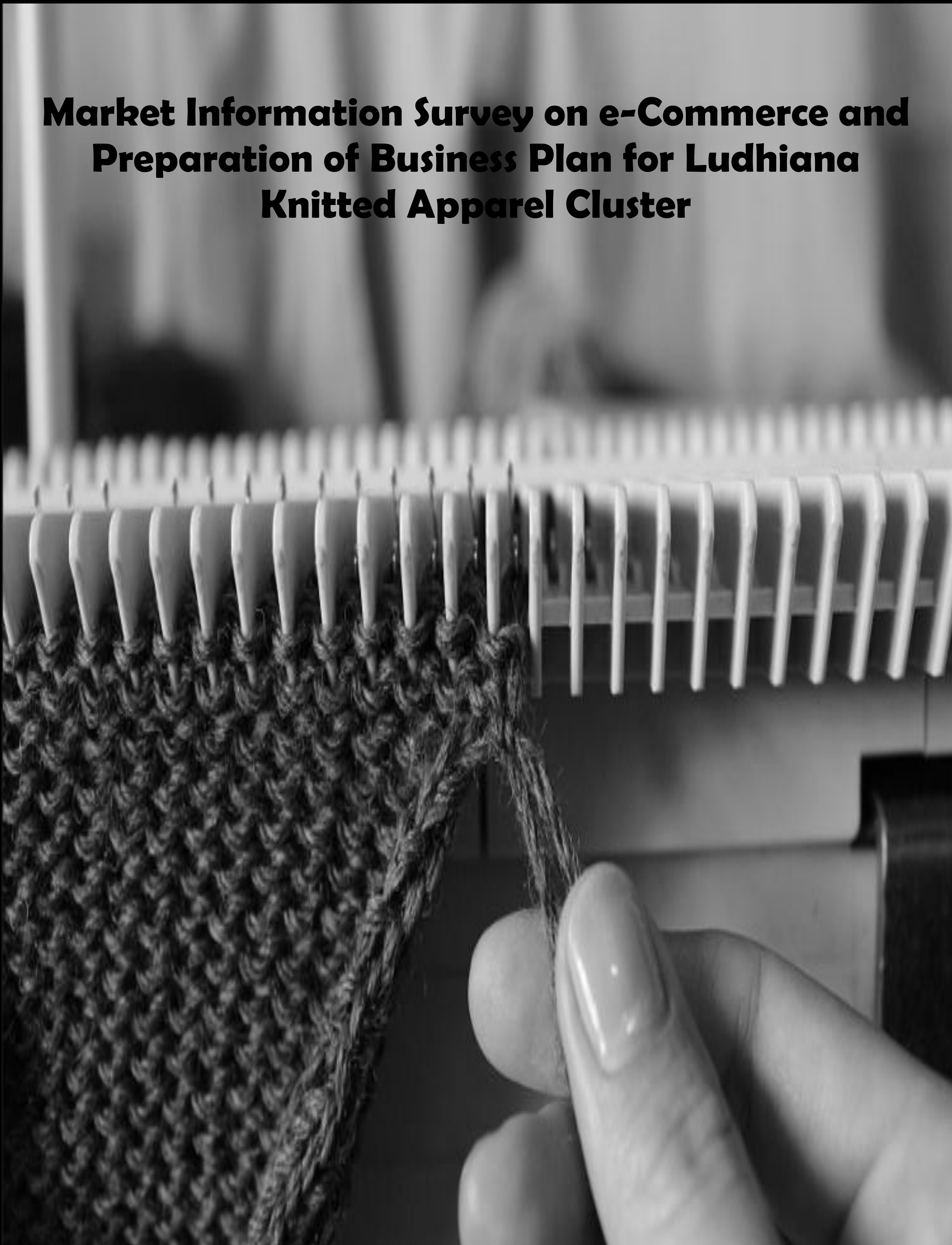
Market Information Survey on e-Commerce and Preparation of Business Plan for Ludhiana Knitted Apparel Cluster



Dr. Tamanna Chaturvedi
Consultant
Indian Institute of Foreign Trade

TABLE OF CONTENTS

OBJECTIVES OF THE STUDY

The Study primarily focuses on the opportunities in the existing and potential sectors/markets offered via e-Commerce in marketing and promotion of Ludhiana products. It simultaneously throws light on the challenges faced by MSMEs across this cluster towards the adoption of e-Commerce and hence, suggests the policy recommendations for trade facilitation measures for the same.

a) To assess the Cross Border e-Commerce readiness of the knitwear firms based on the survey of 50 firms

b) To develop an e-Commerce Strategic Action Plan and a complete roadmap for cluster's knitwear firms go for e-Commerce.

c) Identify top 10 markets for the cluster products and strategy on how to enter these markets via e-Commerce.

