

# THE GREAT CONSUMPTION SHIFT

*How a billion Indians changed what they buy —  
and what it tells us about who is winning.*



**~450%**

Increase In Foreign  
Travel Spending  
Over 8 Years

**~2x**

Apple India Pvt. Ltd.  
Revenue Vs Hindustan  
Unilever Ltd. In FY26

**₹2.87 Lakh  
Cr**

Lost By Retail  
Traders  
In F&O  
(FY22-FY25)

**150% vs  
28%**

Income Tax Filers Vs  
Taxpayer Growth In  
Last 10 Years

Source: RBI, India Data Hub, Company filings, / Avendus Spark estimates. Apple India FY26 estimated, Money Control, National Cyber Crime Reporting, Income Tax Department, Details are as per the latest data available. Use of the company/ brand names does not imply any affiliation with or endorsement by them or any of its holding companies, subsidiaries or affiliates and are used for illustrative purpose only.



SEBI Registered Name - Kotak Mahindra Mutual Fund SEBI  
Registered Number - MF/038/98/1

# Six Stories About India's Wallet

## 01 FOOD IS OUT, EVERYTHING ELSE IS IN

How the household budget got rewritten.



## 02 WHERE THE NEW MONEY GOES

Concerts, OTT, Quick Commerce, Mobiles & Hearables.



## 03 THE APPLE TEST

When one phone brand catches up with all HUL.



## 04 THE EMI TRAP

EMI grew faster than salaries.



## 05 WHO ACTUALLY HAS THE MONEY

Income is deepening, not widening.



## 06 THE F&O & DIGITAL FRAUD TRAGEDY

₹2.87 lakh crore lost. By households.



# Wallet Share Shift

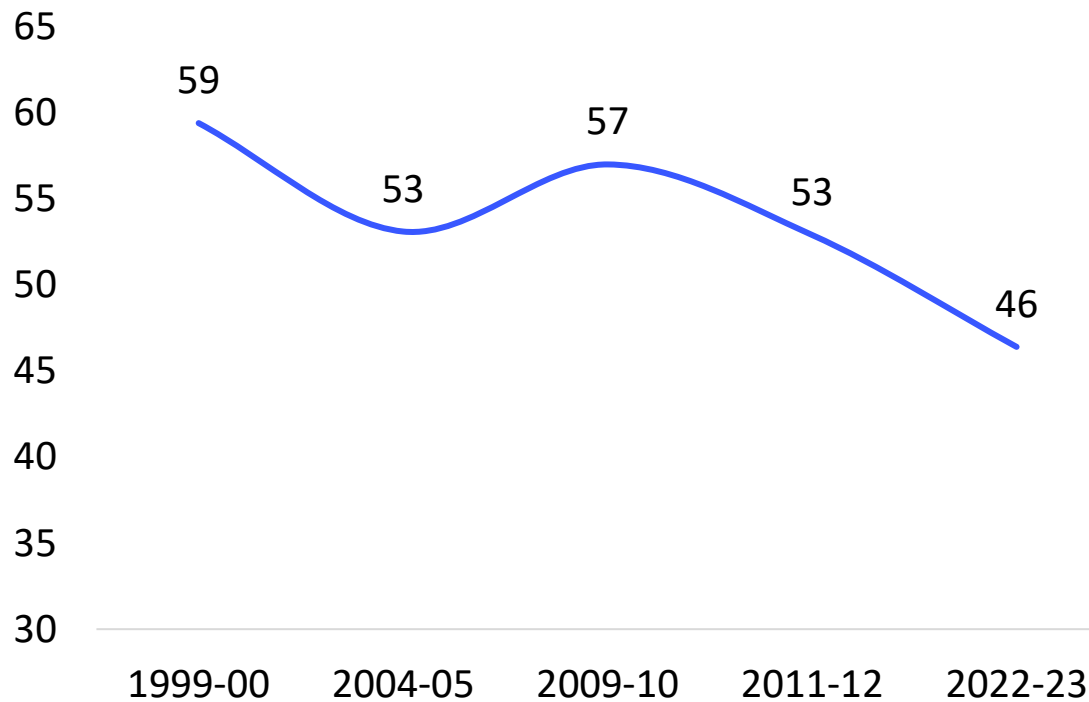


# Indian Household Isn't Really 'Spending On Food' Anymore

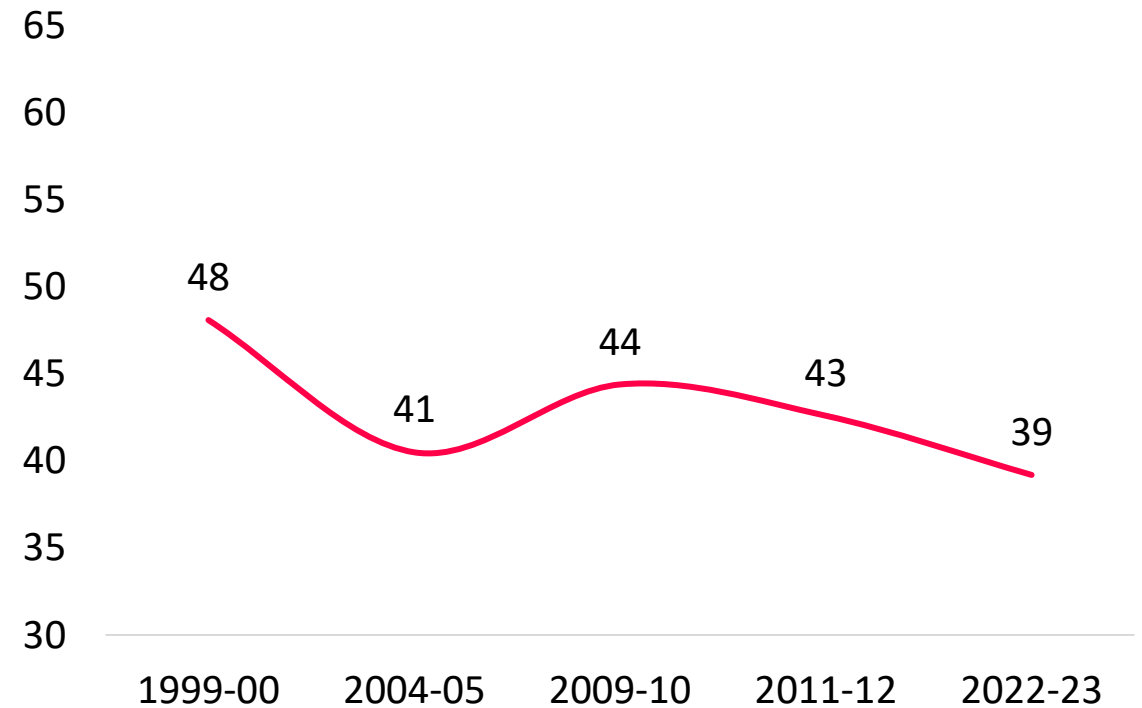
Share of food in monthly per-capita spend has collapsed in both rural and urban India, replaced by automobiles, mobile phones, eating out & rent

