million and $2.5+ billion if you are already past that mark. This is not a linear extrapolation. What succeeded until 2025 will not work for 2030 and beyond.

The demand case is clear. Domestic consumption is rising in volume as incomes grow. The shift is powered by rising affluence. By 2030, nearly one in four Indian households will fall in the affluent or elite income segments.

Premiumization and functionality are gaining traction, evident in the double-digit growth that India's beauty and personal care sector is experiencing, as consumers trade up to higher value products. Similarly, in the construction sector, the demand for advanced waterproofing, sealants, and performance coating is expanding rapidly (1.5x+ GDP growth). And this story is witnessed in every sector.

The outcome? India's domestic chemical market is projected to reach over $300 billion by 2030, up from nearly $150 billion today. Capital is available, equity remains strong, debt is accessible for the right projects, and manufacturing incentives exist for select value chains. India also remains a compelling geopolitical and cost proposition for global customers.

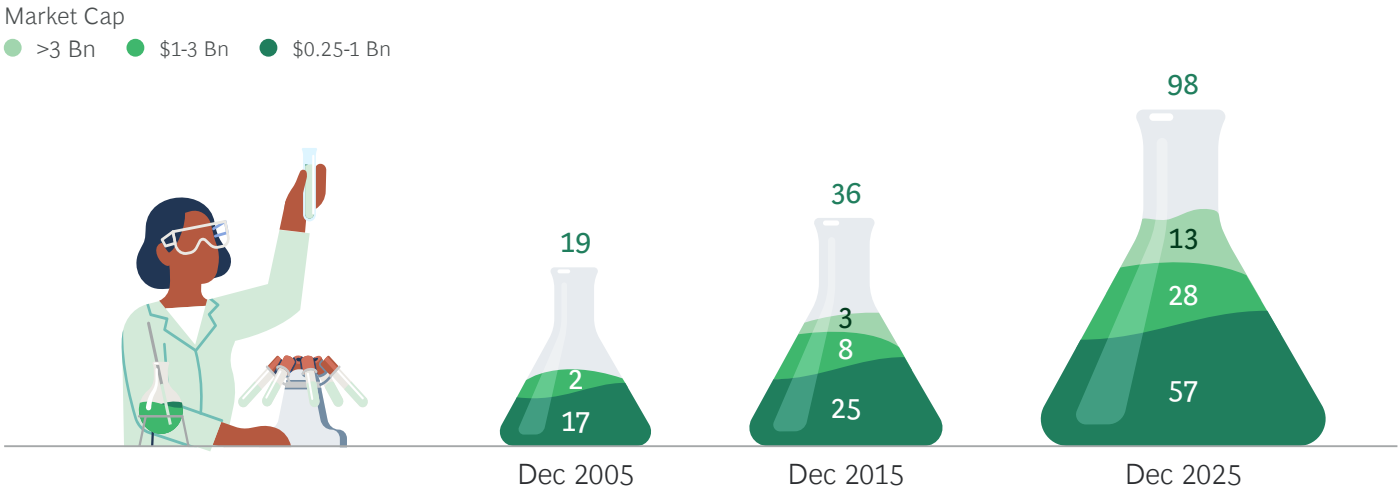
The challenge is to think bold and act at speed. Pair market-facing moves (new value chains, partnerships) with an intense push on organizational capabilities.

This report sets out our '10 point blueprint to help every Indian ChemCo scale'. Five of these are strategic moves—bold, actionable plays for Indian ChemCos to navigate this inflection, capture new value pools, and lead the industry's transition. The other five are the key organizational muscles Indian ChemCos must build to win at scale.

EXHIBIT 1

Indian ChemCos have gained significant scale over the last 20 years

Number of Indian ChemCos

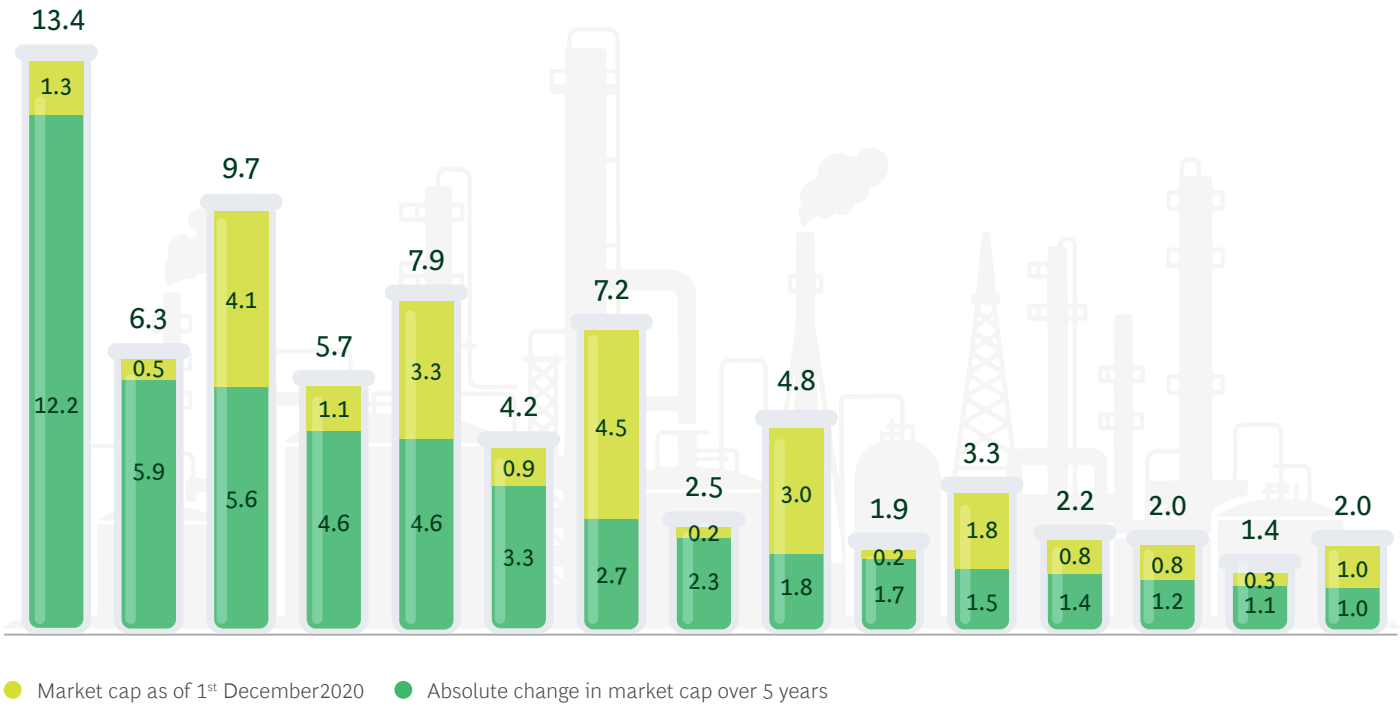


Source: S&P Capital IQ; BCG ValueScience® Center
Note: Market cap considered is as of 1st December for each year of 2005, 2015, and 2025

EXHIBIT 2

It's like we are in a different world

Top 15 ChemCos by absolute market cap increase in last 5 years ($Bn USD)



Source: S&P Capital IQ; BCG ValueScience® Center
Note: Market capitalization as of 1st December 2025

THE 10 POINT BLUEPRINT TO SCALE

Strategic Moves

01 **Application everything**
Pivot from selling tonnes to solving chemistry problems for customers

02 **Place one big decadal bet**
Integrate into capex supercycles early to capture returns in the 2030s

03 **Scale cash from the boring parts of the value chain**
Choose where to play, how to integrate, and how much to invest in core value pools

04 **Scout value in mid-sized European, Japanese firms**
Acquire select companies, especially family-owned, for IP, brand and market access

05 **Build your own global-India ChemCo corridor**
Run an always-on partnerships office; be the gateway to India

Organizational Muscles to Build

06 **Develop true marketing strength**
Build teams that understand brand, sales and digital presence especially for global markets

07 **Improve margins by 200-300 bps with digital+AI at the core**
Transform the full operating model (production, NPD, supply chain, sales)

08 **Talent, talent, talent**
Professionalize with intent: strengthen HR processes, build talent pipeline, plan succession

09 **Bet on new technology as a chemical-focused VC**
Actively work with startups pursuing technologies that could pay off 2030+

10 **Invest in 1-2 fundamental R&D fields**
Budget $2.5-5 million annually for deep research

Strategic Moves

1. Application everything

The last two years have made one truth clear: pure product sales are a fading business model, except in a few niches or highly specialized areas. For most products, the ability to compete on cost, purity, or delivery is facing relentless commoditization, L1 focus, and aggressive global competition. Margins will inevitably tighten.

