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Young investors have transformed the way money is made in India, shifting from FDs and gold to equities.

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The investment landscape in India is changing. Young investors are prioritizing equity and market-linked investments. Demat accounts and SIPs have seen a significant increase. Technology, government policies, and economic growth have enabled this shift. This represents a generational shift in the way wealth is created in India.

Arun Patel: The way we make money and invest in India is rapidly changing. Young investors are leading this change. Over the past 15 years, India's investment mindset has clearly shifted from traditional options like fixed deposits, gold, and real estate to equity and market-linked investments. What was once considered risky or speculative is now increasingly seen as a vital means of wealth creation.

In 2010, equity accounted for only about 2.5% of India's total household financial savings. At that time, most of the money was invested in bank deposits, insurance, and physical assets. By 2015, this share increased to about 4%. The real change was visible after 2015. By 2020, equity's share increased to about 6%. By 2024–25, this figure will reach 9–10%.

In monetary terms, this means that lakhs of crores of rupees are now being invested in the country's companies. Young and first-time investors have played a major role in driving this change. This change is clearly visible in the number of demat accounts.

In 2010, there were approximately 10 million demat accounts in India.
By 2015, this number had increased to over 20 million.
In 2020, it was approximately 40 million.
Today, the number of demat accounts in India has increased to approximately 200 million.

Most of these investors are young, first-time investors, who start investing with small monthly amounts rather than investing large sums at once.

The growing popularity of SIPs (Systematic Investment Plans) perfectly reflects this change. In 2015, monthly SIP investments were just over ₹3,000 crore. The number of SIP accounts was less than 10 million.

By 2020, monthly SIP investments increased to ₹8,000–10,000 crore. Today, this figure has reached approximately ₹30,000 crore per month, supported by over 80 million SIP accounts.

For young people today, SIPs are no longer a decision to time the market, but rather a habit. Salary arrives, SIPs are deducted, and investments are automatically made.

Technology has played a major role in enabling this transformation. The internet, instant KYC, UPI payments, and mobile apps have made investing much easier. What used to be impossible without paperwork and time is now done in minutes using a mobile phone.

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Investment advisors, social media, podcasts, and financial content have also provided easy-to-understand market information. While this involves some risk, it has significantly increased participation among investors in smaller cities and new investors.

Government policies have also strengthened equity investments. In 2015, the government took a major decision, allowing long-term retirement savings to be invested in equities. Previously, large funds like the Provident Fund could only invest in debt.

Today, the EPFO invests up to 15% of its earnings in equities, and young people are allowed to invest up to 75% in equity under the NPS. Equity investments, which previously played almost no role in retirement savings, have now grown to over ₹1.5 trillion. This has directly linked the long-term savings of ordinary people to the growth of the country's companies.

This change has coincided with significant growth in India's economy. In 2010, India's GDP was around $1.7 trillion. Today, it has exceeded $4 trillion.

Over the past 15 years, despite global challenges, India has averaged 6% real economic growth. If India grows at 8% today, it means the country is adding $300–350 billion in new economic power every year.

Importantly for investors, India's growth isn't dependent on any single company or sector. Banking, IT, manufacturing, infrastructure, consumer companies, digital platforms, and new industries all work together to drive growth. This is why not only large-cap companies, but also mid-cap and small-cap companies, have made significant profits over time.

India's global role is also steadily expanding. India's contribution to global economic growth was approximately 17% in 2024. This is expected to reach 20% in the next five years. India remains among the world's fastest-growing major economies.

But the biggest shift has been in mindset. Today's young investors understand the equity market better. They see it as a way to build wealth over the long term. They aren't afraid of market fluctuations and rely on compounding rather than quick profits.

They are starting to invest much earlier than previous generations, making time their biggest advantage. This isn't just a story of changing investment options, but a generational shift in the way wealth is viewed, created, and managed in India.

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