Industry Report on Sports Infrastructure Industry

August 2026

Gallant Sports & Infra Limited

Disclaimer

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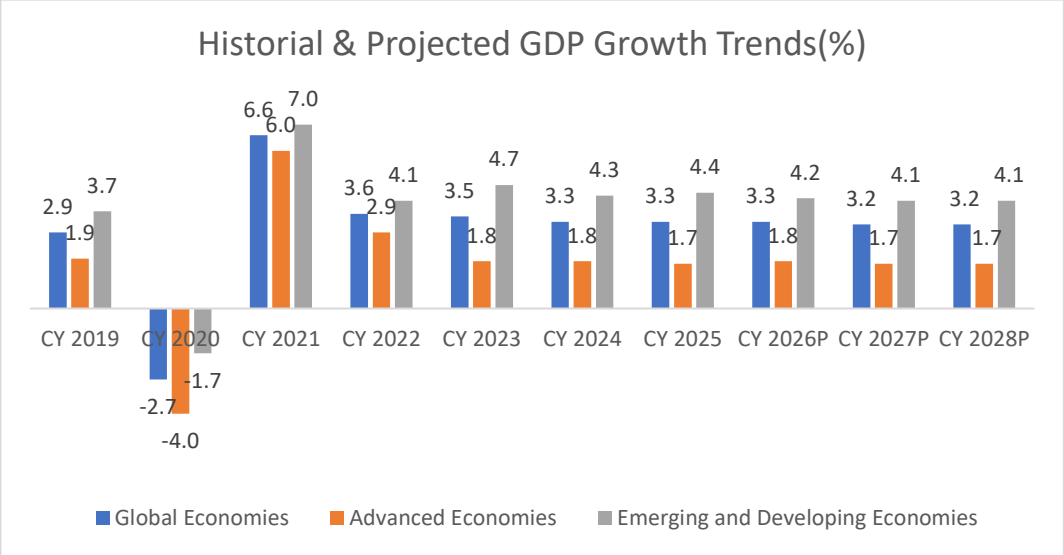
Global Economic Overview

Global growth is projected to remain resilient at 3.3 percent in 2026 and at 3.2 percent in 2027. The forecast reflects a slight upward revision for 2026 and no change for 2027 compared with that in the October 2025 World Economic Outlook (WEO)[1]. This steady performance on the surface results from the balancing of divergent forces. Headwinds arising from shifting trade policies are offset by tailwinds from rapidly expanding technology-related investment—particularly in artificial intelligence (AI)—with the impact more pronounced in North America and Asia than in other regions. Additionally, fiscal and monetary support, broadly accommodative financial conditions, and strong private-sector adaptability continue to underpin global economic resilience.



Source – IMF Global GDP Forecast Release January 2026

*Note CY 2028 projection is taken from October 2025(World Economic Outlook)

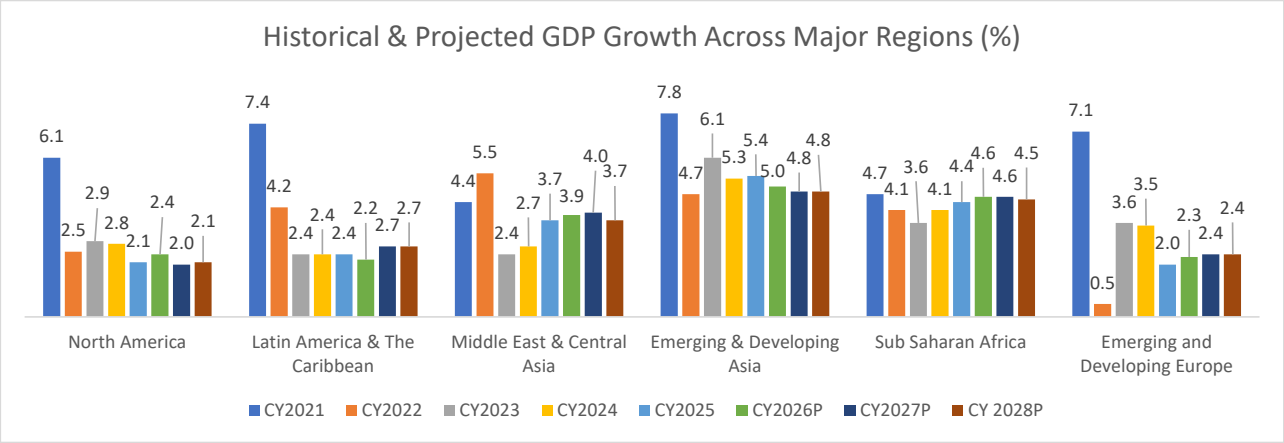
Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict economic criteria and has evolved over time. It comprises 40 countries in the Advanced Economies category, including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected Eurozone members (Germany, Italy, France, etc.). The group of emerging and developing economies (156) comprises all economies not classified as Advanced Economies (e.g., India, China, Brazil, Malaysia).

Historical and Projected GDP Growth

GDP growth across major regions showed a mixed trend during 2024–25. While growth in several regions—including Emerging and Developing Asia as well as Latin America and the Caribbean—is expected to slow further in 2026, performance remains uneven across geographies. In Emerging and Developing Asia (comprising economies such as India, China, Indonesia, and Malaysia), GDP growth is projected to edge up

[1] https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf

to 5.4% in 2026, compared with 5.3% in the previous year. Similarly, in Latin America and the Caribbean, growth is expected to ease to 2.2% in 2026, before rebounding to 2.7% in 2027 as countries in the region approach potential output from differing cyclical positions.



Source-IMF World Economic Outlook January 2026 update.

*Note CY 2028 projection is taken from October 2025(World Economic Outlook)

By contrast, growth in the Middle East and Central Asia is projected to accelerate, rising from 3.7% in 2025 to 3.9% in 2026 and further to 4.0% in 2027. This acceleration is supported by higher oil output, resilient domestic demand, and ongoing structural reforms. Likewise, growth in Sub-Saharan Africa is expected to strengthen, rising from 4.4% in 2025 to 4.6% in both 2026 and 2027. However, according to the IMF World Economic Outlook, growth is projected to moderate slightly to 4.5% in 2028, driven by ongoing macroeconomic stabilization and reform efforts in several key economies. Meanwhile, in Emerging and Developing Europe, the sharp slowdown to 2.0% in 2025 is expected to reverse, with the region's economies projected to expand at an average rate of 2.3% in 2026 and 2.4% in both 2027 and 2028. Across most regions, this recovery also reflects the diminishing effects of recent shifts in global trade policies.

Global Economic Outlook

Since the October 2025 World Economic Outlook (WEO), trade tensions have continued to ease, although they remain subject to occasional flare-ups. A dispute between China and the United States over export controls of semiconductors and rare earth minerals was followed by a truce that reduced bilateral tariffs until November 2026 and introduced a pause on export controls.

In addition, US authorities removed tariffs on some agricultural products for all countries, offsetting the higher tariffs on certain sectors that were previously announced and are now in effect. As a result, the overall US effective tariff rate remains broadly unchanged from the level assumed in the October 2025 WEO, although changes for specific countries are significant. The US Supreme Court is widely expected to deliver a decision in early 2026 regarding the president's use of the International Emergency Economic Powers Act. At the same time, newly signed bilateral trade and other agreements, often including substantial investment

and purchase commitments with limited public disclosure, have added further complexity. Although policy uncertainty has declined since October, it remains considerably higher than in January 2025.

Global growth in the third quarter of 2025 decelerated to 2.4 percent on an annualized basis, exceeding expectations; however, upside surprises in some countries were offset by downside surprises in others. In France, a boost from aerospace exports lifted growth to 2.2 percent, whereas in Germany, falling exports continued to weigh on activity, thereby leaving real GDP unchanged between the second and third quarters. Meanwhile, Japan's economy contracted by 2.3 percent, as private and government consumption partially offset the contraction driven by declines in private residential investment and exports. At the same time, China's growth decelerated to 2.4 percent (according to staff estimates), with weak domestic demand—particularly in the housing sector—only partly offset by resilient exports.

In contrast, growth in the United States accelerated to 4.3 percent, supported by a pickup in technology investment and expenditure, which is estimated to have added approximately 0.3 percentage point to average annualized GDP growth during the first three quarters of 2025, thereby offsetting the drag from the federal government shutdown in the final quarter of the year. In addition, there are indications that technology-related investment also contributed to economic activity in Spain and the United Kingdom, although the scale of this contribution was smaller than that observed in the United States.

India–European Union Free Trade Agreement:

India and the EU concluded a landmark Free Trade Agreement (FTA) on 27 January 2026 during the 16th India–EU Summit, which aims to deepen and stabilise trade between India, the world's fourth-largest economy, and the EU, the second-largest economic bloc. The agreement expands market access, reduces trade frictions, and enhances predictability for cross-border commerce, thereby building on an already strong economic relationship reflected in USD 136.54 billion of goods trade in FY25. It supports India's export-led growth by granting preferential access to over 99% of its exports and by integrating Indian industries more deeply into European value chains, while simultaneously providing the EU with a reliable long-term partner and a diversified supply base. Beyond tariff reductions, the FTA strengthens trade conditions by establishing clearer rules, streamlining procedures, and reinforcing compliance and dispute-resolution mechanisms. These measures collectively reduce administrative uncertainty, encourage long-term investment and sourcing decisions, and enable MSMEs and labour-intensive sectors to expand their presence in the EU's large and diverse market.

Against a backdrop of rising commercial engagement, the agreement delivers immediate gains for the EU by improving tariff treatment and clarifying market-entry conditions in India.

- India will eliminate or reduce tariffs on 96.6% of EU goods exports, potentially doubling EU exports to India and saving up to USD 4.79 billion annually in duties.

- Tariffs on cars will drop from 110% to 10%, with a quota of 250,000 vehicles per year, while most car-part tariffs will be phased out over 5–10 years.
- High Indian tariffs on machinery (up to 44%), chemicals (22%), and pharmaceuticals (11%) will largely be eliminated.
- Agri-food tariffs on selected EU priority products such as confectionery, pastries, pasta, chocolates, and pet food will be sharply reduced or eliminated over agreed timelines.
- Sheep meat (33%) and olive oil (up to 45%) tariffs will be phased down to zero after the staging period.
- Tariffs on alcoholic beverages will see major cuts: wine from 150% to 30%, spirits from up to 150% to 40%, and beer from 110% to 50%.

These reductions give EU exporters a strong competitive advantage by lowering some of India's highest tariff barriers and improving predictability for market entry. Lower duties across autos, industrial goods, and agri-food products expand market opportunities, strengthen EU price competitiveness, and support deeper distribution and after-sales networks in India. Indian consumers benefit through lower prices, better quality, and wider product choice, while Indian firms face increased competitive pressure—rewarding those that innovate and challenging those dependent on high tariff protection. Overall, the agreement positions the EU to scale exports and gain market share in sectors previously constrained by high border costs.

The U.S.–India Trade Deal:

The U.S.–India Trade Deal 2026 marks a major restructuring of bilateral economic relations by establishing an interim framework that resets tariffs, expands market access, and lays the groundwork for a full Bilateral Trade Agreement (BTA). Under this framework, the United States reduces effective tariffs on Indian goods from 50% to 18%, with plans to eventually eliminate duties on pharmaceuticals, gems and diamonds, and aircraft parts.

- Even after the deal, Section 232 tariffs on steel, aluminium, copper, and related products remain at 50%, while select auto components continue at 25%. At the same time, zero tariffs on certain pharmaceuticals, aircraft and parts, and some mechanical and electronic components continue.
- India, in turn, agrees to eliminate or reduce tariffs on all U.S. industrial goods and a wide range of agricultural products, including dried distillers' grains, sorghum for feed, tree nuts, fruits, soybean oil, wine, and spirits.
- In addition to tariff changes, the framework incorporates commitments on non-tariff barriers (NTBs) by simplifying certification, reducing procedural delays, and aligning standards in sectors such as medical devices and ICT goods, where regulatory friction has long affected trade.
- Both sides also pledge cooperation on digital trade rules, investment reviews, and supply-chain resilience, reflecting the broader strategic dimension of the agreement.

- India further commits to aggregate purchases of up to USD 500 billion in U.S. goods over five years—covering energy and technology products—partly contingent on significantly reducing imports of Russian crude.

Given India's strong presence in U.S. supply chains—with about 112,000 Indian suppliers out of 1.1 million foreign suppliers supporting U.S. businesses—the tariff rollback is expected to produce rapid economic effects across multiple sectors. Overall, the deal improves bilateral trade flows while deepening regulatory, technological, and strategic cooperation, enabling more predictable and resilient economic engagement.

Global Growth Projection

At a broader level, global growth is expected to remain steady, as momentum in high-tech sectors is projected to slow, yet still continue to partly offset the drag elsewhere. While tariffs and elevated uncertainty are expected to weigh on the level of activity, their impact on growth is projected to fade during 2026, 2027 and 2028. At 3.3 percent in 2026 and 3.2 percent in 2027 and 2028, global growth is therefore expected to decelerate slightly from the estimated 3.3 percent recorded in 2025. Compared with the October 2025 World Economic Outlook (WEO), the forecast for 2026 has been revised upward by 0.2 percentage point, whereas the forecast for 2027 remains unchanged. Nevertheless, there are significant revisions for some countries, with changes occurring in different directions.

Growth in advanced economies is projected at 1.8 percent in 2026 and 1.7 percent in 2027 and 2028. In the United States, economic activity is expected to expand by 2.4 percent in 2026, supported by fiscal policy and a lower policy rate, while the impact of higher trade barriers gradually wanes. This 0.3 percentage point upward revision relative to October reflects a stronger-than-expected GDP outturn in the third quarter of 2025, a rebound in activity in the first quarter of 2026 compared with the fourth quarter of 2025 following the end of the federal government shutdown, and the associated carryover effects. Looking ahead, growth in the United States is projected to remain solid at 2.0 percent in 2027, supported by a near-term fiscal boost from tax incentives for corporate investment under the One Big Beautiful Bill Act of 2025. Although technology-driven momentum is expected to moderate, it is still projected to provide a partial offset to lower immigration and moderating consumption.

In the euro area, growth is expected to remain steady at 1.3 percent in 2026 and to increase modestly to 1.4 percent in 2027. The slightly faster growth in 2027 reflects projected increases in public spending, particularly in Germany, alongside continued strong performance in Ireland and Spain. Overall, the forecast remains broadly unchanged from October, with the subdued growth outlook reflecting unresolved structural headwinds. The impact of the planned increase in defense spending is expected to materialize only in subsequent years, as commitments to reach target levels are phased in gradually through 2035. Compared with other regions, the euro area benefits less from the recent technology-driven investment boost. In addition, the lingering effects of persistently higher energy prices following Russia's invasion of Ukraine are

expected to continue weighing on manufacturing, with additional pressure stemming from the real appreciation of the euro relative to the currencies of countries exporting similar products. In Japan, growth is projected to moderate from 1.1 percent in 2025 to 0.7 percent in 2026 and to 0.6 percent in 2027 and 2028. This marks a small upward revision relative to the October figure, reflecting in part the fiscal stimulus package announced by the new government.

In emerging market and developing economies, growth is projected to hover just above 4.0 percent in 2026, 2027, and 2028. Relative to the October forecast, China's growth in 2025 has been revised upward by 0.2 percentage point to 5.0 percent, reflecting the implementation of stimulus measures and additional policy bank lending for investment. Growth in China for 2026 has also been revised upward by 0.3 percentage point to 4.5 percent, as a result of lower effective US tariff rates on Chinese goods following the year-long trade truce agreed in November, alongside stimulus measures assumed to be implemented over a two-year period. However, the economy's growth rate is expected to decelerate to 4.0 percent in 2027, as structural headwinds increasingly weigh on activity.

Key factors impacting Global Macroeconomic landscape

- Geopolitics remains a defining global risk factor. Ongoing conflict between Russia and Ukraine, heightened tensions in the Middle East, and increasing U.S. geopolitical actions involving countries such as Venezuela, Nigeria, and even regions like Greenland are amplifying systemic uncertainty. These developments are disrupting energy markets and reshaping global supply chains. At the same time, resource nationalism and strategic competition for rare earth minerals have moved from abstract concerns to day-to-day operations.
- The period of frictionless trade shaped by free trade agreements has given way to a stronger push toward regionalization and nearshoring. Geopolitical fragmentation and tariff uncertainty continue to challenge global trade flows.
- Technology adoption and sustainability have become core strategic priorities. Organizations are advancing digital transformation by embedding AI, automation, and cybersecurity into their operations to enhance productivity and safeguard critical assets. AI adoption is emerging as a visible driver of optimism, particularly within the information and communications sectors.

India Macroeconomic Analysis

The International Monetary Fund (IMF) has revised upward India's economic growth for 2025 by 0.7 percentage point to 7.3%. In its World Economic Outlook update, the IMF stated that the upward revision reflects strong growth momentum in the fourth quarter of the current fiscal year. At the same time, the IMF projects India's growth at 6.4 percent in CY 2026, noting that despite the expected moderation, India is expected to remain a key driver of growth among emerging market and developing economies. In addition, the IMF expects inflation in India to return to near-target levels following a marked decline in 2025, driven by subdued food prices, which is expected to provide further support to domestic demand. However, the IMF cautioned that AI-driven productivity gains could lead to a pullback in investment and tighter global financial conditions, resulting in spillover effects for emerging economies.

