



VISHWAMITRA
RESEARCH
FOUNDATION

COMPARING EMERGING ECONOMIES : INDIA'S BUSINESS COMPETITIVENESS RANKING REPORT

APRIL, 2025

ops@vrfbharat.org
www.vrfbharat.org

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Introduction

India has emerged as a formidable global economic and political force driven by rapid economic expansion, technological advancements, and strategic diplomatic engagements. Over the past decade, the country has consistently ranked among the fastest-growing major economies, fuelled by a surge in digital transformation, infrastructure development, and policy reforms to enhance business competitiveness. India's influence on the global stage has also grown significantly, as seen in its leadership roles in multilateral forums like the G20 and its expanding footprint in international trade and manufacturing. This transformation reflects its economy's resilience and ability to navigate global uncertainties while maintaining a trajectory of sustained growth.

India's performance, however, presents a mixed picture of strengths and challenges compared to other developing economies. While its GDP growth rate has outpaced many emerging markets, placing it ahead of peers such as Brazil

and South Africa, it faces hurdles in areas like taxation and bureaucratic red-tapism, which currently reflect slow but sure signs of reformation. At the same time, India's role as a manufacturing hub and export-driven economy continues to expand, enhancing its economic resilience. As the world witnesses a shift in economic power dynamics, India's rise signals a broader transformation in the global order, positioning it as a key player in shaping the future of international trade and geopolitics.

VRF Bharat's Business Competitiveness Report will highlight recent strategic factors where India has performed well, indicating that it is a leading contender in the race against other major developing countries to draw more investors and foreign capital for national growth. It will also touch upon India's performance vis-à-vis other key developing economies to provide a broader picture of where New Delhi stands within the global south.

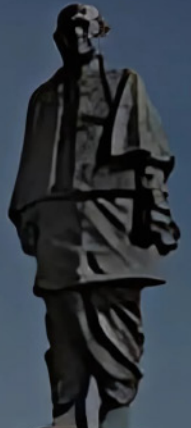
India's Rise as an Investment Magnet

While India in the last decade has gradually begun to assert its economic and geopolitical influence, it is essential to examine the metrics that support this narrative. Scholars, thinkers, and practitioners within the political and geoeconomic realm have frequently commented on India's growing nominal GDP, currently at US\$ 3.8 trillion, and the inevitable prospect of it becoming the third-largest economy in the world, with projections showing that India is on track to be a 5 trillion economy by 2028.

India is also the only country that has successfully doubled its nominal GDP in the last 10 years, marking a 105% increase, from 2.1 trillion in 2015 to nearly 4.3 trillion towards the end of 2025, as per World Bank estimates. India stands as the second largest contributor to Global economic growth currently, as per the International Monetary Fund.

This economic growth has also helped bring about a sea of change in India's military standing, making it the 4th most powerful military in the world as per the Global Firepower Index. This reflects the country's ability to provide state-of-the-art protection to critical assets and infrastructure to stimulate further economic progress and international trade.

However, this article intends to look at some lesser-spoken aspects of what makes India a force to reckon with on the economic competitiveness front. The attempt here is to put together those indices and portray India's ability to perform despite the volatile global circumstances in which the South Asian giant finds itself.



1. The Unicorn Miracle

If one were to look at India from an investor's standpoint, there would be a massive case to be made in favour of investing in the country - the performance of the startup ecosystem in India. Based on Hurun's Global Unicorn Index, which released its latest iteration in 2024, as shown in Figure 1 below, India retains its position with the 3rd largest number of unicorn startups worldwide. The world's largest democracy is the only nation in the Global South to push through into the top 5 unicorn hubs of the world, with other developing economies such as Brazil, Mexico and Indonesia coming up to 9th, 12th and 15th, respectively.

Moreover, the report also highlights the fact that Indian startup founders also choose to establish their businesses outside Indian soil, with a staggering 109 Indian-led unicorns spread across nations like the UK, Singapore, the US, and Germany. While such numbers show that there is always room for

regulatory reforms which will allow more unicorns to mushroom within the country, it also speaks to the entrepreneurial spirit and resilience of Indians and the potential to create more jobs for the populace, eventually harnessing the demographic dividend that India has been blessed with – if these more Indians choose to establish their businesses in India.

