



Amrit Kaal Opportunity:
**Investing in India's Rise
to Viksit Bharat**

***Empowering Your Wealth
Through India's Growth***

Indian economy at a glance

8.2 percent

GDP growth in
FY24

6.6 percent

GDP growth in
FY25

USD7 trillion

Economy by
2030

USD2 trillion

Exports by
2030

4.8% of GDP

Fiscal deficit estimated
for FY25

Sector Growth

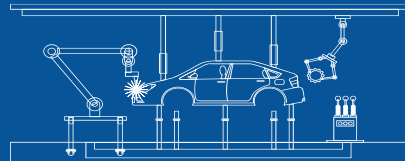
Agriculture

2nd largest producer
of rice, wheat, fruits,
Vegetables, groundnut,
tea, sugarcane and cotton



Automobile

3rd largest
automobile market



Technology

2nd highest
internet users
globally



Financial Services

2nd largest
Insurtech market in
Asia-Pacific



Pharmaceutical

Ranks **3rd** in the
world by volume



Source: RBI, CareEdge, News Articles, KPMG-Decoding India's Economic Growth-May 2024

India's vision for Viksit Bharat @ 2047

Economic Growth and Prosperity

- \$10 tn economy target
- Transition to **high-income** nation



Technological Leadership

- **Global leadership** in AI, space, and green tech
- Robust startup ecosystem and digital infra



Global Manufacturing Hub

- **Leading manufacturing destination** via PLI, "Make in India"
- Integrated into global value chains; export boost



World-Class Infrastructure

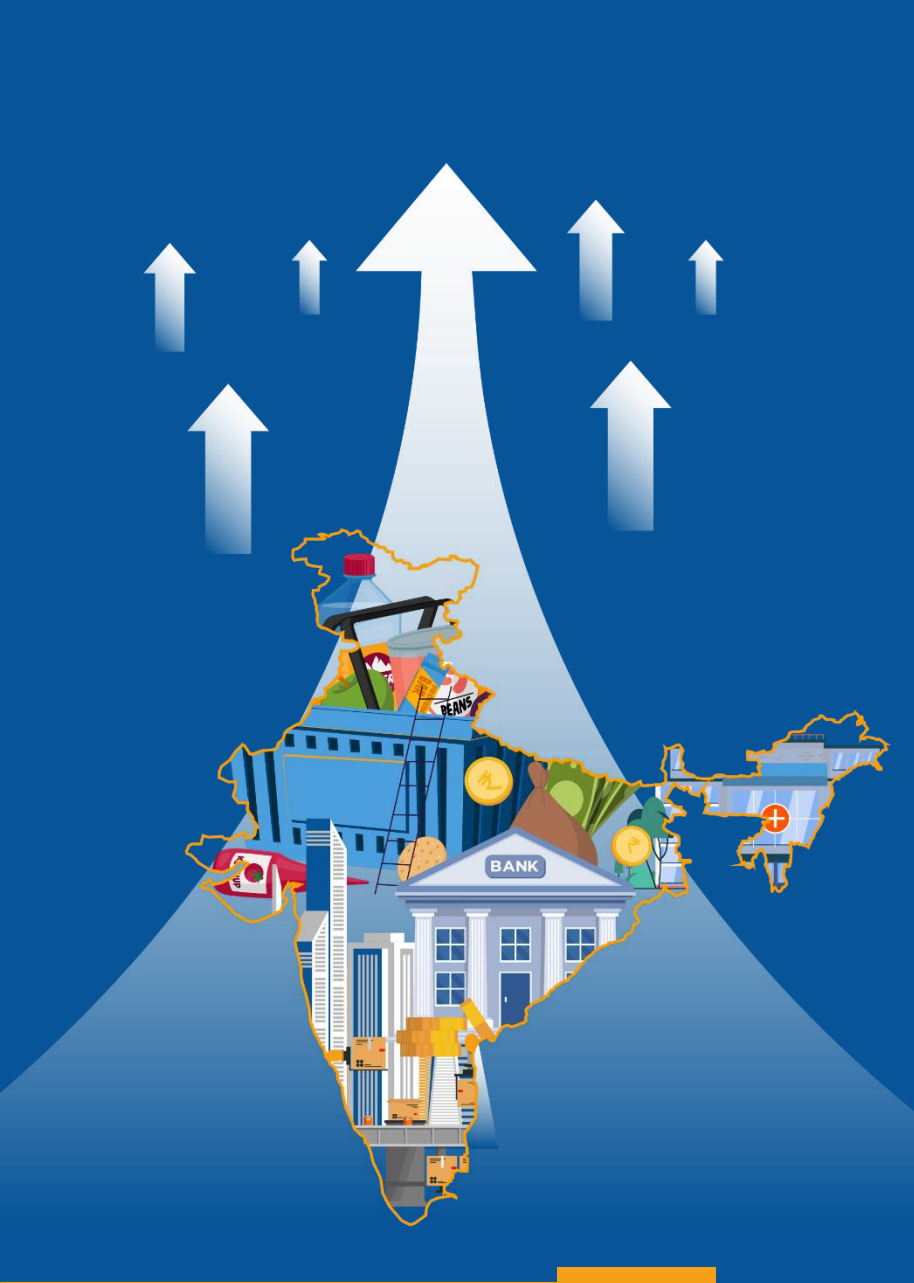
- Smart cities, bullet trains, highways
- 24x7 power, water, and connectivity



Healthcare for All

- **Universal healthcare:** accessible, affordable, quality
- **Leadership** in pharma and biotech innovation



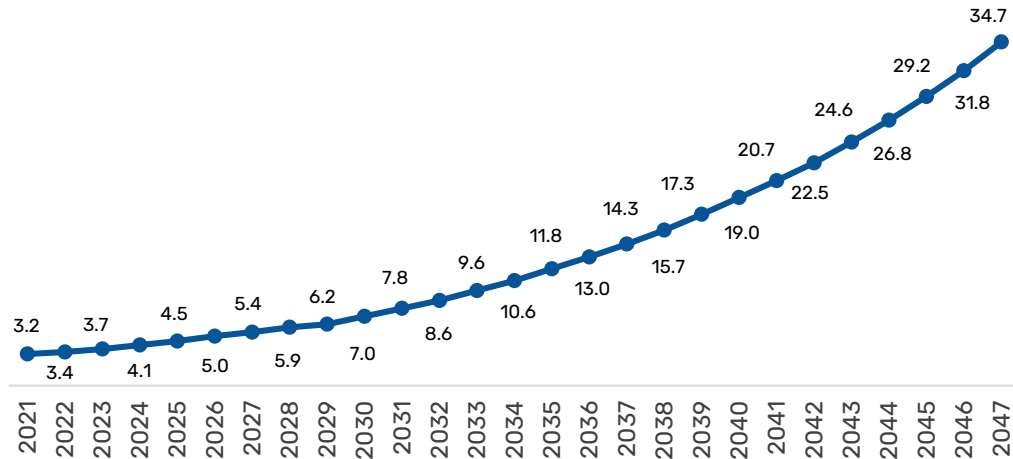


The Road to **Viksit Bharat**

Map of india is used for illustrative purpose alone and is not a political map of india.

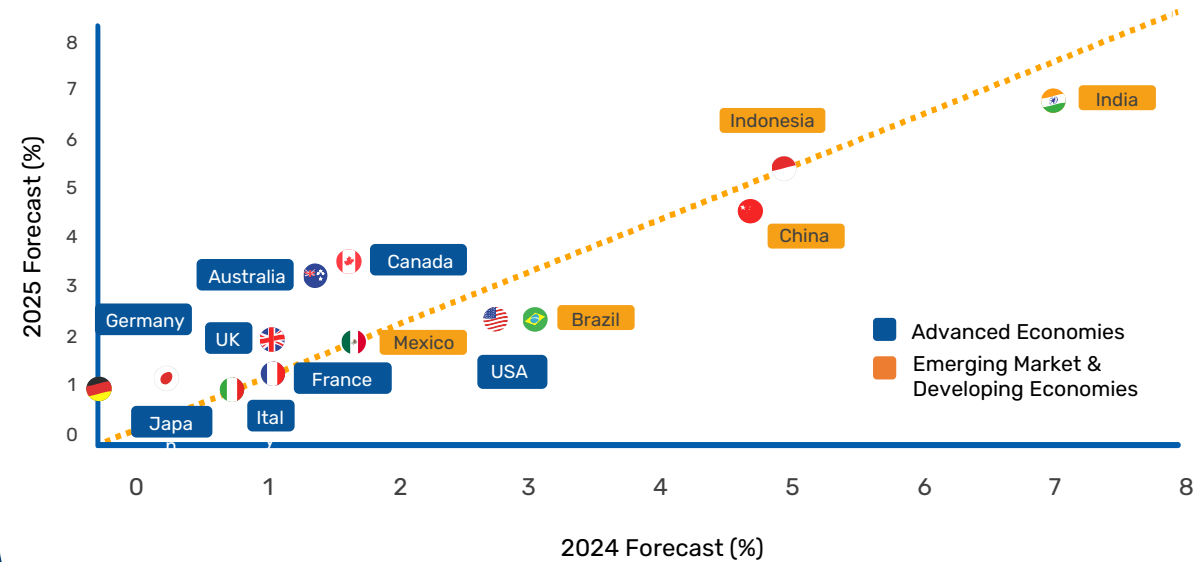
GDP expected to grow exponentially

Size of the Economy (USD Trillion)