The next decade will be defined not by what we produce, but by what performance we enable. The frontier is shifting from product supply to solution delivery; from selling tonnes to solving problems.

Leading players are already making this pivot. They are moving closer to their end customers and co-creating formulations that address real performance challenges. Coatings players are looking at how to combine epoxy, polyurethanes, and nano-additives into one system that improves durability and protection. Personal care players are building formulation capabilities to achieve efficacy and sensorial appeal using the "right recipe" of emollients, actives, and delivery technologies. Carbon chemicals players are pivoting from commodity to serving the electric mobility trend through battery and energy chemistries. These are just a few examples.

Success, in every case, comes down to how effectively chemistry meets function. Performance-led models allow chemistries to earn higher premiums and share value with customers. They deepen customer stickiness through long qualifications and development cycles. They create portfolios that are more resilient to industry cycles, as demand runs horizontally across applications. They also create stronger innovation engines by tying R&D directly to end-use performance.

While the "what" is clear, the "how" is not so easy. Moving to an application-oriented platform model demands transformation across four foundations—organization design, commercial capability, operations, and innovation (see Exhibit 3).

Here is how you could do it:

- **Align the business along end-use verticals:** Break product silos and redesign organization around customer-centric verticals. Give vertical heads full accountability for product roadmaps and commercial outcomes. Measure success by samples seeded, specifications won, and solutions embedded, not product tonnage.
- **Build a highly skilled business development engine:** Transform the front-end from managing transactions to pitching partnerships. Build cross-functional customer squads combining sales, R&D, and marketing. Parachute domain experts from customer industries or high-end peers to build credibility and traction. Lead the sales pitch with value (speed to market, reliability, and co-innovation), not cost. Shift branding from "supplier" to "performance partner," backed by case studies.
- **Set up visible front-end establishments to work with customers:** Establish a presence near key global application hubs to enable joint customer planning with customers, rapid prototyping, and quick changeovers. Build capability with smart capex (e.g.: application centers, modular delayed differentiation) or partnership models. Embed technical teams at customer sites to tighten feedback loops and accelerate iteration.
- **Develop an application-focused innovation engine:** Invest in a formulations lab and R&D talent pool; and strengthen co-innovation partnerships. Form cross-functional teams of scientists, engineers, and service specialists around real use cases. Adopt agile experimentation and parallel testing to accelerate commercialization.

EXHIBIT 3

The application evolution

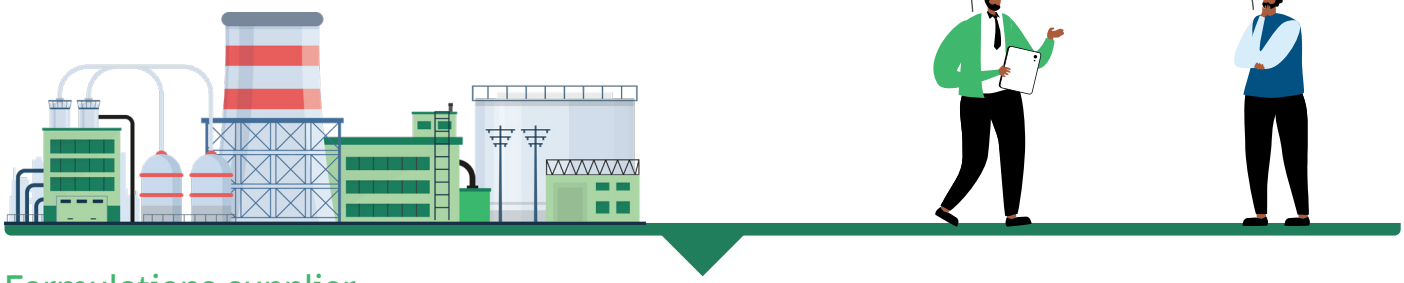
Commodity manufacturer

Treated as a line item

One large site, focus on **tonnage and economies of scale**

- Pure sales FTE push
- Incentives tied to **volume/EBITDA $**

- RFQ floated, base specs defined
- Prices quoted, tactical negotiations
- **PO awarded to L1 bidder**



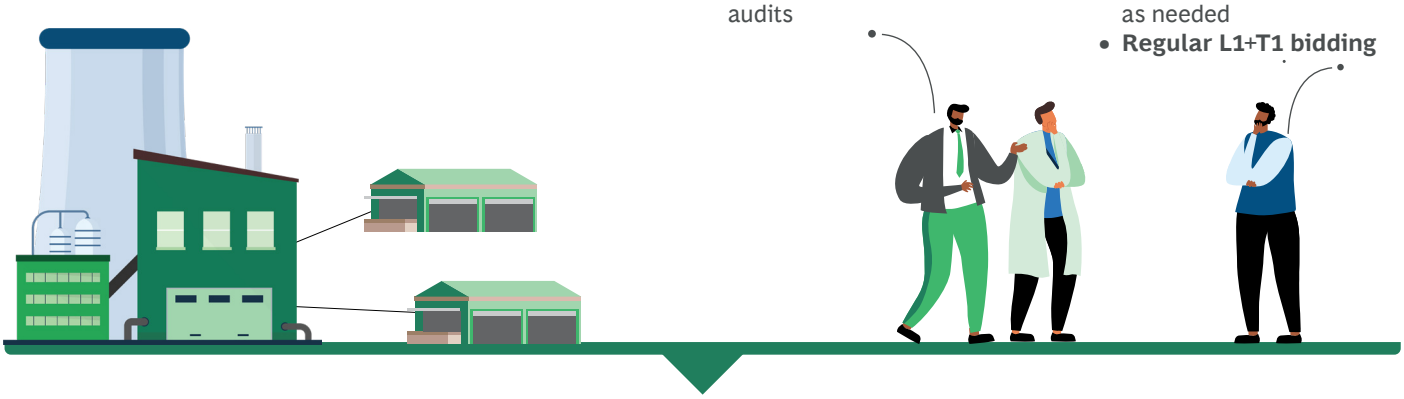
Formulations supplier

Valued, but still in the bid box

Regional formulation hubs near customers; **service levels key**

- Marketing/inside-sales support pitches and tenders
- Manufacturing supports technical qualification and audits

- Samples seeded; customer trials run
- Supplier qualified; re-spec/re-qualification as needed
- **Regular L1+T1 bidding**



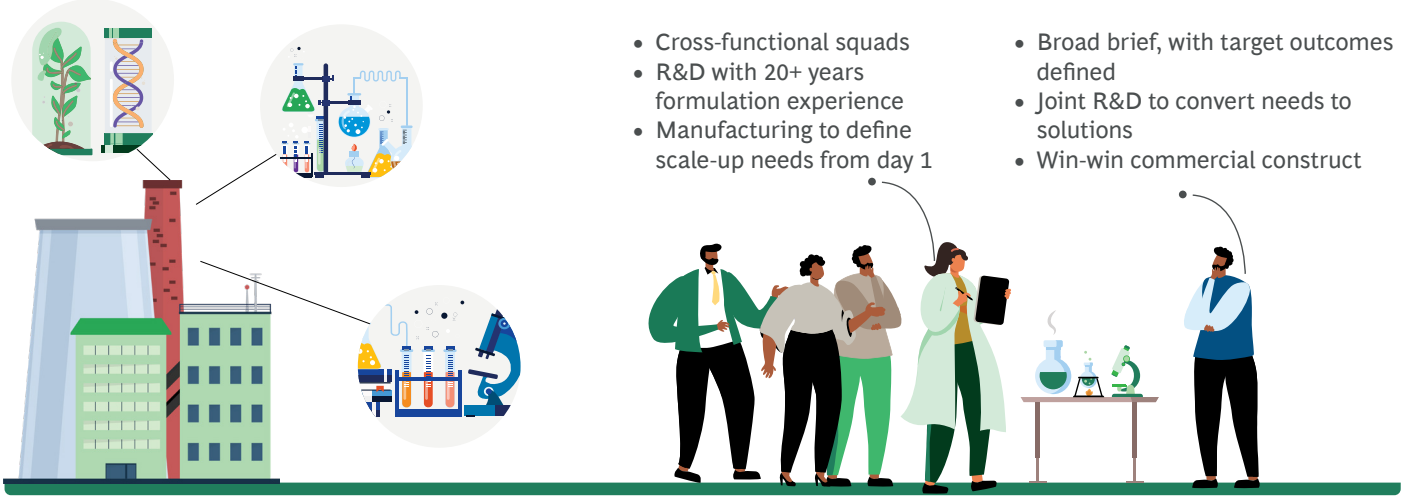
Application and solutions partner

On the same side of the table

Co-developed solutions, sometimes **co-owned/co-invested assets**

- Cross-functional squads
- R&D with 20+ years formulation experience
- Manufacturing to define scale-up needs from day 1

- Broad brief, with target outcomes defined
- Joint R&D to convert needs to solutions
- Win-win commercial construct



Source: BCG analysis

2. Place one big decadal bet

India is entering a once-in-a-lifetime capex super cycle in key industries. Billions will be poured into the "sunrise" sectors—semiconductors, batteries, solar, data centers, transmission, among others—within the next few decades. Targeted incentives for semiconductors and electronics ecosystems are upwards of $20 billion. Indigenization targets remain ambitious with an expectation of exponential growth in domestic battery capacity (upward of 100 GWh) and domestic solar module capacity (upward of 50 GWh) by 2030.

