



PwC's 12th Family Business Survey

Indian family businesses: The age of reinvention



Executive summary

Family businesses around the world are navigating a decade defined by unprecedented complexity. From geopolitical realignments and technology acceleration to rising stakeholder scrutiny, family businesses are operating in a fundamentally transformed landscape. Capital cycles are tightening, industries

are converging, digital disruption is accelerating, and the margin for error is narrowing. Against this backdrop, India's family businesses stand out for their optimism, agility, and long-term orientation. The India findings of our Global Family Business Survey highlight the need to strengthen digital enablement, governance, succession

planning and risk preparedness. The report blends global trends with India-specific insights, presenting a narrative of confidence, structural evolution, and reinvention.



Backdrop

India's family businesses have been contributing the predominant share to the country's GDP and employment. In a decade defined by a young workforce, digital acceleration, and rising global relevance, their **purpose-driven ethos, patient capital, and deep people commitment** position them uniquely for India's next growth curve.

The report interprets the findings of our 12th Global Family Business Survey through the lens of how **purpose, patience, and people** will shape the contribution of India's family businesses in the narrative of 'kal ka Bharat'.



About PwC's 12th Family Business Survey

PwC's 12th Global Family Business Survey was conducted online in collaboration with the John L. Ward Center for Family Enterprises at Northwestern University on behalf of its Kellogg School of Management. It engaged 1,325 family business leaders globally through online interviews averaging 27 minutes, which were conducted across 60+ territories. In India, around 40 family business leaders participated in the survey, providing a focused view on the priorities and concerns of Indian promoters, board members, and next-generation leaders.

A shifting global landscape: India's divergent family business momentum

Family businesses globally are experiencing a period of widening performance divergence. **Only one in four family businesses achieved double-digit growth in the last year, down from 43% two years ago.** This marks a return to a mid-pandemic level and underscores the mounting pressure facing even the most resilient enterprises.

The operating environment is being reshaped by geopolitical alignments, shifting trade flows, climate concerns, regulatory tightening, and rapid emergence of GenAI. Traditional advantages such as patient capital and long-term orientation now face new constraints as industries undergo deep structural shifts.

PwC's Value in motion study¹ highlights that many traditional value pools are being disrupted as sectors reorganise into dynamic, interconnected ecosystems. New sources of value are emerging at the intersections of industries, while legacy business models face increasing pressure. In this context, the margin for error is narrowing considerably.

Amid this complexity, many global businesses are pivoting towards stability. High-growth bets are giving way to measured, steady-growth strategies. Only a small minority actively innovate during periods of disruption, and even fewer undertake full business reinvention. This cautious posture suggests that some family enterprises may underestimate the pace at which value shifts are occurring across industries.

At the same time, technology remains central to future competitiveness. Technological advancement and digital transformation rank among the top global priorities, and 60% of family businesses view GenAI as a meaningful growth opportunity. Early adopters are already seeing benefits in areas such as pricing responsiveness, customer engagement, and operational efficiency.

High-performing global family businesses distinguish themselves by converting traditional strengths to modern capabilities. They codify purpose and use it as a strategic compass, leveraging structural agility to make faster decisions, deploy long-term capital with conviction, and activate their reputation as both a legacy to protect and a lever to unlock growth across ecosystems.

¹ <https://www.pwc.com/gx/en/issues/value-in-motion.html>

Within global volatility, India's family enterprises are charting a sharply different trajectory. **While only a quarter of global family businesses achieved double-digit growth last year, more than half of Indian respondents expect strong expansion ahead and very few anticipate a decline.** This divergence reflects India's economic momentum and an entrepreneurial instinct that continues to drive confidence, agility, and long-term orientation.

These distinctions set the stage for the six themes shaping the evolution of India's family business landscape.

Key themes and highlights



Growth sentiments

- 91% of Indian family businesses expect growth in the next two years (global: 73%).
- Confidence among Indian family businesses in the country's growth has further strengthened since 2023 (from 88% to 91% in 2025), while global confidence has declined (from 77% to 73%).
- Over 55% of Indian respondents are looking at aggressive expansion (global: 16%).