Source: PHD Research Bureau; projections for the years 2030, 2040 and 2047 are by PHDCCI

Real GDP Growth



Source: IMF WEO

India expected to be -

2nd largest economy in the Asia-Pacific region by 2030
3rd largest economy in the world by 2030

Strong policy reforms and government handholding to push India to \$34.7 tn economy by 2047

India's global advantage



- India will be the **youngest nation** for the next 50 years



- India is home to **25%** of the world's working population



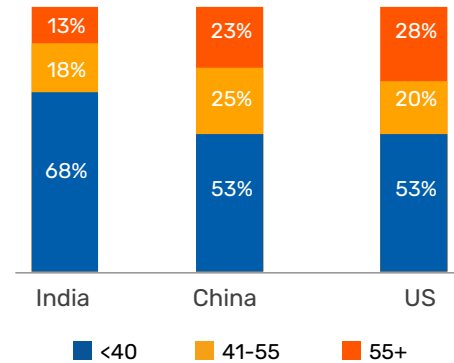
- Over **950 mn** internet subscribers, ranking second globally in internet-enabled populations



- '**Pharmacy of the world,**' supplying a substantial share of generic medicines globally

Sources: EY, UNFPA

Population distribution by age



Measures, both public and private, have fuelled digital adoption

Penetration of tech-enabled Consumption in India



7 out of 10 are already online

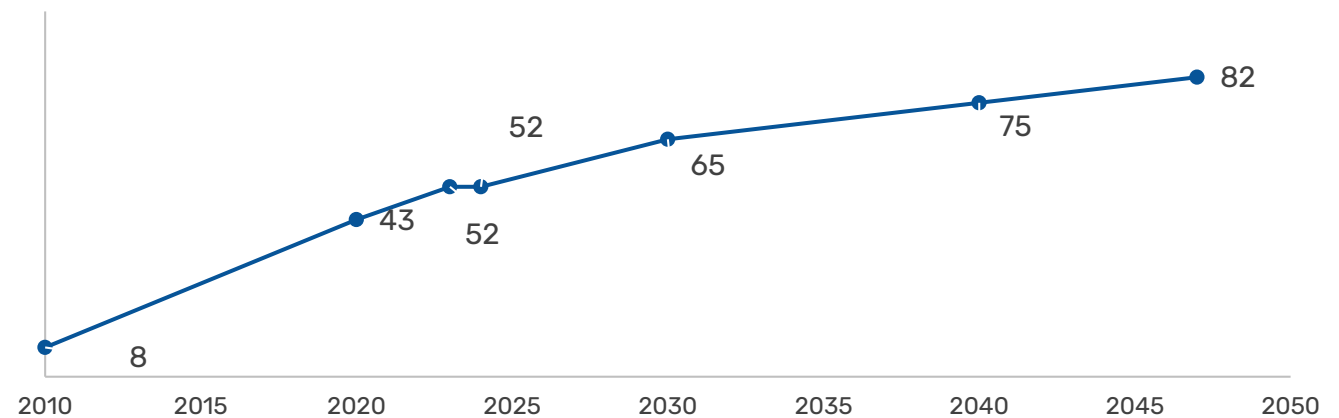


6 out of 10 are aware of Technology-enabled Consumption models



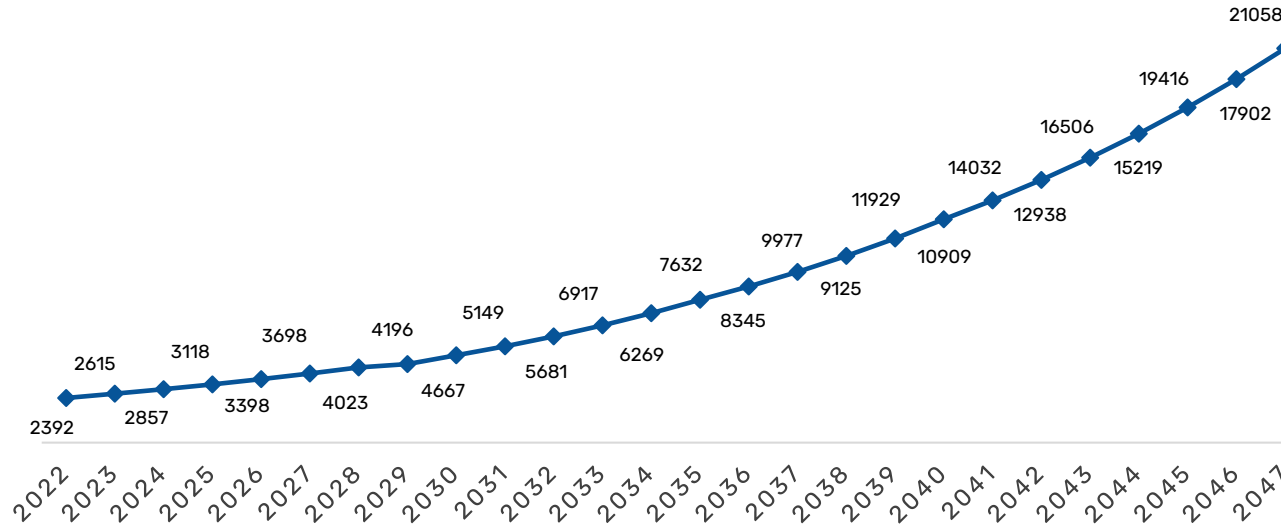
~ 15% Are regular users

Individuals using the Internet (% of population) in India



Rising per capita income

India's Per Capita Income (USD)



Source: PHD Research Bureau; projections for the years 2030, 2040 and 2047 are by PHDCCI



The GDP per Capita in India is equivalent to **18%** of the world's average.



Rising GDP per capita strengthens domestic demand, driving robust economic growth.



Improved living standards fuel infrastructure development and consumption-led industries.



Higher income levels attract foreign investments, boosting India's global economic influence.

Source: World Bank, Trading Economics

Major government initiatives



Tax Reforms

- **GST:** Simplified tax regime; formalization and compliance boost.
- **Corporate tax cuts:** Attract domestic and foreign investments.



Banking and Financial Sector Reforms

- **Insolvency and Bankruptcy Code (IBC):** Efficient resolution of distressed assets; better credit discipline.
- **Financial inclusion:** Jan Dhan Yojana, UPI, and fintech innovations.



Industrial Policy and Production Incentives

- **Production Linked Incentive (PLI) schemes:** Promote manufacturing in key sectors.
- **Make in India:** Boost domestic manufacturing; reduce imports.



Infrastructure Development and Investment

- **National Infrastructure Pipeline (NIP):** Investments of \$1.4 trillion across sectors by 2025
- **Modernization:** Bharatmala, Sagarmala for road and port, PM Gati Shakti for logistics and transport.



Technology and Digital Economy Reforms

- **Digital India initiative:** Driving e-governance, digital payments, and smart cities.
- Policies supporting the IT and startup ecosystems, with India emerging as a global hub.



Demographic Strengths

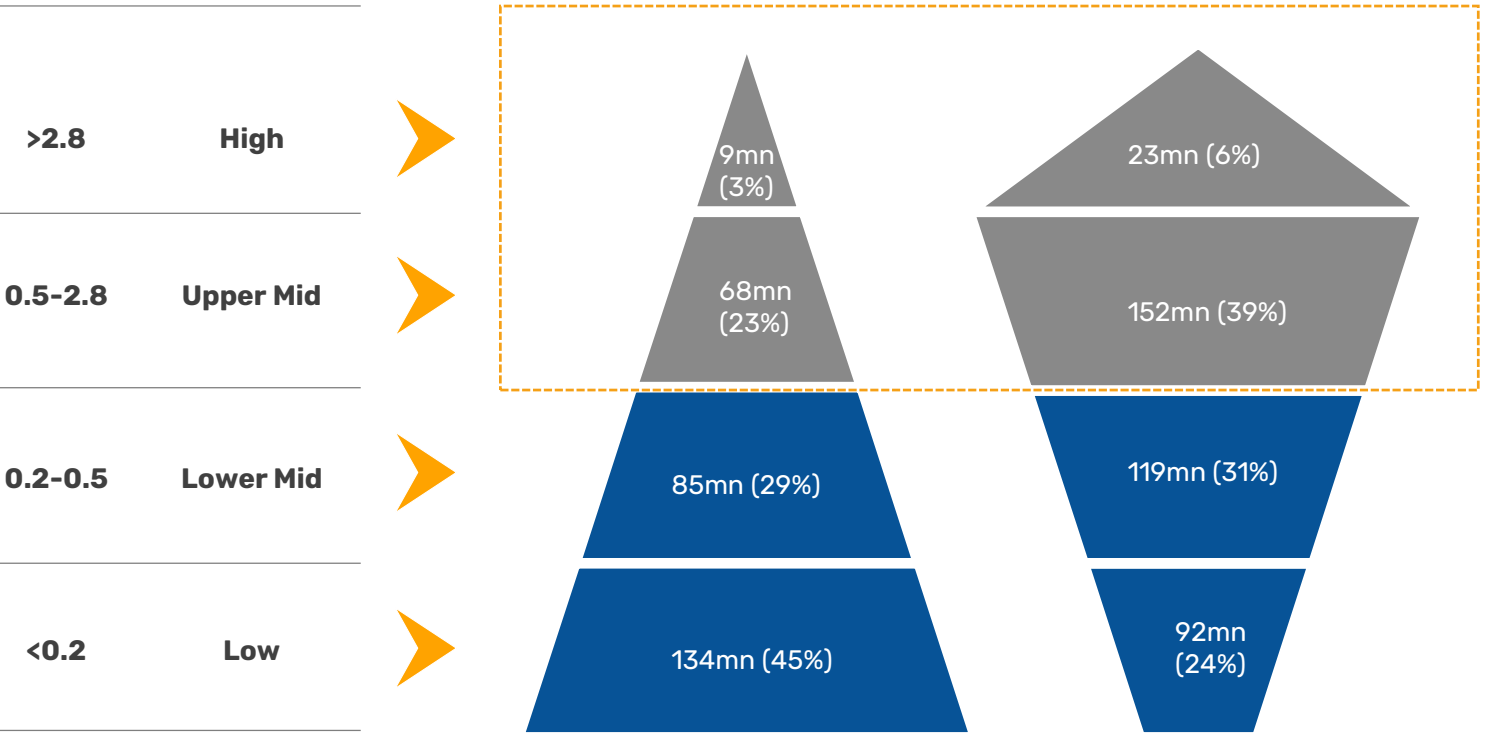
Rising income & middle class

Annual HH Income (INR mn)

