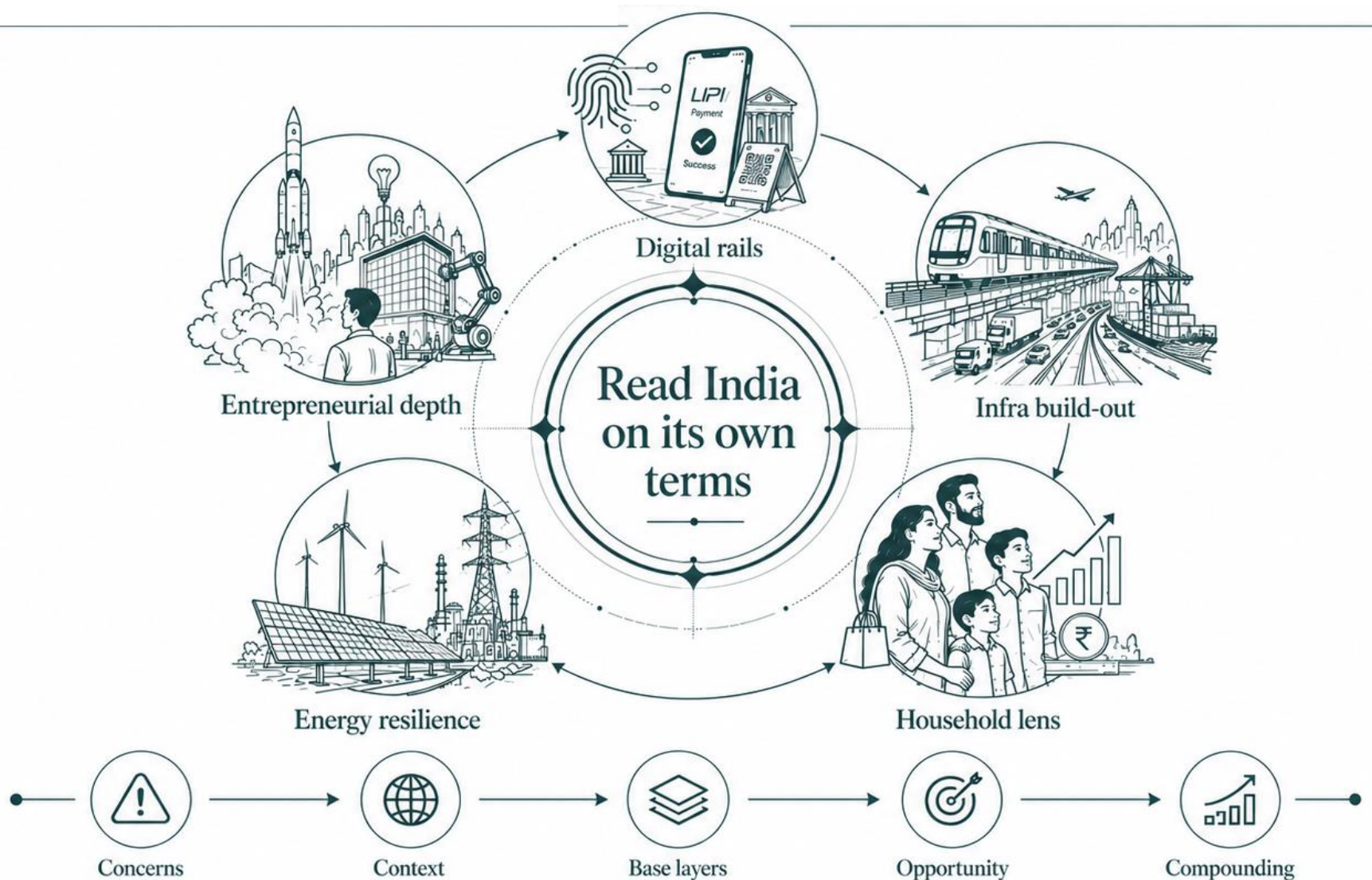


India's Next Decade: Playing Our Own Game



Agile with Growth. Patient with Value.

Near-term noise vs. long-term signals

The events since the start of this decade have reinforced one clear reality: in a world that is deeply interconnected yet increasingly protectionist, conflict and volatility rarely remain isolated. They quickly transmit across economies, markets and supply chains, creating wider implications for both risk and opportunity. The current geopolitical tensions in West Asia have undoubtedly had a near-term impact on India's economic trajectory. Higher crude oil prices, current account pressure, along with FPI outflows in last few years, job creation challenges and AI-led disruption are real issues that demand clear-eyed attention. However, it is important to underscore that India's economic ascent is a multi-decadal growth story, thus investors should not be swayed by near-term anxiety. Rather, they should focus on the well-established growth levers already in place, which are likely to drive India's economic ascent over the coming years.¹

Current Debate vs Long-Term Reality

Current concerns

- › Geopolitical tensions
- › Higher crude oil prices
- › Current account pressure
- › FPI outflows
- › Global demand uncertainty
- › Private capex questions
- › Job creation challenges
- › AI-led disruption

Why the long-term story remains intact

- › Domestic demand depth
- › Digital public infrastructure
- › Infrastructure catch-up
- › Entrepreneurial energy
- › Household earning transition
- › Financial formalisation
- › Energy transition
- › Indian problem-solving

Opportunity in complexity

For long, India's economic story has often been viewed through the lens of potential. Today, that potential is increasingly translating into capability. India is no longer merely an economy waiting to arrive; it is an economy steadily building the foundations to shape its own path.