Risk and resilience

- Indian family businesses are resilient and less impacted by megatrends. Only 39% of the India respondents state that economic volatility, inflation, and supply chain disruption impact their businesses (global 58%)
- 21% of Indian respondents believe that technological innovation (including AI and automation) will greatly impact their businesses (global 31%).



Technology and digital maturity

- Digital transformation and AI adoption are prioritised by 39% of Indian family businesses (global: 24%).
- Technological advancements are viewed as a major opportunity driver for growth and competitiveness by 73% of India's family businesses (global: 65%).
- Despite the intent towards new-age technology investment, implementation remains selective. Only 15% of Indian family businesses identify themselves as early adopters, while 30% follow a selective approach and 30% prefer a wait-and-see stance.



Purpose and values

- 91% of Indian family businesses have clearly defined family values which function as their strategic compass (global: 83%).
- 79% say consumer trust is higher in family businesses (global: 74%).



Governance gaps

- 52% of Indian family businesses lack cross-industry board representation (global: 29%).
- 42% have no women on board (global: 32%).
- 30% have family-led boards (global: 33%).



Succession readiness

- 36% of Indian family businesses have no clear succession plan (global: 28%).
- 21% have delayed transition to the next generation due to uncertainty (global: 10%).
- 52% cite senior-generation resistance to next-generation readiness (global: 29%).



India's six defining forces reflect that a deeper shift is underway. As the country enters a demographic peak and a period of accelerated digital expansion, family enterprises are emerging as architects of 'kal ka Bharat', converting structural strengths into long-term advantage. These themes not only highlight where India diverges from global patterns but also reveal how purpose, patience, and people-centric stewardship are shaping a uniquely Indian model of resilience and growth. What follows is a deeper exploration of each theme and the survey findings that highlight their impact.





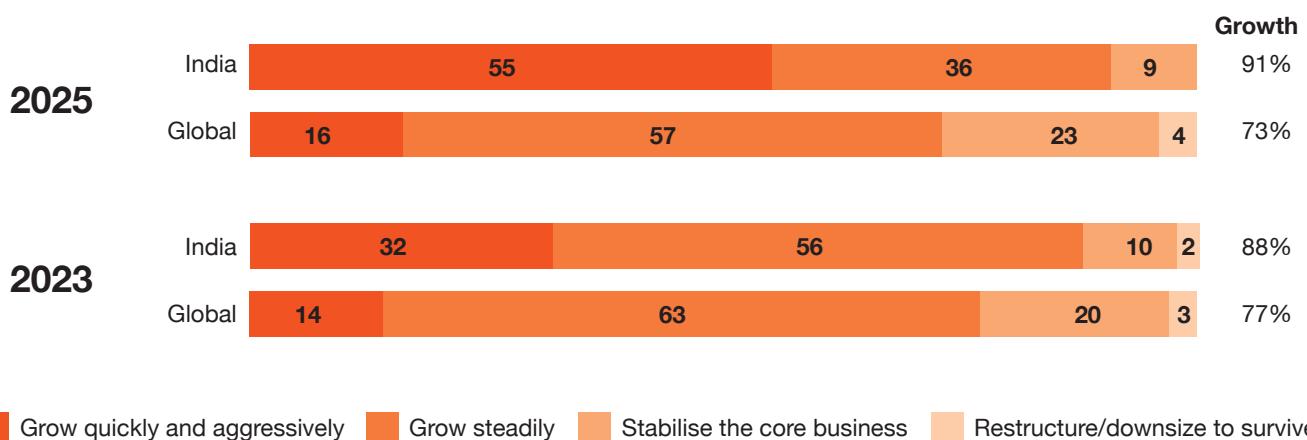
Growth and sentiments: Unmatched ambition

Indian family businesses will enter the next decade with one of the strongest growth outlooks globally. **55% of Indian respondents expect significant expansion in the next two years; the global sentiment, in contrast, is much more cautious at only 16%.**

This optimism is grounded in real structural strength which includes a young population, scale of domestic market, sectoral diversification, and rising sophistication in family-led enterprises.

