ABSTRACT

“The world will be a healthier and a less dangerous place if nations invested more seriously in the citizen’s rights to participate in sports.” – United Nations Report.

The existence of sport as a leisure activity is as old as the history of human civilization or even before that for which no systematic literature or data’s are available. It changed forms with the development of human society. In the ancient times it was only a source of entertainment and there were no strict rules/laws/organizations to define its thin lines. The contemporary world is marked as interdependent world. It tries to maintain pace with the accelerating rate of globalization process. In this backdrop of growing interdependence, no discipline could claim to be confined within its traditional spheres. Every discipline has multifarious dimensions. The changes in one discipline have an equal impact on the other disciplines and vice-versa, be it economics, politics, sociology or sport. Serving itself as a pivot for the national growth, economics play a role of an entrepreneur in the growth and development of the country. The creative exposure and responsibility of the field attract the scholars and professionals all round the globe to explore and exploit the possible dimensions, factors and determinants of the field concerned to its fullest with changing philosophies of time that has significant impact on the economic status of a country.

The impact of globalization, industrialization, commercialization and post-modernization finally reflect into a huge change at socio-economic canvas that inculcates a kind of attitude to gauge a phenomenon from various planes and axis. It’s obvious that contemporary approaches reflect a kind of impression that symbolizes the denial of ‘structuralisms’. In the chain of such socio-ideological and economic shift, the economist of the world start putting their endeavor to realize their worth in such a new socio-ideological economic condition by scrutinizing new areas of economic interest that gain strength and now have the potential to influence the statistics of economy in the contemporary catalyze changed milieu. Among so many, sport and sport industries seem to be most promising area, and uniformly accepted and embraced by the economist over the globe. Conglomeration of economics with sport and sport industries turn into a new horizon that is known as sport economics or
*sportonomics* that epistemologically re-catalyze the entrepreneur of the field to linked the core concept/theories of economics in the specialized field of the sport or especially design and elaborate the new concept/theories for the sport and sport industries functioning so that they can cater the existing need and successfully establish its specialized individuality. However, in a simple sentence Sport Economics can be defined as the scientific and systematic study of how people within sport and sport industry deal with scarcity. An example of study in sports economics is how the construction of a basketball stadium in an area will revive that place. An excellent example of this is the staples centre, the home of the Los Angeles Lakers, the famous basketball team. Staples centre bang in downtown Los Angeles, is in an area that over time had become run down. However after the construction of that stadium, the area revived with the construction of hotels and convention centre, etc.’

**Significance of the Study:**

There was a time when sport and industrial relations were perceived as two separate entities, never to cross paths. Sport was considered to be a pastime, a leisurely activity. Sport industry is the manufacturing of sport related goods, services, and ideas through the combination of sport activities with business, mass media and politics. Unlike sport which emphasizes participation of both players and spectators, sport industry aims at maximizing its economic profits and social effects. To achieve these goals, business, media and politics cooperate on the basis of interdependence.

The growth of sport as a leisure-time activity has been recognized for a number of years, but the sport is now a major industry in both developed and developing countries. However, the total impact of sport on economies has not been known before the late 20th century. In 1984 the UK was asked to take the lead in a Council of Europe to analyse the impact of sport on the economies of its member states. These studies broke new grounds as it was the first attempt to quantify the economic inputs, outputs and flows resulting from the existence of sport.

Although, India has not long placed itself as a vital destination for development of sport and sport industry, its growth and economic implications in the recent past needs to be analysed. Like US and UK, the changed socio-economic condition of India seem to reflect a remarkable growth of sport and sport industries,
such as broadcasting a health and fitness related reality show through electronic media or entertaining the mass through the sociology of sport by Indian cinema, the launch of ICL (Indian cricket League) and IPL (Indian Premiere League) and the most importantly hosting of 19th Common Wealth Games 2010. On more than one occasion, the aspiration to host the Olympic Games in India has also been expressed at various levels. Subsequently, all these calls for a comprehensive, multi-faceted strategy, and carefully crafted programmes, backed by the allocation of commensurate resources, and a well oiled organizational structure with clearly defined roles for the various stakeholders. Hence, bearing in mind the significance of sports services and sport goods sectors that make overall sports industry as a crucial way forward for generating a substantial amount of employment, income and foreign exchange reserves for the rapidly growing population in India, the study has been undertaken with a view to suggest appropriate policy recommendation to enhance the growth and global competitiveness of the industry and utilizing its potential in the economic development of India.