**Within food, cereals fell from 22% to 5% rural / 12% to 4% urban. The thali shrank - the wallet expanded elsewhere.**

**RURAL — share of food in total spend (%)**

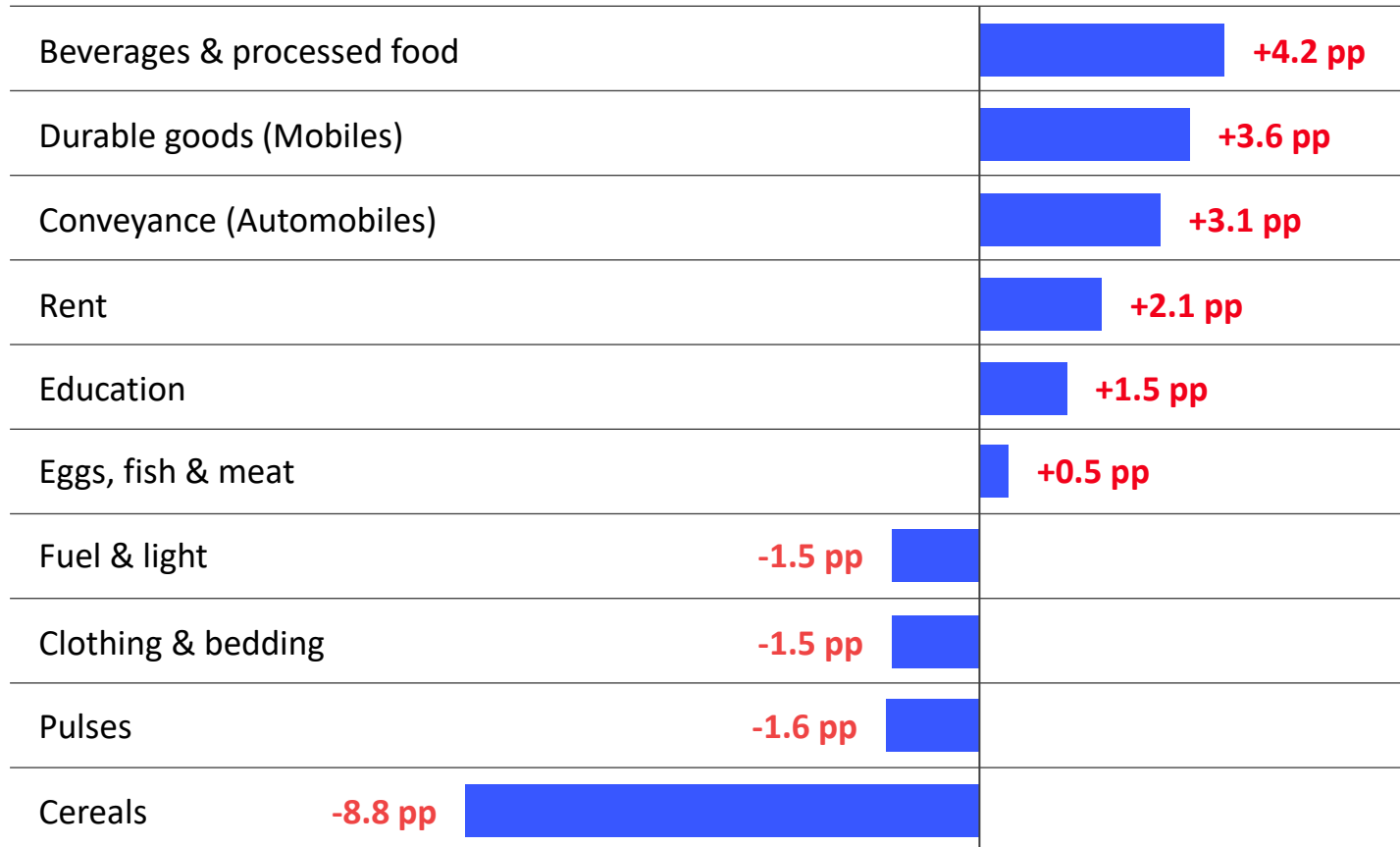


**URBAN — share of food in total spend (%)**



# The Categories That Got Bigger, And The Ones That Shrank

Change in share of urban household spend (1999-00 → 2022-23, percentage points)



## EVOLUTION OF THE CONSUMPTION STORY

**Mobile, Automobiles, Durables, Rent and Education** are the new pillars of Urban Household spending.

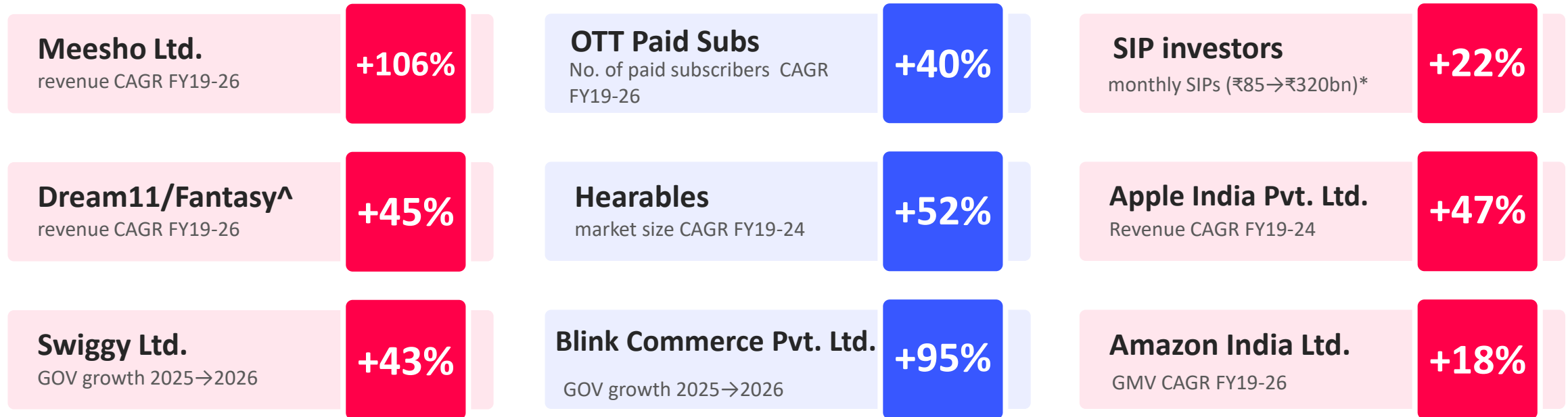
A marker of rising prosperity (Engel's Law) - as households grow richer, the share spent on staples falls.

Source: MOSPI Household Consumption Expenditure Survey 1999-00 to 2022-23. | Data as of 2022-2023. This is the latest data available

The stocks/sectors mentioned do not constitute any kind of recommendation and are for information purpose only. Kotak Mahindra Mutual Fund may or may not hold position in the mentioned stock(s)/sector(s).

# The New Categories India Is Buying

## Revenue/Market Size Growth, last 5 years (CAGR or growth%)



Source: Company filings; Avendus Spark; SEBI; industry estimates. | Details are as per the latest data available. | \*Data As on Dec 2025, ^Former Name of Sporta Technologies Pvt. Ltd.

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# The Same Wallet, Two Very Different Growth Stories

## OLD-AGE CATEGORIES

(Traditional 'Aspirational' goods - slowing or maturing)

	'15-19	'19-24
Air Conditioners	+10%	<b>+16%</b>
FMCG (HUL)	+5%	<b>+10%</b>
Domestic Air Travel	+11%	<b>+9%</b>
Hotels Revenue	+5%	<b>+7%</b>
2-Wheelers (Units)	+15%	<b>+8%</b>
Refrigerators	+8%	<b>+7%</b>
Domestic Tourists	+13%	<b>+2%</b>

## NEW-AGE CATEGORIES

(Emerging 'Experience & Platform' spends - accelerating)

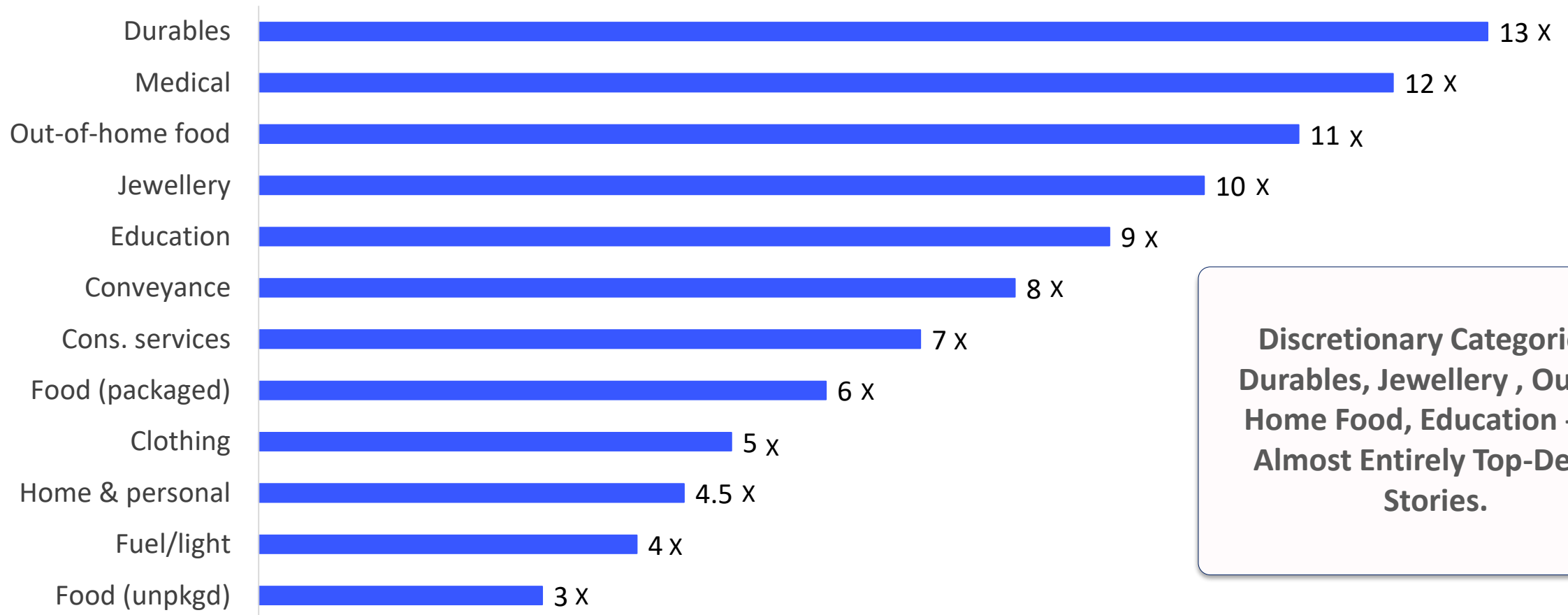
	'15-19	'19-26
Meesho revenue	—	<b>+106%</b>
Dream11 revenue	+89%	<b>+45%</b>
Apple India revenue	+13%	<b>+47%*</b>
OTT paid subscribers	+150%	<b>+40%</b>
SIP inflows	—	<b>+22%</b>
Amazon India GMV	+34%	<b>+18%*</b>
Hearables market	+15%	<b>+52%*</b>

