

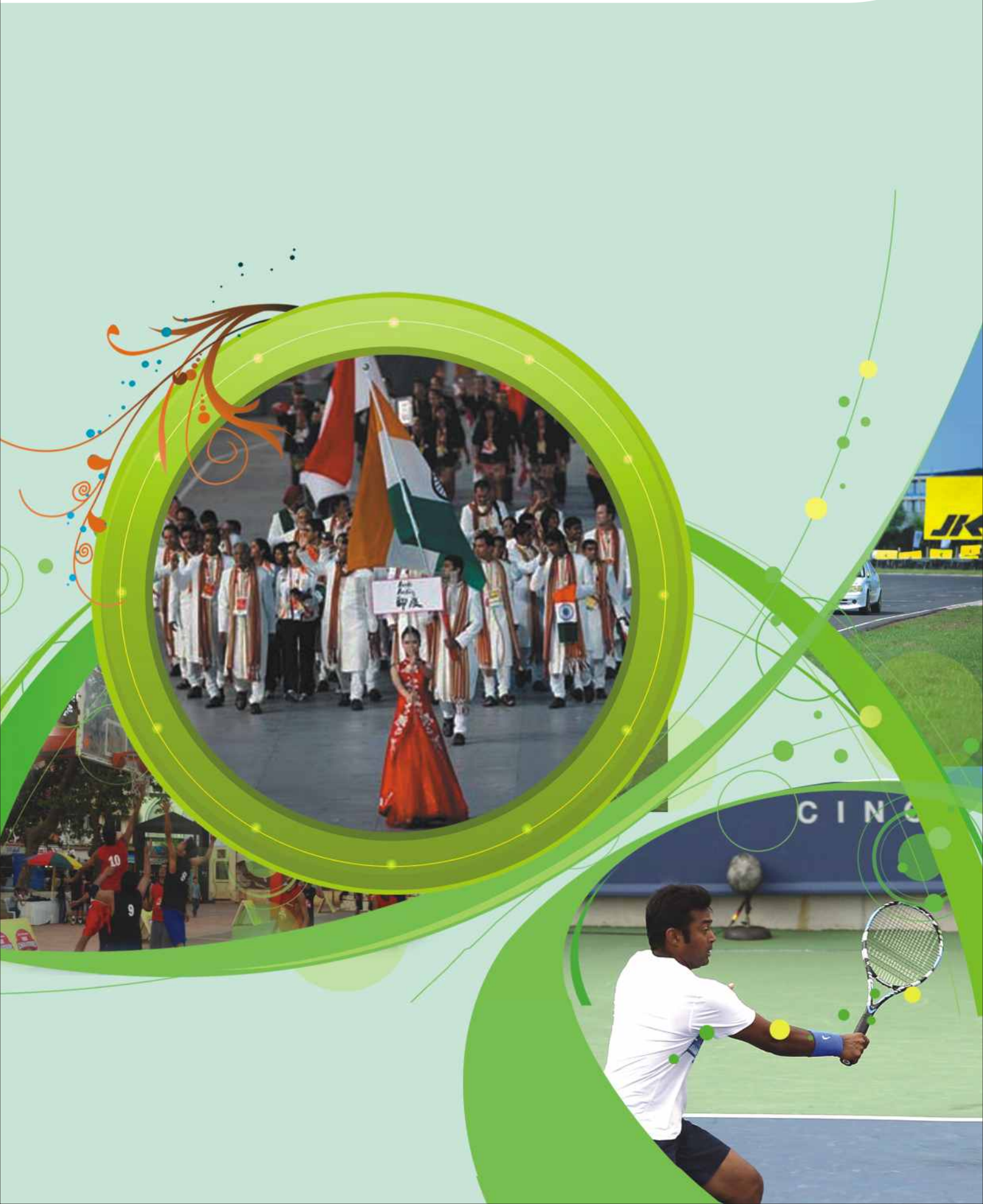


FICCI SPORTS DIGEST

Stimulating Business of Sports in India

Jun 2012

Volume - VI





EDITORIAL

Dear Reader,

The 'feat' at the Beijing Games 2008 and then CWG 2010 Delhi Games has now heightened Indian expectations for London 2012. Nevertheless FICCI is also committed to felicitate providing conducive environment for improving India's performance. Under the chairmanship of Mr. Alopek Malik, Managing Director, ESPN Star Sports India and Co-chairmanship of Mr. Sanjiv Paul, Vice President, Corporate Services, Tata Steel, FICCI Sports division has come out with its vision for promoting sports in India which "To facilitate and encourage development of Sport in India by, proactively, engaging with identified stake holders and getting them to commit resources for such development.