Country	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026 P	CY 2027 P	CY 2028 P
India[2]	–5.8%	9.7%	7.6%	9.2%	6.5%	7.3%	6.4%	6.4%	6.5%
China	2.3%	8.6%	3.1%	5.4%	5.0%	5.0%	4.5%	4.0%	4.0%
United States	-2.2%	6.1%	2.5%	2.9%	2.8%	2.1%	2.4%	2.0%	2.1%
Japan	-4.2%	2.7%	0.9%	1.4%	-0.2%	1.1%	0.7%	0.6%	0.6%
United Kingdom	-10.3%	8.6%	4.8%	0.4%	1.1%	1.4%	1.3%	1.5%	1.4%
Russia	-2.7%	5.9%	-1.4%	4.1%	4.3%	0.6%	0.8%	1.0%	1.1%
Germany	-4.1%	3.9%	1.8%	-0.9%	-0.5%	0.2%	1.1%	1.5%	1.2%

Source: World Economic Outlook, January 2026

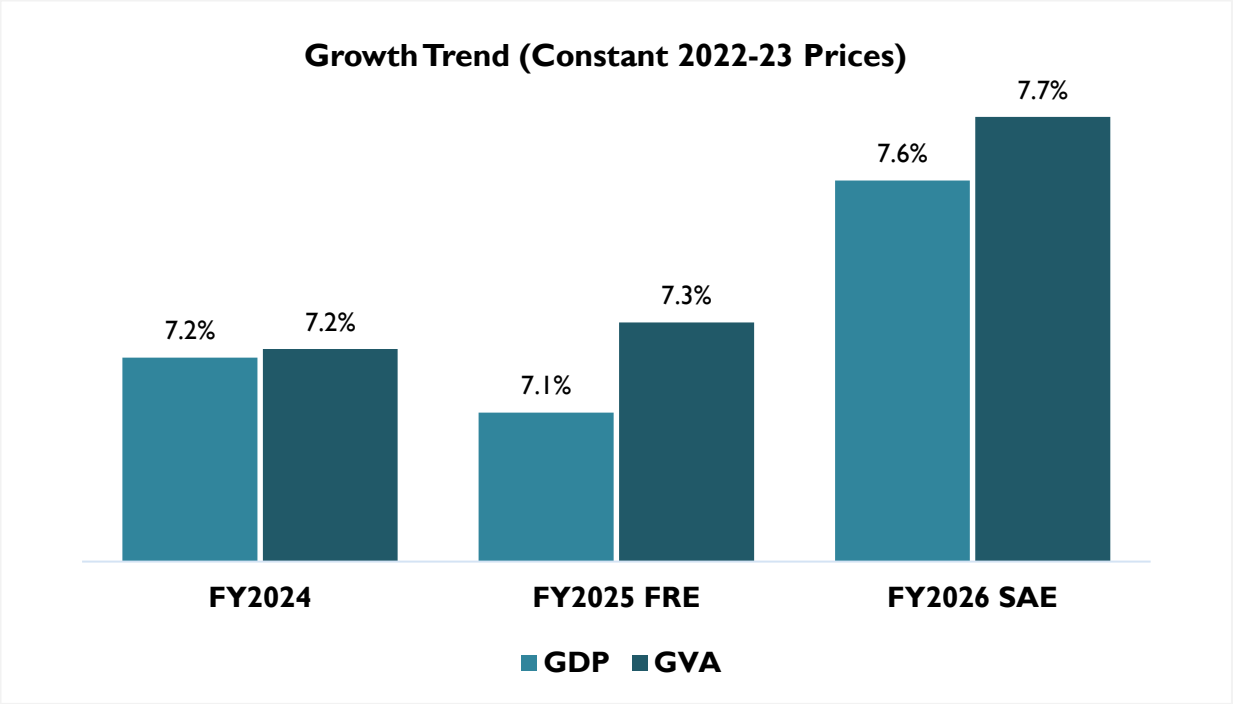
*Note CY 2028 projection is taken from October 2025(World Economic Outlook)

Historical GDP and GVA Growth Trend

India Real GDP (GDP at constant prices) for FY 2025–26 is estimated to reach INR 322.58 lakh crore, compared to the First Revised Estimate (FRE) of INR 299.89 lakh crore for FY 2024–25. This represents a growth rate of 7.6% in 2025–26, higher than the 7.1% growth recorded in 2024–25.

Similarly, Real GVA for FY 2025–26 is projected at INR 294.40 lakh crore, up from INR 273.36 lakh crore in FY 2024–25. This indicates a growth rate of 7.7%, compared with the 7.3% growth achieved in the previous year.

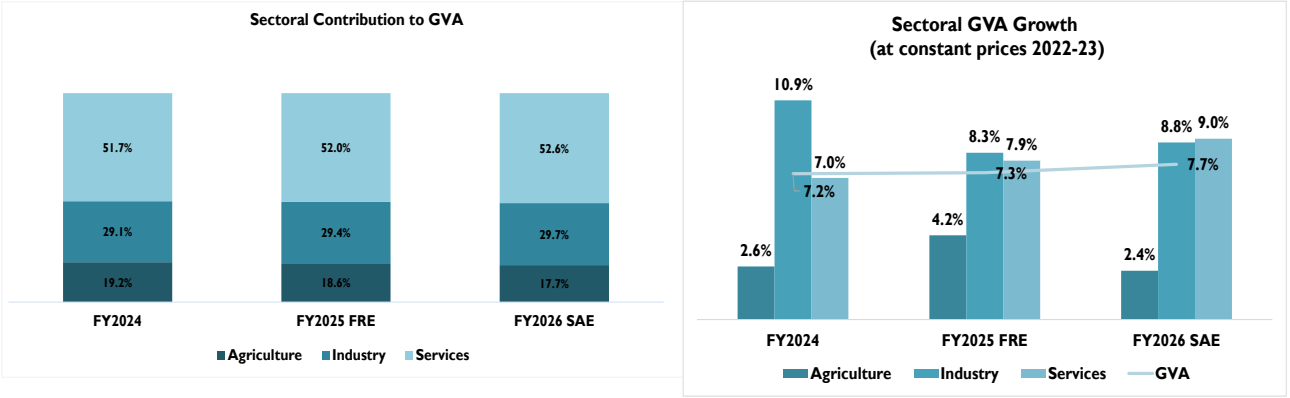
[2] For India, data and projections are presented on a fiscal year (FY) basis, with FY 2024/25 (starting in April 2024) shown in the 2024 column. India's growth projections are 6.4 percent for 2026, 6.4 percent for 2027 and 6.5% for 2028 based on calendar year



Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics: FY2025,

FRE is First Revised Estimate, SAE is Second Advance Estimate

Sectoral Contribution to GVA and Annual Growth Trend



Source: Ministry of Statistics & Programme Implementation (MOSPI), CMIE Economics Outlook

FRE is First Revised Estimate, SAE is Second Advance Estimate

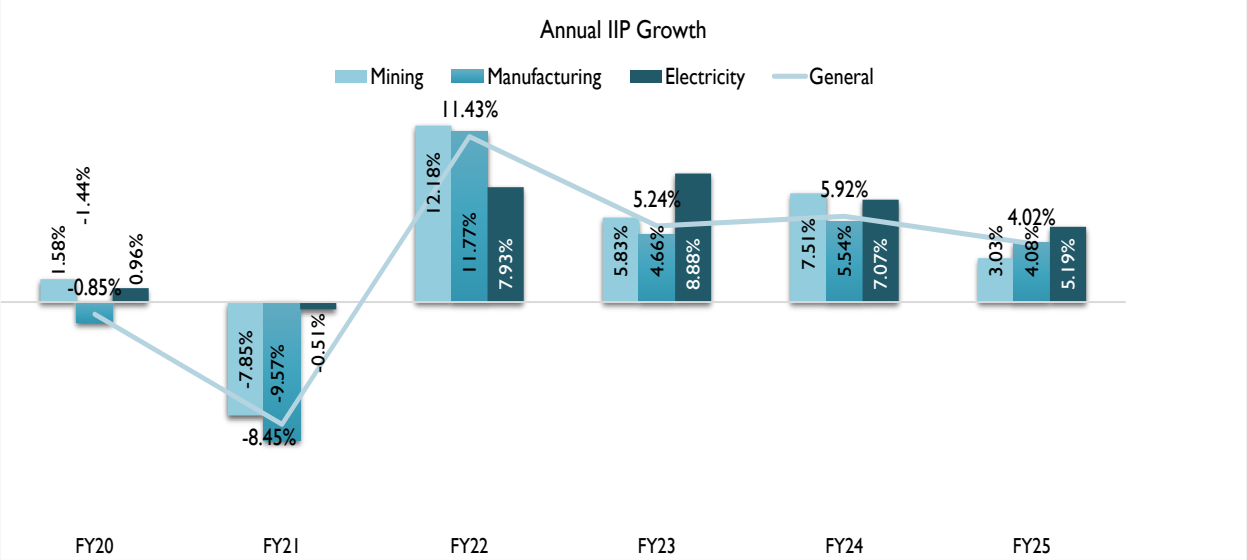
Sectoral analysis of GVA reveals that the industrial sector experienced steady growth momentum in FY 2026, recording a 7.7% y-o-y growth against 7.3% year-on-year growth in FY 2025. Within the industrial sector, growth moderated across sub-sectors with mining, and construction activities growing by 4.08%, and 7.08% respectively in FY 2026, compared to 11.69%, and 7.30% in FY 2025. Growth in the utilities sector too moderated to 1.52% in FY 2026 from 2.87% in the previous year. The industrial sector's contribution to GVA moderated marginally from 29.4% in FY 2025 to 29.7% in FY 2026.

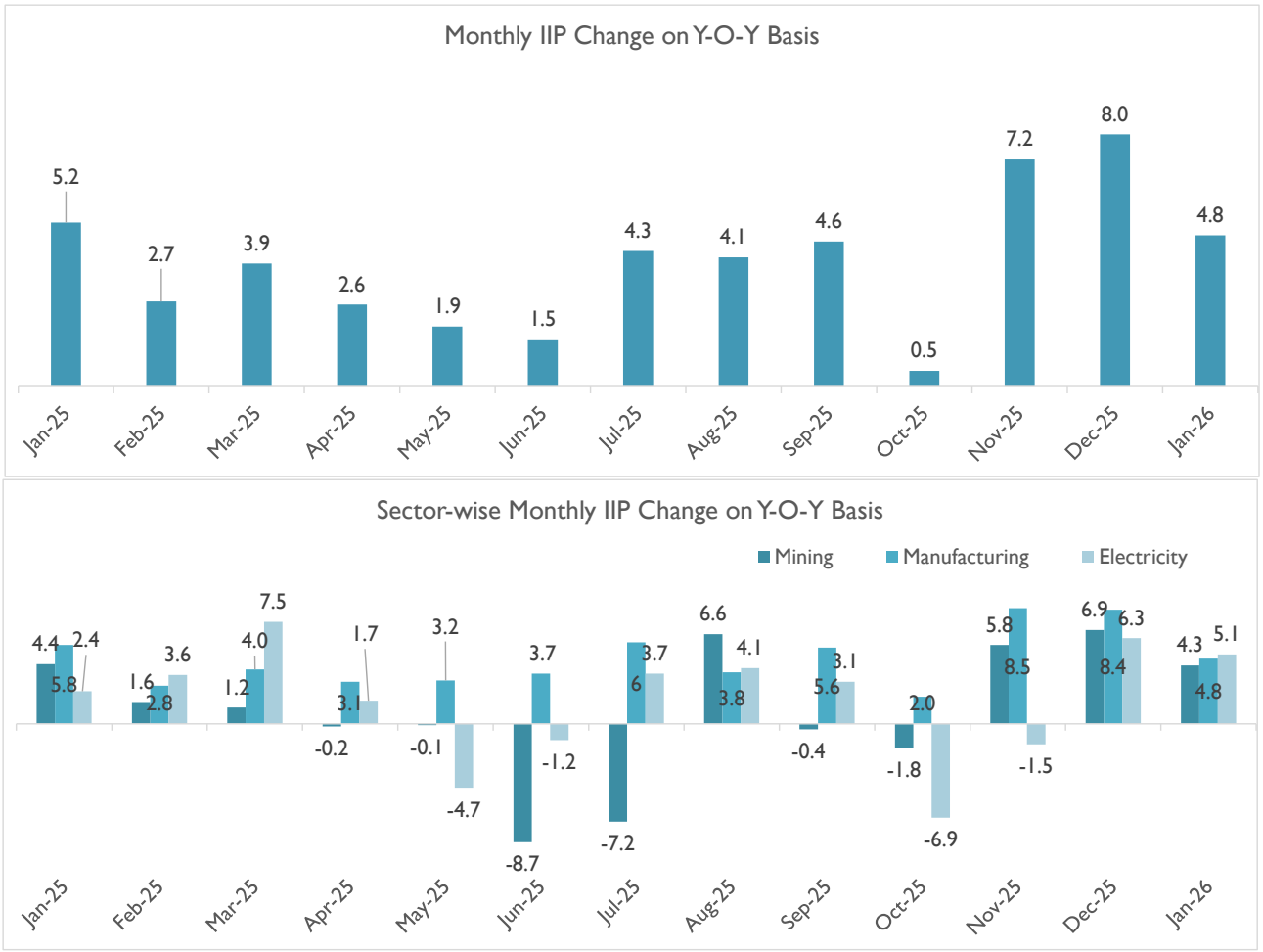
The services sector continued to be the main driver of economic growth. It expanded by 9.0% in FY 2026 from 7.9% in FY 2025. The services sector retained its position as the largest contributor to GVA, rising from 51.7% in FY 2024 to 52% in FY 2025, with a further increase to 52.6% in FY 2026.

The agriculture sector saw an acceleration in growth, increasing from 2.66% in FY 2024 to 4.18% in FY 2025, before moderating to 2.42% in FY 2026. However, its contribution to GVA declined marginally from 19.2% in FY 2024 to 17.7% in FY 2026. Overall, Gross Value Added (GVA) growth rose to 7.7% in FY 2026 from 7.3% in FY 2025.

Annual & Monthly IIP Growth

Industrial sector performance as measured by the IIP index exhibited moderation in FY 2025, recording a 4.02% y-o-y growth against 5.92% increase in the previous year. The manufacturing index showed moderation, increasing by 4.08% in FY 2025 compared with 5.54% in FY 2024. The mining sector index also moderated, growing 3.03% in FY 2025 compared with 7.51% in the previous years, while the Electricity sector index moderated by 5.19% in FY 2025 compared with 7.07% in the previous year.



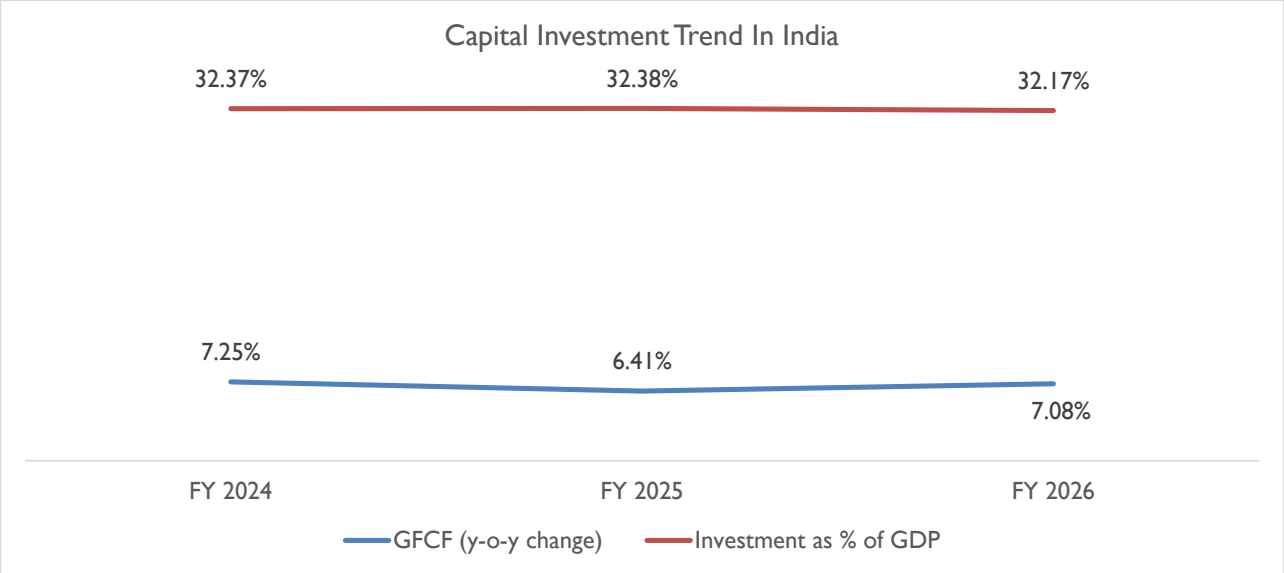


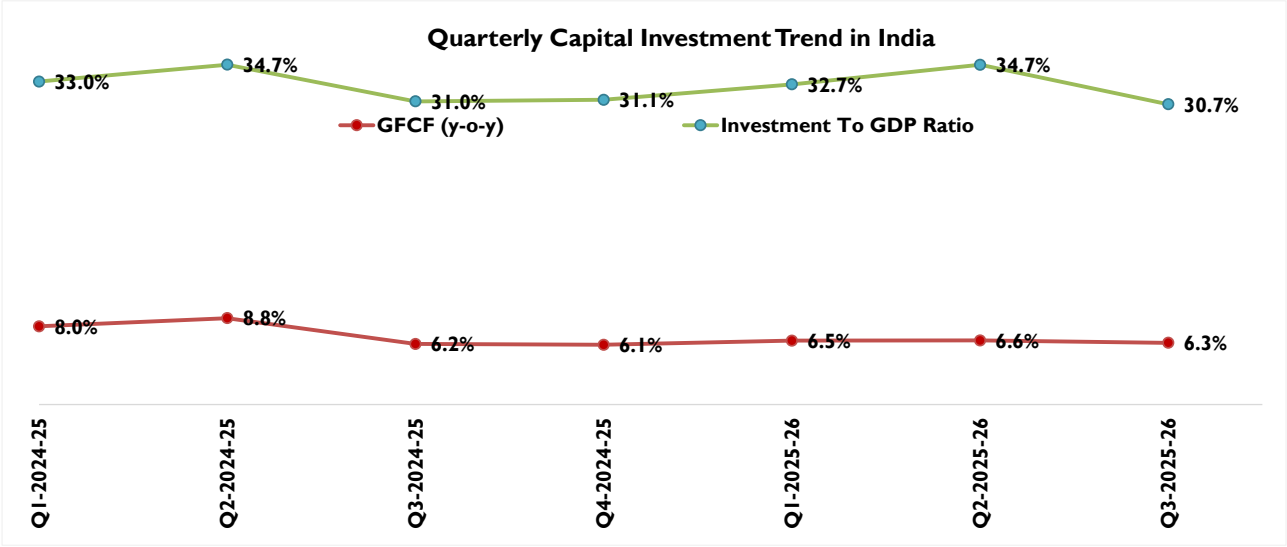
Source: Ministry of Statistics & Programme Implementation (MOSPI)

The IIP growth rate for the month of January 2026 is 4.8% which was 8.0% in the month of December 2025. The growth rates of the three sectors, Mining, Manufacturing and Electricity for the month of January 2026 were 4.3%, 4.8% and 5.1% respectively.

