



INDIA ECONOMY
| Q1 FY2026-27



INDIA'S 7.8% GROWTH BOOM – WHO IS PROSPERING?

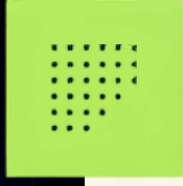
A 10-page data
story about who
feels the growth.
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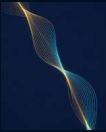




India's 7.8% GDP Growth. Growth is real. But is prosperity spreading?

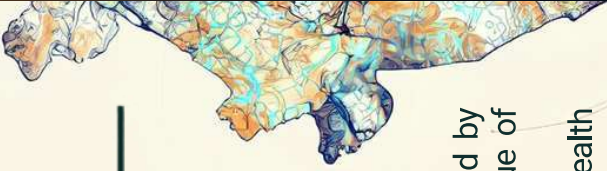
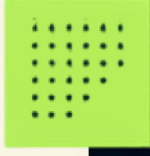
A data-led look
at jobs, incomes,
wealth and the
rupee.
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The Growth Number Is Real

India's real GDP grew 7.8% real GDP growth in Q1 FY2026-27, as reported by MoSPI. This figure measures total economic output – the aggregate value of goods and services produced across the economy. However, GDP growth alone does not reveal whether jobs, incomes, or wealth gains are broadly shared across society.





Employment Signals
Were Uneven

55.4%

LFPR

52.6%

WPR

5.1%

Unemployment Rate

LFPR fell from 55.9% → 55.4% (Mar 2026), WPR steady at 52.6%. Unemployment rate: 5.1%.
One month's data cannot confirm broad employment declines. Trends require multi-quarter tracking.

Source: MoSPI PLFS | Page 3 / 10

https://www.mospi.gov.in/uploads/publications_reports/publications_reports1784110855014_e0b17a74-27a0-472f-821a-c09813e0cc42_MB_June_2026.pdf

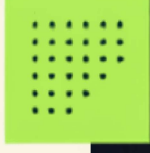
LFPR





GDP Growth $\neq$ Broad-Based Opportunity

GDP data does not reveal where jobs were created or lost.
It cannot distinguish formal versus informal employment or real wage changes.
MSME participation and broad household consumption patterns remain unseen.
"Output growth is not the same as inclusive growth."



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Averages Can Hide the Distribution

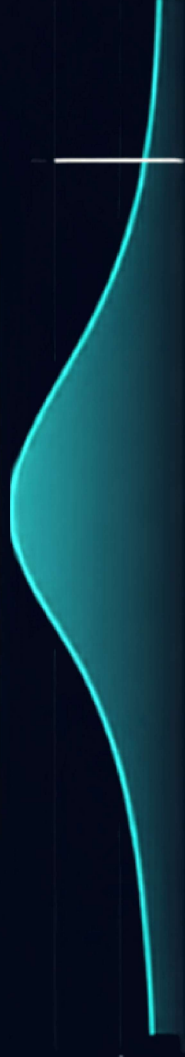
India's per capita income is roughly \$2,700 (UBS / Business Today). This is an average — it does not show how income and assets are distributed across the population. A small number of high earners can lift the average significantly, masking stagnant or declining incomes for the majority.

Average = Median. Average = Distribution.

Source: UBS Wealth Report / Business Today | Page 7 / 10

<https://www.businesstoday.in/latest/economy/story/indias-2700-per-capita-income-meets-a-wealth-concentration-score-of-74-what-does-this-indicate-445987-2026-08-19>

2700





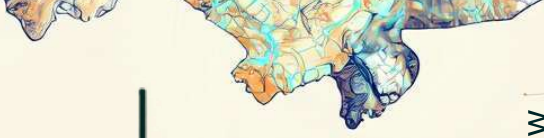
Wealth Is Highly Concentrated

UBS assigns India a wealth concentration score of 74/100.

0 = perfectly equal distribution. 100 = wealth fully concentrated in few hands.