HH Category

2021
GDP: USD 3tn
HH: 296mn

2030
GDP: USD 7-8tn
HH: 386mn



India's per capita income projected to grow to **\$4667** by 2030



Higher per capita income will generate higher demand boosting private investments for higher growth



The size of the Indian middle class is expected to jump to **61%** in 2046-47



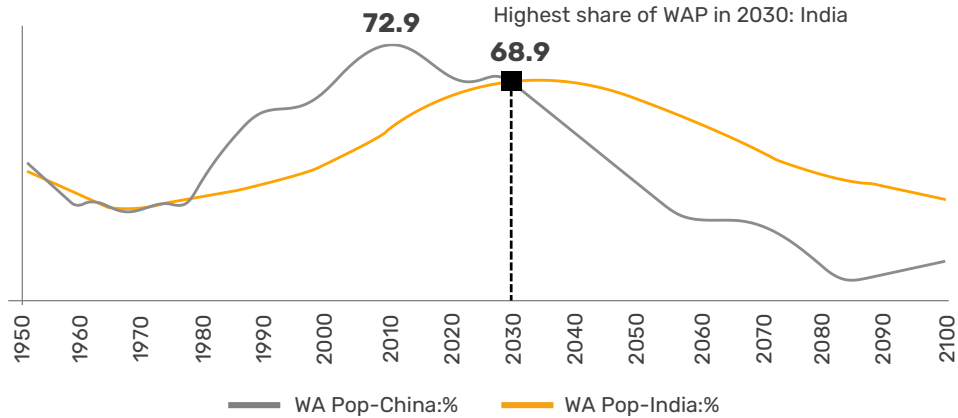
Increased disposable income is boosting purchasing power and increasing consumption

Source: WEF, Bain

Growing working age population

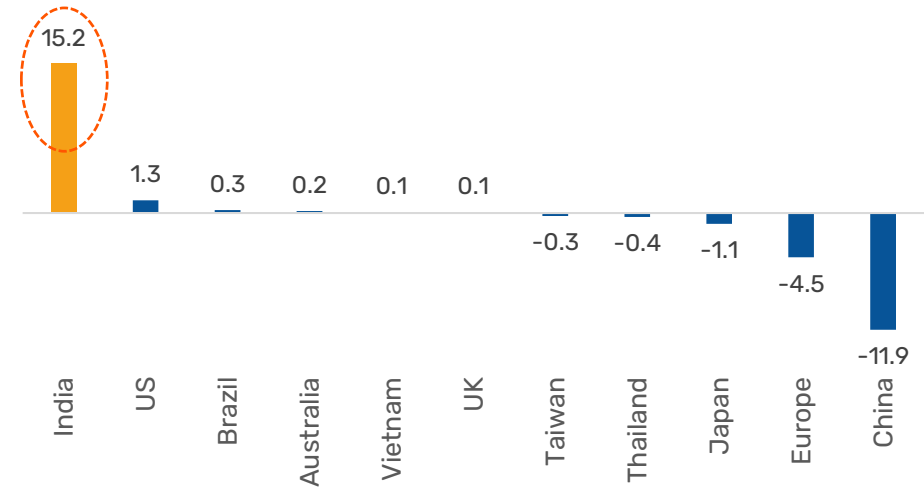
A worker boom

India's working age population to total population ratio will be the highest of any large economy



Source (basic data): UN Population statistics 2022; WAP stands for working age population

Addition in 30-60 age bracket by 2045 (in Crs)



Source: World Bank



Working age population is the share of 15 to 64 year olds in the total population

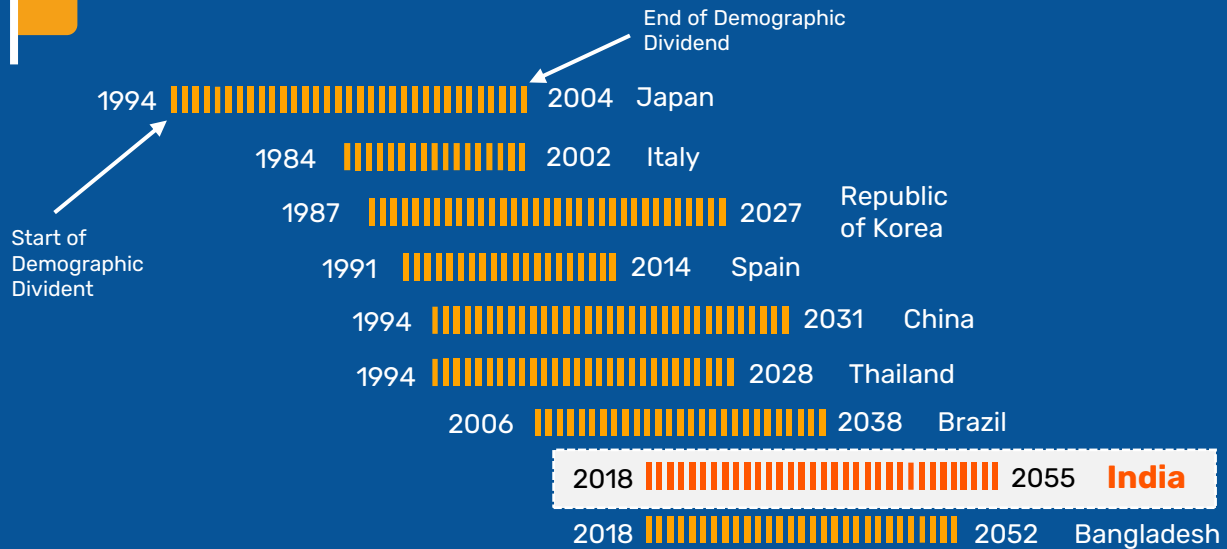


India's working age population group is expected to increase to **68.9%** by 2030



India to constitute the **majority** of workforce by 2045

Demographic dividend



1.53B
People (2030)

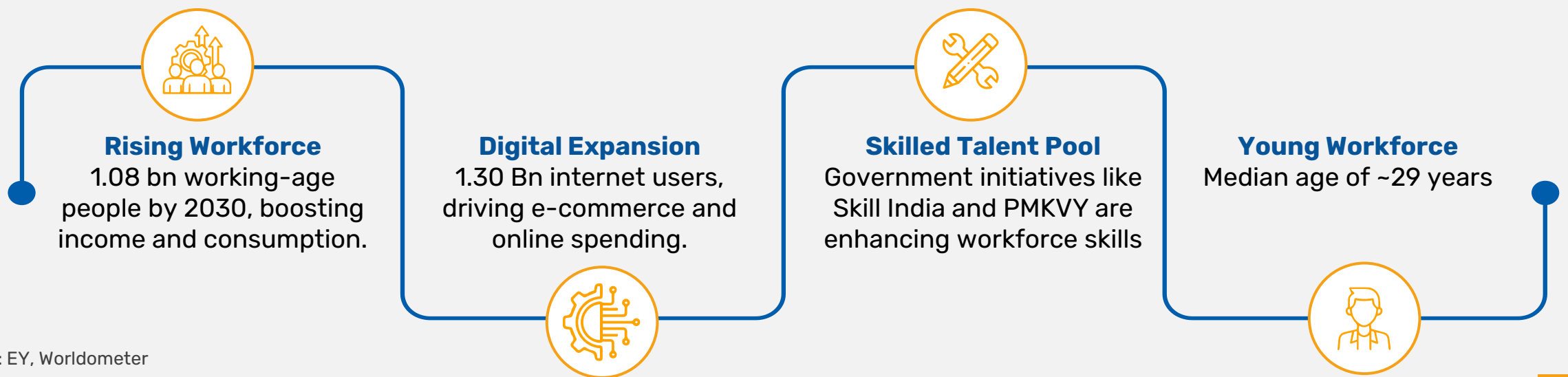
India's Total Population

1.30B
People (2030)

India's Internet Users

1.08B
People (2030)

India's working Population, people b/w 16-64 years



Rising Workforce
1.08 bn working-age people by 2030, boosting income and consumption.

Digital Expansion
1.30 Bn internet users, driving e-commerce and online spending.

