Khelo India Sports Goods Manufacturing Scheme

Building a Globally Competitive Sports Manufacturing Ecosystem

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The Union Cabinet approved the Khelo India Sports Goods Manufacturing Scheme on 28 October 2026 with an outlay of ₹1,856.67 crore for FY 2026-27 to FY 2033-34. Dedicated Sports Goods Manufacturing Zones will bring manufacturers, suppliers, testing facilities and design centres together in one place. Support for anchor investment and turnover-linked production, with a combined outlay of ₹1,130 crore, will draw new investment and raise production. A further ₹105 crore will help manufacturers obtain and renew certification from International Sports Federations. Centres of Excellence, start-up support, skilling and export promotion complete a scheme that aims to make India a global hub for high-quality sports goods.

Introduction

India's sporting ambitions are creating opportunities that extend from playgrounds and training centres to manufacturing and enterprise. Initiatives such as **Khelo India** and **Khelo Bharat Niti 2025** are strengthening participation, talent development and sports infrastructure. A strong sports goods industry can support this vision by supplying quality equipment while creating opportunities for skills, employment and exports.

India's sports goods manufacturing base draws on established clusters such as **Jalandhar (Punjab) and Meerut (Uttar Pradesh)**, skilled workers and a network of entrepreneurial MSMEs. Small and micro enterprises account for nearly **90% of production**, making the sector an important avenue for local enterprise and employment. The global sports equipment market, valued at approximately **US$140 billion in 2024**, is projected to reach around **US$283 billion by 2036**, offering substantial opportunities for Indian manufacturers to expand their presence.

To build on these strengths, the Union Cabinet, chaired by Prime Minister Shri Narendra Modi, has approved the **Khelo India Sports Goods Manufacturing Scheme**, with a total outlay of **₹1,856.67 crore for the period FY 2026-27 to FY 2033-34**. Announced in the Union Budget 2026-27, the scheme brings together support for investment, technology, innovation, skills and market development to position India as a globally competitive hub

for the design, development and manufacture of sports goods. The Budget Speech 2026-27 noted that "India has the potential to emerge as a global hub for high quality, affordable sports goods."

Key Interventions under the Scheme

The scheme provides support across the sports goods manufacturing value chain, from infrastructure and investment to research, skills, certification and market development. It has two parts: incentives that support manufacturing and interventions that build the wider ecosystem.

- **Developing integrated manufacturing zones: The integrated Sports Goods Manufacturing Zones (SGMZs)** will bring together manufacturers, suppliers, testing facilities, design and prototyping centres, and ancillary enterprises. Developed through convergence with the **BHAVYA Scheme and NICDC Industrial Parks**, these zones will strengthen industry linkages and improve manufacturing efficiency. There may be f**our such integrated zones, each covering more than 300 acres.**
- **Attracting investment and expanding production:** Two components, with a **combined outlay of ₹1,130 crore**, will support manufacturing growth. **Anchor Investment Support** will provide **20% capital expenditure support to anchor investors investing at least ₹100 crore**, encouraging leading domestic and global manufacturers, brands and retail chains to establish manufacturing facilities within Sports Goods Manufacturing Zones (SGMZs). **Turnover Linked Support** will offer **incentives of up to 15% to manufacturers investing ₹10 crore or more**, encouraging higher production and capacity expansion.
- **Upgrading existing clusters and supporting MSMEs:** Existing sports goods manufacturing clusters will receive support for upgrading **common facilities and shared infrastructure through cost-sharing with States**, helping smaller enterprises strengthen their manufacturing capabilities.
- **Supporting international certification:** An outlay of **₹105 crore** will help manufacturers obtain and renew certifications from International Sports Federations. Support will cover **70% of first-time certification costs and 50% of renewal costs**, promoting internationally accepted quality and performance standards and facilitating global market access.
- **Advancing research and start-up innovation: Centres of Excellence** in premier educational and research institutions will support research in sports equipment, material sciences, protective gear and advanced manufacturing technologies. Research co-funding will be encouraged through convergence with the **Anusandhan National Research Foundation**. **DPIIT-registered sports start-ups will be eligible for grants of up to ₹20 lakh**. Aligned with **Startup India**, this support will facilitate the development, testing, validation and commercialisation of new technologies, processes and products.
- **Developing industry-aligned skills:** Skill development initiatives will be implemented in collaboration with the **Ministry of Skill Development and Entrepreneurship** and relevant industry stakeholders to meet evolving workforce requirements.

- **Promoting Indian sports goods globally:** An **India Sports Expo and a Brand India campaign**, alongside branding, outreach and market development initiatives drawing on the **Export Promotion Mission**, will strengthen the visibility of Indian sports goods and support wider access to international markets.



Strengthening India's Sports Goods Manufacturing Base

India's Sports Goods Industry Today

India's sports goods industry combines established manufacturing skills with a broad network of small enterprises. Its strengths extend beyond individual products to clusters of manufacturers, suppliers and household units serving domestic and international buyers.