The vibrant sports committee has already started working and has formed subcommittees on soccer development and policy advocacy on regulating sports betting in India.

This issue of Sports Digest covers the highlights of FICCI delegation to Soccerex European Forum and Manchester United Club in the month of March 2012 and Conference on Regulating Sports betting in India to feed in to above objectives.

This edition's cover story is on Understanding Sports Betting in Indian Context besides regular features like Focus Athlete, State and Corporate.

Year after year, FICCI is bridging the knowledge gaps in sports. We have already come up with two publications on "Unique Business Opportunities in Football in India" and "Regulating Sports Betting in India". Yet again we will be releasing knowledge reports on sports sector in India at TURF 2012, these reports will be on varied issues like "Institutional Capacity Building, Performance Assessment of Sports Federations and States, Vision for Football Development in India.

TURF 2012, 4th Global Sports Summit and FICCI Sports Awards are scheduled for 18-19 Oct, 2012. I look forward to welcome you there. I am sure with your continuous support and guidance; this will be another successful year of this India's largest international convention on business of sports.

(Rajpal Singh)

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COVER STORY : UNDERSTANDING SPORTS BETTING in INDIAN CONTEXT

What is Sports Betting?

1. Sport is predominantly a game of skill and chance plays a very small aspect in the game. The ability of the players, the form they are in and the conditions of play are important factors determining the result of a match.
2. Horse racing and rummy have been held to be games of skill hence betting on them is legal.
3. Sports' betting is different from the other common forms of gambling, playing games of chance and taking part in lotteries.

Then it brings us to very pertinent question *Is betting on sport contrary to its moral code and is betting on sports really illegal?*

Challenges Related To Legalizing Betting

Betting and other forms of gambling have been viewed with a sense of social disapproval but we have to accept the fact that they are something what might be called a "social constant". Following are the problems related to betting:

- *Social disapproval.*
- *Dangers and side effects (for the young and vulnerable).*
- *Bookmaking involving bribery, disclosure of confidential information, point shedding, spot fixing and match fixing.*
- *Unscrupulous and unregulated operators.*

New Problems Related To Technology

For betting and gambling, the internet has fundamentally changed the rules. Gambling and betting are the "perfect" industries for remote communication – requiring only the transfer of information and money.

Old models of regulation and control cannot cope. In the field of gambling and betting, legislation generally focused on controlling physical premises. But that approach has been rendered largely obsolete because of the availability of remote gambling and betting that can transcend state and national borders with ease.

Three approaches to look at betting

- Prohibit it as a vice that should be curtailed;
- Accept that it is inevitable and it takes place and seek to regulate it;
- Encourage it as a means of generating state revenue and economic growth;



Betting market in India	Rs. 300,000 crores
Possible rate of tax	20% of the profits
Possible revenue to the Government	Rs. 12,000 crores to 19,000 crores

Source: KPMG Report on "Online Gaming: A Gamble or a Sure Bet"

International Precedents: Dealing With Sports Betting/ Gambling

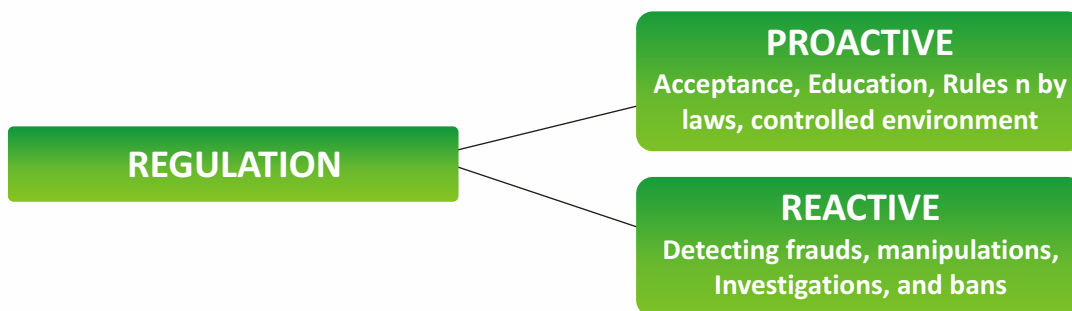
APPROACH	RATIONALE	Countries
BLANKET PROHIBITIONS	Gambling is a vice or sin from which the public should be protected.	Saudi Arabia, Turkey, Malaysia and some other states.
INTEGRATE GAMBLING WITHIN THEIR OWN SYSTEMS.	Gambling is a means of generating employment, social improvement for populations and tax collection for their governments.	Curacao, Gibraltar, the Isle of Man, Alderney and states in the US like Nevada.
MORALLY NEUTRAL	People should be free to choose. They seek to regulate in a way which reduces the social costs to an acceptable level. There are series of new laws which allow on-line operators to be licensed and taxed in the jurisdiction.	Most jurisdictions in Europe- Denmark, Italy, France, Spain (including UK) and most states within America.