Skilled Talent Pool
Government initiatives like Skill India and PMKVY are enhancing workforce skills

Young Workforce
Median age of ~29 years

Source: EY, Worldometer



Sectoral Growth Insights:

Banking & Finance

Stable, resilient financial sector a pre-condition to 2047 mission

	2023				2023P	2047P
GDP (in \$ Tn)	27	18	5	3.4	7	30
Financial Assets ¹ (in \$ Tn)	135	78	21	6.4	15	120
Bank Assets ¹ (in \$ Tn)	32	52	12	3.1	7	45



For GDP to grow to **10x**, financial assets need to become **20x**

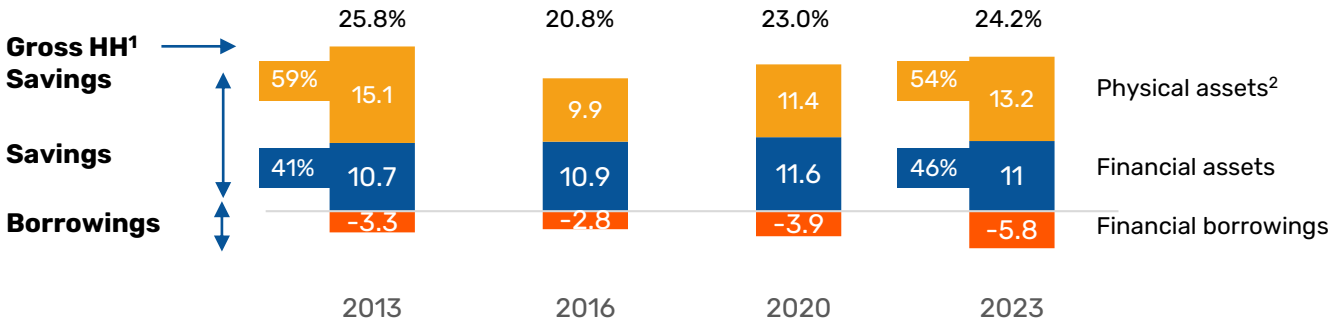


India's banking industry will need to add **\$4 Tn** in capital in the next 2 decades; which will in turn create the multiplier effect for the economy to reach **\$30 Tn GDP by 2047**

1. 2023 numbers for US, China, and Germany basis 2022 Financial Stability Board report
 Source: RBI; Financial Stability Board; World Bank; Federal Reserve; Bundesbank; BCG analysis.

Financialization underway for households, still underpenetrated

Household Savings & Borrowing: Stock as% of GDP



Household Savings & Borrowing: Stock as% of GDP

	India	USA	UK
Data as of 2023			
HH Financial assets/ GDP	103%	441%	217%
HH Financial borrowings/ GDP	38%	76%	83%

1. HH – Household | 2. Physical assets include savings in gold and silver ornaments

Sources: RBI; MoSPI; IMF



There is a shift of household savings into the financial system (vs real-estate, precious metals) and households are becoming part of mainstream banking.

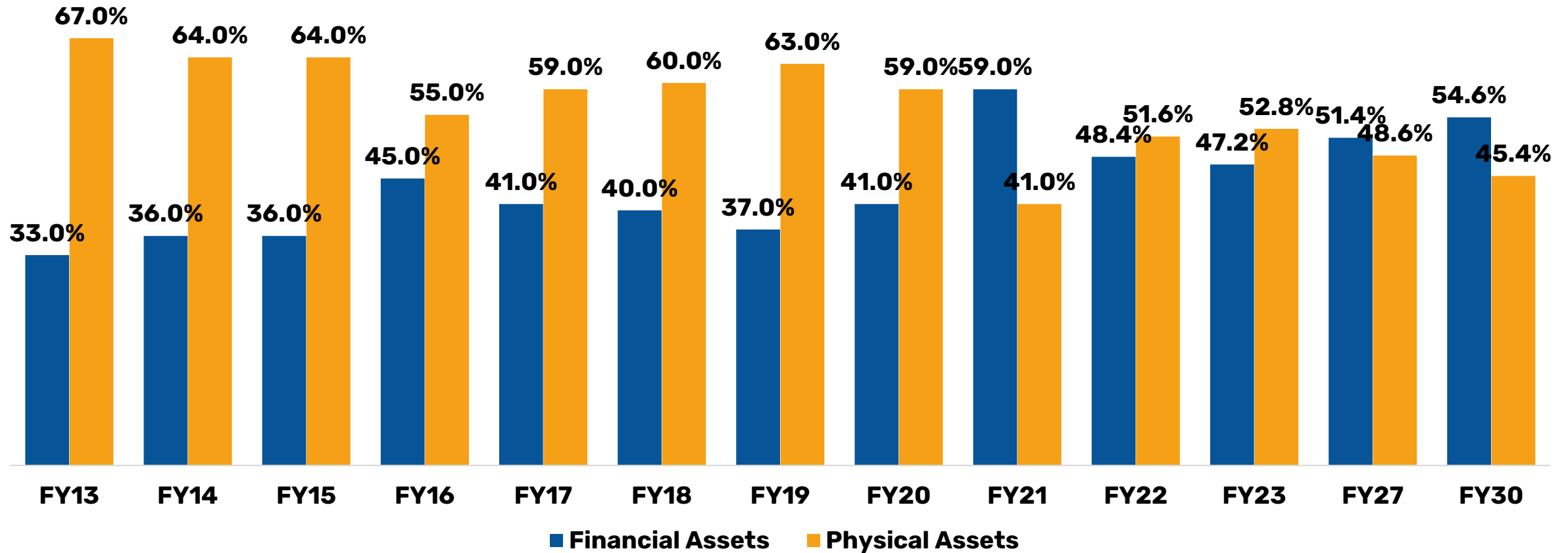


Formalized borrowings have doubled for households in the past two decades



However, financial assets and borrowings continue to be significantly under-penetrated compared to other large economies

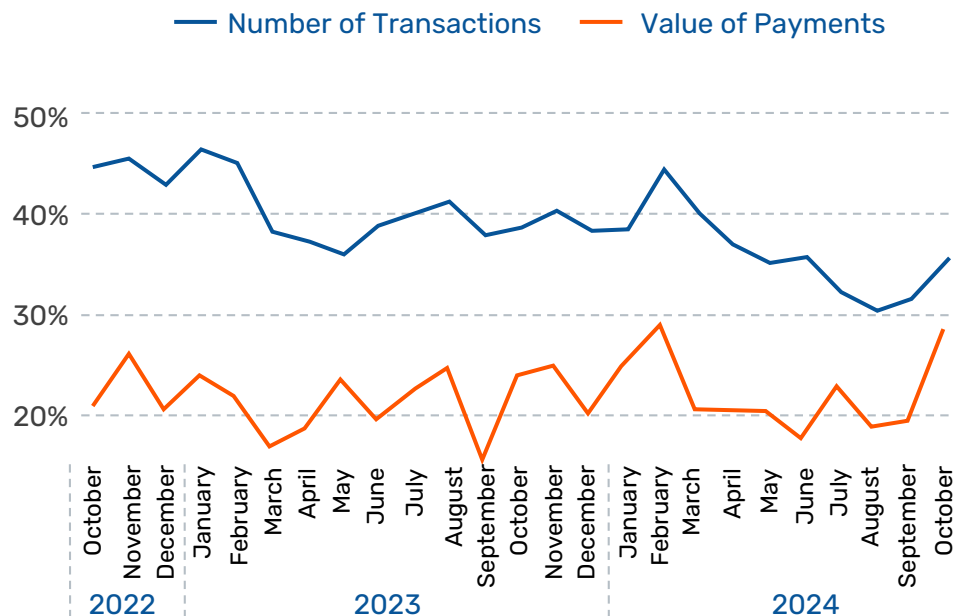
Adoption of financial savings is on the rise



Source: IMF, Statista, World Bank

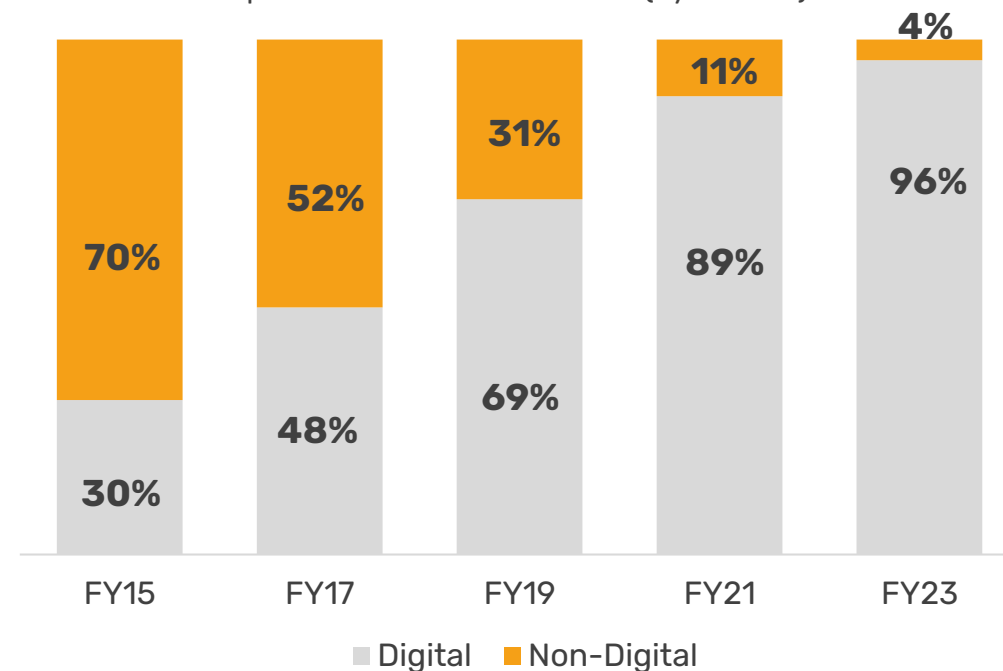
Digitization of payments on the rise

Retail Digital Payments in the Economy (YoY%)



Transactions have shifted to digital

Split of financial transactions¹ (by Volume)



- Digital payments are helping the growth of other industry sectors (both B2B and B2C) by eliminating the challenges involved in cash transactions
- Transaction volumes in retail digital payments are estimated to double by FY 2026–27.

