Industry Report for Aarish Outdoors Limited

Focus Industry: OOH Advertising Industry in India

30th June 2026

Disclaimer

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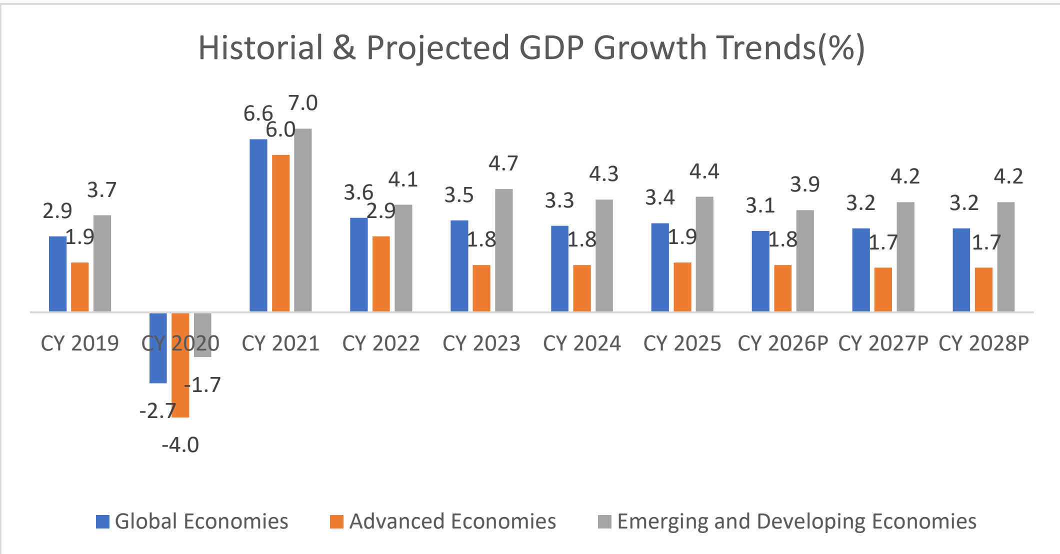
Global Economic Overview

According to World Economic Outlook, global growth is projected at 3.1% in 2026 and at 3.2% in 2027 and 2028, slower than the recent pace of about 3.4% in CY 2024–25 and is expected to settle at approximately that rate over the medium term, below the historical average of 3.7% during 2000–19. The forecast for 2026 has been revised downward by 0.2 percentage point, while the forecast for 2027 and 2028 remains unchanged compared with the January 2026 WEO Update. Global headline inflation is expected to rise to 4.4% in 2026 and decline to 3.7% in 2027, reflecting upward revisions for both years.

The conflict involving US, Isreal and Iran is increasingly functioning as a global supply and confidence shock. The International Energy Agency (IEA) describes the current situation as the largest oil supply disruption on record, with flows through the Strait of Hormuz reduced to a trickle and the resulting effects spreading across refined fuels and liquefied natural gas (LNG). At the same time, aviation disruptions and elevated risk premia are weakening services activity and increasing uncertainty around investment decisions. A significant share of global energy flows through the Strait of Hormuz, and shipping disruptions and insurance constraints are therefore translating directly into higher landed costs, supply chain delays, and greater output risks for energy-intensive manufacturing. As a result, the policy environment has increasingly become challenging, while growth support is required but renewed cost-push inflation across energy, freight, and eventually food inputs is limiting the scope for faster monetary easing.



Source – IMF Global GDP Forecast Release, April 2026

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).

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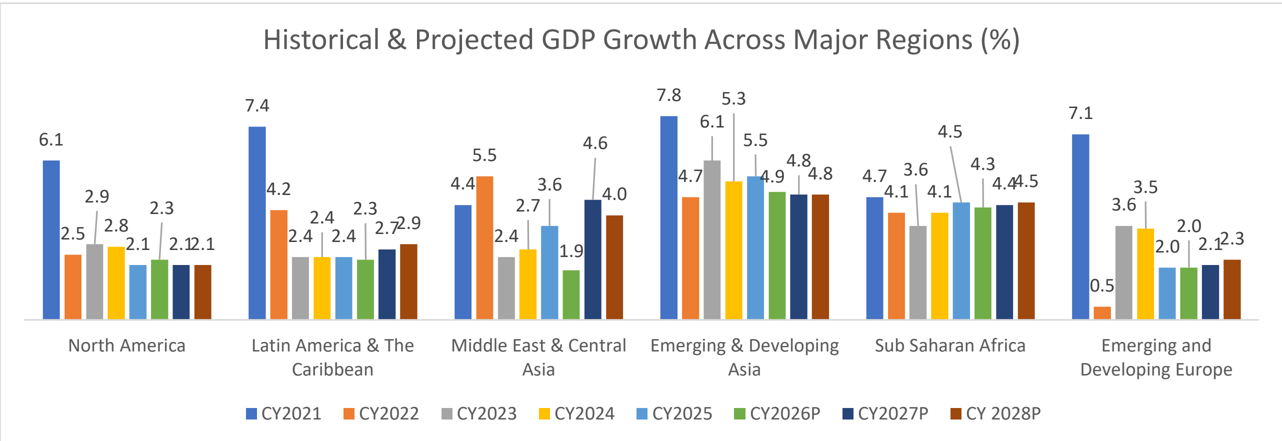
Historical and Projected GDP Growth

GDP growth across major regions showed a mixed trend during 2024–25. While growth in several regions—including Middle East & Central Asia, Emerging and Developing Asia, Sub-Saharan Africa as well as Latin America and the Caribbean—is expected to slow further in 2026, performance remains uneven across geographies.

In the Middle East and Central Asia, economic growth is projected to decline from **3.6% in 2025** to **1.9% in 2026**, before recovering to **4.6% in 2027 and 4.0% in 2028**, reflecting the region's direct exposure to the conflict and the anticipated rebound thereafter. For commodity-exporting economies directly affected by the conflict, reduced production and export activity are expected to result in a significant downward revision to 2026 GDP growth projections.

Growth in emerging and developing Asia is projected to moderate from **5.5% in 2025** to **4.9% in 2026** and is further estimated to grow at **4.8% in 2027 and 2028**. Within the region, China's 2026 growth forecast has been revised upward by **0.2 percentage point** relative to the October estimate, to **4.4%**, despite a **0.1 percentage point downward revision** from January. This upward adjustment reflects the impact of lower effective U.S. tariff rates on Chinese goods, along with stimulus measures that are expected to offset the negative effects of the shock arising from the Middle East conflict. However, China's growth is projected to slow to **4.0% in 2027**, as structural headwinds continue to weigh on the economy, including the prolonged slowdown in the housing sector, a shrinking labor force, declining returns on investment, and weaker productivity growth.



Source- IMF World Economic Outlook, April 2026

In Latin America and the Caribbean, economic growth is projected to remain broadly stable at 2.3% in 2026 before strengthening to 2.7% in 2027 and 2.9% in 2028. The effects of the Middle East conflict across the region are expected to be uneven, with smaller economies likely to experience a more pronounced negative impact due to their relatively greater vulnerability to external shocks.

Growth in sub-Saharan Africa is projected to remain relatively stable at 4.3% in 2026 and 4.4% in 2027 and 4.5% in 2028. However, this regional outlook masks significant variation across countries, with some economies expected to face more pronounced challenges than others. In particular, oil-importing and non-resource-intensive economies are likely to be adversely affected by the conflict in the Middle East, as heightened external pressures may weigh on economic activity and weaken growth prospects. In emerging and developing Europe, economic growth is expected to slow sharply to 2.0% in 2025 and recover only marginally thereafter, with the region projected to expand at an average rate of 2.0% in 2026, 2.1% in 2027 and 2.3% in 2028.

Global Economic Outlook

The conflict between Israel/the United States and Iran, which began in February, has developed into a global shock to transport, trade, and security planning. As a result, periodic airspace closures across Israel and parts of the Gulf, together with severe disruption to shipping through the Strait of Hormuz, have affected the movement of oil, oil products, and LNG. Consequently, businesses have faced longer and less reliable supply lines, higher freight and insurance costs, and more frequent "stop-go" operating conditions.

The near-term growth outlook has softened as the conflict is affecting both demand and costs. Disruption to the oil channel is coinciding with pressure on the non-oil outlook as travel and services weaken and risk premia rise. Airspace disruption has increased operating costs and reduced travel reliability, while higher jet fuel costs have added to pressure on carriers and freight forwarders.

Investment conditions have also tightened as higher regional risk premia have increased insurance, shipping, hedging, and working capital costs. At the same time, logistics disruption and higher input costs are raising inflation risks. Fertilizer and related input disruption is also creating a lagged risk to food prices.

Asia-Pacific: In Asia-Pacific, the conflict has created sustained stress for business continuity. Even with fighting paused, energy availability, shipping disruption, and insurance costs are expected to continue weighing on operations over the next quarter. Oil prices remain well above January levels despite easing from March peaks, while war-risk insurance, tighter tanker availability, and rerouting costs remain elevated. As a result, several fuel-importing economies—including Japan, South Korea, India, and parts of Southeast Asia—have faced power-conservation measures and fuel rationing, increasing the risk of operational downtime in energy-intensive sectors.

Shipping and supply chains are also facing second-round effects. Many Asia–Europe shipments have been diverted via the Cape of Good Hope, thereby extending lead times by 10–14 days. Although some routes have reopened, schedules remain compressed and insurers remain cautious, which has increased delivery deadline risk across manufacturing, particularly in chemicals, electronics, and pharmaceuticals. Input volatility and fertilizer disruption are also adding to inflation risks and thereby complicating the policy outlook.

Latin America: In Latin America, the U.S.-Israel-Iran conflict has increased energy market pressures, with higher Brent crude prices raising input costs and inflation risks across the region. Consequently, net hydrocarbon exporters such as Brazil, Colombia, and Ecuador are benefiting from stronger external balances, while net energy importers—including Panama, Chile, and much of Central America—are facing higher import costs. Elevated fertilizer prices are also weighing on agricultural output and margins, including in Brazil and Argentina. In response, governments have introduced fuel subsidies and price controls.

Middle East & North Africa: In the Middle East and North Africa, the conflict continues to affect the region directly, with many countries facing missile and drone attacks from Iran in response to attacks by the United States and Israel on Iran. In the short term, economic growth is expected to slow sharply as exports decline, uncertainty constrains spending, and governments delay investment initiatives. The reduction in food imports is also expected to significantly affect countries with limited domestic production capacity. Bahrain, Qatar, and Kuwait remain highly dependent on imports through the Strait of Hormuz and therefore face risks of food shortages and concerns regarding social stability if disruption persists.

Sub-Saharan Africa: In Sub-Saharan Africa, the conflict continues to disrupt energy and fertilizer supply chains, thereby keeping the region under significant external pressure. Higher global oil prices are sharply rising fuel and transport costs for import-dependent economies such as Kenya, Uganda, Ethiopia, and Ghana. Policy responses have varied across the region. Ethiopia introduced emergency fuel subsidies in mid-March to contain domestic price increases, while Kenya is experiencing stronger pass-through from higher fuel costs, which is weighing on aviation, logistics, and export activity.

Global Growth Projection

Growth in advanced economies is projected at 1.8% in 2026 and 1.7% in 2027 and 2028, while the overall impact of the Middle East conflict is expected to remain modest, lowering 2026 growth by 0.2 percentage point relative to the pre-conflict forecast. This limited effect reflects positive terms-of-trade gains in the United States and stronger growth momentum, supported by government measures, in Japan, whereas more significant negative effects are expected mainly in net energy-importing economies, including the euro area and the United Kingdom. In the United States, growth is projected at 2.3% in 2026 and 2.1% in 2027 and 2028, with fiscal policy and the lagged effects of monetary easing in 2025 continuing to support activity, even as higher trade barriers since April 2025 weigh on growth. The 0.1 percentage point downward revision from the January 2026 WEO Update reflects a small negative effect from the war, but this is partly offset by a rebound following the end of the 2025 federal government shutdown, along with stronger productivity growth and positive carryover effects. Although the International Emergency Economic Powers Act (IEEPA) ruling may reduce tariff-related fiscal revenues, its impact on the fiscal balance and activity is expected to remain limited and spread over the forecast horizon. Growth in 2027 is expected to remain solid, supported by tax incentives, including those for corporate investment under the One, Big, Beautiful Bill Act (OBBBA), while technology-driven momentum is projected to moderate and productivity growth is expected to gradually converge toward historical norms.

Growth in emerging market and developing economies is projected to slow to 3.9% in 2026 before recovering to 4.2% in 2027 and 2028, while the Middle East conflict is expected to have a greater impact on this group than on advanced economies, reducing 2026 growth by 0.3 percentage point relative to the pre-conflict forecast. In emerging and developing Asia, growth is expected to moderate from 5.5% in 2025 to 4.9% in 2026 and 4.8% in 2027 and 2028. Within the region, China's 2026 growth forecast has been revised upward to 4.4%, as lower effective U.S. tariffs and stimulus measures offset the impact of the conflict, although growth is projected to slow to 4.0% in 2027 as structural headwinds intensify. India's growth outlook has also improved, with growth revised upward to 7.6% in 2025 and projected to remain at 6.5% in 2026, 2027 and 2028, supported by strong carryover effects and lower additional U.S. tariffs on Indian goods. Meanwhile, several South and Southeast Asian economies are expected to face weaker domestic demand due to lower tourism and remittance inflows, while the Philippines has seen a sharp downward revision for 2026.

In the Middle East and Central Asia, growth is projected to decline from 3.6% in 2025 to 1.9% in 2026, before rebounding to 4.6% in 2027 and 4.0% in 2028, reflecting the region's direct exposure to the conflict. The downturn is expected to be most severe among affected commodity exporters, particularly Bahrain, Iran, Iraq, Kuwait, and Qatar, while the impact is expected to be less severe in other economies. Accordingly, Iran's economy is projected to contract by (-) 6.1% in 2026, before rebounding to 3.2% in 2027 and moderating to 1.5% in 2028. By contrast, Saudi Arabia's growth is projected at 3.1% in 2026, rising to 4.5% in 2027 before easing to 3.6% in 2028. In sub-Saharan Africa, growth is expected to remain broadly stable at 4.3% in 2026, 4.4% in 2027, and 4.5% in 2028, although oil-importing economies are likely to face greater pressure, while Nigeria and South Africa are expected to record moderate but gradually improving growth profiles. In Latin America and the Caribbean, growth is projected at 2.3% in 2026, 2.7% in 2027, and 2.9% in 2028, with Brazil expected to benefit modestly in the near term from its position as a net energy exporter, while Mexico is projected to recover gradually to 1.6% in 2026, 2.2% in 2027, and 2.1% in 2028.

In emerging and developing Europe, the sharp slowdown in growth to 2.0% in 2025 is expected to reverse only marginally, with the region projected to expand at an average rate of 2.0% in 2026, 2.1% in 2027, and 2.3% in 2028. Within the region, Russia's 2026 growth forecast has been revised upward by 0.3 percentage point relative to January, to 1.1%, as higher commodity prices are expected to support activity. This momentum is projected to continue, with growth remaining at 1.1% in 2027 before moderating slightly to 1.0% in 2028. By contrast, Türkiye's 2026 growth forecast has been revised downward by 0.8 percentage point relative to the January 2026 WEO to 3.4%, as weaker-than-expected growth in 2025 and higher oil and gas prices are expected to weigh on activity.

Key factors impacting Global Macroeconomic landscape

- Geopolitics continues to constitute a major source of global macroeconomic and business risk. The Russia–Ukraine war remains a persistent driver of instability, as Russia has intensified large-scale missile and drone attacks on Ukrainian cities and infrastructure, while Ukraine has stepped up strikes on Russian ports, refineries, and export infrastructure, reportedly contributing to a reduction in Russian oil output in April. The Israel–Iran–U.S. confrontation has emerged as the most significant near-term external shock to the global economy, with the IMF warning that disruptions to the Strait of Hormuz and regional energy infrastructure could materially weaken global growth and raise inflation; under its April 2026 reference forecast, global growth has been lowered to 3.1% and inflation raised to 4.4%, with materially worse outcomes under prolonged disruption scenarios. In parallel, the Pakistan–Afghanistan border conflict remains a significant regional flashpoint, although China-mediated talks are seeking to secure a ceasefire and reopen border crossings after months of cross-border attacks and trade disruption. At the same time, U.S. strategic activism continues to influence regional risk perceptions: Washington has removed sanctions on Venezuela's interim leadership and deepened engagement with Caracas, tensions over Greenland have re-emerged amid renewed U.S. rhetoric and ongoing diplomatic discussions with Denmark and Greenland, and U.S.–Nigeria security cooperation has continued to deepen in response to regional instability and counterterrorism concerns. In addition, resource nationalism and strategic competition over rare earths and other critical minerals have become increasingly operational concerns rather than distant strategic risks. The IEA's April 2026 assessment notes that demand for magnet rare earths has doubled since 2015 and is projected to increase by more than 30% by 2030, while supply chains remain highly concentrated, with China accounting for around 60% of mined output, more than 90% of refining, and nearly 95% of permanent magnet production, thereby heightening global exposure to export controls, supply concentration, and industrial policy interventions

- The period of relatively frictionless trade supported by multilateral liberalisation and free trade agreements is increasingly giving way to regionalisation, nearshoring, friend-shoring, and diversification of production networks. Rising tariffs, policy uncertainty, and strategic realignment are creating a more fragmented trade environment and raising the premium on resilience over pure efficiency
- 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. Growth in cloud computing, streaming, IoT, and AI and Advancements in hardware and cooling technologies aim to reduce energy consumption and improve performance is driving the need for more powerful and scalable data centres.