Unlike many global peers who are moderating ambitions due to geopolitical and economic volatility, Indian business families remain forward-facing, confident in their ability to grow across adjacencies, launch new verticals, and expand beyond domestic markets. This ambition also reflects an entrepreneurial mindset that prioritises opportunity creation over risk avoidance, a characteristic that continues to differentiate Indian family enterprises in the global arena.

Which of the following best describes your company's ambitions for the next two years?



The findings of our recent Annual Global CEO Survey reinforce the positive growth outlook: 77% of India CEOs expect stronger domestic economic growth and 57% express high confidence in near-term revenue prospects for their organisations. Read together, these insights indicate

that confidence in India's growth trajectory is shared across ownership and management models, reflecting a broad-based belief in the ability to convert macroeconomic momentum into sustained business performance.²

² <https://www.pwc.in/assets/pdfs/pwcs-29th-annual-global-ceo-survey-india-perspective.pdf>



Our perspective

Strong macroeconomic fundamentals and the scale of our domestic market are compelling reasons for the high growth ambitions of Indian family businesses. However, they must sharpen their competitiveness for domestic

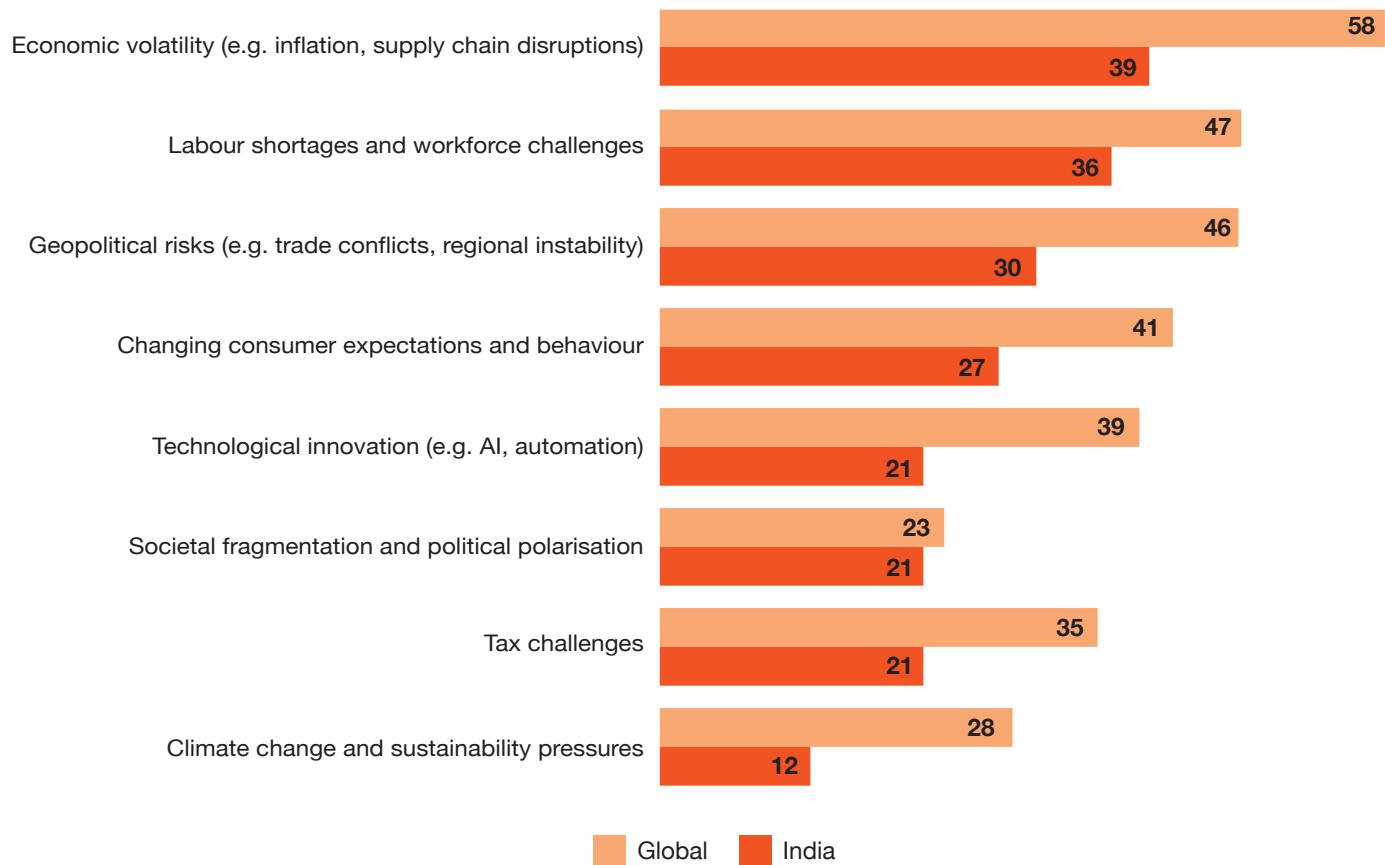
and global consumers. It is also necessary to follow disciplined capital deployment, adoption of advanced and emerging technologies, and governance structures capable of supporting multi-sector expansion.



