



INDIA THE NEXT GLOBAL SPORTING MANUFACTURING HUB

INDIA 3.0

FOREWORD



DILIP CHENOY
SECRETARY GENERAL

Sports is regarded as one of the largest industries globally in terms of employment and revenue. The Business of Sports is a multi-billion-dollar global industry propelled by enormous consumer demand.

While it wasn't considered a profit-making affair in the past, the Sports Goods Manufacturing is currently, slated to be amongst the next big industries in the country.

I firmly believe that the environment around sports needs to be revitalised and re-energised. Whether it be manufacturing, education, skill training, sports science, sports broadcast, events, or managing academies, among others, more efforts need to be put in.

India's sports goods industry is nearly a century old and has flourished, driven by a skilled workforce. Being labour-intensive in nature, the industry provides employment to more than 5,00,000 people. India's sporting goods are popular around the world and have made their mark in the global sports goods market. The domestic industry exports nearly 60 per cent of its total output, which also include exports for global events. India has emerged as the leading international sourcing destination for inflatable balls and other sports goods for international brands such as Mitre, Lotto, Umbro and Wilson, etc.

Data says that the sports goods industry in India has witnessed a phenomenal growth over the past six decades and now occupies a place of prominence in the Indian economy in view of its massive potential for employment, growth and export. There has been an increasing emphasis on its planned development, aimed at optimal utilization of resources for

maximizing the returns, particularly from exports. At the same time, the sports manufacturing industry in India is evolving with diverse products and service segments by leveraging new technology and digitization.

The FICCI sports committee through TURF, the annual flagship summit provides a strategic platform to deliberate on ways to boost this industry and make our country a global leader in the sphere of sports goods.

At FICCI, we are committed to finding innovative and effective ways to promote the development of sports and the business of sports in the country. This study, thus, is aimed at showcasing the future of the sports industry that looks promising as a result of the rising popularity and increasing demands, both in domestic as well as in the international markets. This study is aimed at understanding the opportunities and challenges the industry has to offer by ways of observation, hypothesis and surveys acknowledging the demographic variables.

I am grateful to the FICCI Sports Committee and our knowledge Partner IISM for jointly producing this timely report, which will pave the way for future discussions with all the stakeholders and add value to the industry.

MESSAGE FROM THE DIRECTOR



NILESH KULKARNI

The Sports industry in India is on the upswing, both on and off the field. To sustain a sporting revolution, it is necessary that every step be taken to ensure effective and efficient production of sports-related material and equipment. IISM is proud to compile this report on the Sports Manufacturing arm of the industry along with FICCI. This report, which has been put together by members of our senior management and students, will act as a guide to determine the ground reality, current trends and future projections. We hope this will pave the way for India to become the Global Sports Manufacturing Hub and a major boost for all stakeholders in the mission under Atmanirbhar Bharat for India 3.0. We look forward to pursuing similar initiatives with FICCI in future as well.

International Institute of Sports Management (IISM), which pioneered sports management education in India, IISM presently offers Bachelors and Masters Programmes in association with Mumbai University as well as an autonomous Post Graduate Program in Sports and Wellness Management and Sports Event Management. IISM equips students with the professional skills and proficiency necessary to have meaningful careers within the sports industry & be a driving force behind its success. We believe in constantly adapting to the industry's needs.

The environment at IISM instils the spirit of initiative, ingenuity and courage in each student along with imparting classroom education and field experience side by side. Our culture facilitates not just learning from academicians and eminent industry captains but peer learning as well. Aided by the latest technology,

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EXECUTIVE SUMMARY

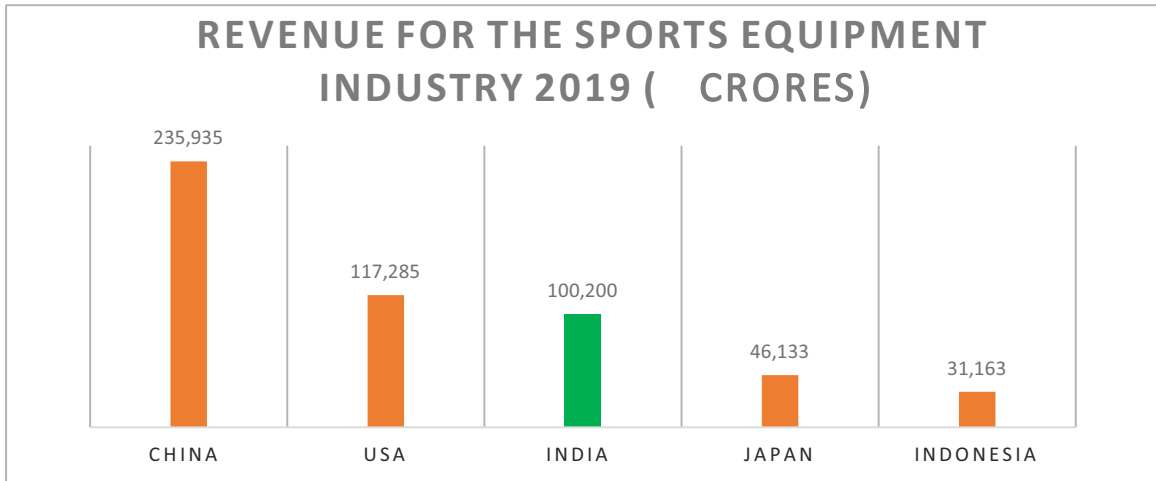
With the high development of the domestic market in India and downturn in significant games markets, for example, the US and Europe, worldwide retailers and Indian producers are zeroing in on the Indian market. Indian producers who have wandered into retail lately have additionally broadened into sports retail. This report talks about the adjustments in the Indian games market and the variables adding to those changes. Throughout the long term, India has created as a sourcing centre point for sports products and the focal point of the assembling area has been on fares. The size of the domestic market is little since Indian culture is training focused and sports are treated as an interruption from instruction. Sports are as yet not treated as methods for business; all things being equal, they are as yet viewed as a wellspring of amusement. This has prompted low games support levels. There are different boundaries, for example, the non-accessibility of framework and the failure to pay for offices and purchase sports items. The Indian Sports Manufacturing market is a fare situated industry. Previously, around 60% of the creation was for the fare market, yet as of late, Domestic interest has expanded and now just around 40% of the creation is for trades. The expansion in the portion of the domestic market shows that the Sports retail market is developing and the Indian producers currently need to zero in on the domestic market. As of now, there is no comprehensive way to deal with improvement of sports items and the area is enduring because of the resultant piece-dinner advancement approach of various committees. Further, the focal point of the committees should be on building a solid "India brand". It may not be workable for a little producer to get his item endorsed by a worldwide organization, yet a few of them, along with comparative items, can build up a brand on a co-usable premise with the assistance of fare committees. Sports today are a fundamental piece of the overall advancement of the human character and accomplishing greatness in games has an incredible bearing on public renown and confidence.

INTRODUCTION

The sports manufacturing industry in India is an amalgamation of different manufacturing units, such as fitness products, merchandise, apparel and sports-specific equipment. The Sports manufacturing industry has come a long way since India's Independence. Initially, the industry set up its base in the northern belt of India, mainly in the cities of Jalandhar, Meerut all the way to the bat-manufacturing industry in regions of Kashmir.

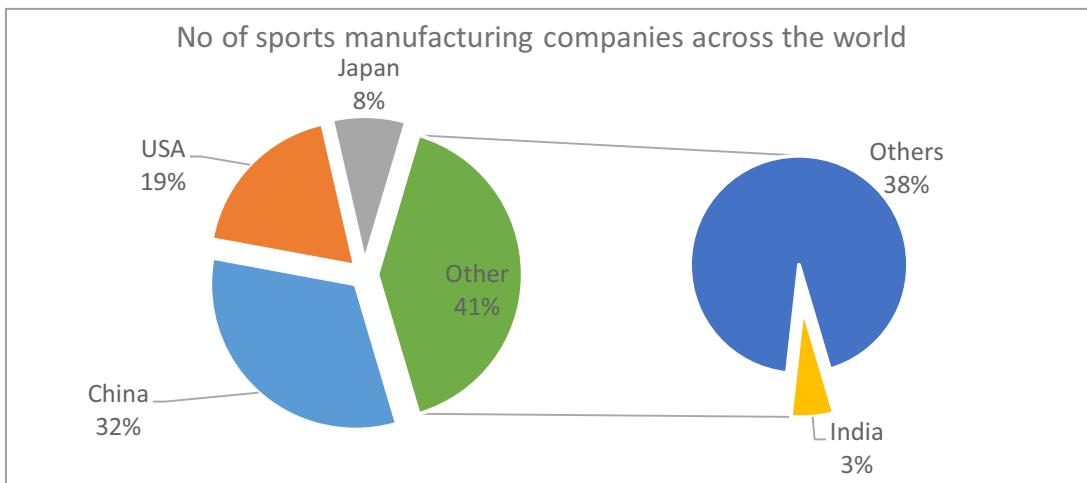
The Sports manufacturing industry has played a significant role in shaping the Indian economy that we know today. A large part of the industry is small-scale and is backed by some of the government's policies. India has been exporting goods to countries across the globe, like North America, Europe and Australia. The report highlights the current scenario of the Sports Manufacturing Industry, challenges faced and future outlook. It also focuses on the vision of various industries and the reforms it can bring through the “Make in India” and “AtmaNirbhar 3.0” missions. It also describes the industry scenario for local brands and the impact of the Global Pandemic of Covid -19. The report also suggests how the sports industry can project India as the next global manufacturing hub.