Annual and Quarterly: Investment & Consumption Scenario

Other major indicators, such as Gross Fixed Capital Formation (GFCF), a measure of investment, increased during FY 2026, registering 7.08% year-on-year growth compared with 6.41% in FY 2025, bringing the GFCF-to-GDP ratio to 32.17%.

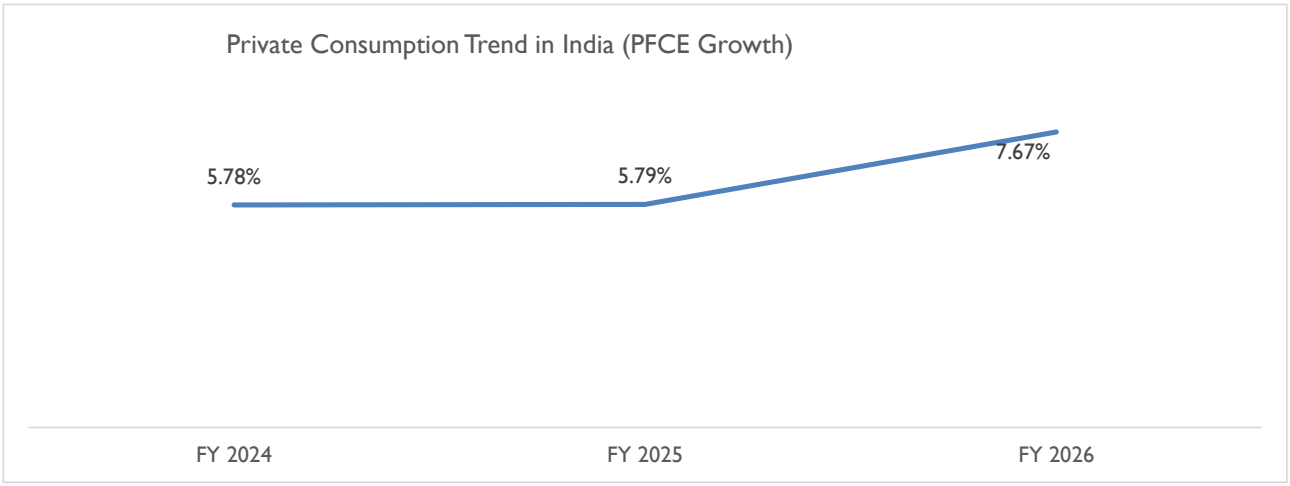


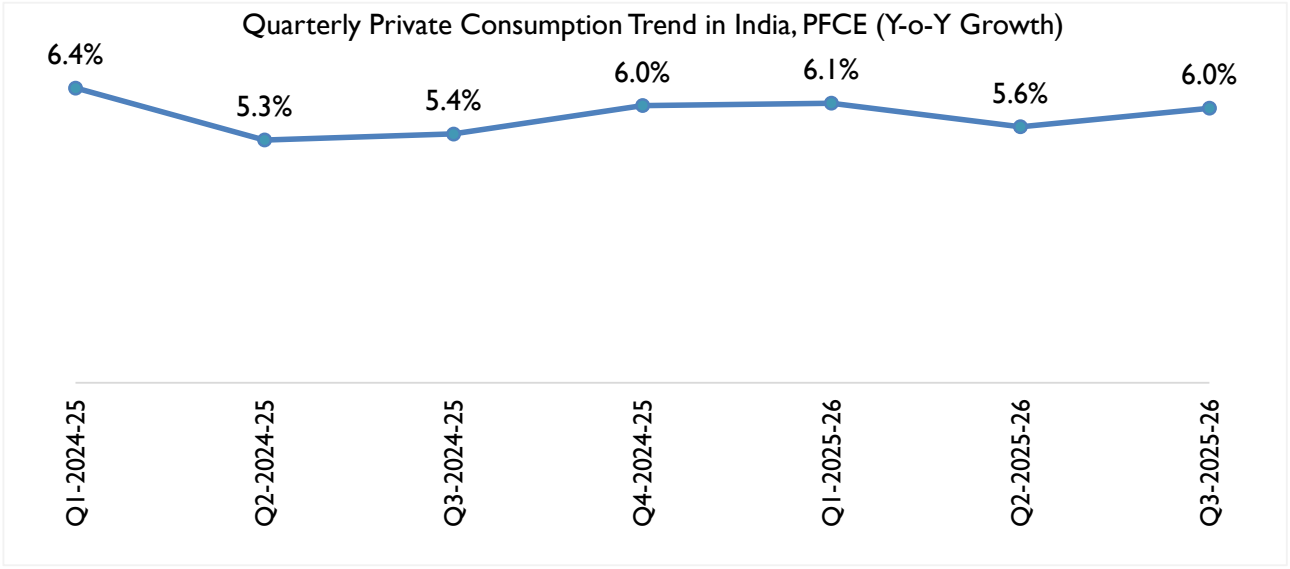


Source: Ministry of Statistics & Programme Implementation (MOSPI), CMIE Economics Outlook

On a quarterly basis, India's capital investment indicators display a pattern of moderate but uneven momentum. The Investment-to-GDP ratio remained above 30% throughout the period but shifted within a narrow and cyclical band—rising from 33.0% in Q1 FY 2024-25 to 34.7% in Q2, before softening to 31.0% and 31.1% in Q3 and Q4, respectively. The ratio recovered to 32.7% in Q1 FY 2025-26 and 34.7% in Q2, before easing to 30.7% in Q3, indicating fluctuating capital deployment across quarters. Meanwhile, GFCF (y-o-y) growth also exhibited volatility. After rising to 8.8% in Q2 FY 2024-25, growth moderated to 6.2% in Q3 and 6.1% in Q4, reflecting a deceleration in both government and private investment activity. Growth improved marginally to 6.5% in Q1 FY 2025-26 and 6.6% in Q2, but eased to 6.3% in Q3, signalling a plateauing in investment momentum. Overall, the data suggests that while investment levels remain healthy, quarterly volatility persists, underscoring the dependence on fiscal spending patterns and the still-gradual recovery of private capital expenditure.

Private Consumption Scenario





Sources: MOSPI, CMIE Economics Outlook

Private Final Consumption Expenditure (PFCE), a practical proxy for household spending, recorded growth in FY 2026 relative to FY 2025. Quarterly Private Final Consumption Expenditure (PFCE) has reported 6.0% growth rate during Q3 of FY 2025-26 as compared to the 5.6% growth rate in the corresponding period of the previous financial year.

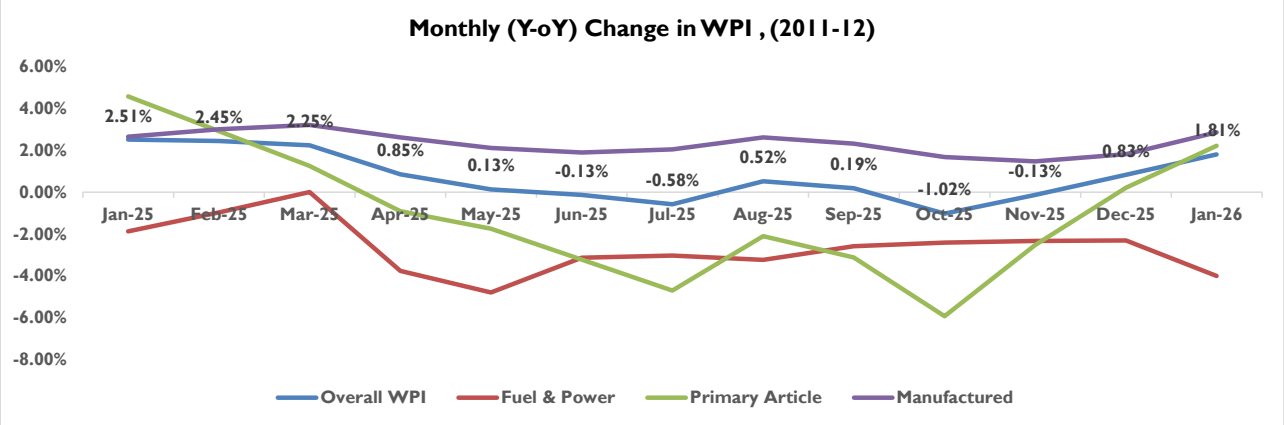
Inflation Scenario

The annual rate of inflation based on All India Wholesale Price Index (WPI) number is 1.81% (provisional) for the month of January, 2026 (over January, 2025). Positive rate of inflation in January, 2026 is primarily due to increase in prices of manufacture of basic metals, other manufacturing, non-food articles, food articles and textiles etc.

Primary Articles (Weight 22.62%): - The index for this major group decreased by 0.15 % from 194.2 (provisional) for the month of December, 2025 to 193.9 (provisional) in January, 2026. The price of food articles (-1.79%) and minerals (-0.47%) decreased in January, 2026 as compared to December, 2025. The price of non-food articles (5.32%) and Crude Petroleum & Natural Gas (4.27%) increased in January, 2026 as compared to December, 2025.

Fuel & Power (Weight 13.15%): - The index for this major group decreased by 1.62% from 148.3 (provisional) for the month of December, 2025 to 145.9 (provisional) in January, 2026. The Price of electricity (-2.91%) and mineral oils (-1.68%) decreased in January, 2026 as compared to December, 2025. The Price of coal (0.73%) increased in January, 2026 as compared to December, 2025.

Manufactured Products (Weight 64.23%): - The index for this major group increased by 1.30% from 145.6 (provisional) for the month of December, 2025 to 147.5 (provisional) in January, 2026. Out of the 22 NIC two-digit groups for manufactured products, 19 groups witnessed an increase in prices and 3 groups witnessed a decrease in prices. Some of the important groups that showed month-over-month increase in prices were manufacture of basic metals; food products; textiles; other manufacturing and electrical equipment etc. Some of the groups that witnessed a decrease in prices were manufacture of pharmaceuticals, medicinal chemical and botanical products; machinery and equipment and furniture in January, 2026 as compared to December, 2025.

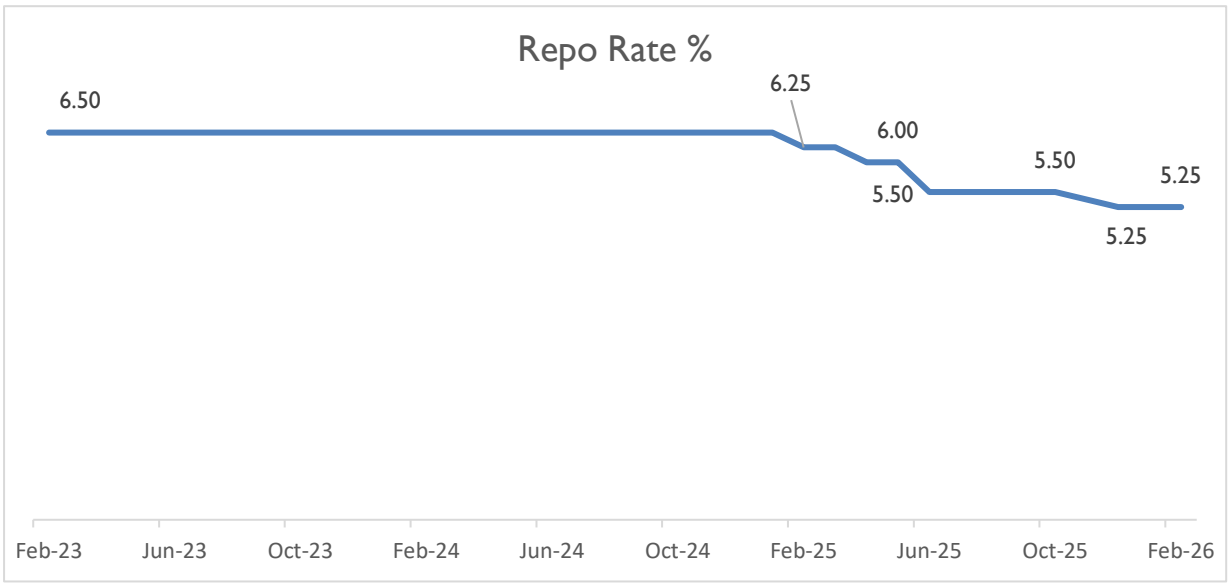


Monthly Consumer Price Index (Base year 2024)													
Rural	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26
Urban	101.81	101.33	101.34	101.81	101.78	102.39	103.34	103.84	103.8	103.85	104.16	104.19	104.59
India	101.49	101.3	101.47	101.49	102.06	102.66	103.36	103.6	103.66	103.61	103.83	103.98	104.3
Rural	101.67	101.32	101.39	101.67	101.9	102.51	103.35	103.74	103.74	103.74	104.01	104.1	104.46

Source: MOSPI, Office of Economic Advisor

With effect from January 2026, the National Statistics Office (NSO) introduced a revised CPI series with base year 2024=100, drawing revised item weights from the Household Consumption Expenditure Survey (HCES) 2023-24. Under the new series, the weight of food and beverages has been reduced from 45.86% to 36.75%, while housing (including water, electricity, gas, and other fuels) has been expanded to 17.67%. CPI inflation under the new series stood at 2.75% (provisional) for January 2026, with rural inflation at 2.73% and urban inflation at 2.77%, well within the RBI's target band of 2–6%.

On the monetary policy front, the RBI had cumulatively raised the repo rate by 250 basis points between May 2022 and February 2023, bringing it to 6.50%, where it was held steady through January 2025 to anchor inflationary expectations. With inflation moderating below target and growth requiring support, the RBI's Monetary Policy Committee (MPC) commenced an easing cycle in February 2025, delivering a cumulative 125 basis points of rate cuts through four reductions — 25 bps each in February 2025, April 2025, and December 2025, and a larger 50 bps cut in June 2025 — interspersed with pauses in August and October 2025. The repo rate currently stands at 5.25%, following the MPC's decision to hold rates unchanged at its February 2026 meeting, the most aggressive easing cycle since 2019.



Sources: CMIE Economic Outlook

Growth Outlook

The Union Budget 2026–27 sets out a quantitatively strong push to build resilient supply chains and develop next-generation industrial capacity. The record ₹12.2 trillion capital expenditure outlay is aimed at easing logistics bottlenecks and enhancing India's cost competitiveness. Employment measures extend across both urban and rural India in one sweep. In cities and large towns, capex is channelled into "connectors" such as the seven proposed high-speed rail corridors and upgraded Tier-2 and Tier-3 infrastructure, thereby creating construction, logistics, and service jobs while cutting commute times. In smaller towns and villages, job creation is expected to be supported by mega textile parks, the Mahatma Gandhi Gram Swaraj Initiative's

push for khadi and handloom, training for tourist guides, and new waterways and coastal shipping. Together, these steps broaden the wage base instead of providing a short-term bump.

Strategic supply chains also receive a significant push. Dedicated rare earth corridors in Odisha, Kerala, Andhra Pradesh, and Tamil Nadu; customs exemptions for capital goods used in critical mineral processing and battery cells; and the India Semiconductor Mission 2.0 aim to pull manufacturing deeper into components and materials. If executed well, these measures could reduce import dependence in magnets, batteries, and chip inputs and lift the share of higher-productivity manufacturing jobs — thereby raising household incomes durably.

The conclusion of the India–EU FTA negotiations mark a major strategic milestone, as it offers near-universal market access for 99.5% of India's exports by value and integrates India more deeply into a USD 24 trillion economic bloc. By providing duty-free entry for key labour-intensive sectors, expanding services access, and establishing a mobility framework for Indian professionals, the agreement strengthens India's export competitiveness, supports high-value job creation, and ensures a predictable, rules-based environment for long-term trade and investment flows.

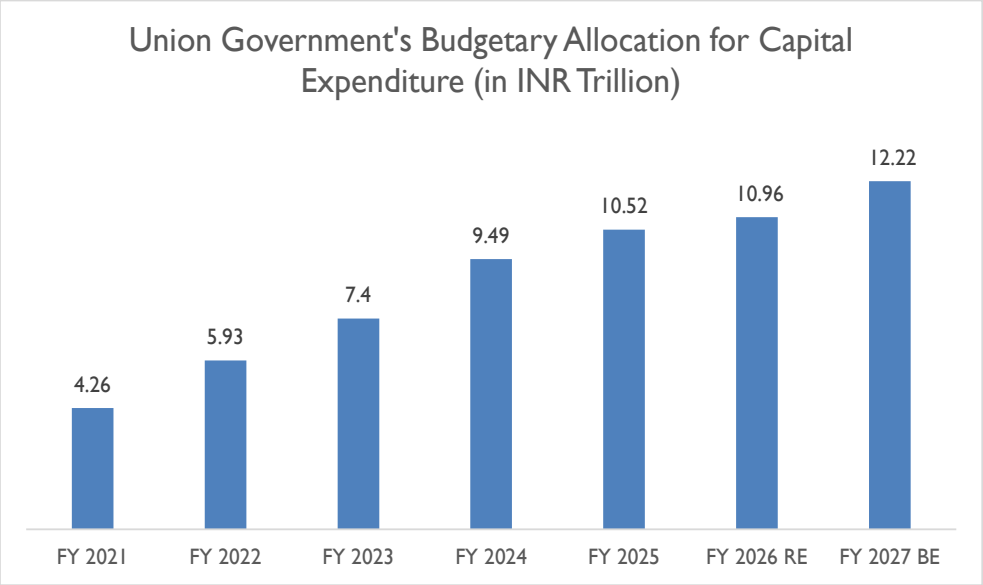
Similarly, the India–Oman CEPA creates a comprehensive framework covering goods, services, investment, and regulatory cooperation. With bilateral trade at USD 10.61 billion in FY 2024–25, the CEPA grants India 100% duty-free access across 98.08% of Oman's tariff lines (99.38% of export value) from Day One. This access expands opportunities across engineering goods, pharmaceuticals, agriculture, chemicals, electronics, textiles, marine products, and gems & jewellery, while a calibrated exclusion list helps protect sensitive domestic and MSME-linked sectors.