The motivation behind choosing NCT of Delhi for the area of study lies in the past. If we look back into the history of India’s hosting of international sporting mega events, it becomes obvious that since the beginning of the trend till now Delhi has always been the major contributor and most preferred place in all over India. The hosting of the inaugural Asian Games in Delhi in 1951 heralded the pioneering role of Delhi in promoting Globalized sporting culture in India at a time when long colonized and oppressed nation India and its people had just started to realize their independence and aspirations. Since then the sport infrastructure of Delhi is continuously growing and upgrading itself into a modern technology based international standard sport service industry. For instance the recently repaired and newly constructed sport infrastructure of Delhi and huge amount of investments incorporated (as given in table 1.2) can serve to understand and provide evidence for the statement. Moreover, the sport goods industry of India are mostly located in and around the NCT of Delhi which caters to the need of sport related products, like sport equipment, sport wears, etc. At the same time most of the sport organizations (government and private) also developed in the city along with other related socio-economic facilities like hotels, restaurants, transportation, etc. Within a decade Delhi has emerged as an important destination for hosting mega sport events.
Besides the reasons discussed above, another important fact which took our
attention at the time of selecting area of study was that NCT of Delhi was going to
host one of the biggest sporting events of the globe, i.e. Common Wealth Games, in
the year 2010. All such events involve a huge spectators demand, bulk of sponsors
from all sectors of sport industry and needs critical evaluation of finance and calls
for a comprehensive, multi-faceted strategy and also carefully crafted programmes
backed by the allocation of commensurate resources and a well oiled organizational
structure with clearly defined roles for the various stakeholders. Definitely such
dimension constitutes an ideal climate for the discipline of sport economics to grow
and realize its destination. This study on the sport economy of NCT Delhi would like
to throw light on its various dimensions.

Regarding selection of period of study the motivation was to study the
changes and development in country’s sport industry from the period the sport was
brought under a separate ministry and became an integral part of our political
economy. In the wake of the Asian games, 1982, a number of steps were taken to
develop sport as an important component of our economic policy, which included
the creation of Department of Sport under the Ministry of Human Resource
Development. This was later expanded into a Department of Youth Affairs and Sport
in 1985 and upgraded to a full-fledged Ministry of Youth Affairs and Sport in May
2000. As a result a comprehensive National Sport Policy has been designed with a
modern approach, came in the year 2001. Its two major objectives were “Broad-
basing” of sport and “achieving Excellence in sport” at the national and international
levels. This emphasized on establishing a network of sport infrastructure at the
grassroots level for promotion of rural and urban sport facilities.

OBJECTIVES OF THE STUDY:

The present investigation has the following objectives:

1. To identify the economic significance of sport.
2. To develop a hierarchical model of sport industry for India.
3. To prepare a profile of Indian sport industries in general and National Capital
   Territory of Delhi in particular.
4. To study the trade prospects and performance of Indian sport industry in general and NCT Delhi in particular.

5. To highlight the importance of sport services sector in India.

6. To identify the strategies for the industrial development of sport goods and services to realize its significant economic contribution.

**Hypotheses:**

On the basis of the related literature reviewed by the investigator from the various sources, following hypotheses has been formulated for assessment:

1. Over a period of time there has been a significant increase in the sport goods sector of India.

2. Sport goods trade induced a considerable increase in foreign exchange earnings over a period of time in India.

3. The growth rate of sport goods exports for National Capital Territory of Delhi is faster than the total exports of sport goods from the country.

