

India: The World's Fastest-Growing Major Economy

India is not just a market, it's a movement. From the ancient Silk Road to the modern Digital Highway, India has always been the bridge between ambition and achievement.

GDP in FY2024 - 2025

(approx. US\$3.75 trillion)

Global Ranking

4th Largest economy by nominal
GDP

Projected Growth

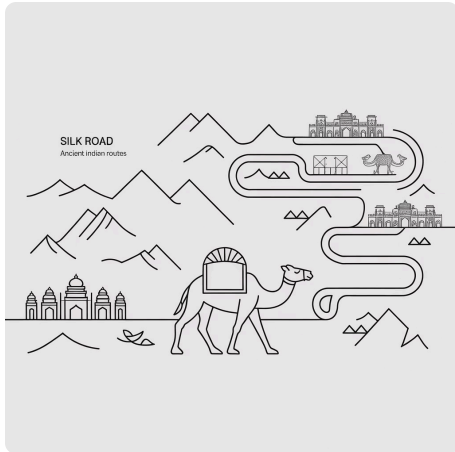
India's economy could reach \$20.7 trillion (PPP) by 2030

From ₹2.7 lakh crore GDP in 1991 (approx. US\$270 billion) to today's powerhouse economy, India stands as the 3rd largest economy by PPP with projected real GDP growth among the highest for major economies worldwide.

INDIA: PAST AND FUTURE



India's Economic Evolution: From Trading Hub to Global Powerhouse



India was the richest country in the world until the British invasion in the early 17th century. Christopher Columbus was attracted by India's wealth and was looking for a route to India when he discovered America.

Ancient Era

- 1 Global Trade Hub: India once controlled about **25–30% of the world's GDP** (up to ~1700 CE), thriving through spices, textiles, and gems.

1991 Liberalization

- 2 Economic Liberalization: License Raj dismantled, foreign investment opened up — India's GDP was ~\$270 billion.

2000s

- 3 Growth of 2000s: IT and service exports surged (India became major exporter of software & services).

2014-2024 Digital Revolution

- 4 Digital India initiatives (UPI, JAM), Startup India propelled **GDP to ~US\$3.7T**

INDIAN TECHNOLOGY HUBS



Indian Demographics: The Ultimate Growth Driver

India is not just large by population, it's young by aspiration. Every third person below 25 years of age in the world is an Indian.

Population Power

~1.47 billion people (mid-2024/2025 estimates)

~65% under age 35

Median age: ~28 years

Workforce Strength

~64.33 Crore working-age population

Projections through 2040 show continued growth

India is projected to produce 18 million STEM graduates by 2027.

Digital Connectivity

969.10 million internet users (March 2025)

~1.17 billion mobile connections

125M+ English speakers



Why India? The Compelling Business Advantages



Massive Market

By 2031, India's middle class is projected to reach **38% of the population** and drive **55% of consumer spending**, with total expenditure rising from **US\$1.9 trillion to US\$5.2 trillion**; by 2047, the segment is expected to grow to **60%—over one billion people**. This represents unprecedented consumer potential and purchasing power across diverse segments.



Digital Infrastructure

Aadhaar (largest digital ID system) and UPI (**100B+ annual transactions**) powering unprecedented payment and identity scale.



Talent & Cost Advantage

Large pool of **IT and STEM talent** combined with competitive operating costs, creating optimal conditions for business growth.



Data & AI Potential

A recent Microsoft study highlights India's rapid adoption of Artificial Intelligence (AI), with **65% of surveyed Indians having used AI—more than double the global average of 31%**.

The banking and financial services (BFSI) industry led the pack with a **68% AI adoption rate in FY24**, followed by the **tech industry at 60- 65%**.

Post-Liberalization Growth Story: 33+ Years of Transformation

"The reforms of 1991 didn't just open India's economy; they unleashed India's entrepreneurial spirit."

\$1.07 tn

Cumulative FDI

Rs. 92,97,188 crore rupees (Apr 2000–Mar 2025): ~US\$1.07 trillion total investment

\$83.6B

Record Annual FDI

FY2022-23 reported high with FY24/FY25 flows trending strong

7%

Average GDP Growth

1991-2024: ~6.5-7% long-run uplift vs pre-1991 ~3-4%

India now ranks **top 3 globally** for startup ecosystem development, with a thriving unicorn landscape that continues to attract international investment and recognition.

Thriving Industries: India's Growth Engines

"India is not just participating in the global economy; it's redefining it."



IT & SaaS

India's exports of software services (excluding their sales through overseas commercial presence) **increased by 2.8 per cent during 2023-24 to \$ 190.7 billion. (2023-24 estimates).**

Global leadership in software services and emerging SaaS solutions



Pharmaceuticals

India has been traditionally quite strong in the pharma sector, with a low cost of manufacturing (**30%–35% lower than in the US and Europe**), cost-efficient R&D (**about 87% less than in developed markets**), and cheap skilled labour.

Critical supplier to global healthcare markets.