What makes the India story different today?

The difference lies in the depth of domestic capabilities, the scale of our people, the resilience of our institutions and the maturity of our markets. India is not simply following a Western or East Asian template. Given its size, diversity and complexity, India has to play its own game.

And that is precisely where the opportunity lies. India's complexity is not just a challenge to be managed; it is also the source of its resilience, adaptability and long-term growth potential.²

1. Business Standard analysis on oil turmoil and economic risks 2. RBI; Economic Survey of India

From complexity to opportunity

	Need / constraint	Business opportunity
	Credit access	Better underwriting /formal finance
	Fragmented demand	Scalable distribution models
	Language diversity	Vernacular products and platforms
	Infrastructure gaps	Logistics and mobility solutions
	Affordability constraints	Low-cost innovation that scales

There are many India's in one India – the proclivities of Indians across savings, investment, and consumption are unique to regions and backgrounds. Urban India is digitally native and aspirational. Small-town India is consuming and formalising. Rural India needs productivity and income stability. Informal enterprises-shops, kiranas, transporters, artisans, gig workers-are the backbone of livelihoods. They need access to credit, logistics, technology, and formalisation. Our young population wants jobs, skills, mobility, and dignity. What looks like a constraint from the outside is a massive opportunity from the inside. India's scale and diversity mean that solutions designed for real constraints can be both deeply impactful and globally relevant-if we build for affordability, trust, and last-mile realities. The physical and digital infrastructure, while catering to this uniqueness, also serves to bring them together, creating unified platforms and solutions.

India is many markets moving together



Urban India

Digitally native, aspirational,
and global-facing



Small-town India

Consuming more,
formalising, and upgrading



Rural India

Needs productivity gains
and income stability



Informal enterprise India

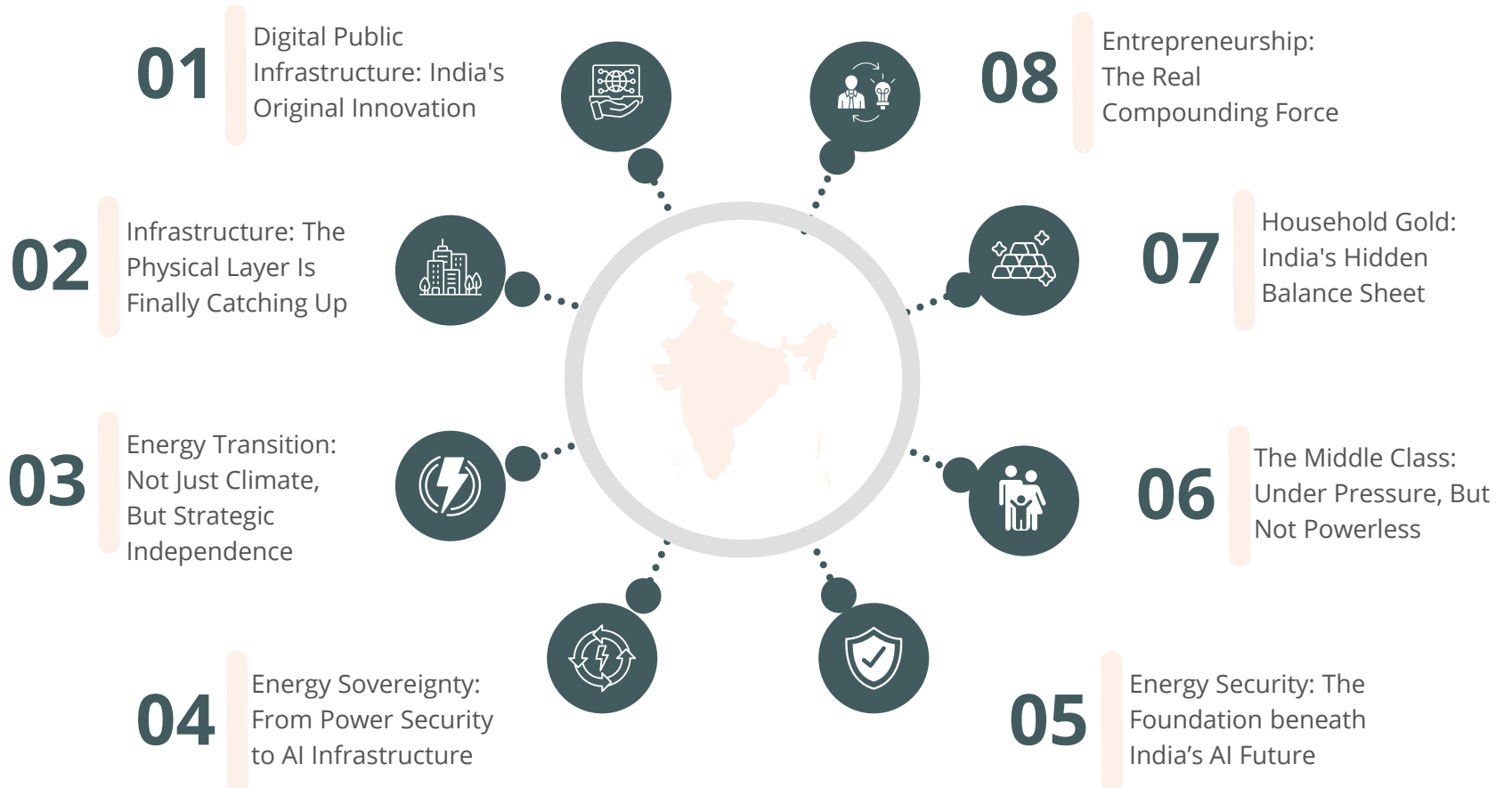
Backbone of jobs; needs credit,
logistics, tech and formalisation