Rank	Country	Number Of Unicorns
2	China	340
3	India	67
9	Brazil	18
12	Mexico	8
15	Indonesia	7
19	Vietnam	4
22	UAE	3

Figure 1 – Snippet of the Global Unicorn Index 2024. Source – Hurun Research Institute



2. Workforce of the Future

Having touched upon unicorns and the idea of creating valuable, cutting-edge companies that have the ability to absorb the ever-increasing Indian workforce, it may be pertinent to enquire if the labour market is ready to face a world - where the industrial landscape is pushing the envelope in terms of innovation and questioning conventional job roles with the rapid rise of cutting-edge technology. At this juncture, let us look to the Future of Work ranking produced by the global educational analytics company Quacquarelli Symonds (or QS as it is widely known) in 2025. This index has evaluated the level of readiness a nation's labour market possesses to fill positions for the most sought-after skills of the future. In simple terms, QS has analysed job advertisements looking for innovative skills, comparing the frequency of emerging skills against traditional skills in these listings. This analysis reveals how the labour market is evolving to align with the demands of future industries.

According to the list below, India ranks 2nd among the top nations worldwide in readiness for future in-demand skills, especially in fields such as artificial intelligence (AI), digital technologies, and green industries. This impressive standing arises from several key factors, including its strong investment environment that promotes innovation, readiness to incorporate AI into the workforce, and adequate preparation for attracting talent to fill digital roles.

While India has undoubtedly made strides in welcoming the impending seismic shifts in the professional world, the country still finds itself attempting to better itself on specific other professional benchmarks. For instance, if one looks at the broader aggregate QS World Future Skills Index, under which comes the Future of Work metric, India ranks 25th overall.



While it is that the preceding 24 countries belong to the Global North, where research and development endeavours received a head start many decades ago, the index shows that India must further improve on indices such as industry-aligned skill development, economic transformation readiness, and academic readiness - areas that are also necessary to achieve the government mandate of Viksit Bharat by 2047.

Rank	Country	Future Of Work Score
1	United States	100
2	India	99
3	Mexico	98.2
4	Canada	97.4
5	Australia	95.6
6	United Kingdom	94.7
7	Germany	93.8
8	Philippines	93
9	Spain	92.2
10	Singapore	3

Figure 2 - Future of Work Ranking. Source - QS World Future Skills Index 2025



3. Measuring the Innovative Spark

Metrics such as the ones shown above are inspiring and present a strong, viable case for solid investor-confidence in India to satisfy their hunt for the next big economic wonder. The numbers also motivate us to look closely at and acknowledge some of the more process-oriented results that the Indian government has managed to achieve, which, however, does not receive the coverage it is due.

While a number of these can be spoken about at length, this article will touch upon two indices where India has significantly improved its standing over the last decade, which reflects the country's commitment to business reforms and provides some depth to India's performance in other indices. These are innovation and logistical transformations.

India's experimentation with innovation is not new, given the country's rich history of contributing to advanced scientific and industrial research over

decades. However, in recent times, the country's innovation capabilities have received much attention, and for good reason. If one looks at the World Intellectual Property Organisation's (WIPO) Global Innovations Index, one can see that India has experienced a meteoric rise in the last nine years. The Global Innovation Index (GII) is an annual report published by WIPO that ranks countries based on innovation capabilities and performance.

It is a benchmarking tool for policymakers, businesses, and researchers to understand how different economies foster innovation. The index evaluates countries using a combination of innovation inputs and outputs. The 2024 index ranked India at 39 overall, significantly improving from 81 in 2015.

India's rise can be attributed to several factors. One of the biggest reasons is the government's push for innovation and entrepreneurship. Programs like Startup India and Make



in India have created a favourable environment for new businesses and technological advancements. There's also a strong emphasis on research and education, with initiatives encouraging young minds to explore science, technology, and creative problem-solving.

The country's booming startup culture, as seen in the Global Unicorn Index, has played a crucial role. Cities like Mumbai, Bengaluru, Hyderabad, Ahmedabad and Delhi-NCR have become innovative hotspots, attracting local talent and international investors. India excelled in essential metrics, including exports of ICT services, the amount of venture capital acquired, and the intensity of intangible assets, which evaluates the robustness of non-physical assets such as patents and trademarks. India has, consequently, arrived at the forefront of the lower middle-income group, ranking first among ten economies in Central and Southern Asia, as seen in Figure 3.