4. The sport mega events in National Capital Territory of Delhi had high economic linkages (both backward and forward) effect.

**Methodology and Data Source:**

The investigator has enunciated the research problem on the basis of a set of relevant literature. Further, to avoid unreasonable distractions a set of objectives have been determined. Thereafter, to reach at some logical conclusions the hypotheses have been formulated carefully and a plan of study has been prepared. To test the hypotheses the investigator adopted the case study method of qualitative research based on secondary sources of information.

The relevant data has been collected from various reports, researches, various government organizations like Ministry of Youth Affairs and Sport (MOYAS), Department of sport; Sport Goods Export Promotion Council (SGEPC), Department of Planning, Government of National Capital Territory of Delhi; Ministry of Statistics and Programme Implementation (MOSPI); Delhi Development Authority (DDA); etc.
Besides these various manufacturing and trading companies have been contacted. Apart from these a range of different issues of Economic Survey of India and Delhi, published reports and data of Ministry of Commerce and Industry such as Directorate General of Foreign Trade (DGFT); Annual Reports of MOYAS; Directorate of Economics and Statistics Reports, Government of NCT Delhi has been used. Board of Control for Cricket in India (BCCI) Annual Reports, Human Development Reports were also the source of data collection. Other sources of information on sport include reports of United Nations (UN), World Health Organization (WHO) and other related organizations. Various national and international web sites of relevant agencies have also been used to collect the relevant updated information. Some additional sources like Ratan Tata Library, Delhi School of Economics (DSE), Delhi University (India) and Sir Louis Matheson Library, Monash University, Clayton Campus (Victoria, Australia) were also visited for the purpose of collecting information on the current research.

In order to gather information on the status of sport industry of National Capital Territory of Delhi in particular and India in general sport and policy making organizations of public sector such as Ministry of Youth Affairs and Sport (MOYAS) department of sport, government of India, Ministry of Statistics and Programme Implementation (MOSPI), Sport Goods Export Promotion Council (SGEPC), Directorate of Economics and Statistics, NCT Delhi, Delhi Development Authority (DDA) has been contacted and some informal interviews of concerned persons have been conducted from time to time.

For data analysis, a simple set of statistical tools have been implemented by the investigator. In order to see the growth performance of organized sport goods sector over a period of time for testing our first hypothesis the Compound Annual Growth Rate (CAGR) has been calculated. Further, in order to analyse the trade performance of sport industry over a period of time and for making a comparative analysis, simple analytical method along with calculations of statistics like Annual Growth Rates, Correlation and simple regression have been done and results were drawn for the second and third hypotheses. The fourth hypothesis of the study has been tested by doing simple assessment of the observations based on available information and experiences from secondary sources. Most of the statistical
calculations have been done using the Microsoft Office Excel. For referencing purposes the *Harvard Citing and Referencing Guide* is followed.

**Scheme of Work:**

Taking into consideration the temperament of the current research, the present thesis has been structured into following six chapters:

**Chapter One: Introduction:**

As the name suggests this chapter is an introduction to the current study and provides a brief overview of the thesis. The chapter is divided into nine segments. It incorporates a background of the present research problem followed by the operational definitions of key terms in first two segments. The next segment of the chapter tries to put forward the importance and scope of the study and provides a justification of the selected area and period of study. The fourth and fifth sections tend to reveal the objectives and hypotheses of the study. The data sources and methodology is discussed in the subsequent section i.e. sixth. To provide a systematic solution and to not get stuck in the irrelevant details, a scheme of work and limitations of the study has been explained in the seventh and eighth segments. The last section of the chapter expresses the obstacles of the study due to which the study has been delimited.