Source: Company filings, Avendus Spark, industry reports. \*Data as on FY 19-24 | As per latest available data

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# Consumption Skewed: Top 10% Urban India Spends Multiples of the National Average

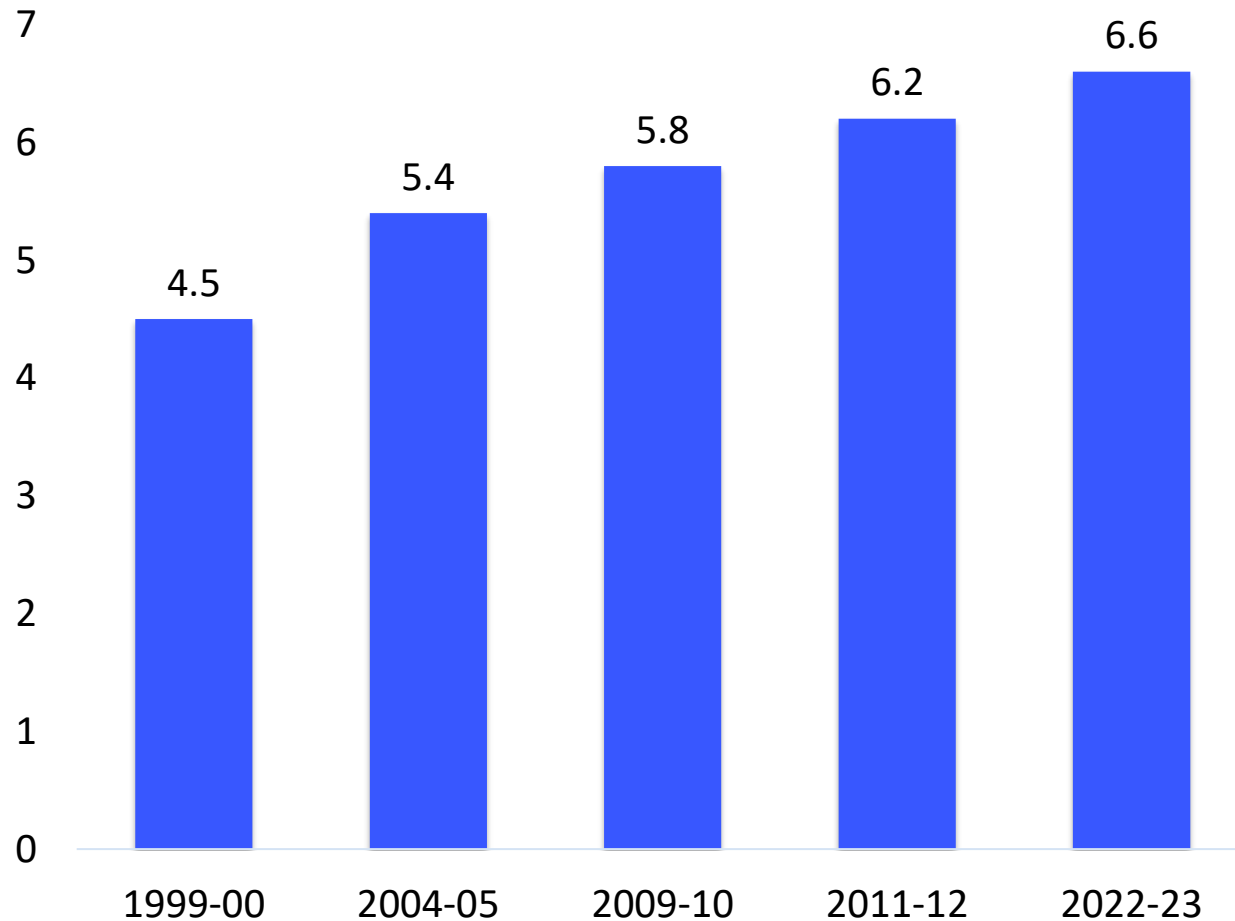
## Urban Top-10% Per-capita Spend Vs. National Average (Multiplier)



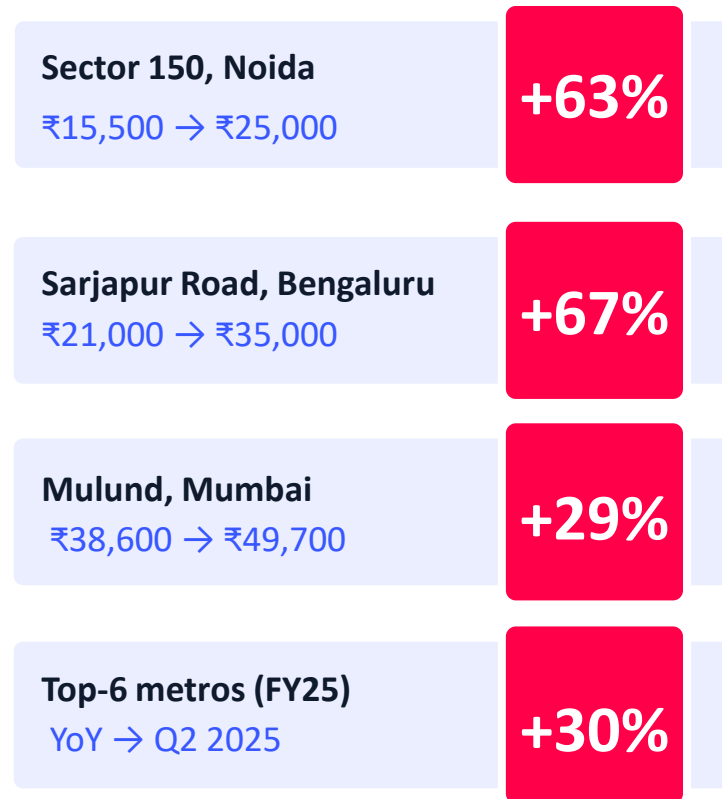
**Discretionary Categories - Durables, Jewellery, Out-of-Home Food, Education - are Almost Entirely Top-Decile Stories.**

# Urban Rent Went From a Footnote to a Real Item

Rent as a % of total urban household spending



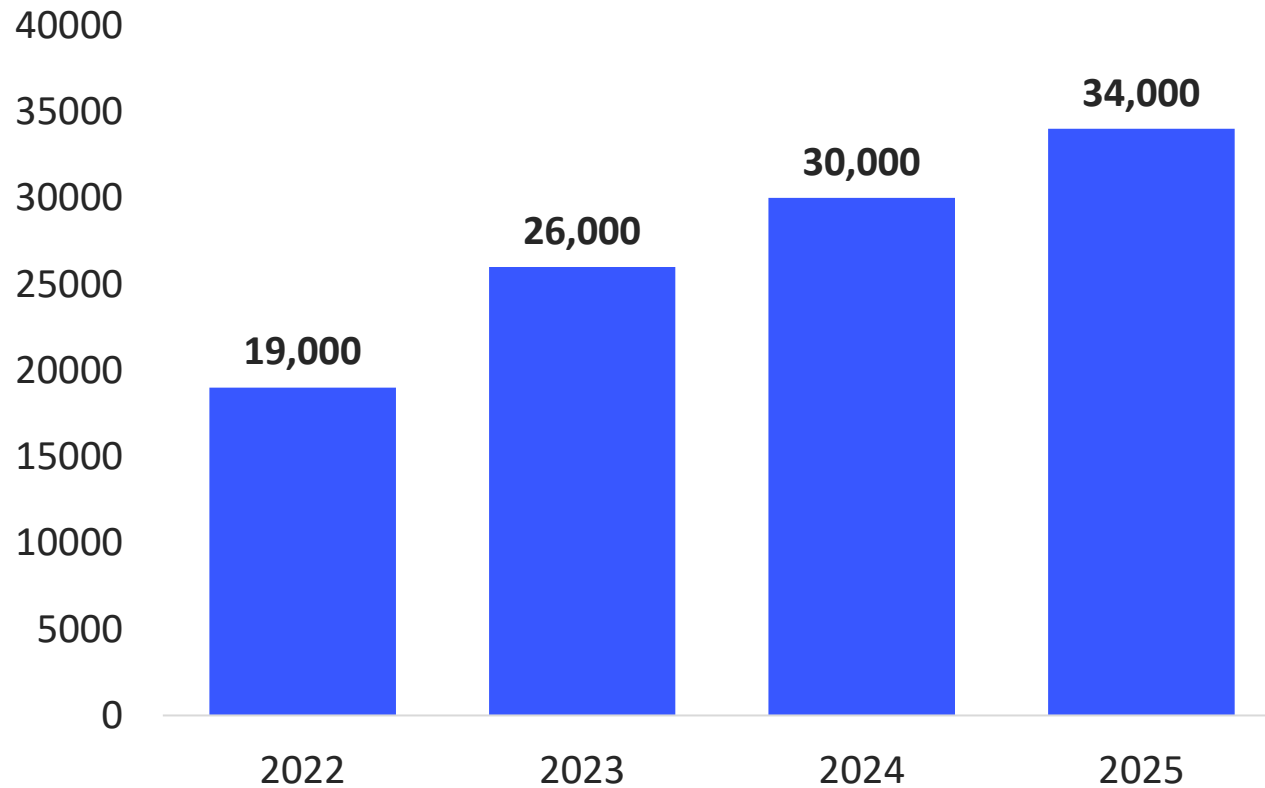
And What's Actually Happened In The Cities:



# Concerts. Premieres. The 'Going-out' Boom.

## Number Of Ticketed Live Events Held In India

(Paying for Experiences)



**1.3 Cr**

People queued for popular International Music Concert - only 1.5 lakh available.