A high innovation ranking boosts foreign investors' confidence in India's capacity to foster and expand new businesses. With strong infrastructure, skilled talent, and governmental support, international and venture capital firms are more inclined to fund Indian startups and

research and development initiatives. Consequently, this can increase Foreign Direct Investment (FDI), especially in technology, manufacturing, and digital services. Innovation is a key factor in global influence. As India continues to rise in rankings, it enhances its reputation as a hub for technological leadership and problem-solving. This strengthens the nation's role in global policymaking on technology, sustainability, and economic development.

Rank	Country
2	China
3	India
9	Brazil
12	Mexico
15	Indonesia
19	Vietnam
22	UAE

Figure 3 - Snippet of the Global Innovations Index. Source - World Intellectual Property Organisation

4. Assessing the Business Infrastructure

Having discussed various established metrics that show India's potential to be the biggest recipient of foreign investment, one might ask how likely a business is to thrive once these crucial funds start pouring in. A critical litmus test for this is a country's logistical proficiency, and once again, India has made significant strides in this benchmark as well. This improvement is reflected by

India's latest ranking in the World Bank's Logistics Performance Index (LPI). India's ascent to the 38th position in the 2023 LPI, up from 44th in 2018, reflects significant advancements in the nation's logistics sector. This improvement underscores the effectiveness of strategic initiatives to enhance trade infrastructure and streamline supply chain operations.

LPI Rank	Country
19	South Africa
26	Malaysia
34	Thailand
38	India
43	Vietnam
51	Brazil
58	Egypt

Figure 4- Snippet of Logistics Performance across the globe. Source - World Bank's 2023 Logistics Performance Index



India's infrastructure ranking improved from 52nd in 2018 to 47th in 2023. This progress is attributed to substantial investments in soft and hard infrastructure, connecting port gateways on both coasts to economic centres inland. Technological interventions, such as implementing supply chain visibility platforms under public-private partnerships, have notably reduced delays.

The country's rank for international shipments leaped from 44th to 22nd between 2018 and 2023. This improvement highlights enhanced efficiency in cross-border trade operations facilitated by policy reforms and infrastructure upgrades. Despite overall progress, India's customs performance remains an area for improvement, with a 3.0 out of 5.0 score in 2023. Streamlining customs procedures could further bolster India's logistics performance.

Compared to other major developing economies, nations such as South Africa, Malaysia, and Thailand performed better, while India outranked countries such as Brazil, Vietnam and Egypt. Thus, enhanced logistics performance has the ability to reduce trade costs, increase competitiveness, and increase export volumes, contributing to economic growth. Improved logistics infrastructure makes India a more attractive destination for foreign direct investment, particularly in the manufacturing and distribution sectors. As India strengthens its logistics capabilities, it positions itself more favourably against regional competitors, potentially capturing a larger share of global trade.



5. Inspecting the Investors' Conviction

Based on the four indices above, one can argue that foreign investors would be in for a treat if they invested in India. However, a question arises on whether these investors have faith in India's ability to provide a significant return on their investments. Interestingly, Kearney, an American global management consulting firm, released a report in 2024 that focused on FDI confidence worldwide, and the numbers on that report clearly showed investors holding a high level of confidence in India when stacked against major developing economies.

India's performance in the 2024 Kearney Foreign Direct Investment (FDI) Confidence Index reflects its growing appeal as an investment destination. The country's ranking within the index highlights its competitive standing against other developing economies and showcases the factors contributing to its attractiveness to foreign investors.

In the global ranking, India has secured the 18th position and 4th position among emerging markets amongst the top investment destinations, demonstrating strong economic fundamentals, a vast consumer market, and continuous economic reforms. The index suggested that India remains a favoured choice for foreign investors, supported by robust GDP growth, policy stability, and a push for infrastructure and digital transformation. Compared to other developing economies, India ranks prominently, often outperforming other emerging markets due to its large workforce, improving ease of doing business, and government-led initiatives that encourage foreign direct investment.