RESEARCH METHODOLOGY

It is essential to point out an important factor that adoption of e-Commerce amongst MSMEs does not depend only on the capacity towards the Information Technology readiness and the willingness of the firm but also the feasibility to go digital which in turn depends on infrastructure and policy support towards the same.

Step 1: Identification of Potential Export Products from Ludhiana Cluster

Step 2: Mapping of Exporting Units: Existing and Potential for Identified Products

Step 3: Checking their IT Readiness

Step 4: Checking the e-Commerce Readiness of Firms Identified in Step 3

Step 5: Exploring Challenges of MSME Units towards Digital Adoption

Step 6: Devising Strategy for Enhancing e-Commerce Adoption

EVALUATING THE EXPORT MERIT OF THE LISTED SECTORS/PRODUCTS: (CURRENT AND PROJECTED)

The export worthiness analysis of the cluster products depends on the status of world imports of the product in question versus the capability of cluster's MSMEs to cater to the rising import demand carrying comparative advantage against the competing suppliers with a particular focus on price and quality.

The rationale for identifying such products is as follows:

Is the import demand of the product in the international market growing?

If yes, does product from Ludhiana posses the supply capacity to cater to growing demand?

If yes, is there a comparative advantage that Ludhiana posses against competing suppliers?

If yes, is this acceptability in sync with demand projections in prime importing countries: i.e are Ludhiana exports targetted to markets with rising import demands.

CHECKING THE E-READINESS OF FIRMS WITHIN THE CLUSTERS (GLOBAL TRANSFORMATION)

E-Readiness of the firms, especially the ability to cater to the global market is dependent on three parameters: Business environment factors, Firm's characteristics and Geographical location/proximity to seaport.

Electricity, roads and telecommunications; business environment factors considered included access to land, tax rates, customs and trade regulations, labour regulations, logistics, access to finance etc.

Business Environment Factors

Firm's age, size, ownership, literacy levels, domestic sales outreach, presence in export market, scalability etc.

Distinct Firm Characteristics

It is assumed that geographical proximity to the custom port would have impact on the export readiness of the firm but may have negative impact on the E-readiness since physical exports B2B mode would be much feasible as compared to B2C through an online mode.

Geographical Location

METHODOLOGICAL APPROACH

The methodological approach includes primary as well as secondary research.

Secondary Research

- **Analysed the export import statistics to gain an insight regarding the trade directions.**
- **Studies on e-commerce industry in India by various e-commerce marketplaces.**
- **Government e-Commerce policy, its advantages and its drawbacks.**
- **Other Governmentpublications.**

Primary Research

- **Clue on export potential of the cluster firms for identified products.**
- **Clue on E-commerce readiness of the cluster firms.**
- **Clue on challenges faced by the cluster/firms to go digital.**

SURVEY METHODOLOGY

Spatially the cluster is scattered in nature. The Small Knitwear units are located in the residential regions around Sunder Nagar, Madhopuri, Brahmpuri, Shivpuri, Purana Bazar, and Bahadurke road whereas; the Medium and Large units are located on the outskirts of Ludhiana in Industrial Area, Focal Point, Chandigarh Road or Jalandhar Road. Only a few big firms have their production units in the Government promoted industrial estates in Ludhianadistrict. There is no exclusive industrial estate in the city for knitwear units.

