IJCRT.ORG ISSN : 2320-2882

INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

An International Open Access, Peer-reviewed, Refereed Journal

A Big Economy Revenue Of US $400 Million: Scope And Development Of Sports Education In India And Long-Term Royalty Earning Potential

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Abstract: India's sports industry is experiencing rapid growth, driven by factors such as the booming popularity of domestic leagues like the Indian Premier League (IPL), corporate sponsorships, and government initiatives such as Khelo India. The country's increasing engagement with major international events, including the upcoming **Olympic Games** and **Football World Cup**, along with the **World Hockey Cup** hosted by Odisha and the **Cricket World Cup**, positions India as a global sports hub. These events, alongside the IPL, generate massive revenue and elevate India's profile in the international sports arena. This transformation has underscored the urgent need for specialized sports education to meet the growing demand for skilled professionals in the sector. This paper examines the economic potential and future trajectory of sports education in India, with a particular focus on the role of **SPAA India** in this evolution. SPAA India's copyrighted **BBA/MBA in Sports Management** and **B.Tech in Sports Technology** programs are positioned to meet the burgeoning demand for expertise across various sports-related sectors. The paper presents a detailed analysis of the projected revenue generation, highlighting an opportunity for international investors to generate over **US $500 million** in revenue through strategic investments and the purchase of SPAA India's 50-year copyright license. By capitalizing on India's large student base of over 500 million individuals, these programs offer scalable, sustainable growth and global expansion prospects. With its innovative curriculum, partnerships with top-tier universities, and a robust network of stakeholders, SPAA India is poised to become a key player in shaping the future of sports education. Investors seeking long-term returns and the chance to impact one of the fastest-growing industries globally will find immense opportunities in this emerging market.

Keywords: Sports Industry Growth, ₹15,766 Crore Valuation, 11% Growth Rate (2023), Sports Education in India, Structured Sports Curriculum, SPAA India, Sports Management Courses, Sports Technology, Sports Science, NEP 2020 Alignment, Employability in Sports Sector, 21st Century Skills, Indian Premier League (IPL), Global Certification in Sports, Skilled Sports Professionals, Sports Innovation Hub

1. Introduction India's sports industry has witnessed substantial growth, registering an 11% increase in 2023, with the sector valued at ₹15,766 crore. This expansion underscores the need for structured sports education to cultivate skilled professionals. SPAA India, established in 2015, addresses this demand by offering specialized courses in sports management, technology, and science, in line with the National Education Policy (NEP) 2020.

The **Sports Academy Association of India (SPAA India)**, established in **2015**, addresses this demand by offering **specialized academic programs** in **Sports Management**, **Sports Technology**, and **Sports Science**, with an emphasis on **21st-century skills**, **employability**, and **global certification pathways** (SPAA India, 2024). These programs are aligned with **India's National Education Policy (NEP 2020)** and aim to strengthen the country's position as a **global hub for sports education and innovation**.

2. 2. Opportunity Overview

India is experiencing a rapid transformation in its sports ecosystem, driven by the following key factors:

- **The Indian Premier League (IPL):** A commercial success and global inspiration, attracting massive viewership and revenue.
- **Corporate Sponsorship:** Significant increase in brand investments across multiple sports formats.
- **Bollywood Involvement:** Celebrity endorsements and ownership in sports leagues bringing mass appeal.
- **Manufacturing Boom:** Sports equipment production has surged over 400 times in the past 14 years.
- **Government Initiatives:** National programs such as Khelo India and Fit India are actively promoting sports at grassroots levels.

These trends generate robust opportunities in the Indian sports sector, including:

- **Job Creation:** Expanding roles in coaching, management, analytics, and sports technology.
- **International Collaboration:** Engagement with global sports organizations, events, and training.
- **Entrepreneurship:** Business opportunities in education, infrastructure, wearable tech, and digital coaching platforms.

The sports education market can capitalize on these trends through structured programs like BBA and MBA in Sports Management, and B.Tech in Sports Technology. With over 1,000 universities and millions of schools and colleges across India, and a youth-heavy population of 500 million, even a minimal revenue of $1 per capita equates to a potential revenue generation of US $500 million.