**Chapter Two: Economic significance of sport and sport industry: Literature review**

This chapter reviews the pragmatic literatures available on the subject of economic significance of sport and sports industry. As it’s a nascent subject for academics, there is paucity of literature and the number of existing literature is more limited for a region like India. The literature reviews have been divided into three sections i.e. sport matured nations (developed countries) where sport has become national religion and sport industry is a dominant and well recognized industry of the economy; sport maturing nations (developing countries) where sport has still not been recognized as one of the major industry of the economy due to unawareness while it has a great market and scope that could contribute significantly in their economic development and third section is dedicated to the reviews of work done in
Chapter Three: Conceptual framework of sports economics: Supply and demand mechanism

Economics has a significant impact on every moment of our life. At its heart, it is a study of choices and why and how we make them and one answer to the situation is known as a market system. Economic analysis of sport can be better understood by elaborating the concept of sports market, i.e. the demand for and supply of sporting good and service related opportunities. It is a much broader concept and should be explained step by step to encompass a comprehensible vision of the market of sport and consequently identifying the economic significance of sports sector. Therefore, current chapter incorporates a lucid discussion of the consumer demand theory and the determinants of demand for sport in its first segment. Consecutively the chapter proceeds towards the supply side of the sport market and the role of the major suppliers, followed by a crisp debate on their need and the rationale for their involvement. The last segment summarizes the whole argument and precisely provides a guideline to the research for the subsequent chapters.

Chapter Four: An Anatomy of Indian sports industry

While India is in the vein of becoming one of the largest economies of the globe, it is also in the phase of realizing maturity in its sports culture and becoming an egalitarian destination for sports related opportunities similar to highly developed nations of the world. Keeping all these in mind, chapter four is a comprehensive study of the anatomy of Indian sport industry, has been divided broadly into five sections. The first section is of an introductory nature which incorporates precise information about Indian sports history and the present scenario. The second part discusses the main theme i.e. Indian sports industry: the structure, performance and scope. This is further segmented into two major sections that discusses the two sectors of the industry i.e. sports goods sector and sports services sector in third and fourth part of
the chapter. The fifth and final segment of the chapter corresponds to the summary of the whole discussion.

**Chapter Five: The economic significance of the sport industries in National Capital Territory of Delhi since 2000**

The intention behind the study of NCT Delhi and its relation with sport and sports industry is to bring attention of our policy makers and business houses or big corporate investors towards a potential sector of the economy that can prove itself as a sustainable source of rapidly growing population of India in the provision of income and employment generation along with benefits of international trade. The chapter has been divided into four major sections. In the very first section it incorporates a very precise historical, political, industrial and cultural introduction of NCT of Delhi along with a pocket-sized discussion on its sports culture and benefits that come with the demand and supply of sport goods and services on the lines of economic concepts. The second section represents a brief profile of National Capital’s demographic and economic status. Third part of the chapter discusses and illustrates the performance of sports sector of National Capital Territory of Delhi since 2000 and analyses the economic significance of the industry as a potential sector for helping the region to meet its development concerns. The section is dissected into sports good and sports services sectors of NCT Delhi to examine the industry thoroughly. Fourth section presents a brief summary of overall situation to reach on some conclusions and suggestions which are discussed in detail in the subsequent chapter.

**Chapter Six: Conclusion, suggestions and policy recommendations:**

The study recognizes it as a potential industry of the economy. If provided with right opportunities the industry can become a reliable source contributing in the growth and development of the nation. Therefore, this last chapter of the thesis incorporates the major findings, suggestions and policy recommendations.

Sport is changing its characteristic from being a leisure time activity to a mainstream business and is become an industry contributing remarkably in the growth and development of a nation. The importance of sport as an industry has been recognized in developed countries long back but not before 19th century. In contrast sport is still struggling to be recognized as a separate industry in the developing world. It is in its
infancy and facing all the challenges. Therefore, in India too, sports industry has been found to be struggling. There were very less awareness among the people of India about the sector’s economic values. It is observed that only after the success of IPL we Indians at mass level started recognizing the involvement of money in sport, seeing it as a good career option. Though slowly and gradually they became aware about the money in sport but the knowledge about the conceptual framework of sports economics is still negligible. Even among academicians, the awareness about this branch of academics was found to be missing. In contrast, in developed nations sports economics is emerging as one of the mainstream branches of academics. Within a period of approximately 50 years sports economics has some professional society (for instance IASE-The International Association of Sports Economists), some dedicated scholarly journals such as Journal of Sports Economics and The International Journal of Sports Finance. Reportedly over 100 United States of American colleges offer courses dedicated exclusively to the economics of sports and world-wide at least hundreds of textbooks are devoted exclusively to sports economics.