These opportunities are no longer theoretical: steel is already being put into the ground, local value chains are being developed, and products are hitting markets. The renewable energy build-out over the last decade has shown that ambition can be backed by real delivery.

Specialty chemicals and materials will be key to powering these transitions. These are the critical "picks and shovels" for the big transition. Early movers have an opportunity to shape India's value chain build-out, and gain a head start in the formulation and quality curves. Today, markets value each EBITDA dollar from these ventures at a premium, helping bolster the capital-markets narrative of ChemCos.

This section illustrates one such emerging opportunity for Indian ChemCos: **Semiconductors.**

India's semiconductor build-out is happening right now. The global semiconductor market is nearing $1 trillion, growing at over 8 percent annually. India is charting an even faster path—from policy conception to project execution, the pace has been unprecedented. Government incentives now cover the entire value chain—from fabrication to electronics manufacturing, with fabrication emerging as the most value-added and chemical-intensive segment.

Fabrication consumes more than 40 highly specialized, ultra-pure chemicals and allied materials: wet-process acids, solvents, photoresist developers, slurries, etchants, substrates, dielectrics, and specialty gases (see Exhibit 4). Yet, despite their criticality, nearly all these inputs are still imported from Japan, Korea, Taiwan, and Mainland China.

This gap is a clear whitespace—roughly $1 billion in addressable opportunity for Indian producers across fabrication-stage inputs. Early movers that invest in clean-lab infrastructure, purification systems, and technical tie-ups can credibly enter this chain and aim to build a $100-200 million business in a decade. The bar is high: precision process control, high-spec packaging, and contamination-safe supply chains are needed to deliver the required parts-per-trillion impurity levels. But the payoff is a long-term lock-in with fab operators that prize supply security and local qualification.

India's rising demand, coupled with the global realignment, makes this a rare greenfield opportunity. Companies that invest early can position themselves as foundational suppliers to India's semiconductor ecosystem. First movers will set the specifications, define the benchmarks, and build ecosystem advantage.

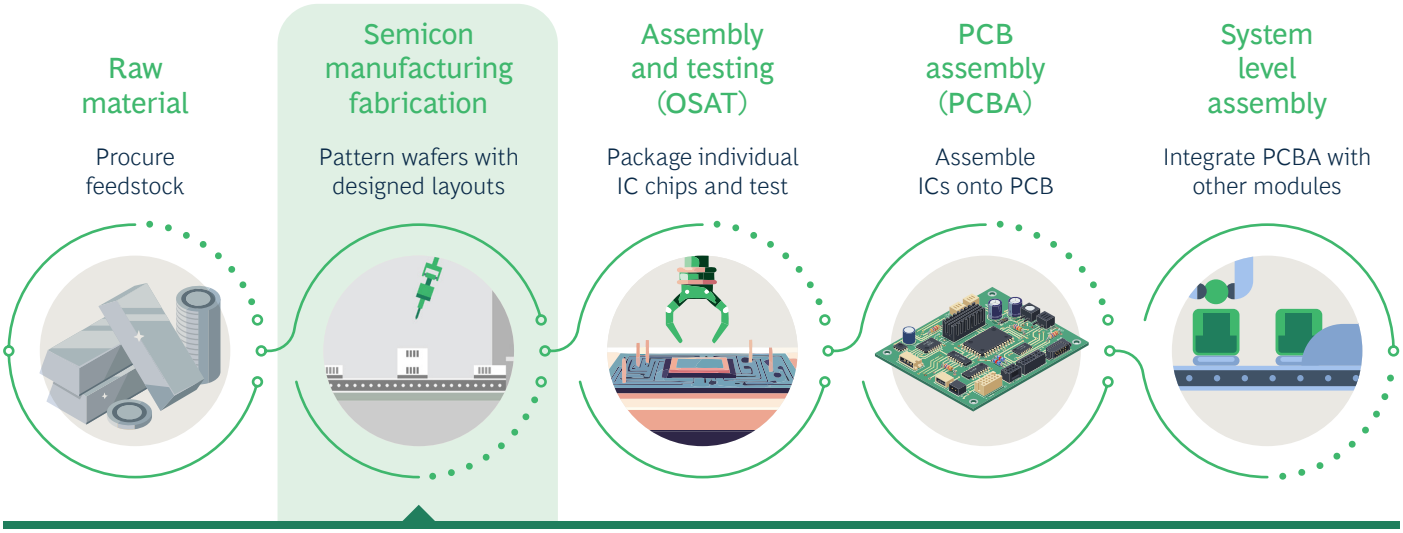
The bottom line

These segments sit at the intersection of investor optimism and policy momentum, creating a breakthrough moment for Indian ChemCos to capture new value pools and shape the country's position in global chemicals.

Now is the time to choose your one big bet that will define your company's portfolio in the 2030s. Conviction and patience will be rewarded far more than speed—decadal vision is needed, not quarterly targets. Most winning plays will be built with partners, not alone. Work the ecosystem, scout technology partners as required, build and hire talent pools. Keep moving up the learning curve with a learn-to-fail and fail-to-learn mindset.

EXHIBIT 4

Electronics value chains and chemical opportunities in fab facilities



Silicon wafer and polycrystalline silicon (30-40%)	300 mm Silicon wafers	Epitaxial wafers	SOI wafers (FD-SOI, RF-SOI)	200 mm CZ/FZ wafers	
Specialty and atmospheric gases (10-20%)	Ar	He	H_2	O_2	HF	NF_3	SIF_4	FCs
	N_2	BCl_3	Cl_2	HCl	AsH_3	PH_3	NH_3	N_2O
Photoresists, lithographic and facility ancillaries (10-20%)	DUV/EUV Resists	TMAH developers	Edge bead removers (PGMEA)	Primers (HMDS)	Copper plating chemicals	Immersion Fluids (ultra Pure water)	Ion exchange resins	
Wet processing chemicals (~10%)	Acetic acid	HCl	HF	H_2O_2	HNO_3	H_3PO_4	H_2SO_4	NH_4OH
	IPA	Methanol	MEK	Acetone	N-butyl Ac	NH_4F	MNP	K/NaOH
CMP materials (5-10%)	Silica/Alumina slurries	Ceria slurries	Copper slurries	Polyurethane pads				
Dielectric and metal precursors (5-10%)	TEOS	TDMAT	TMA	$TiCl_4$	W/Ru precursors	Low dielectric materials		
Thin film metals (~5%)	Cu	Al	W	Ti/TiN	Ta/TaN targets	Electroplating additives		
Other chemicals and materials (<5%)								

● Chemical-focus ● Advanced materials-focus

Source: Expert interviews, BCG analysis, IHS
Note: SOI: Silicon-on-insulator; PGMEA: Propylene glycol monomethyl ether acetate; HMDS: Hexamethyl disilanzane; TMAH: Tetra methyl ammonium hydroxide; NMP: N-Methyl Pyrrolidone; MEK: Methyl Ethyl Ketone; CMP: Chemical Metal Planarization; TEOS: Tetraethyl orthosilicate; TDMAT: Tetrakis(dimethylamido) titanium; TMA: Trimellitic Anhydride