Manufacturing & EVs

Electronics, pharma, and textiles lead India's PLI-driven manufacturing, with **806 projects** and **US\$2.4B incentives disbursed.**

India's manufacturing sector, driven by autos, electronics, and textiles in Gujarat, Maharashtra, and Tamil Nadu, is projected to hit **₹87.6 lakh crore (US\$1T) by FY26.**

EV production & adoption growing at high double-digit YoY rates



Renewable Energy

Installed capacity **~175 GW+**

National target: **~500 GW by 2030**



Fintech Revolution

UPI & payments transformation driving market growth

Fintech market valued in tens of billions USD with strong CAGR

Legal & Regulatory Framework: Your Business Compliance Guide

"A robust legal framework is the foundation of business confidence."

- 1 — Companies Act, 2013**
Comprehensive corporate governance framework regularly updated to streamline business operations and enhance transparency
- 2 — FEMA (1999)**
Foreign Exchange Management Act governing FDI regulations, providing clear guidelines for international investment flows
- 3 — GST (2017)**
Unified indirect tax system that simplified the tax structure across states, creating **one nation, one tax** framework
- 4 — SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (ICDR)**
Lays down requirements for IPOs, FPOs, and disclosure standards for companies raising funds from the public.
- 5 — SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR)**
Governs disclosure norms, corporate governance, and obligations of listed entities to protect investor interests.

All frameworks are in force and regularly updated to ease business operations, providing **predictable and transparent** regulatory environment for domestic and international businesses.



Special Zone Spotlight: GIFT City — India's Gateway to Global Finance

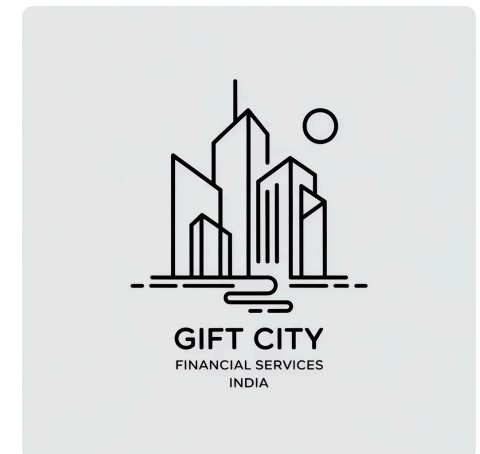
"GIFT City is more than infrastructure — it's India's statement that global finance can find a home on Indian soil."

India's International Financial Services Centre

GIFT City operates as India's premier IFSC with **preferential tax and regulatory features** specifically designed for financial services and funds.

- Growing uptake by international banks and exchanges
- Fintech companies establishing regional headquarters
- Streamlined regulatory processes for global finance
- Strategic location connecting Asian and global markets

The zone represents India's commitment to becoming a **global financial hub**, offering world-class infrastructure and regulatory frameworks.



India on the Global Stage

"India is no longer emerging; it has arrived — contributing nearly a fifth of global growth."

17%

Global GDP Growth

India's contribution to global GDP growth in
2024

3rd

PPP Ranking

Among top 3 world economies by Purchasing
Power Parity

1/5

Growth Driver

Nearly one-fifth of global economic
expansion

By PPP metrics, India stands among the **top 3 world economies** according to World Bank and IMF rankings, demonstrating its fundamental economic strength and purchasing power.

India's economic influence extends far beyond its borders, serving as a **critical engine** for global economic growth and stability in an increasingly interconnected world.



Risks & Mitigants: The Balanced View

Regulatory Variability

Risk: Regulatory differences across states can create complexity

Mitigation: Partner with local experts and implement staged market entry strategies

Infrastructure Limitations

Risk: Physical infrastructure constraints in some regions

Mitigation: Leverage SEZs and target strategic capex locations with robust infrastructure

Currency & Macro Risk

Risk: Currency fluctuations and macroeconomic volatility

Mitigation: Implement hedging strategies and supply-chain diversification

While challenges exist, India's **robust mitigation strategies** and improving business environment continue to attract global investment and demonstrate the country's commitment to sustainable growth.

How Hedge-Square Supports Your India Journey

Bridging ambition with execution — we turn India entry strategies into success stories. With **deep local expertise** and global perspective, Hedge-Square transforms complex India entry challenges into streamlined success pathways.

Market Entry Advisory

Strategic guidance for successful India market penetration

End-to-End Incorporation

Complete business setup and legal entity establishment

Compliance & IP

Regulatory compliance, intellectual property protection, and banking setup

Ongoing Support

We ensure compliance, manage risks, build local partnerships, and deliver sharp market insights.

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Data Source Links:

Category	Data Point / Report	Links
Population & Workforce	India Population (Worldometers)	Link
	Workforce Population (Angel One)	Link
Education	STEM Graduates Projection (India Today)	Link
Economy & GDP	GDP Estimates (MOSPI, May 2025)	Link
	Economic Outlook – India as 2nd Largest Economy (EY)	Link
Digital & Internet	Digital 2025 Report (Datareportal)	Link
	Internet Users (TRAI)	Link
Consumer Spending	Middle Class & Consumption Growth (BW Marketing World / Red Lab)	Link
AI & Technology	AI Adoption in India (Microsoft / IBEF)	Link
	AI Adoption Report (UP Invest)	Link
Industry Sectors	Software Services Export (Business Standard)	Link
	Pharmaceutical Industry Growth (IBEF)	Link
	PLI Investments in Manufacturing (India Briefing)	Link
	Manufacturing Sector Overview (IBEF)	Link
Renewable Energy	Renewable Energy Sector (IBEF)	Link