Source: India Data Hub, 1. RBI; India Stack website; Govt. press release; FIBAC data; BCG analysis.
B2B – Business to Business, B2C – Business to Consumer

UPI Revolution: Fintech growth propel India forward



Effects of UPI's growth in India

Job Creation

Estimated 15-20% increase in job opportunities in digital finance, cybersecurity, etc. by 2025.

Financial Awareness

Expected 10-15% rise in retail investments in mutual funds and stocks due to ease in payments.

Innovation and Startups

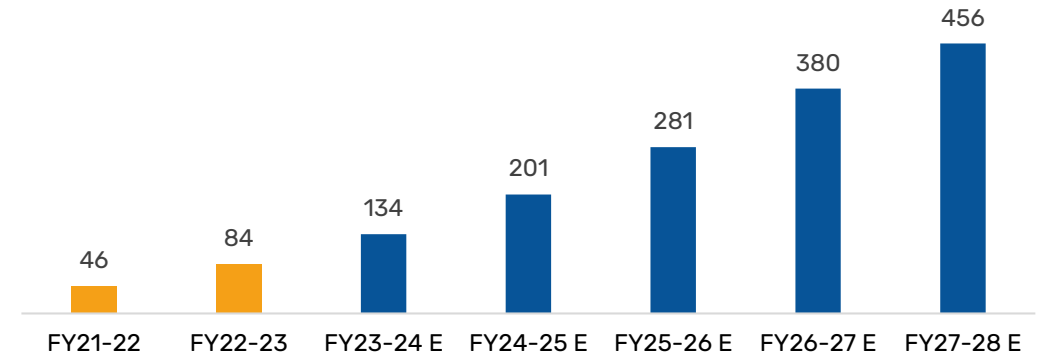
Forecasted 20-25% growth in fintech startups by 2025.

Global Competitiveness

Expected 15-20% increase in FDI inflows in digital and Fintech sectors over the next decade

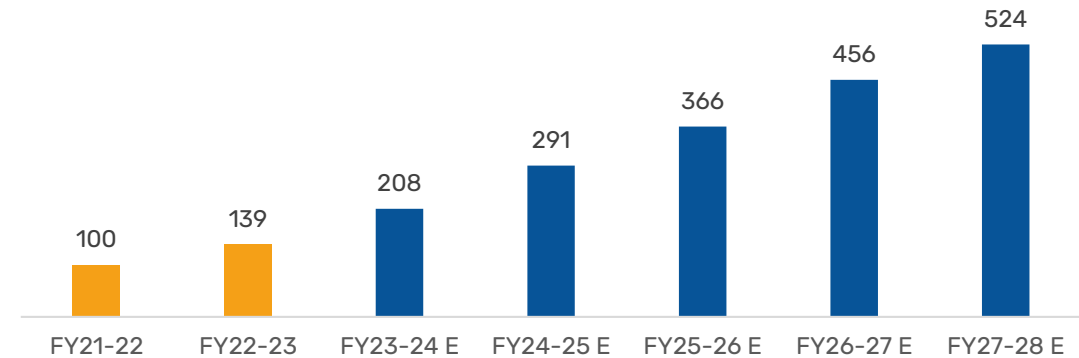
Source: India Data Hub, NPCI

Transaction volume of UPI (in billion)



Source: RBI, NPCI, PwC analysis

Transaction value of UPI (in INR trillion)



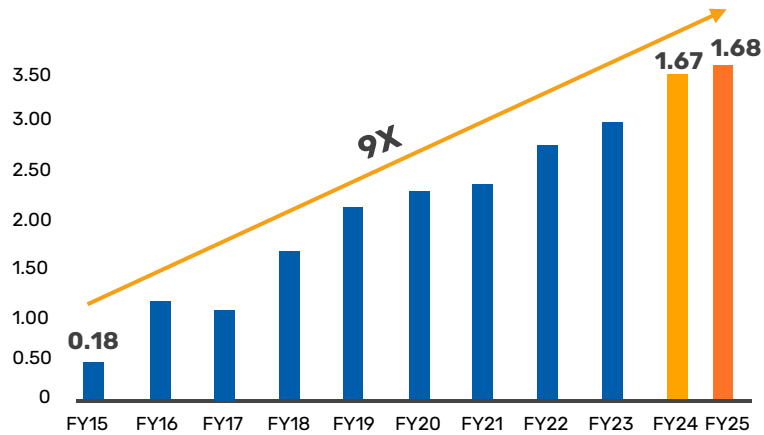
Source: RBI, NPCI, PwC analysis



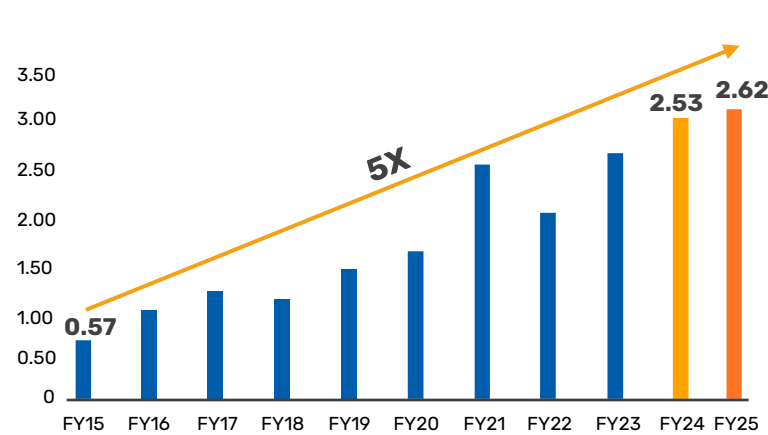
Sectoral Growth Insights: **Infrastructure**

Roadways & Railways rapid growth

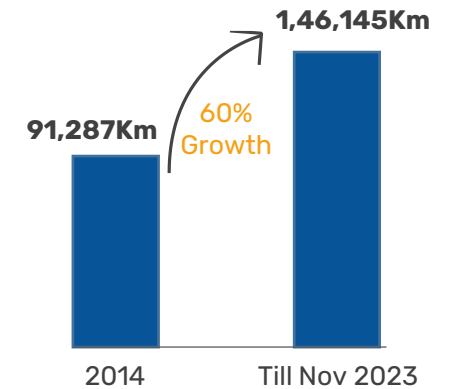
Capital outlay by NHAH (INR Lac Crs)



Capital outlay by Railways (INR Lac Crs)



Total Length of National Highway



1318 Stations selected for Redevelopment

100+ Vande Bharat Train Services Operational

697 Km Metro Rail Network Added in 10 Years

61,508 Route Kms electrified (93.83%)

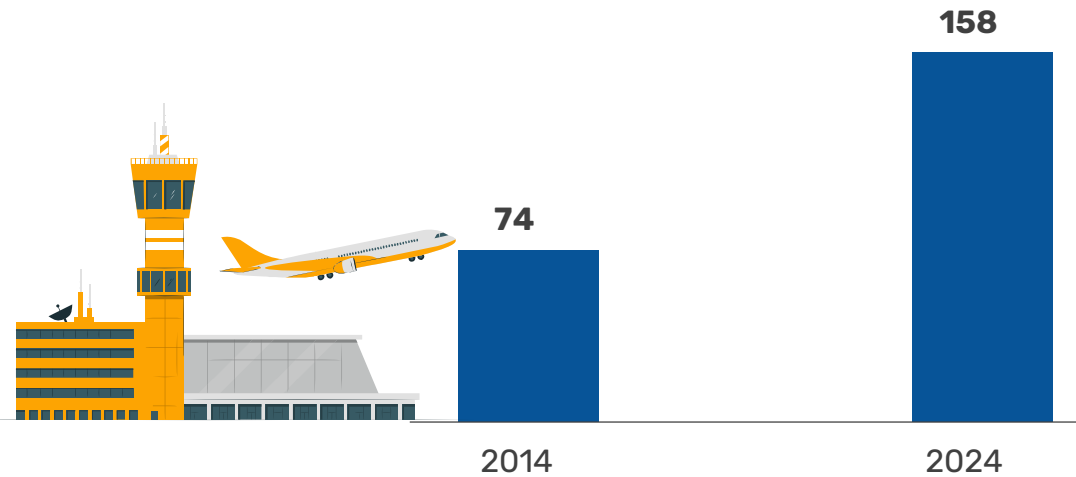


- India has about **63.73 lakh km** of road network, which is the second largest in the world.
- India is set to become world's **2nd largest metro network**, current 3rd
- In 2024, about 945 km of metro rail lines are operational in 21 cities and **919 km is under construction** in **26** different cities
- Government is working towards the development of a national highway network of **2 lakh kms by 2025**.