Key Growth/Demographic Drivers for Economic Growth

Government focus on infrastructure development

The infrastructure sector has received a strong boost in Budget FY'27, marked by a record INR 12.2trn public capital expenditure allocation, reinforcing the government's focus on making assets more efficient and sustainable. The introduction of the landmark Infrastructure Risk Guarantee Fund aims to provide partial credit guarantees to lenders and revitalise private sector participation in large-scale projects. By lowering project risk premiums and easing borrowing costs, this mechanism is likely to help crowd in private capital and accelerate construction phase financing across the sector. The transport and logistics sector, in particular, will buoy infrastructure growth. Railways have received a substantial boost in allocation, which will help support the planned development of seven new high-speed rail corridors and a Dankuni-Surat DFC, which aims to cut logistics costs and improve national connectivity. Moreover, the rollout of 20 new National Waterways, new ship repair hubs and a scheme to double the share of coastal and inland water transport from 6.0% to 12.0% by 2047 will together build a greener, more efficient multimodal freight network. Urban transformation continues through targeted development of Tier-2 and Tier-3 cities – with populations over 0.5mn – alongside the creation of City Economic Regions, each supported by multi-year, challenge-based financing to establish new growth hubs and reduce pressure on metros. A broader ecosystem of reforms strengthens medium-term sector prospects. The government aims to scale domestic construction and infrastructure equipment manufacturing, reducing import dependence and improving execution capability in tunnelling, metro construction and road building machinery. The monetisation of CPSE assets will be accelerated through dedicated REIT structures, helping unlock liquidity for redevelopment and new project pipelines. Additional support flows through region-specific initiatives, such as industrial corridor expansion, and tourism development in cultural and Buddhist heritage zones will further reinforce construction demand.

Together, these measures will strengthen India's infrastructure ecosystem through higher public investment, improved risk mitigation tools and wider multimodal connectivity – creating a constructive environment for sustained growth in construction, logistics and urban development.



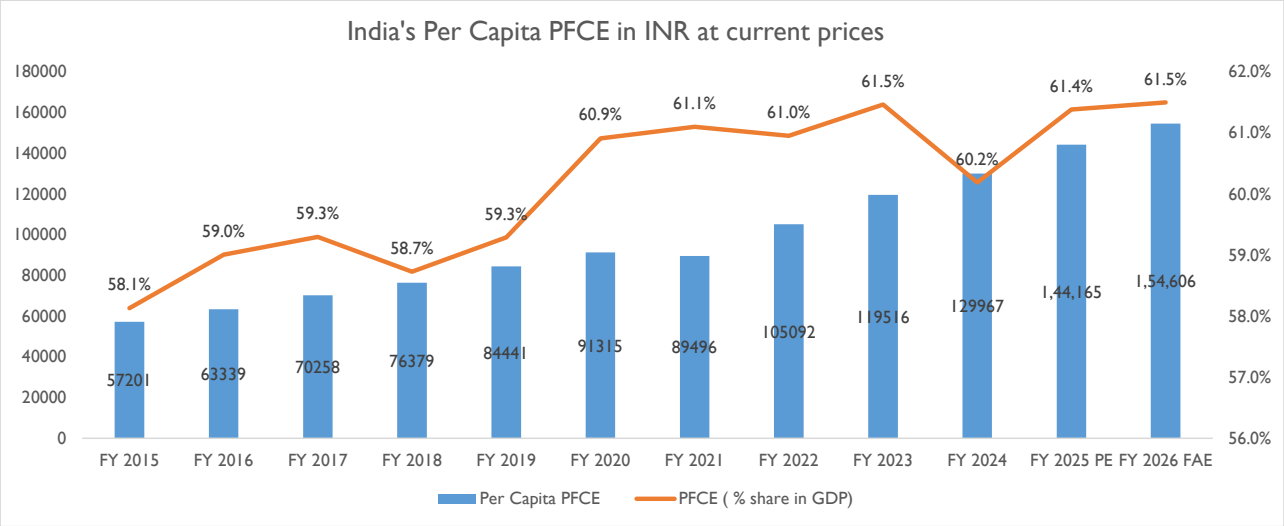
Union Budget, Government of India

Development of Domestic Manufacturing Capability

The Government launched Production Linked Incentive (PLI) scheme in early 2020, initially aimed at improving domestic manufacturing capability in large-scale electronic manufacturing and gradually extended to other sectors. At present it covers 14 sectors, ranging from medical devices to solar PV modules. The PLI scheme provides incentives to companies on incremental sales of products manufactured in India. This incentive structure is aimed at attracting private investment into setting up manufacturing units and thereby strengthen domestic production capabilities. The overall incentives earmarked for PLI scheme is estimated to be INR 2 trillion. If fully realised, the PLI scheme could add nearly 4% to annual GDP growth, by way of incremental revenue generated from the newly formed manufacturing units.

Strong Domestic Demand

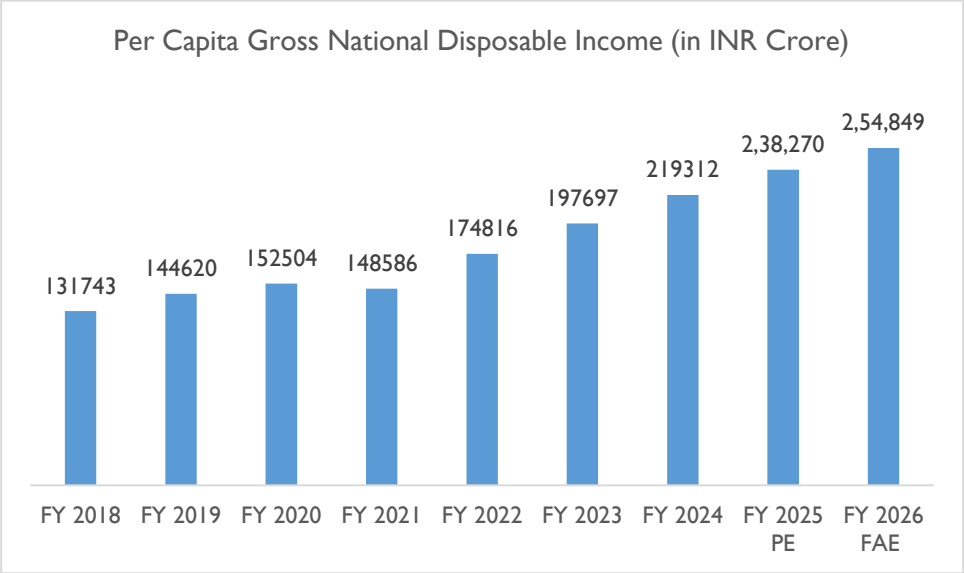
Domestic demand has traditionally been one of the key drivers of the Indian economy. After a brief lull caused by Covid-19 pandemic, the domestic demand is recovering. Consumer confidence surveys by the Reserve Bank and other institutions point to an improvement in consumer confidence index, which is a precursor of improving demand. India has a strong middle-class segment, which has been the major driver of domestic demand. Factors like fast paced urbanization and improving income scenario in rural markets are expected to accelerate domestic demand further. This revival is perfectly captured by the private final consumption expenditure (PFCE) metric. The PFCE at current prices is on steady rise from FY 2022 onwards. Between FY 2015 and FY 2026, PFCE in India increased by nearly 2.5 times. Its share in GDP also increased from 58.1% to about 61.5% in FY 2026 (as per the first advance estimates).



Source: Ministry of Statistics & Programme Implementation (MOSPI)

There are two factors driving this domestic demand: first, the large pool of consumers; and second, the improvement in purchasing power.

- The share of middle class increased from nearly 14% in 2005 to nearly 30% in 2021 and is expected to cross 60% by 2047 [3]. This expanding middle class household segment is fuelling India's growth story and would continue to play a key role in propelling India's economic growth.
- Consumer-driven domestic demand is majorly fuelled by this growth in per capita income. As per National Statistics Office (NSO), India's per capita net national income (at constant prices) stood at INR 1,21,968 crore in FY 2026 against INR 1,14,710 crore in FY 2025 and INR 87,586 in FY 2018. This increase in per capita income has impacted the purchasing pattern as well as disposable income. The disposable income during FY 2018-26 has increased from INR 131,753 to INR 2,54,849 increasing at a CAGR of 9.2%.



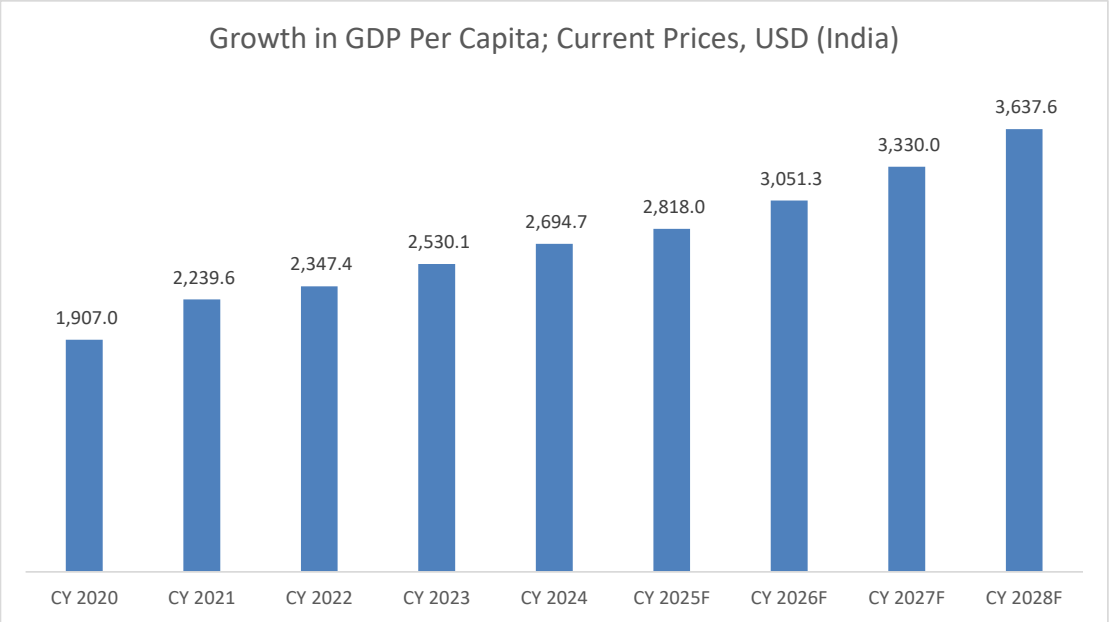
[3] As per the survey conducted by People Research on India's Consumer Economy. Households with annual income in the range of INR 5 – 30 lakh is considered as middle-class households.

Source: Ministry of Statistics & Programme Implementation (MOSPI)

India's Per Capita GDP Trends

India is poised to become the world's third-largest economy with a projected GDP of USD 5 trillion within the next three years, driven by ongoing reforms. As one of the fastest-growing major economies, India currently holds the position of the fifth-largest economy globally, following the US, China, Japan, and Germany. By 2027-28, it is anticipated that India will surpass both Germany and Japan, reaching the third-largest spot. This growth is bolstered by a surge in foreign investments and a wave of new trade agreements with India's burgeoning market of 1.4 billion people. The aviation industry is witnessing unprecedented orders, global electronics manufacturers are expanding their production capabilities, and suppliers traditionally concentrated in southern China's manufacturing hubs are now shifting towards India.

To achieve its vision of becoming the world's third-largest economy by 2027-28, India will need to implement transformative industrial and governmental policies. These policies will be crucial for sustaining the consistent growth of the nation's per capita GDP over the long term.

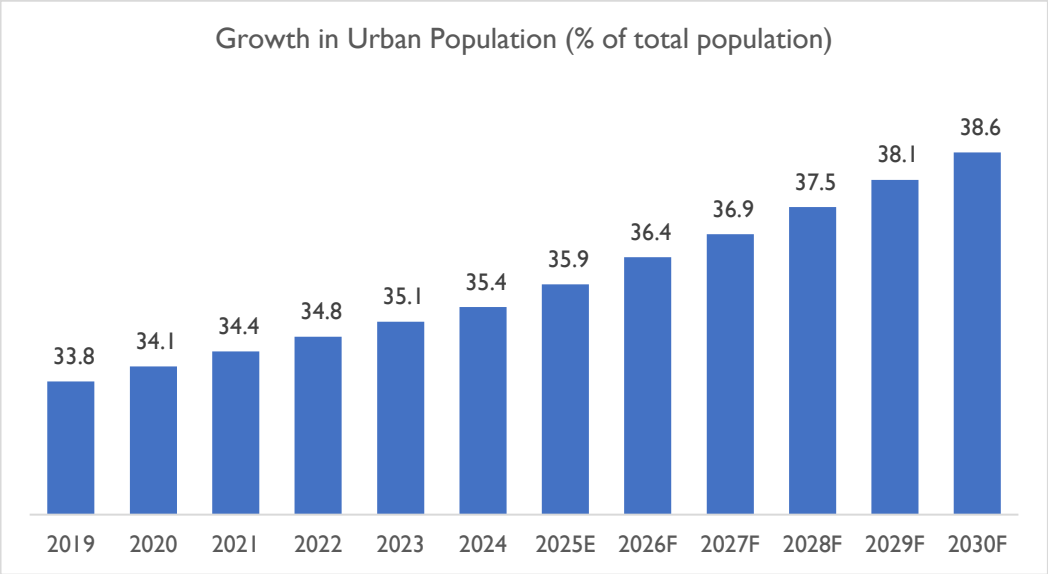


Source: IMF

From CY 2024 to CY 2030, India's per capita GDP is projected to grow at a compound annual growth rate of 7.8%. This growth will be driven by the service sector, which now accounts for over 50% of India's GDP, marking a significant shift from agriculture to services.

Increasing Urbanization

As per the Handbook of Urban Statistics 2022, India's urban population has been on a steady rise. Urban dwellers accounted for over 469 million in 2021 and are projected to rise to over 558 million by 2031 and further exceed 600 million by 2036.



Source: World Bank, [4] D&B Research and Estimates

The share of urban population in total population has been quickly escalating. In 2019, 33.81% of the total population was urban. By 2024, it had reached 35.38%, showing an increase over a span of five years of about 1.15%. The share of urban population is further forecasted to cross 40% by 2030. This increase in urban population is set to demand drastic changes in infrastructure development. Cities are a major driver for the construction industry. With cities expanding rapidly, there will be an increased need for improved housing, water supply, sewage systems, and electricity. Urban planning will need to account for higher population densities, necessitating the development of smart cities with integrated technology for efficient management of resources and services. The Smart Cities Mission targeted at 100 cities is aimed at improving the quality of life through modernised, technology-driven urban planning. This transformation will also require significant investment in public health, education, and recreational facilities to enhance the quality of urban living. The surge in urban population will also propel demand for improvement in multimodal transport infrastructure for freight and passenger travel requirements.

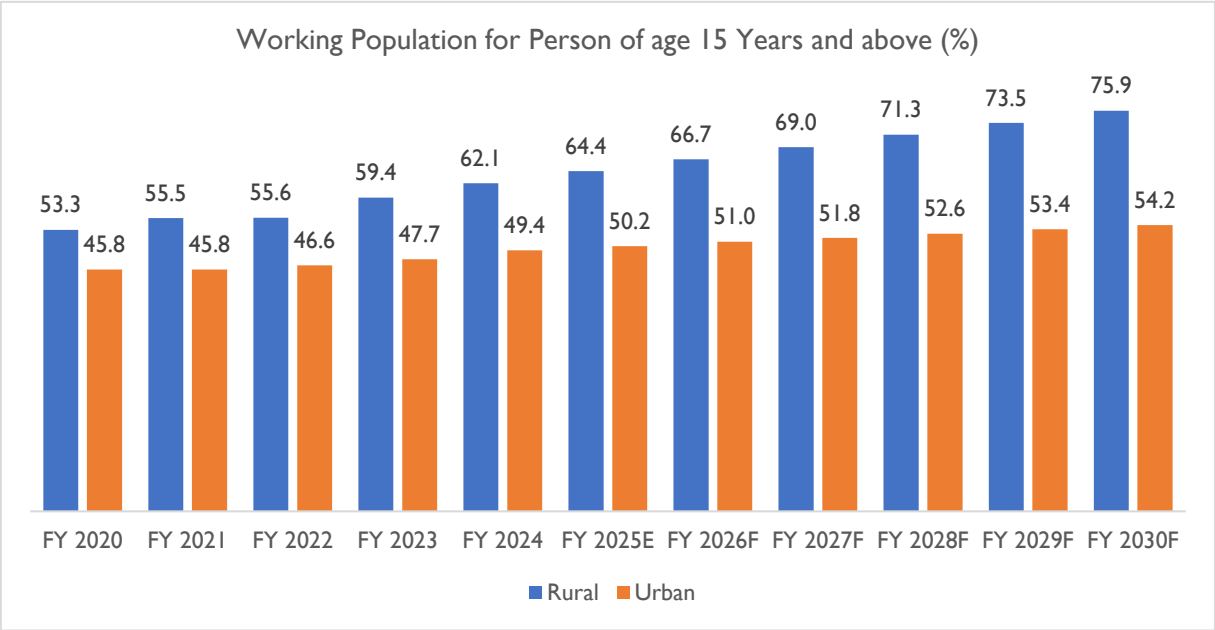
Rural vs. Urban Working Population by Age Group

As India continues to experience economic growth and development, the working population in both rural and urban areas is increasing. In the case of the urban population, this growth is reflected in the increase from

[4] https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?end=2022&locations=IN&skipRedirection=true&start=1960&view=chart

a share of 45.8% in FY20 to 49.4% in FY24, whereas in rural areas, it grew from 53.3% in FY20 to 62.1% in FY24.

This growth is driven by a combination of factors, including demographic changes, economic policies, and the expansion of various industries. The rise in employment opportunities across sectors such as agriculture, manufacturing, services, and information technology has contributed to the overall increase in the working population, thereby fostering economic stability and enhancing the standard of living for many Indians.