**₹322 Cr**

Ticket Sales In 3 Ahmedabad Shows Alone.

**+682%**

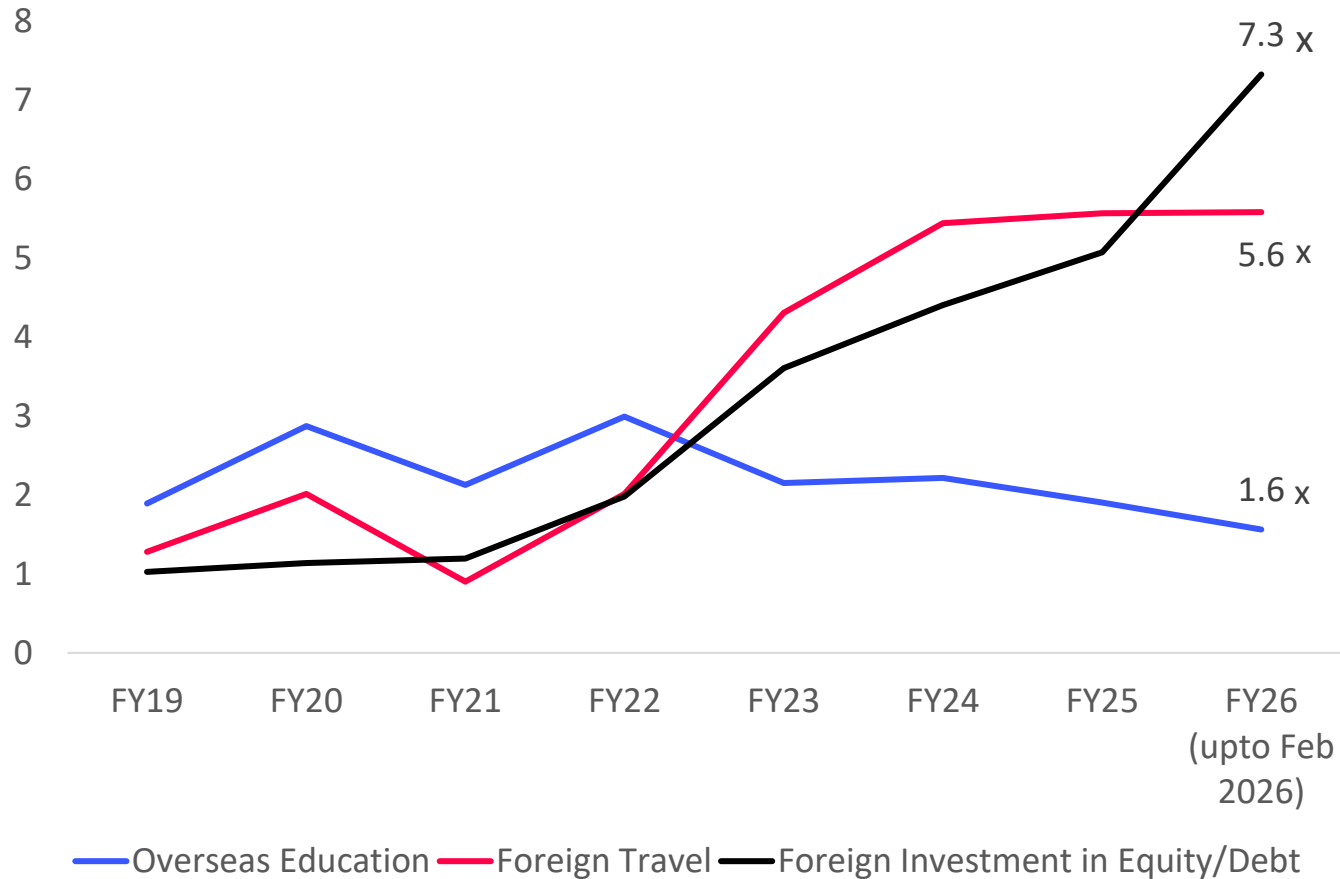
Growth in tier-2 city live events in 2024.

**₹20,861 Cr**

Size of India's live events industry, growing 15% YoY.

# India's Outward Wallet Shift to Foreign Spending

## Growth In Outward Remittance (x Times)



## Interesting Facts

**Rs ~1,45,000 Cr.**

Foreign Travel dominates outward spends in FY26 (up to Feb).

**Foreign Travel Growth Doubled in FY22–23**

Marking a strong rebound and accelerated momentum.

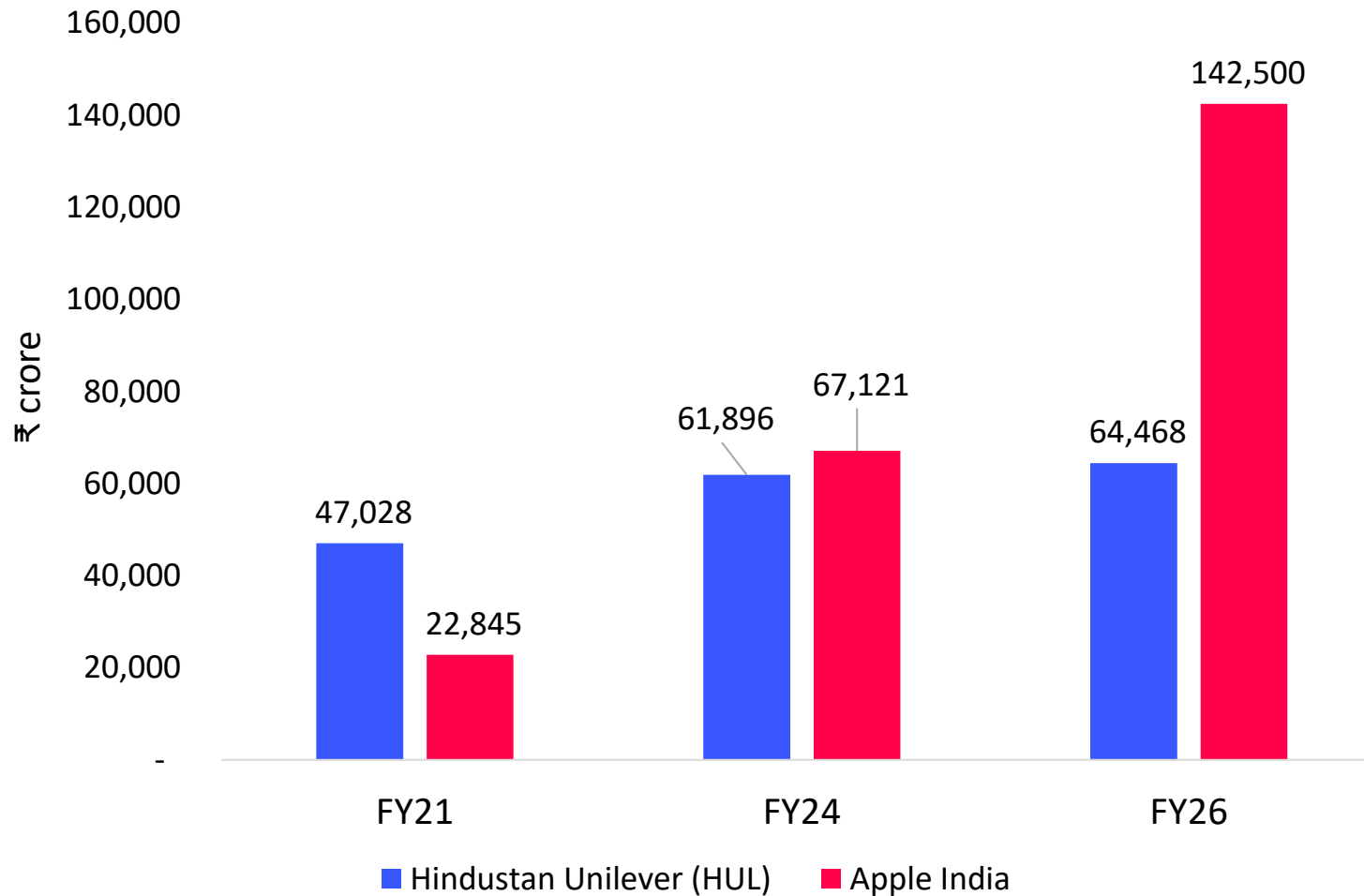
**₹21,000 Cr. in FY26 (up to Feb).**

Overseas Investments increases **7.3x** in last 3 years

**Overseas Equity and Debt Investments Surged Sharply in FY25–26**

# Apple India Now Sells Almost 2x of HUL

Annual Revenue in India (₹ crore)