India Macroeconomic Analysis

India's economic growth outlook for 2025 has been revised upward by 1.0 percentage point from the October estimate to 7.6%, supported by stronger-than-expected performance in the second and third quarters of the fiscal year and sustained momentum in the fourth quarter. For 2026, the growth projection has been moderately increased by 0.3 percentage point (including a 0.1 percentage point upward revision from January) to 6.5%, primarily driven by the carryover effect of the strong 2025 performance and the reduction in additional U.S. tariffs on Indian goods from 50% to 10%, which more than offsets the adverse impact of the Middle East conflict. Growth is expected to remain steady at 6.5% in 2027. Across several South and Southeast Asian economies, disruptions linked to the Middle East conflict are anticipated to reduce tourism activity and remittance inflows, thereby weakening domestic demand and moderating overall economic performance.

Country	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026 P	CY 2027 P	CY 2028 P
India[1]	–5.8%	9.7%	7.6%	9.2%	6.5%	7.6%	6.5%	6.5%	6.5%
China	2.3%	8.6%	3.1%	5.4%	5.0%	5.0%	4.4%	4.0%	4.0%
United States	-2.2%	6.1%	2.5%	2.9%	2.8%	2.1%	2.3%	2.1%	2.1%
Japan	-4.2%	2.7%	0.9%	1.4%	-0.2%	1.2%	0.7%	0.6%	0.6%
United Kingdom	-10.3%	8.6%	4.8%	0.4%	1.1%	1.3%	0.8%	1.3%	1.6%
Russia	-2.7%	5.9%	-1.4%	4.1%	4.3%	1.0%	1.1%	1.1%	1.0%
Germany	-4.1%	3.9%	1.8%	-0.9%	-0.5%	0.2%	0.8%	1.2%	1.2%

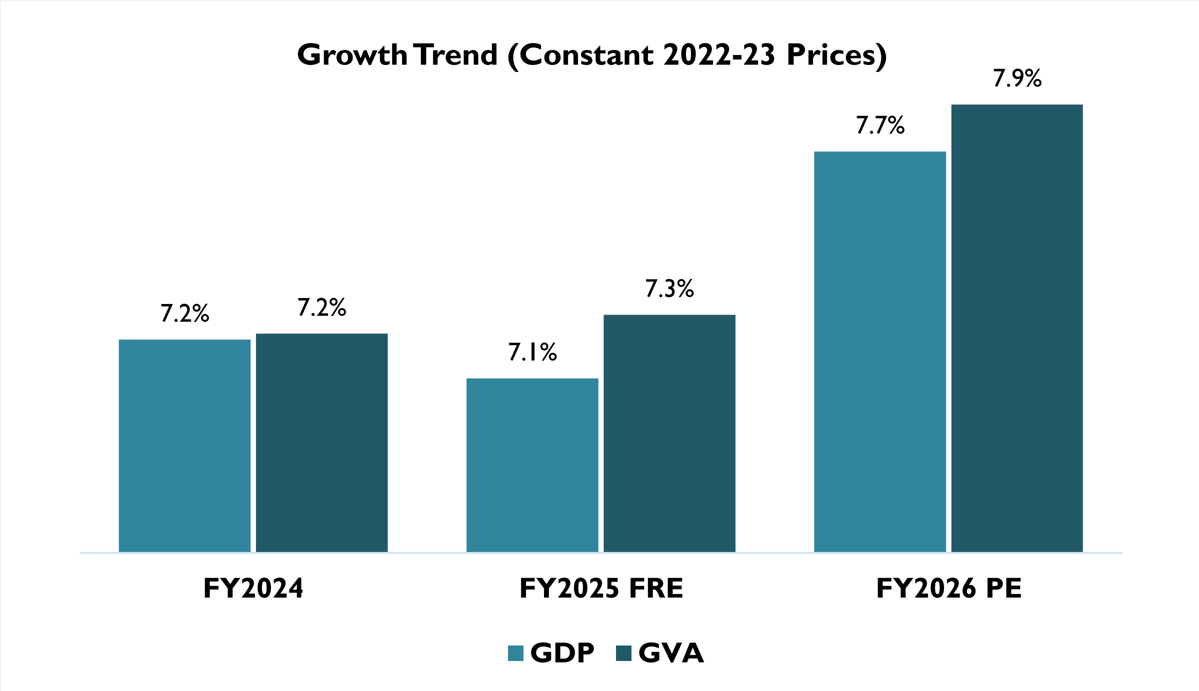
Source: World Economic Outlook, April 2026

Historical GDP and GVA Growth Trend

As per Provisional Estimates, India Real GDP (GDP at constant prices) for FY 2025–26 is estimated to reach INR 323.12 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 7.7% in 2025–26, higher than the 7.1% growth recorded in 2024–25.

Similarly, Real GVA for FY 2025–26 is estimated to reach INR 294.91 lakh crore, up from INR 273.36 lakh crore in FY 2024–25. This indicates a growth rate of 7.9%, compared with the 7.3% growth achieved in the previous year.

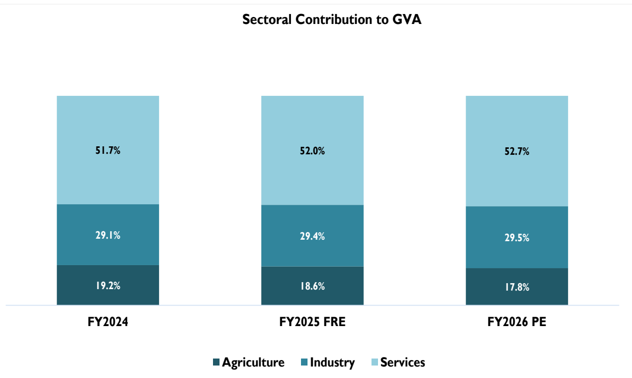
[1] For India, data and forecasts are presented on a fiscal year basis, and GDP from 2022 onward is based on GDP at market prices with fiscal year 2022/23 as a base year

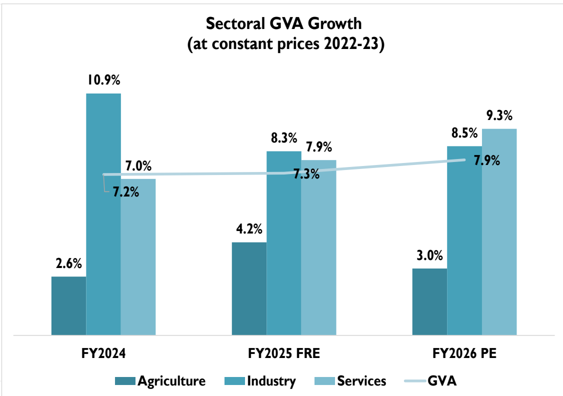


Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics: FY2025,

FRE is First Revised Estimate; PE is Provisional Estimates

Sectoral Contribution to GVA and Annual Growth Trend





Source: Ministry of Statistics & Programme Implementation (MOSPI), CMIE Economics Outlook
FRE is First Revised Estimate; PE is Provisional Estimates[2]

Sectoral analysis of GVA reveals that the industrial sector experienced steady growth momentum in FY 2026, recording a 7.9% 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 5.15%, and 7.36%, respectively in FY 2026, compared to 11.69%, and 7.30% in FY 2025. Growth in the utilities sector too moderated to 1.74% in FY 2026 from 2.87% in the previous year. The industrial sector's contribution to GVA increased marginally from 29.4% in FY 2025 to 29.5% in FY 2026.

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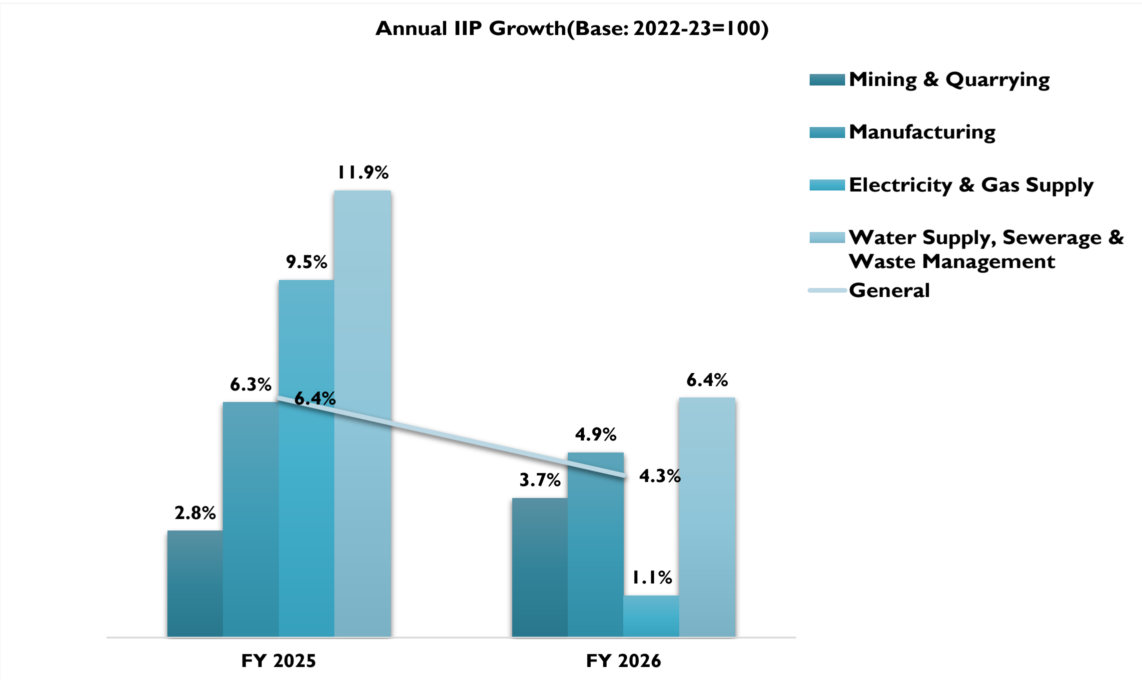
[2] https://www.mospi.gov.in/uploads/latestReleases/latest_release_1780655857536_5ac01869-ca4a-422d-b7a7-57b81da60932_Press_Note_on_GDP_Estimates_for_Q4_2025-26_and_PE_FY_2025-26_F.pdf

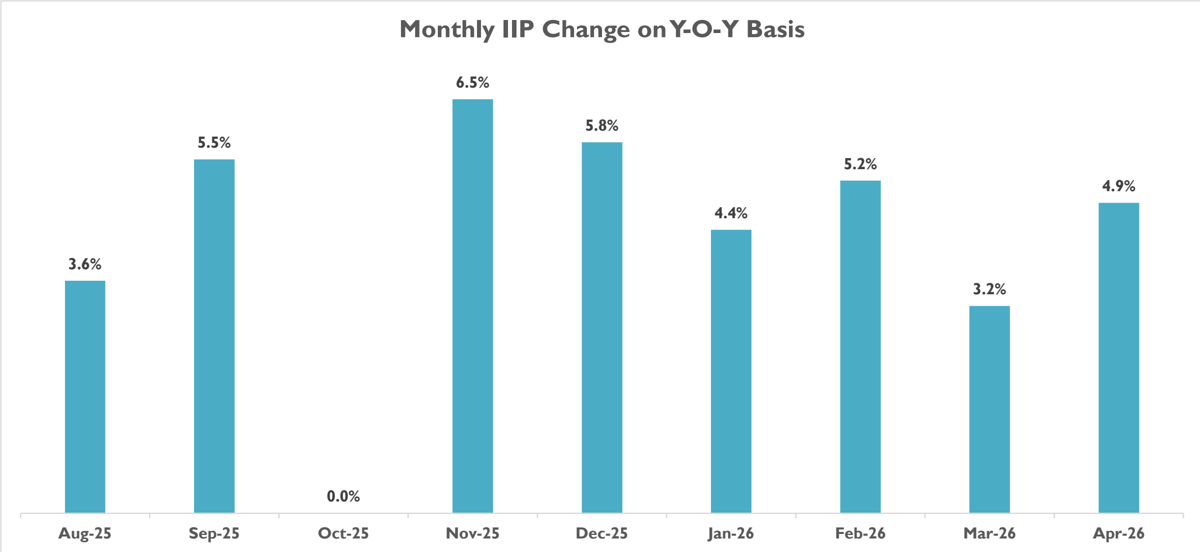
The services sector continued to be the main driver of economic growth. It expanded by 9.3% in FY 2026 from 7.9% in FY 2025. The services sector retained its position as the largest contributor to GVA, rising from 51.7% in FY 2024 to 52.0% in FY 2025, with a further increase to 52.7% in FY 2026.

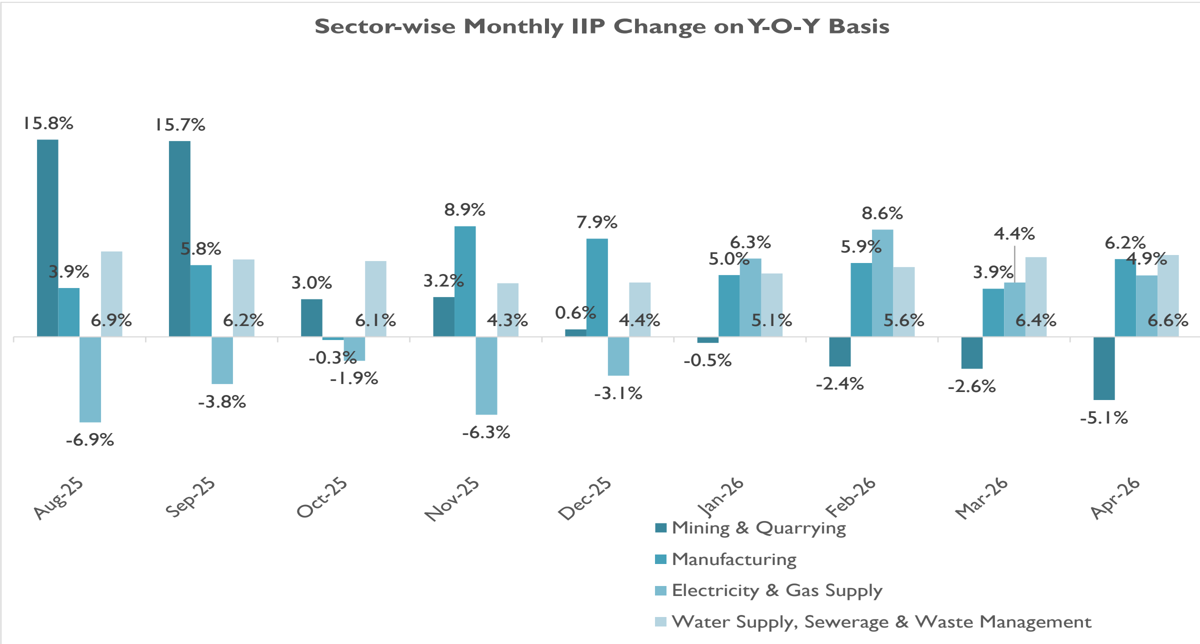
The agriculture sector saw an acceleration in growth, increasing from 2.66% in FY 2024 to 4.18% in FY 2025, before moderating to 3.0% in FY 2026. However, its contribution to GVA declined marginally from 19.2% in FY 2024 to 17.8% in FY 2026. Overall, Gross Value Added (GVA) growth rose to 7.9% in FY 2026 from 7.3% in FY 2025.

