

# With India emerging toy-maker to world, Funskool sees rise in exports, global tie-ups

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India is emerging as a global hub for toy manufacturing as American retailers look to diversify away from China amid the US-China tariff uncertainty.

MRF Group promoted toy-maker Funskool India says it is seeing increasing partnership deals with international retailers, especially in the US, with some already signed and others close to signing.

Funskool's exports in the last four months have grown 24 per cent year-on-year compared to the same period last year, KA Shabir, CEO, Funskool India Ltd, told *businessline*. "We are doing two products for the retail giant Walmart, which is now directly sourcing from India.



KA Shabir, CEO,  
Funskool India BUJOY GHOSH

Each of the products is big in terms of volume, and one is our own product, and we are making both for them," he added. "We are also working with Target (US retail giant)," Shabir said.

Funskool recently tied up with Asmodee (in the US) for domestic production of games like Catan. Similarly, it has also extended its tie-up with Germany's Ravensbur-

ger for introducing new versions of Scotland Yard, Go-liath, University Games, Seven Towns and Mega-house are a few other global partners of Funskool.

## EXPANSION PLANS

Funskool's global expansion is supported by its two facilities in Ranipet, Tamil Nadu, where it doubled its production capacity last year. A facility is also coming up in Goa to take advantage of the supply chain realignment in the toys sector, Shabir said.

"Our key focus for FY26 is the expansion of our Goa factory; it is expected to be completed by mid-FY26," he added. "Use of automation technologies is going to be another focus area in our plants," he said.

## TARIFF IMPEDIMENT

However, the looming US

tariffs on India at 25 per cent are set to rock the boat.

"Vietnam (20 per cent tariffs) and Indonesia (19 per cent) are likely to gain an edge over India due to their relatively lower tariff structures. As a result, the strong momentum we've witnessed over the past few months may begin to taper off," the CEO predicted.

"The imposition of a 'penalty' tariff is also introducing a layer of uncertainty at a critical time when new product development for the Fall 2026 season is in progress," he added.

Funskool will end the fiscal with around \$45 million in revenue and is targeting a minimum of 15 per cent growth annually.

Some of its key homegrown brands include Giggles, Fundough, Handycrafts, and Play&Learn.