1. RETAIL AND MANUFACTURING # INDIA VS GLOBAL



India stands in third place in terms of revenue for sports equipment, only behind the big economies of China and the United States.

India has a vast consumer base and export market, but fewer sports manufacturing units in comparison to Japan. This can also be attributed to the smaller unregistered sports manufacturing units in India bringing in revenue.



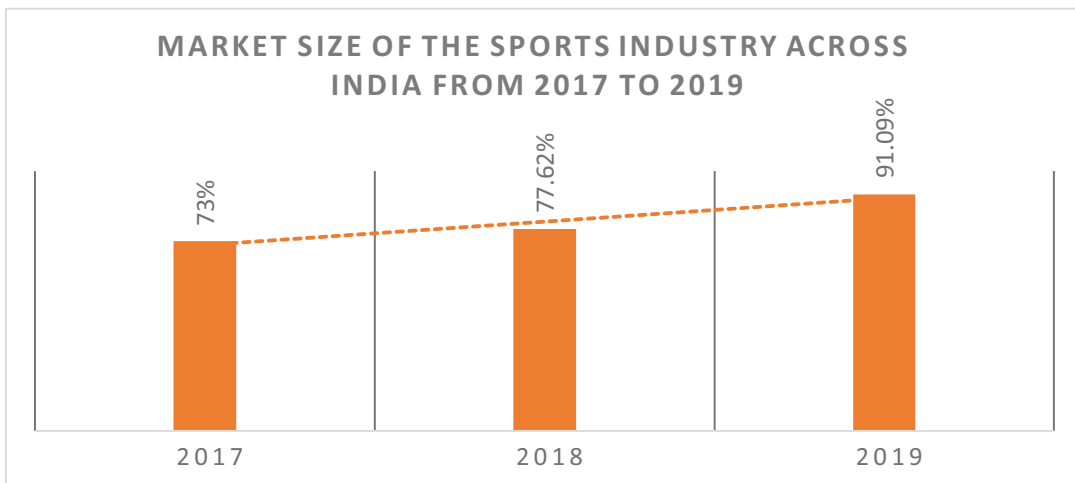
China holds largest share while India has very little contribution in terms of sports manufacturing companies

This is right time we need to boost the sports manufacturing start ups in India in new Global dynamics post Covid 19

More start ups will widen the scope of investment from within India as well as abroad (FDI)

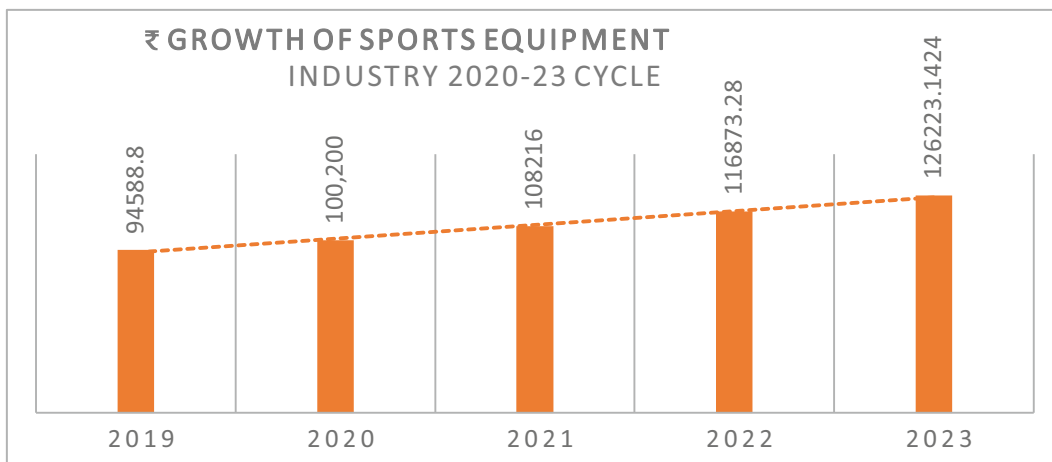
2. MARKET SIZE

The market size of the industry has grown considerably in the past few decades. One of the key reasons for the same was the liberalization of Indian policies over time. Since then, the number manufacturing units and the growth of different brands has come to be known as the sports goods market that we know as of today.



Market size is growing in India and this is very positive in terms of demand and supply.

3. GROWTH TRAJECTORY



The Indian Sports goods industry, excluding apparel, is estimated to grow at 8.0% in the 2020-23 cycle.

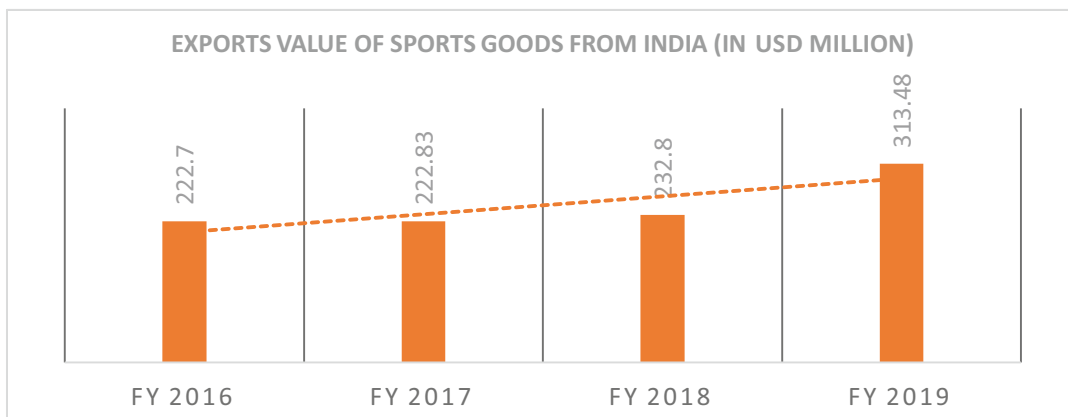
This rate has primarily come down due to the effect of the Covid-19 pandemic as the revenue grew by only 5.6% from 2019 to 2020.

However, experts say that the industry is ready to make an unprecedented comeback with the revival of global supply chains in the post-pandemic period.

5. IMPORT EXPORT STATISTICS

It is seen that the top ten destinations for export of Indian sports goods in 2018-19 were the US, UAE, UK, Australia, Germany, Netherlands, France, South Africa, Sweden and Canada.

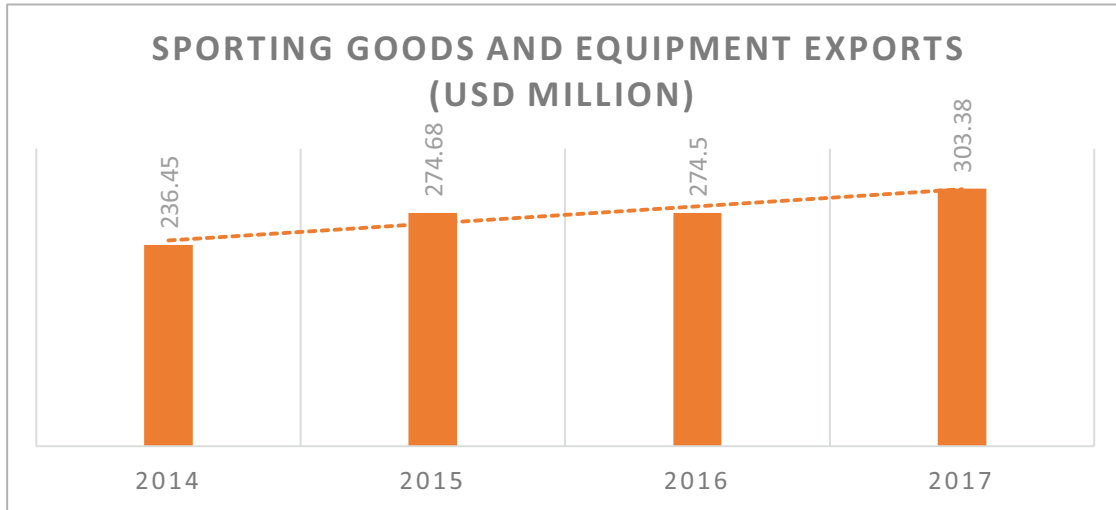
The domestic industry exports nearly 60% of its total output.