Annual & Monthly IIP Growth

Industrial sector performance as measured by the IIP index exhibited moderation in FY 2026, recording a 4.3% y-o-y growth against 6.4% increase in the previous year. The manufacturing index showed moderation, increasing by 4.9% in FY 2026 compared with 6.3% in FY 2025. The Electricity & Gas Supply sector index also moderated, growing 1.1% in FY 2026 compared with 9.5% in the previous year. Water Supply, Sewerage & Waste Management also moderated by 6.4% in FY 2026 compared with 11.9% in the previous year, while the mining sector index grews by 3.7% in FY 2026 compared with 2.8% in the previous year.





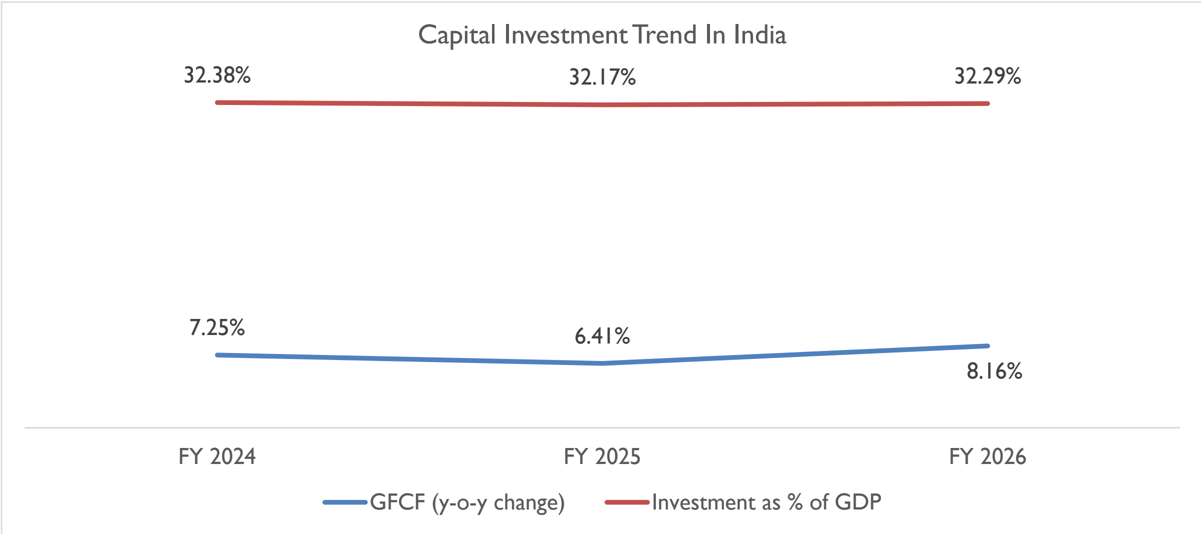


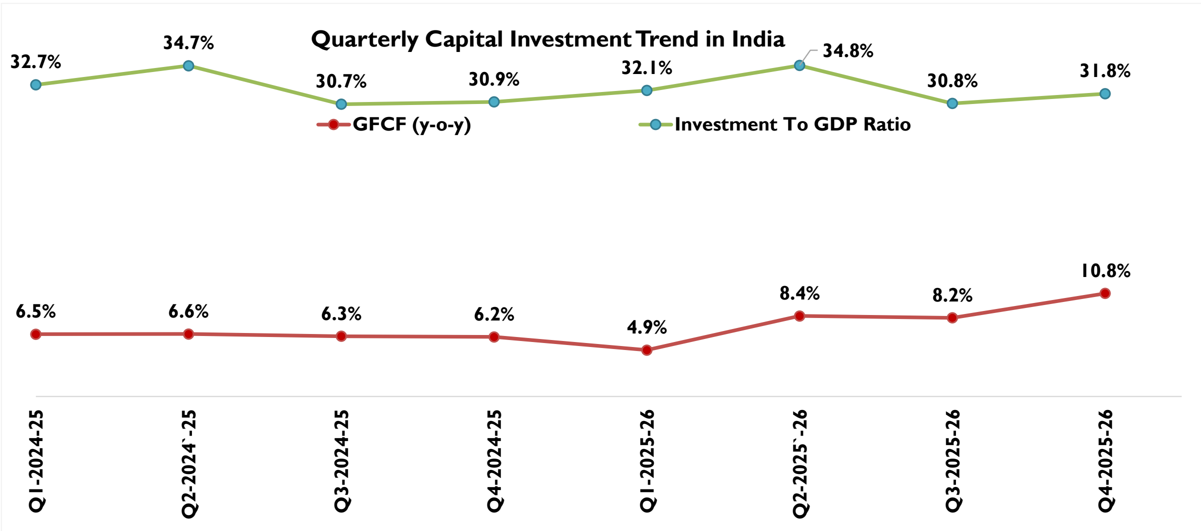
Source: Ministry of Statistics & Programme Implementation (MOSPI)

The IIP growth rate for the month of April 2026 is 4.9 percent as compared to April 2025. The growth rates of the Four sectors, Mining & Quarrying, Manufacturing, Electricity & Gas Supply and Water Supply, Sewerage & Waste Management for the month of April 2026 are (-)5.1 percent, 6.2 percent, 4.9 percent and 6.6 percent 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 8.16% year-on-year growth compared with 6.41% in FY 2025, bringing the GFCF-to-GDP ratio to 32.29%.



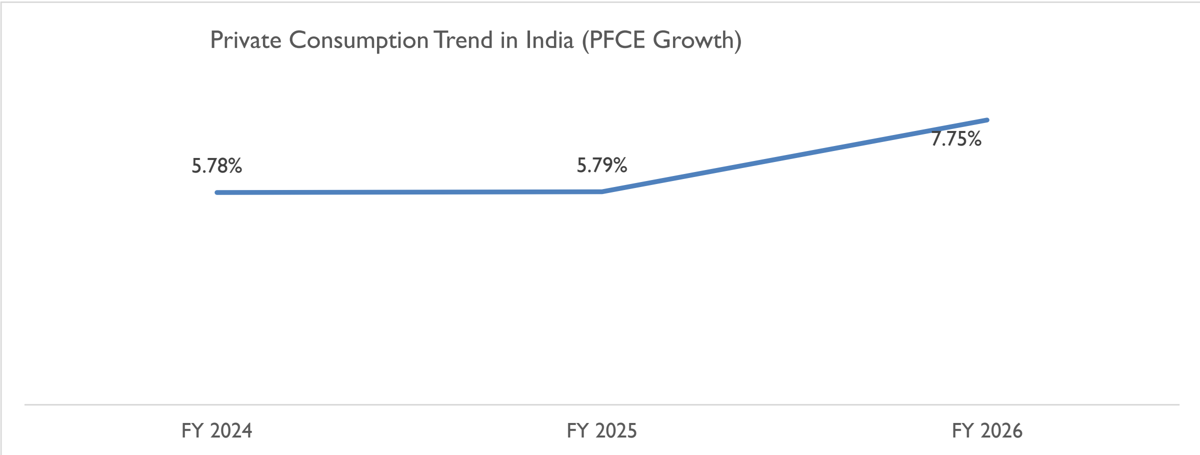


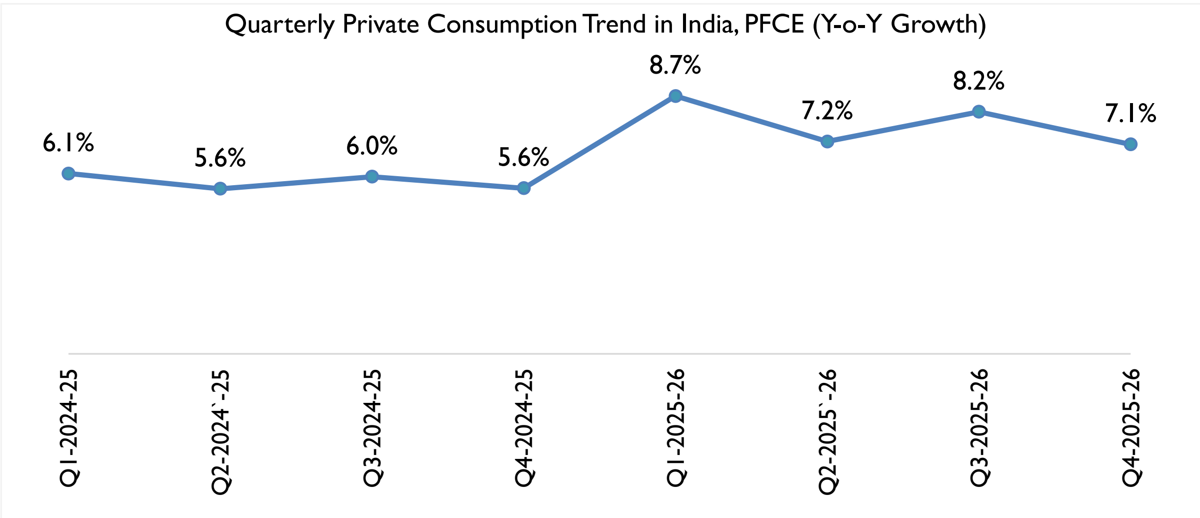
Source: Ministry of Statistics & Programme Implementation (MOSPI), CMIE Economics Outlook

On a quarterly basis, India's capital investment indicators reflect a healthy and improving investment environment, supported by sustained investment intensity and stronger capital formation in recent quarters. The Investment to GDP ratio remained consistently above 30% throughout the period, highlighting continued resilience in capital deployment. The ratio increased from 32.7% in Q1 FY 2024-25 to 34.7% in Q2, before moderating to 30.7% in Q3 and 30.9% in Q4. In FY 2025-26, the ratio improved again to 32.1% in Q1 and further strengthened to 34.8% in Q2, the highest level during the period, before remaining healthy at 30.8% in Q3 and 31.8% in Q4. This indicates that investment activity continued to remain robust despite normal quarterly variations.

GFCF (y-o-y) growth also points toward a positive investment trend, particularly in FY 2025-26. After remaining broadly stable during FY 2024-25, with growth ranging between 6.2% and 6.6%, GFCF growth accelerated meaningfully from 4.9% in Q1 FY 2025-26 to 8.4% in Q2 and 8.2% in Q3, before rising further to 10.8% in Q4. This strong improvement in the second half of FY 2025-26 suggests strengthening fixed capital formation and a revival in investment momentum. Overall, the data indicates that India's capital investment landscape remains on a positive trajectory, with sustained investment levels and improving GFCF growth reflecting stronger capital spending, better investment confidence, and continued support for economic growth.

Private Consumption Scenario





Sources: MOSPI, CMIE Economics Outlook

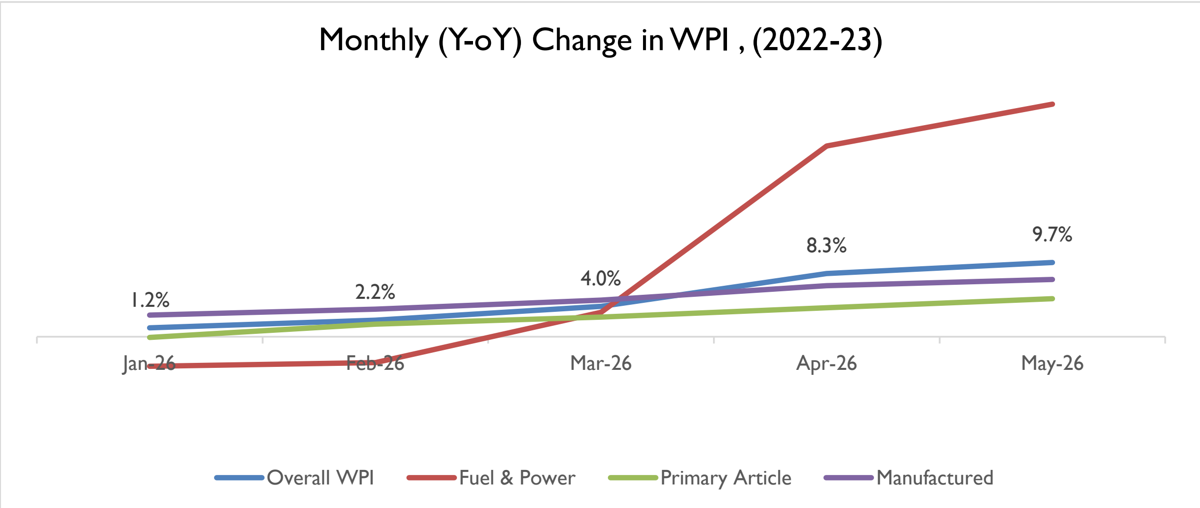
Private Final Consumption Expenditure (PFCE), a practical proxy for household spending, recorded growth in FY 2026 relative to FY 2025. PFCE recorded healthy growth in FY 2025-26 relative to FY 2024-25. However, quarterly PFCE growth moderated sequentially to 7.1% in Q4 FY 2025-26 from 8.2% in Q3 FY 2025-26

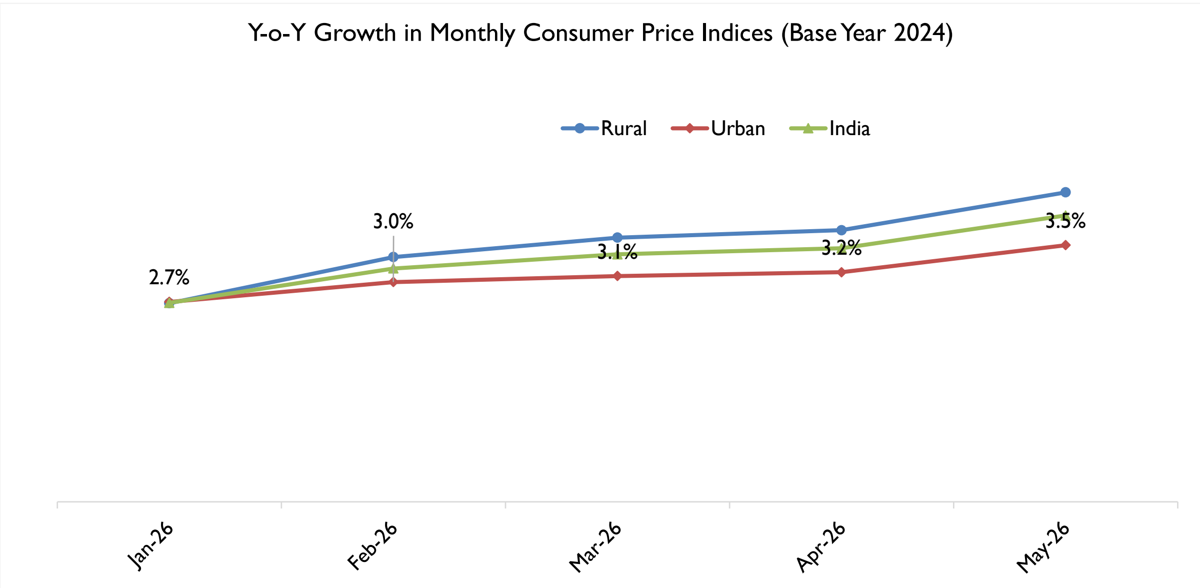
Inflation Scenario

The annual rate of inflation based on All India Wholesale Price Index (WPI) number is 3.88% (provisional) for the month of March 2026 (over March 2025). Positive rate of inflation in March 2026 is primarily due to increase in prices of crude petroleum & natural gas, other manufacturing, non-food articles, manufacture of basic metals and food articles etc.

All India Wholesale Price Index (WPI) inflation for May 2026 is 9.68 per cent on year-on-year (YoY) basis, compared to 8.26 per cent in April 2026. The index for All Commodities for May 2026 stands at 109.9, whereas it was 108.8 in April 2026. Across Groups, ‘Mineral Oils (containing Petroleum Products)’, ‘Crude Petroleum and Natural Gas’, ‘Manufacture of Chemicals and Chemical Products’, and ‘Manufacture of Basic Metals’, have been major drivers of WPI inflation in April and May 2026.