Young India

Ambitious for jobs, skills,
mobility and dignity

The flywheels of India's growth story



Digital Public Infrastructure: India's Original Innovation

India did not follow the Western card-led model or China's closed-wallet model. Instead, it built open, interoperable digital public rails—grounded in Jan Dhan, Aadhaar, mobile connectivity, UPI and direct benefit transfers.

These building blocks work together as a layered stack. They are open by design, built with consent and privacy principles, and available on equal terms to banks, fintechs, start-ups and governments.

This is not just a payments story. It is the creation of national trust infrastructure that enables private innovation at population scale, drives cost down, and puts both citizens and businesses firmly at the centre of India's digital economy.

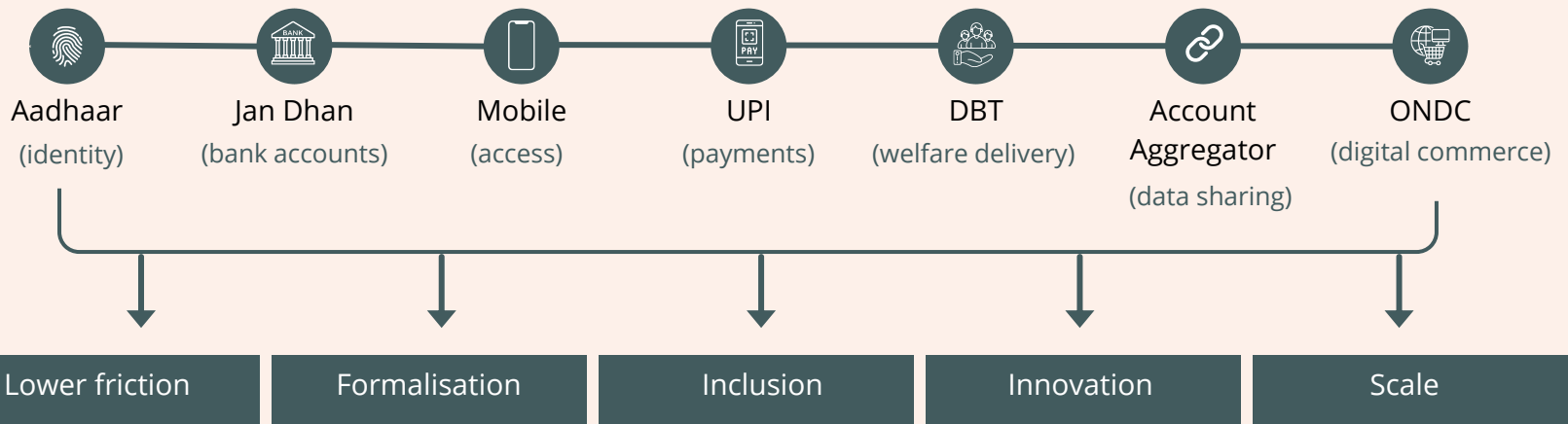
India's digital rails at scale

FY25 DBT credits³
₹6.9 lakh crore

March 2026 UPI transactions⁴
22.64 billion

March 2026 UPI value⁵
₹29.53 lakh crore

How the public digital stack creates value⁶



Why it matters

- Creates common trust infrastructure
- Lowers cost of serving millions
- Helps consumers, merchants, fintechs and government operate on the same rail
- Enables private innovation on a public foundation

Rail / layer	What it enables
Aadhaar	trusted digital identity
Jan Dhan	mass account ownership
UPI	low-cost interoperable payments
DBT	direct, faster welfare delivery
Account Aggregator	consent-based financial data
ONDC	open digital commerce infrastructure


3. PIB – Digital Public Infrastructure / DBT 4. NPCI UPI Statistics 5. NPCI UPI Statistics 6. PIB; NPCI

Infrastructure: The Physical Layer Is Finally Catching Up





For decades, India's growth was constrained by weak logistics, congested cities, poor connectivity and underinvested railways. High transit times, capacity bottlenecks and fragmented infrastructure kept costs high and limited the country's ability to compete at scale.

That reality is changing. Sustained policy focus, higher capital allocation and faster project execution are turning the tide—expanding highways, building modern metro systems and electrifying railways.

Better infrastructure is not just about assets—it lifts productivity, reduces logistics costs, expands market access and enlarges the opportunity set for businesses across sectors and regions.

