Envision Capital

Resilient Motion: India's Growth Continues

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A Stable Macro Foundation

As we look ahead to FY26–27, India's growth trajectory continues to remain firmly anchored.
Real GDP growth estimates are currently pegged at **6.2%–6.3%**, reflecting a phase of steady normalization rather than slowdown.

In the context of an increasingly fragmented global backdrop—marked by geopolitical realignments, supply chain snags, and uneven recovery across developed economies—this level of growth stands out. It reinforces a simple but powerful point: **India's growth is increasingly being driven by domestic structural factors rather than global tailwinds.**

> *"In a world searching for growth, India continues to compound."*

High-Frequency Indicators: Momentum Beneath the Surface

April's high-frequency indicators provide a strong read-through of underlying economic activity, pointing to continued momentum across consumption, employment, and digitization.

Hiring Activity: Broad-Based Strength
Overall hiring activity rose **6% YoY**, with sharp upticks in:

- Insurance: **+21%**
- BPO/ITES: **+15%**
- Real Estate: **+12%**
- Healthcare: **+11%**
- Education: **+9%**

This breadth is important. It signals not just cyclical recovery, but **multi-sector expansion**, spanning financial services, outsourcing, consumption-linked sectors, and human capital development.

Consumption & Formalization Trends

- **GST collections** grew **8.7% YoY**, reflecting sustained formalization and steady consumption demand.
- **Passenger vehicle wholesale sales** surged **24% YoY**, while **automobile exports** jumped **38% YoY**—highlighting both domestic demand strength and India's growing role in global supply chains.

Digital Economy: Continuing to Scale

- **UPI transaction volumes** rose **25%**, while **transaction value increased 21%**, signaling continued expansion of the digital payments ecosystem.

"The story is not just growth—it is the quality and breadth of that growth."

Energy Transition: Structural Momentum Builds

India's long-term transition toward cleaner energy continues to accelerate at an unprecedented pace.

- India added **55.29 GW of non-fossil fuel capacity in FY26**, the **highest annual increase on record**
- The bulk of this addition came from:
    - **Solar**: 44.61 GW
    - **Wind**: 6.05 GW

This scale of capacity addition not only strengthens energy security but also positions India as a **global leader in the energy transition**, with long-term implications for cost structures, industrial competitiveness, and sustainability.

Global Signals: Confidence in India Deepens

A notable feature of recent global commentary has been the **increasing conviction among multinational corporations on India's long-term opportunity**—not just as a market, but as a strategic growth and production hub.

At Apple, India continues to emerge as a key pillar of both demand and supply:

- The company reported **double-digit growth in India**
- CEO Tim Cook remarked that he is *"over the moon excited about India"*
- India is now a **critical manufacturing and export hub** for Apple
- He also highlighted that India is the **second-largest smartphone market globally**, supported by an **evolving middle class seeking premium products**

Similarly, PepsiCo reinforced its confidence in India's resilience:

- While acknowledging a **"new normal" of global variability**, the company emphasized that **India's growth trajectory remains intact**
- It described India as a **largely self-consumption-driven economy**, insulating it from global shocks
- Its India business continues to be a **key contributor**, particularly in the food segment
- PepsiCo is also **doubling down on its Global Capability Centre (GCC) in Hyderabad**, which now employs ~5,000 people and is increasingly building capabilities for global markets from India

Alongside, companies like Reckitt continue to highlight India as a priority growth market.

Global Realignments: A Subtle Tailwind

In a potentially significant geopolitical development, the United Arab Emirates's exit from OPEC could have meaningful implications for global energy markets.

While the full impact will unfold over time, increased supply flexibility and potential pricing moderation could act as a **structural positive for large energy importers like India**, supporting macro stability through:

- Lower input costs
- Reduced inflationary pressures
- Improved current account dynamics

The Envision Perspective

While near-term data points will always ebb and flow, what remains unchanged is the **underlying direction of India's growth engine**.

- Continued formalization of the economy
- Strengthening domestic demand
- Rapid digitization at scale
- Increasing integration into global supply chains

These are not cyclical drivers—they are **structural shifts**.

> *"Short-term data informs us. Long-term trends guide us."*

At Envision Capital, our approach continues to be anchored in identifying businesses that are not just participants in this growth story—but **beneficiaries and enablers of it over the next decade**.

Warm regards,

Tanay Shah

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Track Record

	Envision India Opportunities Portfolio	Benchmark BSE 500 TRI Index	Alpha
Since Inception*	15.15%	13.48%	167 bps
5 Years	15.04%	13.88%	116 bps
4 Years	14.85%	12.16%	269 bps
3 Years	17.37%	14.94%	243 bps
2 Years	4.80%	4.67%	13 bps
1 year	9.17%	3.64%	553 bps

Source: Envision Capital & Axis Fund Accounting Team. Since inception date 05 April 2021. Performance is as on April 30, 2026 and is calculated as per TWRR method and returns more than 1 year are annualized. Returns are net of fees and expenses. Please note that performance of your portfolio may vary from that of other investors and that generated by the Investment Approach across all investors because of 1) the timing of inflows and outflows of funds; 2) Differences in the portfolio composition because of restrictions and other constraints. **Returns from BSE website

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