Area of the District	**4000 SqKms**
No. of units in the cluster (Ludhiana)	**14000 (Regd. & Un-Regd.)**
Total Employment	**4 lakhs (Direct & Indirect)**
No. of Exporters	**400**

Table1. Preliminary Data Points for Ludhiana Knitwear Cluster (Source: Diagnostic Study Report, ACDS)

A sample of 50 units based across these locations was selected. A structured questionnaire was then designed and used as a tool to carry the survey and gather the data. The interviewer in person collected quantitative as well as qualitative information from the respondents which was further analysed. Based on this, a roadmap and an activity plan have been formulated to get the cluster firms export online.

LITERATURE REVIEW

E-commerce in recent times is expanding its reach rapidly across the world. Industry sources indicate that this growth can be sustained over a longer period as e-Commerce will continue to reach new geographies and encompass new markets.

As per the **Export Import Data Bank, Ministry of Commerce and Industry**, in the year 2016-17 India exported articles of apparel and clothing accessories (knitted or crocheted) worth Rs. 5,515,000.98 lakhs. In the first seven months of the financial year 2017-18, it has made exports worth Rs. 3,198,379.98 lakhs.[1] These figures reflect the demand for Indian knitwear by the foreign countries. The Ludhiana knitwear cluster can exploit this opportunity by tapping this market via e-Commerce exports.

Nisha (2016) stated that the retail e-Commerce sales, as a percent of total retail sales in India, are expected to reach 1.4 percent in the year 2018, making India the next emerging retail market.[2]The findings present on **www.statista.com** indicate that the retail e-Commerce sales in India is anticipated to touch USD 24.94 billion by the year 2018 and further to USD 45.17 billion by 2021. However, both the findings point to the e-commerce potential present in India as with everypassing year, the

[1]Export Import Data Bank, Department of Commerce
[2] http://www.ijifr.com/pdfsave/16-01-201638V3-E5-003n.pdf

comfort level of online purchase is improving due to several factors. Starting with theGovernment of India initiatives like Digital India, Make in India, etc. and further, the aggressivemarketing skills of the e-commerce websites are forcing the retailers to explore the option of onlineselling to enhance their sales figures. Education of the local shopkeepers by the e-commerce portals,simplified vendor on-boarding procedures, easy tracking of sales by the customer with few clicks ontheir smart phones, etc. are certain factors stimulating the e-commerce retail sales in India

As per the reports from Alibaba and Accenture, the global B2C e-Commerce market is envisaged to balloon in size from USD 230 billion in 2014 to USD 1 trillion in 2020. ***This increasing global e-Commerce retail market indicates a great opportunity for the Ludhiana Knitwear cluster enterprises to expand its presence worldwide. It is also proven that the apparel sales on an e-Commerce portal have surpassed all the other categories, thereby making it one of the most demanded items. It is among the highest grossing sales categories in northern America, Western Europe, and developed Asian countries.***[3]

According to the study **"COMMERCE 3.0: EMPOWERING INDIAN BUSINESSES & ENTREPRENEURS"** conducted by eBay on e-Commerce trade in the year 2014, it was found that the eBay sellers selling abroad are higher as compared to the traditional exporters. The study states that only 13% of traditional firms in India export as compared to 98% of commercial eBay sellers in India. Numerous benefits accrue to the sellers selling their products online.

Ludhiana being the dominant domestic cluster with its mass production capacity can change its position to an export cluster by adopting e-Commerce as a part of their business strategy.