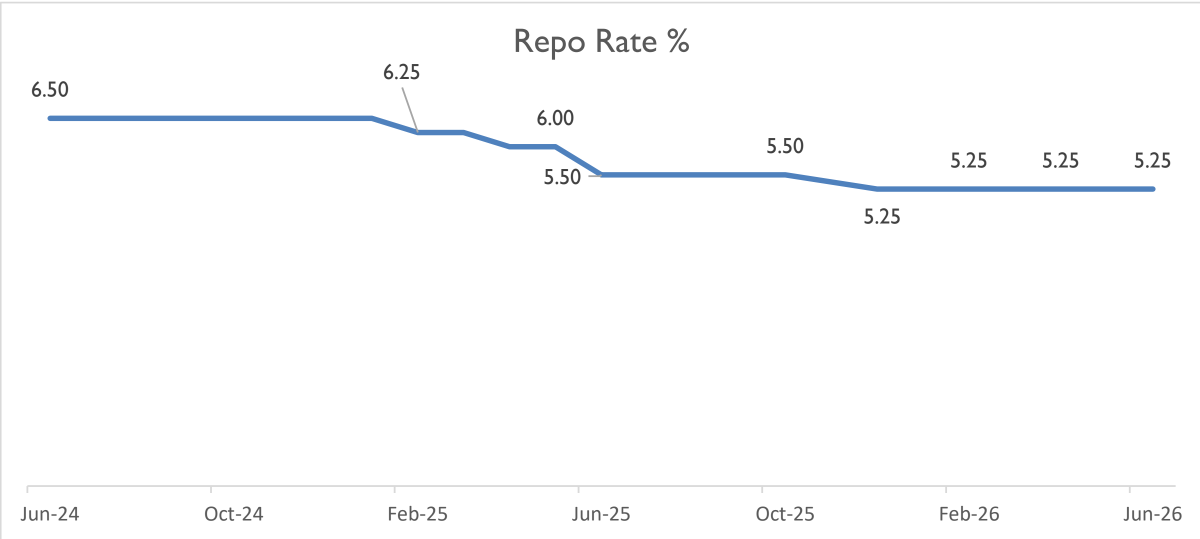
Across Major Groups, YoY inflation for Primary Articles, Fuel and Power, and Manufactured Products is 4.99 per cent, 30.33 per cent, and 7.48 per cent, respectively in May 2026, whereas it was 3.78 per cent, 24.89 per cent, and 6.68 per cent, respectively, in April 2026. The indices for Primary Articles, Fuel and Power, and Manufactured Products are 113.7, 113, and 107.8, respectively, in May 2026, whereas they were 112.6, 110.9, and 107, respectively, in April 2026.





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. Year-on-year inflation rate based on All India Consumer Price Index (CPI) with base year 2024 for the month of May, 2026 over May, 2025 is 3.93%(Provisional). Corresponding inflation rates for rural and urban are 4.25% and 3.53%, respectively. 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%, in June 2026.



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.

This domestic push is complemented by targeted measures to strengthen strategic supply chains. 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.

Alongside these domestic measures, India is also seeking to strengthen its external trade architecture through major trade agreements. The conclusion of the India–EU FTA negotiation marks 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 deal is expected to improve market access, support export competitiveness and high-value job creation. It is likely to promote a predictable, rules-based environment for long-term trade and investment flows.

In a similar vein, India–Oman Comprehensive Economic Partnership Agreement (CEPA)[3] has been framed as a comprehensive arrangement covering trade in goods and services, investment, professional mobility, and regulatory cooperation, with the objective of strengthening bilateral economic integration between India and Oman. Bilateral trade between the two countries stood at USD 10.61 billion in FY 2024–25, providing the economic basis for the agreement. Under the CEPA, India has secured 100% duty-free market access in Oman across 98.08% of tariff lines, covering 99.38% of India's export value, thereby improving export competitiveness across sectors such as engineering goods, pharmaceuticals, agriculture and processed food, electronics, textiles, plastics, and gems and jewellery. At the same time, India has adopted a calibrated liberalisation approach by offering tariff concessions on 77.79% of its tariff lines, covering 94.81% of imports from Oman by value, while retaining safeguards for sensitive domestic sectors. The agreement also provides gains in services, with Oman undertaking commitments across 127 services sub-sectors, alongside improved provisions for professional mobility, including an increase in the Intra-Corporate Transferee ceiling from 20% to 50% and commitments for a defined category of Indian professionals. Overall, the CEPA is presented as a framework intended to support trade expansion, improve market access, and strengthen long-term economic cooperation between India and Oman.

However, these gains remain exposed to external geopolitical risks. The escalation of the Middle East crisis represents an external shock for India, transmitted primarily through energy markets, logistics, and

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[3] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2213203&reg=3&lang=1
The Comprehensive Economic Partnership Agreement (CEPA) between India and Oman marks a meaningful step forward in the economic relationship between the two countries. The agreement brings together trade in goods and services, investment, professional mobility, and regulatory cooperation under a single, coherent framework aimed at deepening bilateral economic integration.

trade-linked business exposure. The Gulf–Levant 11[4] (GL 11) economies account for around 15% of India's merchandise exports and 21% of its imports, with trade concentrated in high-value categories such as mineral fuels, precious metals, and electronics; disruptions in this region therefore have an outsized impact despite its modest share of global GDP.

Export exposure is unevenly distributed across India, with risks concentrated in specific districts that serve as production hubs. Discretionary exporters, such as gems and jewellery firms in the districts of Surat, Jaipur, and Mumbai; apparel manufacturers in Tiruppur; automotive producers in Ahmedabad; and electronics assemblers in Kanchipuram and Kolar, are vulnerable to demand slowdown and order deferrals in Gulf markets.

At the same time, Perishable agricultural exporters, including grapes from Nashik, bananas from Solapur, and bovine meat from Ghaziabad, face acute risks from shipping delays and logistics disruptions. Dun & Bradstreet data show that over 4,500 Indian exporters and around 1,800 importers relied on the Strait of Hormuz trade route in 2025, exposing them to working capital stress, payment delays, and production interruptions, while, for import-dependent industries, delays in critical inputs raise the risk of temporary shutdowns and sustained energy price volatility amplifies margin pressure across manufacturing and services.

[4] For the purposes of this report, the analysis is confined to a defined group of countries referred to as the Gulf–Levant 11 (GL-11). This group comprises Bahrain, Iran, Iraq, Israel Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. These economies are treated collectively because they are either directly involved in, or immediately exposed to, the current crisis through geographic proximity, security linkages, energy production and transit, or their role as regional trade and financial hubs

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 12.2 trn[5] 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[6], 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[7] 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[8] 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.

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[5] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2222521&reg=3&lang=1#:~:text=Reinforcing%20the%20role%20of%20public,productive%20capacity%20across%20the%20economy.

[6] https://prsindia.org/budgets/parliament/demand-for-grants-2026-27-analysis-railways

[7] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2221817&reg=3&lang=1

[8] https://www.hindustantimes.com/real-estate/budget-2026-eyes-dedicated-reits-for-cpse-asset-monetisation-what-it-means-for-investors-101769942312710.html#google_vignette

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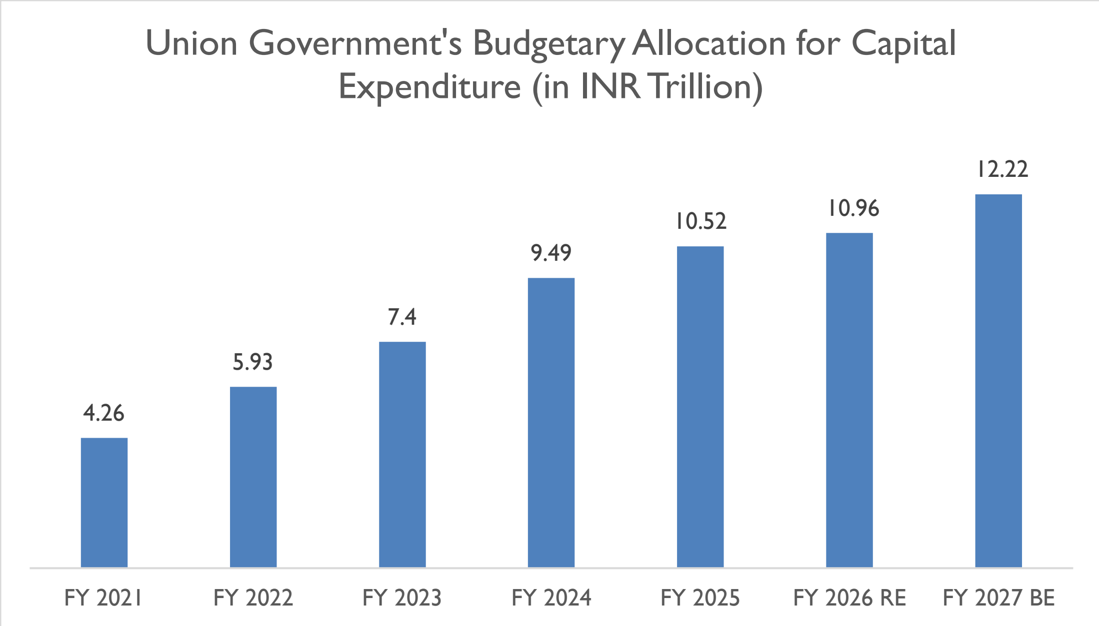


Union Budget, Government of India
Note: BE (Budget Estimates) and RE (Revised Estimates)

Development of Domestic Manufacturing Capability

The Government launched the 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 strengthening domestic production capabilities. The overall incentive outlay earmarked for the 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.

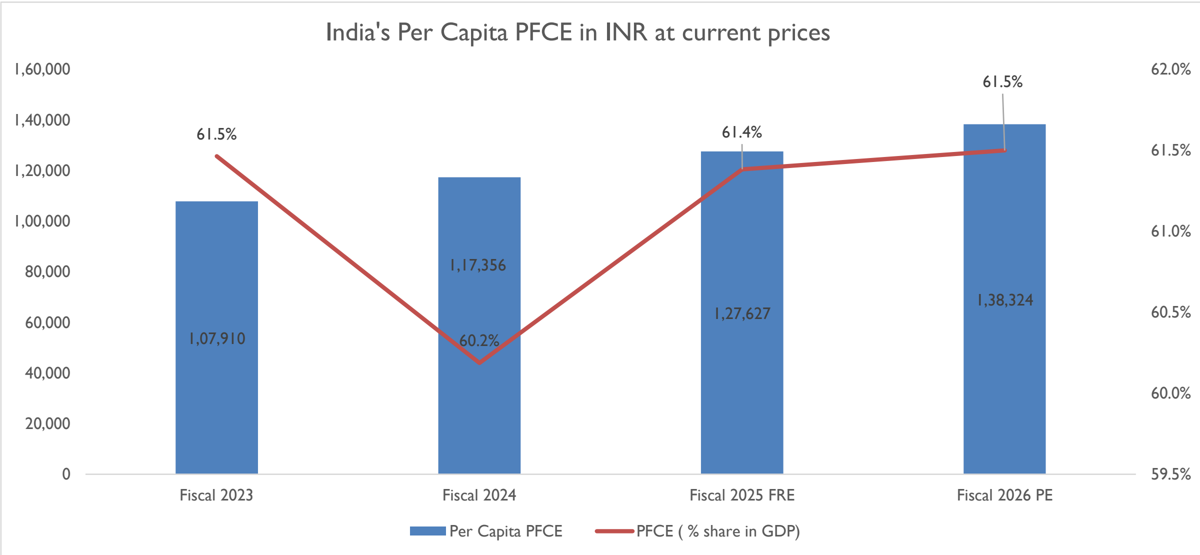
Strong Domestic Demand

Domestic demand has traditionally been one of the key drivers of the Indian economy. After a brief lull caused by the Covid-19, domestic demand is recovering. Consumer Confidence surveys by the Reserve Bank and other institutions point to an improvement in the 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 reflecting in the private final consumption expenditure (PFCE) metric.

India's per capita Private Final Consumption Expenditure (PFCE) at current prices has shown a consistent upward trend, indicating steady improvement in household consumption levels over the years. Per capita PFCE increased from INR 1,07,910 in Fiscal 2023 to INR 1,17,356 in Fiscal 2024, and further rose to INR

1,27,627 in Fiscal 2025 FRE. It is estimated to increase further to INR 1,38,324 in Fiscal 2026 FE, reflecting continued growth in consumer spending and improving consumption capacity.

PFCE as a share of GDP also remained healthy during the period, broadly staying above 60%. The share stood at 61.5% in Fiscal 2023, moderated to 60.2% in Fiscal 2024, before recovering to 61.4% in Fiscal 2025 FRE and further improving to 61.5% in Fiscal 2026 FE. This indicates that private consumption continues to remain a key driver of India's economic growth. Overall, the steady increase in per capita PFCE, along with a stable PFCE share in GDP, reflects resilient household demand and sustained consumption momentum in the economy.



Source: Ministry of Statistics & Programme Implementation (MOSPI)

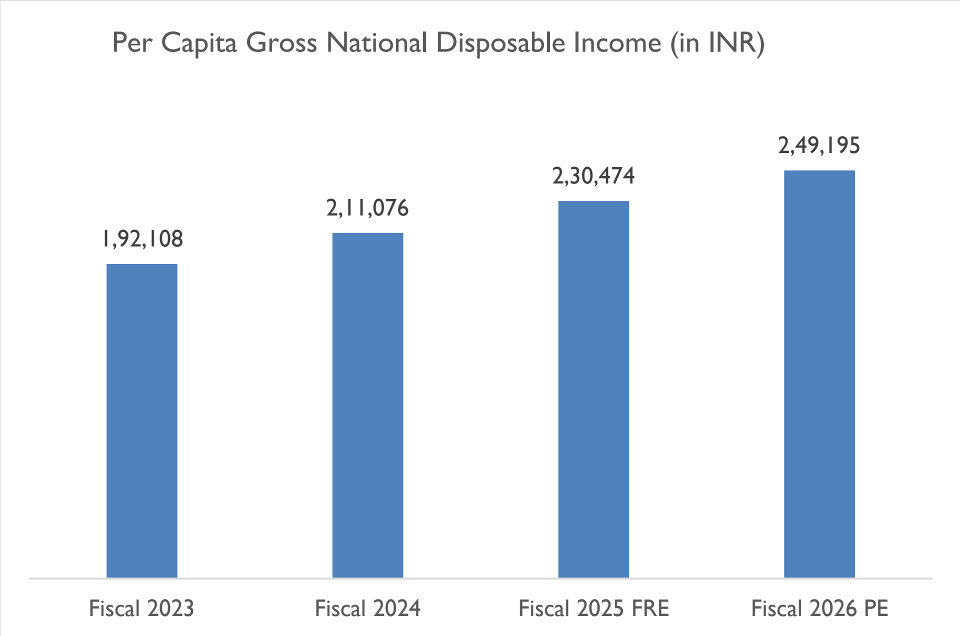
FRE is First Revised Estimate; PE is Provisional Estimates

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 [9]. 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 Gross National Disposable Income (GNDI) has shown a steady upward trend, reflecting improvement in overall income levels and disposable income capacity. Per capita GNDI increased from INR 1,92,108 in Fiscal 2023 to INR 2,11,076 in Fiscal 2024 and further rose to INR 2,30,474 in Fiscal 2025 FRE. It is estimated to increase further to INR 2,49,195 in Fiscal 2026 PE, indicating continued growth in income levels across the

[9] 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 are considered as middle-class households.

economy. The consistent rise in per capita GNDI highlights strengthening purchasing power and improving household income conditions, which can support consumption demand going forward. Overall, the trend reflects a positive income environment, with rising disposable income expected to contribute to sustained private consumption and broader economic growth.



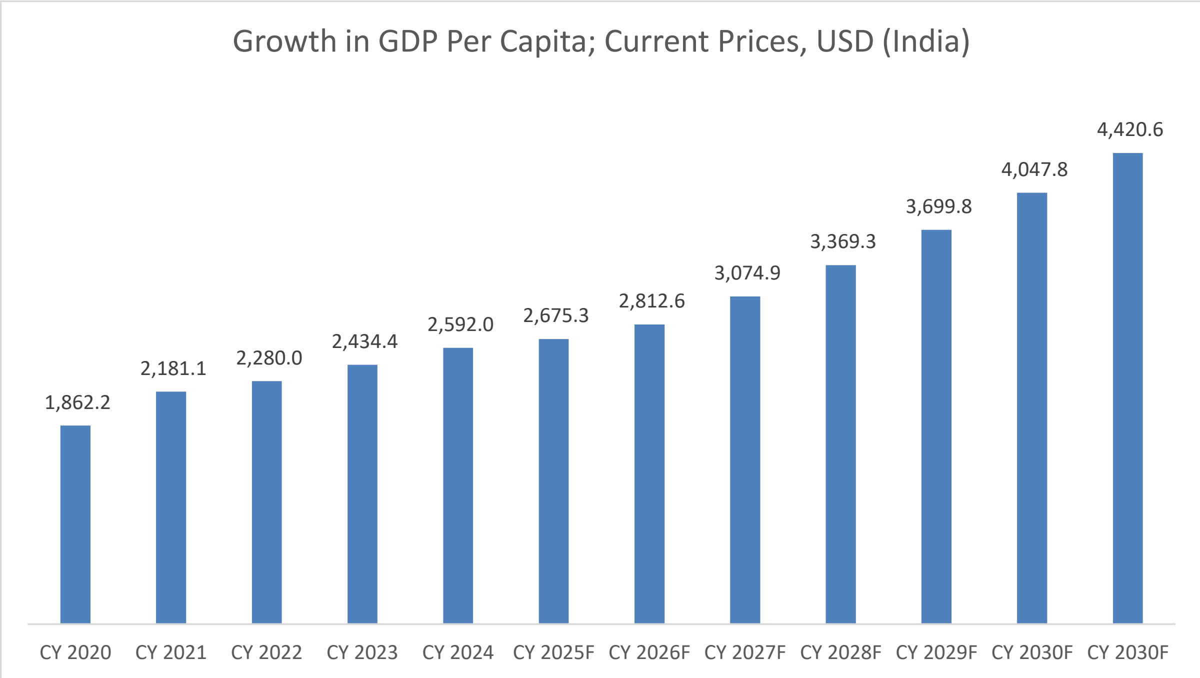
Source: Ministry of Statistics & Programme Implementation (MOSPI)

FRE is First Revised Estimate; PE is Provisional Estimates

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.