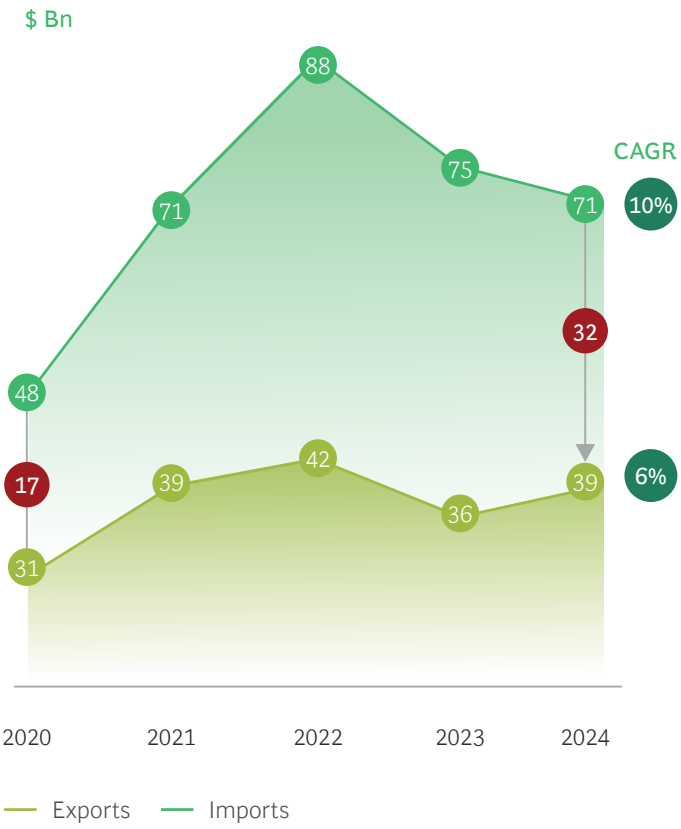
3. Scale cash from the boring parts of the value chain

India imports $71 billion of chemicals each year. The import growth is outpacing both chemical exports and GDP (around 10% CAGR), resulting in a widening of the trade deficit by nearly 2x in five years (from $17 billion in 2020 to $32 billion in 2024). The import base is diversifying geographically to ASEAN and the Middle East, even as Mainland China maintains a lion's share (around 30%) (see Exhibit 5).

The challenge for India's chemical industry is not demand or cost competitiveness. It is structural. Value chains remain fragmented and shallow. Gaps in integration, absence of scalable linkages from feedstock to finished product, and limited access to process technology have created a chronic import dependency. These inefficiencies stem from a lack of world-scale investments and insufficient collaboration with global technology partners. With deliberate effort, India can change this situation and build capacity in critical links of the value chain.

EXHIBIT 5

Deficit between imports and exports of chemicals increased 2x from 2020 to 2024



Region wise imports	Imports			Exports
	2020 ($ Bn)	2024 ($ Bn)	CAGR (%)	2024 ($ Bn)
China[1]	14.2	20.8	10%	1.9
ME	6.9	11.8	14%	5.7
ASEAN	5.6	9.2	13%	4.9
East Asia[1]	4.6	7.8	14%	2.2
EU	7.2	7.7	2%	8.9
NAMR	4.3	5.1	5%	5.7
Others	5.0	8.5	14%	10.1
Total	**$48 Bn**	**$71 Bn**	**10%**	**$39 Bn**

Source: EXIM data Comtrade; HS Codes considered: 28, 29, 3101-05, 3204, 3206, 3301-02, 3403, 3501, 3503-05, 3507, 3601-02, 3606, 38, 3901-14
1. China represents Mainland China; East Asia excludes Mainland China

The time to rewire value chains

Ambitious entrepreneurs have shown that these gaps can be overcome. Today, India is a world leader in many areas, such as agrochemicals, aroma chemicals, and dyes, on the back of a strong nitroaromatics building-block production base.

The moment to intentionally rewire India's chemical value chains is now. Domestic consumption has reached a critical scale and import gaps are wide enough to enable world-scale investments (see Exhibit 6) for details on India's chemical imports). Capital and technology are available for players willing to put in the hard miles.

One such opportunity is polymers: they represent the single largest component of the chemical import bill—nearly 25% of the total. The game is not in commodities—like PE and PP—which act as natural extensions of petro-complexes and face global overcapacity. Opportunity beckons in higher-value, functional polymer families, such as Styrenics, Polycarbonates, Polyurethanes, and other hidden niche polymers. Many exceed $500 million in annual imports and are rising sharply. Functional variants and downstream integration into compounding and formulations can deliver higher margins. Early movers in fluoropolymers (and now polycarbonate) in India are showing how integration and scale can convert import-heavy chains into export opportunities.

Second, many bulk building-blocks are deficient in India (they account for around $21 billion in imports). Like commodity polymers, many projects—such as base alcohols, carboxylic acids, and ketones—could touch $1 billion in capex, with paybacks spanning multiple years (at a low RoI but with stable cashflows), and depend on access to strategic feedstock. A large share of the bulks imported (around $9 billion or nearly 50%)—like BPA, MDI, TDI and Styrene—are primarily used as polymer precursors. With sufficient demand in India, and localization a necessity, the question is: which company is such a project profile best suited for?

Third, intermediates that form the missing middle, and account for ~$4 billion in imports. These are chemicals lying at least a few steps (3 to 4) away from the cracker and are foundational to deep specialties. Domestic bulk building blocks could support competitiveness, and localization could help with supply stability. But winning in this space requires smart value-engineered and timely capex, chemistry expertise, and operational excellence. Intermediate players must learn to manage operations around multiple SKUs, owing to multiple isomers and variants generated during the manufacturing process. One specific interesting example is organo-nitro intermediates (with imports of about $1.6 billion)—across amines, amides, hydrazine, pyrazoles and triazoles.

Fourth, specialties (accounting for about $6.5 billion in imports) and bio-based blocks (about $3.5 billion) that find direct application in end industries. Specialties span thousands of fine chemicals; many sold as proprietary formulations. Full exposure is a combination of standalone chemical imports, as well as imports of finished products such as perfumes and cosmetics (with imports of $150 million and $400 million respectively in 2024). The share of specialty products will rise tremendously, as Indians will demand better, more functional products. The question is: How do these chemicals fit in with your application play?

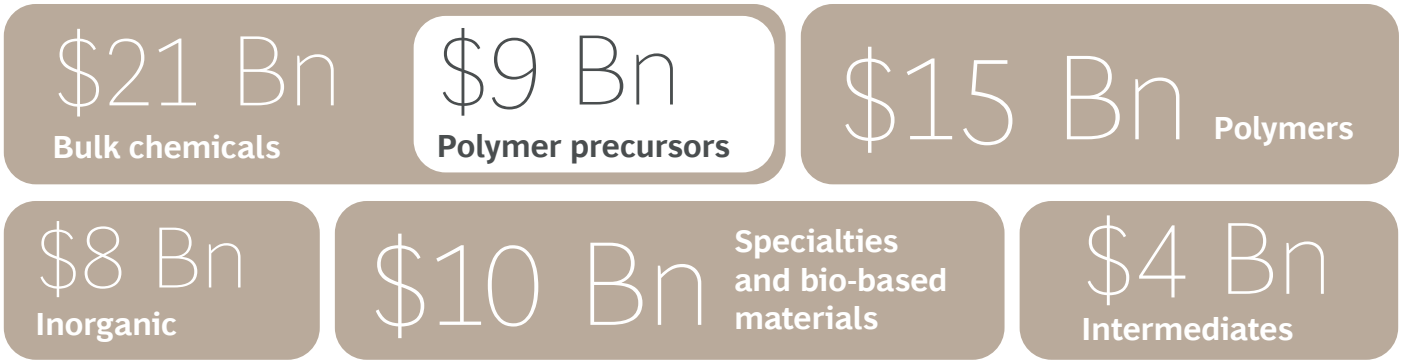
Building out for building up

India is not just importing more; it is also consuming more than ever. This dual momentum strengthens the case for scale, integration, and self-sufficiency. Every ChemCo needs to answer a few key questions before firming up their next 5-year plan—"What will India's scale be in 2030? Do I need to go up or down the value chain? By how much and why? Where is my next big capex outlay? Who are the right partners to make it possible—in technology and capital?"

It is now time to take the classic playbook up a notch—from incremental expansion to full-chain ownership, and from import substitution to global competitiveness.