- **An established manufacturing network:** Jalandhar and Meerut together comprise **over 250 exporting units, more than 1,000 domestic-market units, over 4,000 micro enterprises and nearly 20,000 household units**. Other centres include Ludhiana for bicycles and Delhi and Mumbai for sports accessories and apparel.
- **Strong MSME participation:** Nearly **90% of production** is undertaken by small and micro enterprises. This makes growth in sports manufacturing closely connected with entrepreneurship, local livelihoods and employment.
- **Products with an international presence:** India manufactures cricket bats, protective gear, inflatable balls, and gym and athletic training equipment. The **United Kingdom, United States and Australia together receive over half of India's sports equipment exports**, providing established connections with major overseas markets.
- **Areas of strength:** India-based brands and manufacturers together account for about 75 to 80% of the global cricket bat market, and India holds an estimated 30 to 35% of the cricket helmet market.
- **Opportunities across related industries:** Sports equipment production draws on capabilities in rubber, polymers, composites, wood and metals. Shared materials, machinery and skills create opportunities to diversify products and strengthen supplier networks across industries.

- **Scope to serve domestic and global demand:** India's domestic sports goods market is estimated at **US$2.5 billion**, including approximately **US$0.5 billion in equipment**. Globally, equipment exports reached around **US$52 billion in 2024**, offering opportunities to expand beyond India's existing equipment exports of **US$275 million**.
- **Significant long-term potential:** India's sports equipment exports could reach approximately **US$8.1 billion by 2036**, potentially generating around **54 lakh additional direct and indirect jobs**.
- **A decade of major events:** the Los Angeles Olympics 2028, the Commonwealth Games 2030 in Ahmedabad, the Brisbane Olympics 2032 and India's planned bid for the 2036 Olympic Games create a decade of demand for sports equipment.

Together, these strengths provide a foundation for expanding production, developing higher-value equipment and building a greater international presence. Technology, testing, certification and industry partnerships can help translate this potential into manufacturing growth.

Building on These Strengths through the New Scheme

The Khelo India Sports Goods Manufacturing Scheme brings together support across the manufacturing value chain. Its interventions address the following priorities:

- **Stronger Domestic Manufacturing:** Integrated manufacturing zones and investment and production support will encourage capacity expansion, strengthen supplier networks, increase domestic value addition and reduce import dependence.
- **Growth of MSMEs:** Upgradation of existing clusters, common facilities and shared infrastructure will support smaller enterprises.
- **Better Quality and Innovation:** Research centres, technology development, start-up support and international certification will strengthen product development and quality.
- **Skills and Employment:** Training aligned with industry requirements will help develop a skilled workforce and support employment across the value chain.
- **Greater Global Competitiveness:** Branding, outreach and market development will help Indian sports goods reach international buyers.
- **Support for India's Sporting Ambitions:** High-quality, internationally certified equipment will support the sports sector and athlete development programmes, complementing Khelo India and Fit India.



Convergence with National Schemes and Initiatives

The scheme builds on existing national initiatives to connect manufacturing infrastructure with research, skills and export opportunities. It also supports the wider goal of strengthening India's sporting ecosystem.

Manufacturing Infrastructure

- **BHAVYA:** The Bharat Audyogik Vikas Yojna provides for **100 plug-and-play industrial parks** with an allocation of **₹33,660 crore**. Facilities such as ready-built factory sheds, testing laboratories and warehousing provide the infrastructure needed by manufacturers. The scheme's Sports Goods Manufacturing Zones will be developed through convergence with infrastructure under the BHAVYA Scheme.
- **National Industrial Corridor Development Corporation Limited (NICDC):** NICDC helps develop industrial cities with land, roads, power, water and transport links for manufacturers. Its industrial corridor programme covers **20 industrial smart cities across 13 States**, with **four completed as of September 2026**. The sports goods scheme will use infrastructure in NICDC Industrial Parks to develop manufacturing zones that bring manufacturers, suppliers and supporting facilities together.

Research and Innovation

- **Anusandhan National Research Foundation:** ANRF supports research and collaboration between educational institutions, research organisations and industry. Convergence with ANRF will encourage R&D in the sports goods sector, alongside the scheme's support for Centres of Excellence working on equipment, materials, protective gear and manufacturing technologies.
- **Startup India:** Startup India supports new enterprises through seed funding, investment and credit guarantees, helping ideas progress into viable businesses.

As of **31 March 2026**, India had over **2.23 lakh recognised start-ups**, which had generated more than **23.36 lakh direct jobs**. The sports goods scheme's dedicated start-up support will align with this wider ecosystem to encourage innovation in equipment, materials and manufacturing processes, from development and testing to validation and commercialisation.

Export Promotion

- **Export Promotion Mission:** With an outlay of **₹25,060 crore for 2025-26 to 2030-31**, the Mission brings together export finance, quality compliance, logistics and market-access support, particularly for MSMEs and first-time exporters. Its two components, **Niryat Protsahan** and **Niryat Disha**, help exporters access finance, meet international standards and connect with overseas buyers through trade fairs, buyer-seller meets and warehousing facilities. The sports goods scheme will draw on this wider framework for branding, outreach and market development, helping Indian manufacturers strengthen their international presence.

