



RAI – INNOVITI QUARTERLY NARRATIVE

SANKET

Spends & Key Emerging Trends

Like-for-Like (LFL) Retail Performance

Q2 FY27 · July – September 2026

Abstract

SANKET - Spends & Key Emerging Trends * Q2 FY27 · July–September 2026

The RAI-Innoviti SANKET (Spends Analysis And Key Emerging Trends) for Q2 FY27 (July–September 2026) tracks same-store, like-for-like (LFL) retail spends across 70+ million data points spanning 2,800+ towns and 10,000+ PIN codes across India.

Same-store growth was +7.1% in July. It rose to +9.6% in August, the strongest month since April. It eased to +6.8% in September. Every month of the quarter ran ahead of Q1's June exit of +4.8%. The festive calendar shifted this year. Onam came earlier, in late August. Navratri, which began on 22 September last year, begins on 11 October this year.

Fashion was the most improved category. It moved from +4.5% in July to +8.5% in August and held at +7.7% in September. Grocery peaked at +9.9% in August and closed at +6.8%. Jewellery rose to +8.4% in August and eased to +4.1% in September. Consumer Electronics held a steady +5% to +6%. South was the steadiest zone. Tier 3 cities led metros in every month. On payments, UPI grew close to 20% each month, while Cards stayed flat to slightly negative.

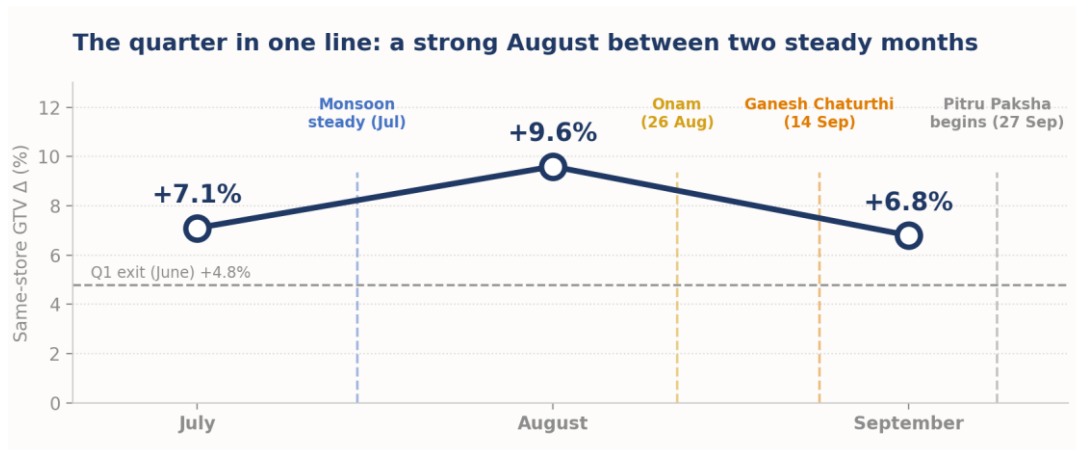
RAI – Innoviti Quarterly Narrative

SANKET – Spends & Key Emerging Trends * Q2 FY27 · July–September 2026

Introduction: RAI-Innoviti Spends & Key Emerging Trends Report is an initiative by RAI and Innoviti to bring together data from various sources to share insights on consumer spend trends by category, geography, and payment tender. Based on data including digitally paid retail spends, publicly reported data, and primary data acquired from retail businesses through surveys, the report uses AI to correlate the trends with macro and micro-economic events to provide insights on why spend patterns look the way they do. The insights in this edition of SANKET are drawn from 70+ million purchases captured at 100,000+ check out points spanning 2,800+ towns and cities, and 10,000+ pin codes across India. This edition covers the full second quarter of FY27.

All numbers are **Like-for-Like (LFL)** — same stores, current month vs. same month a year ago. Store openings and closures are out of scope. What is being measured is per-store demand strength.

The quarter's growth path.



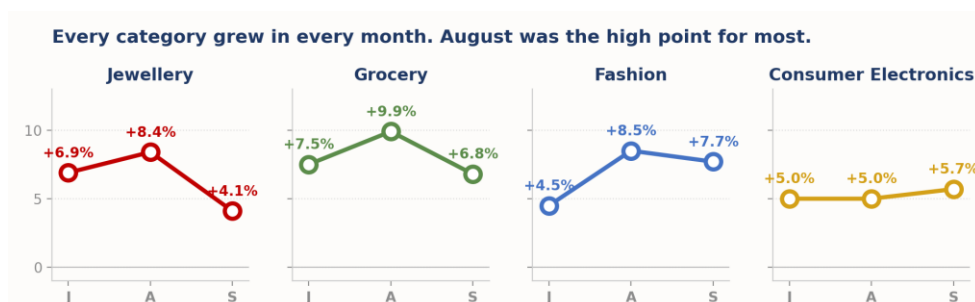
Same-store (LFL) GTV growth, all categories combined.