SECTION 1: CURRENT STATUS

GLOBAL E-COMMERCE SCOPE

LUDHIANA- A CRUCIAL CLUSTER FOR E-COMMERCE EXPORTS

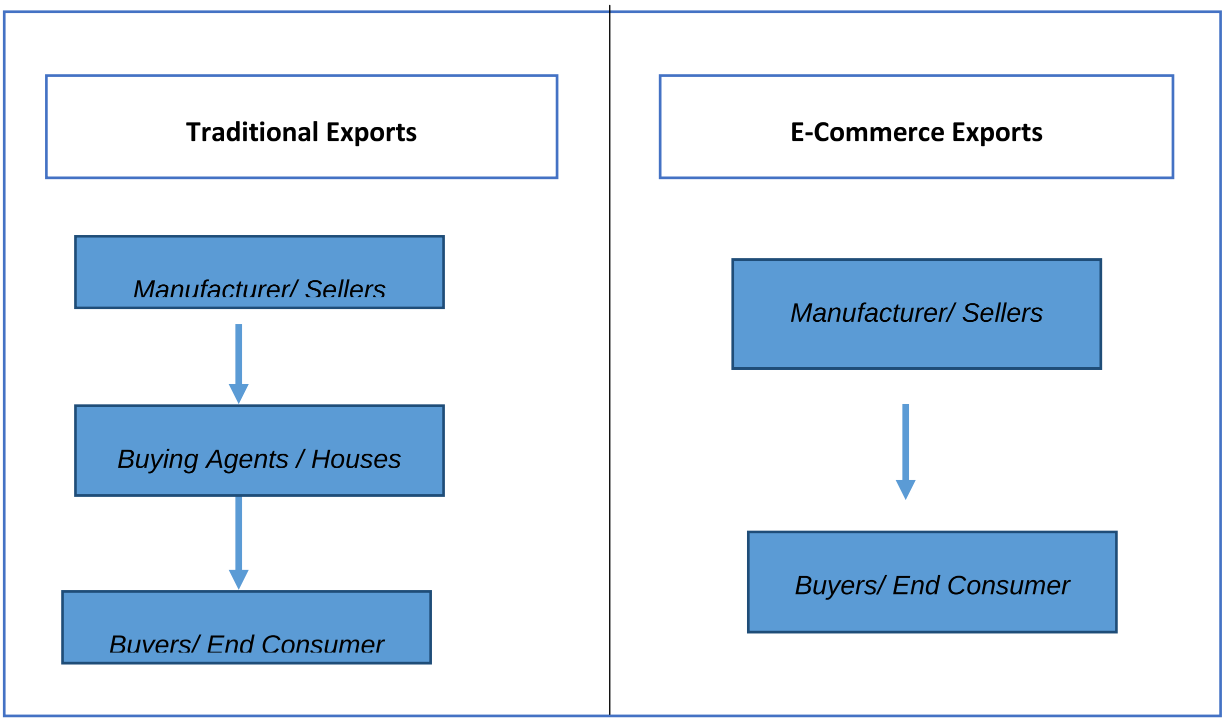
E-Commerce plays a significant role in the present scenario for the apparel industry including knitwear and is an ideal concept for the future too. It is revolutionizing the way this industry works.

[3]http://www.fibre2fashion.com/industry-article/7511/role-of-e-commerce-in-apparel-fashion

In the textile industry, the role of hosiery or knitwear sector is increasing day by day as they are preferred over woven garments all over the world over due to comfort, elasticity and natural breathability built within the knitted fabric structure. The mass production of knitwear items in Ludhiana and its current exports capacity makes Ludhiana a highly potential sector for e-Commerce.

The cluster Knitwear items have a good brand value in the domestic as well as the international market. Its well-knit value chain strengthens their production process. The cluster has a stable financial base due to the presence of nationalized public and private banks in the cluster. In addition to it, the cluster entrepreneurs are very innovative and proactive. All these cluster characteristics make e-Commerce a viable option for its large producer base.

Other than this, the changing customer buying preferences from offline to online mode, growing online demand, increasing internet penetration in all the countries, the demographic dynamics, the rise of social media platforms give all the more opportunities to the enterprises to go global. An e-Commerce strategy needs to be formulated to make the most of these opportunities and grab the benefits.



Box 1: Traditional Exports v/s E-Commerce Exports

In e-Commerce exports, the sellers have an added advantage in the form of increased profit margins due to the elimination of the middlemen. There is a direct link formed between the sellers and end-consumers. (Box 1)

As per the findings of the survey, merely 12 percent of the firms surveyed are currently exporting their products to the international market. The remainder 88 percent is catering to the domestic customers only.