Export value of sports goods from India has started growing and this is absolutely positive sign that Global confidence on Indian Sports goods and manufacturing products is in steep rise.

The boost of sports start ups will expand the export horizon further

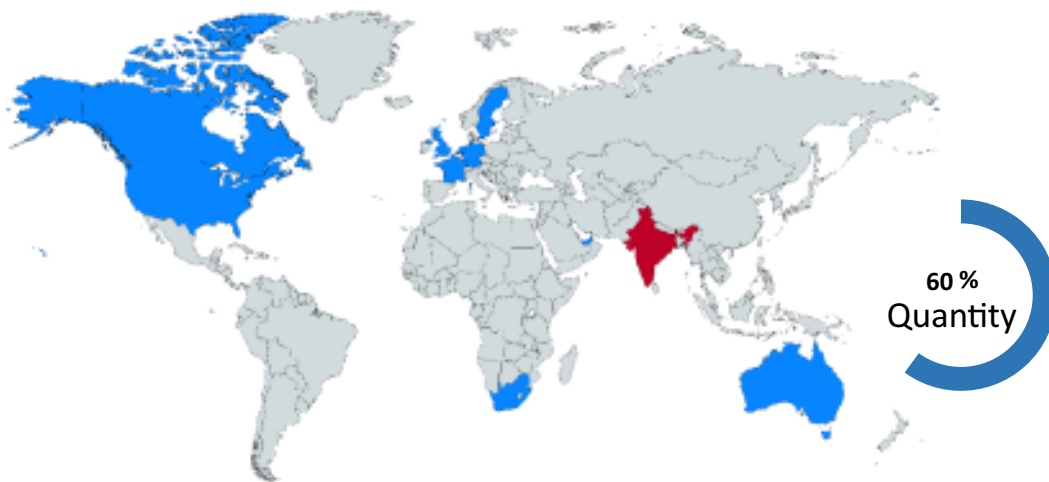
EXPORT DATA FOR SPORTS GOODS:



UK is the country which has highest demand of Indian Sports Goods followed by Australia, USA and others



India has emerged as the leading international sourcing destination for inflatable balls and other sports goods for international brands such as Mitre, Lotto, Umbro and Wilson.



Top ten destinations for export of sports goods in FY19 were US, UAE, UK, Australia, Germany, Netherlands, France, South Africa, Sweden, and Canada. The domestic industry exports nearly 60% of its total output





CHAPTER 2



CRITICAL ANALYSIS OF IMPACT FACTORS

1. SWOT ANALYSIS

STRENGTH

- An industry which is more than a hundred years old and has a strong base of traditionally skilled manpower.
- Abundant human resources at lower compensation.
- Emergence of India on the global manufacturing scene.
- Low overheads due to small scale production.
- Corporate involvement in sports(Corporate houses such as Reliance)Continuous development

WEAKNESS

- Weak national sports policy
- Confusing ministerial structure
- Weak research and development activities
- Poor availability of raw material
- Lack of financial support
- Lack of opportunities
- High interest rate on loans
- Poor infrastructure
- Mindset that Indian entrepreneurs do not have a potential

OPPORTUNITIES

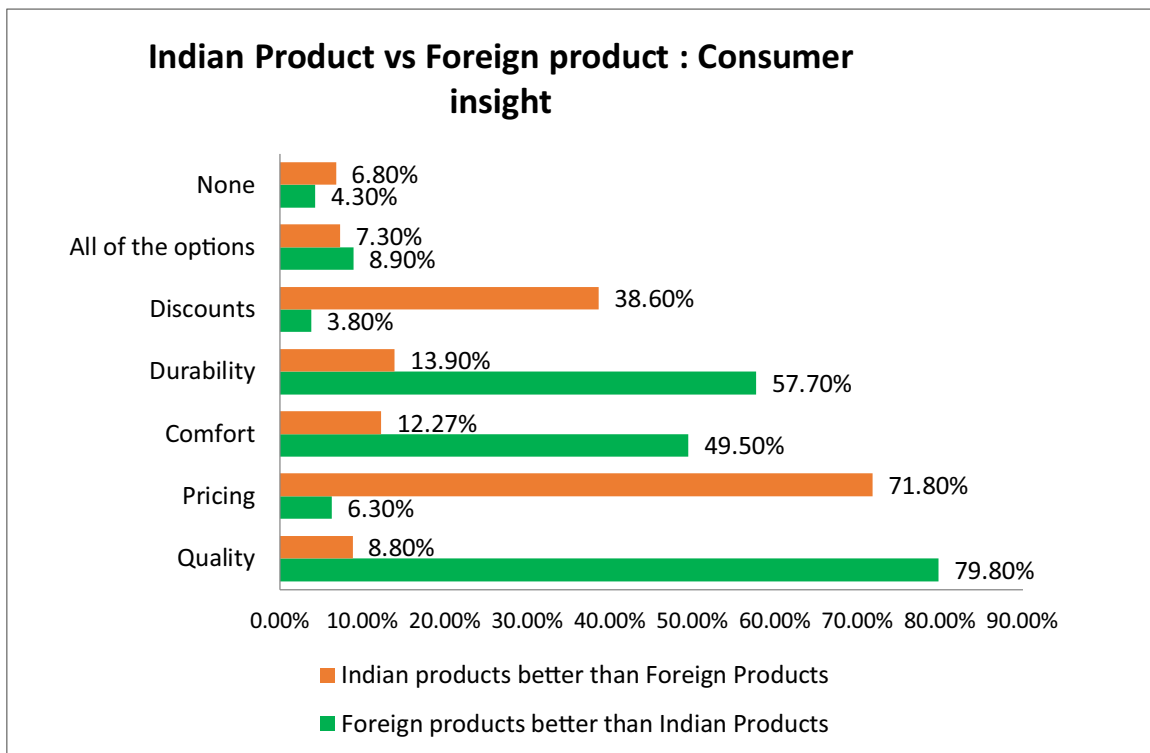
- People are more health-conscious now than ever.
- Implementing sports in academics will help change the mindset.
- Covid-19 pandemic and Make in India project will boost the domestic market.
- Rise in local retail outlets.
- Technology upgradation
- Rise in Mega events.
- Growing confidence of both domestic and international buyers in Indian sports goods.
- Achievements of Indian sportspersons increasing the awareness and popularity of sports in India.
- Overseas buyers are looking for alternate sources of supply instead of being heavily dependent on one country.

- Government/ Consumer liability on foreign brands.
- High logistics and taxation cost
- Penetration of global brands.
- Poor availability and storage facility
- Poor finishing in goods
- Poor marketing practices
- International brands gaining in popularity in India.
- Market is vast and targeted only for low and lower middle income groups.
- Breakage of raw material in transportation.

THREATS

CONSUMER INSIGHTS

Indian Sporting Goods vs Foreign brands



Indian products have more discounts and less in price, but when it comes to quality, Indian Sporting products are far behind of their foreign counterparts.

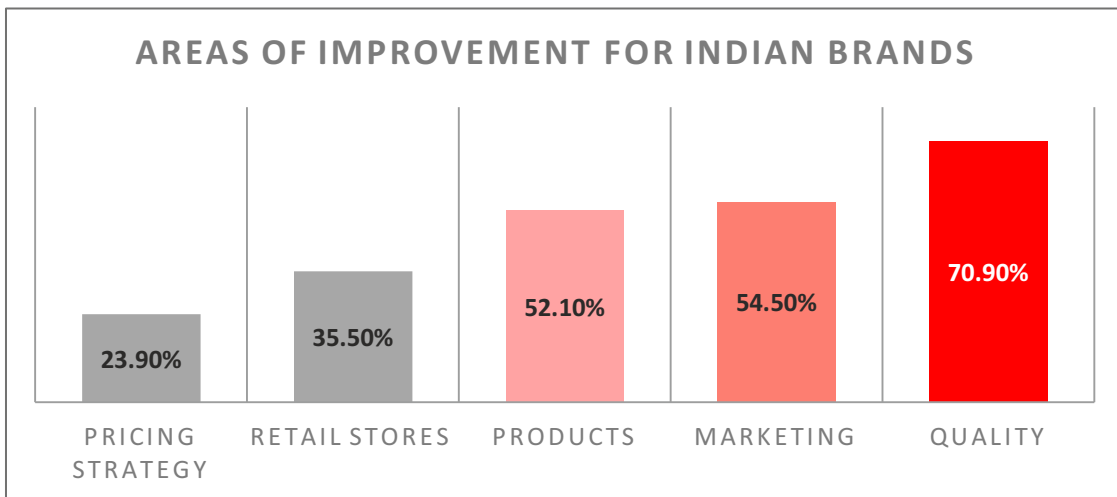
Indian companies need to focus more on quality and this will directly boost selling not only in India but also increase demand of exports

WEAKNESS

As consumer insights show, the perception of Indian brands, their quality and most importantly, their durability; could possibly be the biggest reason why they are not as popular as the big four foreign brands in the sports market (Nike, Adidas, Puma and Reebok)

STRENGTHS

The consumer insights reiterates the price-sensitive nature of the Indian market where Indian brands have leveraged and could continue to leverage this factor for promoting and boosting sales.