APPLE INDIA

6.2x

Revenue Jump in 5 years

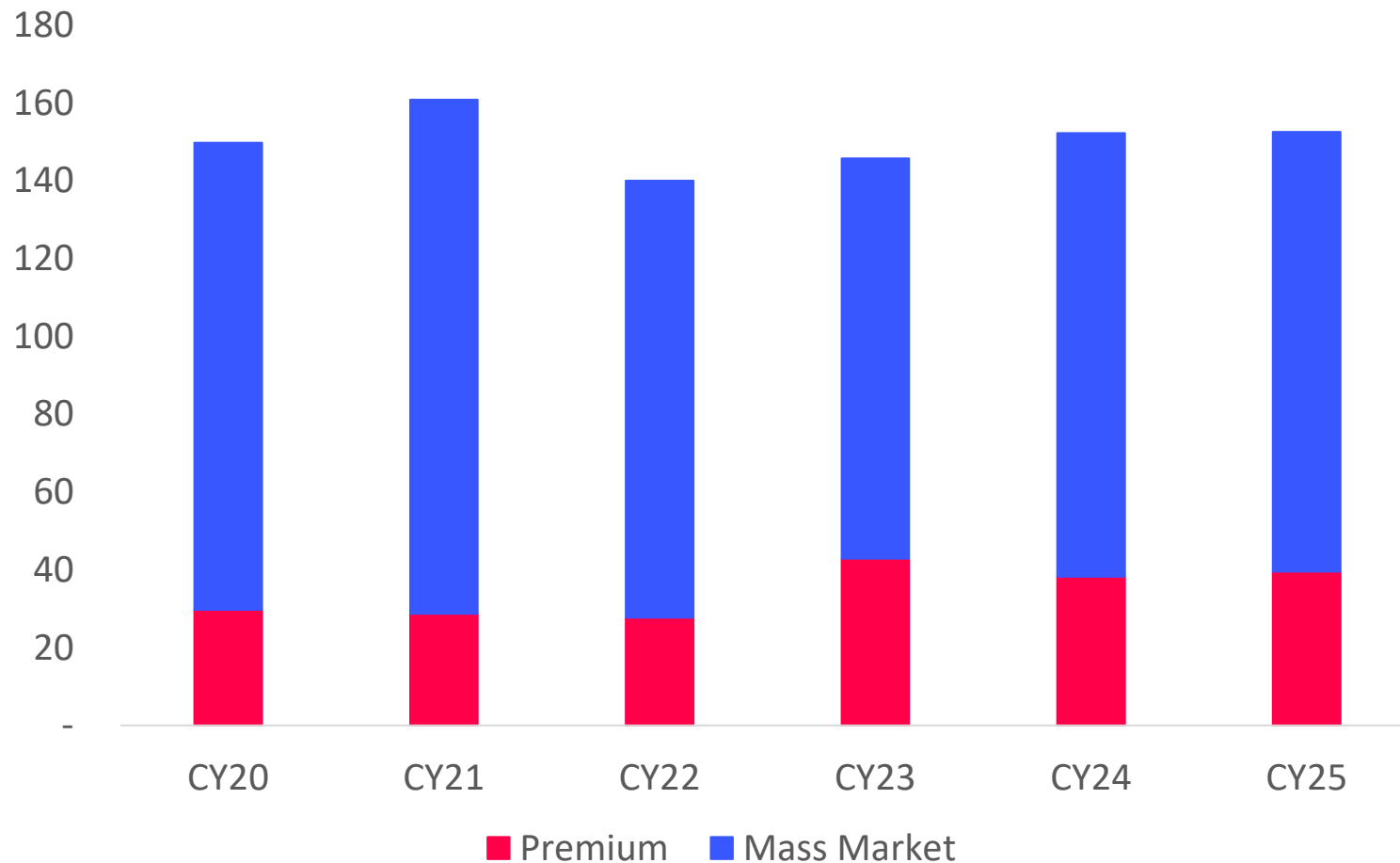
Apple 5-yr CAGR ~44%

HUL 5-yr CAGR ~6.5%

In FY26, Apple's India revenue is projected to 2x rival HUL's - despite serving only a sliver of households.

# Total Phones Sold Flat. But The Premium Share Is Exploding

India smartphone units sold (million)



## PREMIUM SHARE

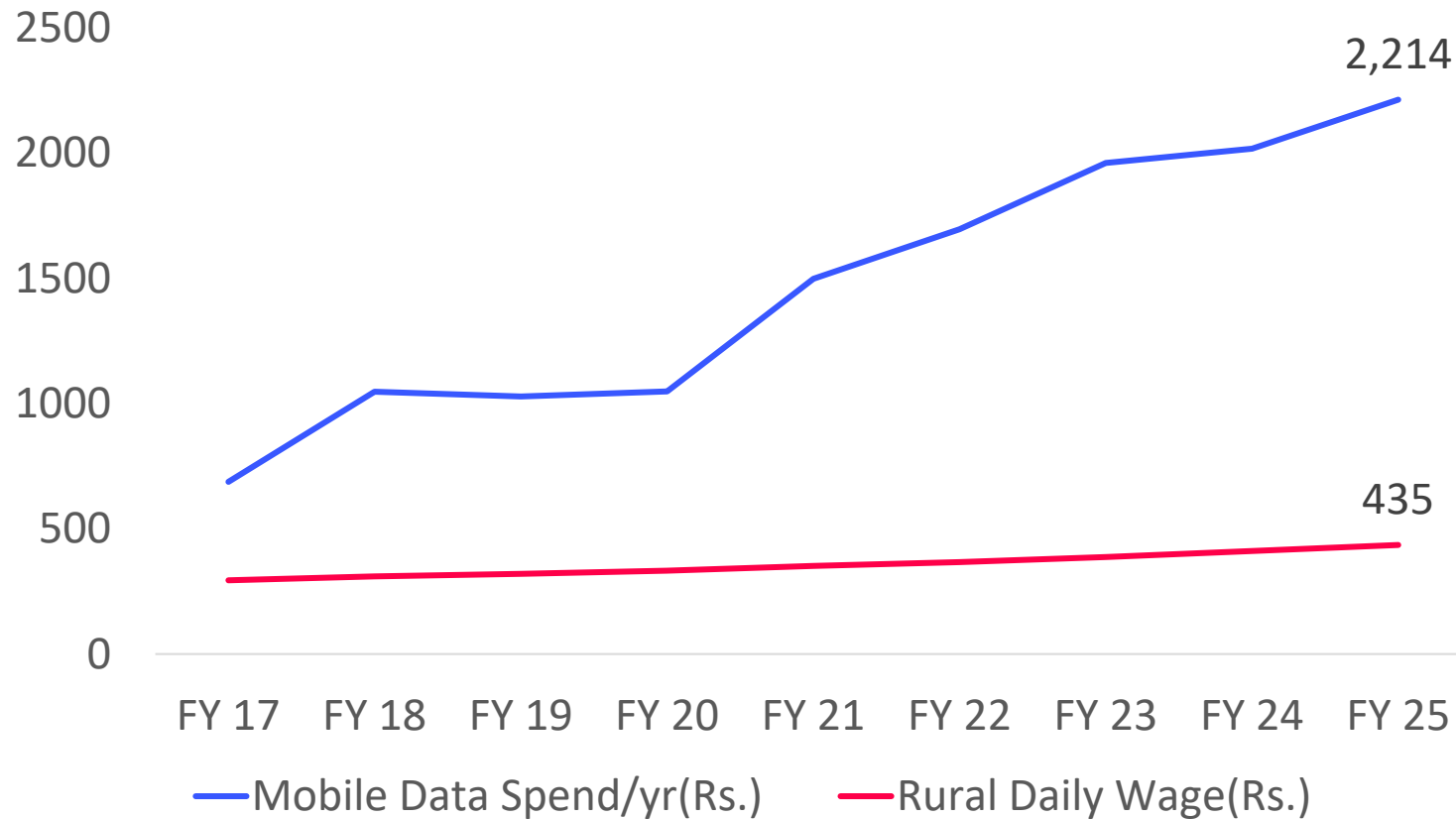
**20% → 26%**  
of all phones sold

Premium phones grew at a **5.9% CAGR** - while the mass-market segment **shrank** at -1.2% (CY20 - 25)

Same number of phones.  
Very different wallets

# Your Monthly Data Bill Quietly Tripled

Average Annual Spend On Mobile Data Per Subscriber (₹)  
Vs. Rural Daily Wage (₹/Day)