Source: Periodic Labour Force Survey (PLFS) Annual Report 2023-2024, D&B Research and Estimates

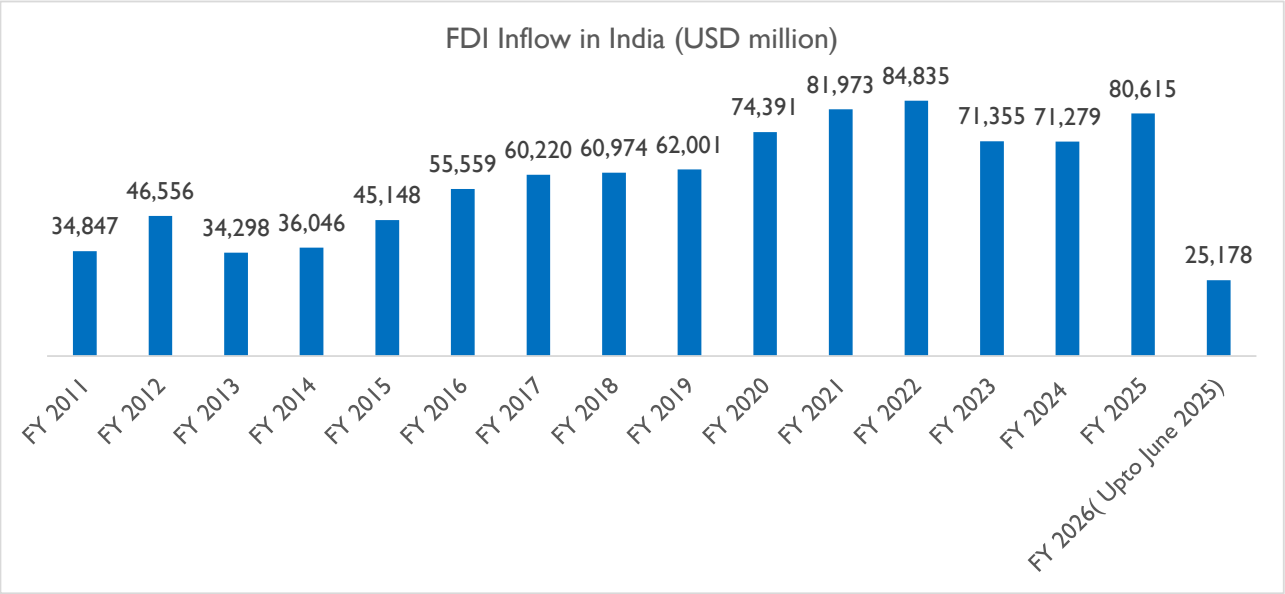
In urban areas, the working population is growing rapidly due to the proliferation of jobs in sectors like IT, finance, retail, and healthcare. Additionally, the development of infrastructure, such as improved transportation networks and housing, has made urban centers more accessible and desirable for the working population. In rural areas, the working population remains substantial, primarily due to the dominance of the agricultural sector. Government initiatives aimed at rural development, such as improved access to education and skill development programs, have also played a crucial role in enhancing employment prospects in these regions.

The dominance of the rural working population over its urban counterpart can be attributed to the labour-intensive nature of the agricultural sector, which ensures a consistent demand for human labor despite advancements in mechanization, sustaining employment rates in rural areas.

Foreign Direct Investment Trend in India

FDI inflows in India observed a steady increase from FY 2013 to FY 2022 while it witnessed a decline of 15% in FY 2023 and a decline of 0.1% in FY 2024 due to several factors, including the ongoing conflict between Russia and Ukraine, changes in US monetary policy, and other global uncertainties. However, the country has received substantial FDI inflows from April 2000 to December 2024. This increasing FDI can be attributed to the new investment facilitation measures like the National Single-Window System (NSWS), which streamlines the approval and clearance process for investors, entrepreneurs, and businesses, along with

sectoral measures and PLI schemes, supporting growth prospects in tier-2 and tier-3 cities. Further, tax compliance for startups and foreign investors has been simplified, with the Income Tax Act, 1961 has been amended in 2024 to abolish angel tax and to reduce income tax rate chargeable on income of a foreign company.



Sources: Department for Promotion of Industry and Internal Trade

Overview of Sports Infrastructure:

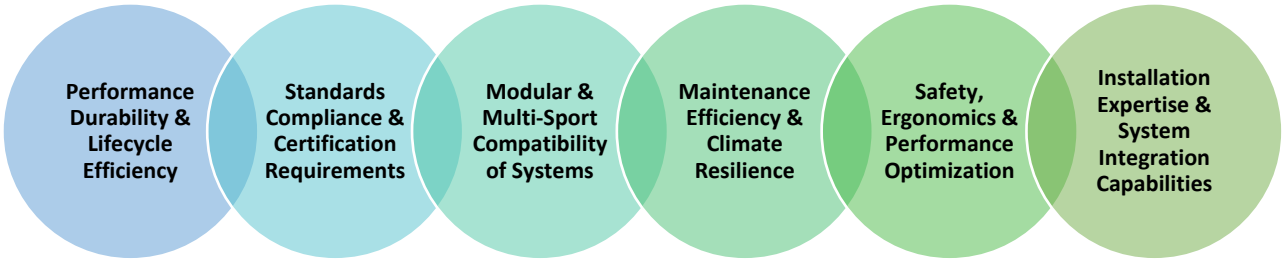
Sports infrastructure extends beyond core civil construction and includes specialized components, systems, and furnishing & fitting solutions required to make sports facilities functional, safe, and performance oriented. This includes athletic tracks, synthetic turf fields, sports flooring, spectator seating, lighting systems, and related infrastructure elements that enable organized sports participation, professional training, and recreational activities. These components form the operational layer of sports facilities across various levels such as grassroots, amateur, and professional sports, transforming basic structures into ready-to-use sporting environments.

Globally, the sports infrastructure components and systems segment has witnessed significant growth driven by increasing participation in sports, rising investments in large sporting events, and growing awareness regarding health and fitness. Governments and private investors across countries are investing not only in modern stadiums and training facilities but also in the installation of advanced sports surfaces, seating systems, and lighting infrastructure to enhance performance and safety standards. The adoption of advanced materials such as synthetic turf, polyurethane tracks, and modular sports flooring has further improved durability, safety, and overall functionality of sports facilities.

In India, the sports infrastructure ecosystem has gained momentum over the past decade with growing government initiatives to promote sports and physical fitness. Programs such as the Khelo India Programme and infrastructure development under the Fit India Movement have encouraged both the development of new facilities and the upgradation of existing infrastructure through installation of specialized components such as artificial turf, synthetic tracks, and sports flooring systems. In addition, increasing private sector participation, rising demand for artificial turf grounds, and the expansion of sports academies have supported demand for sports infrastructure components and systems across institutional and community-level facilities.

The growth of professional sports leagues and international sporting events has further accelerated the demand for high-quality sports infrastructure components in India. Leagues such as the Indian Premier League and the Pro Kabaddi League have significantly increased the need for advanced playing surfaces, seating systems, and lighting infrastructure to meet professional standards. Additionally, urban real estate developers, educational institutions, and corporate organizations are increasingly investing in sports infrastructure components to enhance recreational facilities, improve usability, and promote wellness across residential, institutional, and commercial developments.

Key Attributes of Sports Infrastructure Components & Systems:



- **Performance Durability & Lifecycle Efficiency**

Sports infrastructure components such as synthetic turf systems, polyurethane running tracks, sports flooring, and seating systems are designed to withstand high levels of usage and varying environmental conditions. These components form the core operational layer of sports facilities and are engineered to deliver long lifecycle performance even under intensive sporting activities. Advanced material technologies and engineering techniques ensure optimal shock absorption, traction, and ball response, enhancing athlete performance and safety. High durability also reduces the frequency of replacement and maintenance, resulting in improved lifecycle cost efficiency for facility operators.

- **Standards Compliance & Certification Requirements**

Sports infrastructure components are developed in accordance with international standards and certification requirements prescribed by global sports governing bodies to ensure safety, uniformity, and performance consistency. Key elements such as running tracks, playing surfaces, seating systems, and lighting infrastructure are designed with precise technical specifications and tested against established benchmarks. Compliance with such standards enables facilities to host professional competitions and international events while enhancing credibility and acceptance within the global sports ecosystem.

- **Modular & Multi-Sport Compatibility of Systems**

Modern sports infrastructure components are designed with modular configurations and multi-sport compatibility, enabling efficient utilization of space across different sporting activities. Systems such as modular sports flooring, adaptable seating solutions, and flexible surface technologies allow facilities to support multiple sports including basketball, badminton, volleyball, and futsal within the same venue. This adaptability enhances operational efficiency, maximizes utilization rates, and supports revenue generation through diverse sporting and recreational activities, particularly in space-constrained urban environments.

- **Maintenance Efficiency & Climate Resilience**

Specialized sports infrastructure components, including artificial turf, synthetic tracks, and polymer-based flooring systems, are engineered to offer high resistance to climatic conditions such as heat, humidity, and rainfall. These systems require relatively lower maintenance compared to traditional alternatives, such as natural grass surfaces, while ensuring consistent performance throughout the year. Their ability to withstand

environmental stress and maintain usability under varying conditions reduces downtime and operational costs, making them suitable for diverse geographic and climatic conditions.

➢ **Safety, Ergonomics & Performance Optimization**

Sports infrastructure components are designed with a strong focus on athlete safety, ergonomic comfort, and performance optimization, supported by advancements in surface engineering and material science. Features such as shock-absorbing layers, anti-slip surfaces, and appropriate cushioning systems help reduce the risk of injuries and improve player comfort. Additionally, well-engineered drainage systems and uniform surface conditions minimize hazards caused by water accumulation or uneven ground, thereby supporting safe and high-performance sporting environments.

➢ **Installation Expertise & System Integration Capabilities**

Sports infrastructure components require specialized installation, calibration, and integration to ensure optimal performance and compliance with technical standards. The quality of execution including surface laying, alignment, base preparation, drainage integration, and system testing plays a critical role in determining durability and functionality. Effective integration of multiple components such as turf, tracks, seating, and lighting systems is essential to deliver a cohesive and fully operational sports facility. Companies with strong technical expertise and execution capabilities are better positioned to deliver high-quality sports infrastructure solutions.

Key End-Use Applications of Sports Infrastructure

❖ **Professional Sports Stadiums and Arenas**

Professional sports stadiums and arenas represent a key application area for sports infrastructure components and systems used in hosting national and international competitions. These facilities require the installation of high-capacity spectator seating, professional playing surfaces such as synthetic turf and athletic tracks, advanced lighting systems, and other specialized infrastructure components that ensure operational readiness. Such components are designed to meet strict performance, safety, and broadcast standards required for professional leagues and global sporting events. In addition to sports competitions, these venues often host concerts, cultural events, and corporate gatherings, further driving demand for high-quality and durable infrastructure systems.

❖ **Training Academies and High-Performance Centers**

Sports academies and high-performance training centers rely extensively on specialized sports infrastructure components to support athlete training and development. These facilities incorporate advanced playing surfaces, indoor sports flooring systems, and supporting infrastructure that enable year-round training. In addition, such centers integrate performance-oriented systems including sports science infrastructure, rehabilitation setups, and technology-enabled training environments. The demand for high-quality sports infrastructure components in these facilities is driven by the need to ensure consistency, safety, and performance optimization for professional and aspiring athletes.

❖ **Educational Institution Sports Facilities**

Schools, colleges, and universities represent a significant application segment for sports infrastructure components and systems. Educational institutions increasingly invest in sports surfaces such as synthetic tracks, artificial turf grounds, and indoor sports flooring to promote physical education and extracurricular activities. These installations enable institutions to host inter-school and inter-college competitions while improving student engagement in sports. Additionally, the development of standardized sports infrastructure components supports grassroots talent identification and enhances the overall institutional infrastructure quality.

❖ **Community and Recreational Sports Facilities**

Community and recreational sports facilities form an important segment driving demand for sports infrastructure components, particularly at the grassroots level. These include public playgrounds, sports parks, and recreational complexes that require installation of durable and low-maintenance surfaces such as artificial turf, jogging tracks, and multi-sport flooring systems. Local governments and municipalities invest in such infrastructure to promote public health, social engagement, and youth development. The focus in this segment is on cost-effective, weather-resistant, and easy-to-maintain infrastructure components that support widespread usage.

❖ **Commercial Sports and Pay-and-Play Facilities**

The emergence of commercial sports complexes and pay-and-play facilities has created a rapidly growing application segment for sports infrastructure components and systems. These facilities typically require installation of artificial turf grounds, indoor sports flooring, modular seating, and lighting systems to support rentable sports spaces. They cater to urban populations seeking flexible and accessible recreational sports options without long-term commitments. The commercial model drives demand for durable, modular, and quick-to-install infrastructure components that enable operators to optimize utilization and generate revenue through hourly bookings, coaching programs, and organized events.

Major End-Use Industries / Customer Segments:

End-Use Industry / Customer Segment	Description
Government and Public Sector	Government bodies represent one of the largest demand generators for sports infrastructure components and systems. National and state governments invest in stadiums, sports complexes, and training facilities, which require installation of specialized components such as synthetic turf, athletic tracks, seating systems, and lighting infrastructure. Public sector projects often involve large-scale developments such as national stadiums, Olympic training centers, and community sports facilities, where demand is driven not only by new installations but also by upgradation and standardization requirements. These investments aim to enhance national sporting performance, promote youth engagement, and support international event hosting capabilities.
Educational Institutions	Schools, colleges, and universities constitute a major customer segment for sports infrastructure components and systems. Educational institutions increasingly invest in synthetic tracks, artificial turf grounds, indoor sports flooring, and related infrastructure components to promote physical education and extracurricular activities. These installations enable institutions to host inter-school and inter-university competitions while supporting grassroots sports development. The need for standardized, safe, and durable infrastructure components drives consistent demand in this segment.
Real Estate Developers	Real estate developers are emerging as a key demand segment for sports infrastructure components, particularly in integrated residential and commercial developments. Developers incorporate sports amenities such as artificial turf fields, multi-sport courts, jogging tracks, and indoor sports flooring systems to enhance project attractiveness and lifestyle offerings. These installations serve as value-added features that improve occupancy rates and property valuation. The demand in this segment is driven by modular, aesthetically integrated, and low-maintenance infrastructure solutions.
Private Sports Academies and Clubs	Private sports academies and professional sports clubs represent a significant consumer base for specialized sports infrastructure components. These entities require high-performance playing surfaces, indoor flooring systems, and supporting infrastructure components to ensure effective athlete training and development. Demand is driven by the need for consistent performance, safety compliance, and

	adherence to professional standards. Additionally, academies contribute to grassroots sports development, thereby creating recurring demand for installation and periodic upgradation of infrastructure components.
Corporate Organizations	Corporate organizations increasingly invest in sports infrastructure components as part of employee wellness programs and corporate social responsibility (CSR) initiatives. Companies develop sports facilities within corporate campuses or sponsor community-level infrastructure, which involves installation of turf grounds, sports flooring, and recreational systems. These investments support employee health, engagement, and team-building activities. Corporate participation also contributes to grassroots sports development, creating incremental demand for standardized and easy-to-maintain infrastructure components.

Market Stats for Sports Infrastructure in India

Sports budgets estimate, revised estimates (actuals) and utilization for past 5 years

The Government of India allocates funds for the sports sector through the Union Budget under the Ministry of Youth Affairs and Sports. The budget process typically includes three key components: Budget Estimates (BE), which represent the planned allocation at the beginning of the financial year; Revised Estimates (RE), which adjust the allocation during the year based on implementation progress and evolving requirements; and Actual Expenditure, which reflects the final amount spent once accounts are finalized.

An analysis of these figures over recent years provides insights into the government's spending patterns and the extent to which allocated funds have been utilized for sports development initiatives, infrastructure creation, athlete training, and grassroots sports promotion. A significant portion of such expenditure ultimately translates into demand for sports infrastructure components and systems, including synthetic surfaces, seating systems, and lighting infrastructure, required for both new installations and upgradation of existing facilities.

Financial Year	Budget Estimate (INR Crore)	Revised Estimate (INR Crore)	Actual Expenditure (INR Crore)	Budget Utilization (%)[5]
FY 2027	4,479.88	-	-	-
FY 2026	3,794.30	3,346	-	-
FY2025	3,442.32	3,232.85	-	-

[5] *Budget Utilization (%) =Actual Expenditure/ Budget Estimate ×100*

FY2024	3,397.32	3,396.96	3,024.03	89.01%
FY2023	3,062.60	2,673.35	2,568.50	83.86%
FY2022	2,596.14	2,757.02	2,376.96	91.55%
FY2021	2,826.92	1,800.15	1,787.83	63.24%

Source: Ministry Of Youth Affairs and Sports, Union Budget Documents, Press Information Bureau (PIB)

Note: (Actuals for FY2024–25, FY2025–26, and FY2026–27 will be reported in subsequent Union Budget documents & Revised Estimates for FY2026–27 will be available in Union Budget 2027–28)

Over the past several years, the budget allocation for the sports sector in India has generally followed an upward trajectory, reflecting the government's continued emphasis on strengthening the national sports ecosystem. Annual budget estimates announced through the Union Budget outline the planned allocation for the Ministry of Youth Affairs and Sports, while revised estimates adjust these allocations during the year based on implementation progress and evolving expenditure requirements. Actual expenditure figures indicate that a substantial portion of the allocated funds has been utilized toward sports development initiatives, including athlete training, infrastructure development, grassroots programs, and institutional support.

These investments drive demand not only for new sports infrastructure creation but also for installation, replacement, and upgradation of specialized infrastructure components such as artificial turf, athletic tracks, sports flooring, seating systems, and lighting solutions across facilities. Overall, the spending pattern suggests relatively consistent budget utilization, with actual expenditure typically aligning closely with revised estimates, while differences between budget estimates and final spending largely reflect administrative adjustments, implementation timelines, and program execution dynamics within the sports sector.

Budget Percentage contribution of major schemes (like Khelo India) over past 5 years[6]

The Government of India allocates funds to the sports sector through multiple schemes under the Ministry of Youth Affairs and Sports, with each scheme targeting specific aspects of sports ecosystem development such as athlete training, federation support, infrastructure development, and grassroots promotion. Key schemes include the National Service Scheme, Assistance to National Sports Federations, Khelo India Programme, Enhancement of Sports Facilities, and other central sector expenditures. An analysis of scheme-wise allocation provides insights into the relative prioritization of various components within the sports sector.