Risk and resilience: India's response to global uncertainty

Global megatrends such as economic volatility, labour shortages, and geopolitical disruption continue to weigh more heavily on global family businesses than they do on India.

Most impactful global megatrend on family business in the past year



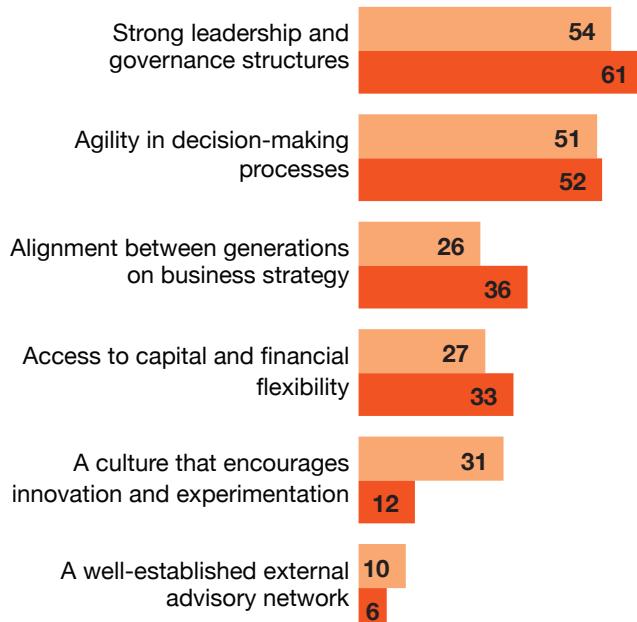
For Indian enterprises, the primary challenges are internal rather than external. Generational misalignment, limited expertise in emerging areas including technology, and a slower culture of experimentation shape the country's resilience profile. This indicates that Indian family businesses are more affected by internal preparedness and strategic alignment than by external shocks, even as global volatility accelerates.

This is primarily due to the strong and large-scale domestic market consumption and available pool of the workforce.

Further, strong leadership, swift decision-making, and financial flexibility enable adaptation to change. However, alignment between generations remains uneven, and gaps persist in capabilities linked to technology and sustainability.

Indian firms are also more conservative in encouraging experimentation, which limits their responsiveness to disruptive shifts. Financial constraints, uncertainty about market conditions, and resistance among senior leaders further hinder smooth adaptation and continuity planning, even when broader economic conditions are favourable.

Factors best enabling family businesses to adapt to change



Factors most hindering family businesses from adapting to change



Global India



Our perspective

For Indian family businesses, resilience must be built from within through stronger governance, capability building, alignment across generations, and structured approaches to risk and continuity planning.

Further, as businesses expand into newer territories and areas, developing robust risk frameworks, enterprise risk management, and technology-enabled discipline will become increasingly important to navigate future uncertainty.