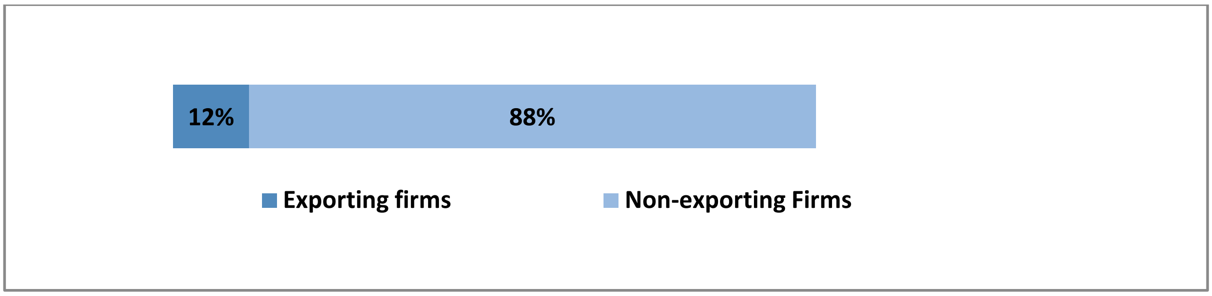


Figure 1: Number of exporting firms

Reasons for Not Exporting to the International Market

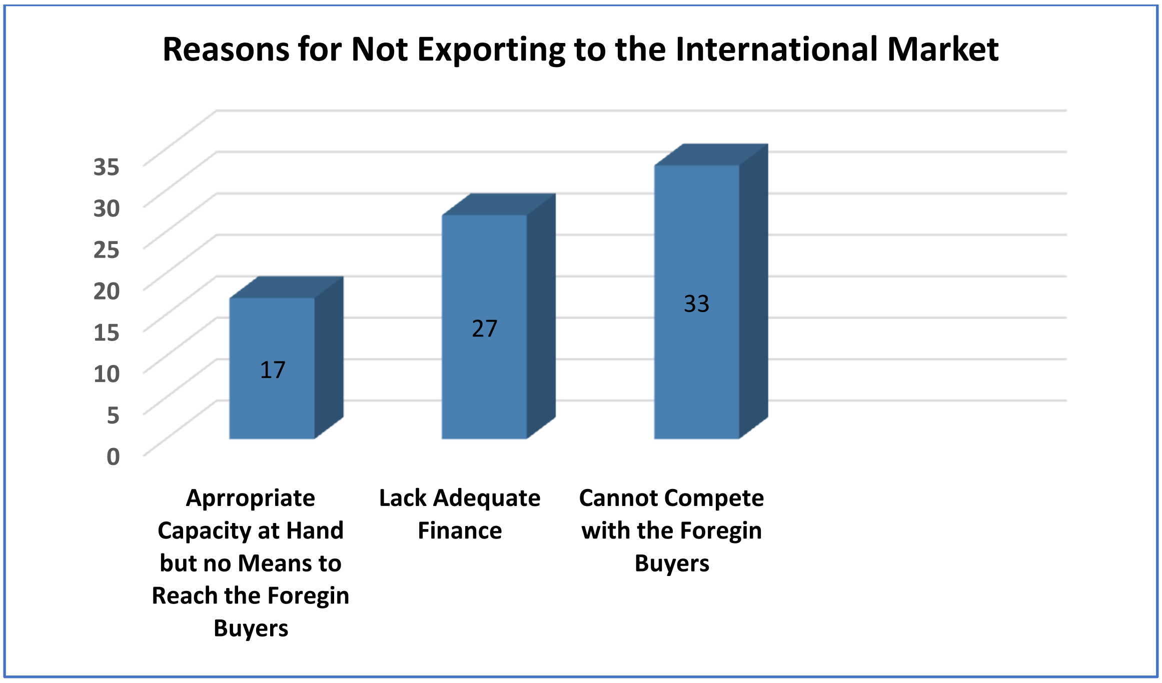


Figure2. Reasons for not Exporting to the International Market (Source: Primary Survey)

There are different reasons cited by these firms for not exporting to the international markets. About 33 firms specified their low level of competence against other foreign players as one of the primary reasons which prevent these firms from exporting to international markets. These firms are present in the domestic market for almost 10-20 years. Nearly 27 firms mentioned that they do not have adequate finance to expand beyond the domestic market.

There are many firms which have the supply capacity to cater to the export orders but they are not aware of any means to reach the global buyers.

