



“FEBI Business Sentiment Survey 2025: EU Companies Confident in India’s Growth Potential”

With 6000 EU business active in India, generating 8 Mio jobs, India is being seen as a key driver of overall growth, as expanding sales market, hub for production, and an emerging location to manufacture for exports.

EU-India emerging areas of collaboration: Manufacturing and Supply Chain, Technology and Digital Innovation, R&D and Talent Development, Sustainability and Green Energy

Support and collaboration sought in the area of Trade Facilitation, Investment Protection, Intellectual Property, Public Procurement

The Federation of European Business in India (FEBI) hosted an interactive session with the College of EU Commissioners, on 28th February 2025, with over 100 participants. During the event FEBI launched the first edition of the Business Sentiment Survey, aimed at assessing the opportunities, challenges, and overall sentiment of European businesses operating in India.

President of FEBI, Remi Maillard quoted: *“For European companies, India is definitely a land of opportunity and a major strategic focus to keep our businesses resilient and competitive. The joint ventures, technology transfers and collaborative projects between Indian and European businesses are creating a strong framework for future growth and laying the groundwork for a future Free Trade Agreement.”*

The survey captures key perspectives from European businesses across various sectors, analyzing their confidence levels, operational challenges, regulatory experiences, and growth projections in India. It serves as a valuable resource for both policymakers and business leaders, facilitating data-driven policy recommendations and support business planning.

“India is a key market for European businesses, and this survey provides a comprehensive view of how companies perceive the business climate,” said Sonia Prasher, Secretary General, FEBI. *“Through this survey, we aim to offer a nuanced understanding of the trends shaping EU-India business relations.”*

Insights from the survey highlighted the following:

- 95% of EU businesses in India anticipate growth in their operations over the next two years.
- 76% of respondents plan to increase their investments, reflecting strong confidence in India’s economic outlook.
- 80% view India as an expanding sales market, while 61% see it as an emerging hub for production.
- Political stability (66%), skilled workforce availability (60%), and India’s evolving geopolitical role (60%) are key investment drivers for the companies



- Regulatory challenges persist, with 51% citing high taxes and tariffs, 41% concerned about Quality Control Orders (QCOs), and 39% facing hurdles in customs procedures
- The anticipated EU-India Free Trade Agreement (FTA) is expected to positively impact businesses, with 92% of respondents foreseeing favorable outcomes and 72% planning to increase investment if the agreement materializes

Sanjay Tiwari, Vice President, FEBI added that *the FEBI Business Sentiment Survey of European companies in India underscores how bullish these companies are with regards to business in India. They see India as a base for expanding their sales, for manufacturing for India and increasingly, for manufacturing for the world. He further added, “the European companies would like to see more consistent policies with regards to taxation, and less stringent measures on quality control orders. The European businesses believe that they can collaborate with their Indian counterparts in the field of supply chains and value chains, digitalisation, skill development and sustainability”.*

The full report can be accessed [here](#).

About FEBI

The Federation of European Business in India (FEBI), the official Chamber of EU businesses in India, is supported by the EU Delegation in India and the Embassies of the EU Member States. FEBI’s mission is to articulate the collective business interests of EU companies in India and facilitate growth in trade and investment between the EU and India.

As the unified, independent, and influential voice of European Business in India, FEBI acts as a credible intermediary between government and businesses and an advocacy platform for pro-business policies and solutions. With the aim to collaborate and increase economic activity through heightened trade and investment, FEBI endeavors to add to the India-EU partnership. Currently, FEBI has a membership of 130+ companies representing a diverse cross-section of EU Member States across sectors.

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