EXHIBIT 6

India chemical imports (2024)

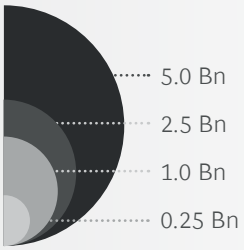


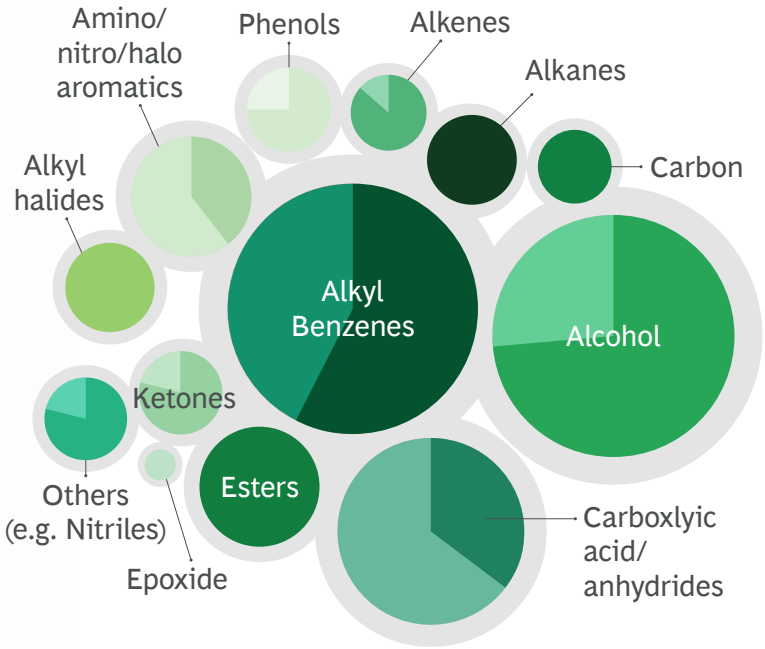
Bulk

Lighter shade of the circle reflects the share of material used primarily for polymers

$21 Bn **Bulk chemicals**

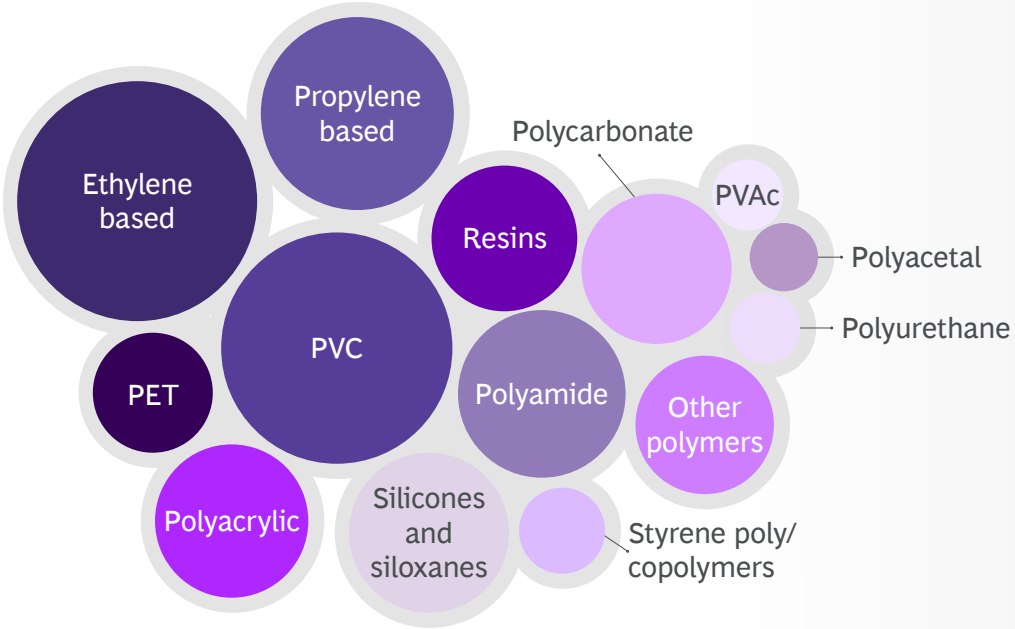
$9 Bn **Polymer precursors**

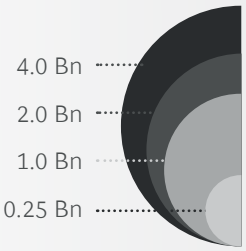




Polymer

$15 Bn



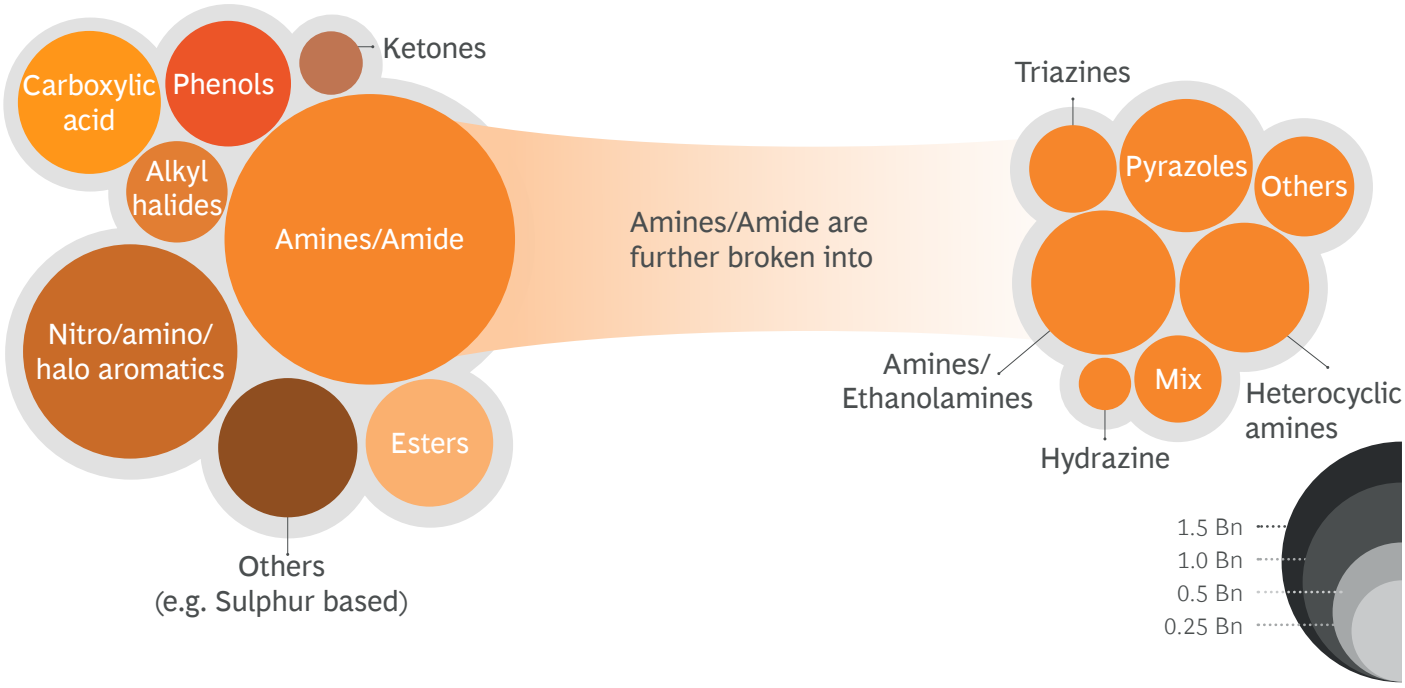


Source: UN Comtrade, Oxford Economics, IHS Market, World Trade Organization, BCG analysis
Note: Totals may not match with EXIM graph as categories like crop nutrition and Pharma APIs, imported in Chemical related HSNs not shown

Continued...