Benefits Of Regulation In India

Despite several attempts to ban it, betting is continuing albeit in an underground way and substantial resources have been invested into enforcing such a ban; Thus middle way out is it should be regulated in a way which reduces these social costs to an acceptable level. Hence, the Government should think of legalizing and regulating betting.

1. It can reduce Match Fixing
2. Tax revenue for government
3. Social benefits like providing employment and social improvement for their populations.

The greatest advantage of regulating sports betting is that there will be accountability for the large amounts of money transferred through illegal channels leading to reduction in cases of match fixing, money laundering and crimes. The question now is how to tax the money involved in gambling and need to devise a system which encourages betting operators to function openly



WAY FORWARD

Regulating Betting in India's Constitutional Context By Central Government

- Amending the public Gambling Act, 1867 to include a section on “authorized games”. This approach has been adopted by Goa, Daman and Diu Public Gambling Act 1976
- Making regulations under entry 42 of Union List “ Interstate trade and commerce”
- Making regulations under entry 31 dealing with “posts and telegraphs, telephones, wireless, broadcasting and other forms of communication”
- Rules could be drafted under IT act for regulation of sports betting on internet and other remote means of communication

Establish Regulator for Sport Betting

Active regulation is the only real solution – whether the underlying philosophy is to permit or restrict. It is necessary to establish a body or bodies to oversee the regulatory process, Like the UK Gambling Commission which does:

- The assessment of applicants for operating.
- The investigation of the key officers and owners of the operating business.
- The creation and enforcement of codes of practice and procedures in relation to sport betting operators.
- The auditing of betting operators in order to ensure that they are complying with the rules and their licenses.
- The investigation of complaints against operators.
- The power to review and revoke licenses in circumstances where the operator has breached the rules.
- The power to bring criminal prosecutions on its own, or to co-operate with other authorities.
- The power to deal with disputes about betting, and the power to void a particular bet which arouses suspicion.

A system which seeks simply to prohibit rather than control gambling is turning its back on the problem. When regulation arrives, it is true that problems are revealed, actions need to be taken and policies enforced. But that is because regulation tends to highlight problems and issues that had previously gone un-noticed. There can be no doubt that these problems already exist in India. Regulation is a step forward on all these fronts.



FOCUS ATHLETE : Akhil Kumar

Akhil Kumar the Indian boxer who has won several international and national boxing awards was honored with prestigious Arjuna Award in 2005 for his achievements. Akhil who practices an “Open Guarded” boxing style, was born in Faizabad, Uttar Pradesh on 27 March 1981. He started boxing at 13. FICCI sports in conversation with Akhil

1. When and why did you join Boxing?

It was in 1994. Initially I was fond of playing cricket in streets with my friends then one day my elder brother showed me the way to choose any individual game and do training with dedication to frame a bright future through sports.

2. Tell us something about your family?

My mother, father, we are two brothers and two sisters. I am youngest of them. Now, I am married and have a sweet daughter (ANGEL).

3. Who have been most important in your journey of becoming a successful professional boxer in terms of coaches, sponsors etc?

My family, friends and my own desire to win have been most important in my journey. My father told me that a person who has good, faithful and true friends, good character wife and obedient children, is the luckiest man on this earth. So, I think I am lucky. Also, I have been fond of reading books. The novels, small stories like panchtantra have been quite motivating for me.

4. How was Boxing taken as sports ten years back and what change do you see today? Do you see any change in corporate involvement in Boxing?