2024 FDI Confidence Index® emerging market rankings

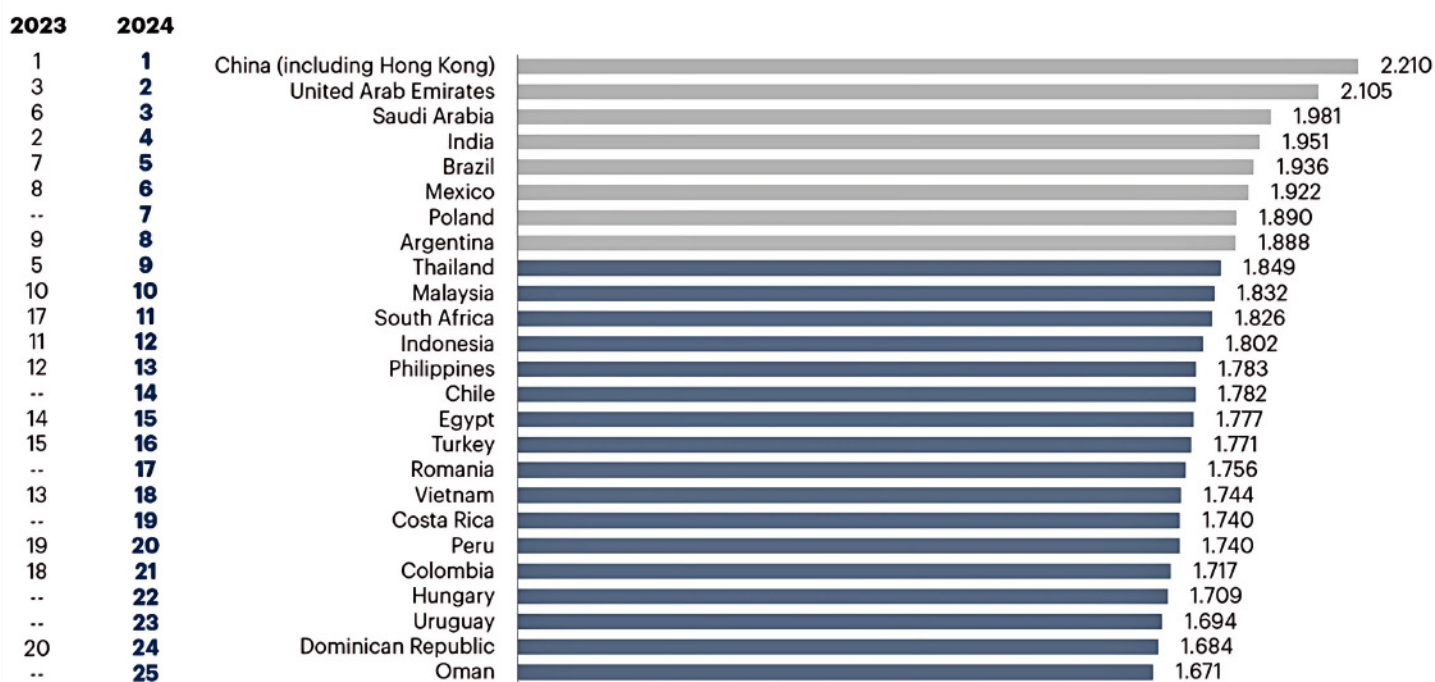


Figure 5 - FDI Confidence Rankings. Source - 2024 Kearney Foreign Direct Investment (FDI) Confidence Index

When juxtaposed with other developing nations, India's relative performance is shaped by its economic resilience, market potential, and proactive policy environment. Countries in the same bracket, such as China and Brazil, also attract significant FDI, but India's advantage lies in its demographic dividend and policy-driven economic restructuring. Interestingly, one must also note that despite a dip in its ranking, India and Brazil are the only democracies that made it to this index's top 5 FDI destinations within emerging economies. The index underlined that while China remains dominant in attracting FDI,

India is increasingly viewed as a viable alternative for supply chain diversification and manufacturing investment. The rankings also shed light on investor confidence, illustrating that India's ability to maintain a high position in the index indicates sustained trust in its market dynamics. The country's initiatives in digital infrastructure, manufacturing incentives, and green energy further enhance its appeal to global investors.



Conclusion

India's trajectory as a rising economic powerhouse is no longer a matter of speculation but a reality firmly backed by data and global investor sentiment. It is a testament to New Delhi's resilience, ambition, and capacity for transformation. As one of the world's fastest-growing economies, India's journey from a struggling market to an investment powerhouse is marked by strategic policy reforms, digital revolution, and an unwavering commitment to innovation. The data presented throughout this report underscores India's impressive rise across multiple global indices, demonstrating its ability to navigate the complexities of a rapidly evolving global economy.