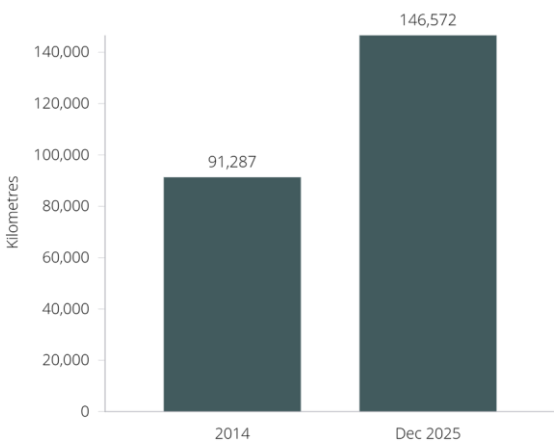


Infrastructure catch-up in numbers

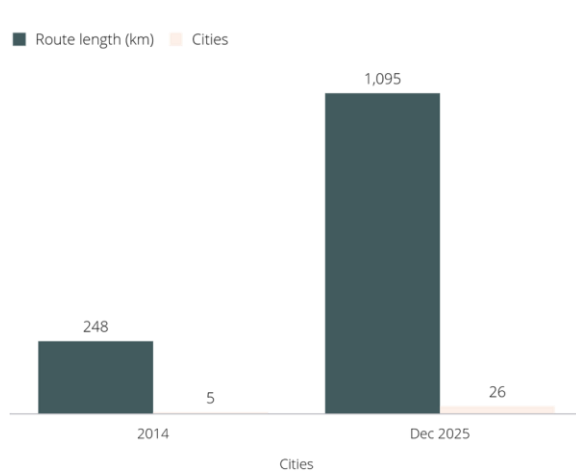
-  **National highways**⁷
91,287 km (2014) > 146,572 km (Dec 2025)
-  **Operational access-controlled corridors/expressway**⁸
93 km > 3,052 km
-  **Metro Network**⁹
248 km > 1,095 km (Cities: 5 > 26)
-  **Broad-gauge electrification**¹⁰
99.6% by March 2026

A stronger physical foundation

1. National Highways (km)







2. Metro Network



3. Broad-Gauge Electrification¹¹







Why it matters

-  Lowers logistics frictions
-  Improves urban efficiency
-  Expands market access
-  Supports energy efficiency and mobility

Infrastructure layer

Economic effect

 Roads / highways	Faster movement of goods
 Expressways / corridors	Higher efficiency and lower transit time
 Metro systems	Better urban commuting and labour mobility
 Railway electrification	Lower fuel dependence and a cleaner transport backbone

7. PIB – National Highways Expansion 8. PIB – Expressways & Corridors 9. PIB – Metro Network Expansion 10. PIB – Railway Electrification 11. Ministry of Road Transport & Highways; Ministry of Housing & Urban Affairs; Ministry of Railways

Energy Transition: Not Just Climate, But Strategic Independence

India's energy transition is not only an environmental objective but a strategic macroeconomic necessity. Dependence on imported oil leaves the economy vulnerable to global price shocks, which directly affect inflation, the current account and fiscal stability.

Renewable energy, electrified railways, electric mobility, battery storage, and domestic manufacturing of clean-energy equipment are central to building long-term resilience and reducing exposure to volatile external conditions.







India has built strong momentum—crossing more than 280 GW of non-fossil capacity as of March 2026. The next step is to build the full ecosystem around transmission, storage, smart grids, domestic manufacturing, battery materials, and power-distribution reform.¹⁴



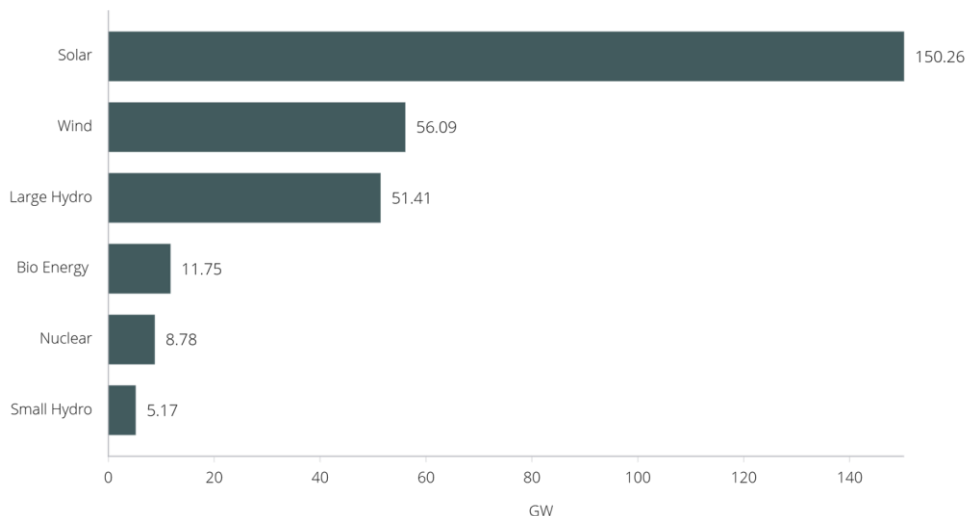
India's non-fossil capacity

283.46 GW¹²





as of 31 Mar 2026

	Solar	150.26 GW ¹³
	Wind	56.09 GW
	Large Hydro	51.41 GW
	Bio Energy	11.75 GW
	Nuclear	8.78 GW
	Small Hydro	5.17 GW