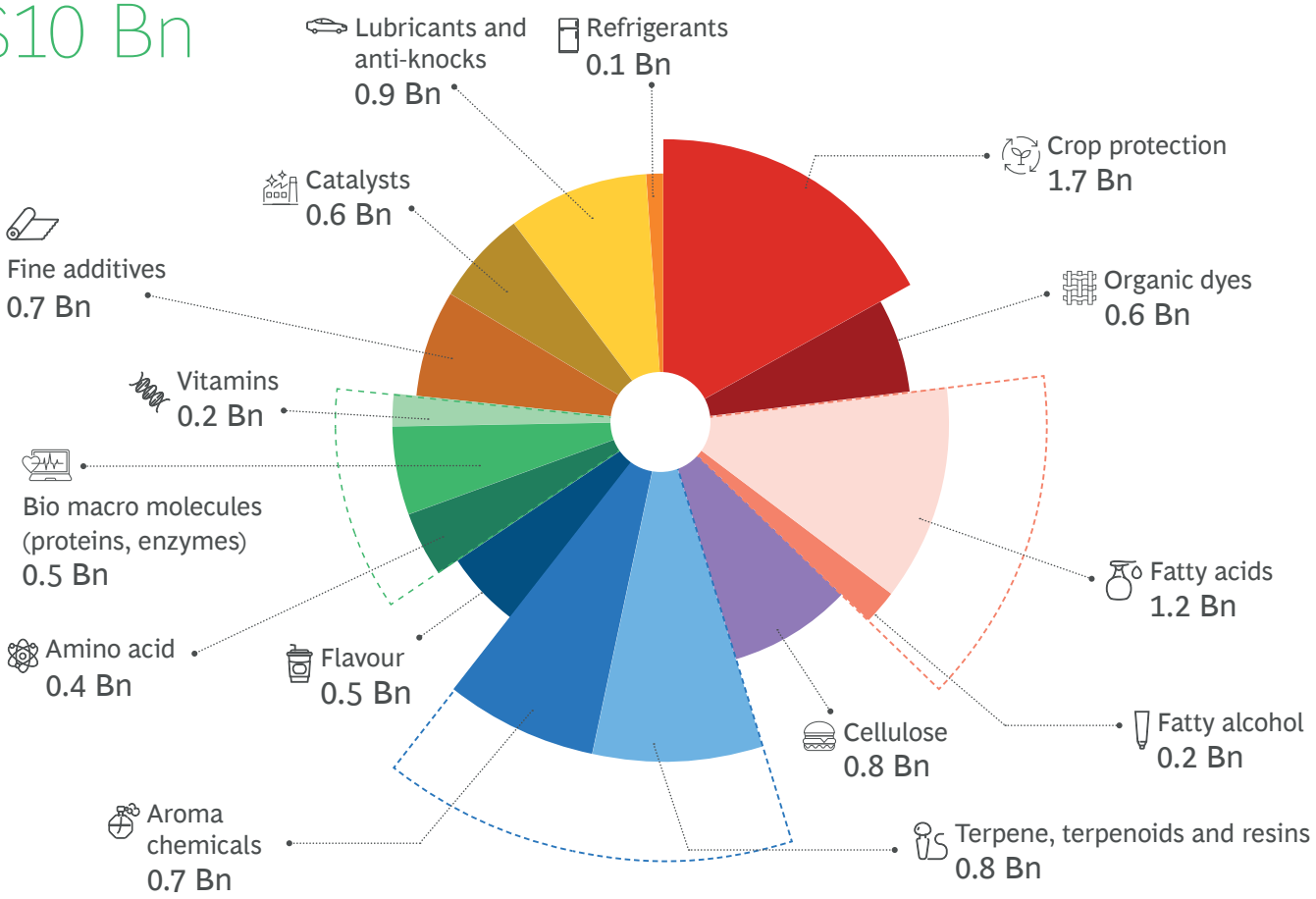
Intermediates

$4 Bn



Specialties and bio-based materials

$10 Bn



Source: UN Comtrade, Oxford Economics, IHS Market, World Trade Organization, BCG analysis
Note: Fine additives consists of Plasticizers, Antioxidants, Accelerators, Flame retardants

4. Scout value in mid-sized European, Japanese firms

Across mature economies, a quiet transformation is underway. Europe and Japan's small and medium enterprises—the backbone of their industrial success—are entering a period of succession and strategic realignment. These firms, often family-owned and technically superb, have long defined the global benchmark for precision manufacturing and process excellence. Yet, the demographic and capital transitions now unfolding inside these countries offer an opening rarely available in developed markets—a window for Indian chemical champions to step in, partner, and scale globally.

Germany's Mittelstand exemplifies this opportunity. Within its industrial fabric lie around 218 chemical companies, each generating annual revenues of between $100 million and $1 billion. More than half of these companies (111) are family-owned, and nearly a quarter of these have promoters above 60 years of age. In Japan, a comparable picture emerges. Out of roughly 147 chemical SMEs in the same revenue bracket, about 33 are family-owned, and nearly half of them have promoters aged 60 and above. (see Exhibits 7 and 8).

For decades, these firms have been global "hidden champions." Even today, they dominate narrow chemical niches and carry reputations built on consistency and engineering rigor. Their strengths are strikingly similar: deep process expertise, a culture of craftsmanship, long-standing customer intimacy, and a relentless focus on a single problem until mastery is achieved.

Many are wrestling with succession dilemmas, as founders look to retire and the next generation hesitates to assume control. Others face an innovation paradox: they possess world-class know-how, but a limited appetite to globalize, with local sentiments—capital and regulations—typically leaning against heavy industry.

This combination creates fertile ground for strategic inorganic plays (acquisitions or alliances) for Indian players. Indian ChemCos are well positioned to play the role of value revitalizers: injecting growth capital, operational scale, and market access into these mature yet under-leveraged enterprises.

A well-structured play can unlock multiple strategic levers:

- **Access to innovation and brands:** These firms carry the 'German technology' or 'Japanese technology' imprimatur—synonymous with quality and reliability.
- **Entry into high-value segments:** Platform based acquisitions in specialty segments can serve as springboards for niche expansion.
- **Talent and know-how transfer:** Deeply skilled engineers, chemists, and product developers—often with decades of tacit expertise—offer intangible capabilities impossible to replicate from scratch.
- **Customer-proximity advantage:** Many firms retain intimate relationships with global OEMs and can quickly open doors in downstream markets as pre-qualified vendors, cutting long-gestation approval cycles.

For execution, Indian ChemCos can pursue three strategic playbooks:

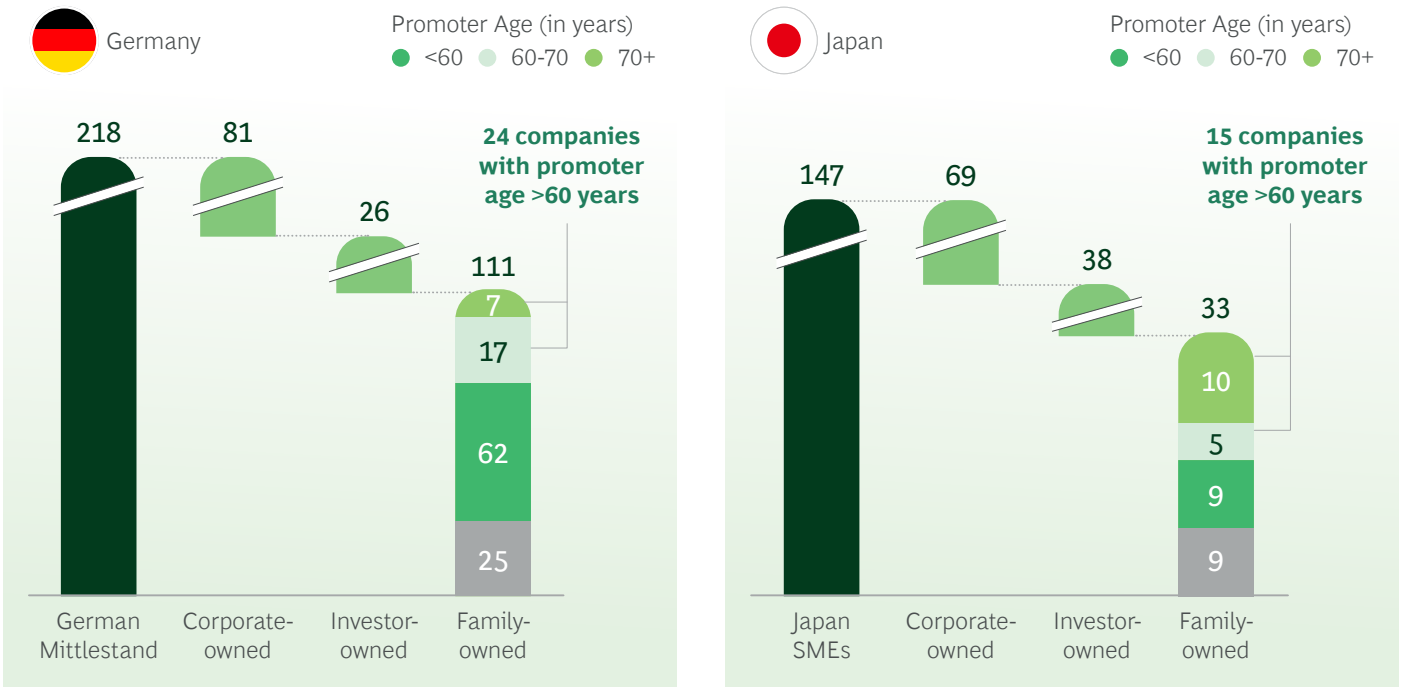
1. **Leverage India as a cost-efficient scale engine:** Pursue a hybrid model. Retain the acquired firm's brand and application-development capabilities in its home market and migrate part of production, sourcing, or engineering to India.
2. **Create a two-way commercial bridge:** Couple their existing products with the existing European or Japanese partner's distribution and customer networks. In reverse, position the acquired firm to benefit from Asia's demand growth.
3. **Build a specialty-chemicals platform:** Use one anchor acquisition as a base and gradually assemble a diversified specialty portfolio. A carefully sequenced roll-up across complementary sub-segments can accelerate access to differentiated value pools.

Cultural alignment will be pivotal. Relationships with founders must be nurtured with patience and respect. History is littered with failed cross-border partnerships born of cultural misalignment rather than strategic misjudgment.

If approached thoughtfully, these acquisitions could serve as India's next globalization play, blending the precision and legacy of mature-market innovators with the ambition, agility, and cost strength of India's emerging champions. For Indian ChemCos poised at the scale-up inflection, now is the moment to look outward, not merely for volume, but for heritage that can be re-energized.