While Indian sports manufacturing companies have kept the price in an affordable limit, quality has been a missed focus throughout.

If India wants to be the next global manufacturing hub, QUALITY has to be one of the key centres of focus.

OPPORTUNITIES

The road ahead for Indian manufacturers and brands lies in their ability to play around with their cost to improve marketing and perception of their brands against the international giants who seem to be exiting the Indian market. As an industry expert claims, Nike seems to be leaving the Indian market as it is closing stores nationwide due to a decline in sales in India. With this in mind, Indian manufacturers must figure out if they can absorb this segment of the market by improving their quality and branding strategies.

2. PESTEL ANALYSIS

POLITICAL FACTORS

1. Political stability and importance of the Sporting Goods
2. Danger of military invasion
3. Level of corruption
4. Bureaucracy and interference in Sporting Goods manufacturing industry by the government.
5. Legal framework for contract enforcement
6. Intellectual property protection
7. Trade regulations & tariffs related to Services
8. Anti- trust laws related to Sporting Goods
9. Pricing regulations
10. Taxation - tax rates and incentives
11. Wage legislation - minimum wage and overtime
12. Work week regulations
13. Mandatory employee benefits
14. Industrial safety regulations in the Services sector.
15. Product labeling and other requirements in Sporting Goods

ECONOMIC FACTORS

1. Government intervention
2. Exchange rates & stability of host country currency.
3. Efficiency of financial markets
4. Infrastructure quality
5. Skill level of workforce in Sporting Goods industry.
6. Education level in the economy
7. Labor costs and productivity in the economy
8. Business cycle stage (e.g. prosperity, recession, recovery)
9. Economic growth rate
10. Discretionary income
11. Unemployment rate
12. Inflation rate
13. Interest rates

SOCIAL FACTORS

1. Demographics and skill level of the population
2. Class structure, hierarchy and power structure in the society.
3. Education level as well as education standard
4. Culture (gender roles, social conventions etc.)
5. Entrepreneurial spirit and broader nature of the society. Some societies encourage entrepreneurship while some don't.
6. Attitudes (health, environmental consciousness, etc.)
7. Leisure interest

TECHNOLOGICAL FACTORS

1. Recent technological developments
2. Technology's impact on product offering
3. Impact on cost structure in Sporting Goods industry
4. Rate of technological diffusion

ENVIRONMENTAL FACTORS

1. Weather
2. Climate change
3. Laws regulating environment pollution
4. Air and water pollution regulations in Sporting Goods manufacturing industry
5. Recycling
6. Waste management in Services sector
7. Attitudes toward "green" or ecological products
8. Endangered species
9. Attitudes towards and support for renewable energy

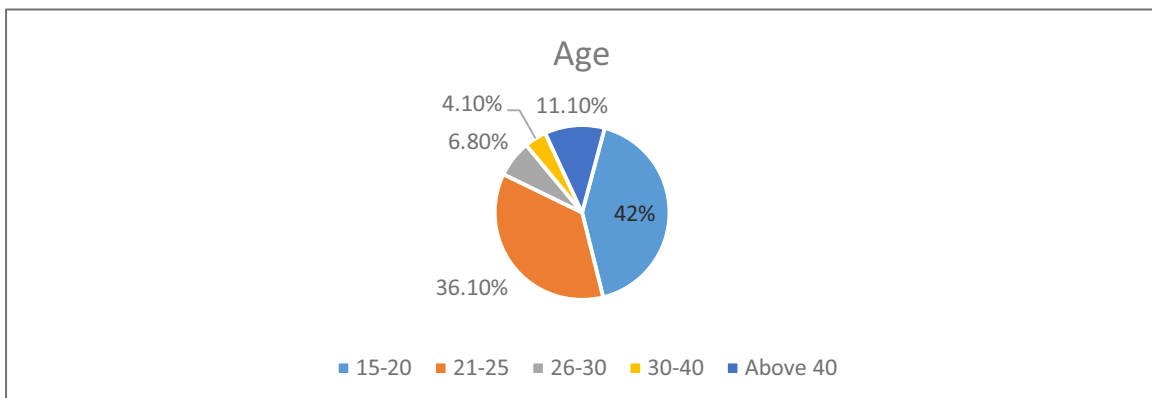
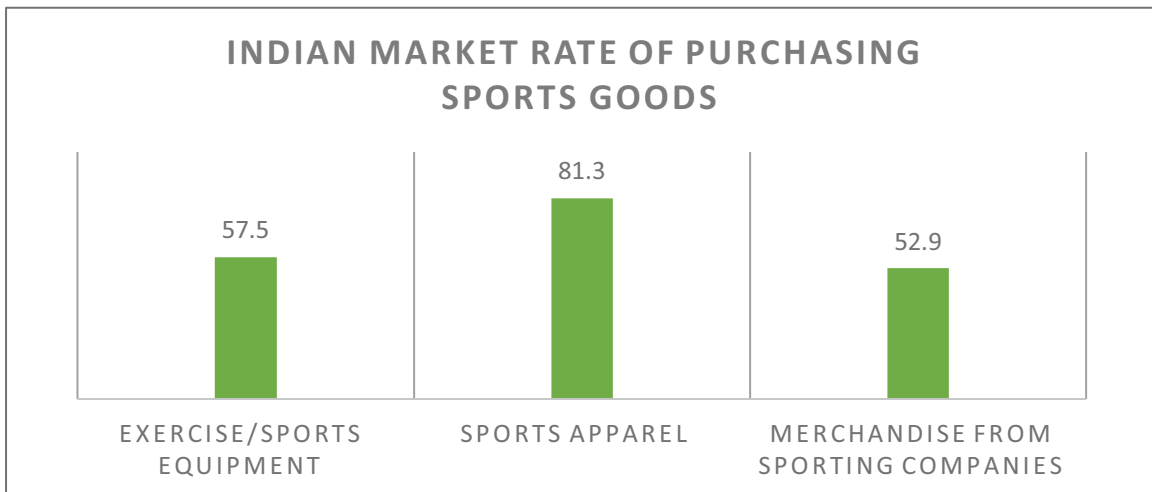
LEGAL FACTORS

- Anti-trust law in Sporting Goods manufacturing industry
2. Discrimination law
 3. Copyright, patents / Intellectual property law
 4. Consumer protection and e-commerce
 5. Labour law
 6. Health and safety law
 7. Data protection

2. CHANGES IN DEMAND # INDIA AND GLOBAL

Few prominent companies like Puma, Adidas and Nike (in India) import goods from China, which account for 10-30% of the products they sell in India. For most other global players, who have a smaller presence here, the share is much higher. “Consumers are coming to our stores and demanding to see where the products are made,” said the MD of a multinational sportswear brand.

Innovative sporting products are the need of the hour. Only then can manufacturers survive in the competitive market, attract new consumers, and cater to the requirements of the existing consumers. The demand for improved sports equipment and apparels will drive the growth of this industry thereafter. There has been a recent rise in the domestic use of fitness goods and equipment. This is primarily due to the focus on health due to the Covid - 19 pandemic and the closure of commercial activity with regard to fitness. This had led to a growth in the demand goods like bicycles, mats and gym equipment like weights and resistance bands



57% people are using some or the other exercise / sport equipment as people are forced to do activities at home due to closure of gyms and other places due to pandemic

81% are using some sort of sports apparel which indicates a huge demand as a result of the pandemic. This demand gives a green signal to start new companies to provide more supply for the increased demand