India Non-Fossil Installed Capacity by Source (GW)¹⁵



Strategic interpretation

-  Reduces vulnerability to oil shocks
-  Strengthens macro stability
-  Creates new industrial opportunities
-  Builds energy self-reliance over time

What the next leg requires

	Transmission	move clean power efficiently
	Storage	enable round-the-clock supply
	Smart grids	better balancing and flexibility
	Domestic manufacturing	reduce import dependence
	Battery ecosystem	support mobility and storage
	Discom reform	improve commercial viability

12. PIB – Renewable Energy Capacity 13. Electricity Sector in India; Renewable Energy in India 14. MNRE; PIB 15. CEA; PIB; Ministry of Coal

Energy Sovereignty: From Power Security to AI Infrastructure

The AI era demands abundant, reliable, round-the-clock power. Data centres and computing clusters are highly power-intensive, requiring high availability, low latency, and uninterrupted supply to meet the demands of advanced compute, training, and inference workloads.

India is uniquely positioned. Vast domestic coal resources underpin baseload energy security, while rapidly expanding solar and wind deliver low-cost power. Hydro offers balancing capability, nuclear provides stable 24x7 low-carbon generation, and investments in storage and transmission strengthen grid flexibility.

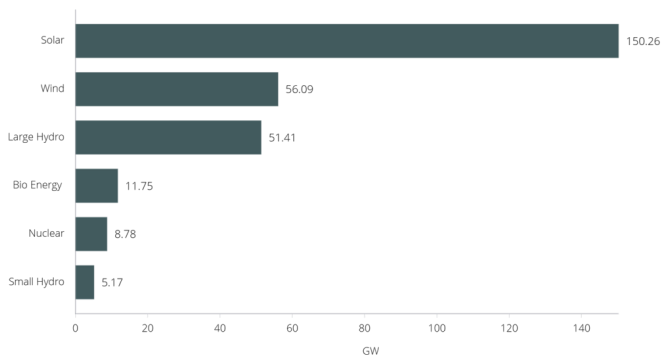
This complementary energy mix—anchored in self-reliance and cost competitiveness—creates a credible pathway for India to become one of the most attractive large-scale locations for AI and data-centre infrastructure.

India's power edge for the AI era

	Total installed capacity ¹⁶	520.5 GW
	Non-fossil capacity	283.46 GW
	Coal resources ¹⁷	400.7 bn tonnes
	Broad-gauge electrification ¹⁸	99.6%

Data-centre power demand could rise from **~1.5 GW** in 2025 to **~13.5 GW** by 2032.¹⁹

India Non-Fossil Installed Capacity by Source (GW)

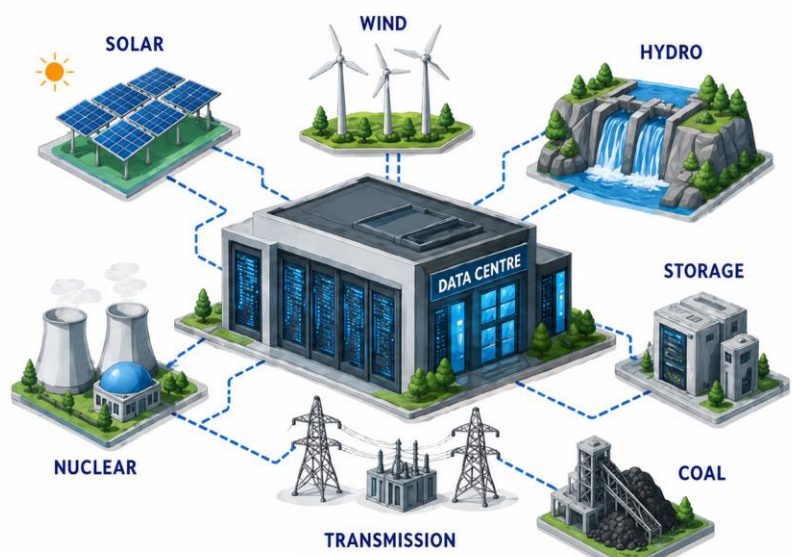


India's Energy Stack for Digital

Source	Strategic role
Coal	Baseload power and domestic energy security
Solar	Low-cost daytime electricity at scale
Wind	Diversifies renewable profile
Hydro	Balancing and flexibility for the grid
Nuclear	Stable 24x7 low-carbon supply
Storage & transmission	Enables round-the-clock digital infrastructure

Why it matters

- Reliable 24x7 power is becoming the global bottleneck.
- India combines domestic resources with a falling renewable-cost curve.
- A mixed energy basket improves resilience and competitiveness.
- Scaled digital infrastructure can compound India's broader economic advantage.