Technology and digital maturity—moving from digitisation to intelligence

Indian family enterprises have made significant progress in digitising core operations. Many have modernised ERP systems, automated workflows, and implemented digital dashboards. 39% of respondents now prioritise digital transformation

and AI, compared with 24% globally. However, adoption of advanced technologies remains selective, with 24% of Indian family businesses still in the selective investor or cautious adopter categories (global: 8%).

Investment approach in emerging technologies



The next phase of transformation requires moving beyond operational digitisation towards intelligence-driven systems that enhance decision quality. AI's real impact comes when organisations shift from tools to trust-based systems that enable predictive analytics, AI-enabled governance, digital risk monitoring, and integrated data ecosystems.

As India accelerates its AI readiness, family enterprises must build internal capabilities, invest confidently in future technologies, and embed responsible AI practices. This evolution will allow decisions to become faster, sharper,

and more transparent, strengthening competitiveness in an increasingly complex market.

As per the India edition of our 29th Annual Global CEO Survey report,³ 66% of India CEOs (as against 42% globally) are concerned about keeping pace with AI. Indian CEOs are cautiously applying and implementing AI, which signals room for exponential progress in the future. As Indian family businesses move from cautious pilots to scaled use cases in their AI journey, they will hopefully transform operations, accelerate innovation, and create new pathways for value creation.



Our perspective

India has achieved scale in operational digitisation. The next advantage will come from using data intelligently to make sharper, faster, and more evidence-based decisions. As business move forward, technology investment

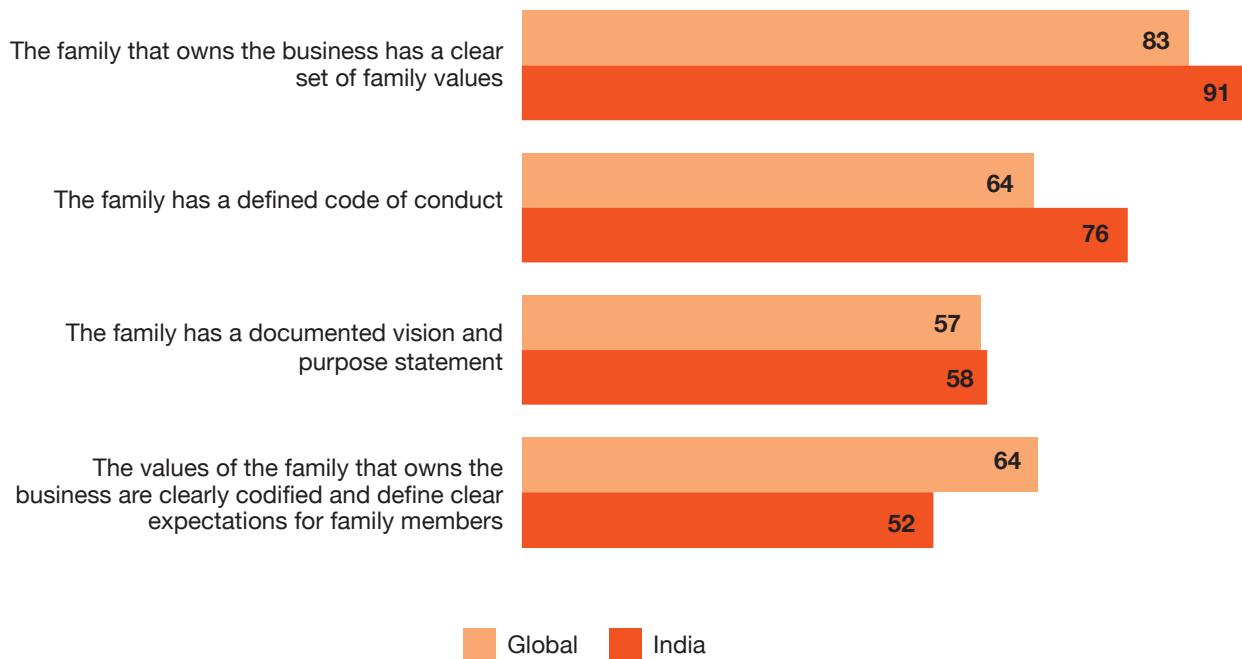
should be viewed as a strategic enabler rather than a cautious cost consideration, with focused commitment towards strengthening decision systems, advanced analytics, and digital governance.