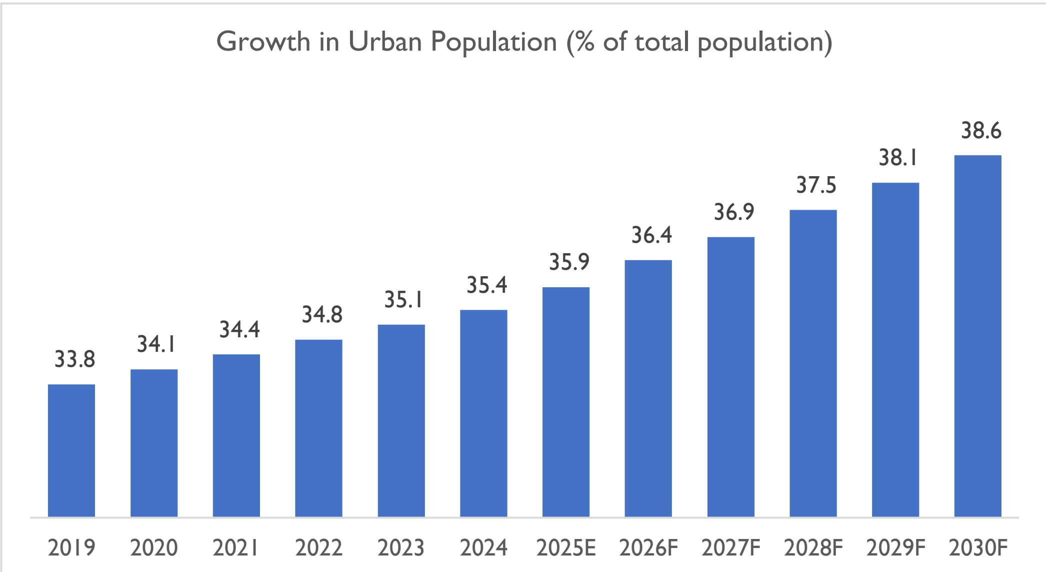


Source: IMF

From CY 2024 to CY 2031, India's per capita GDP is projected to grow at a compound annual growth rate of 7.9%. 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, [10] Dun & Bradstreet Research and Estimates

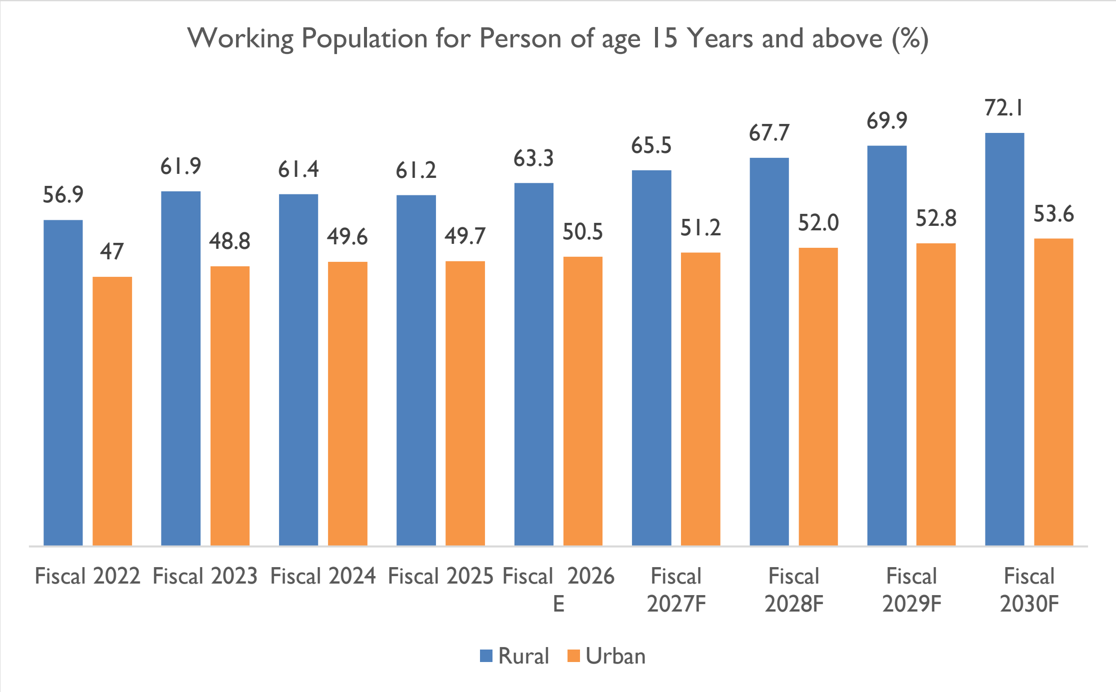
[10] https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?end=2022&locations=IN&skipRedirection=true&start=1960&view=chart

The share of urban population in total population has been rising steadily. In 2019, 33.81% of the total population was urban. By 2025, it had reached 35.9%, showing an increase over a span of five years of about 2.10%. The share of urban population is further forecasted to cross 38.6% 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 a share of 47% in FY22 to 49.7% in FY25, whereas in rural areas, it grew from 56.9% in FY22 to 61.2% in FY25.

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, Dun & Bradstreet Research and Estimates

Note: 2025 refers to the period January 2025 – December 2025 and likewise for 2024, 2023 and 2022

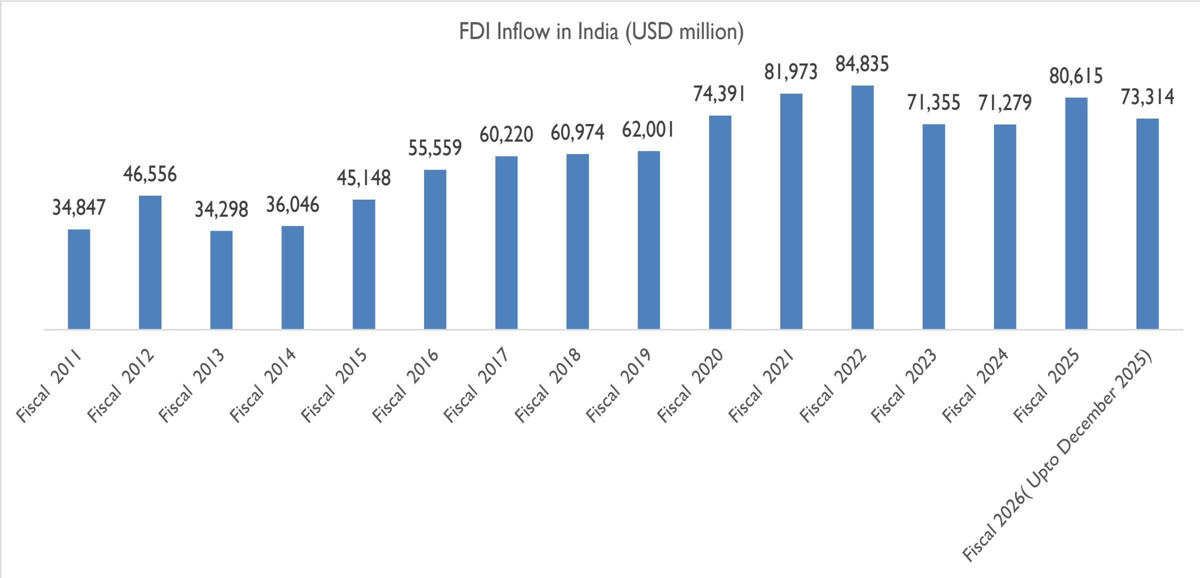
In urban areas, the working population is growing rapidly due to the proliferation of jobs in sectors like IT, finance, retail, and healthcare. Additionally, the development of infrastructure, such as improved transportation networks and housing, has made urban centers more accessible and desirable for 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 and the Income

Tax Act, 1961, was 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

Advertising Landscape in India

Brief Overview of the Advertising Landscape in India

The advertising industry in India is experiencing dynamic growth, driven by evolving consumer behaviour, rapid digitalization, and an increasingly competitive market landscape. Currently, the Indian advertising industry has grown 13.5% in 2025, almost double the Indian real GDP growth of 7.4%. Traditional media such as television, print, and outdoor advertising continue to hold relevance, especially in regional markets, while digital platforms are rapidly transforming the way brands engage with audiences. The rise of social media, mobile internet penetration, and content consumption in regional languages have significantly expanded the reach and influence of advertising campaigns. Sectors like consumer goods, e-commerce, telecommunications, and financial services are major contributors to ad spending, leveraging both traditional and digital channels to connect with diverse consumer segments.

Post-pandemic, India's advertising market has experienced significant growth, driven by economic recovery and changing consumer preferences. The rapid shift towards digital advertising has transformed industry dynamics, prompting brands to increase ad investments across sectors like tourism, retail, real estate, and media & entertainment. This surge reflects the industry's strong rebound, as businesses leverage digital platforms for precise targeting and enhanced consumer engagement, fuelling long-term market expansion.

Types of Advertising Channels in India

1. Print Advertising: Print advertising refers to promotional content that appears in newspapers, magazines, brochures, flyers, and other printed materials. It is one of the oldest forms of advertising in India and is widely used for reaching specific linguistic and regional audiences. This medium is favoured for its credibility and ability to target audiences with detailed, informative content.

2. Television Advertising: Television advertising is a popular form of mass communication that uses commercials aired on TV channels to promote products or services. It is effective in reaching large audiences across various demographics and regions. TV ads are often used by companies to build brand awareness and create emotional connections through visual storytelling and jingles.

3. Radio Advertising: Radio advertising utilizes audio broadcasts to communicate promotional messages to listeners. It is commonly used for local and regional outreach, especially in areas where radio is a key source of entertainment and news. Radio ads are cost-effective and allow for frequent repetition, which helps in increasing message recall.

4. Outdoor Advertising Outdoor advertising including Out-of-Home advertising comprises billboards, hoardings, transit ads on buses and trains, posters, and signage in public spaces. This type of advertising is designed to attract attention from people on the move. It is commonly placed in high-traffic locations to ensure maximum visibility and brand recall.

5. Cinema Advertising: Cinema advertising involves showing promotional videos or static slides before or during movie screenings in theatres. This type of advertising benefits from a captive audience in a relaxed environment and is ideal for delivering high-impact visual content. It is often used for targeting specific geographic locations or premium audience segments.

6. Digital Advertising: Digital advertising encompasses promotional activities conducted through online platforms like websites, search engines, social media, and mobile apps. It allows advertisers to reach specific target groups based on interests, behaviour, and browsing patterns. Common types include banner ads, video ads, social media ads, and email campaigns.

7. Programmatic Advertising: Programmatic advertising is a form of digital advertising that uses automated systems and algorithms to buy and place ads in real time. This method ensures that ads are delivered to the right audience at the right time, often through data-driven targeting and machine learning. It helps improve efficiency and return on investment for marketers.

8. OTT Advertising: OTT (Over-the-Top) advertising refers to promotional content delivered through internet-based streaming platforms, such as those offering movies, TV shows, and web series. These ads are usually displayed before, during, or after content playback. OTT platforms allow advertisers to target users based on viewing preferences and device usage.

9. In-game Advertising: In-game advertising involves placing branded content within video games or mobile gaming applications. This may include virtual billboards, branded items, or rewarded video ads. It is a modern advertising method that engages users while they are immersed in gameplay, often leading to higher engagement rates.

10. Experiential Advertising: Experiential advertising focuses on creating memorable experiences for consumers through events, product demonstrations, interactive installations, or immersive brand activations. It aims to establish a direct and emotional connection between the brand and the consumer by engaging them in meaningful, hands-on interactions.

Out of Home (OOH) Advertising Market Scenario in India

Brief Insight on OOH advertising medium

Out-of-Home (OOH) advertising in India refers to any advertising that reaches consumers while they are outside their homes, including billboards, transit ads, bus shelters, kiosks, and digital screens. In recent years, the OOH sector has experienced steady growth, driven by urbanization, increasing foot traffic, and the rise of digital technology. Traditional formats like hoardings and posters remain popular, while digital OOH (DOOH) is gaining momentum with innovations such as digital billboards and interactive screens in high-traffic areas like malls, airports, and metro stations. OOH advertising offers brands high visibility and the ability to target both urban and rural populations. The rise of smart cities, improved infrastructure, and public transport systems has enhanced the effectiveness of OOH campaigns. Furthermore, the integration of technology, such as programmatic advertising and real-time content delivery, has allowed for more targeted and dynamic messaging.

Key Segments- Transit and Traditional

The segmentation of the OOH sector enables advertisers to choose the most effective format based on their target audience, location, and campaign objectives. The OOH market is broadly segmented into two: transit and traditional, in which **Digital Out-of-Home (DOOH) media encompasses both traditional and transit advertising formats as a technology.** Traditional OOH media includes static displays like billboards and posters, as well as digital billboards and bulletins. Transit advertising involves placements on transportation mediums such as buses, trains, taxis, and rideshare vehicles, effectively reaching audiences on the move. Therefore, DOOH media integrates into both traditional and transit advertising categories. The rise of DOOH within transit advertising and traditional formats continues to drive innovation and growth in India's OOH industry.

Transit Advertising:

Transit advertising is a vital, expanding segment of India's OOH industry, leveraging public and private transport systems to deliver high-impact brand messages. It encompasses ads on metros, railways, airports, buses, taxis, and highways, reaching diverse audiences with extensive visibility. Airports offer premium ad spaces targeting high-income travellers, while metro and railway ads provide mass exposure. Digital transit ads, such as Light Emitting Diode (LED) displays, enhance engagement. As urban infrastructure grows, transit advertising remains a strategic and increasingly digital marketing medium.

Traditional Advertising:

Traditional Out-of-Home (OOH) advertising is a widely used medium for brand visibility, utilizing static formats such as billboards, wall murals, street furniture, and posters in high-traffic areas. Billboards and hoardings are commonly used by industries like Fast-moving consumer goods (FMCG), real estate, and telecom, while painted wall ads are prevalent in rural markets due to their cost-effectiveness. Street furniture, including bus shelters and kiosks, serves as a platform for hyperlocal promotions. Additionally, posters and banners in marketplaces, railway stations, and cinema halls help reach mass audiences.

Types of Out-of-Home (OOH) Services:

Hoardings and Billboards

- **Static Billboards:** These are traditional paper or vinyl displays that remain unchanged for weeks or months.
- **Digital Billboards:** Modern billboards with digital screens allow dynamic content rotation and real-time updates.
- **Three-Dimensional Billboards:** Enhanced static displays using three-dimensional elements to create more immersive brand experiences.

Transit Advertising

- **Bus Advertising:** Wrapping or placing ads on buses (external and internal) to gain visibility across city routes.
- **Train and Subway Advertising:** Advertisements inside trains, on train exteriors, and within subway stations.
- **Taxi Advertising:** Roof-top signs, full-body wraps, and in-cab digital screens.
- **Airport Advertising:** Billboards, digital screens, lounges, and baggage claim areas in airports provide premium ad spaces targeting high-value travellers

Street Furniture

- **Bus Shelters:** Display panels at bus stops; highly effective in densely populated areas.
- **Kiosks:** Information or ticketing kiosks that also serve as ad spaces.
- **Balloon Branding:** Large branded inflatable balloons used during events, fairs, or festivals for high visibility.

Digital Out-of-Home (DOOH) Advertising

- **LED Screens:** Vibrant, large digital screens placed in high-traffic areas.
- **Programmatic DOOH:** Data-driven, automated ad placements based on real-time triggers like weather, traffic, or time of day.
- **Interactive DOOH:** Screens enabling touch, gesture, or mobile interaction for enhanced user engagement.