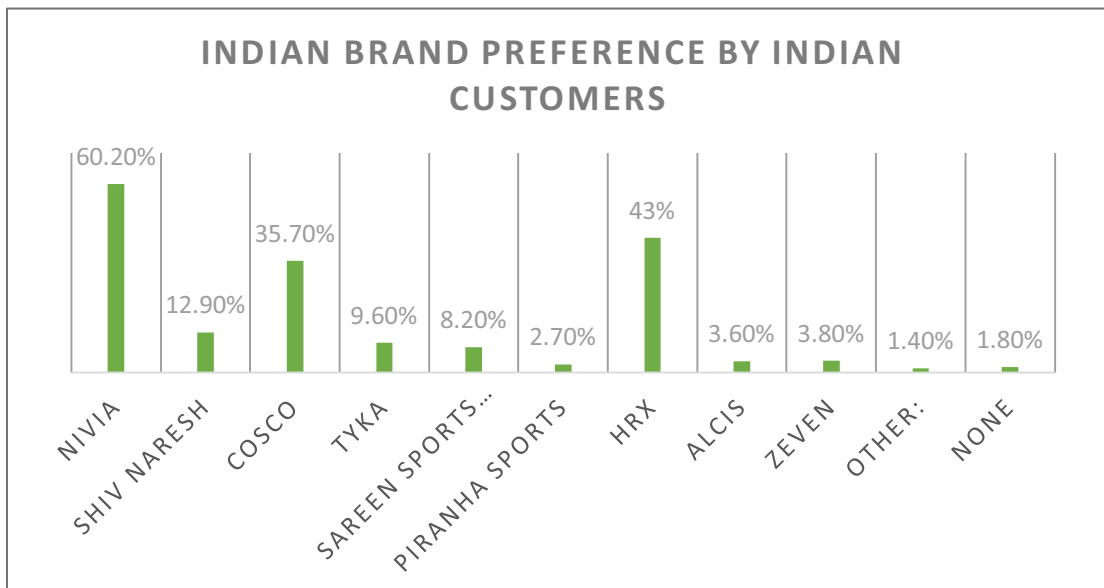
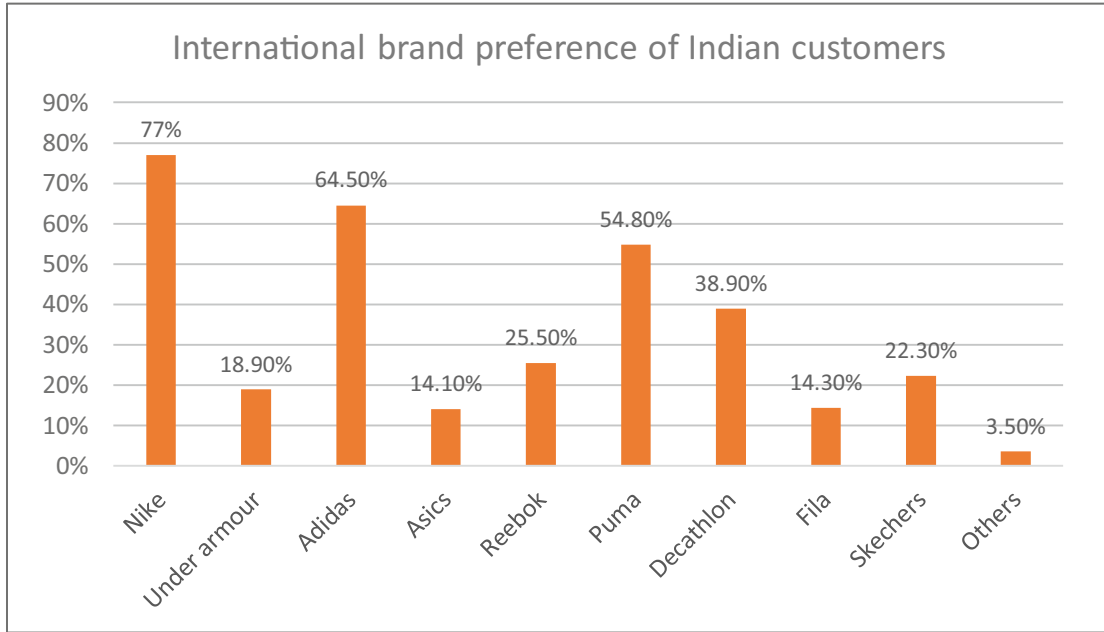
SATPAL SINGH

(BUSINESS HEAD - BLACKPANTHER APPARELS, INDIA)

“ *The demand for domestic fitness equipment has gone up and commercial equipment has come down as gyms have been shut for five, six months* ”

2. INDIAN CONSUMER MARKET ANALYSIS.

a. TYPES OF CONSUMERS AND BEHAVIOR TREND



Consumer insights primarily show that there is greater awareness of International brands as compared to Indian ones

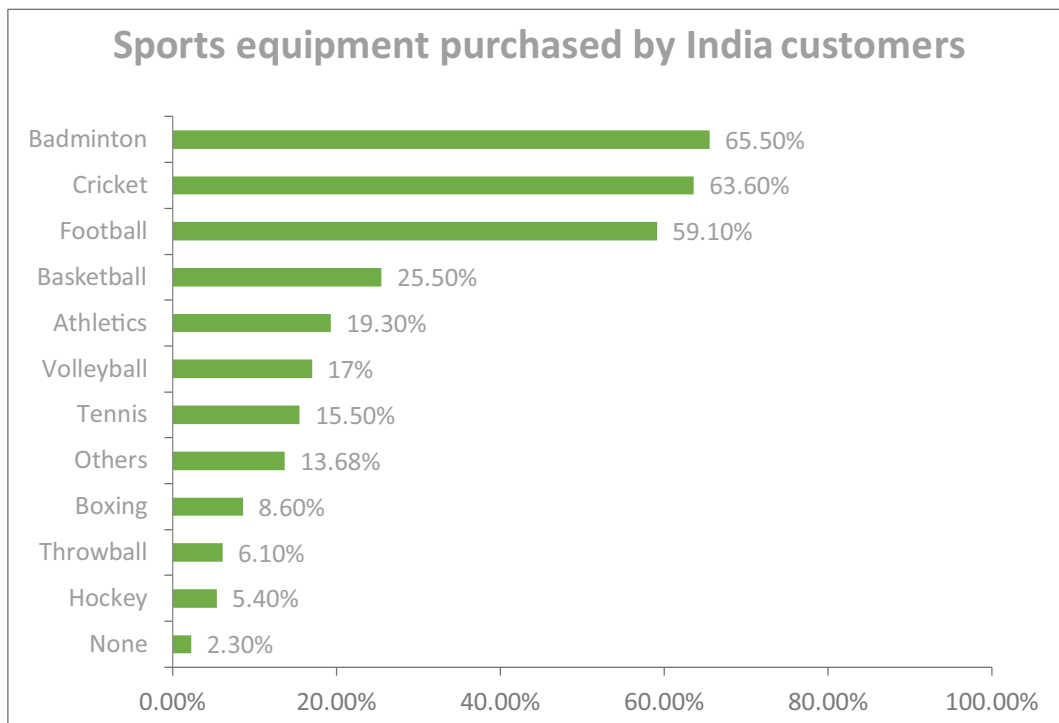
The Indian brands which have improved marketing like what HRX has done through Hritik Roshan have got better awareness and acceptance level than a lot of the older players in the market.

Indian players need to understand the consumer demand and adopt their marketing penetration strategy.

Improved quality + better marketing + consumer trend analysis are going to be the future key drivers of the Indian players

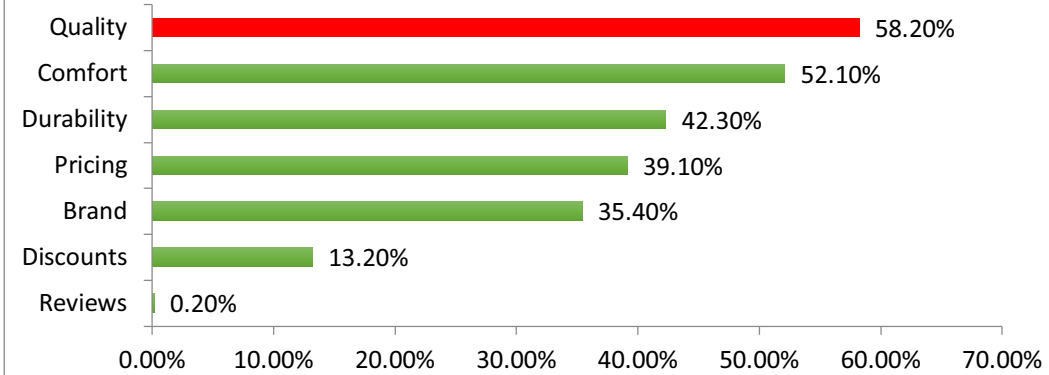
An interesting trend is that Indian brands have become a lot more popular in this decade as India's younger population is ready to buy Indian products. This is a very positive sign for Indian brands in the future.

India has price-sensitive consumers and the relatively less demand of big four International brands(Nike, Puma, Adidas, Reebok) has created opportunities for Indian Brands



As a result of the pandemic Badminton purchase has seen steep increase as people can play in respective societies or nearby places where as cricket and football follow in terms of purchase category.