July registered +7.1% same-store growth. August lifted to +9.6%. September eased to +6.8%. The quarter stayed above Q1's June exit of +4.8% in every month. The calendar was busy in August and September. Onam fell on 26 August, about ten days earlier than last year. Ganesh Chaturthi fell on 14 September. Pitru Paksha, a fortnight when many families hold back on new purchases, began on 27 September. A year ago, Navratri and the new GST rates both began on 22 September.

Headline movement

Category	July	August	September
Consumer Electronics	+5.0%	+5.0%	+5.7%
Fashion & Lifestyle	+4.5%	+8.5%	+7.7%
Jewellery & Accessories	+6.9%	+8.4%	+4.1%
Grocery & General Retail	+7.5%	+9.9%	+6.8%
Grand Total	+7.1%	+9.6%	+6.8%

Same-store (LFL) change, year-on-year.



Category paths, July to September.

Jewellery: a strong August, a softer September



Jewellery grew +6.9% in July and +8.4% in August, then eased to +4.1% in September. Every zone and every tier stayed positive in all three months.

August was the high point. East (+13.0%) and West (+11.2%) led. North and South were softer at +2.6% each. Tier 2 cities were the strongest tier at +11.6%.

September was steadier and lower. Every zone grew between +2.3% and +5.6%, with North the strongest. Card spends (+4.5%) grew a little faster than UPI (+3.1%). Higher jewellery ticket sizes tend to be paid by card.

The year-ago base matters for this category. The last nine days of September 2025 were Navratri days. The last four days of September 2026 fell inside Pitru Paksha, which runs to 10 October. October and November, with Navratri, Dhanteras and Diwali, will give a cleaner read on festive jewellery demand.

Grocery: a peak in August, a steady close



Grocery ran +7.5%, +9.9% and +6.8%. August was the category's strongest month of the year so far.

Smaller cities led again. Tier 3 grocery grew +8.6% in September.

Where the growth came from

South and West carried the category all quarter. South grew +8.3%, +10.1% and +8.0%. West grew +7.9%, +11.5% and +6.9%. Tier 3 was the strongest tier in every month, peaking at +12.7% in August.

September's softer spots

North eased to +3.8%. In Kerala, Onam buying came in late August this year, compared with early September last year. Grocery UPI grew between +18% and +24% each month, while Grocery Cards fell in all three months.

Fashion & Consumer Electronics: a step up and a steady hold

Fashion & Lifestyle

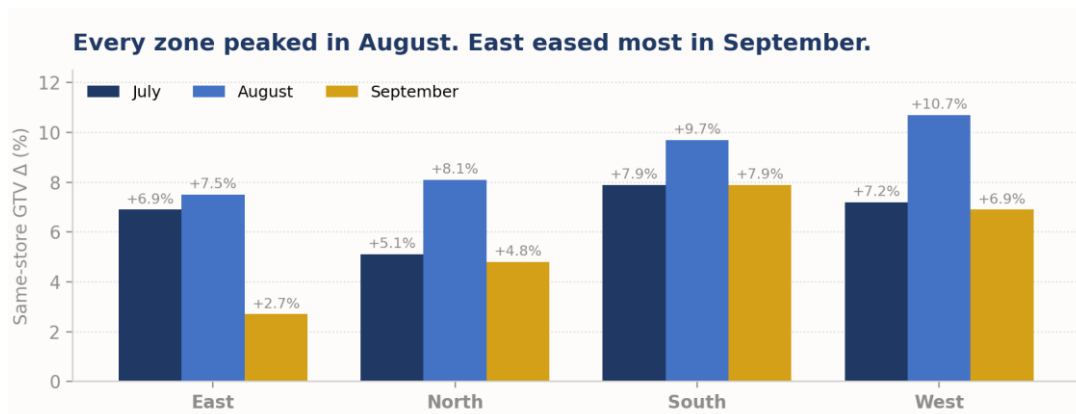
Fashion ran +4.5%, +8.5% and +7.7%. The August step-up held through September. Tier 2 and Tier 3 cities led, both above +11% in September. North was the strongest zone, above +11% in both August and September. Metros improved too: Tier 1 Fashion moved from +2.8% in July to +6.2% in September. East stayed the softest zone at +3.9%, picking up towards the start of the pre-festival period. Value-fashion formats continued to lead.

Consumer Electronics

Consumer Electronics stayed in a narrow band: +5.0%, +5.0% and +5.7%. Tier 2 picked up the most in September, at +8.1%. The category usually sees early buying ahead of Diwali, which falls on 8 November this year.

The geography angle

All four zones grew in every month. August was the strongest month for each zone.



South was the steadiest

South ran +7.9%, +9.7% and +7.9% — the highest average of any zone and the smallest swing. Grocery stayed above +8% in every month.

West peaked highest

West ran +7.2%, +10.7% and +6.9%. Its August reading was the highest zonal figure of the quarter. Grocery led the zone in August at +11.5%.