16. PIB – Power Capacity Update 17. PIB – Renewable Energy Capacity 17. Ministry of Coal 18. PIB – Railway Electrification 19. IBEF; JLL; CBRE industry estimates

Energy Security: The Foundation Beneath India's AI Future

In a fractured geopolitical world, energy security and digital security are increasingly linked. AI, cloud, semiconductors, data centres and modern industry all depend on abundant, reliable power.

India's strategic advantage lies not in one source alone but in a diversified domestic energy base: coal for baseload security, renewables for scale and lower marginal cost, hydro for balancing, nuclear for stable 24x7 low-carbon supply, and transmission plus storage for reliability.

If India can build, power and own more of its domestic compute and energy stack, it can reduce external dependence, support industrial competitiveness, and create a durable platform for the next phase of growth.²⁰



The strategic signal
Energy + compute will define power

AI infrastructure is power infrastructure

Energy security and digital security are converging

India must build, power and own more on home soil

Prepare early for a power-hungry AI economy

India's energy-security advantage in the AI era







Current pressure points

- › Oil and geopolitics
- › Imported technology dependence
- › Power-hungry AI and data centres
- › Supply-chain fragmentation
- › Cost competitiveness
- › Grid reliability
- › Demand growth
- › National security

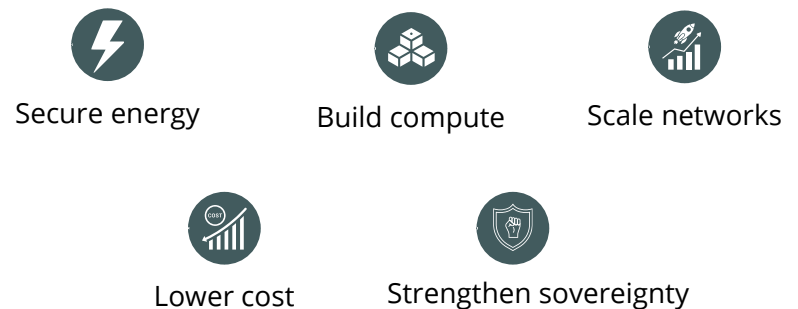
India's strategic cushions

- › Diversified domestic power mix
- › Build domestic energy + compute capability
- › Scale generation, storage and transmission early
- › Local infrastructure ownership matters more
- › Lower-cost renewables + scale can help
- › Coal + hydro + nuclear + storage improve resilience
- › Domestic market scale supports capacity build-out
- › Energy and digital rails reinforce sovereignty

What India already has

-  520.5 GW total installed power capacity²¹
-  283.46 GW non-fossil capacity²²
-  400.7 bn tonnes of coal resources²³
-  99.6% broad-gauge electrification
-  Large domestic demand across industry, mobility and digital services
-  A growing public-digital and infrastructure backbone

The preparation framework⁶



India's AI future will be won not only by software, but by energy security, infrastructure depth and domestic ownership.

20. CEA; Ministry of Coal; PIB 21. PIB – Power Capacity Update 22. PIB – Renewable Energy Capacity 23. Ministry of Coal

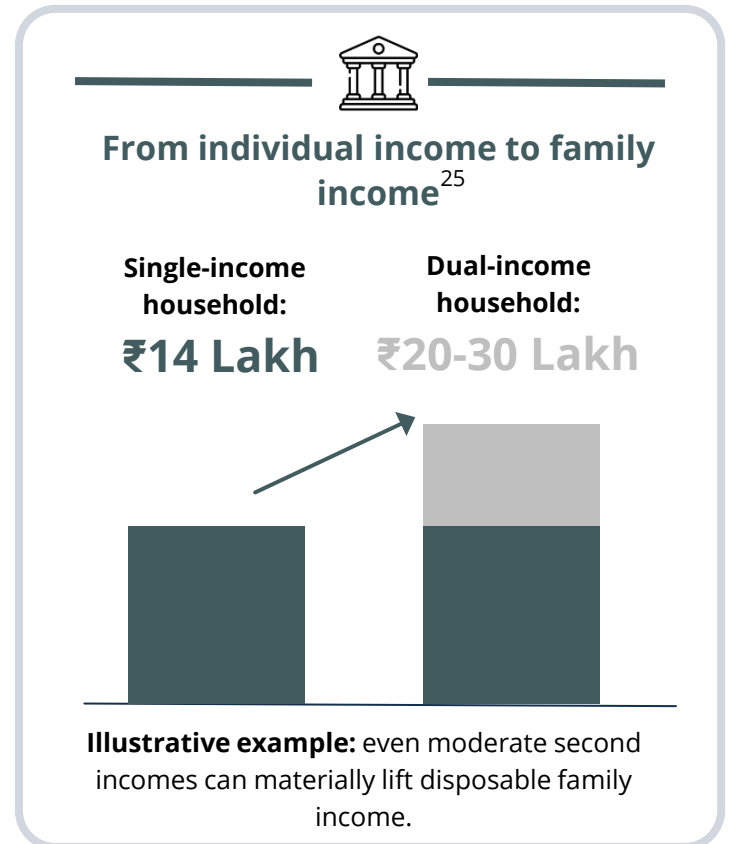
The Middle Class: Under Pressure, But Not Powerless

Pressure on India's middle class is real. Income growth has been modest in recent years, while the cost of education, healthcare, housing, and aspirational lifestyles has risen faster than wages.