Purpose and values as strategic anchors

Purpose and values remain foundational to Indian family enterprises. 91% have clearly articulated family values, compared with 83% globally.

Agreement with statements

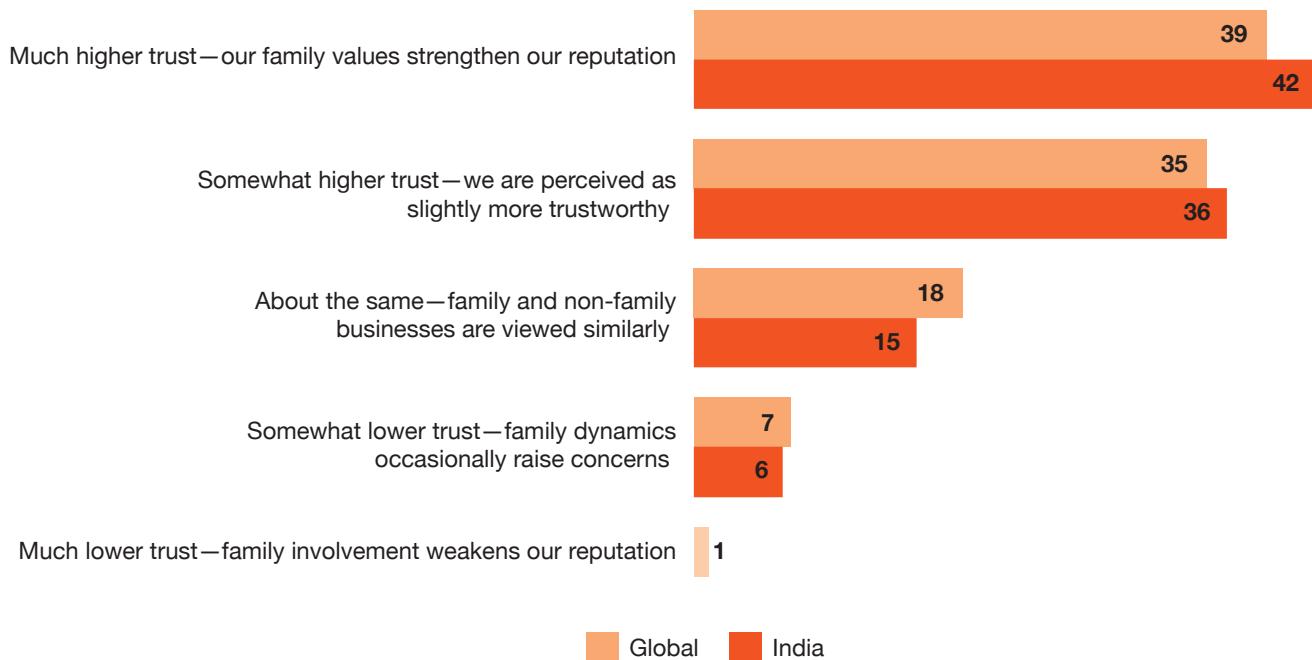


42% of Indian respondents say family values strengthen reputation, compared with 39% globally. While the difference is modest, family presence in India is closely associated with trust, continuity, and accountability. Stakeholders view family stewardship as a sign of integrity, commitment, and long-term stability.

Family involvement signals that decisions are shaped by

relationships, legacy, and reputation, not just commercial priorities. This reinforces confidence that the business will uphold its values and honour its commitments. In a market where credibility and consistency matter, visible family leadership enhances brand equity and strengthens stakeholder trust. Indeed, 79% believe trust in family-owned businesses is higher than that in non-family organisations.