EXHIBIT 7

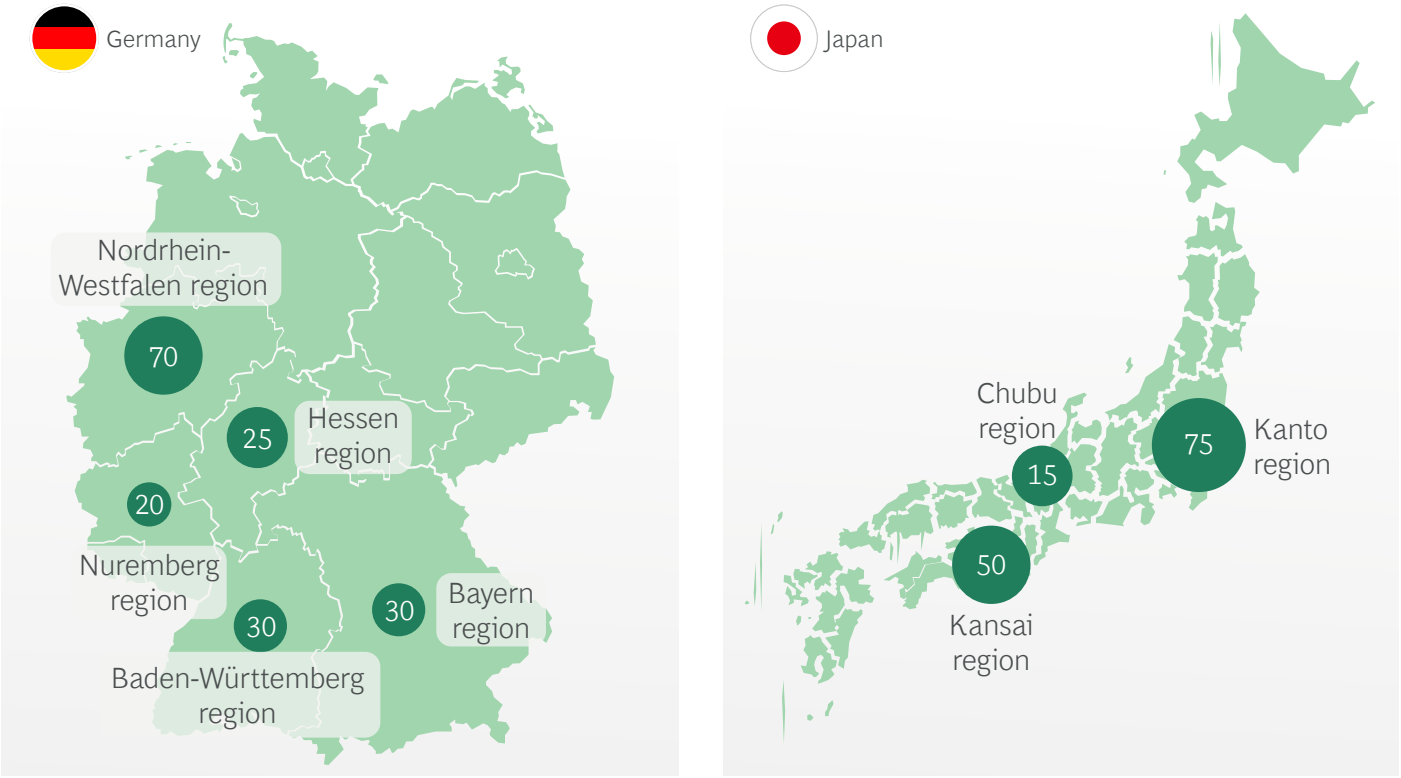
Multiple family-owned ChemCos across Germany and Japan have promoters aged 60 and above



Source: Common register database of German federal states, German economic institute database, CapitalIQ, Crunchbase, Orbis, Publicly available information, BCG analysis
Note: Analysis done for German Mittlestand and Japan SME chemical companies, in revenue range $0.1-1 Bn

EXHIBIT 8

Select clusters host 80%+ of these SMEs



Source: Common register database of German federal states, German economic institute database, CapitalIQ, Crunchbase, Orbis, Publicly available information, BCG analysis

5. Build your own global-India ChemCo corridor

For decades, India has been on the radar as a consumption destination for global ChemCos. That interest, however, has not translated into scaled investments. Most global ChemCos have served the country through imports or distribution arrangements —a low-touch, low-commitment model.

Four factors have shaped that caution: India's scale was once insignificant in global portfolios; structural overcapacity in the region depressed the case for new greenfield investment; there was a perception of operational complexity; and credible local partners were scarce. Together, these constraints have meant that more than half of the world's top 100 chemical companies still lack a significant manufacturing presence in India.

That model—asset-light, import-dependent, and risk-averse—worked for many decades. But its time is up. India is no longer a rounding-off error in global boardrooms. It is a pillar in the global chemicals order, and the question has changed from "why India?" to "how do we build a scale business in India?"

What has changed? Four forces have reshaped India's position: one, its chemical market will become the third largest in the world by 2030 (touching $300 billion); two, incentives are available for the right value chains; three, Indian chemical companies are scaling rapidly; and four, in a world seeking supply resilience, India is the natural option (see Exhibit 9).

This convergence presents a unique moment for win-win partnerships between Global and Indian ChemCos. Each side brings asymmetrical strengths that can create exponential value when combined. Indian players possess a deep understanding of how to navigate India, a proven execution record, cost-efficient project delivery, and ready access to distributors, salesforce, and workforce. They know how to build at speed and scale.

Global ChemCos, in turn, offer the other half of the equation: proprietary process technologies, differentiated product portfolios, global brands, and professional systems across R&D, marketing, and supply chain. They bring credibility with global customers, and the ability to connect Indian assets into worldwide networks of sourcing, innovation, and distribution.

The opportunity is not theoretical—alliances are already forming. The first movers amongst Indian chemical companies are already securing land, locking in engineering partners, and creating the foundation for the partnership. With global EPC and technical bandwidth already stretched, those who move early will shape supply pools, set pricing norms, and establish privileged positions in customer ecosystems.

For Indian ChemCos, this moment calls for orchestration, not opportunism. Partnerships cannot be managed as ad-hoc conversations—they need institutional machinery. Every ChemCo aspiring to collaborate globally should create a dedicated Partnerships Office—a centralized, empowered unit that runs business development with board-level sponsorship. This team's mandate should be to deliver a continuously evolving, successful partnership funnel. It should craft exceptional, tailored pitch documents, curate investor conversations, and act as a single interface with potential global partners.

The Partnerships Office must work like a clockwork system—connected directly to the promoter, yet professional in its rhythm. It should prepare leaders before every engagement, mobilize experts for each pitch, and pull in external advisors when needed to tailor proposals. Its purpose should be to not only sell capacity, but also to sell confidence—to demonstrate that Indian ChemCos can execute with world-class rigor and are ready to co-invest, co-develop, and co-scale. Direct promoter access breaks bottlenecks, accelerates approvals, and signals intent to move fast.

Global chemical majors, on the other hand, must embed pragmatism in their partnership outreach. They must set a large ambition for on-ground assets and presence—it needs to be bold to match the opportunity and be of a scale that counts in the Indian ecosystem. They must look beyond the few well-known names to the many emerging Indian ChemCos for opportunities. Emerging ChemCo promoters are a great match for what global companies need—an entrepreneurial zeal and a willingness to spend their own time to scale at speed. This needs to be mirrored with decision-making agility at the global ChemCos—by empowering local teams and avoiding unwanted global approval loops.

The window is open, but it will not stay this way for long. Global ChemCos are already evaluating options, and Indian ChemCos are competing not just on cost, but on credibility and ambition. The next phase of India's chemical scale-up will be written not only by solo players, but by coalitions that combine local depth with global reach. The time to reach out—systematically, professionally, and boldly—is now.

EXHIBIT 9

Building a win-win partnership

Indian ChemCos	Global ChemCos
Navigating India: How to start and scale-up in India	Proprietary product and process technologies
Access to skilled and cost-competitive labor base	Access to global vendor and customer networks
Proven record of executing capex in India on-time and in-budget	Mature internal processes- sales, SCM and marketing
Ready, scalable market and channel access	Globally recognized brand name
Faster non-bureaucratic decision-making, backed by ambition	Financial muscle to insulate against supply chain volatilities

Source: BCG analysis

Organizational Muscles to Build

6. Develop true marketing strength

Indian ChemCos have mastered production. They must now master perception. Global scale demands more than manufacturing excellence—it requires brand power and commercial credibility. For too long, Indian players have remained invisible exporters, supplying quality products that few customers can name. To lead on the world stage, India's chemical champions must look, act, and communicate like global institutions.