Ten years back boxing was being treated as the minority sports in India. Though government funding for the development of boxing was appropriate but something was lacking which was fulfilled by the strenuous efforts of the boxers like N G Dingko Singh, Gurcharan Singh, Vijender Singh, Vikas Krishan, M C Marry Kom.

Now our boxing family members can be seen in the various commercial aids, reality shows, stage shows, print as well as electronic media and people recognise us. For example I never thought of participating in the Dance reality shows like “Jhalak Dikhla Ja” but I did it. Boxing has given us the status of Celebrity. We have been invited in many shows as the Chief Guests.

Yes, there is huge involvement of corporate sector in Boxing especially after the 2008 Beijing Olympics. The trusts and companies like: Mittal Champions Trust, Olympic Gold Quest, Transtadia, Sahara Parivar, Sports Ratna by Samsung are coming forward to provide financial support and incentives to the player who need it. Even some companies like Indian Oil, Tata are providing jobs with handsome salary to the boxers.



5. What is the role of experts like physiotherapist, masseur, and dietician in development of a world class boxer?

These experts are like God to a boxer who is injured. For example, I have been having muscle injuries many times in my boxing career whenever I have been assisted by a good knowledgeable physiotherapist and with the attention of my dietician, I have crossed crucial hurdles. I have been supported by Mr. Heath Mathews from the Mittal Champions Trust, who supported me before and during the 2008 Beijing Olympics when I was having the wrist surgery. A good physiotherapist matters a lot with the team. There is need of massage twice or thrice per week at the elite level of Boxing, therefore a good masseur can make a boxer recover quickly by releasing the accumulated lactic acid in the muscles which is responsible for the fatigue in body.

As far as dietician is concerned, a good dietician can read a boxers' eating habits and can make a suitable nutrition chart for him to maintain or reduce or gain the body weight as per the requirements.

Experts like physiotherapist, masseur, and dietician not only play an important role in development of a world class boxer but there is crucial need of these experts with any sports team whether it may be boxing, wrestling or football or any other game. And I am really surprised that during my 18 years boxing career, not even a single expert boxing coach demanded for such experts for their respective teams. Here expert means expert and experience holder in his respective field.

6. What is your career plan after retirement? (You started your boxing school which got in to controversy, what is your view point on legal hurdles in promotion of sports?)

Well after retirement from my playing career I have planned to open a Boxing Club where I can share my practical experience of 18 years in Boxing with the talented boxers. I know the hardship and dedication required to grow up a steady crop of good boxers. So, I have planned to dedicate my life for the promotion of Boxing in India through my club.

Well, some of my friends who are themselves international boxing players started a club in my name "Akhil Kumar Boxing Club & Fitness Society" based in Rohtak. It got in controversy due to some reasons then it was sorted out immediately. Now, it is running smoothly. Whenever I get free time, I go to this club and share my experience with the boxers. *There is no legal hurdle in promotion of sports. Jahan chah hai wahan rah hai.....lebron se darr ke nouka par nhi hoti himmat krne walon ki har nhi hoti...*

7. You have got a good online presence in – social media, website, how do you manage your time with such a busy training schedule and your job?

Well, it is true that I have quite hectic schedule but my wife (she is also a Boxing Coach in the teaching faculty of the Netaji Subhas National Institute of Sports, Patiala), friends are very cooperative. They just make it all so systematic that I am able to manage my time in social appearances along with the training schedule and my job.

8. Your message for Corporate India:

There is huge latent talent in rural India. Please come forward with financial inputs towards the development of sporting environment at grass root level and let the rural talented pupil dream of an Olympic medal. Thus make our lovely nation proud



FOCUS CORPORATE : Nirmal Lifestyle



Mission

Nirmal Lifestyle, believe that advancement of sports must effect at three stages: from schools, to society to the nation. Sports must become integral part of our life, especially, in schools where children should take up sports with a keen interest.

Strategy

Nirmal Lifestyle is working diligently with their partner NDTV to provide marks for sports in schools in India parallel to other subjects under a campaign called Marks for Sports.

Nirmal will soon launch year 2 for Marks for Sports. They have embarked the cause of promoting and developing sports in India and invite support from people and institutions to make a successful accomplishment of the purpose.

Commitment

To improve sports infrastructure in the country, introducing world-class sports facilities to communities, organizing sports camps and bringing international sports events in India.