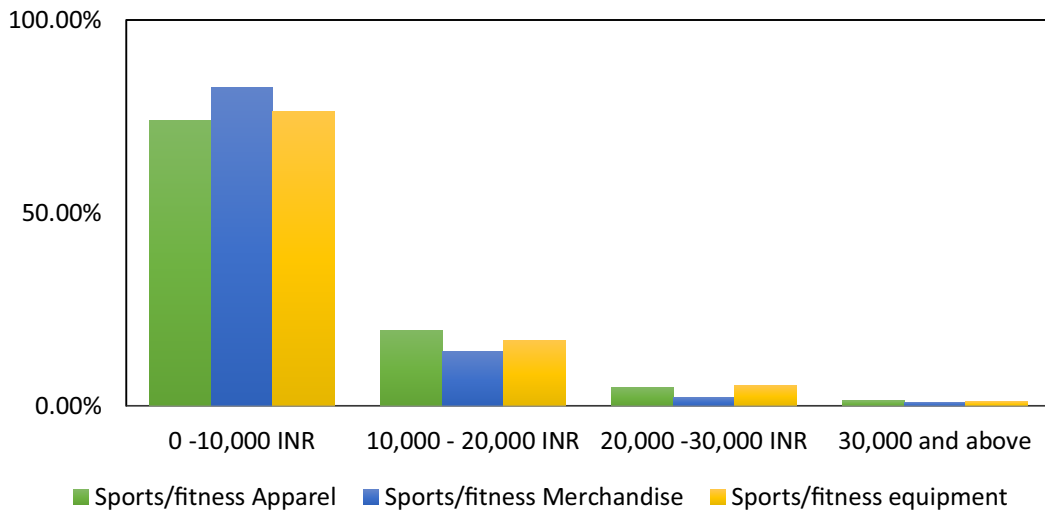
Factors Considered While Purchasing Sports Equipment



Quality is the major factor for Indian consumers while purchasing sports goods and this is the area where Indian brands are lagging behind which is giving the companies revenue loss.

Focus on quality can give a major boost in the purchase by Indian consumers.

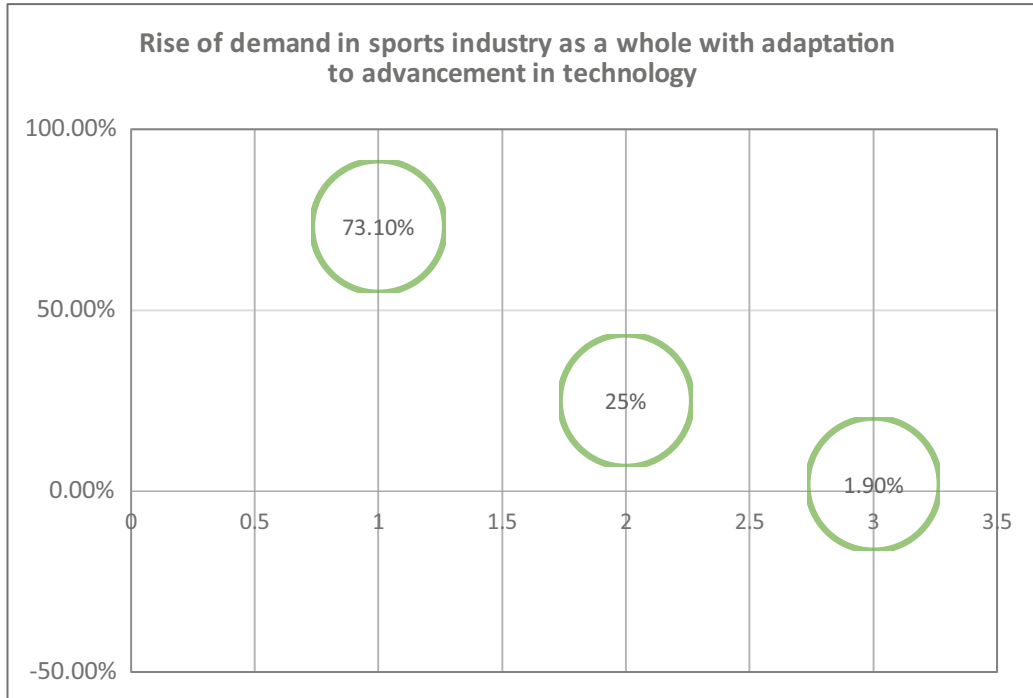
Annual majority of expenditure



Majority of the Indian consumers spend within 10K for sports/fitness apparel or the other products

The spending nature is a clear indication that India is a mass market for sports manufacturing good.

3. DEMAND SUPPLY AND EXPECTATION



Industry experts have agreed that there has been a shortage of supply across the board as most goods were primarily imported from China.

The rising demand for fitness products, especially for domestic use, has also been a challenge for local manufacturers which they are now coping up to.

Another trend which has emerged due to the break of the international supply chain is that there has been a rise in local manufacturing of racquets meant for tennis and other sports.

1. FORECAST # INDIA AS GLOBAL SPORTS MANUFACTURING HUB

India represents a large customer base for sports goods. The population of India in 2020 is around 1.38 Billion, which is around 17.71% of the total world population.

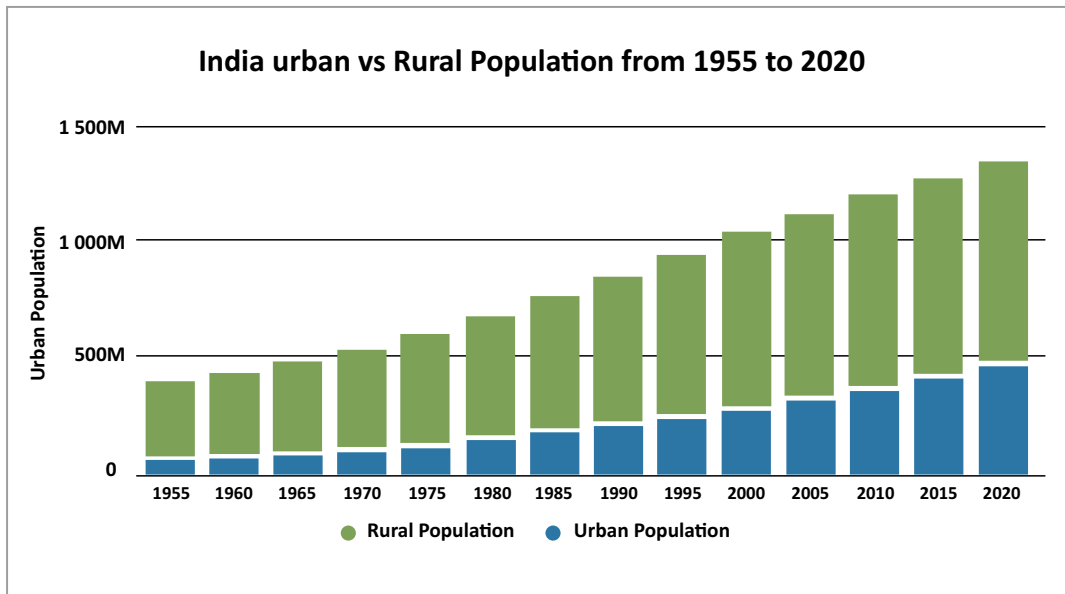
India has more than 50% of its **population** below the **age** of 25 and more than 65% below the **age** of 35. It is expected that, in **2020**, the average **age** of an **Indian** will be 29 years, compared to 37 for China and 48 for Japan; and, by 2030 **India's** dependency ratio should be just over 0.4.

The youth, especially below age of 25 which is more than 25% is the major target market segment for the sports manufacturing goods.

RURAL VS URBAN MARKET

Currently, **34.5 %** of the population of India is **urban**

65.5% of the population belong to Rural India which is a mass market



Src: <https://www.worldometers.info/demographics/india-demographics/>

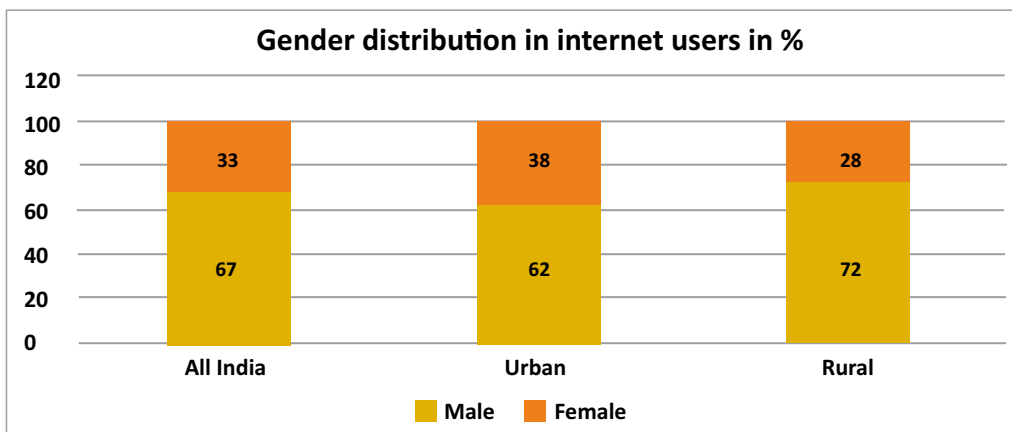
Social Networking Site	Monthly Visits	Mobile Traffic Share	Desktop Traffic share
Facebook 	1.6 Billion	99.25%	0.75%
YouTube 	1.2 Billion	59.96%	40.04%
Quora 	215.8 Million	98.89%	1.11%
Instagram 	191.1 Million	99.02%	0.98%
Twitter 	125.2 Million	97.81%	2.19%
Pinterest 	49.8 Million	98.40%	1.60%
LinkedIn 	29.9 Million	90.97%	9.03%