This index reflects reported wealth patterns, not every household's wealth. Source: UBS Wealth Report | Page 8 / 10

**UBS is a global financial institution whose Global Wealth Report provides internationally accepted estimates of household wealth, median wealth, and wealth concentration



74



100

0

100

Equal Distribution

Fully Concentrated



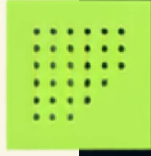


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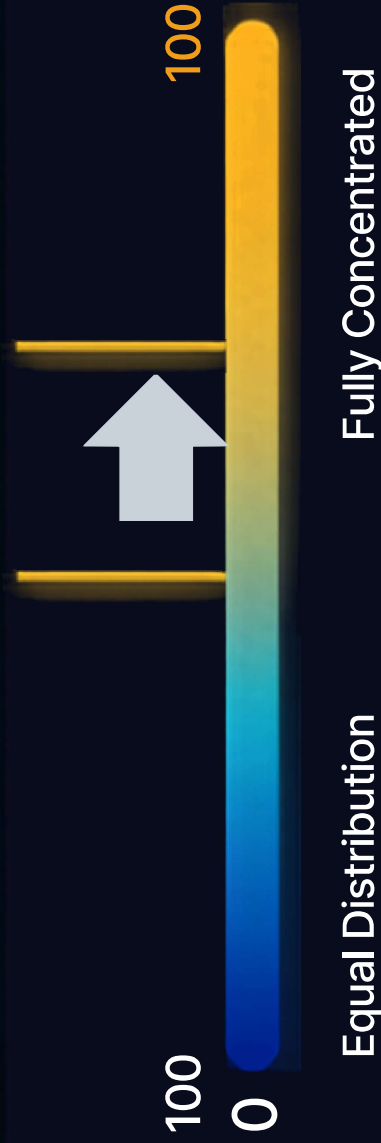
Wealth if Recalculated keeping UBS as a basis

UBS gives India a wealth concentration score of 74 based on reported financial wealth. If we recalculated this using median household wealth — which is far lower than mean wealth — the concentration score would likely increase. India's median wealth is extremely low, the middle class is thin, and the top-end is expanding rapidly. This means the real distribution is even more unequal than what reported wealth suggests.

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74 +





₹95/USD
Fast GDP growth
can coexist with a
weaker rupee.



The rupee currently trades near ₹95 per US dollar (approximate market rate, August 2026). Exchange rates move because of oil import costs, global dollar strength, capital flows, inflation, interest-rate differentials, and RBI intervention — not because of GDP alone. A strong GDP number does not automatically strengthen the currency, because FX markets respond to external vulnerabilities and macro-financial pressures, not headline growth. This is why India can report high GDP growth while the rupee weakens: the drivers of GDP and the drivers of currency value are fundamentally different.





Wealth Creation at the Top Is Strong

India's high-net-worth population grew by around 3% in 2025, reaching approximately 1.64 million individuals. This reflects strong wealth creation at the top — driven by equity market gains and easing inflation. However, this increase does not automatically indicate middle-class expansion or broad-based prosperity. It simply shows that the number of wealthy individuals increased.

Source (Live): FinTech BizNews — India's HNW population grew 3%; financial wealth reached USD 1.64 trillion <https://www.fintechbiznews.com/business-trade-commerce/indias-hnwi-population-grew-3-their-financial-wealth-reached-usd-164-trn>

Indicative



1.64M



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Is growth broad-based? The real inclusion test:

- ◆ Rising real wages
- ◆ More quality employment opportunities
- ◆ MSME growth aligned with the economy
- ◆ Strengthening mass consumption
- ◆ Broader wealth ownership

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India's growth is real — but who feels it depends entirely on how that growth is distributed, not on the headline number. A single GDP figure can look impressive, but GDP's basic equation only becomes meaningful when every input — consumption, investment, government spending, and trade — is broken down, sectoralised, and validated.

That almost never happens. When growth is driven mainly by capital-heavy and government-led sectors, while labour-heavy sectors stagnate, the headline number becomes structurally skewed.

The inputs themselves are uneven, the contribution factors are unbalanced, and the lived experience diverges sharply from the macro narrative. GDP tells us how much the economy produced; it does not tell us who benefited — and that distinction is where the real story of prosperity, or its absence, is found.

**India's growth is real.
Distribution determines
who feels it.**

**GDP growth alone cannot tell if
prosperity spreads.**

**Tracking jobs, wages,
consumption, MSMEs, income
distribution, and wealth ownership
is essential.**