[6] https://www.indiabudget.gov.in/doc/eb/sbe102.pdf
https://www.indiabudget.gov.in/budget2023-24/doc/eb/sbe102.pdf
https://www.indiabudget.gov.in/budget2025-26/doc/eb/sbe102.pdf

Financial Year	Total (In Cr)	National Service Scheme (In Cr)	Assistance to National Sports Federations (In Cr)	Khelo India (In Cr)	Enhancement of Sports Facility at J& K (In Cr)	Other Schemes (In Cr)	Other Central Sector Expenditure (In Cr)
FY 2027	4,479.88	357.39	425.00	924.35	5.00	985.24	1,782.90
FY 2026	3,794.30	450.00	400.00	1,000.00	20.00	362.80	1,561.50
FY2025	3,442.32	250.00	340.00	900.00	8.00	251.51	1,692.81
FY2024	3,397.32	325.00	325.00	1,000.00	15.00	292.74	1,439.58
FY2023	3,062.60	283.50	280.00	974.00	50.00	284.10	1,191.00

Source: Ministry Of Youth Affairs and Sports, Union Budget Documents

An analysis of the allocation pattern indicates that the **Khelo India Programme consistently accounts for a significant share of the overall sports budget**, with allocations ranging from approximately INR 900 crore to INR 1,000 crore during the period under consideration. In percentage terms, Khelo India contributes roughly **26%–30% of the total sports budget**, making it one of the largest individual schemes within the ministry's expenditure framework. This highlights the government's strategic focus on grassroots development, athlete training, and sports infrastructure creation through a centralized programme.

Other major expenditure heads include Central Sector Expenditure, which accounts for a substantial portion of the budget, reflecting administrative costs, institutional funding, and multi-scheme allocations. Additionally, schemes such as Assistance to National Sports Federations and the National Service Scheme receive consistent allocations to support athlete participation, federation activities, and program execution at national and state levels. The relatively stable allocation trends across schemes indicate a structured and balanced approach toward sports development, with simultaneous focus on infrastructure creation, athlete support, and institutional strengthening. Significantly, schemes such as Khelo India and infrastructure-related allocations under central sector expenditure contribute significantly to the upgradation of sports infrastructure.

Qualitative Analysis of sports budget actuals and utilization over the year

An analysis of the sports budget over the years indicates that government spending on sports has been broadly aligned with the priorities outlined in the Union Budget, with actual expenditure generally reflecting the implementation progress of various sports development programs. The Ministry of Youth Affairs and Sports allocates funds across multiple initiatives aimed at strengthening the national sports ecosystem, including athlete training, infrastructure development, grassroots participation, and international competition support. Actual expenditure figures typically track closely with revised estimates, suggesting that a substantial portion of the allocated funds is utilized for program execution and operational activities within the sector.

Variations between budget estimates, revised estimates, and actual expenditure across different financial years largely reflect administrative adjustments, changes in implementation timelines, and evolving policy priorities. In some years, the difference between initial allocations and actual spending may arise due to delays in infrastructure projects, reallocation of funds between schemes, or changes in program scale during the financial year. External factors such as disruptions to sporting events, logistical challenges, or shifts in policy focus can also influence expenditure patterns and lead to revisions in budget allocations.

Such expenditure patterns support not only new infrastructure creation but also recurring demand for replacement, refurbishment, and performance enhancement of sports infrastructure components such as synthetic surfaces, seating systems, and lighting infrastructure. Overall, the trend in sports budget utilization suggests a consistent effort by the government to deploy financial resources toward strengthening the sports ecosystem, including athlete development programs and grassroots initiatives. The relatively high utilization levels in several years indicate that most allocations are effectively directed toward ongoing schemes and institutional support mechanisms. This pattern highlights the government's commitment to improving the sports ecosystem in India by ensuring that budgetary resources are actively utilized to support long-term sports development objectives.

Key Insights from Budget Allocation and Utilization Trends:

• **Concentration of spending in major programs:** A significant portion of the sports budget is typically directed toward a few major programs and institutional initiatives that support athlete development and sports promotion. This concentration of funding enables focused investment in priority areas such as talent identification, training infrastructure, and competitive sporting events.

• **Institutional support driving expenditure patterns:** Government spending in the sports sector is largely implemented through key institutions responsible for training, athlete management, and program execution. These institutions play a crucial role in channeling funds toward operational activities such as coaching support, sports science services, athlete scholarships, and national training camps.

• **Budget flexibility during the financial year:** Revised estimates indicate that the government maintains flexibility in reallocating funds across schemes during the financial year. This allows adjustments based on program performance, emerging priorities, and the evolving needs of the sports sector.

• **Emphasis on sustainable sports ecosystem development:** The overall spending pattern reflects a broader policy objective of building a sustainable and competitive sports ecosystem in India. Investments are increasingly directed toward long-term capacity building, including strengthening training infrastructure, enhancing athlete support systems, and expanding grassroots sports participation across the country.

Capex investment in Sports Industry over past few years

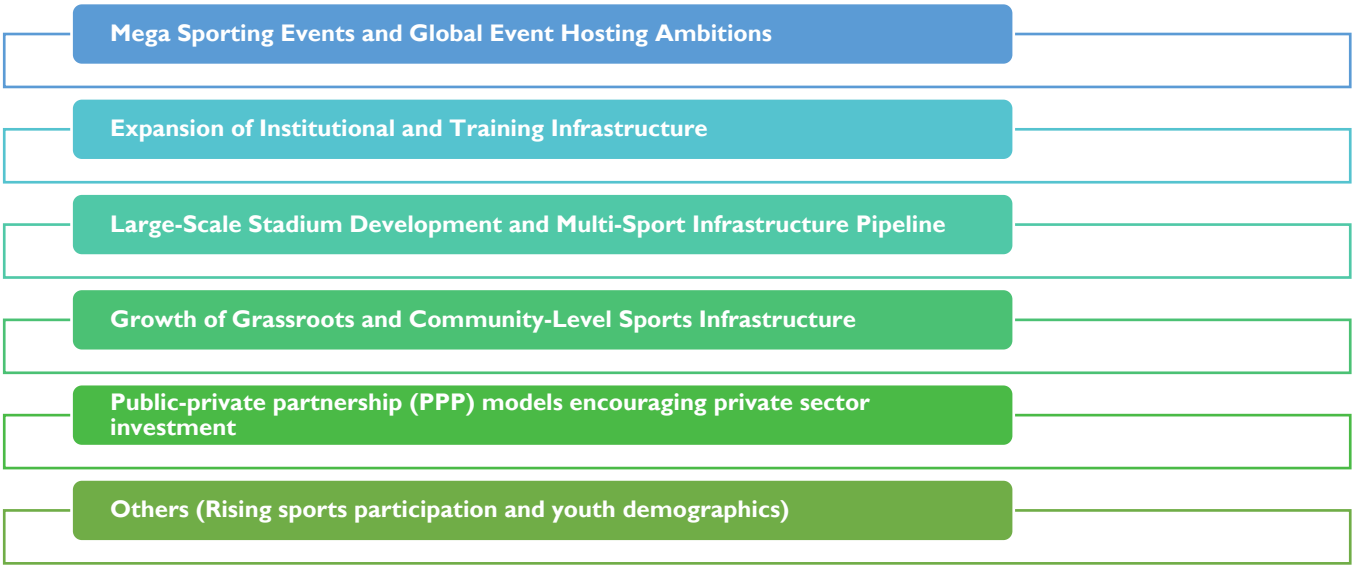
Financial Year	Major Capex Investment / Project
FY2025- Large-Scale Regional & State Infrastructure Capex	In FY2025, states and union initiatives significantly contributed to the expansion of sports infrastructure with diversified capital projects. For example, Punjab announced an ambitious plan to complete 3,100 stadiums statewide by June 2026, with an estimated capital investment of INR 1,350 crore, aimed at building village-level sports facilities, jogging tracks, playgrounds, and related amenities to nurture grassroots talent. This year also saw high-profile projects such as regional multi-sport complexes and stadium developments, along with proposals worth INR 676 crore for multiple sports projects in Andhra Pradesh, reflecting an expanding pipeline of state-level sports capex initiatives aimed at modernizing existing venues and creating new excellence centres.
FY2024- Infrastructure Execution & Project Completion Trends	In FY2024, the focus included both execution and completion of sanctioned infrastructure projects as well as continued capital works on strategic assets. According to official data, new sports infrastructure projects were approved during this year, while several ongoing projects reached completion, indicating active movement from planning to execution. Additionally, progress continued on major infrastructure such as national-level training and education facilities, reflecting the government's ongoing emphasis on building high-performance and institutional sports infrastructure alongside competition venues.
FY2023- Major Batch of Infrastructure Projects Sanctioned	FY2023 marked a significant phase of sports infrastructure expansion, with over 300 infrastructure projects sanctioned under national programs aimed at enhancing sports facilities nationwide. These projects covered a wide range of capital outlays, including sports grounds, multi-purpose centres, training facilities, and grassroots infrastructure, highlighting broad-based investment across regions. The scale and diversity of these investments underscore the government's focus on strengthening physical infrastructure across both competitive and community-level sports ecosystems.
FY2022- Ongoing Project Progress & Regional Capex	During FY2022, the government continued developing key sports infrastructure, focusing on projects sanctioned earlier and expanding facilities in under-served regions. Infrastructure development remained concentrated

	on multi-discipline sports complexes, training hubs, and stadium facilities, particularly in emerging regions such as the North-East, reflecting a push toward inclusive infrastructure expansion and improved accessibility.
FY2021- Sports Infrastructure Expansion & Early Projects	In FY2021, the Government of India initiated long-term sports infrastructure development through approvals and sanctioning of projects under national schemes. Key investments included infrastructure projects in the North Eastern Region and the development of national-level institutions such as sports universities, reflecting early-stage capital formation in the sector.

Overall, the capex trend reflects a steady increase in investments toward sports infrastructure development, with a focus on capacity expansion and modernization of facilities across the country. This continued investment momentum supports the development and enhancement of sports facilities, thereby creating sustained demand across various infrastructure elements and systems associated with sports infrastructure.

Demand Scenario

Analysis of key factors that are shaping the demand in the industry



- **Mega Sporting Events and Global Event Hosting Ambitions**[7]

India's increasing focus on hosting international sporting events has emerged as a significant driver of demand for sports infrastructure components and systems. The confirmation of the **Commonwealth Games 2030**

[7] https://iismworld.com/blog/india-prepares-for-2030-commonwealth-games-and-the-2036-olympics/
newindianexpress.com/sport/other/2026/Mar/23/national-indoor-cships-indian-athletics-set-for-fresh-chapter

in Ahmedabad, along with the country's ambition to host the **Olympic Games 2036**, reflects a strategic shift toward developing globally competitive sports infrastructure.

As part of preparations for the Commonwealth Games 2030, multiple large-scale sports infrastructure developments and upgrades are being undertaken across Ahmedabad. Key venues such as the **Sardar Vallabhbhai Patel Sports Enclave** and the **Veer Savarkar Sports Complex (Naranpura)** are being developed and upgraded to host multiple sporting disciplines including aquatics, athletics, gymnastics, badminton, and other events. In addition, the **Narendra Modi Stadium (Motera)** is expected to host cricket events as well as opening and closing ceremonies, while new infrastructure such as dedicated athletics facilities is being developed within the sports enclave.

The Government has initiated budgetary allocations of approximately **₹50 crore toward early-stage preparations**, with expected increases in funding over the next few years as the event approaches. These investments are part of a broader strategy to position India as a global sporting hub, supported by coordinated efforts from the Ministry of Youth Affairs and Sports, the Sports Authority of India (SAI), and other stakeholders.

In parallel, India has already hosted and is scheduled to host several international sporting events across cities such as **New Delhi, Bhubaneswar, Bengaluru, Pune, and Ahmedabad**. Cities in India have increasingly emerged as host destinations for major sporting events, supported by strong government vision, improving infrastructure capabilities, and a strategic focus on building a robust sports ecosystem. Hosting such events generates employment, boosts tourism and local economic activity, and attracts significant infrastructure investments that create long-term benefits for the host cities.

Recent and upcoming events include the **Commonwealth Weightlifting Championships (2025)**, **Asian Aquatics Championships (2025)**, **AFC U-17 Asian Cup Qualifiers (2026)**, **BWF World Championships (2026)**, and **World Athletics Continental Tour events**, among others. Additionally, India has submitted bids for future events such as the **Asian Cup (2031)** and the **World U20 Athletics Championships (2028)**, indicating a sustained pipeline of international event hosting.

The development and upgradation of infrastructure for such events require adherence to international standards across playing surfaces, lighting systems, seating arrangements, and athlete facilities. This creates significant demand for high-performance, standardized, and compliant sports infrastructure components required to meet global benchmarks.

Overall, the increasing frequency of international sporting events and India's long-term ambition to host mega events are expected to drive both new infrastructure development and continuous upgradation of existing facilities, thereby creating a sustained demand environment for sports infrastructure systems across the country.

➢ Expansion of Institutional and Training Infrastructure[8]

The expansion of institutional sports infrastructure in India has significantly contributed to the demand for sports infrastructure components and systems. Government-supported networks, particularly those operated by the Sports Authority of India (SAI), have led to the development of a widespread ecosystem of training centres, academies, and high-performance facilities across the country. These facilities cater to both grassroots-level participation and elite athlete training, thereby increasing the overall footprint of operational sports infrastructure.

The scale of this institutional infrastructure is reflected in the number of centres and athletes supported under various SAI schemes. As per available data, approximately **187 centres are operational across key schemes such as National Centres of Excellence (NCOEs), SAI Training Centres (STCs), and extension centres**, collectively supporting around **9,432 athletes** across residential and non-residential programs. This includes **6,793 athletes under residential training programs and 2,639 athletes under non-residential formats**, indicating a significant level of infrastructure utilization across the country.

Institutional Sports Infrastructure – Key Statistics

SAI Schemes	No. of Centres	Residential Athletes	Non-Residential Athletes	Total Athletes
National Centres of Excellence (NCOEs)	24	3,172	313	3,485
SAI Training Centres (STCs)	69	3,621	745	4,366
Extension Centres of STC/SAGs	26	NA	426	426
NSTC – Regular Schools	9	NA	98	98
Indigenous Games & Martial Arts (IGMAs)	9	NA	133	133
Akharas	50	NA	924	924
Total	**187**	**6,793**	**2,639**	**9,432**

Source: Sports Authority of India

The widespread presence and active utilization of these centres indicate that sports infrastructure in India is not limited to one-time capital investments but operates as a continuously utilized asset base. Training

[8] https://sportsauthorityofindia.nic.in/sai_new/key-statistics

facilities, practice grounds, and sports complexes are used extensively throughout the year for coaching, competitions, and athlete development programs. This continuous usage creates a sustained requirement for high-quality, durable, and performance-oriented infrastructure systems, including sports surfaces, flooring systems, seating arrangements, and lighting infrastructure.

Additionally, the intensity of usage across training centres increases the need for periodic maintenance, refurbishment, and upgrades to ensure compliance with evolving performance and safety standards. Overall, the expansion and utilization of institutional sports infrastructure act as a key demand driver for sports infrastructure components and systems in India, supporting both initial installation requirements and long-term lifecycle-based demand across facilities.

- **Large-Scale Stadium Development and Multi-Sport Infrastructure Pipeline**

The ongoing pipeline of large-scale stadium developments and integrated sports infrastructure projects across India is emerging as a key driver of demand for sports infrastructure components and systems. These projects increasingly extend beyond standalone stadium construction to include multi-sport complexes, sports cities, training academies, and high-performance facilities, reflecting a shift toward holistic infrastructure ecosystems.

The scale of these developments indicates sustained capital investment across both central and state levels, supported by sports bodies and institutional stakeholders. Such projects require the integration of multiple infrastructure elements including playing surfaces, seating systems, lighting infrastructure, and indoor facilities, thereby creating demand across various components required to make sports facilities operational and compliant with evolving standards.

Key Project Developments and Investment Highlights

- **Kochi International Stadium (Kerala):** ~40,000 seating capacity; ~₹450 crore investment; part of a larger sports city with training and sports medicine facilities
- **Bengaluru International Stadium (Karnataka):** ~80,000 seating capacity; ~₹2,350 crore investment; planned as a multi-sport hub with indoor and outdoor facilities
- **Amaravati Mega Stadium (Andhra Pradesh):** >1.32 lakh seating capacity; part of ~200-acre sports city development
- **Gorakhpur International Stadium (Uttar Pradesh):** ~30,000 seating capacity; ~₹236.40 crore investment; EPC-based development
- **Mumbai Stadium (Proposed):** ~100,000 seating capacity; planned to be developed ahead of MCA's centenary
- **Sardar Patel Sports Enclave (Ahmedabad):** ~₹6,000 crore investment; multiple world-class stadiums and integrated sports infrastructure
- **Additional Infrastructure Development:** ~143-acre sports hub at Karai and multiple event venues planned across Gujarat for international competitions

These developments highlight a clear trend toward large-scale and integrated infrastructure creation across multiple regions. Unlike conventional infrastructure projects, such developments involve diverse and specialized infrastructure requirements, thereby supporting demand across multiple categories of sports infrastructure systems. Overall, the growing pipeline of stadiums and sports infrastructure projects, coupled with the development of multi-sport ecosystems, is expected to create sustained demand driven by both new installations and ongoing operational requirements across facilities.

- **Growth of Grassroots and Community-Level Sports Infrastructure[9]**

The development of grassroots and community-level sports infrastructure in India has emerged as a key driver of demand for sports infrastructure components and systems. Government initiatives at both central and state levels are increasingly focused on expanding access to sports facilities across rural and semi-urban regions, with an emphasis on promoting sports participation and building a strong talent pipeline. This has led to the development of local stadiums, playgrounds, training facilities, and multi-sport complexes at district and block levels.

State-level initiatives further reinforce this trend. For instance, Uttar Pradesh is undertaking large-scale infrastructure expansion with a focus on strengthening sports facilities across regions, including the development of multiple international stadiums and local-level infrastructure. The state already hosts established venues such as Green Park Stadium and BRSABV Ekana Cricket Stadium, while additional facilities such as a new stadium in Varanasi and another in Gorakhpur are being developed. Alongside infrastructure creation, regular hosting of events such as the Khelo India University Games, UP T20 League, and Davis Cup matches has contributed to increased utilization of sports facilities and growing engagement at the community level.

The expansion of grassroots infrastructure is also supported by similar initiatives across other states, where mini stadiums, open gyms, and community sports complexes are being developed to improve accessibility and participation. These facilities are designed for high-frequency usage and typically require standardized, durable, and cost-effective infrastructure systems.