8-YEAR CAGR

Data Bill

+15.7%

Rural Wage

+5.0%

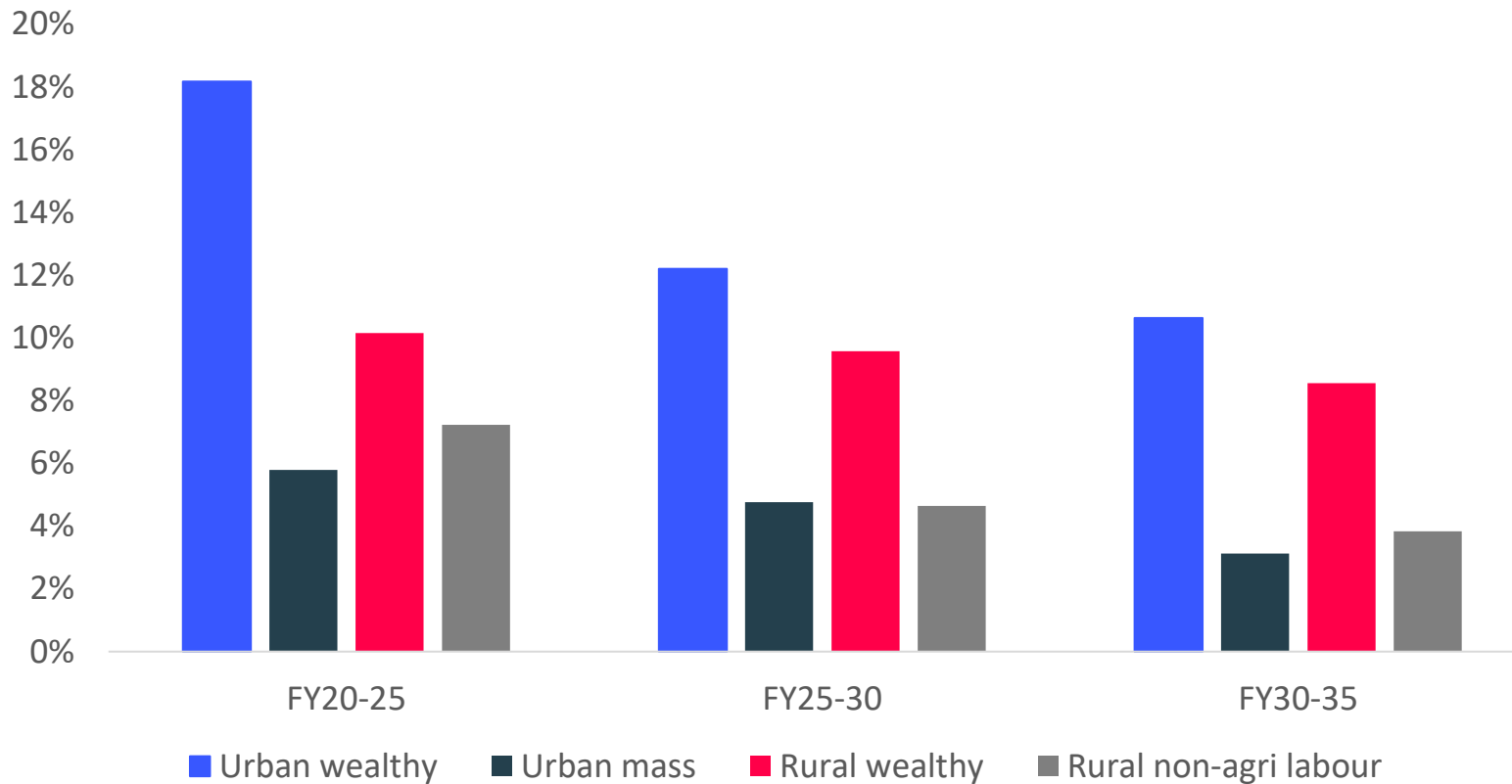
Rural workers' data bill has been **Growing 3x** faster than their wages.

**Income Growth  
Deepened,  
It Didn't Widen.**



# Income Growth Is Deepening - Not Widening

Growth in aggregate income pool by cohort - CAGR by period (%)



Same India,  
Two Trajectories

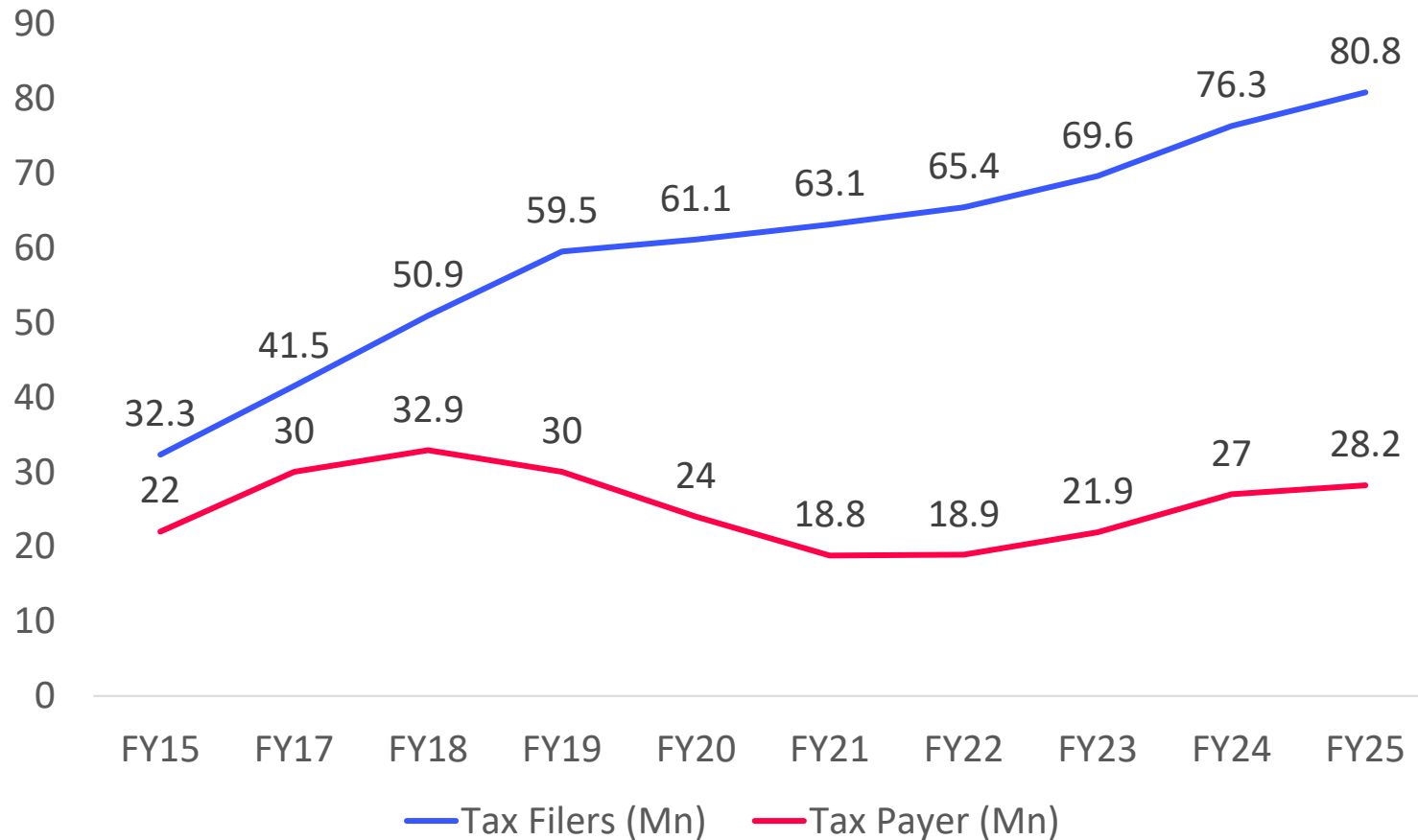
Urban Wealthy: **~18% CAGR**  
**VS**  
Urban Mass: **~6% CAGR**

Rural Wealthy: **~10.1% CAGR**  
**VS**  
Rural Non-Agri Labour: **~7.2% CAGR**

Growth in cohort-level income pools,  
FY20-FY25

# Tax Filers Are Rising. Taxpayers Aren't

### Individual income tax filers vs. those who actually paid >₹0 of tax (millions)



### Average Tax Paid Per Payer

₹83K → ₹2.4L

Each payer paid **3x more.**  
FY13 → FY23.