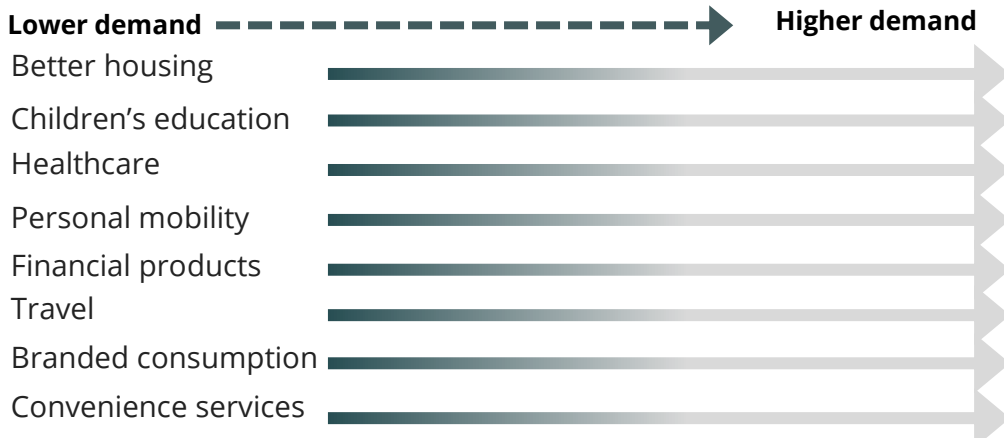
However, the more relevant economic unit in India is often the family rather than the individual. Household decisions, pooling of resources, and shared priorities create financial outcomes that differ from a single-earner lens.

Rising female workforce participation is reshaping this dynamic. More women are joining the formal and informal workforce across sectors and geographies, bringing both financial contribution and greater economic agency.

The shift from single-income to dual-income households can meaningfully raise family-level earning power, build financial buffers, and change consumption behaviour—unlocking opportunities across multiple sectors.²⁴



How dual-income households can change spending



Female WPR (15 years and above in %)

2017-18	22
2018-19	23.3
2019-20	28.7
2020-21	31.4
2021-22	31.7
2022-23	35.9
2023-24	40.3

Female UR (15 years and above in %⁷)

2017-18	5.6
2018-19	5.1
2019-20	4.2
2020-21	3.5
2021-22	3.3
2022-23	2.9
2023-24	3.2

Why old Western templates can mislead

- Higher female workforce participation in many developed markets already normalized
- Mature credit systems
- Deeper social security
- More saturated consumption categories
- India is still moving from low penetration to mass adoption

Why the household lens matter

Item	Household perspective
EMIs	Household decision
School fees	Family budgeting
Insurance	Risk protection
Holidays	Aspiration spending
Vehicles/home upgrades	Family consumption planning

The Indian middle class is not only a squeezed cohort; it is a transitioning household unit.

24. Union Budget announcements; PLFS data 25. Illustrative estimates

Household Gold: India's Hidden Balance Sheet

India's household gold stock is a structural advantage, not merely a cultural artifact. Indian households and temples are estimated to hold about 25,000 tonnes of gold, worth roughly US\$2.4 trillion at recent prices, while the RBI's official gold reserves are about 880 tonnes.

Behind the jewellery and traditions lies powerful economic logic. Gold acts as emergency savings, a household shock absorber, a source of collateral for credit, and a bridge between informal wealth and formal finance.

In India, where households often shoulder healthcare, education, marriage, and small-business risks themselves, gold strengthens resilience. Over time, monetisation, financialisation, and gold-backed lending can turn this idle savings into more productive capital—supporting growth, inclusion, and financial deepening.²⁶

In periods of global uncertainty, gold demand typically rises, and for a large gold-consuming country like India, this can increase dollar demand and put additional pressure on the current account. A weaker rupee then makes imports costlier, creating a second-round inflation and sentiment impact. Govt. is cognisant of the same & rightly taking measures to put pressure on Gold demand.