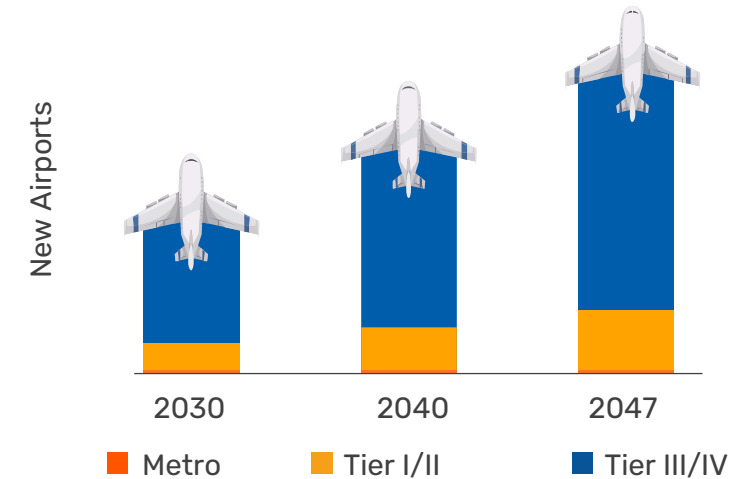
Source: FICCI, PIB

Aviation landscape mirrors infrastructure growth

Total Number of Airports in India



New Airports in India, Cumulative



The growth is a result of Government's push to enhance airport and aviation infrastructure

Operational airports increased more than **2X** from 2014 to 2024

By 2047, India is expected to have a **total of >400** airports and addition of **~258** airports

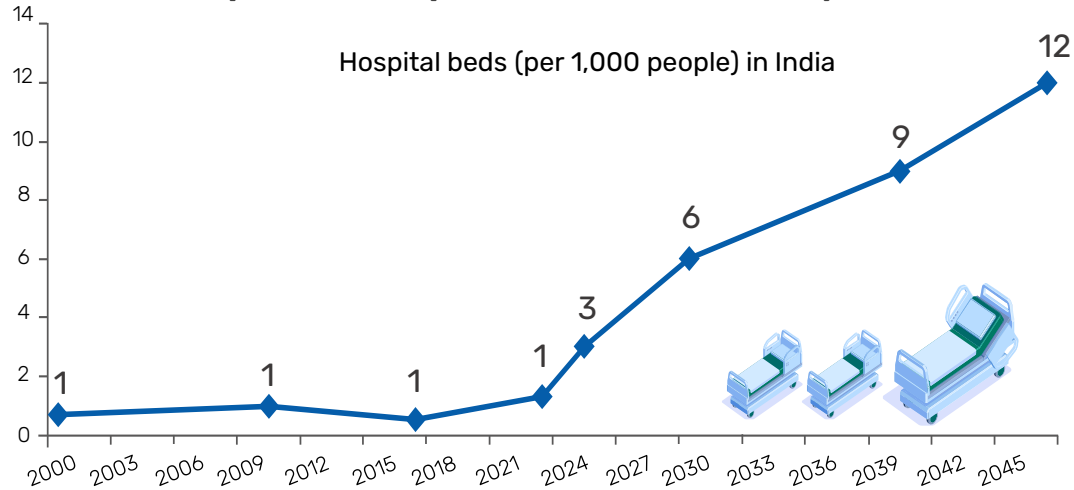


Source: FICCI, PIB

Healthcare infrastructure improving

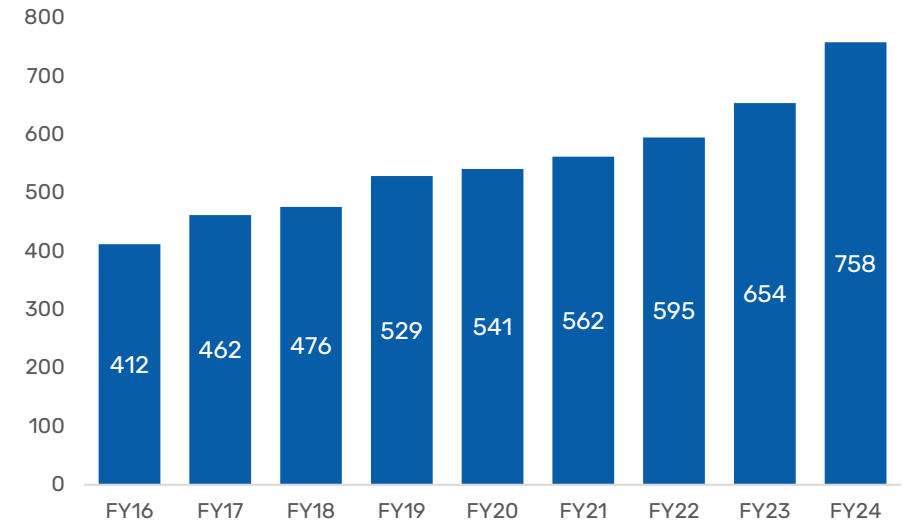
Hospital beds expected to increase 12X by 2048

Hospital beds (per 1,000 people) in India



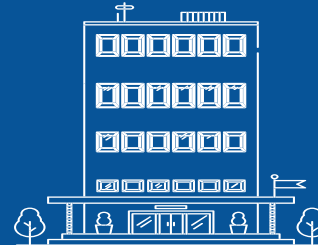
Source: PHD Research Bureau projections for the years 2030, 2040 and 2047

Number of Medical Colleges



India's medical educational infrastructure has **grown rapidly** in the last few decades

Indian healthcare market, valued at US\$ 86 bn in 2016 is now projected to reach **US\$ 638 bn by 2025**



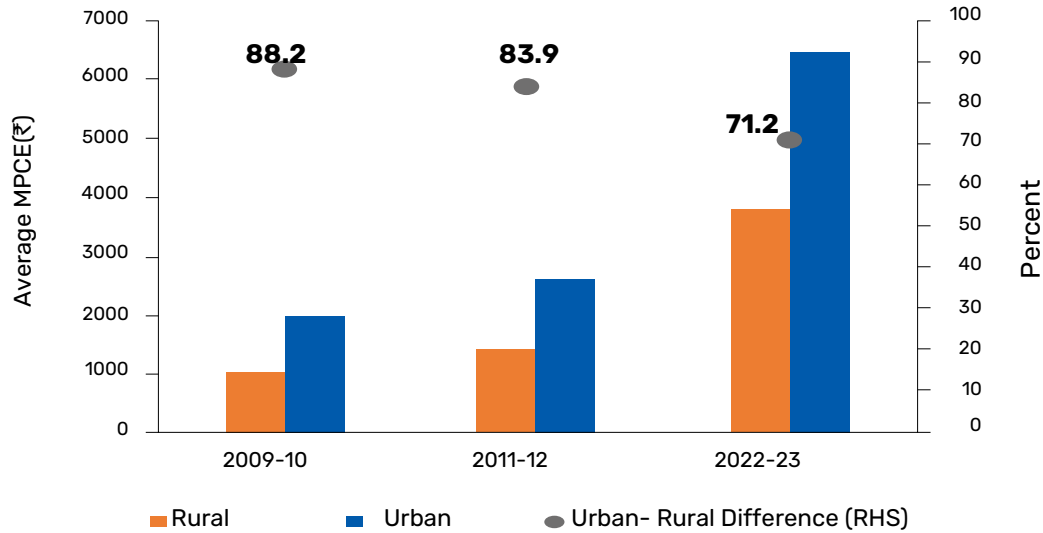
2024-25 interim budget proposed **expanding medical colleges** using existing hospitals



Sectoral Growth Insights: **Consumption**

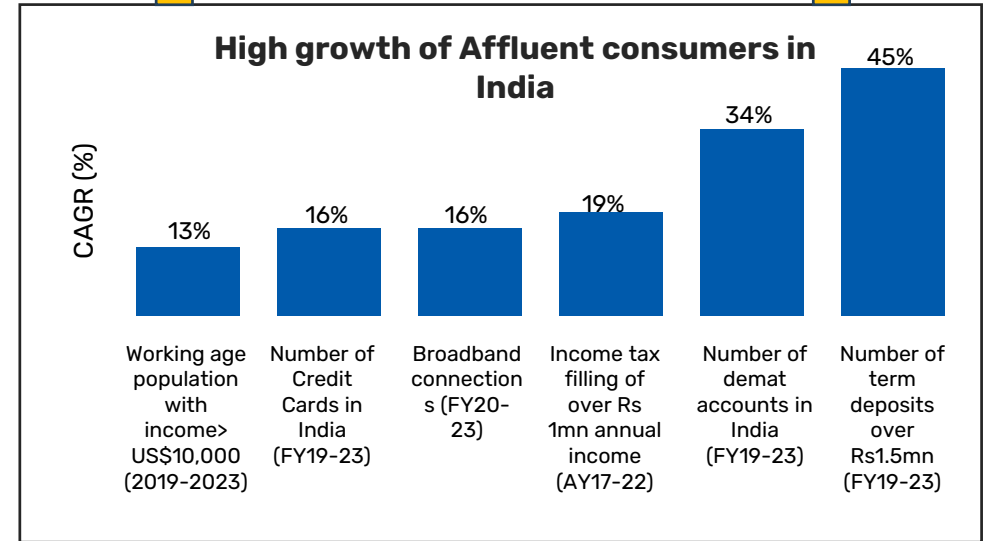
Consumption growth drivers

Reduced rural-urban inequality



Source: Survey on Household Consumption | Expenditure: 2022-23, MoSPI
MPCE: Monthly Per Capita Consumer Expenditure (Rs.)