3. Investment Proposal and Revenue Model

SPAA India seeks an investment of ₹15 crore over 10 years:

- ₹10 crore as a one-time copyright licensing fee
- ₹5 crore for operational support and implementation

Revenue streams (25% success assumption over 10 years):

Revenue Source	Potential Revenue (₹ crore)	25% Success Revenue (₹ crore)
1,000+ universities	1000	125
10 lakh schools with academies	1,000	250
3 lakh PG institutions	600	150
Student enrollment (10 lakh @ ₹5,900/year)	590	147.5
Membership fees (10 lakh @ ₹1,180/year)	118	29.5
Total	**3,808**	**752**

4. Copyright Brand Valuation Analysis Valuation based on methods from international valuation platforms (eqvista.com, valadvisor.com):

4.1 Key Assumptions:

- Estimated revenue in 10 years: ₹3500 crore
- Conservative valuation: 10% of revenue = ₹350 crore
- Discount rate: 12.5%

4.2 Valuation Methods:

(a) Discounted Cash Flow (DCF): Using 10-year projection with ₹35 crore/year cash flow:

- Present Value (DCF) = ₹141.43 crore

(b) Royalty Relief Method (RFR):

- 5% Royalty on revenue: ₹175 crore
- PV = ₹70.71 crore (discounted at 12.5%)

(c) Market Multiples Method:

- Annual royalty earnings: ₹35 crore
- Multiple: 4x = ₹140 crore

Conclusion: Estimated brand value: ₹70 – ₹141 crore

5. Infrastructure and Human Resources Planning

Metro Office Setup (4 cities):

- Rent + Utilities: ₹96 lakh/year
- One-time setup: ₹2 crore

District-Level Offices (500):

- Franchise model, zero cost to copyright owner

Human Resources:

- Metro: Starts with 16 staff, grows gradually
- District: 1 staff/office @ ₹25,000/month → ₹150 crore/year
- Digital marketing: Scales from ₹1.2 crore to ₹5 crore over 10 years

Expense Summary Table:

Expense Category	Year 10 (₹ Cr)	Year 15 (₹ Cr)	Year 30 (₹ Cr)
Metro Office Ops	1.5	2	3
District Offices	--	--	--
Metro Staff	1	2	5
District Staff	150	250	400
Digital Marketing	0.5	2	3.5
Total	**183**	**256**	**411.5**

5. Brand Valuation Methods

The value of intellectual property (IP), especially in a rapidly growing sector like sports education, must be measured using reliable financial models. The following methods have been applied to determine the present economic worth of SPAA India's copyrighted programs in BBA/MBA Sports Management and B.Tech Sports Technology:

5.1. Discounted Cash Flow (DCF) Method

The DCF method calculates the present value of projected future income streams. Based on conservative assumptions:

- **Estimated Annual Royalty Income**: ₹35 crore
- **Time Horizon**: 10 years
- **Discount Rate**: 12.5% (to account for risk and inflation)

Using the formula for the present value of an annuity:

PV=R×[1−(1+r)−n]/rPV = R \times \left[1 - (1 + r)^{-n}\right] / rPV=R×[1−(1+r)−n]/r

Where:

- R=₹35R = ₹35R=₹35 crore
- r=12.5%=0.125r = 12.5\% = 0.125r=12.5%=0.125
- n=10n = 10n=10 years

PV≈₹35×5.26≈₹184.1 crorePV ≈ ₹35 \times 5.26 ≈ ₹184.1 \text{ crore}PV≈₹35×5.26≈₹184.1 crore

Refined estimate (based on business risk adjustment): ₹141.43 crore.

5.2. Relief from Royalty (RFR) Method

This method values the brand by estimating the royalties a company would otherwise pay to use similar IP if it did not own it. For SPAA India:

- **Royalty Rate**: 5% of projected revenue
- **Projected Total Revenue (10 years)**: ₹3,500 crore

RoyaltySavings=5%×₹3,500 crore=₹175 croreRoyalty Savings = 5\% \times ₹3,500 \text{ crore} = ₹175 \text{ crore}RoyaltySavings=5%×₹3,500 crore=₹175 crore

Discounted to present value (at 12.5%), the **IP value** is estimated at **₹70.71 crore**.

5.3. Market Multiples Method

This comparative valuation method uses industry benchmarks. Assuming:

- **Annual Earnings from IP**: ₹35 crore
- **Conservative Industry Multiple**: 4x (used for IP and education sector brands)

Valuation=₹35×4=₹140 croreValuation = ₹35 \times 4 = ₹140 \text{ crore}Valuation=₹35×4=₹140 crore

This method validates the value range identified by DCF and RFR.

5.4 Literature Review: Sports Economy and Sports Education in India

1. Growth of the Sports Economy in India

India's sports economy has evolved significantly over the past two decades. According to the GroupM ESP report (2023), the Indian sports industry was valued at ₹15,766 crore in 2023, registering an 11% growth over the previous year. This growth is attributed to increased media rights, sponsorships, merchandising, and the rising popularity of domestic leagues, particularly cricket, kabaddi, and football.

The Indian Premier League (IPL), launched in 2008, has emerged as a global benchmark in sports commercialization. It alone contributes billions to India's GDP annually (Deloitte, 2020). With IPL franchises being owned by major industrial houses (e.g., Reliance Industries, Red Chillies Entertainment), the league integrates entertainment, business, and sports seamlessly.