Events, Exhibitions, and Experiential Advertising

- **Corporate Events and Trade Shows:** Branded booths, banners, and interactive displays.
- **Experiential Marketing:** Immersive setups where consumers experience the brand physically, emotionally, and intellectually.
- **Pop-Up Installations:** Temporary branded spaces created in unexpected locations to attract and engage in large public spaces like malls, exhibitions

Innovations: AR/VR and Technological Advancements

- **Augmented Reality (AR):** Ads that come to life via smartphones or wearable devices, providing interactive experiences.
- **Virtual Reality (VR):** Fully immersive brand experiences placed within malls, events, or customized pop-ups.
- **Holographic Displays:** Projecting Three-dimensional (3D) images without the need for screens or glasses.

In-Store Promotions and Displays

- **Shelf Displays and End Caps:** Branded sections within retail stores.
- **Interactive Kiosks and Sampling Booths:** Encouraging product trials and deeper brand engagement.
- **Digital Signage:** Dynamic messaging inside retail environments that can adapt based on customer flow and preferences.

Key Components of the OOH Advertising Ecosystem

The following are the major components of the OOH advertising ecosystem:

- **Street Furniture**

Street furniture advertising utilizes urban fixtures such as bus shelters, kiosks, benches, and public toilets as media placements. These ads benefit from **proximity to foot traffic** and **repetitive exposure**, making them particularly effective in densely populated urban centres. Because these formats are often part of the commuter's environment, they naturally blend into daily routines and subtly influence decision-making. A commuter waiting at a branded bus stop every morning is more likely to recall that brand at the point of purchase.

Qualitative studies indicate that **consumers perceive street furniture ads as more trustworthy and grounded** due to their integration into civic infrastructure. In a Paris-based focus group, respondents reported that well-maintained and creatively branded bus shelters elevated their perception of the advertising brand, often associating it with reliability and public engagement. Street furniture is especially effective for **local businesses**, healthcare messages, and FMCG brands aiming to establish trust through constant presence.

- **LED (Digital OOH Screens)**

LED displays and digital billboards are among the most eye-catching OOH formats, offering **dynamic, high-resolution content** that can be changed in real-time. Their visual appeal and ability to incorporate motion graphics make them particularly effective in grabbing attention quickly. Placed strategically in high-footfall areas like city centres, airports, and malls, LED screens are ideal for campaigns that require **timely messaging or multimedia storytelling.**

Qualitative feedback from urban millennials in Tokyo highlighted that LED displays with **live updates (e.g., countdowns, news, or weather)** increased viewer interaction and perceived relevance. Consumers reported feeling more connected to brands that used digital storytelling, especially when combined with **contextual triggers** like time of day or event-based messaging. As one participant noted, "The ad that changes with the weather feels like it's talking to me not just at me."

- **Events**

OOH advertising at public or branded events creates **live touchpoints** for brand engagement. These activations often use banners, backdrops, stage branding, and interactive installations to embed advertising in the event experience. By aligning with entertainment, sports, or cultural gatherings, brands gain **emotional resonance and experiential credibility**.

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Qualitative observations from a music festival in Manchester revealed that attendees were more likely to remember brands that provided **utility or entertainment**, such as free Wi-Fi stations, charging booths, or photobooths with branded frames. Attendees linked their positive event experience to the brands involved, stating that these sponsors "felt like part of the celebration" rather than intrusions. Events offer advertisers not just visibility, but **association with shared joy and cultural relevance**.

➢ **Exhibitions**

Exhibitions and trade shows provide a **targeted OOH platform** where brands interact with a captive audience actively seeking information. These venues are ideal for business-to-business communication, product launches, and service demonstrations. Exhibitions combine **informative display with personal engagement**, allowing companies to leave a lasting impression through both visual and verbal narratives.

Qualitative feedback from attendees at an international tech expo in Berlin emphasized the impact of **bold, immersive booth design and hands-on product trials**. Visitors reported greater trust in brands that allowed open interaction with representatives and technology. "I'm more likely to buy or recommend something I've touched, tested, or seen up close," one respondent noted. Thus, exhibitions enable **deeper, more informed consumer decision-making.**

➢ **Experiential Marketing**

Experiential marketing in OOH leverages **real-world interactions** to build emotional connections. This could include pop-up installations, interactive games, mobile brand activations, or surprise performances. These campaigns rely on **memorable engagement** to encourage social sharing and long-term recall, often turning passive viewers into active brand participants.

A qualitative study from New York revealed that consumers involved in a Coca-Cola "Share a Coke" pop-up experience which offered personalized bottles and a photo opportunity reported **higher emotional affinity** to the brand weeks after the event. Participants shared that the experience felt "personal and fun," often leading **to organic word-of-mouth** and social media amplification. This approach is particularly powerful among Gen Z and millennials, who prioritize **experience over passive exposure**.

➢ **Innovations (AR/VR)**

Augmented Reality (AR) and Virtual Reality (VR) have introduced **next-gen interactivity** into the OOH landscape. AR-integrated billboards or transit ads invite users to engage using their smartphones, overlaying digital content on the real world. VR installations, typically used in experiential zones or exhibitions, allow for **complete brand immersion**.

In a London-based pilot, an AR bus shelter campaign for a car company let passersby view a three-dimensional (3D) model of the car in the real-world setting using their phones. Participants described the experience as "futuristic and exciting," with 70% of those surveyed saying they were more likely to research the brand afterward. Similarly, VR booths at tech expos allow users to **test drive or explore** products in virtual environments, enhancing **brand intimacy** and tech-savviness perception.

➢ **In-Store Promotions and Displays**

Though technically within retail premises, in-store displays are integral to the broader OOH ecosystem, influencing behaviour at the point of purchase. These include branded shelves, digital signage, product islands, and promotional stands. Effective in-store advertising combines **visual hierarchy with shopper psychology** to guide decisions in real time.

Focus groups conducted in Mumbai grocery stores showed that **colorful, interactive in-store displays,** such as motion-triggered digital ads or smell-dispensing units near coffee sections, led to higher impulse purchases. Consumers often referred to these displays as "attention-grabbing" and said they made the product "seem fresher or more exciting." The proximity to purchase decision-making makes in-store promotions **instrumental in driving conversion.**

Digital Technology in OOH: Enhancing Transit and Traditional Advertising

Digital advertising technology has significantly transformed both **Transit** and **Traditional** Out-of-Home (OOH) advertising formats, offering greater flexibility and enhanced engagement opportunities. In the **Traditional OOH** segment, innovations like **digital billboards**, **LED displays**, and **interactive kiosks** allow for real-time content updates, providing advertisers with the ability to tailor campaigns dynamically based on audience insights. These digital formats also enable more precise targeting through **location-based advertising** and **programmatic buying**, ensuring that ads are relevant to specific consumer segments, thus improving overall effectiveness and return on investment.

In the **Transit OOH** space, digital technology has revolutionized advertising within **public transportation hubs** and **vehicles**. Digital **screens** and **video walls** now dominate train stations, bus stops, and airport terminals, delivering highly engaging content to commuters. These platforms provide brands with the ability to display targeted messaging based on time of day, traffic patterns, and even demographic data, enhancing relevance. Additionally, interactive features like **Quick Response Code** and **mobile engagement** strategies allow consumers to directly interact with advertisements, further improving consumer experience and driving immediate action. As digital technology evolves, it continues to reshape both **Traditional** and **Transit OOH** advertising, offering brands innovative ways to engage with their audiences.

Integration of Digital Technology in OOH Advertising & Its Impact

Digital technology has significantly changed the landscape of out-of-home (OOH) advertising. In the past, businesses mainly depended on traditional billboards and posters to promote their products and services. Today, however, OOH advertising has become more advanced, allowing brands to connect with audiences in more innovative and effective ways.

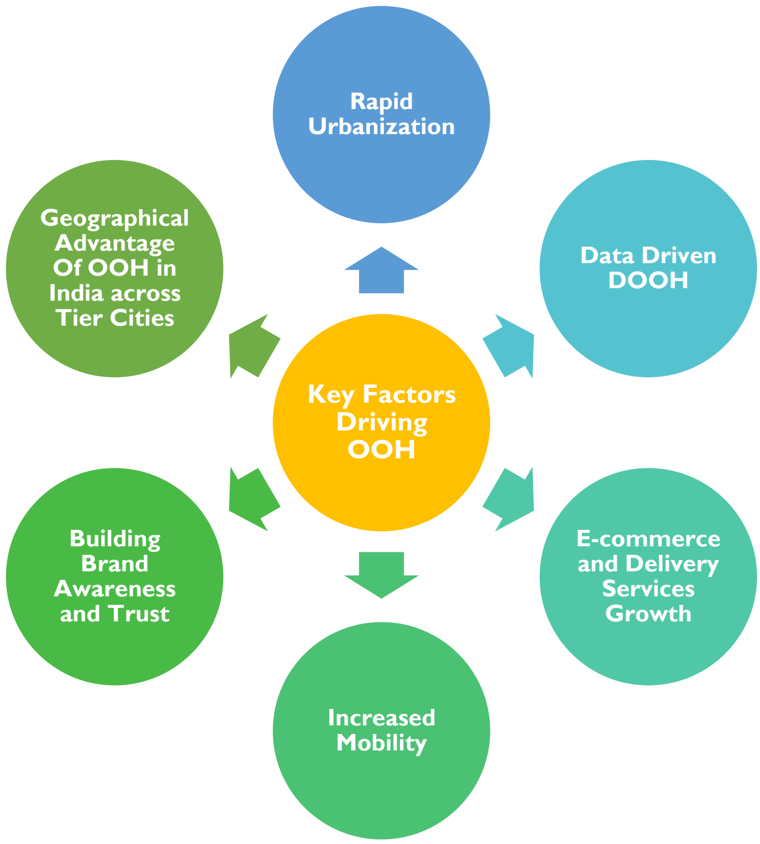
One major benefit of digital technology in OOH advertising is access to real-time data and analytics. Digital displays allow companies to measure important performance indicators such as impressions, engagement, and conversion rates instantly. This helps advertisers make smarter decisions and manage their budgets more efficiently. In addition, digital technology has made advertisements more interactive and engaging. Brands can now use features such as touchscreens and augmented reality to create memorable experiences and encourage consumers to interact with their products in a virtual environment. Another important advantage is flexibility. Unlike traditional advertising formats, digital screens can be updated remotely at any time, without the need to physically visit the location. This gives advertisers more control over their campaigns and allows them to change content quickly based on timing, audience, or market needs.

As digital technology continues to develop, OOH advertising is expected to become even more effective. Companies will be able to deliver more personalized and engaging content while also monitoring campaign results almost instantly through advanced data tools.

Demand Scenario

India's Out-of-Home (OOH) advertising landscape is undergoing a dynamic transformation, fuelled by rapid urbanization and technological advancements. Once dominated by static billboards, the industry is now embracing digital innovation and data-driven strategies to captivate increasingly mobile audiences. This evolution is driven by a confluence of factors, ranging from massive infrastructure development to the pervasive influence of digital technology. **The two largest metro agglomerations, Delhi National Capital Region (Delhi NCR) and Mumbai, account for about 48% of national revenues; with the top 10 cities estimated to be around 71%.**

Key Factors Shaping the Demand for OOH Advertising Services in India



- **Rapid Urbanization**: Rapid urbanization drives OOH advertising growth in India. The expansion of metro networks, highways, and airports creates high-traffic areas for OOH placements, increasing brand visibility. India's rapid urbanization will result in 600 million people, or 40% of the population, living in urban areas by 2036, up from 31% in 2011. The Indian government's Smart Cities Mission is driving the development of 100 smart cities nationwide. These cities are characterized by improved infrastructure, including better roads, public transportation, and urban planning, which creates new and improved spaces for OOH advertising.

- **Increased Mobility:** In India, increased mobility is driving the growth of Out-of-Home (OOH) advertising by exposing people to a variety of formats, thereby expanding campaign reach. The rise in vehicular, public transportation, air travel, and pedestrian movement all play a significant role in this growth. For example, the expanding metro rail networks, such as the Delhi Metro with its 5 million+ daily ridership, provide captive audiences for advertisers.

  One notable campaign was Myntra's "Roadblock" campaign in Bangalore, where a series of sequential billboards along a busy highway created a narrative that unfolded as commuters drove by. Similarly, Swiggy Instamart's Valentine's Day campaign in Mumbai and Gurugram featured interactive installations in high-traffic pedestrian zones, allowing passersby to scan QR codes and quickly order gifts for delivery, catering to "love emergencies."
- **Data-Driven Targeting with DOOH:** The introduction of DOOH in India has enabled brands to integrate data analytics and real-time content updates. This technology allows advertisers to deliver dynamic content based on location, time, and even weather conditions. For instance, an ad for cold beverages could be displayed on a hot day, while an umbrella brand could advertise during monsoon months. This level of targeting offers brands the chance to craft highly relevant campaigns that resonate with specific audiences. Unlike traditional OOH, DOOH enables advertisers to deliver targeted ads to specific demographics within a particular geographic area, maximizing the relevance of the message to the viewers.
- **E-commerce and Delivery Services Growth:** The boom in e-commerce and delivery services is driving increased OOH advertising for last-mile delivery and online brands. Delivery vehicles (bikes, vans, trucks) are becoming mobile billboards. Companies like Swiggy, Zomato, Amazon, and Flipkart use their delivery fleets to display brand logos and advertising messages, reaching a wide audience in urban and suburban areas. Locations such as local stores, metro stations, and residential complexes offer prime OOH advertising space, allowing brands to target customers at the point of delivery.
- **Building Brand Awareness and Trust:** Amidst digital dominance, OOH offers brands a crucial physical presence, enhancing credibility, particularly for online ventures. Tangible, real-world visibility validates brand existence and legitimacy. Consistent messaging across strategic OOH locations fosters familiarity, projecting an image of success and stability. Local businesses, like 'Kirana' stores, rely heavily on OOH signage to build essential community trust." Banks like State Bank of India (SBI), Housing Development Finance Corporation (HDFC), and Industrial Credit and Investment Corporation of India (ICICI) use OOH advertisements to showcase their services and build trust among potential customers.
- **Geographical Advantages of OOH in India across Tier Cities**: Tier-1 cities like Mumbai and Delhi, with their dense populations, offer massive OOH audiences and prime locations for targeting affluent consumers. Their diverse neighbourhoods facilitate highly targeted campaigns. Tier-2 cities such as Pune and Ahmedabad are rapidly urbanizing, driving OOH demand with increasing disposable

incomes. These cities serve as regional economic hubs, attracting businesses and consumers. Tier-3 cities and towns provide a cost-effective OOH reach to smaller, rural audiences. Strong regional identities and languages allow for highly localized advertising, maximizing impact.

Regulatory Landscape

Regulatory Policy Framework Governing the Industry in India

➢ **Advertising Standards Council of India (ASCI) – Self-Declaration Certificate for the Advertisers and Brands**

As per the Supreme Court Ruling in June 2024, the self-declaration system for advertisers and brands was open to public opinion and criticism. However, the court has now made it compulsory to submit the self-declaration certificate with respect to abiding by the following aspects while advertising content:

- Advertisers must not promote any kind of misleading, false, or exaggerated claims. All the claims must be based on evidence.
- No advertisements should offend public decency or promote offensive content such as objectifying women, glorifying violence, or promoting harmful stereotypes.
- Advertisers must not encourage harmful behaviour against consumers.
- Advertisers must not disparage competitors' products or services unfairly.
- Advertisers cannot promote harmful or illegal products such as drugs, tobacco, or alcohol in any direct or indirect way.

In 2026, ASCI's public website states that it has handled 87,272 complaints to date and positions its mandate around fair, honest, and responsible advertising. In March 2026, the Ministry of Information and Broadcasting's AdTrust Summit messaging reinforced this direction, with the Union I&B Secretary emphasizing truthfulness, transparency, protection of vulnerable groups, and innovation with accountability as the policy principles for India's advertising ecosystem.

➢ **AMC Outdoor Advertisement Policy** [11]

The Ahmedabad Municipal Corporation (AMC) Outdoor Advertisement Policy, 2023 establishes a comprehensive framework for regulating outdoor advertisements across the city. The policy aims to ensure that outdoor advertising is carried out in a safe, organized, and aesthetically appropriate manner while safeguarding public safety and streamlining the licensing process. It also serves as an important source of municipal revenue through licence fees, permissions, and the management of advertising assets. According to the official AMC Outdoor Advertisement Management Portal, the Corporation has generated over INR 350 crore[12] through the management of outdoor advertisement assets, highlighting the significance of the OOH advertising sector as a revenue source for the city.