The surge in foreign investment, a burgeoning startup ecosystem, and a strategic shift towards sustainable growth have cemented India's position as an economic force to be reckoned with. Yet, challenges remain. Bureaucratic hurdles, regulatory complexities, and the need for continued skill

development pose obstacles that must be addressed to sustain this growth momentum. However, India's resilience, combined with strategic reforms and forward-thinking policies, provides a strong foundation for overcoming these challenges. India is no longer merely a promising economy—it is an undeniable global player shaping the future of trade, investment, and innovation.

References,

1. World Bank's LPI Index 2023
2. Hurun's Global Unicorn Index 2024
3. QS World Future Skills Index 2025
4. WIPO Global Innovations Index 2024
5. Kearney's Foreign Direct Investment Confidence Index 2024
6. Press Information Bureau India

Contributing VRF Team:

Aniruddha Venugopal and Priyam Gandhi-Mody



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AGENDA

APRIL	28&29
10AM - 6PM	2025

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DAY 1	28.04.2025
10:00 – 10:10 AM	WELCOME NOTE Ms. Priyam Gandhi Mody / Mr. Ankit Bengani – VRF Bharat Foundation
10:10 – 10:40 AM	FIRESIDE CHAT: THE GOLDEN ROUTE: REVISITING HISTORY TO SHAPE THE FUTURE Speaker: Prof. Abhimanyu Singh (Advisor Prime Ministers' Museum), Mr. Lev Aran – Senior Journalist (Israel)
10:40 – 11:00 AM	FIRESIDE CHAT: FROM VELOCITY TO VISION: IMEC IS BEYOND JUST A TRADE CORRIDOR Consul General Erik af Hällström (CG Finland), Mr. Steven Ciobo (Former Minister of Trade and Defense, Australia, Milken Fellow), Dr. Vijay Chauthaiwale (Head, Foreign Relations, BJP)
11:00 – 11:50 AM	OPENING PLENARY SESSION: IMEC AND ITS CONTRIBUTION IN THE CURRENT WORLD ECONOMIC OUTLOOK Mr. Steven Ciobo (Former Minister of Trade and Defense, Australia, Milken Fellow), Mr. Alok Agarwal (Senior Advisor to Chairman, Former Group CFO – Reliance Industries Ltd.), Mr. Mukesh Aghi (CEO, US-India Strategic Partnership Forum), Mr. Afaq Hussain (Atlantic Council), Dr. Ahmed El Safty (Economic Advisor, Emirates Centre for Strategic Policy & Research), Mr. Sanjeev Krishan (PwC – Chairman)
11:50 – 12:25 PM	FIRESIDE CHAT WITH CHIEF GUEST: MAHARASHTRA AS A GATEWAY TO IMEC Welcome note – Priyam Gandhi Mody (Director – VRF) Chief Guest – Hon'ble CM Devendra Fadnavis, Govt. of Maharashtra Moderator: Ms. Shereen Bhan (CNBC-TV18)
12:25 – 12:30 PM	VRF Bharat Report Launch with PwC

DAY 1

28.04.2025

12:30 – 1:30 PM

NETWORKING LUNCH

1:30 – 2:00 PM

FIRESIDE CHAT: REGULATORY CONNECTIVITY FOR GREATER ALIGNMENT IN TRADE PROCESSES AMONG THE IMEC COUNTRIES

Mr. Cyril Shroff (Managing Partner – Cyril Amarchand Mangaldas),
Moderator: Ms. Tamanna Inamdar (NDTV Profit)

2:00 – 3:00 PM

PLENARY SESSION: INFRASTRUCTURE RESILIENCE AND PREPAREDNESS ALONG IMEC: PORTS AND HIGH-SPEED RAILWAYS

Capt. Sandeep Mehta (President & CEO, International Ports – Adani Ports), Mr. Sunay Mukerjee (MD – Gateway Terminal of India), Mr. Pushkar Kulkarni (MD – Infra & Sustainable Energy – CPPIB India Advisors), Mr. Manish Sharma (National Leader on Infrastructure – PwC), Mr. Vivek Sharma (President – Zim Integrated Shipping Services), Dr. Ehud Gonen (MPS, Israel)