2. Role of Bollywood and Corporate Sector

Bollywood celebrities have played a pivotal role in popularizing sports, both as investors and brand ambassadors. Stars like Shah Rukh Khan, Preity Zinta, and Ranveer Singh have either owned franchises or endorsed sporting events. This intersection of entertainment and sports has drawn youth toward sports careers, boosted viewership, and enhanced brand value.

Corporates like **Reliance Industries** have made strategic investments in Indian sports through the **Reliance Foundation** and **ISL (Indian Super League)** in football. These efforts include grassroots training, athlete development, and partnerships with international academies. Reliance's commitment reflects a growing synergy between corporate CSR and national sports policy.

3. Sports Education in India

Sports education in India is gradually gaining institutional recognition. UGC has introduced undergraduate and postgraduate programs in **Physical Education and Sports Sciences**, while **AICTE** is approving technical degrees like **B.Tech in Sports Technology** and **MBA in Sports Management**, reflecting a shift toward specialized education in this domain.

A pioneering force in this space is the **Sports Academy Association of India (SPAA India)**, founded in 2015. SPAA India has developed and copyrighted India's first-of-its-kind industry-oriented **BBA and MBA in Sports Management** and **B.Tech in Sports Technology** programs. These initiatives aim to create job-ready professionals by bridging the gap between industry needs and academic training (SPAA India, 2024). With support from over 300 school principals and collaboration with institutions across India, SPAA India is fostering 21st-century sports education and professional development (www.spaaindia.in).

Institutes like **Lakshmibai National Institute of Physical Education (LNIPE)** and **Tamil Nadu Physical Education and Sports University** have contributed significantly, but industry-integrated programs like those by SPAA India reflect a new paradigm.

4. Role of Government Bodies: SAI and UGC

The **Sports Authority of India (SAI)** under the Ministry of Youth Affairs and Sports plays a central role in athlete training, sports infrastructure, and national-level competitions. SAI supports institutions like National Centres of Excellence (NCOEs) and collaborates with Khelo India to promote grassroots sports culture.

UGC's support for sports education includes curriculum reforms, funding for university sports infrastructure, and integration of sports in **National Education Policy (NEP) 2020**, which emphasizes experiential and skill-based learning—including sports, yoga, and wellness.

5. Emerging Franchise Models Beyond IPL

The IPL model has inspired the rise of other franchise-based leagues such as:

- **Pro Kabaddi League (PKL)** – Leveraged local talent and viewership
- **Indian Super League (ISL)** – Brought football to national prominence
- **Ultimate Table Tennis (UTT)** and **Premier Badminton League (PBL)** – Supported Olympic sports visibility

These franchises have created an ecosystem for athletes, coaches, physiotherapists, broadcasters, and analysts—thereby expanding the employment landscape.

6. Challenges and Gaps

- **Skill Deficit**: There's a lack of professionally trained sports managers, analysts, and technical staff.
- **Limited Sports Universities**: Only a handful exist in India compared to developed nations.
- **Unequal Funding**: Cricket receives disproportionate funding while Olympic sports struggle.

Impact and Vision

SPAA India's initiatives have far-reaching implications for India's economy, youth empowerment, and global standing in sports education:

- **Centers of Excellence**: Plans to establish 1000+ sports education centers across India, in partnership with universities, skill development missions, and sports federations.
- **Enhancing Global Reputation**: With proprietary courses and strategic international collaborations, SPAA India positions India as a global destination for sports management and technology education.
- **Fostering Economic Growth**: By enabling sports entrepreneurship and job creation, the model supports multiple verticals—education, infrastructure, fitness, event management, and sports analytics.
- **Youth Empowerment**: With India's 500+ million youth population, the programs aim to nurture talent for careers in one of the world's most dynamic sectors, bridging the gap between education and industry.
- India's sports economy is poised for exponential growth, fueled by government schemes, corporate investment, celebrity endorsement, and youth aspiration. For sustainable development, India must invest in **sports education infrastructure**, curriculum innovation, and cross-sectoral partnerships.
- Organizations like **SPAA India** are leading this transformation by designing future-ready academic programs, developing sports professionals, and positioning India as a global hub for sports education.

With strategic investment and digital outreach, SPAA India is poised to reshape sports education in India. The copyright-backed revenue model ensures long-term sustainability and high ROI. Even with a conservative 25% success rate, the projected revenue and brand valuation justify substantial investment in this sector.

Acknowledgment: This research proposal and valuation analysis are valid until **31st December 2025**, and are based on existing educational, economic, and legal frameworks applicable under Indian law and international valuation standards.

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