Multiple data points corroborate mid teens growth in number of 'Affluent' consumers in India



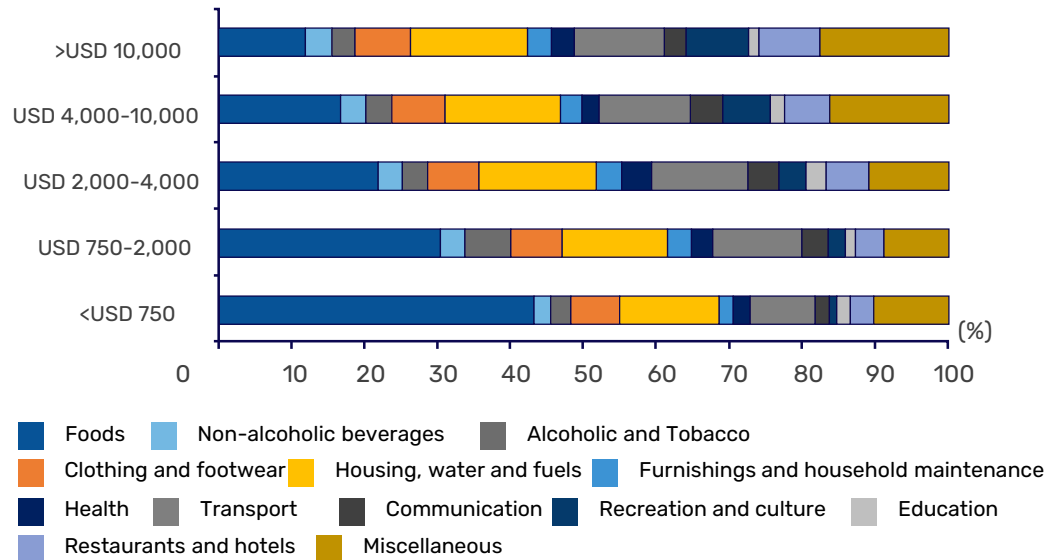
Rise in rural consumption and reduced rural-urban inequality has helped **household consumption to increase**



Rise in affluent consumers driving demand for **premium products and luxury brands**

Change in consumption patterns with rising income

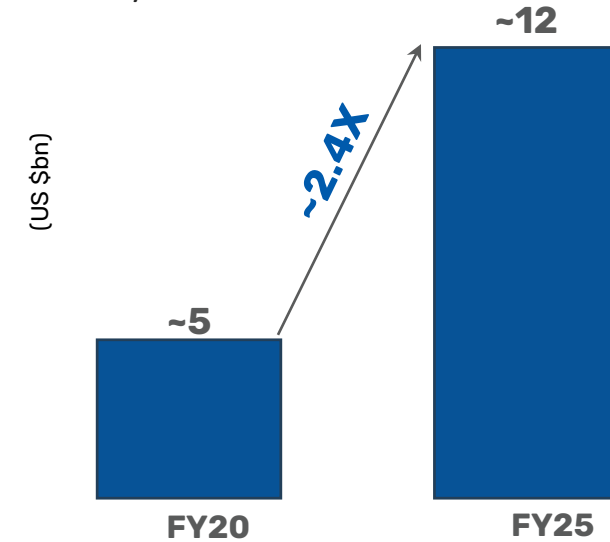
Transition of consumer spending in India as income rises



Note: Essentials comprising food, non-alcoholic beverages, alcohol and tobacco are marked in blue dotted line to show gap in essential and discretionary. | Source: CLSA

Rising Consumerism and Urbanization

Social Behavior is changing radically. Eating out expense may rise 2.4 times by FY25.



With the rise in income, Indian consumers **spend a higher proportion** of their income **beyond necessities** like food and clothing



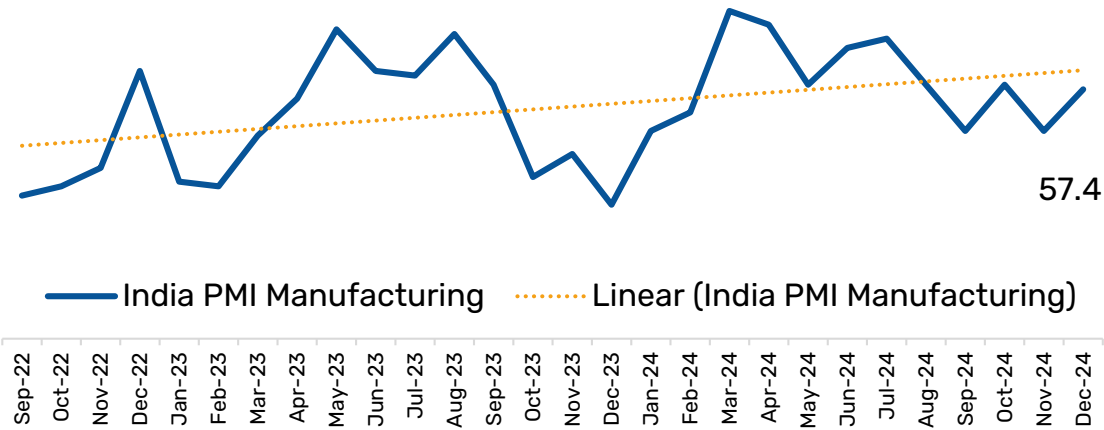
Urbanization and the rise of consumerism are transforming social behavior and reshaping consumption patterns



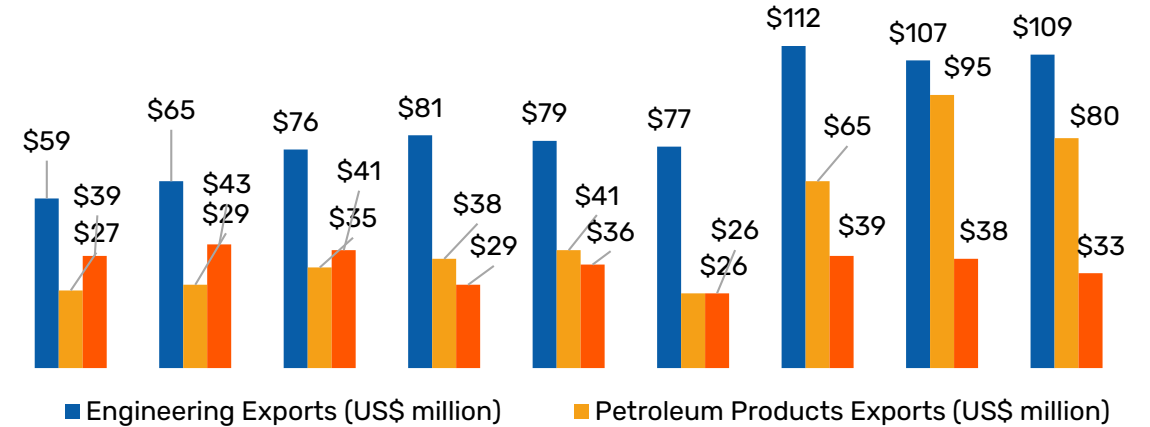
Sectoral Growth Insights: **Manufacturing & Service**

Manufacturing & exports boom

India PMI Manufacturing



Export performance of select industries (US\$ Billion)



Source: EEPC, DGCIS, GJEPC, CHEMEXCIL, PHARMEXCIL, Bain & Company, News Articles

India's PMI Manufacturing signaled robust activity with strong demand and resilient production, sustaining growth above the 50-mark.

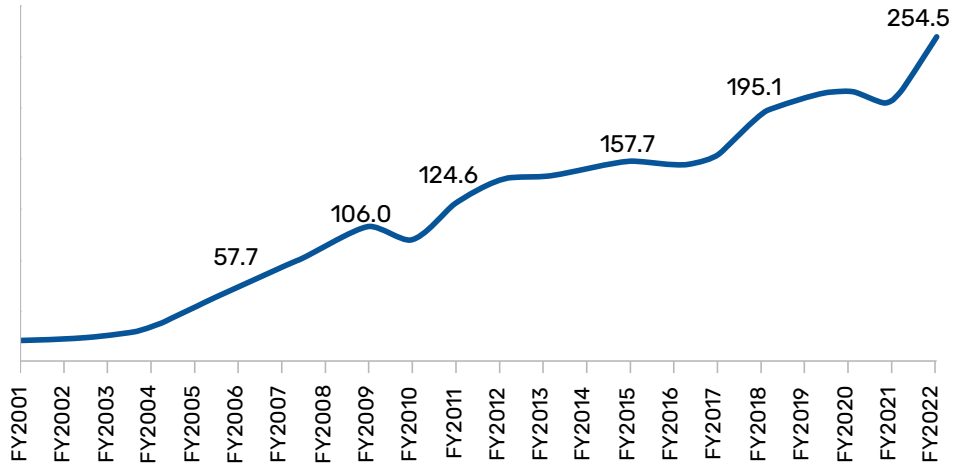
Record **employment growth**, increased **input purchasing**, and **improved vendor performance** drive higher pre-production inventories.