However, the characteristic of sports industry in India has been identified assorted and mixed with other industry groups. We did not come across any structural classification of Indian sports industry (as per the resources investigated during literature search) and the sector has been identified quite scattered. A strong need for a composite structure of Indian sport industry was felt and a hierarchical model for this purpose has been developed during the study. The sport sector can be divided broadly into two categories known as the sports goods sector and sports services sector. The sports goods sector comprises of all products which are bought for use in sport: Sports equipment, sports clothing and sports footwear. Whereas, sports services include expenditure on admission to spectator sports, fees and subscriptions for participation sports, sports-related expenditure on television, and expenditure on health and fitness clubs. This could be further elaborated as mentioned below for better understanding of Indian sports services specifically as recognized during the current study:

- Sports infrastructure facilities: Sports stadiums, complexes and clubs.
- Spectator events: All kind of sporting events like international games and sports leagues, etc.
Sports media: TV, radio, publishing and printing media like sports books, newspapers, magazines.

Sports sponsorship: sports industry sponsors and non-sports industry sponsors engage their resources to promote sales of their products through sports events.

Others: Sports Institutions, sports management, sports medicines, sports tourism, sports engineering, designing related to sports, sports consultancy, sports agents, etc.

These two sectors together involve a multidimensional and multidisciplinary business growing under one umbrella institution known as the sports industry. Therefore, we can see that sport represents a big business and it is an important industry of any economy. The economic indicators of sport industry that reveals the importance and contribution of sports business can be categorized as sport related consumer’s expenditure, sports employment, balance of international trade in sport, and Gross Domestic Product of sport.

Therefore, the current research tested four hypotheses to evaluate the economic significance of sport industries in India in general and NCT Delhi in particular since the year 2000, on the basis of available data and resources. The results of the analyses can be summarized as:

- The analysis of first hypothesis confirmed that the growth rate in organized sport goods sector of India has shown an increasing trend over a period of time.
- The second hypothesis of this research that Sport goods trade induced a considerable increase in foreign exchange earnings over a period of time in India is rejected on the basis of the results of data analysis.
- The analytical study of the data on exports of sport goods from NCT Delhi during last decade rejected the third hypothesis of the present study. The rate of growth in exports of sport goods from the region is not found to perform better than the overall growth in the exports of sport goods from India.
- The analytical assessment of mega sport events hosted by NCT Delhi led us to accept our last hypothesis that the sport mega events in National Capital
Territory of Delhi had high economic linkages (both backward and forward) effect.

Further, the observations based on the results and information available advocate that the sport industry of India is one of the potential industries that can become a sustainable source of income and employment generation, making contribution in the national income and foreign exchange reserves of the nation. For example in the analysis of sport goods exports of NCT Delhi, we observed that the national capital which is the main commercial and trading centre of north India and host of most of the mega sporting events of the globe, exploited the opportunities coming in the arena of sport goods sector due to increasing demand for sport. The huge sport infrastructure facilities present in the geographical region of NCT Delhi gave a pathway to the robust growth in sport culture and further increasing demand for sport services and sport goods. Being a student of economics, we can look at the situation in the light of multiplier effect of an investment in sport that may lead to changes in many economic variables such as increase in demand, improved infrastructure, income and employment generation, support to other related industries and overall growth and development. Besides these economic effects of a general nature, sport also brings some special impacts like:

1. **Human capital formation:**
   Sport is contributing in the growth of one of the important dimension of Human Development Index (HDI) i.e. health. Health is central for the growth in human capital of an economy. For instance Delhi ranks 2\textsuperscript{nd} among all Indian states at HDI scale, according to Human Development Report 2011 (for details see table 6.1, Annexure) and the sport culture of NCT Delhi must be considered as one of the contributory factor.

