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Toy industry on the ascendant, says study

NEW DELHI: The Indian toy market is likely to be worth Rs 13,000 crore by 2015 and the Delhi market is expected to contribute to a great extent, says a report. Centres like Delhi, Ahmedabad, Bangalore, Hyderabad, Kolkata and Pune are emerging as toy manufacturing hubs, said D S Rawar, secretary general of the Associated Chambers of Commerce and Industry of India, while releasing the findings of the study titled "Toy Industry in India: The Way Forward" in the city.

Small toy shops rule the unorganised industry while multi-brand toy outlets and branded toy shops in malls like FisherPrice, Funskool, Hamleys, Hasbro International, Lego, Majorette, Mattel, NICI



and others cater to the middle class and above.

According to the report, the toy market is growing at a compounded annual growth rate (CAGR) of 20 per cent. The domestic toy market is currently worth around Rs 7,500 crore.

However, the domestic market is highly fragmented, unorganised and dominated by mi-

cro and small scale manufacturers. Nearly 70 per cent of the Indian toy market is unorganised, but it provides employment to about 25 lakh people.

"The Indian toy industry caters to nearly four crore kids in the age group of up to 12 years across the country. But, domestically manufactured toys account for only 15 per cent of the market.

The rest of the market is flooded with toys from countries like China, the United States, the UK, Korea and Malaysia," said Rawar.

The craze for video games has also dented the toy business. "Dogged by lack of advertising, innovation, infrastructure, marketing, entry of

foreign brands and no proper distribution system, the domestic toy industry must be provided with credit and marketing assistance by the government," suggested Rawar.

Toy manufacturers in Delhi such as Vinal Toys, Ayush Toys and Khanna Toys echo similar thoughts saying business has gone down and government aid will help in boosting growth.

"Tier II and III cities are emerging markets for manufacturers as we are exploring and expanding in these cities to garner more revenue.

The government's intervention will help us grow faster," said Ajay Kumar, owner of Ayush Toys.

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