Overall, the increasing focus on grassroots sports development is expected to drive sustained demand for sports infrastructure components and systems, particularly across facilities that require continuous usage, maintenance, and periodic upgradation to support training, competitions, and community engagement.

[9] https://iismworld.com/blog/indias-highest-ever-sports-budget/
https://www.thehindu.com/sport/cricket/bcci-plans-massive-upgrade-of-5-stadiums-ahead-of-odi-world-cup/article66724064.ece
https://www.bhaskarenglish.in/local/gujarat/news/ahmedabad-set-to-host-commonwealth-games-2030-motera-to-get-world-class-stadiums-village-games-arena-planned-in-bhat-136510537.html
https://www.investindia.gov.in/blogs/building-indias-sporting-future-challenges-and-opportunities-sports-infrastructure

- **Public-private partnership (PPP) models encouraging private sector investment in sports facilities and equipment:**

Public-private partnership (PPP) models are increasingly being adopted to accelerate sports infrastructure development in India while reducing the financial burden on the government. Under these models, private entities collaborate with government agencies to develop, operate, and maintain sports facilities such as stadiums, training academies, and sports complexes. The **Khelo Bharat Niti 2025** encourages innovative financing mechanisms and corporate participation to strengthen the sports ecosystem.

PPP initiatives allow private companies to invest in sports infrastructure projects while generating revenue through facility management, sponsorships, and sports events. The policy also promotes **corporate social responsibility (CSR)** participation and encourages companies to adopt specific sports disciplines or academies. Such collaborations help improve infrastructure quality while expanding the availability of modern sports facilities across the country. These partnerships are particularly important for developing world-class training centers and high-performance academies required for international sporting events. Private sector involvement in sports leagues, sports analytics, training academies, and equipment supply chains is also increasing, thereby strengthening the overall sports ecosystem and creating sustained demand for sports infrastructure, equipment, and professional services.

- **Others (Rising sports participation and youth demographics):**

Beyond government policies and infrastructure investments, demographic and social factors are also contributing to rising demand in the sports industry. India has one of the world's youngest populations, with approximately **65% of the population below the age of 35**, creating a large base of potential sports participants and consumers of sports goods and services. This demographic dividend provides a strong foundation for the expansion of organized sports and fitness activities in the country.

Increased awareness of fitness and healthy lifestyles has also boosted participation in sports and recreational activities across schools, universities, and urban communities. National competitions under the Khelo India framework including the Youth Games, University Games, and Para Games are attracting thousands of athletes annually and strengthening grassroots sports ecosystems across states. Furthermore, the growth of school-level sports programs, university leagues, and private sports academies has significantly expanded the demand for sports equipment, coaching services, and training infrastructure. As sports participation becomes more mainstream and institutionalized, the demand for professional sports facilities and equipment is expected to grow steadily across both public and private sectors.

Regulatory Landscape

Analysis of key regulatory policies / programs that has an impact on the functioning of the industry[10]

- **National Sports Policy (NSP) 2025 – Strategic Framework for Infrastructure Development**

The National Sports Policy (NSP) 2025 serves as the central government's long-term roadmap for the development and promotion of sports in India. The policy focuses on strengthening infrastructure, improving athlete performance, enhancing governance, and increasing grassroots participation. It aligns with the government's broader vision of positioning India as a leading global sporting nation and preparing for international events such as the 2036 Olympics.

The policy is built around key pillars including global excellence, mass participation, economic development, and integration with education systems. It emphasizes structured infrastructure development through performance-based funding, adoption of sports science and technology, and increased private sector participation through PPP and CSR initiatives.

As reflected in ongoing investments, **over 328 sports infrastructure projects worth INR 3,151.02 crore have been approved under national programs**, spanning stadiums, synthetic tracks, indoor halls, and training centres. The policy also promotes optimal utilization of infrastructure and the creation of high-performance ecosystems, supported by **34 Khelo India State Centres of Excellence and over 1,045 Khelo India Centres**, which collectively strengthen training accessibility across the country.

- **Sports Authority of India (SAI) Schemes – Institutional Infrastructure Backbone**

The Sports Authority of India (SAI) acts as the primary institutional body responsible for implementing sports development schemes and managing training infrastructure across the country. Through various schemes, SAI supports athlete training, infrastructure utilization, and talent development across multiple levels.

Key schemes include:

- **National Centres of Excellence (NCOEs):** Elite training facilities providing world-class infrastructure, coaching, sports science support, and preparation for international competitions.
- **SAI Training Centres (STCs):** Grassroots-level training centres focused on identifying and nurturing young athletes through structured residential and non-residential programs.
- **Special Area Games (SAG):** Targeted infrastructure and training initiatives in regions such as the North-East and Jammu & Kashmir, aimed at improving regional participation.

[10] https://sportsboardindia.com/general/major-sports-policies-schemes/
https://iismworld.com/blog/indias-highest-ever-sports-budget/

- **National Sports Talent Contest (NSTC):** Early-stage talent identification programs supported by structured training infrastructure and residential facilities.
- **Come and Play Scheme:** Community-level initiative providing access to sports infrastructure, equipment, and coaching at SAI centres, aimed at promoting mass participation and grassroots engagement.

These schemes collectively create a distributed network of training infrastructure across the country, supporting both elite athlete development and grassroots participation. They also ensure continuous utilization of sports infrastructure assets, thereby strengthening demand for maintenance, refurbishment, and performance enhancement of infrastructure systems.

➢ **Khelo India Programme and Government Funding Framework**

Khelo India has been operating consistently since 2018 as the flagship programme driving sports development and infrastructure expansion in India. It focuses on promoting grassroots participation, nurturing athlete development, and creating sports infrastructure across schools, universities, and community-level facilities.

Under this programme and related government initiatives:

- **Over 326 sports infrastructure projects have been approved**, with total sanctioned investments exceeding **INR 3,124 crore**
- Annual allocations remain in the range of **INR 900–1,000 crore**, reflecting sustained policy support

The programme also provides athlete scholarships, training support, and exposure through national competitions such as the Khelo India Youth Games and University Games.

The nature of infrastructure developed under these schemes includes synthetic athletic tracks, football turfs, indoor sports halls, and multi-purpose complexes, indicating a strong focus on standardized and performance-oriented infrastructure systems.

In addition to central funding, infrastructure development is supported through state government initiatives and CSR contributions, such as:

- INR 50 crore multi-sports complex in Dharwad
- INR 14 crore indoor sports complex in Karnataka

This multi-channel funding ecosystem strengthens the overall investment pipeline and supports continuous infrastructure expansion.

- **Governance Reforms – National Sports Governance Bill 2025**

The National Sports Governance Bill 2025 aims to introduce structural reforms to improve transparency, accountability, and efficiency across sports bodies. These reforms have a direct impact on infrastructure development and utilization, particularly in ensuring effective deployment of public funds.

Recent initiatives indicate a growing emphasis on governance-linked investments, including infrastructure projects with combined investments of approximately INR 120 crore initiated in 2026. The bill is expected to mandate professional management practices, improve asset utilization, and enhance maintenance standards across sports infrastructure facilities.

- **Standards, Certification, and Quality Compliance**

Sports infrastructure development in India is increasingly governed by standardized guidelines aligned with national and international benchmarks. Compliance with these standards is mandatory for facilities receiving government funding or hosting professional competitions.

Infrastructure projects include standardized components such as synthetic tracks, hockey turfs, swimming pools, and indoor halls developed as per prescribed specifications.

Additionally, large-scale projects are being developed to meet global standards. For instance, the **Birsa Munda International Hockey Stadium (INR 261.76 crore, capacity 20,011)** reflects the growing emphasis on world-class infrastructure capable of hosting international events.

Such regulatory requirements increase the technical sophistication of infrastructure projects and ensure consistency in quality, safety, and performance.

- **International Event Alignment and Global Benchmarking**

India's regulatory framework is increasingly aligned with international requirements for hosting global sporting events such as the Olympics, FIFA tournaments, and world championships. These requirements mandate strict compliance with infrastructure standards related to capacity, playing surfaces, lighting systems, and athlete facilities.

Infrastructure planning is closely linked to global event preparation, with projects such as the **Mawkhanu Football Stadium (INR 732 crore, 40,000 capacity)** being developed to meet international standards. This reflects a broader regulatory push toward developing globally competitive sports infrastructure.

- **State-Level Policies and CSR-Driven Infrastructure Development**

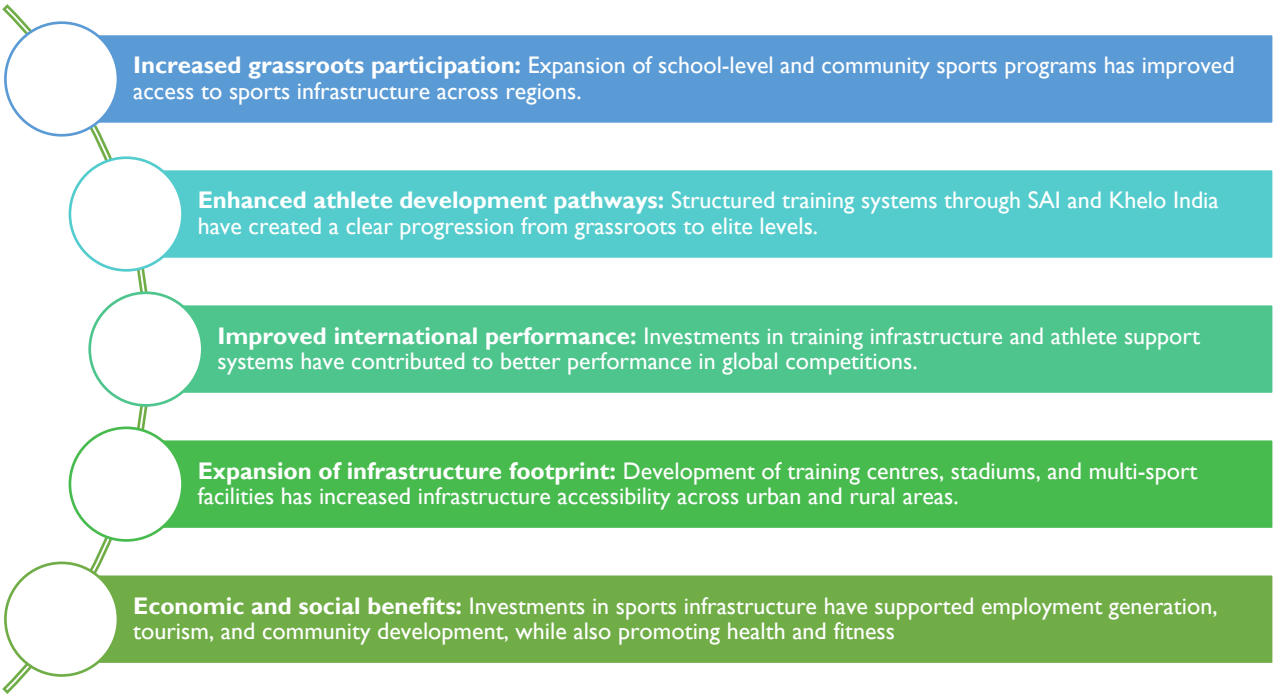
State governments play a significant role in shaping the regulatory and investment landscape through localized policies and infrastructure initiatives. For example, the **Bihar government allocated INR 373 crore for sports infrastructure in FY2026**, while states such as Punjab and Tamil Nadu are undertaking large-scale infrastructure expansion programs.

CSR has also emerged as a key contributor, with corporate-funded projects supporting infrastructure development across regions. This multi-layered approach combining central schemes, state policies, and CSR investments creates a diversified and resilient ecosystem for sports infrastructure development.

Impact of Major Sports Policies and Schemes in India:

Government policies and schemes have significantly strengthened India's sports ecosystem by improving infrastructure availability, increasing participation, and enhancing athlete performance.

Key impacts of the above polices on sports industry includes:



Overall, the regulatory and policy framework reflects a comprehensive and multi-dimensional approach toward developing a sustainable and globally competitive sports infrastructure ecosystem in India, supported by continuous investments, institutional mechanisms, and structured development programs.

Insight on policies (if any) that has been implemented with the aim of developing the industry further in the country

Public-Private Partnership (PPP) and Investment Policies	Integration with National Education Policy (NEP) 2020	Others (Urban Development & Grassroots Expansion Policies)

- **Public-Private Partnership (PPP) and Investment Policies:**

Public-Private Partnership (PPP) models are increasingly shaping the sports infrastructure landscape by enabling private participation in funding, development, and operations. Government frameworks encourage private investment through mechanisms such as viability gap funding, long-term concessions, and revenue-sharing models, resulting in increased participation from developers, infrastructure firms, and corporates.

The growing role of PPP is reflected in the rising number of CSR-funded and jointly executed projects, including developments such as the INR 50 crore Dharwad sports complex. These models not only support capital deployment but also enhance operational efficiency, maintenance standards, and commercialization of infrastructure assets. By combining public funding with private expertise, PPP frameworks are expected to accelerate infrastructure creation while supporting long-term utilization and performance of sports infrastructure systems.

- **Integration with National Education Policy (NEP) 2020:**

The integration of sports within the National Education Policy (NEP) 2020 has significantly expanded institutional demand for sports infrastructure across schools and universities. The policy mandates the inclusion of sports as a core component of education, leading to increased investments in campus-level infrastructure and training facilities.

This shift is further supported by government-backed initiatives such as Khelo India, under which over 1,045 centres and multiple accredited academies have been established, often in collaboration with educational institutions. The policy also promotes early talent identification and structured training pathways, strengthening grassroots development. Over time, this integration is expected to drive sustained demand for standardized and scalable sports infrastructure across educational institutions.

- **Urban Development and Grassroots Expansion Policies:**

Urban development and grassroots-focused policies are increasingly integrating sports infrastructure into broader planning frameworks, reflecting a shift toward community-level participation and inclusive access. State-led initiatives are prioritizing the development of local facilities such as mini stadiums, open gyms, and multi-sport complexes to strengthen the grassroots ecosystem.

For instance, the government of Uttarakhand has proposed the development of mini stadiums in every block at an estimated cost of approximately INR 1.70 crore per unit, aimed at improving access in rural and semi-urban areas. Similarly, urban authorities such as the Jaipur Development Authority are incorporating sports infrastructure into city planning initiatives. These developments indicate a structural shift toward decentralized infrastructure creation, which is expected to enhance accessibility, improve utilization levels, and support long-term demand for sports infrastructure systems across regions.

Growth Forecast

Expected growth in the Sports Infrastructure in India[11]

The sports infrastructure sector in India is expected to witness sustained growth, supported by increasing government focus on talent development, rising sports participation, and the expansion of the overall sports ecosystem. Policy-driven initiatives such as Khelo India, Target Olympic Podium Scheme (TOPS), and KIRTI (Khelo India Rising Talent Identification) are strengthening the talent pipeline and driving the need for improved and standardized infrastructure across multiple levels of the sports ecosystem.

India is currently at a structural inflection point in its sports development journey, with a clear roadmap to emerge as a top-10 sporting nation by 2036 and a top-5 nation by 2047. This vision is supported by investments in athlete training, infrastructure development, and institutional frameworks. While challenges such as funding gaps and infrastructure limitations remain, these also present significant opportunities for expansion, modernization, and increased private sector participation in sports infrastructure development.

Key Growth Indicators Supporting Industry Expansion

- **Policy-Driven Talent Development Pipeline:** Programs such as **KIRTI and TOPS** are aimed at building a structured athlete pipeline, increasing demand for training facilities and performance-oriented infrastructure
- **Rising Multi-Sport Engagement:** Around **90% of Indian sports fans follow multiple sports**, with Kabaddi (~120 million fans) and Football (~85 million fans) gaining significant traction, indicating broader demand beyond cricket
- **Expansion of Sports Leagues Ecosystem:** Growth of leagues across sports such as Kabaddi, Kho Kho, and Hockey is increasing infrastructure utilization and demand for standardized facilities
- **Growth of Sports Economy:** India's sports economy has crossed **$2 billion**, reflecting increasing commercialization and investment potential in the sector
- **Long-Term National Sports Vision:** Target to become a **top 10 sporting nation by 2036 and top-5 by 2047**, supporting long-term infrastructure expansion and ecosystem development

The expected growth in sports infrastructure is not limited to new facility creation but is increasingly driven by the need to upgrade, modernize, and efficiently utilize existing infrastructure. As participation expands across multiple sports and competitive levels, the requirement for high-quality, durable, and performance-oriented infrastructure systems is expected to increase.

[11] https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=154601&ModuleId=3&reg=3&lang=2
https://www.investindia.gov.in/blogs/building-indias-sporting-future-challenges-and-opportunities-sports-infrastructure
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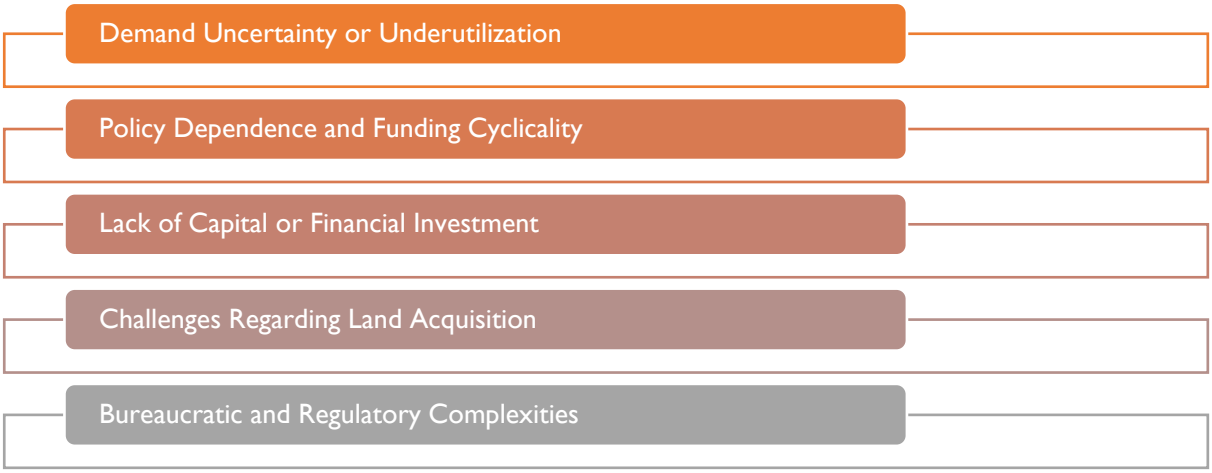
https://www.niti.gov.in/reinvigorating-sports-rural-areas
https://thecsrjournal.in/indias-sports-economy-surpasses-2-billion-driven-cricket/
https://www.icc-cricket.com/media-releases/icc-men-s-cricket-world-cup-2023-delivers-economic-boost-to-india

Overall, the growth outlook for sports infrastructure components and systems in India remains positive, driven by policy support, increasing participation, and the evolution of a multi-sport ecosystem. This is expected to create sustained demand across infrastructure elements required to support training, competitions, and long-term development of sports facilities across the country.