KEY EXPORT DESTINATION OF CLUSTER PRODUCTS

An analysis of Ludhiana's export market highlighted the USA is one of the most crucial trading partners for the cluster, receiving 20-30% of the total exports as can be seen in the figure below. ***India is traditionally exporting its knitted apparel products to countries such as UAE, UK, France, Germany, Italy, Netherlands, Spain, Saudi Arab and Poland.*** Such countries can also become the primary destination for e-Commerce exports. Here, new as well as existing exporters can benefit by adopting the e-Commerce platform. Furthermore, such e-Commerce trading firms can also target new countries with which India has signed trade agreements and more customers in the same region where it is currently exporting. This way, it can expand its global outreach where it already possesses market trend related information.

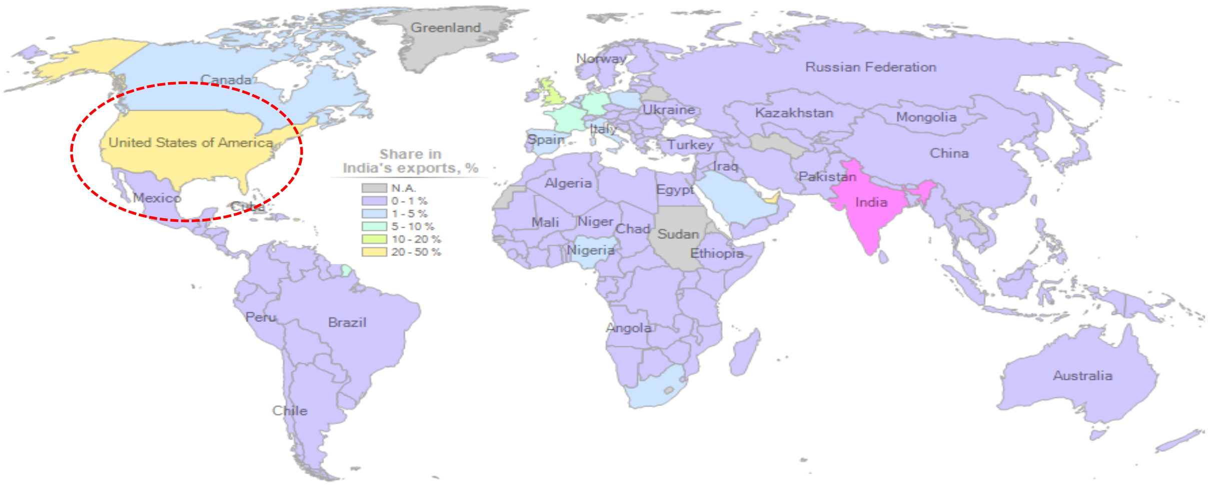


Figure 3: Prime Export Markets for HS code 61

On the other hand, the export potential for Ludhiana cluster lies immensely in newer markets of Africa, South East Asia, and CIS countries.

With MEIS 2015-20 Foreign Trade Policy emphasized these emerging markets as the focus markets by offering 3-5% of duty credit script. This makes for an argument for MSMEs in Ludhiana cluster to explore newer markets to combat the ever-growing Chinese competition which captures a much large export share of all the products.

The Traditional markets are dying and it is time to shift to newer markets.(Figure 4)