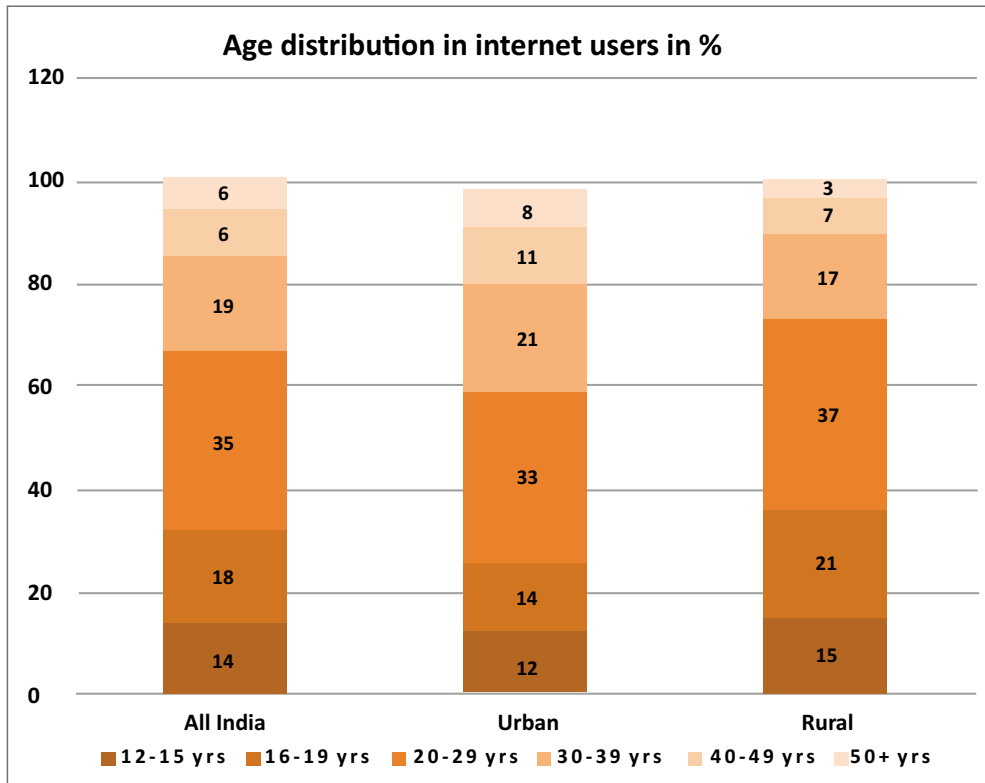
The number of internet users has increased over the years in rural as well as urban areas. This is expected to cross the **639 million** mark by December 2020.

India has **574 million** active Internet users as of 2019. India is the second-largest online market, behind China. It is estimated that by December 2020 there will be around **639 million** active internet users in India. The majority of India’s internet users are mobile phone internet users, who take advantage of cheap alternatives to expensive broadband/ Wi-Fi connections that require PC, laptop, and other equipment.

Almost 2 in 3 Indians who have smart phone are on some kind of social media

97%
Internet users access internet on their mobile





Src: <https://sannams4.com/digital-and-social-media-landscape-in-india/#:~:text=Social%20Media%20usage%20in%20India,-As%20data%20packs&text=With%20more%20than%201%20in,of%202.5%20hours%20a%20day>).

Sports goods manufacturers need to understand the market demographics and customer psychology for better penetration

With rise in social media usage and internet both rural and urban users are aware about latest trends and they refer before purchase.

PPP MODEL # NEXT BIG THING

Sports manufacturers need to use the digital space very intelligently and that will help in having better revenue.

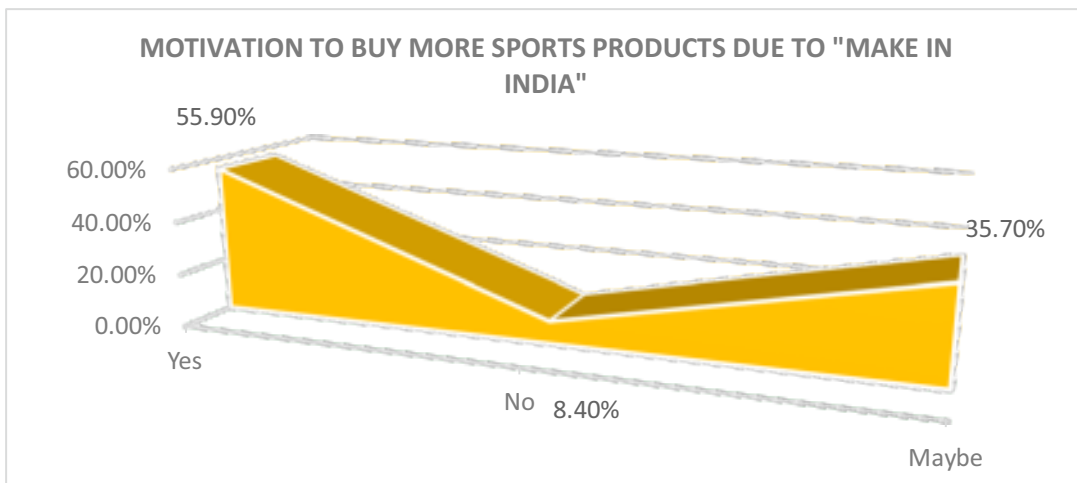
Good quality will bring better reviews and people of India who takes "quality" as the prime factor for purchasing sports goods and prefer foreign brands than Indian brands on this parameters, will start purchasing more Indian products.

Another major trend catalyzing the demand of sports and fitness goods is the rising of the PPP model i.e., public and private partnership investments in infrastructure development.

The government is also trying to upgrade various existing stadia, grounds and many such facilities are coming up. There has also been a significant rise in private investment in infrastructure, due to the majority of residential complexes coming up, comprising as they do, gyms, clubs, and ample space for outdoor sports.

The infrastructure in schools, colleges and other institutions is also being upgraded with facilities like gyms, swimming pools, courts, etc. With a greater number of individuals now having access to such facilities, the demand for sports and fitness goods is also going to drive growth. The growth in the segment is attributed to the growing popularity of sports such as squash, cricket, hockey, tennis, table tennis, bowling, football, basketball, volleyball, dodge ball, and handball, among others. Additionally, upcoming international sports events in India are expected to further boost market growth.

Rapid urbanization and increasing per capita income are also expected to enhance market growth. The market is increasingly being driven by innovations and advancements in manufacturing technologies. These products include smart tennis racquets, motorized treadmills, speed training equipment, fitness bands, etc.



a significant 55%+ of Indian population are willing to purchase Indian Sports goods product under Make In India initiative provided they get quality

35% + people can consider for purchase which is positive for Atmanirbhar Bharat and India 3.0

2. COMPARATIVE ANALYSIS: INDIA VS GLOBAL GIANTS OF SPORTS MANUFACTURING

From manufacturing to sponsoring major teams, leagues and tournaments, **China dominates the Indian market when it comes to sports**. Indian domestic manufacturers, who mainly export hockey sticks and balls, cricket bats and balls, balls for other sports and other equipment depend to a great extent on raw material from China.

The reason for this is that the quality of raw material in India is not good and does not meet the standards required for exporting goods to international markets, like those in the US, Europe, etc. Also, the raw material imported from China is superior and light on the wallet too.

KEY FACTORS:

PRICING

Purchase cost is usually the most important factor when manufacturing comes into account; but so are quality, delivery times, and ease of doing business. India's manufacturing labour is also more cost-competitive in comparison to China's.

MANUFACTURING PROCESSES

India has always believed in manufacturing at a small scale, unlike China. In certain instances, China is relocating manufacturing sites to other developing countries, and entrepreneurs are replacing manpower with machines, in order to keep costs low. Overall, China is maximizing its manufacturing processes and is aiming to stay competitive and deliver larger quantities in minimal time. In addition to this, Chinese manufacturers receive uninterrupted power supply, work with the latest technologies and enjoy economies of scale, whereas in India, the scenario is completely different,

LOGISTICS

China has an advantage from a logistics perspective, with the development of newer roadways, railways, waterways etc, whereas India relies heavily on a massive network of roads which are not always paved or wide enough to be able to transport products efficiently.

3. BOOST FOR START-UPS

India has witnessed the entry of multiple start-ups in sports over the past few years; these include companies involved in sports retailing - online and offline, manufacturing of sports infrastructure, sports goods and equipment. These start-ups are mainly set up by entrepreneurs who are former amateur sportspersons/have a passion for sports. These start-ups range from retailing sports apparel to providing analytic inputs to improve performance.