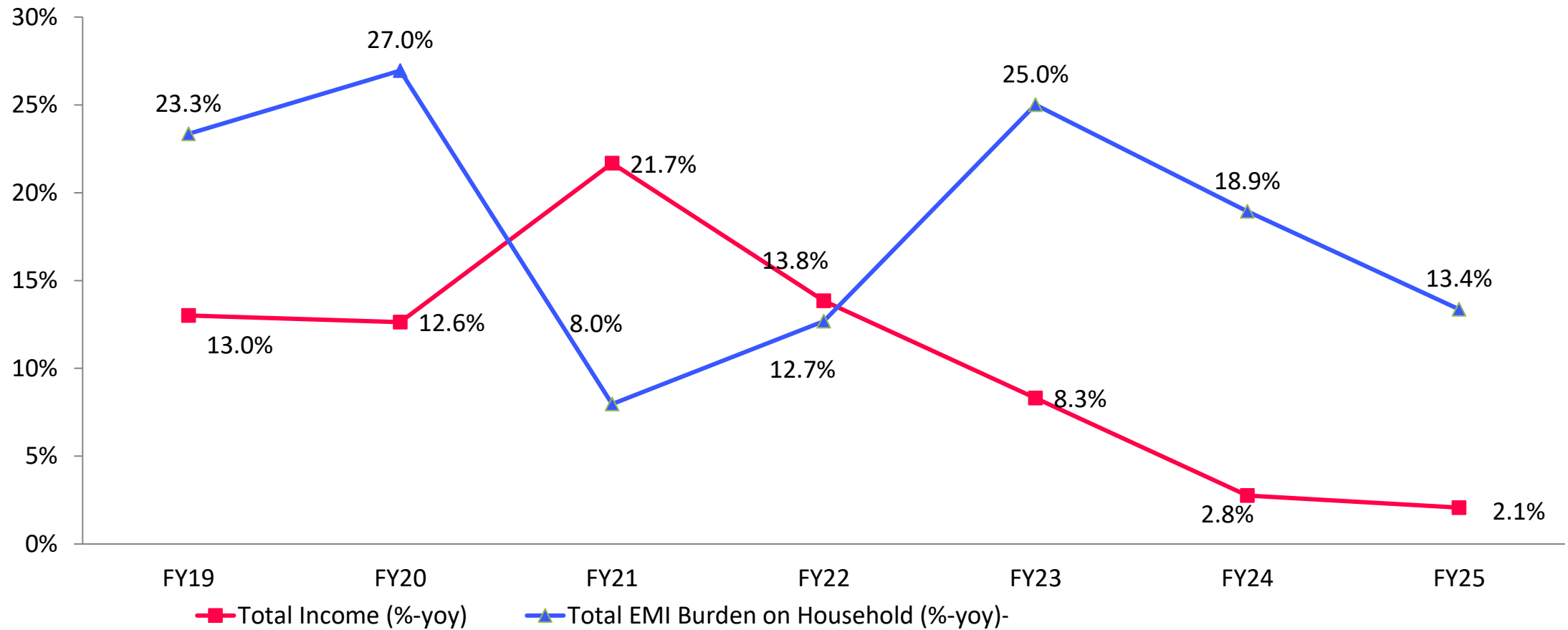
### India Vs World

Only **2%** of Indians pay Income Tax.

China: **~10%** | USA: **~43%**

# Loans Grew Faster Than The Salary That Pays Them

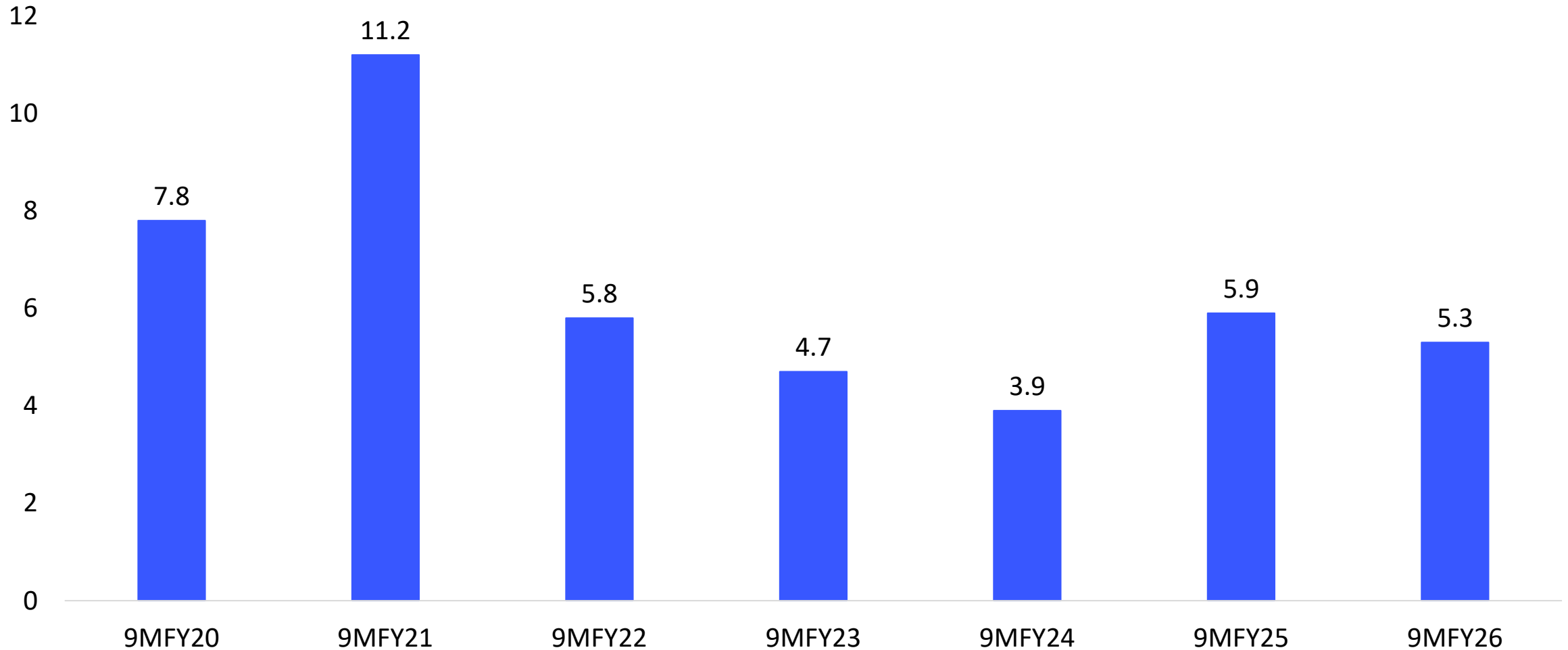
EMI burden Growth vs. Income Growth (% YoY)



**Over The Past 7 Years, EMI Burden Outpaced Salary Growth In 5 Years.**

# ...Partly Impacting Household Net Savings

Household Net Financial Savings (% Of GDP)



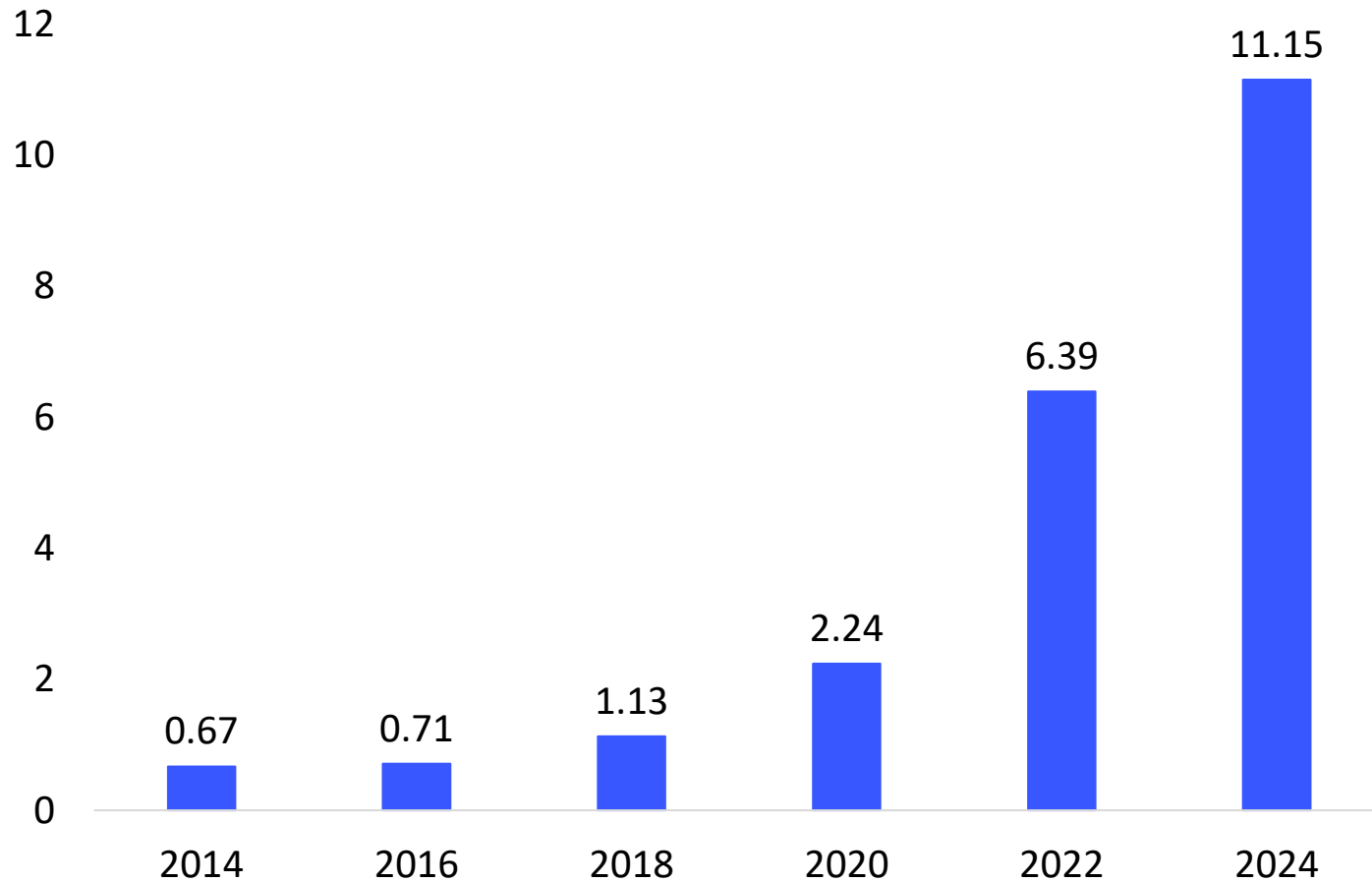
Source: RBI / CSO / CEIC / CLSA estimates. | The above data are as per latest estimates