The agenda for Indian ChemCos is clear.

This begins with presence. Establishing regional footholds in two or three strategic markets—North America, the Dreiländereck region, and East Asia—is key. Start with small trading entities, warehouses, and local service teams that build customer proximity and trust. Visibility converts curiosity into confidence.

In parallel, create a unified global identity. Simplify legacy names, refresh logos and websites, and pivot messaging from "products sold" to "solutions delivered." Every digital touchpoint should signal reliability, scale, and contemporary design. Simultaneously, trademark core product families and harmonize naming conventions to reinforce consistency across markets.

Treat marketing as a capability, not a cost. Build a modern inside-sales engine—digital marketing, lead nurturing, analytics-based targeting—to complement field sales. Participate in five global trade forums every year with senior representation; brand familiarity builds compound returns over time.

Finally, hire seasoned international sales leaders across your key export markets. Structure compensation for performance, not presence—modest fixed pay, strong upside, and autonomy.

Credibility precedes contracts as you move up the value chain. Those who invest early in reputation, relationships, and reach will find that markets open faster than plants can expand.

7. Improve margins by 200-300 bps with digital+AI at the core

The margin squeeze in chemicals is real. For Indian ChemCos built on complex yet generic products, that pinch is sharper—particularly with global competitors' scale. Companies will not cost-cut their way to competitiveness henceforth. Competitiveness requires reimagination.

Think about what is possible if innovative technologies—AI included—are used as strategic levers. Set a clear ambition: 200 to 300 bps uplift in margins, not as a dream, but as a design constraint. Then pick a few functions-supply chain, front-end sales, regulatory, formulation R&D, finance, or others, and ask a quite simple question:

> If we rebuilt this function from scratch with technology at the core, what would it look like?

Start from business outcomes, and not from existing processes.

How can you improve inventory levels, cost, and OTIF simultaneously if technology can enable planners to spend 80% of their time on judgment, rather than on spreadsheets?

How can you compress NPD cycles by at least 50%, if AI could scan claims, regulations, and market chatter and serve your teams 10 viable starting formulations in hours, not months?

How can your salesforce deliver 3x growth in your premium portfolio, if technology handles sales service and admin, and frees them to spend 80% of their time on true customer success?

This is business-first thinking, not a tech shopping list. As a corollary, the program cannot be parked in the CIO's office. It must be business-led, and tech-supported. Create centralized steering mechanisms and involve CXOs and cross-functional leaders deeply. Their job is not to attend status meetings; it is to set the business ambition, make trade-offs on where to focus, and demand value from Day 1.

Underneath this, invest in a backbone that can carry the weight of ambition. You need systems to capture latent information, a serious focus on data cleanliness, data science and analytics capabilities that can build and implement algorithms, and a scalable and modern tech-stack tailored to your business needs.

And then, the part that everyone underestimates. This is people transformation, disguised as a technology program. Technology and algorithms are, at best, 30% of the value in an AI-led transformation. The other 70% live in people, organizations, and ways of working. Overinvest in designing new operating models for reshaped functions-governance systems, KPIs, simplified decision rights, and change champions.

Communicate the ambition clearly—including what will change, what will not, and how long it will realistically take. That is how you build trust and avoid the fear and misconceptions that quietly kill most tech-led programs.

The result is an organization that has learnt a whole new "way of working," where tech is embedded, where people focus on the higher value-added areas, and one where the operating model is set to be world-beating.

8. Talent, talent, talent

India's growth has long been driven by 'Superman Entrepreneurs' (SEs)—founders who built businesses through sheer willpower. But at scale, those very traits can limit growth. The next decade will test whether Indian ChemCos can evolve from personality-driven enterprises to institution-led organizations. Such a shift requires organizations to do the following:

One, pivot the mental model. SEs rely on a trusted core and direct command. True scale demands the opposite—leaders who can delegate, empower, and let professionals lead. Promoters must define where their involvement adds value—and, therefore, must know when they must step back.

Two, build talent mass across layers. Go beyond legacy hiring pools; actively market yourself as an employer of choice. Recognize that young talent is mobile—most will not stay for life. Scale entry-level and mid-level hiring meaningfully; adding just 4-5 people annually will not move the needle. Build density, so that "outsiders" have peers and support systems to integrate successfully.

Three, strengthen HR to match scale. Institutionalize performance reviews, talent planning, and leadership development. Empower professional managers with defined KPIs and clear decision rights. Promoters must relinquish operational control to free up bandwidth for strategy and growth.

Lastly, and most importantly, plan consciously for succession. Succession planning is both strategic and emotional. For many SEs, business is their life's work; for the next generation, it is inherited wealth, and they may have different life preferences. Create a '2030s Promoter Charter' that sets out a shared family vision, individual responsibilities, and capital allocation principles. Clearly assign domains to each promoter to prevent overlaps, ensure accountability, and preserve unity of purpose.

9. Bet on new technology as a chemical-focused VC

Establish a separate growth engine within the company that operates with a venture capital mindset. This "startup inside the firm" has one purpose: to test bold bets that may not yield immediate RoI but can unlock disproportionate long-term value.

This engine must live by different rules.

Allocate a dedicated capital pool for exploratory initiatives—new chemistries, advanced materials, sustainability, or digital platforms. These are not routine capex projects; they are controlled-risk, high-reward experiments, which can take time to fructify from pilot to scale.

To deliver impact, build an independent ventures structure. Create a small, empowered team with its own KPIs, separate governance, and access to promoter oversight when needed. Compensation should mirror the entrepreneurial world—sweat equity, long-term incentives, and recognition linked to milestone value creation, not quarterly targets. Running it in parallel preserves core business stability while enabling entrepreneurial speed, autonomy, and ambition.

Be comfortable with ideas that pursue nontraditional business models—like tech-enabled services, data monetization, technology partnerships, or outcome-based pricing—and grant the freedom to pivot as markets evolve. Fail fast, learn faster—and create a culture where failure is not feared.

Finally, communicate the story boldly. Position this engine as the company's long-horizon value creator. A venture portfolio signals future leadership, attracts strategic partners, and builds valuation premium.

10. Invest in 1-2 fundamental R&D fields

Ambitious ChemCos must commit an additional $2.5-5 million annually—above existing budgets—to fundamental technologies 10+ years ahead of the curve. Identify 1-2 technologies closest to your core, those that can radically disrupt your industry over the next decade or two. They could be continuous flow or micro reactors, electrochemical or (syn) biological synthesis routes, alternative bio-based feedstocks, advanced materials as catalysts or separator membranes, to name a few. Treat this as strategic capital, not a discretionary expenditure. To anchor this commitment:

First, build a world-class formulation and digital infrastructure. Establish modern formulation labs in hubs suitable for your operations among Thane, Turbhe, Ahmedabad, Chennai, Vizag, and many more emerging options; deploy simulation and data management platforms to accelerate testing and shorten development cycles.

Second, institutionalize stage-gated new product development. Embed Design-Build-Test-Learn (DBTL) processes to speed launch and derisk R&D portfolios. Expect a two to three year maturity curve before tangible payoffs emerge.

Third, partner with the ecosystem to access and retain global-caliber talent and technologies, as well as share risk and upsides. Offer performance-linked equity or long-term incentives to experienced formulation scientists, and partner with universities through sponsored labs and research scholarships to build a pipeline of future innovators.

This discipline—consistent annual reinvestment in knowledge—will enable ChemCos to transition to higher-end chemistries, deep specialties, and application plays. Compounding can start the day you commit.

Conclusion

As the promoter of an Indian ChemCo (or a senior exec running one), you have no shortage of opportunity, tailwinds, or capital. What you are short of is time. India is moving fast.

The truth is this: over the next 10 years, some Indian ChemCos will break away from the pack. They will invest and build with boldness while others enter the eternal wait for certainty. They will professionalize before scale forces it. They will build global commercial and partnership muscles while others keep tweaking plant yields and debating capex. Those companies will not just add a zero to their top line; they will set the standard for how a global-scale ChemCo can be built in India.

May that be you.

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Acknowledgments

The authors would like to thank Tanvi Shettigar, Utkarsh Kumar, Giridhar Ganesh, Dhanesh Bhutada, Manav Mehta, Sahil Puri, Kshitij Sovanee, Samyak Saraogi, Abhrajit Guria, and Arkopam Das for their inputs and analytical work in support of this effort.

We extend our gratitude to the BCG India Marketing Team, especially Simran Wadhwa and Bhumika Gupta, for managing the marketing. We would also like to thank Saroj Singh, Ratna Soni, Soumya Garg, and Soundarya Kanthan for their contributions to the editing, design, and production of this report.

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