Nirmal has introduced India's first sports-lifestyle apartments in Mumbai called US Open Apartments.

Nirmal proposes to launch Sports Cities developed around international standard sports facilities in urban

They have partnered with global sports brands / federations such as International Association of Athletics Federation (IAAF), USTA - US Open, Fédération Internationale de Natation (FINA) and Discovery.

Bringing international expertise in India

In the recently conducted seven day 'coach the coaches' camp. Eliolo Catelli, one of the best coaches of IAAF trained 24 national coaches from Sports Authority of India from across the country. Based on a positive feedback from the participating coaches and IAAF, Nirmal Lifestyle plans to continue holding more such camps to provide improved international training exposure to our coaches and sportsmen.

IAAF has agreed to support Nirmal Lifestyle in furthering the cause of sports in India.

MARKS FOR SPORTS

Target audience: Policymakers, school principals, parents and kids.

Objective: To bring about a policy change and make sports a part of school curriculum.

The company reached out to decision makers like Union HRD minister Mr Kapil Sibal and Sports Minister Ajay Maken to make sports a compulsory subject in schools. Both the ministers lent their full support to the campaign.

Activities: Year around in various cities like Delhi, Mumbai, Chandigarh, Kolkata, Srinagar, Bangalore, Chennai and many more. More than 16 lakhs petitions have been collected from all over the country.

The campaign culminated with Fit India Day, which was conducted on Feb 5th, 2012. Spirits of Sports award was also organized on Feb 5th, 2012 in Delhi.



FOCUS STATE : Goa

Goa's motto- Catch Them Young Coach Them Right!!

DSYA Goa was established, in 1973, since then it has left no stone unturned, in keeping with the latest trends, thereby providing the need based long term training facilities to the budding Goan Sports Talent by the duly appointed well qualified and Experienced Coaches and infrastructure. The Department of Physical Education monitors the effective implication of the Physical Education Programmes, right from the Primary to the Higher Secondary School thereby encouraging mass participation in Physical Education.

Infrastructure Development: Grassroots to professional level

- A unique center of excellence has been established on the lines of Netaji Subhash National Institute of Sports.
- Efforts are now on to setup additional SUB-RCC centers at other taluka places most importantly in the tribal & SC community.
- Special focus on development of campsites for promoting youth activities like trekking, hiking, mountaineering and other adventure programmes.
- Establishment of state of the art gymnasia at village/taluka to facilitate the youth to develop their physique and all round personality.
- Department annually purchases and supplies standard sports equipments to all the government primary, middle, and secondary schools.
- Development of playgrounds and standard playfields in schools for the benefit of the local student and non – students community.
- Establishment of sports hostel (sports)

Regularly need-based in-service training to the Physical Education Teachers and Coaches is organized through the organization of Special Orientation Courses, Workshops, Seminars & Refresher Courses.

Sports Authority of Goa Schemes

Annual Grants to State Sports Associations and Clubs

Organization of Games of Zonal/National/Federation Club Tournament

Conduct of Seminar Sports, Games etc.

Centrally sponsored women Sports Festival

Organization and Participation of Tournaments

PYKKA Scheme

Conduct of Coaching Camps.

Purchase of Sports Equipment

Development of campsites

Construction of Sports Infrastructure



'FOOTBALL' THE STATE'S OFFICIAL SPORTS

Football runs in the blood of Goans earning it laurels at the National and International arena besides having represented the Country at the World Cup and Olympics. A special Goa State Football Developmental Council has been constituted.

SAG schemes to promote sports & games

- Awards and recognition is given to outstanding youth/voluntary youth organizations / awards for special talents in sports and game
- SAG conducts tournaments, competitions, exhibition matches, invitational tournaments at Zonal, National, International Level, including Interstate tournaments and local tournaments for all age groups.
- Clinics for coaches, organizes seminars, conferences, meetings, orientation courses to initiate to undertake, sponsor, stimulate and encourage research and development in sports and games and allied matters.
- The women Sports Festival which is Central Govt sponsored
- Catch them Young and Coach them right scheme is introduced from Primary to Middle, Secondary and Higher Secondary levels

The existing sports infrastructure in Goa is found to be inadequate for conducting National and International level Competitions. Certain sports like Badminton, Volleyball, and Basketball etc. are being practiced and played on open grounds as of date due to non-availability of appropriate Indoor Halls. However keeping in mind The 3rd Lusofonia Games, comprising of Portuguese Speaking Nations which will be held in Goa in the year 2013 and 36th National Games 2014, the state of the art infrastructure is being developed .