# Speculation Loss And Fraud, Eating Into Consumption



# The Retail Army Has Marched Into Derivatives - and Lost

Number Of Individual F&O Traders In India (Millions)



**91%**

of individuals lost money in F&O in FY25

**₹1.05L Cr**

net losses for retail traders in FY25

**₹2.87L Cr**

cumulative losses, FY22-FY25

**42%**

share of young (<30 yrs) in F&O - up from 31% in FY23

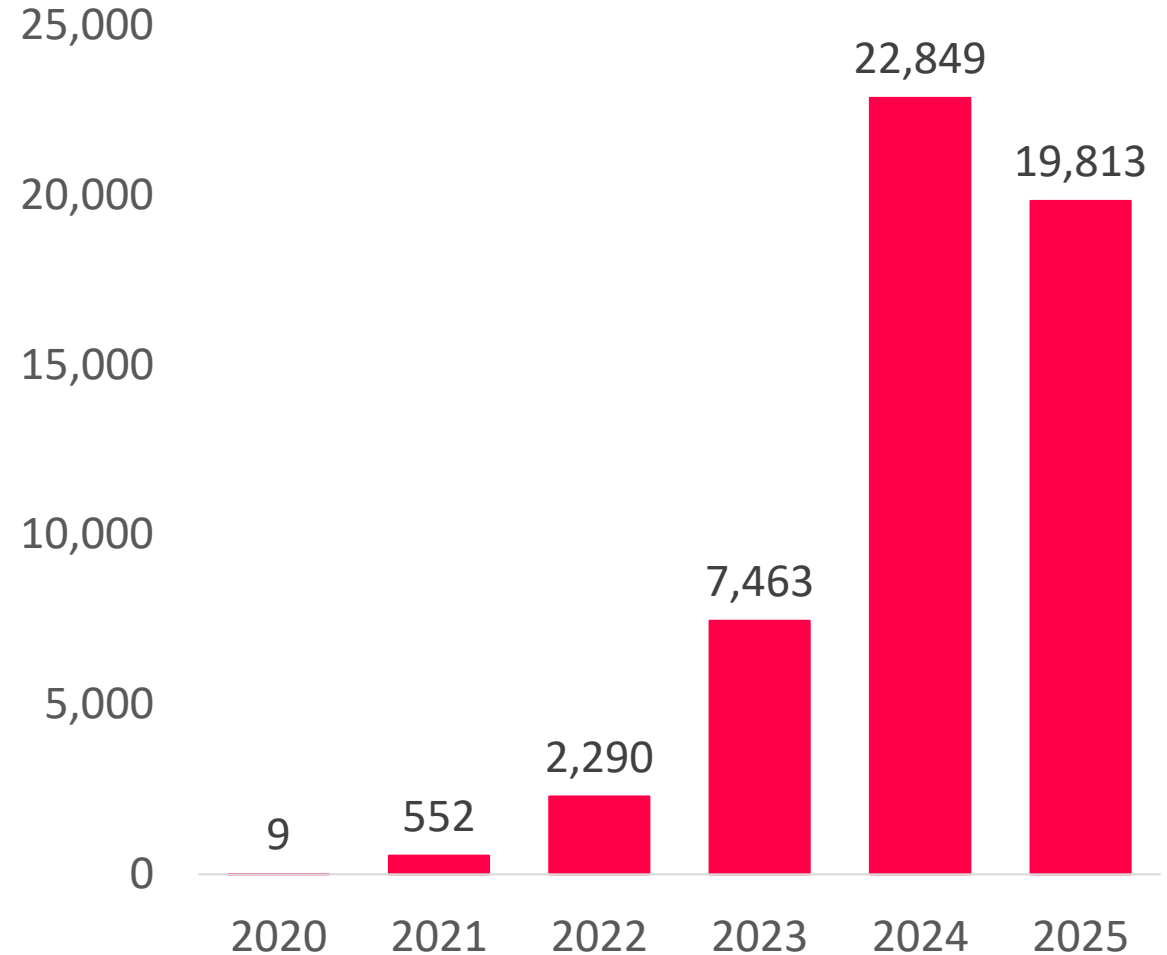
# Scams & Frauds: Loss to Household Income

Pearls Agro Director Arrested in **Rs.49,000 Cr.** Land Scam, Accused of Duping 5 Cr. Investors

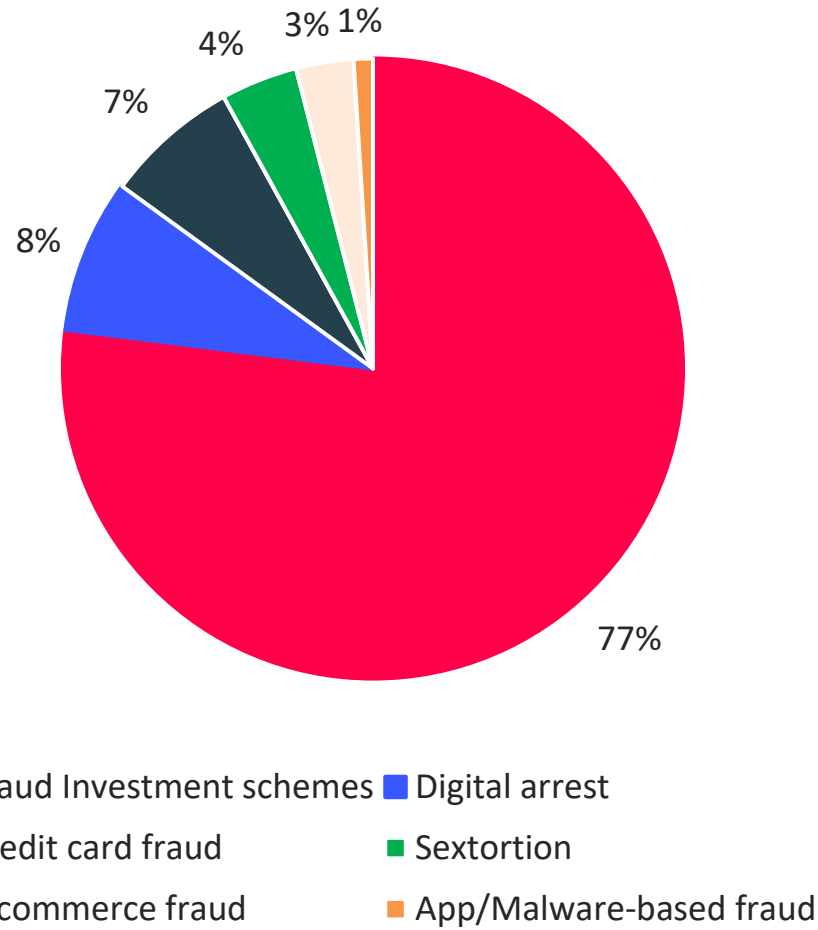
CBI arrests Darwin Labs co-founder in **Rs. 20,000 Cr.** Gain Bitcoin scam case

Digital Threat: Keralites losing **Rs.85 lakh** every day to cyber fraudsters

Fraud Loss (₹ crore)



# ₹41,000 Cr Wiped Out: Investment Frauds Dominates The Pie



## India's cyber fraud epidemic: Rs 22,845 crore lost in 2024; 206% jump from previous year, says government

TOI Business Desk / TIMESOFINDIA.COM / Updated: Jul 22, 2025, 21:24 IST

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NEW DELHI: Indian lost a staggering Rs 22,845.73 crore to cyber criminals in 2024, marking a sharp 206 per cent surge from the Rs 7,465.18 crore reported in 2023, the ministry of home affairs informed Parliament on Tuesday.

Responding to a written question in the Lok Sabha, minister of state for home affairs Bandi Sanjay Kumar cited data from the National Cyber Crime Reporting Portal (NCRP) and the Citizen Financial Cyber Fraud Reporting and Management System (CFCFRMS), both operated by the Indian Cyber Crime Coordination Centre (I4C).

## Wallet Share Shift

01

The Indian wallet has moved from cereal to data to OTT to mobiles. But the household behind it is saving less, paying more rent, and carrying more EMI. **Apple India grew 6.2x** while **HUL grew 1.4x** isn't a coincidence - it's the shape of demand. Foreign travel spending is up **5.6x in last 8 years**.

## Income growth deepened. It didn't widen.

02

Top urban cohorts (~18% income CAGR) are growing faster than urban mass (~6%) . Similarly, rural wealthy (~10% income CAGR) is growing faster than rural non Agri labor (7.2% income CAGR).

## Speculation loss and Fraud, eating into consumption.

03

₹1.05 L crore lost in FY25 alone by individuals. ~91% lose money. ~Rs 53000 crores is lost in digital frauds over past 6 years. Money once used for consumption is being transferred.

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