East

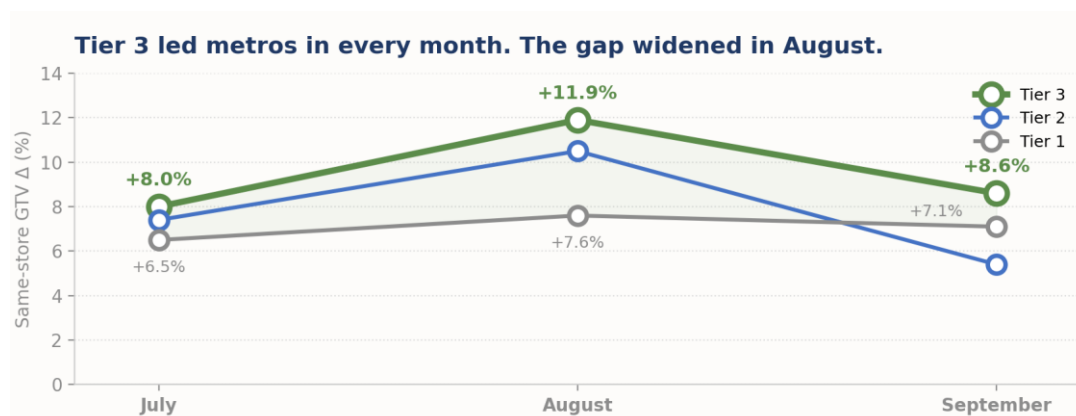
East ran +6.9%, +7.5% and +2.7%. It eased the most in September. Grocery (+2.5%) and Jewellery (+2.3%) were both soft. Durga Puja, the region's biggest festival, began in late September last year. This year it falls in mid-October.

North

North ran +5.1%, +8.1% and +4.8%. Fashion was its strong point all quarter, above +11% in both August and September.

The Tier 3 signal

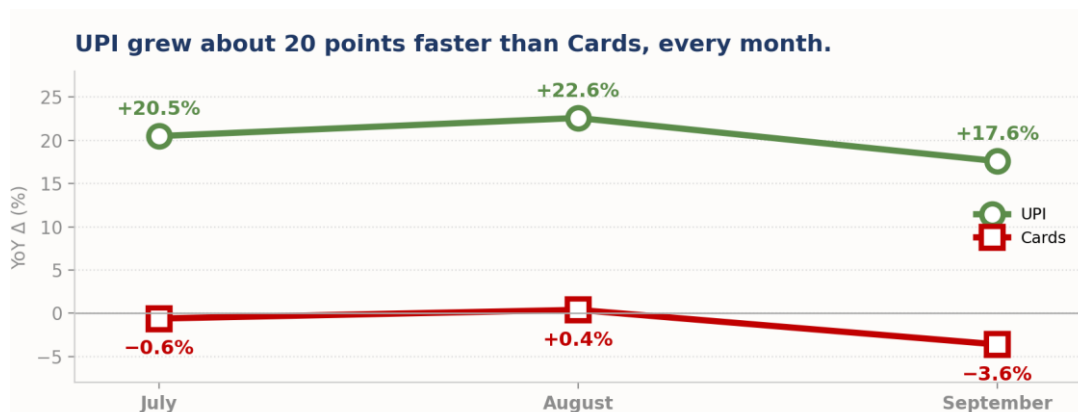
Tier 3 cities led metros in every month of the quarter.



Tier 3 grew +8.0%, +11.9% and +8.6%. Tier 1 grew +6.5%, +7.6% and +7.1%. The gap was 1.5 points in July. It widened to 4.3 points in August and settled at 1.5 points in September. Because our data is LFL, this is not about new stores. Existing stores in smaller cities are seeing stronger demand than existing stores in metros. Tier 2 moved the most, from +10.5% in August to +5.4% in September.

How people paid

UPI grew far faster than Cards in every month.



UPI grew +20.5%, +22.6% and +17.6%. Cards moved from -0.6% to +0.4%, then to -3.6%. The gap stayed close to 20 points all quarter. Grocery shows the shift most clearly: UPI grew strongly every month while Cards fell. Fashion UPI grew in the mid-teens.

What it all adds up to

Q2 ran ahead of Q1's exit in every month. Three observations are worth carrying forward.

One — the recovery held through the quarter

Q1 closed at +4.8% in June. Q2 never fell below +6.8%. August's +9.6% was the strongest month since April. September eased, but stayed above May and June.

Two — Tier 3 kept its lead

Smaller cities led metros in all three months. The lead widened sharply in August and settled back in September. Six months in, this is the most consistent pattern in our data.

Three — the festive season is still ahead

Navratri, Durga Puja, Dhanteras and Diwali all fall in October and November this year. Last year, Navratri began in September. Q3 will show how the festive season plays out on a like-for-like basis.

Methodology

All figures are Like-for-Like (LFL): current-month GTV compared to the same month a year earlier, at the exact same stores. Store openings and closures are excluded by design. Our numbers should be compared to listed players' reported Same-Store Sales Growth (SSSG), not to their overall revenue growth (which includes new stores). The filter removes ghost-base stores, extreme outliers, and structural collapses. It is conservative by design. Directional signal is the intended output.