Directorate of sports was established with the objective of accelerating Sports & Youth related activities in the State for achieving excellence at the National and International arena, and to promote Physical Education curriculum inclusive of various Schemes & activities in Sports. Therefore focus is on grassroots sports culture promotion and development;

It is indeed a pride to note that these popular schemes have indeed contributed most significantly in attracting mass participation in Sports and ensuring positive results at the National Level Competitions organized by the School Games Federation of India, as is evident from the innumerable Gold, Silver and Bronze Medals bagged by our talented School Sportspersons. University Teams have excelled at the Inter University Competitions having bagged Gold, Silver and Bronze Medals in various Sports Disciplines,



HIGHLIGHTS

OF FICCI ACTIVITIES

FICCI delegation to Soccerex European Forum 28-29 Mar, 2012, Manchester, UK

The 25 member delegation from India attended the world's largest football business event in Manchester, UK on 28-29 Mar, 2012. The delegation comprised the Sports Ministry of Haryana, Ministry of Youth Affairs and Sports, Sports Authority of India and the All India Football Federation, and individuals representing many facets of the Indian football community. The idea behind creating the delegation was pioneered by the Federation of Indian Chambers of Commerce and Industry (FICCI) and Libero Sports India to share the Indian football story with the world. At the Soccerex, members of the delegation had the opportunity to conduct meetings and network with other attendees at the aptly named "Indian Football" stall which was perfectly positioned next to the stall for Manchester United FC. In addition to networking and meetings, the delegation released a detailed knowledge report on Indian Football created by FICCI and Libero Sports. The highlight of the forum for the Indian delegation was their participation in a two hour session titled **"Destination India: The unique business opportunities in Indian football."** The popular session saw a packed to the capacity crowd and focused on discussing the unique business opportunities Indian football. The panel comprised:

- Mr. Kushal Das, General Secretary, All India Football Federation.
- Mr. Vishwajeet Kadam, Founder of Abhijit Kadam Football Development Centre.
- Mr. Jefferson Slack, Senior Vice President, IMG.
- Mr. Mario De Vivo, Chief Commercial Officer, Inter Milan Football Club.
- Mr. Rajpal Singh, Additional Director, FICCI.
- Mr. Sukhvinder Singh, Managing Director, Libero Sports India

In addition to activities during Soccerex, the delegation was invited by Manchester United FC to visit their famous stadium and attend presentation on how the premier league champions run their business globally.



Conference on Regulating Sports Betting in India- A vice to be tamed? 6 June, 2012

FICCI has initiated many policy debates in the areas that concern the economy. However, for the first time a conference was organized on Regulating Sports Betting in India which is a very topical issue affecting sports, society and economy. A knowledge paper was released. A survey was also conducted to know public opinion on this issue. The conference was extensively covered by print and electronic media. Some straightforward views were given and fruitful debates were held.

Besides, senior officials from Govt. & Pvt. Sectors, sports federations in addition to International Experts took part in deliberations which revolved around following-

- Is there a need to regulate betting in India?
- Regulating Sports Betting in India: Challenges and Opportunities.
- Changing Face of International Regulation in betting.
- Sports betting in India's Constitutional Context.
- Issues of Taxation.
- Way Forward

Key speakers

- **Hon'ble Justice Mukul Mudgal**, Former Chief Justice, Punjab and Haryana High Court
- **Mr. Kirti Azad**, Hon'ble, Member of Parliament and Renowned Cricketer
- **Mr. Carl Rohsler**, Global Thought Leader on Sports Betting & Gambling Laws, and Partner, Squire Sanders (UK) LLP
- **Mr. V Lakshmikumar**, Partner, Lakshmikumar and Sridharan Attorneys
- **Mr. Fredrik Ekdahl**, Director of Corporate Affairs, Poker Stars which is the world's largest poker site and the home of the World Championship of Online Poker took part in panel discussion.

We have collated all the issue raised during the conference, along with FICCI survey findings which is being sent as FICCI representation to all stake holders and concerned ministries (Youth Affairs and Sports, Finance, Law, Home Affairs) and Sports Authority of India.