2. **Bringing recognition at the global platform vis a vis developing political relations:**
   Sport has been always a source of national pride which is classified as a public good in sport economics. Further, Sport has a quite significant role in developing good relation among different political economies of the world.
For example, the hosting of Commonwealth Games 2010 that provided a chance of hosting approximately more than 50 nations.

3. **Spill over impacts on other related industries:**

The growth and development in sport sector leads the growth of other related industries specifically tourism, hospitality and transportation & communication industries. An improvement in these brings growth in some other sector related to these industries. Therefore, a chain of growth can be realized.

Therefore, the multiplier effects of investment in sport sector are much more than what has been explained over here in a concise discussion. It is in itself a topic of research. Nevertheless, coming back to the current research theme, the intention behind the study of NCT Delhi and its relation with sport and sport industry is to bring attention of our policy makers and business houses or big corporate investors towards a potential sector of the economy that can prove itself as a sustainable source for high consuming rapidly growing population of NCT Delhi in particular and India in general in the provision of income and employment generation along with benefits of international trade and international pride.

In a nutshell the major findings of the study can be summarized as:

- On the basis of the growth rates calculated, it can be confirmed that the sport goods sector is a promising and competitive sector that can contribute significantly in the nation’s economic concerns, if provided with right opportunities.

- The sport goods trade of the nation has also shown a growing trend and these products are preferred by many sport loving countries of the world, but the rate of growth has shown some fluctuations that can be due to different reasons at different times such as the global financial crisis that affected the whole world must have impacted the demand for Indian sport goods both at national and international levels as sport is identified to have positive income elasticity.

- The import contents are found increasing too. If it will continue to grow at this rate it could become a serious problem and contribute to the pilling up of trade
deficits of the sector and further in the total trade of the nation. Thus, the matter should be seriously studied by our policy makers to find some way out to overcome the situation. This particularly under the circumstances that India has large potential under the sector to grow.

- The analytical study of exports of the sector illustrated that the rate of growth of exports have shown a tendency to increase after 2009-10, the Commonwealth Games period. So, we can conclude that a mega sport event like Commonwealth Games has the power to enhance (to a good extent) the image and popularity of sport goods of the hosting nation. In our case the increased exports figures after the hosting of commonwealth games, Cricket World cup, Hockey World Cup, First Indian Grand Prix which were hosted during last few years confirm the statement.

- It is also identified that the hosting of mega sport events has its forward and backward linkages which ultimately results in the development of the hosting region. During the study it has been observed that the economic development of Delhi was also boosted to a considerable extent by the development of sport culture in the region. Further, this development of sport culture has found to have its origin in the year 1951 when the first Asian Game was hosted by India in NCT Delhi. This caused improvement in sport infrastructure and the development of sport facilities again attracted the ninth Asian Games. The ninth Asian Games caused more sport facilities in the region. This chain is still going on causing more development in the region and its spillover effects on the nearby places.

- Structural Classification of sport industry of India is required; probably on the lines of the hierarchical model given in the thesis for developing a systematic data base to estimate the size and value of the industry.

- The data confirmed that the sport goods manufacturing and exporting clusters of India are mainly concentrated in the states of Punjab and Uttar Pradesh and in the light of observations during the study it could be said that approximately half of them are facing lack of advanced technology in production and sales promotion and infrastructure facilities. Hence, there is a need to develop
strategically planned sport goods manufacturing and exporting clusters equipped with the technology and quality standards of international level throughout the country so that the sport goods of India could compete strongly the products of other nations at any level.

In the light of our observations during the current study it can be concluded that sport is a sustainable industry with great potential of growth and thus a sustainable source of income and employment generation. Since ancient times till date the demand for sport is continuously growing and love for sport is a well recognized fact in every society. Therefore, the demand for sport in the world is ever lasting and so the requirement for the supply of sport goods and services.