Manufacturing exports hit a record **\$447 billion** in FY23, growing **6.03%** from FY22's \$422 billion.

Source: Bloomberg PMI – Purchasing Managers' Index

India's service exports see a steady rise

India's services exports (in US\$ billion)

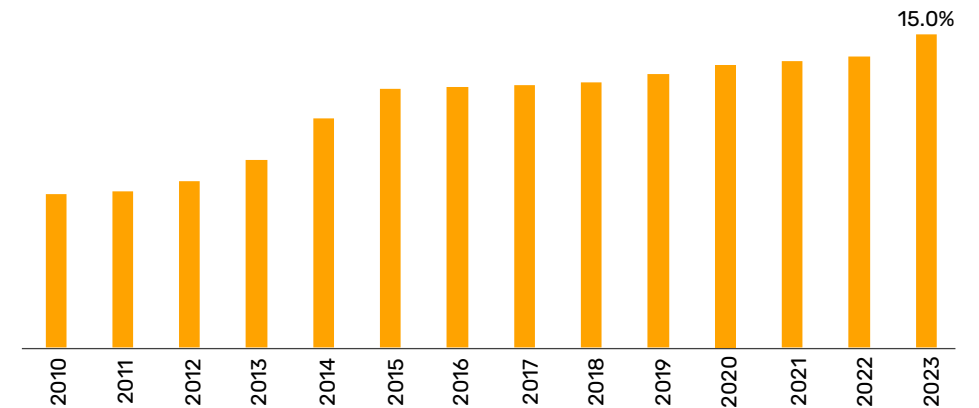


Indian IT Services Exports

#1 in global sourcing markets with **59%** market share

#1 employer in India with over **50 lakh** employees

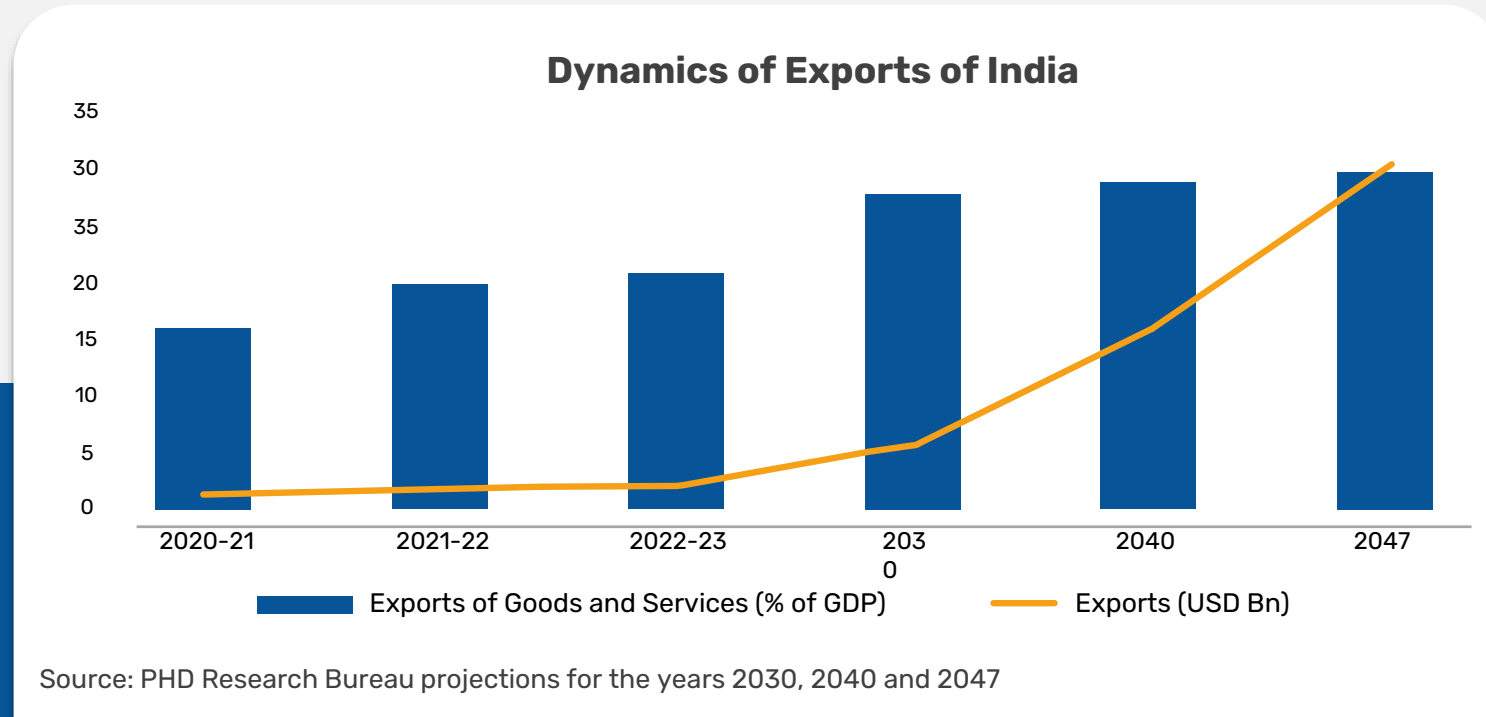
Indian IT exports as % of Global IT services spending



India on the road to achieve US\$ 1 trillion in services exports by 2030

Source: RBI, Philip Capital

India's exports to grow rapidly



By 2040, exports are expected to reach **\$5.5 trillion** and further increase to **\$10.4 trillion by 2047**



The contribution of exports to GDP is expected to rise from 16% to **30% by 2040**

Driving growth and innovation: the future of India's IT sector



Indian IT sector **growth fueled** by demand in software, devices, and IT services.



Digital and transformation **enhances customer experience** and **operational efficiency** across industries.



Emerging technologies like generative AI promise **transformative potential** for future advancements.

Indian IT companies have tried to de-risk the immigration challenge by hiring more locals in onsite markets, relying on subcontractors, and opening more near-shore delivery centers so as to rely less on US visas.

Number of employees in the US, Mexico, and Canada

Indian Companies	US	Mexico	Canada	Total
TCS	45,000	12,500	5,500	63,000
Infosys	30,938	500	8,000	39,438
Wipro		1,600		20,500
HCLT	23,000	2,400	2,600	28,000

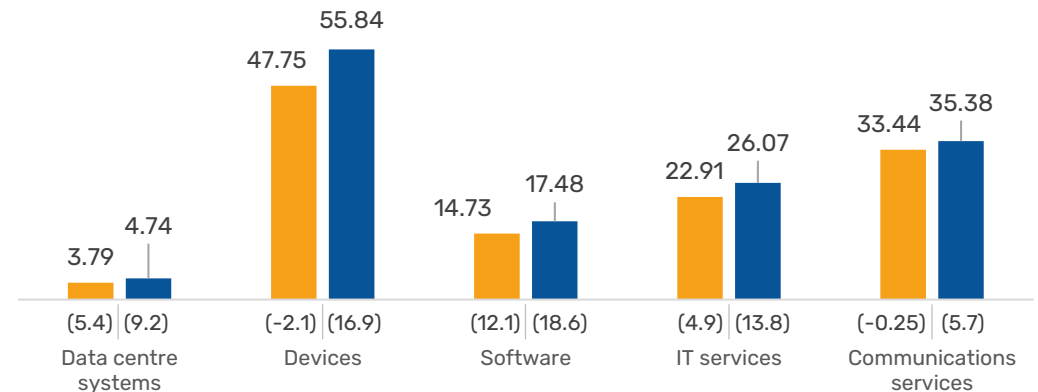
Source: Media reports, company data, Phillip Capital India Research

ON THE RISE

Indian IT spending ■ 2023 ■ 2024

Overall	122.64	138.93
	(1.4)	(13.2)

Figures in brackets are growth in %



Note: 2024 figures are projections Source: Gartner report



To Summarize...

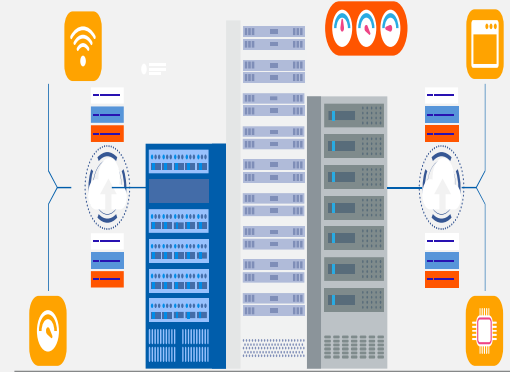
Why India is growing?



Demographic Dividend
Young workforce driving consumption and innovation.



Economic Reforms
GST, IBC, and ease of doing business initiatives boosting growth.



Technological Leadership
Rapid digital adoption, thriving start-up ecosystem, and global IT hub.



Infrastructure Push
National Infrastructure Pipeline and smart city projects.

Source: Bloomberg, Jeffries GST – Goods & Services Tax, IBC – Insolvency and Bankruptcy Code, 2016

What should investors do?



Diversify Across Sectors:

Focus on key growth areas like technology, infrastructure, and consumption.



Benefit of Mutual Funds:

Participate in India's story through professionally managed funds.



Invest Early:

Capitalize on India's growth trajectory during the Amrit Kaal.



Stay Long-Term:

Align investments with India's transformative vision for 2047.



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