3:00 – 3:50 PM

PLENARY SESSION: CRITICAL TECHNOLOGY AT THE CORE OF IMEC SUCCESS: REIMAGINING MANUFACTURING AND RESILIENT SUPPLY CHAINS

Mr. Kaustubh Dhavse (OSD to Hon'ble CM, Joint Secretary – Govt of Maharashtra), Dr. Markus Federle (Founder – Tholus Capital), Mr. Rajan Luthra (Head of Special Projects, Chairman's Office – Reliance Industries Limited)

3:50 – 4:00 PM

KEYNOTE ADDRESS: ENERGY SECURITY AT THE HEART OF IMEC

Mr. Hardeep Singh Puri – Union Minister of Petroleum and Natural Gas, Government of India

DAY 1

28.04.2025

4:00 – 4:50 PM

PLENARY SESSION: POWERING THE CORRIDOR: ENERGY RESILIENCE, ENERGY TRANSITIONS AND STABILITY OF THE MIDDLE EAST

General Ayman Matar (Amman Centre for Peace and Development – Jordan), Mr. Mohammad Al-ahbabi (Economic Dept – ECSSR), Mr. Mohommad Athar (Saif) (Leader – Capital Projects & Infrastructure Development PwC), Mr. Mainak Chakraborty (CEO & Co-founder – GPS Renewables)

4:50 – 5:20 PM

NETWORKING HIGH-TEA

5:20 – 6:05 PM

PLENARY SESSION: UNITED GLOBAL EFFORT TOWARDS REALISATION OF IMEC

Mr. Sanjay Tiwari (Vice President – Federation of Europe Business and Industry & Former Head of Maersk) Mr. Joiel Akilan (Director – Indo Spanish Chamber of Commerce), Ms. Payal Kanwar (Director General – IFCCI), Mr. Nicholas Shafer (Atlantic Council), Mr. Sanjaya Mariwala (President – IMC, Founder – OmniActive Health Technologies), Probal Ghosh, Executive Director, CP&I, PwC

6:05 – 6:25 PM

KEYNOTE FIRESIDE CHAT: INDIA'S GATEWAY TO IMEC – MAHARASHTRA'S PORT INFRASTRUCTURE READINESS

Mr. Nitesh Rane: (Minister of Ports Development and Fisheries – Govt of Maharashtra), Mr. Anay Joglekar: (Head – Political Affairs, Consulate of Israel)

6:25 – 6:30PM

CLOSING REMARKS

Mr. Dinesh Joshi (Chairman – IMC)

DAY 2	29.04.2025
9:45 – 10:00 AM	OPENING REMARKS Mr. Jaykumar Rawal (Minister of Protocol, Government of India)
10:00 – 10:50 AM	PANEL DISCUSSION: SIGNIFICANCE OF MARITIME TRADE AND SECURITY ALONG THE CORRIDOR Mr. Mike Hankey – US Counsel General, Mr. Kobbi Shoshani – Israel Counsel General, Ms. Priyam Gandhi Mody
10:50 – 11:50 AM	PANEL DISCUSSION: DIGITAL INFRASTRUCTURE ADOPTION FOR SEAMLESS CROSSBORDER TRADE Mr. Ranjeet Goswami (Global Head Corporate Affairs – TCS), Ms. Shivani Bhasin Sachdeva (India Alternatives), Ms. Ashu Suyash (Colossa Ventures), Mr. Alok Agarwal (Senior Advisor to Chairman, Former Group CFO – Reliance Industries), Ms. Elea Pons (Director – French Treasury, France Consulate-Mumbai), Mr. Mohammad Al Darmaki (Economic Researcher – ECSSR)
11:50 – 12:10 PM	GUEST OF HONOUR: GEO-ECONOMIC SIGNIFICANCE OF IMEC Mr. Jitin Prasada – Union Minister of State of Commerce & Industry and Electronics & Information Technology
12:10 – 1:10 PM	FIRESIDE CHAT: FINANCING IMEC – “WHO PAYS TO PLAY?” Mr. Prasad Gadkari (Executive Director and Chief Strategy Officer, National Infrastructure Investment Fund), Mr. Dhruv Gadh, (Partner – Capital Projects & Infrastructure Development PwC) Mr. Manish Agarwal (Chair of Rurbanisation COE, Board Member of Project Mumbai), Mr. Sharad Jhingan (Distinguished VRF Fellow)
1:10 – 1:20 PM	CLOSING REMARKS FOLLOWED BY LUNCH Mr. Ankit Bengani/ Ms. Priyam Gandhi-Mody – VRF



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