[11] https://ahmedabadcity.gov.in/Uploads/FileRepository/final_outdoor_advertisement_policy_2023_09022024.pdf?utm

[12] https://advisionamc.com/#/home

Key Provisions:

- Prior Approval Mandatory: No outdoor advertisement can be displayed on public or private property without obtaining prior permission from the Ahmedabad Municipal Corporation (AMC) and payment of the prescribed licence fee.
- Permitted Advertisement Formats: The policy regulates a wide range of advertisement media, including hoardings, unipoles, gantries, bus shelters, kiosks, digital/LED displays, wall wraps, vehicle advertisements, floating balloons, foot over bridges, and self-signage.
- Structural Safety Requirements: All advertisement structures must be designed, erected, and maintained in accordance with prescribed structural and safety standards to ensure public safety and withstand environmental conditions.
- Traffic and Public Safety: Advertisement structures must not obstruct traffic signals, road signs, pedestrian movement, or visibility at road intersections, ensuring the safe movement of vehicles and pedestrians.
- Display Location Regulations: The policy specifies technical standards relating to the size, height, location, spacing, and installation of outdoor advertising structures to maintain urban aesthetics and minimize visual clutter.
- Digital Outdoor Advertising: Digital and LED advertisement displays are permitted subject to the technical specifications and operational conditions prescribed under the policy.
- Enforcement and Compliance: AMC is empowered to inspect, remove, or take action against unauthorized advertisements and structures that violate the provisions of the policy.

➢ **Ban on Single-Use Plastics in India:**

The Plastic Waste Management Amendment Rules, 2021, effective from July 1, 2022, prohibit the use of identified single-use plastic items with low utility and high litter potential. These include items like plastic straws, cutlery, plates, and banners (less than 100 microns), as well as plastic carry bags under 75 microns thickness. Additionally, the manufacture, import, and sale of plastic bags thinner than 120 microns was banned by December 31, 2022.

A nationwide enforcement campaign was launched, with penalties and fines imposed for non-compliance, amounting to approximately INR 5.8 crore and over 775,000 kg of banned material seized. Furthermore, all states and Union Territories have been tasked with creating action plans to phase out these plastics, with support for MSMEs transitioning to eco-friendly alternatives.

Currently, in January 2026, MoEFCC notified the Solid Waste Management Rules, 2026 and simultaneously promoted "Biopackathon-2026," signaling continuing policy emphasis on reducing problematic material use and improving waste outcomes.

Impact on the Advertising Industry: The ban has significant implications for the OOH advertising sector. Traditional advertising materials such as plastic banners, hoardings, and promotional items have been directly impacted, requiring advertisers to shift to eco-friendly substitutes like fabric banners, recycled materials, and digital signage. This shift is accelerating the adoption of digital and experiential OOH formats, such as LED displays and interactive installations, which are more sustainable.

The Government of India's comprehensive ban on single-use plastic (SUP) has paved the way for adopting digital billboards. This ban directly impacts polyvinyl chloride (PVC) flex screens, which are widely used in static billboards, as PVC is classified as a highly toxic SUP. By focusing on compliance and sustainable alternatives, the advertising industry can position itself as a pioneer in environmental responsibility while meeting regulatory standards.

- **The Indian Outdoor Advertising Association (IOAA)**

The Indian Outdoor Advertising Association (IOAA) founded on August 8, 2007, IOAA was initially incorporated under Section 25 of the Companies Act, 1956, and later re-confirmed as a Section 8 Company under the Companies Act, 2013 and it is the national body representing outdoor media owners in India, with over 220 members and more than 80% of the top OOH media owners. Established as a Not-for-Profit Company under the Indian Companies Act, IOAA works to protect and promote the interests of the outdoor advertising industry.

Mission: To enhance the professionalism, ethics, and efficiency of its members, ensuring that OOH media services are valued by advertisers and agencies.

Vision: To establish OOH advertising as a medium capturing over 10% of India's total advertising spend.

- The association has in August 2025, approached the finance minister with a few requests for outdoor advertising which are as follows: Cutting down of GST levied on outdoor advertising from 18% to 5% to promote investment and support MSMEs.
- GST for PPP-linked advertising projects to be removed especially those which finance civic infrastructure.
- Suitable fostering and recognition of the public service contribution of outdoor media owners to be provided through tax concessions.

➢ The Consumer Protection Act, 1986

The Consumer Protection Act, 1986 was introduced to safeguard consumer rights, especially in the wake of the industrial revolution and global trade expansion, which led to the proliferation of consumer goods and services. With the growth of advertisements influencing consumer choices, often despite product defects or sub-standard quality, there arose a need for a legal framework to protect consumers.

Key Objectives: The Act aims to protect and promote consumer rights by establishing Consumer Councils and dispute redressal forums at the District, State, and National levels. It provides for:

- Protection from hazardous goods and services
- Information on quality, price, and standards
- Access to goods at competitive prices
- Right to be heard in appropriate forums
- Redressal against unfair trade practices
- Consumer education

It established Consumer Protection Councils at central and state levels and set up quasi-judicial bodies for dispute resolution, ensuring faster justice and compensations for grievances. The Act introduced penalties for non-compliance, helping curtail unfair advertising practices. Its impact on the advertising industry has been significant, as it mandates advertisers to ensure that claims made in ads are truthful and not misleading, preventing the promotion of sub-standard or adulterated goods. Thus, the Consumer Protection Act has enhanced consumer confidence and accountability in the advertising industry by holding businesses accountable for misleading or deceptive practices.

➢ The Motor Vehicles Act, 1988 (As Amended by the Motor Vehicles (Amendment) Act, 2019)

The Motor Vehicles Act, 1988 is the principal legislation governing all aspects of road transport vehicles in India. It consolidates laws relating to licensing of drivers and conductors, registration of motor vehicles, control of traffic, insurance, liability, offenses, and penalties. It has been amended multiple times to address contemporary transportation challenges and safety needs. One of the most significant recent amendments was the Motor Vehicles (Amendment) Act, 2019.

Key Provisions of the 2019 Amendment:

1. **Enhanced Penalties:** Substantial increase in fines for traffic violations (e.g., drunken driving, driving without a license).
2. **Road Safety:** Focus on protecting good samaritans, mandatory recall of defective vehicles, and establishing a Motor Vehicle Accident Fund.
3. **Licensing Reforms:** Automated driving tests, online applications, and stricter norms for issuing licenses.
4. **Regulation of Aggregators:** Mandatory licenses and compliance with IT Act for services like Uber and Ola.
5. **Vehicle Fitness & Emissions:** Streamlined vehicle fitness testing and emissions control.
6. **Third-Party Insurance:** Changes to liability caps and claims processing.

Impact on the OOH Advertising Industry

- **Stricter Safety Norms:** Billboard placement near highways and accident-prone areas is now restricted to avoid driver distraction.
- **Vehicle Ad Regulation:** Ads on buses, taxis, and trucks must comply with new visibility and safety standards.
- **State-Specific Rules:** Varying state regulations require customized advertising strategies.
- **Shift to Smart Formats:** Rise in GPS-enabled and digital transit ads due to fewer restrictions.
- **Higher Costs:** Increased insurance liabilities may raise advertising costs on public transport.

➢ **The Copyright Act, 1957**

The Copyright Act, 1957 is India's primary legislation protecting creators' rights over original works such as literary, musical, artistic works, films, and sound recordings. It grants creators exclusive rights for use and distribution, typically lasting the author's lifetime plus 60 years. The Act includes provisions for ownership, licensing, fair use, and remedies against infringement.

Impact on OOH (Out-of-Home) Advertising:

- **Content Use:** OOH ads using copyrighted material (images, music, slogans) must secure proper licenses. Unauthorized use can lead to legal action.
- **Creator Rights:** Rights of photographers, designers, and writers involved in ad creation must be contractually clarified to avoid disputes.

- **Public Display:** Since OOH ads are public displays, they must comply with "communication to the public" provisions of the Act.

➢ **The Environment (Protection) Act, 1986**

The Act aims to provide for the protection and improvement of the environment. It empowers the Central Government to take necessary measures to prevent, control, and abate environmental pollution. The Act extends to the whole of India and covers various aspects of environmental protection.

Impact on the Out-of-Home (OOH) Advertising Industry

The OOH advertising sector which includes billboards, hoardings, and digital displays is affected by the Act in the following ways:

- **Material and Light Use:** Restrictions on non-biodegradable materials and light pollution may influence the type of display materials and lighting used.
- **Location Controls:** Advertisements may be prohibited in ecologically sensitive zones or heritage areas to prevent environmental harm.
- **Waste Management:** Proper disposal and recycling of advertising materials are required to avoid penalties.
- **Energy Efficiency:** The push for reduced emissions encourages the use of low-energy digital boards and eco-friendly practices.
- **Compliance:** Violations can result in fines or imprisonment, necessitating strict adherence to environmental norms.

Government Initiatives:

- **Smart Cities Mission**:

The Smart Cities Mission in India presents substantial growth prospects for the Out-of-Home (OOH) advertising sector through the strategic incorporation of digital displays and interactive technologies within urban infrastructure. This integration facilitates the delivery of targeted and dynamic advertising content in public areas, thereby enhancing citizen engagement while concurrently supporting the overarching objectives of the smart city vision. By capitalizing on technology-driven solutions, OOH advertising contributes to the improvement of various urban facets, including transportation networks, public spaces, and civic services, aligning with the mission's fundamental goal of elevating the quality of life within urban centres.

Furthermore, the proliferation of smart cities across India is anticipated to be a significant catalyst for expansion within the billboard advertising industry. These technologically advanced urban environments are characterized by the deployment of sophisticated infrastructure, such as digital billboards with internet connectivity capable of displaying dynamic and interactive content. This advanced capability enables enhanced engagement with target audiences and the delivery of more personalized advertising experiences.

- **Digital India initiative:**

The ambitious Digital India initiative, spearheaded by the Indian government, serves as a powerful, albeit indirect, catalyst for the burgeoning Digital Out-of-Home (DOOH) advertising sector. At its core, this national program aims to digitally empower Indian society and transform the nation into a knowledge-driven economy. This overarching vision creates a fertile ground for the advancement and integration of digital technologies across various industries, with DOOH advertising being a significant beneficiary. The initiative's strong emphasis on bolstering digital infrastructure, most notably through the extensive rollout of high-speed fifth generation (5G) networks and the widespread expansion of broadband connectivity, lays the essential groundwork for the seamless operation and future scalability of DOOH campaigns. Robust internet connectivity is the lifeblood of dynamic DOOH, enabling real-time content updates, efficient remote campaign management, and the delivery of interactive and engaging advertising experiences.

Furthermore, the Digital India initiative fosters a culture of technological adoption across businesses and cultivates a digitally literate populace. This increased familiarity and comfort with digital interfaces create a larger and more receptive audience for innovative advertising formats like DOOH. The development of smart cities, a key component of the Digital India vision, further contributes by integrating digital technologies into the very fabric of urban infrastructure. This includes the strategic deployment of digital displays for disseminating public information and, crucially, for advertising purposes, thereby generating more structured and potentially premium locations for DOOH installations.

- **Infrastructure Development:**

The Indian government's unwavering commitment to large-scale infrastructure development acts as a fundamental driver for the expansion and diversification of the Out-of-Home (OOH) advertising industry, encompassing both traditional and digital formats. Massive investments in projects such as the development and expansion of metro rail networks, the modernization of airports, the construction of extensive highway networks, and the enhancement of public transportation systems directly translate into a wealth of new and strategically important advertising spaces. These transportation hubs and corridors are characterized by high volumes of foot traffic and commuter movement, offering OOH advertisers an unparalleled opportunity to connect with a vast and diverse cross-section of the

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population. The sheer scale of these infrastructure projects inherently increases the visibility and potential reach of OOH advertisements.

Moreover, the focus on developing smart cities adds another layer of opportunity. These urban development initiatives prioritize the creation of well-organized public spaces equipped with modern amenities, often including designated areas for advertising integrated into street furniture, digital kiosks, and other public infrastructure. This provides a more structured and often premium environment for OOH advertising deployments. Beyond creating new advertising locations, improved infrastructure directly contributes to increased traffic and commuter movement. The development of better roads, highways, and more efficient public transport systems enhances the overall mobility of people across urban and rural areas. This increased mobility naturally expands the reach and visibility of OOH advertisements strategically placed along these enhanced transportation networks and within the bustling transportation hubs.

Threats & Challenges

Analysis of Major Threats & Challenges Impacting the Industry

Measurements & Attributes

- Unlike digital advertising, which provides readily available metrics such as clicks and conversions, measuring the effectiveness of outdoor advertising campaigns presents a greater challenge. It is crucial to establish clear metrics and attribution models to track the impact of outdoor ads on consumer behaviour and demonstrate ROI.
- Example: A billboard might attract thousands of views, but there is no precise method to determine who engaged with it or acted upon seeing it.

Weather & Environment Challenges

- Outdoor advertising is vulnerable to weather conditions and environmental factors that can impact its visibility and durability. Extreme weather events, vandalism, and natural wear and tear may reduce the effectiveness and lifespan of campaigns, requiring proactive planning and regular maintenance.
- Example: Strong winds can cause physical damage to billboards, making them unsafe. In coastal cities like Mumbai or Kolkata, storms can uproot ad structures.

Audience Fragmentation

- The rise of digital media and the growing diversity of consumer interests have made it increasingly difficult to reach and engage target audiences through outdoor advertising. To maximize impact, advertisers must leverage data-driven insights to segment audiences effectively and tailor their messaging and ad placements accordingly.
- Example: A luxury watch brand advertising in a high-traffic area will reach a broad audience, but only a small percentage might be potential customers.

Regulatory & Legal Constraints

- Outdoor advertising is governed by various regulations and zoning laws set by local authorities. Advertisers must navigate restrictions related to sign size, placement, and content, ensuring compliance while optimizing visibility and brand exposure.
- Example: Outdoor advertising is prohibited in certain government and residential areas to maintain aesthetics.

Online advertising

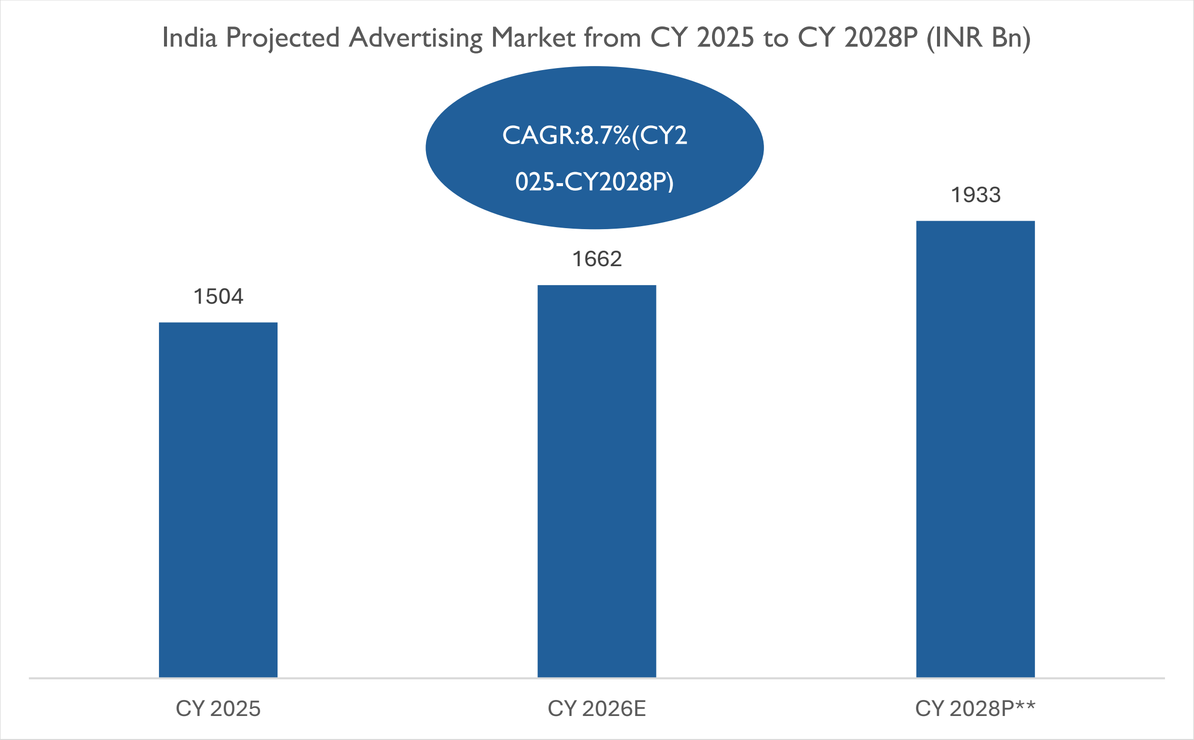
Despite a growing preference among companies for online advertising channels driven by their perceived immediate reach and data-driven capabilities, this shift poses a significant challenge for the OOH advertising industry. The digital strategies often encounter issues such as limited ad visibility due to ad blockers, rising costs from fraudulent bot traffic, and increasingly stringent privacy regulations that hinder precise targeting.