Most of the manufacturing units are MSMEs (Micro, small and medium enterprises) and unfortunately, a boost has not been seen in this sector due to multiple factors, such as lack of encouragement, less capital investment, no specific incentive offerings, competition from the existing market and all this have prevented them to sustain for a longer period of time. Therefore, to boost start-ups, especially in sports manufacturing, major steps are needed to drive the growth of the same.

TARUN DEWAN

(BUSINESS HEAD - BLACKPANTHER APPARELS, INDIA)

*It is more of division of the existing company,
but real fresh start-ups can be counted on one's fingers.
Not many start-ups have come
and there is no specific policy or special incentives
for the time being to attract and encourage new players*

4. FOCUS ON RESEARCH AND DEVELOPMENT

Sporting goods are also like other consumer goods, where research and development play an important role. Innovative sporting goods and equipment are the need of the hour. Consumer tastes are changing fast and to cater to those, manufacturers need to develop and invest in research and development. Only then can manufacturers stay in the competitive world and domestic market, which in turn will help to attract new consumers and cater to the requirements of the existing consumers. Demand for improvised sports equipment and apparels would thereafter be one of the drivers for the growth of this industry.

Many international leading manufacturers focus their R&D on the use of new materials and designs, incorporating engineering, biomechanics. In addition to this, some manufacturers have also developed their own R&D capabilities.

The innovation and research in the field of sports manufacturing sector will be helpful for athletes, so that innovative sports goods will enhance the experience of playing sport. This will eventually result in better performance and glory to the country.

5. EMPLOYMENT FORECAST

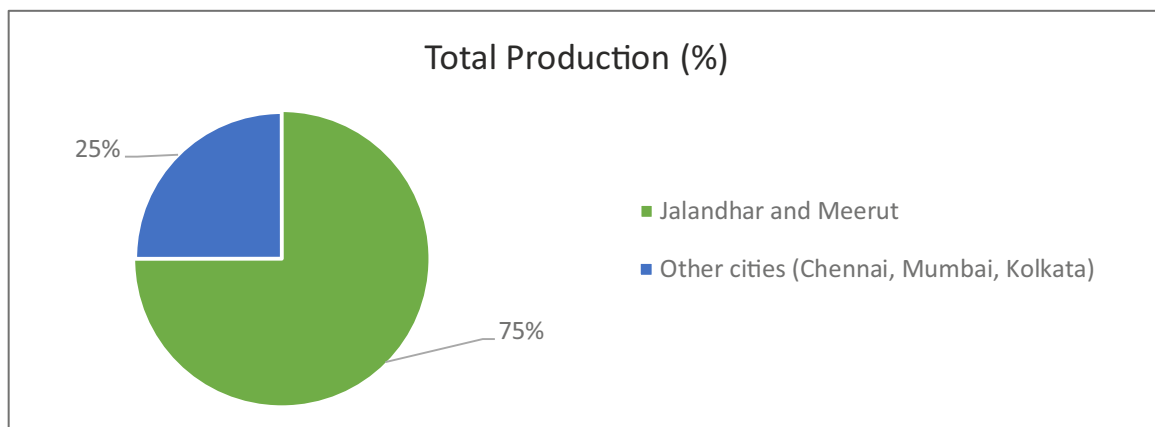
The sports goods industry in India has witnessed a significant growth over the past few decades and it now occupies a place of importance in the Indian economy in terms of its massive potential for employment generation.

The industry also plays a significant role in the Indian economy, owing to both rural and urban employment potential

The sporting goods and apparel industry in India has been in existence for more than a century and has managed to flourish due to a skilled workforce.

Being labour-intensive in nature, the industry provides employment to more than 5,00,000 individuals and it will continue to grow, with the setting up of new manufacturing units and start-ups. Industry experts estimate that the industry will grow to thrice its current size.

The nucleus of this industry is in the northern regions of this nations in mainly the two powerhouse cities of Jalandhar and Meerut who contribute the most in production. The two towns have more than 3000 Manufacturing units and over 130 exporters.



1. KEY CHALLENGES

Sports manufacturing in India faces multiple barriers.

The government policies directly affect the growth of the sports sector and this has implications for the sports manufacturing industry.

Low volume but high demand generated due to the current pandemic scenario, primarily due to the break in international supply chain, is a big problem for Indian Retailers. Receiving goods on time is a big challenge.

Huge manufacturing units, low production and high demand result in the shutting down of many manufacturing units due to high maintenance costs.

Labourers are not available for manufacturing.

Lack of proper management in the manufacturing and retail organizations.

Unavailability of proper infrastructure.

Labour law reform and government support.

40-60% of goods sold are said to be fake or counterfeit. This problem has only worsened with the widening of the market-place and the shift of many sellers to online platforms.

2. RECOMMENDED REFORMS

Changes in labour laws

Support from the Indian Government in the lines of GST, Rebates , Taxation

Trust between Government and Indian Entrepreneurs

Change in Income Tax policies since many indirect taxes are collected

NITEEN L SHAH

(DIRECTOR AND FOUNDER - TOTAL SPORTS & FITNESS)

The government must view the entrepreneur with trust and faith. I believe that Indian businessmen are ready to give a tough fight to any manufacturer in the world, provided the right kind of atmosphere is created for manufacturing and trading in our country

3. POLICY LEVEL CHANGES (start-up, GST, SME, Import Export-related etc.)

As per research, a special park is recommended to be authorized by the government in the Jalandhar and Meerut region with special benefits to promote Research and Development and integrate the organized structure of the industry with logistical connectivity and better clearances.

GST for sports goods must be driven down to a minimum to promote a healthy lifestyle and increase consumption of goods. The problem of unequal GST across different sports products must also be addressed and equalized to the minimum 12% across the industry for bringing in more opportunities into the sector

The correlation that industry experts make is that if the budgetary allocation of the sports industry is increased, then it can possibly lower India's healthcare spending. If people have easier access to fitness equipment and sports goods, the population will be healthier and lead a better life.

Sports must be introduced at academic and primary school levels to drive up the consumption of sports goods. The promotion of fitness at the ground level will only boost the economy as a whole, through improving standards of living.

One of the biggest challenges faced by India is the bureaucratic setup, which does not allow start-ups to flourish and allows a major segment of the market to completely avoid the procedures all together. Hence, there is a need to implement easy set-up policies and compliance checklists to boost the growth of the organized segment. This will also boost tax revenue from the segment.

New policies with regard to copyright and trademarks must be enforced at a national level to bring down the growth of counterfeit goods and allow for a level-playing field across all segments of the industry

New lower taxes should be implemented along with the regulation of manufacturing units to incentivise the registered companies and increase the number of manufacturing units.

CONCLUSION

Overall, the pandemic has had a big impact on the sports industry, disturbing the equilibrium between manufacturers, market, and further viability to a great extent. Therefore, it becomes important that a policy is crafted and an integrated approach enforced, with responsibilities resting on everybody concerned so that the industry sustains and get out of the covid impact. The involvement of sportspersons, high performance coaches or trainers, quality manufacturers of equipment or playing gear, the ground or facility management, and the government representatives need to be brought under one banner for growth and results.

With the right measures from all the stakeholders, this sector can advance enormously and actively promote India's GDP, just like other manufacturing powerhouses across the world.

Sports Manufacturing sector has all the potential to become the Global Sports manufacturing hub and become a major contributor in India 3.0. With right focus of the manufacturers on quality and actions on relevant challenges can make the dream a reality. While our Hon. Prime Minister Shri Narendra Modiji and Hon. Ministry of Youth Affairs and Sports envisions India to be among top 10 in 2028 Olymlics, if everything goes fine India will be the Global Sporting Manufacturing Hub by then and will be the major contributor behind the 2028 Olympics

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I am thankful to the students, faculty, design team and the FICCI Sports Committee for producing this industry report which should pave the way for India to become the Global Sports Manufacturing Hub and a major boost for all stakeholders in the mission under Atmanirbhar Bharat for India 3.0.

Special thanks to the industry experts for providing us the required insights.

Regards

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NOTE

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ABOUT FICCI

Established in 1927, FICCI is the largest and oldest apex business organization in India. Its history is closely interwoven with India's struggle for independence, its industrialization, and its emergence as one of the most rapidly growing global economies.

A non-government, not-for-profit organization, FICCI is the voice of India's business and industry. From influencing policy to encouraging debate, engaging with policy makers and civil society, FICCI articulates the views and concerns of industry. It serves its members from the Indian private and public corporate sectors and multinational companies, drawing its strength from diverse regional chambers of commerce and industry across states, reaching out to over 2,50,000 companies.

FICCI provides a platform for networking and consensus building within and across sectors and is the first port of call for Indian industry, policy makers and the international business community.



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