

Export Cluster Project

PGDM-International Business, Batch 2022-24

Export Cluster Project is an integral part of Curriculum of PGDM-IB Program and is undertaken by students in their first trimester every year. Students meet exporters of a particular cluster and while interacting with them, they establish the various challenges being faced by them in Exporting their products on various parameters. Industry outlook is also taken and compared with other clusters.

This year also students of 2022-24 batch chose various Export Clusters and visited them in various groups. They are enlisted below.

1. Jaipur, Rajasthan - Textile Cluster

Some Learning and Experiences

- Repeated Checks at each stage of the process is necessary in quality control.
- To run a business successfully in the long run, you need to have a strong supply chain



- Good networks and networking are important in order to be successful in the long run.
- Multiple sources of raw materials procurement should be available to keep prices and quality in standard.
- Knowing that there is less restriction from the government in the garment industry was also a key takeaway.

2. Khurja, Uttar Pradesh – Ceramics Cluster

Khurja pottery is traditionally Indian pottery manufactured in Khurja of the Bulandshahar district in Uttar Pradesh, India. Even though it is a small city, yet it is well known for its ceramics. Students visited 6 exporters' and it was a great experience of having to learn a lot about how a business, imports, exports and the production of pottery products along with their raw materials. The owners of the respective firms were very helpful and cooperative and students got to learn the importance of persistence one needs to build a successful business.



3. Firozabad, Uttar Pradesh – Glass Cluster

Students visited Glass export cluster and spoke to exporters whose main market is in the USA, UK, Japan, UAE and Europe. They sell various glass decor, Chandler, glass, cups, vases, light bulbs, Christmas trees, easter eggs made of glass.

Though they capture a huge market, they tackle stiff competition from Chinese sellers. Exporters' suffer in terms of poor supply line, high taxation, low support of loan on pre-order value, and unavailability of raw materials locally. This increases their factor cost leading to high prices in foreign market making it difficult for them to compete with Chinese exporters.

Recommendations are to add glass export goods in free trade agreements with other countries, lower GST rates on acquiring raw material and support on pre-order value.



4. Agra, Uttar Pradesh – Marble Cluster

Students got to learn a lot of new things such as different types of stones, how inlays are done, export markets for this product among other things which could not have been possible to learn



if we had been restricted to text book/ traditional form of learning.

As management students we got to learn as well get lots of insights from the exporters. While interacting with various exporters, students learnt about the process of making the handicrafts to exporting them till they reach the final customers as well as the work culture and the lives of small artisans who are involved in this industry.

5. Delhi Customs

Customs Department is the Federal Government Agency that is invested with Authority to conduct Customs Valuation and collect Import as well as Export Duties. In the Airports and Ports, Customs have designated areas and offices where the exporters deposit the export consignments. After customs clearance the cargo is directly handed over to the Airline or the Shipping line from the Customs department for onward shipment.

Two samples are drawn for testing the goods. After introducing EDI, it became easy for people to fill up their forms and submit it.

The custom procedure has become very efficient and now it takes just a day or two to complete all the procedures. They are increasingly using risk based passenger profiling complemented with use of social media platforms for creating awareness about eligibility and entitlements of goods.



6. Delhi - Leather Cluster

Students visited exporters situated in Okhla where they witnessed the working of the manufacturing industry of leather apparel from scratch.

They witnessed how the journey of completely stitched shorts or jacket starts from sorting and arrangement of leather to getting completely stitched. In the lieu of same they observed how different origin of leather are used depending on the apparel we are using for and also the thickness of leather utilised at different usage is also monitored likewise while making shorts 3 layers of leather sheets are used whereas 6 while making jackets. They were shown the functioning and operating activities of the industry as well as about the aids being received from the govt. in order to encourage exporters to export more and more to get good inflows of forex.



7. NSEZ Noida - Gems and Jewellery

This project gave students insight of gems and jewellery export cluster and how they represent India on global level. This project also helped us in understanding how export and other functions work in our given cluster.

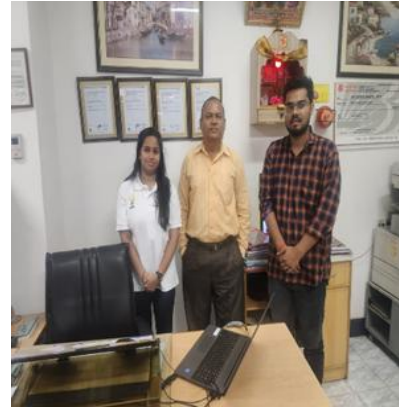
In the global market place gems and precious metals are extremely valuable mostly due to their rarity by seeing the referenced articles and data we can see that the demand and price will keep increasing. As it is a finite valuable resource, there will come a period where as a natural resource it will deplete and will not be mined, but as technology progresses synthetic versions of these gems and metals will be developed with identical properties of the natural form. Therefore, demand and supply shall remain stable.



Students got to know about how jewellery is made from scratch to finished products. Also, students get to know about various government policy and regulation regarding export and import of goods.

8. Agra, Uttar Pradesh – Leather Garments

- It is important to have coordination between different departments within a business to increase efficiency in work.
- Research and development is required to understand the current and future customer needs.
- The leather and footwear sector contributes about 2% to India's over all GDP.
- Government develop many schemes to support export of leather shoes.
- Students understood the complete process of manufacturing and export of leather shoes.



9. Faridabad, Haryana – Garment Cluster



Students visited exporters of Garments. The experience of visiting and getting knowledge on how the Garment sector of the textile industry has helped the Indian economy and provided employment as well.

We learned that the top brands like H&M, Target, Lewis, and even Being Human were the prime prospects of Shivalik prints, Sai imports etc.

10. Noida, Uttar Pradesh - Apparel Export Cluster

Students visited the Noida Apparel Export Cluster (NAEC). The Noida Apparel Export Cluster (NAEC) came into existence in 2007 and at present have over 350 esteemed and active members with a reach to over 600 exporters of Noida.

The Cluster has become a source of strength in terms of knowledge, motivation and trouble reliever for the apparel exporters of Noida and nearby areas. Apart from expanding the base, NAEC since its beginning has been actively associated with the development and expansion of the RMG sector in the region.



Major achievements of NAEC are declaring the district, the City of Apparels under ODOP by the UP Government, upcoming much needed NAEC Apparel Park at Yamuna Expressway, etc. Besides, the process of inclusion of the city in the list of Town of Export Excellence (TEE), the ambitious scheme of Govt. of India for export promotion is on.

Key Learnings:

- India expects a rise in exports, which will result in improvement of cash position in our country.
- India is a major producer of textile all over the world and has contributed to huge market demand.
- India can improve further if it gets technology enhancement and low transportation cost.