Threats & Challenges

Analysis of major threats & challenges impacting the industry



- **Demand Uncertainty or Underutilization:**

A major threat to sports infrastructure is the uncertainty of demand and risk of underutilization. Many facilities struggle to attract consistent users due to a lack of structured leagues, events, or strong sports culture. Low footfall directly impacts revenue generation. Even well-developed infrastructure may remain idle for long periods. This makes it one of the most critical risks affecting long-term viability.

- **Policy Dependence and Funding Cyclicality:**

The sports infrastructure sector is highly dependent on government policies and funding allocations. Changes in political priorities or budget constraints can directly impact project pipelines. Funding availability often fluctuates across different periods. This creates uncertainty in planning and execution for developers. As a result, long-term growth becomes inconsistent and unpredictable.

- **Lack of Capital or Financial Investment:**

One of the primary challenges in developing sports infrastructure is the limited availability of capital. These projects require substantial upfront investment, but funding is often difficult to secure due to low prioritization in public spending and limited private sector interest. Structuring viable financing models also remains complex. As a result, many projects face delays or are executed at a smaller scale than required. This directly impacts the quality and reach of sports facilities.

- **Challenges Regarding Land Acquisition:**

Land acquisition continues to be a significant bottleneck in infrastructure development. Identifying and securing suitable land parcels is difficult, especially in urban areas where real estate prices are high and availability is limited. Legal disputes and ownership complexities further delay the process. These challenges often lead to projects being located in less accessible areas. Consequently, this reduces the usability and effectiveness of the facilities.

- **Bureaucratic and Regulatory Complexities:**

Sports infrastructure projects are often slowed down by bureaucratic hurdles and regulatory challenges. Multiple approvals, compliance requirements, and coordination between authorities increase project timelines. These delays also escalate costs and create uncertainty for developers. Complex procedures discourage private sector participation. Overall, this results in inefficient execution and reduced investment in the sector.

Competitive Landscape

The sports infrastructure industry is characterized by a fragmented yet evolving landscape, with participation from EPC contractors, specialized sports facility developers, equipment suppliers, and a large number of small regional players. While the unorganized segment continues to dominate low-value projects such as basic grounds and local facilities, organized players are increasingly focusing on high-specification infrastructure including synthetic tracks, artificial turfs, indoor arenas, and multi-sport complexes. Demand is primarily driven by government initiatives, educational institutions, and selective private investments, with growing emphasis on quality standards, durability, and compliance with international specifications. As the ecosystem matures, clients are gradually shifting toward developers who can deliver end-to-end solutions, from design and construction to installation of specialized surfaces and long-term maintenance.

Competitive intensity in the industry is shaped by a clear divide between standard infrastructure projects and specialized, technology-intensive facilities. In basic projects, competition remains largely price-driven due to low differentiation and tender-based procurement systems. However, in advanced segments such as certified athletic tracks, FIFA-standard turfs, and integrated sports complexes, competition increasingly depends on technical expertise, execution capability, and adherence to global standards. Clients, particularly government bodies and institutions, are placing greater importance on quality assurance, lifecycle performance, and vendor credibility. This is driving players to invest in specialized capabilities, strategic partnerships, and advanced construction technologies to strengthen their positioning.

Within this evolving landscape, companies with integrated capabilities across design, engineering, and execution are better positioned to capture growth opportunities. Firms that can deliver complex, multi-disciplinary projects while maintaining consistency in quality and timelines are gaining a competitive edge. Additionally, the gradual shift toward standardized, certified, and performance-oriented infrastructure is favoring organized players with established track records and technical know-how.

Key participants such as Gallant Sports & Infra Limited, Ahluwalia Contracts (India) Limited, and NCC Limited compete on parameters such as execution capability, project experience, cost efficiency, and ability to meet evolving quality benchmarks. Overall, the industry is transitioning toward a more structured and quality-driven environment, with increasing preference for experienced and technically capable players.

Analysis of key factors shaping competition in the sector

- **Tender-Based Procurement and Pricing Pressure**

Competition in the sports infrastructure sector is largely driven by a tender-based procurement system, especially for government and institutional projects. This makes pricing a critical factor, particularly in standard and low-differentiation projects where contracts are often awarded to the lowest bidder. As a result, companies are required to maintain cost efficiency while managing margins. However, in more complex projects, pricing is balanced with technical qualifications, making competition more nuanced.

- **Technical Capability and Specialization**

Technical expertise has become a key differentiator, especially with the rising demand for high-quality and internationally compliant infrastructure. Projects such as synthetic tracks, indoor stadiums, and artificial turfs require specialized knowledge and precision execution. Companies that possess advanced construction capabilities or have access to certified technologies are better positioned to compete. This is gradually shifting the competitive landscape from price-driven to capability-driven dynamics.

- **Execution Track Record and Credibility**

Past project experience and execution capability play a crucial role in determining competitive advantage. Clients, particularly government bodies and institutions, prefer contractors with proven track records of timely delivery and quality outcomes. A strong portfolio enhances credibility and increases the likelihood of winning repeat contracts. This creates a barrier for new entrants and strengthens the position of established players.

- **Scale of Operations and Geographic Presence**

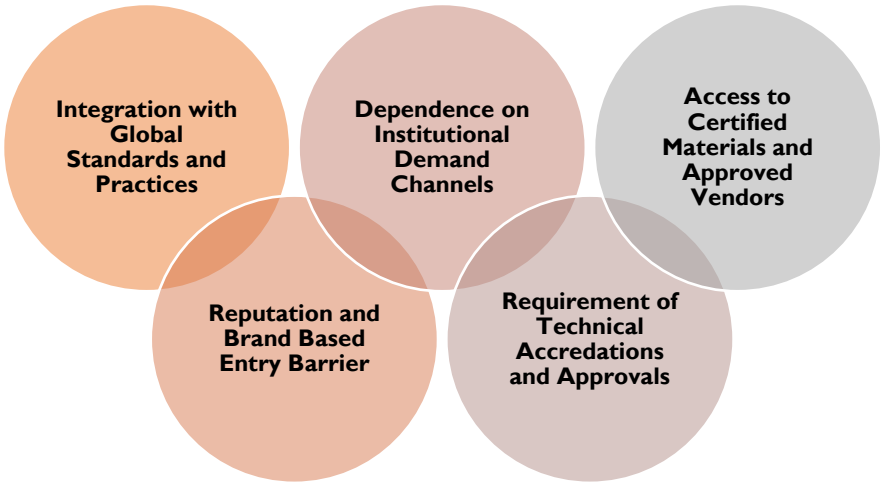
The ability to operate across multiple regions and handle large-scale projects enhances a company's competitiveness. Firms with wider geographic presence can tap into opportunities across different states and government programs. Scale also allows for better resource utilization, cost optimization, and efficient project

management. This enables larger players to compete effectively across both standard and complex infrastructure segments.

- **Compliance with Quality Standards and Certifications**

Adherence to national and international quality standards is becoming increasingly important in sports infrastructure projects. Facilities designed for professional or competitive use require strict compliance with certification norms. Companies capable of meeting these requirements gain a significant competitive edge. This factor is also raising entry barriers and favoring organized players such as Gallant Sports & Infra Limited, who have established technical capabilities and experience.

Analysis of Entry Barriers and Other Factors



- **Integration with Global Standards and Practices**

The sports infrastructure sector is influenced by global standards, especially for professional-level facilities. Keeping up with evolving specifications, materials, and best practices requires continuous learning and adaptation. Established players are better positioned to align with these requirements through experience and partnerships. For new entrants, this creates a knowledge and capability gap that limits competitiveness

- **Reputation and Brand-Based Entry Barrier**

In sports infrastructure, reputation plays a critical role due to the visibility and performance sensitivity of projects. Poor quality execution can directly impact usability and athlete performance, making clients highly risk-averse. Established companies with proven delivery records are therefore preferred over new entrants. This reliance on brand credibility creates an intangible but strong entry barrier.

- **Dependence on Institutional Demand Channels**

Market access in sports infrastructure is closely tied to institutional demand from government bodies, sports authorities, and educational institutions. These entities typically follow formal procurement processes and prefer established vendors. Unlike consumer-driven sectors, there are limited open-market opportunities for

new entrants to build scale gradually. This restricted demand channel makes initial market penetration difficult.

- **Requirement of Technical Accreditations and Approvals**

Beyond general construction capability, sports infrastructure requires compliance with specific technical standards set by international and national sports bodies. Achieving these accreditations involves time, expertise, and successful project execution history. New players face challenges in obtaining such approvals without prior references. This creates a circular barrier where experience is needed to gain approvals, and approvals are needed to win projects.

- **Access to Certified Materials and Approved Vendors**

Sports infrastructure projects often require the use of certified materials such as synthetic surfaces, turf systems, and specialized flooring that meet international standards. These materials are typically supplied by a limited number of approved global or domestic vendors. New entrants without established supplier relationships or access to certified inputs may find it difficult to compete. This creates a dependency on supply chains that are not easily accessible to smaller or new players.

Company Profiling: Gallant Sports & Infra Limited

Company Overview:

Gallant Sports & Infra Limited, established in 2016 and headquartered in Gurugram, Haryana, specializes in the development of sports infrastructure and surface solutions. The company designs, engineers, and delivers comprehensive sports facility solutions for educational institutions, residential complexes, corporate campuses, sports academies, and government projects. Company offers a wide range of products and services, including artificial turf systems, synthetic athletic tracks, PU and PVC sports flooring, acrylic courts, interlocking tiles, and multi-sport surface solutions. The company manages the complete project lifecycle, including concept planning, design, civil construction, installation, and post-installation maintenance. Its integrated approach ensures consistent quality, durability, and performance across projects of varying scales. The company's operations emphasize precision engineering, modern construction techniques, and adherence to international quality standards.

With strong execution capabilities, Gallant Sports has successfully completed over 700 projects nationwide, including FIFA-certified football fields and FIH-approved hockey grounds, demonstrating its expertise in delivering globally compliant sports infrastructure. The organization also incorporates sustainable practices such as advanced drainage systems and eco-friendly materials to enhance long-term usability and environmental performance.

Gallant Sports focuses on delivering solutions that promote safety, playability, and long-term performance across diverse sporting environments. Its portfolio includes football fields, hockey grounds, basketball and tennis courts, badminton arenas, and multi-purpose sports facilities designed for both recreational and professional use. The company also provides customized solutions tailored to client requirements and site conditions. Over the years, Gallant Sports has established a strong presence in the Indian market, with installations spanning schools, universities, sports academies, real estate developments, and public sector projects. Its client-centric approach, combined with end-to-end service delivery, ensures reliable execution and long-term customer satisfaction.

Products & Services Offered:

Segments	Subsegments
Products	• Artificial Turf Systems • Synthetic Athletic Tracks • PU & PVC Sports Flooring • Acrylic Sports Surfaces • Interlocking Sports Tiles • Multi-Sport Surfaces • Ancillary Equipment:

Services	• Consultation & Planning • Design & Engineering • Civil Construction • Installation & Execution • Project Management • Maintenance & Support
Specialized Capabilities	• FIFA-Certified Football Fields • FIH-Approved Hockey Grounds • Turnkey Solutions

Key Customer Segments Served:

1. **Educational Institutions (Primary Segment):** This is the company's strongest stronghold, with infrastructure built for over 200+ schools across India.

- **K-12 Schools:** Premium private schools (e.g., K.R. Mangalam, British School Delhi, Heritage School, DPS Noida) looking for "injury-free" multi-sport surfaces.
- **Universities & Colleges**: Providing professional-grade courts and tracks for institutions like Amity University, Galgotias University, and Christ University.

2. **Government & Public Sector:** Gallant is a key partner in national sports initiatives like Khelo India, focusing on grassroots development in both urban and remote areas.

- **State Sports Departments**: Installing FIH-approved hockey grounds and FIFA-certified stadiums (e.g., Yupia Stadium in Arunachal Pradesh, SMS Stadium in Jaipur).
- **Defence & Military:** Specialized installations in extreme terrains, such as INS Hansa (Goa) and facilities for the IMTRAT in Bhutan.
- **Rural Development:** Projects in Tier-2 and Tier-3 cities and remote regions like Leh (Ladakh) and Chapra (Bihar).

3. **Corporate & Real Estate:** The company works with major developers to add value to commercial and residential properties.

- **CSR Initiatives:** Executing sports infrastructure projects funded by corporate social responsibility wings (e.g., Reliance Industries, SAIL, and Royal Enfield).

- **Residential Townships**: Providing premium sports zones (tennis, paddle, and jogging tracks) for luxury residential complexes.
- **Hospitality & Clubs**: Resorts and social clubs (e.g., Time Square Club & Resorts) that require high-end recreational facilities.

4. Private Sports Academies & Elite Clubs: Professional training centers that require surfaces meeting international competitive standards.

- **Sports Academies:** Specialized facilities like Sudeva Sports Club (Delhi) and Zinc Football (Udaipur).
- **Niche Sport Enthusiasts**: Developers of Padel and Pickleball courts (e.g., Jindal Padel Complex in Odisha) for the growing community of racquet sport players.

Key Strengths:

1. International Certifications & Elite Standards Gallant distinguishes itself by providing surfaces officially certified by global governing bodies, creating a strong barrier to entry that allows them to secure high-profile government and professional projects; they have completed the highest number of FIFA-certified football fields in India (over 15), as well as multiple FIH-approved hockey turfs, and are one of the few Indian companies producing World Athletics-approved "Made-in-India" athletic tracks.

2. Turnkey Execution & Engineering Expertise: They don't just sell turf; they deliver a comprehensive 360° consulting and construction model, taking full responsibility from base to surface by managing critical civil engineering elements like drainage, levelling, and shock-pad layers that ensure a field's 10-15 year lifespan, while also demonstrating exceptional expertise in extreme conditions with proven capability to execute projects in some of the world's toughest environments, such as building a football field.

3. Strategic "First Mover" in Emerging Sports: Gallant has consistently demonstrated a strategic ability to identify and lead high-growth niche sports markets before they reach mainstream adoption. As pioneers in India for pickleball and padel tennis, they became certified builders and installed some of the country's first professional courts in key regions such as Delhi-NCR and Odisha. In addition, their expertise in multi-sport facility design enables the creation of "Smart Arenas," where a single footprint can efficiently accommodate 3–5 different sports, offering a compelling solution for space-constrained institutions.

4. Vertical Integration: Originally starting as an importer of premium European and American materials such as Domo Grass, Gallant has successfully transitioned to domestic manufacturing, producing their own athletic tracks and specialized sports tiles in India. This shift allows them to deliver international-quality products at a significantly lower "L1" price point, making them highly competitive in government tenders.

Financials:

Particular	Unit	Gallant Sports & Infra Limited		
		As at end for Fiscal		
		Fiscal 2026	Fiscal 2025	Fiscal 2024
Total Revenue	₹ in Lakhs	10,140.29	6,880.21	6,070.04
Revenue From Operations	₹ in Lakhs	10,041.99	6,792.23	6,047.10
EBITDA	₹ in Lakhs	1,285.60	943.68	813.86
EBITDA Margin	in %	12.68%	13.89%	13.46%
PAT	₹ in Lakhs	933.07	626.28	546.49
PAT Margin	in %	9.20%	9.22%	9.04%
Operating Cash Flow	₹ in Lakhs	-808.66	-986.03	73.55
Net Worth	₹ in Lakhs	6,195.49	2,519.55	1,251.90
Debt Equity Ratio	In Times	0.02	0.63	0.60
Return on Equity	in %	15.06%	24.86%	43.65%
Return on Capital Employed	in %	21.13%	24.47%	41.11%
Return of Assets	in %	11.93%	11.00%	15.22%
Key Operating Cost	₹ in Lakhs	8,806.15	5,877.53	5,231.20
Interest Coverage Ratio	In Times	14.12	7.70	10.99
Return on Investment	in %	14.78%	15.29%	27.30%

Note: We have considered the standalone financial statements.

Formulas:

Parameter	Formula
Total Revenue	Total Income includes Revenue from Operations and Other income.
Revenue From Operations	Revenue from operations means the revenue from operations as appearing in the restated statement of profit & loss for the relevant year/period.
EBITDA	EBITDA is calculated as Profit before tax for the year, plus finance costs and depreciation and amortisation expenses, less other income.
EBITDA Margin (%)	EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations
Profit after tax (PAT)	Profit after tax (PAT) refers to Restated Profit/(Loss) for the year from Continuing Operations as appearing in the Restated Financial Information
PAT Margin (%)	PAT Margin (%) is calculated as Profit for the year as a percentage of Revenue From Operations
Net Worth / Shareholders' Equity	Net worth represents the aggregate of paid-up equity share capital and other equity as at the end of the year.

Return on Equity (ROE)	ROE is calculated as Restated Profit attributable to owners of the Company divided by Equity for the year.
Return on Asset (ROA)	Return on Assets (ROA) is calculated as Restated Profit attributable to owners of the Company divided by the Total Assets for the year.
Return on Capital Employed (ROCE)	RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed. EBIT is calculated as Profit before tax plus finance costs.
Debt to Equity Ratio	Debt to Equity Ratio is calculated as Total Borrowings divided by Shareholders' Equity as at the end of the year.
Operating Cash Flow	Operating Cash Flow represents the net cash generated from or used in operating activities during the year, as reported in the Company's Statement of Cash Flows.
Interest Coverage Ratio	Interest coverage ratio represents earnings before interest and tax divided by finance cost for the year. Earnings before interest and tax has been computed as EBITDA less depreciation and amortisation.