Sports Development

- **Khelo India and Fit India:** Khelo India supports participation, talent development, training and sports infrastructure, while Fit India promotes fitness and an active lifestyle. The manufacturing scheme will complement these efforts by strengthening the capacity to produce high-quality, internationally certified sports goods for India's sports sector and athlete development programmes.

Khelo India Scheme

- **Launched in 2017:** brought the Rajiv Gandhi Khel Abhiyan, the Urban Sports Infrastructure Scheme and the National Sports Talent Search Scheme into one framework for sports development.
- **Five pillars:** training centres to identify talent; capacity building for coaches and support staff; sports science and technology; competitions and leagues; and sports infrastructure.
- **Reach as of July 2026:** 349 sports infrastructure projects approved with an investment of ₹3,176 crore; 1,067 Khelo India Centres; 267 academies supported; and 2,745 Khelo India Athletes supported with coaching, equipment, medical care and a monthly allowance.

Policy Alignment

- **Khelo Bharat Niti 2025:** The policy recognises sport as a driver of economic growth, including through entrepreneurship, investment and sports start-ups. The manufacturing scheme supports this approach by connecting sporting development with opportunities for production, innovation, employment and exports.

Khelo Bharat Niti 2025

- **National sports policy:** uses sport for nation-building, economic growth and social inclusion, in line with the vision of Viksit Bharat.
- **Grassroots to elite:** early identification and nurturing of talent, competitive leagues, and infrastructure in rural and urban areas.
- **Sport for all:** sport in the school curriculum under the National Education Policy 2020, and wider participation of women, marginalised groups, tribal communities and persons with disabilities.

Production Linked Incentive Schemes: Supporting Manufacturing Growth

The **Production Linked Incentive (PLI) schemes** reward increases in production and sales across **14 sectors**, encouraging investment and competitive manufacturing.

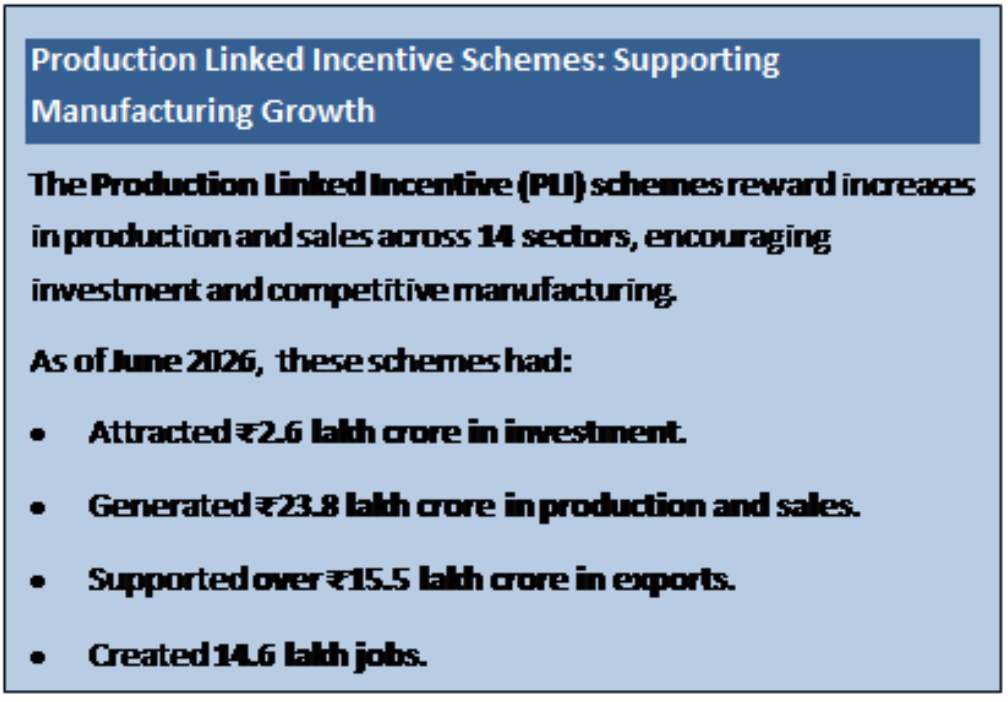
As of **June 2026**, these schemes had:

· Attracted **₹2.6 lakh crore in investment**.

· Generated **₹23.8 lakh crore in production and sales**.

· Supported **over ₹15.5 lakh crore in exports**.

· Created **14.6 lakh jobs**.



- **Make in India, Atmanirbhar Bharat and Viksit Bharat@2047:** By expanding domestic manufacturing, increasing value addition and reducing import dependence, the scheme supports Make in India and Atmanirbhar Bharat. Its focus on investment, employment and exports also contributes to the vision of Viksit Bharat@2047.

Towards a Global Hub for Sports Goods

The scheme is expected to position India as a globally competitive hub for the design, development and manufacture of sports goods. By strengthening manufacturing, promoting innovation and widening access to global markets, it will create new

opportunities for growth, employment and exports, and support India's aspiration to emerge as a leading sporting nation.

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