Level of trust in family business in terms of trust and reputation with customers, employees, and partners, compared to non-family businesses



“ Family firms that articulate a shared purpose, embedded within both the ownership and the organisation, often exhibit sharper strategic focus. That purpose acts as a unifying vision, guiding decision-making and aligning stakeholders across generations. In such environments, performance is no longer measured solely by growth metrics or innovation outputs, but by the degree to which these achievements serve a broader mission. As uncertainty and market disruptions increase, having a strong sense of purpose will become even more important.”

Matt Allen

John L. Ward Clinical Professor of Family Enterprises, Kellogg School of Management, Northwestern University



Our perspective

Purpose has strategic value when codified. Family constitutions, governance agreements, and defined behavioural standards help translate cultural anchors into institutional strength.



Governance gaps—from familiarity to future readiness

Governance is India's most urgent and visible structural gap. Many Indian family businesses continue to operate with boards that lack cross-industry representation, gender diversity, independent expertise, and external perspective. While board size is often larger than the global average, composition remains skewed towards familiarity rather than balance.

A notable omission is younger-generation

representation, which limits fresh thinking and future-ready capabilities at the board level. Family-led boards, limited external voices, and narrow experiential diversity constrain strategic and long-term oversight. Together, these gaps underscore the need for more balanced, professional, and strategically oriented governance structures as Indian family enterprises scale across entities, sectors, and generations.

6.6

Average number of people on the board of directors

The global average is 5.0

As Indian businesses expand across multiple geographies, sectors, and generations, informal decision-making models reach their limits. Without diverse boards, independent

42%

Have no women on the board
(vs 32% globally)

30%

Have only family members on the board
(vs 33% globally)

45%

Have no one aged under 40 on the board
(vs 59% globally)

52%

Have no one from a different industry background on the board
(vs 29% globally)

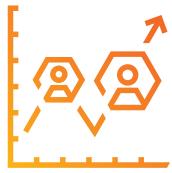
oversight, and structured governance, risk management weakens, strategic choices become narrower, and succession becomes more difficult.



Our perspective

Governance is shifting from an administrative requirement to a strategic capability. Strengthening board composition, decision rights, and family governance frameworks is essential for scale and resilience. Clear family constitutions, shareholder agreements,

structured policies, and conflict resolution mechanisms enhance clarity, reduce friction, and support faster decisions. Diverse and well-prepared boards become critical as businesses expand across sectors, geographies, and generations.



Succession readiness—India's most sensitive transition

Succession remains one of the most emotionally and operationally complex areas for Indian family enterprises. Many businesses continue to navigate leadership transition without a clearly defined plan, while others are delaying the handover due to uncertainty and changing industry dynamics.

Two layers add to this complexity: Management succession often progresses informally, guided by relationships and legacy rather than structured capability pathways. Ownership succession,

involving control, voting rights, and stewardship, is even less systematically planned, creating ambiguity for both current leaders and the next generation.

Resistance from senior leaders continues to slow preparedness, and next-generation members often feel under-enabled despite strong aspiration. As businesses expand, unclear expectations and informal decision norms increase transition risk.

52%

36%

30%

Have no clear succession plan
(vs 28% globally)

Continue with their original transition timelines
(vs 47% globally)

Say resistance from the senior generation is the most common barrier to next-generation readiness

(vs 29% globally)