Suggestions and Policy Recommendations:

Research provides one of the bases for nearly all government policies in any economic system. Therefore, based on the findings and observations of the current research, few suggestions and policy recommendations are made to achieve improvement in the condition of sport goods and services industries in the direction of realizing its worth in the social welfare and economic development of the nation.

1. **Regular monitoring and evaluation by Government can improve the competitiveness of the industry:**

Lack of monitoring and evaluation systems prevent firms from planning activities, measuring impact, etc. Government can play a key role to enhance and encourage the competitiveness of the industry by listing sport as a separate industry in the Key Industries list of Indian economy. In that way it would get the opportunity to be compared and evaluated on regular basis in different public and private surveys and reports that will give a chance to the people engaged in the business of sport to explore the scope and meet the demand of expanding business opportunities at its best.

2. **Technological upgradation:**

The sport companies of India can cater to and compete with global players if they adopt highest quality standards. This highest quality of product and services can become the driver of growth which could help in moving Indian
sport industry out of the mediocrity vis a vis raise the bar for other industries as well.

3. **Hand-sharing support to small size firms by large organizations:**

In order to enable small size firms to be part of growing organizations participating in sport business initiatives can ideally be placed to provide hand sharing support and been connected to partnering organizations. It can also help creating awareness of the fact that it is possible to contribute and participate in development of economy and society without necessarily setting aside an ample amount of funds.

4. **Dispersal of information on best business practice, international standards and monitoring and evaluation mechanisms:**

If the firms, who lack awareness about the guidelines of best business ethics, International benchmarks and monitoring and evaluation systems, would be provided a guideline at easy access (specifically through government) they can make tremendous positive changes. Those firms can build evident social consciousness and sensitivity on regular basis by doing business responsibility that could lead to healthy business environment.

5. **Policy of “developing sport culture for economic development of a particular region”:**

As concluded that hosting of sporting mega events in National Capital Territory of Delhi had high economic linkages effect, it can be an effective way of bringing development in other regions of India by selecting them for hosting future sporting mega events or through developing sport culture in those regions. The Comprehensive National Policy 2001 and 2007, whose major objective is to develop a network of sport infrastructure in urban as well as rural areas, can become a great instrument in implementing the policy of “developing sport culture for economic development of a particular region”.

6. **The inclusion of sport goods sector in the Comprehensive National Sport Policy:**
The National Sport Policy should also incorporate the development of sport goods sector along with sport services. This is required because the development of sport also leads to the increased demand for sport goods. To meet this growth in demand we need to develop our manufacturing base instead of depending extensively on imports which could create deficit in total trade balance.

7. **Sport as a separate industry along with national and regional data base:**

Further, there is a recommendation for our policy makers to recognize sport as a separate industry (incorporating both goods and services) and data base on sport industry (national as well as state level) needs to be developed which has been found mostly trifling. During our study it was found that sport industry is dominated by traditional method of working and there is no technical information base for systematic, time series or regular data for the industry. Therefore, the current research is based on the available data. Sport industry is even not added as a separate entity or included partially in government data base such as Economic Survey, Annual Survey of Industries etc.

8. **Linking the sport goods and services sector as an income and employment provider:**

The sport sector can play a role of consuming a large number of unemployed workforces present in different regions of India struggling for surviving in this world of rapidly increasing prices of goods and services. Basically sport goods industry is a labour intensive industry and India has the largest work force to total population ratio. In the population projection, done by the committee on India vision 2020, its working age population is expected to be 67.7% in 2015 and will further increase to 68.7% in 2020. This growth of population, if utilized in a right direction, can put India into a favourable situation and the sport goods and services can provide us great scope for future successes. The only danger before India with regard to this high working population is that of lack of skilled labour force. Sport is an industry where not much skill is required. Hence, policy makers should give attention to this sector so that the surplus labour doesn’t remain idle and can become a source of income generation.