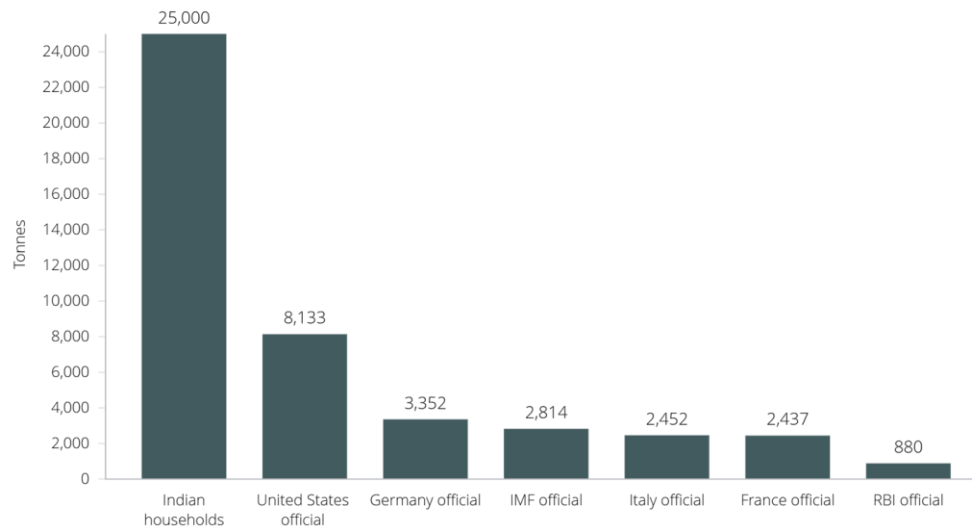


Estimated household & temple gold holdings²⁷





**~25,000
tonnes**

Approx. value²⁸
~USD \$2.4 trillion





Gold Holdings Comparison (tonnes)²⁹



Why it matters

-  Provides a household shock absorber during uncertainty
-  Expands access to credit through gold-backed lending
-  Supports rural and informal-sector financial resilience
-  Creates scope for monetisation and formal financial deepening

Gold as a structural advantage

Channel	Implication
 Emergency savings	Resilience during income or health shocks
 Collateral	Expands access to formal credit and liquidity
 Financialisation	Scope for monetisation and gold-backed products
 Consumption support	Can support spending during stress periods

26. World Gold Council research 27. World Gold Council estimates 28. Economic Times; Business Today 29. World Gold Council; RBI reserves data

Entrepreneurship: The Real Compounding Force

Indian entrepreneurship has moved well beyond early consumer internet. Founders are now building across fintech, healthtech, SaaS, logistics, manufacturing, defence, climate, agritech, mobility, consumer brands, and B2B platforms—addressing deep needs in large, under-penetrated markets.

Enablers today—digital payments, formal credit, GST data, logistics platforms, online marketplaces, public digital infrastructure, and deeper capital markets—have removed many of the historical bottlenecks that limited scale and speed.

The result is a virtuous cycle: more entrepreneurs, stronger companies, rising productivity, job creation, exports, and a global reputation for building frugal, resilient, and category-defining businesses.³⁰

Startup ecosystem at a glance

	DPIIT-recognized startups ³¹	2.23 Lakh+
	Direct jobs created ³²	23.36 Lakh+
	Nearly 48% have at least one women director or partner ³³	48%

Where entrepreneurs are building

Fintech	Healthcare	SaaS	Logistics	Manufacturing	Defence
Climate	Agritech	Mobility	Consumer brands	B2B platforms	Deep tech

Why it matters

- The next champions may solve Indian constraints rather than imitate foreign models.
- Indian solutions can travel to other emerging markets.
- The entrepreneur is a key driver of India's next decade.

	What changed	Why it matters
	Digital payments	easier trust and collections
	GST/formal data	better underwriting and scaling
	Logistics platforms	wider market access
	Online marketplaces	lower distribution friction
	Public digital rails	faster innovation
	Deeper capital markets	better funding pathways

30. DPIIT; PIB 31. DPIIT/PIB 32. DPIIT/PIB 33. DPIIT/PIB

From India, for the World

India's journey will not be linear. There will be periods of volatility, execution challenges, geopolitical shocks, valuation excesses and company-specific disappointments. But these should not be mistaken for a break in India's long-term trajectory. In a country as large and complex as India, progress will naturally come with pauses, corrections and course adjustments, even as the broader direction remains anchored in structural growth.

Over the last decade, India has built powerful foundational layers — bank accounts, Aadhaar, UPI, DBT, GST, highways, metros, railway electrification, renewable capacity, deeper equity markets and a stronger entrepreneurial ecosystem. These have materially improved India's problem-solving capacity. The unfinished agenda remains large, but India now has the tools, talent and institutional depth to compound progress.

The next phase, therefore, is not just about India solving for India. It is also about India building solutions at scale that can be relevant for the world. Whether in digital public infrastructure, financial inclusion, low-cost service delivery, renewable energy, healthcare access, education, manufacturing or entrepreneurship, India's ability to solve complex problems for a large and diverse population can become a global advantage.

If India continues to stay the course, strengthens execution and invests in capability creation, it can convert its demographic and economic advantage into durable and inclusive prosperity. More importantly, it can move from being seen only as a large market to being recognised as a source of scalable ideas, solutions and institutions.

That is the real opportunity ahead: an India that grows for itself, but increasingly contributes to the world.³⁴



³⁴ PIB, NPCI, MNRE, Ministry of Railways, DPIIT ³⁵ Economic Survey of India; PIB

India Has Miles to Go, But the Direction of Travel Is Clear

The risks are real. Oil shocks, geopolitics, AI disruption, job creation and fiscal choices will continue to influence India's trajectory. India's path will not be linear, and periods of volatility, policy mistakes and market excesses are inevitable. But India's long-term opportunity should not be judged only through near-term anxiety. Over the last decade, the country has built meaningful foundational layers: digital public infrastructure, stronger physical infrastructure, rising household formalisation, a broader entrepreneurial ecosystem and a more credible energy transition. India's model will be different. It will be built on diversity, domestic demand, household earning power, infrastructure catch-up, entrepreneurship, energy security, digital rails and indigenous problem-solving. If execution deepens and capability creation remains the focus, India can compound progress meaningfully in the decade ahead.³⁶

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36. Economic Survey of India; RBI; PIB