21%

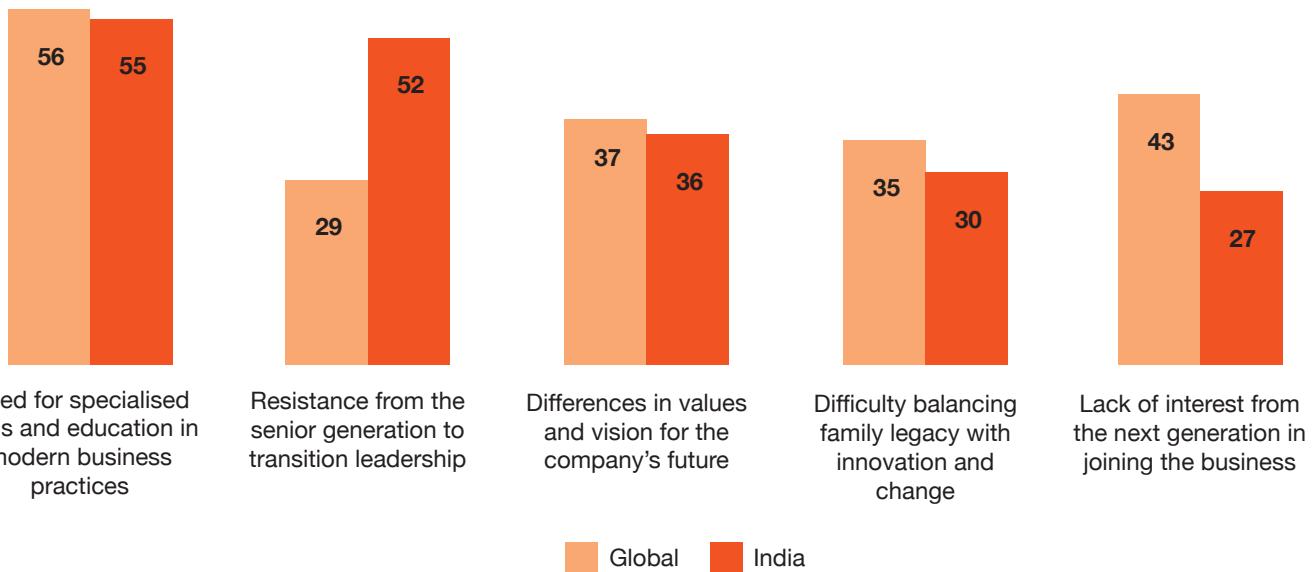
27%

Have delayed succession due to uncertainty
(vs 10% globally)

Have lack of interest from the next generation in joining the business
(vs 43% globally)



Challenges faced with next-generation preparation



The next generation is more engaged than ever, but readiness gaps, unclear expectations, and limited development pathways impede smooth leadership transitions. As businesses become larger and more complex, both dimensions of succession need to be addressed—leadership and ownership—and they require

clarity, preparation, and alignment between generations on priorities. When these transitions remain informal and unarticulated, continuity weakens. Further, the organisation becomes more vulnerable during periods of change, and informal, personality-driven leadership transfer becomes increasingly risky.

“

To capitalise on agility-related benefits, family businesses should focus on developing strong leadership that recognises and is able to exploit structural benefits. This ability is most important during leadership transitions. It is essential that families focus on preparing leaders who can think and act strategically, not just maintain what was accomplished by their predecessors.

Matt Allen

John L. Ward Clinical Professor of Family Enterprises, Kellogg School of Management, Northwestern University



Our perspective

Succession must be redesigned as a structured, patient institutional process, covering both leadership succession and ownership succession.

Capability building, transparent timelines, and complete alignment on purpose among family members are critical to ensuring continuity and protecting the long-term stability of the business.

Gearing up for the future

India's family businesses are entering a decisive decade. Growth momentum is strong, but the future will be shaped by enterprises that **deepen their purpose, invest in**

people, strengthen governance, and exercise patience in capital allocation and long-term decision-making.

Five defining transitions ahead

01

Digitalisation → Decision intelligence

Digital adoption will progress towards intelligence-driven organisations where AI-enabled foresight, predictive analytics, and data-led governance shape strategic decisions and competitive advantage.

02

Immediate risks → Structured resilience

Risk responses will shift from reactive and event-driven to structured resilience built on scenario planning, future capability development, stronger governance, and generational alignment.

03

Agility → Institutional strength

Rapid decision-making will mature into consistent, reliable, and structured operating models that balance speed with discipline, enabling scale across geographies, entities, and generations.

04

Promoter-led → Professional support for leadership

Leadership models will increasingly blend entrepreneurial instinct with professional depth, bringing non-family expertise, modern skills, and institutional leadership pathways to support sustainable growth.

05

Values → Codified governance

Family values will evolve into structured governance frameworks that include formal family constitutions, clear shareholder agreements, explicit policies, and well-defined succession structures. This shift will anchor decision-making and continuity as businesses expand.



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