- For example, many restaurants now prioritize online ads to leverage targeted reach and performance tracking. Yet, by overlooking OOH options like transit or billboard advertising, they risk missing potential customers who are unreachable due to ad blockers or digital fatigue. This digital-first approach, while popular, contributes to the ongoing challenge of reduced investment in OOH media.

Growth Scenario

Expected Growth in Indian Advertising Industry

India's advertising market is set for strong growth, fuelled by increasing digital adoption, evolving consumer behaviour, and rising brand investments. It is expected to maintain a healthy growth trajectory, rising from INR 1,504 Bn in CY2025 to INR 1,662 Bn in CY2026E, and **projected to** reach INR 1,933 Bn in CY2028P. Based on these estimates, the industry is projected to grow by 10.5% in CY2026E, with strong growth potential in the market, implying an approximate 8.7% CAGR till FY2028P.



Source: D&B Estimates, FICCI Report on M&E'26

**Note: 'E' refers to Estimates and 'P' refers to Projections

The sector is expanding across digital, television, print, and outdoor advertising, with digital emerging as the key driver due to growing internet penetration, smartphone usage, and the e-commerce boom. Industries such as FMCG, retail, automotive, Banking, Financial Services, and Insurance (BFSI), and real estate are ramping up their ad spends, integrating AI-driven marketing, influencer collaborations, and programmatic advertising to enhance engagement.

With increasing demand for personalized and data-driven advertising strategies, businesses are shifting towards digital platforms, OTT media, and targeted campaigns. Additionally, government initiatives like Digital India and the growing consumption of regional content are further driving expansion.

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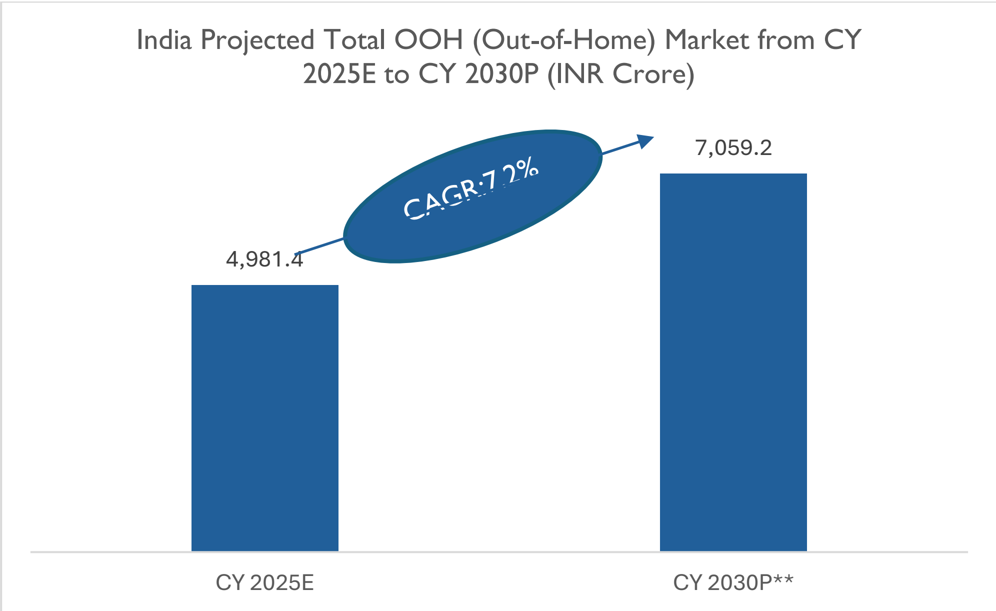
The rise of AI-powered and immersive advertising solutions is set to shape the future landscape, ensuring sustained long-term growth for India's advertising industry.

Expected growth in Indian OOH industry

India's Out-of-Home (OOH) advertising market is projected to witness steady and accelerating growth over the medium term, reflecting the increasing relevance of outdoor media in an evolving advertising landscape. Based on the estimates provided, the market is expected to grow from INR 4,981.4 crore in CY2025E to reach INR 7,059.2 crore by CY2030P, implying a CAGR of 7.2%.



Source: D&B Estimates

**Note: 'E' refers to Estimates and 'P' refers to Projections

This progression indicates that the Indian OOH sector is moving beyond simple post-pandemic recovery and entering a phase of structural expansion. Between CY2025E and CY2030P, the market is expected to add approximately INR 2,077.8 crore in incremental value, highlighting the growing confidence of advertisers in outdoor media as an impactful brand-building channel. The projected CAGR of 7.2% also suggests improving momentum in the forecast period, supported by stronger demand, better inventory quality, and deeper market penetration.

Overall, the projections suggest that India's OOH market is set to remain on a healthy upward trajectory. As brands increasingly look for high-impact, location-based, and omnichannel advertising opportunities, OOH is likely to strengthen its position within the broader media mix. This period is therefore expected

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to be particularly important, marking a phase where the sector benefits not only from advertiser recovery, but also from digitization, premiumization, infrastructure expansion, and improved measurement capabilities.

The Future of Out-of-Home Advertising

The future of out-of-home advertising looks promising as digital technology continues to grow. Advertisers will be able to create more personalized campaigns using data based on audience interests, behaviour, and location. Interactivity will also play a bigger role, with features like touchscreens and augmented reality making ads more engaging. In addition, the development of smart cities will help advertisers use real-time information, such as traffic and weather, to deliver more relevant messages. Overall, new technologies will make OOH advertising more creative, targeted, and effective.

Competitive Landscape

The competitive landscape in the Out-of-Home (OOH) Advertising industry in India is highly dynamic, with numerous players vying for market share across various segments, including billboards, transit advertising, digital screens, and ambient media. Major players in the industry include both large media conglomerates like Bright Outdoor Media, Laqshya Media Group, and Times OOH, as well as regional and niche players who focus on specific areas or formats. The industry is witnessing increasing competition from digital OOH advertising, where companies are leveraging technology to offer dynamic, targeted, and interactive ads on digital screens in high-traffic areas. Moreover, with the rise in urbanization and infrastructure development, the demand for OOH advertising space in key locations such as airports, malls, bus shelters, and metro stations has surged, intensifying competition. As brands shift towards more data-driven, measurable advertising strategies, OOH providers are investing in advanced analytics, programmatic buying, and real-time content delivery to remain competitive. The landscape is further shaped by regulatory changes, technological advancements, and the growing trend of integrating OOH with other media channels for integrated marketing campaigns.

At the regional level, Gujarat is one of the key markets for the OOH advertising industry, supported by rapid urbanization, improving road infrastructure, and increasing passenger and freight traffic across major cities such as Ahmedabad, Surat, Vadodara, and Rajkot. The market is served by several established OOH advertising companies, including Kaushik Outdoor Publicity Private Limited, Chitra Publicity Co., Abhik Advertising Pvt. Ltd., Aarish Outdoors Limited, Nyasa Media Agency LLP, Mukta Publicity, and Adarsh Advertising.

Analysis of Factors Shaping Competition

- **Urbanization and Infrastructure Development**: As Indian cities grow, more advertising opportunities emerge in high-traffic areas such as airports, metro stations, malls, and highways. Cities like Mumbai and Delhi offer premium locations for OOH advertising. The expansion of metro networks, like the Delhi Metro, has led to increased competition in transit advertising spaces.
- **Consumer Behaviour and Shift to Digital**: With the growing reliance on smartphones and digital media, consumers' attention spans are shrinking, and advertisers are focusing on **interactive and mobile-integrated** OOH solutions. The competition is shifting towards creating engaging experiences, such as QR codes or augmented reality ads. A good example is **Portea Health's partnership with Laqshya Media** for health-based interactive campaigns that encourage consumer participation.
- **Technological Advancements**: The rise of **digital OOH** is transforming the industry. Digital screens, interactive billboards, and programmatic advertising enable dynamic, real-time content updates, personalized targeting, and better measurement of campaign effectiveness. For example, Times OOH has expanded its digital footprint in key urban locations, making it a strong competitor.

- **Regulatory Environment**: Local and national regulations around advertising placements, zoning laws, and environmental guidelines significantly impact the OOH sector. For instance, certain cities have strict rules regarding the size and location of billboards, which can limit supply and increase competition for premium spaces. In some cases, like in Delhi, the government has introduced restrictions on large-scale outdoor advertisements to control visual pollution, affecting industry dynamics.
- **Integration with Other Media Channels**: OOH advertising is increasingly being integrated with digital, TV, and social media campaigns for a more cohesive brand message. For instance, **OOH campaigns by Amazon** often work in tandem with digital ads and online promotions, creating a multi-channel experience for consumers and enhancing brand recall.

Company Profile: [13]

Aarish Outdoors Limited

Aarish Outdoors Limited (formerly Aarish Outdoors Private Limited), incorporated in September 2022 and headquartered in Ahmedabad, Gujarat, is an Out-of-Home (OOH) advertising company engaged in providing premium outdoor advertising solutions through strategically located media assets. Leveraging more than a decade of industry experience of its promoters and management, the Company offers advertisers access to prominent hoarding locations across Ahmedabad and surrounding markets, helping brands enhance visibility, strengthen market presence and effectively engage target audiences. Its business is built around delivering customized advertising solutions that maximize campaign reach and brand recall through high-impact outdoor media.

The Company provides end-to-end OOH advertising services encompassing media planning, campaign execution, creative design support, installation and maintenance of advertising displays. Its media portfolio comprises strategically positioned static hoardings located across major commercial corridors, highways, urban centres and high-footfall locations in Ahmedabad, Gandhinagar and nearby regions. Aarish Outdoors derives advertising rights through a combination of municipal authority tenders and agreements with private landowners, enabling it to maintain a diversified and scalable media network. Revenue is primarily generated through the sale of advertising space to a broad customer base, including advertising agencies, corporate advertisers, government departments, public sector undertakings, educational institutions and local businesses across sectors such as real estate, retail, automobiles, healthcare, education, financial services, hospitality and consumer products.

Billboard advertising constitutes the Company's principal revenue stream, with campaigns executed against confirmed work orders for specified locations and display periods. Its strategically located assets offer advertisers sustained brand visibility and broad audience reach, particularly across high-traffic roads and commercial hubs. The Company's competitive strengths include premium asset locations, strong relationships with advertising agencies and institutional clients, efficient campaign execution capabilities, disciplined receivables management and a continued focus on expanding its media inventory through municipal tenders and private-site arrangements. *As a growing Gujarat-based OOH media company and proposed to be among the first Gujarat-focused OOH advertising companies to be publicly listed, Aarish Outdoors is positioned to capitalize on rising demand for outdoor advertising while strengthening its market presence, customer engagement and long-term growth prospects in the regional advertising industry.*

Key Strengths

- **Strategic Premium Advertising Locations:** Operates outdoor advertising spaces across Ahmedabad's major commercial and high-footfall corridors, enabling advertisers to achieve strong visibility and extensive audience reach.
- **Industry-Experienced Leadership:** The Company benefits from the leadership of **Mr. Harshit Hitendra Shah**, Managing Director, who possesses over **14 years of experience** in the media and advertising industry, including his tenure as **Senior Manager – Media at Dentsu**

[13] Company Sources

Communications India Private Limited. His deep understanding of media planning, campaign execution and client management enables the Company to deliver effective advertising solutions and drive its growth strategy.

- **End-to-End Advertising Solutions:** Offers comprehensive outdoor advertising services covering media planning, creative support, campaign execution, installation, and maintenance under a single platform.
- **Creative & Marketing Expertise:** Supported by an experienced creative and marketing team that develops customized advertising campaigns aligned with client objectives and brand positioning.
- **Focus on Quality & Compliance:** Ensures advertising structures are installed and maintained in accordance with applicable government regulations and safety standards, providing reliable and professional outdoor advertising infrastructure.
- **Customer-Centric Approach:** Focuses on delivering customized advertising solutions, premium media locations, responsive customer service, and high campaign effectiveness to maximize client satisfaction.

Peers Profiling

Company Name	Overview
Bright Outdoor Media Limited	Bright Outdoor Media Limited, founded in 1980 and headquartered in Mumbai, Maharashtra, is an India-based Out-of-Home (OOH) advertising company providing integrated outdoor media solutions across Mumbai and other major metropolitan cities. The company became the first OOH media company in India to be listed on the BSE SME Platform in March 2023. Its service portfolio includes static and digital billboards, transit media, airport advertising, street furniture advertising, cinema branding, events and exhibitions, digital and social media marketing, public relations, celebrity and talent management, and ad film production. The company operates an extensive network of over 1,200 premium advertising sites and delivers 360° integrated advertising solutions encompassing outdoor media, transit advertising, digital amplification, and large-format branding campaigns. Bright Outdoor has executed campaigns across industries, with a strong presence in the entertainment sector, and has received global recognition for innovations such as Asia's largest hoarding and Guinness World Records for solar-powered billboards. The company also manages premium transit media assets across BEST buses, Monorail, Railways, Metro, and MMRDA Freeway and serves more than 5,000 corporate clients.
Signpost India Limited	Signpost India Limited, incorporated in 2008 and headquartered in Mumbai, Maharashtra, is an integrated advertising and media company specializing in Digital Out-of-Home (DOOH) advertising, smart city solutions, and technology-enabled urban infrastructure. The company provides innovative advertising solutions by combining digital technology, data analytics, and creative media formats to deliver impactful campaigns across work, entertainment, shopping, and transit environments through its W.E.S.T. philosophy. The company offers end-to-end solutions across digital billboards, mobility media, street furniture, and public infrastructure projects, supported by its proprietary CAPTURA audience analytics platform. It has pioneered innovations including India's first and largest main street DOOH billboards, the world's largest digital bus queue shelter, hybrid mobility solutions, traffic surveillance booths, and street-accessible libraries. The company also develops commuter-centric public infrastructure integrated with advertising solutions and has received multiple national and international awards for innovation, design, and digital signage.

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Financial Analysis [14]

Particular	Aarish Outdoors Limited			Bright Outdoor Media Limited			Signpost India Limited		
	As at end for Fiscal			As at end for Fiscal			As at end for Fiscal		
	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from Operations	1,198.92	438.59	115.27	57,593.43	45,322.41	38,744.54	15,302.65	12,674.55	10,667.89
Growth in Revenue from Operations (%)	173.36%	280.50%	2760.22%	27.07%	16.98%	16.54%	20.74%	18.81%	16.58%
EBITDA	469.65	187.56	28.33	14,665.94	8,899.06	8,281.32	3,282.54	2,606.99	2,265.46
EBITDA Margin (%)	39.17%	42.76%	24.58%	25.46%	19.64%	21.37%	21.45%	20.57%	21.24%
Profit After Tax	301.99	98.22	27.14	7002.30	3374.53	4406.41	2404.66	1907.49	1603.84
PAT Margin (%)	25.19%	22.39%	23.54%	12.16%	7.45%	11.37%	15.71%	15.05%	15.03%
RoE (%)	116.48%	166.04%	-770.35%	27.63%	16.52%	26.21%	13.77%	12.31%	13.07%
RoCE (%)	93.96%	43.48%	9.16%	29.35%	17.99%	27.32%	17.49%	15.50%	15.10%
Net Working Capital days (In days)	57	87	103	27	13	31	348	366	367
Operating Cash Flows	226.02	83.41	26.84	2181.11	3141.85	6349.62	360.97	505.16	-1806.03

Note: The Consolidated Financial Statements are considered. Sources RFS for Aarish Outdoors Limited and Annual Financial for Peers

Formula:

1. *Financial performance indicators have been computed based on restated financial statement.*
2. *Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.*
3. *Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.*
4. *EBITDA is calculated as Profit before Extraordinary Items and Tax, plus finance costs and depreciation and amortization expenses reduced by other income.*
5. *EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.*
6. *Profit after Tax Means Net Profit after tax attributable to shareholders of the Company for the period/year.*
7. *PAT Margin (%) is calculated as Profit after tax for the year/period as a percentage of Revenue from Operations.*
8. *RoE (Return on Equity (%) is calculated as net profit after tax for the year / period divided by Average Shareholder's fund.*
9. *RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes (Profit before extraordinary items and tax plus finance costs minus other income) divided by capital employed. Capital Employed calculated as Total Assets less current liabilities.*
10. *Operating cash flows means net cash generated from operating activities as mentioned in the Restated Financial Statement.*

[14] *As Certified by the D T A & Associates, Chartered Accountants, by way of their certificate dated June 25, 2026. The financial KPIs has not been independently verified by Dun & Bradstreet.*

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