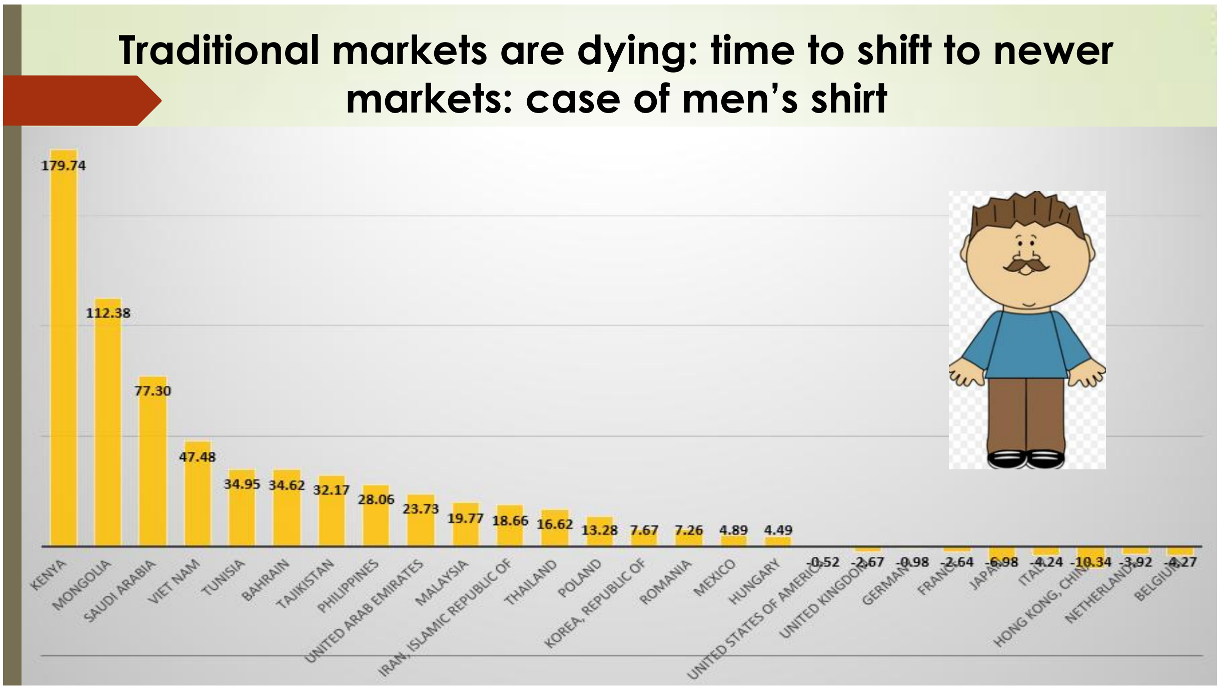


Figure 4: New Export Markets (Case of Men's Shirt)

WHY E-COMMERCE FOR LUDHINA KNITWEAR CLUSTER?

1. **Knitwear is preferred over the mill made and woven products worldwide.**
2. **The Ludhiana Knitwear cluster produces a high end quality product that boasts of elasticity and has a breathable material.**
3. **The products produced in the Ludhiana Cluster have a high brand value in the domestic as well as international market.**
4. **The knitwear cluster has a stable financial base due to the presence of nationalized public and private banks.**
5. **The knitwear cluster entrepreneurs are very innovative and proactive.**
6. **In e-Commerce exports, the sellers have an added advantage in the form of increased profit margins due to the elimination of the middlemen.**
7. **There are many firms which have the supply capacity to cater to the export orders but they are not aware of any means to reach the global buyers.**
8. ***India is traditionally exporting the knitted apparel products to other countries such as UAE, UK, France, Germany, Italy, Netherlands, Spain, Saudi Arab and Poland.* Such countries can also become the primary destination for e-Commerce exports**.

Box 2: Why E-Commerce Exports for Ludhiana Knitwear Cluster

LUDHIANA KNITWEAR CLUSTER: E-COMMERCE

Today, Ludhiana is also known as the Industrial capital of Punjab. It has a prominent presence in the Knitwear sector that contributes to approximately 95% of country's Knitwear (woollen) demand. The aggregate installed output of Ludhiana hosiery products is estimated at Rs.5000 crores. Presently, Ludhianaexports hosiery products worth Rs.1000 crores. USSR and distinct CIS countries, Middle East followed by European countries and USA are some of the most prominent trading partners for this sector. The scope of expansion of the industry is somewhat promising as it is now tapping the other markets namely; Australia, Latin America, and Northern America.

Despite gaining above-average returns from the global market, Ludhiana's Micro Small and Medium Enterprises have to contend in a highly competitive global market. One of the most prominent competitors for the Ludhiana Knitwear Cluster is

China, capturing almost 25-40%(Table 2) of the Global export share along with the competition from variant but smaller economies including Vietnam (Ladies overcoat segment), Turkey (T-shirts segment), Bangladesh and Cambodia (Baby garments segment).

Note: Ludhiana is absent in the export market for men's overcoat, gloves segment.

Knitwear Segment	Country / World Export Market (%)
Men Overcoat	China (21.6 %); Vietnam (12.3 %); Belgium (7.8 %); India (0%)
Women Overcoat	China (28 %); Vietnam (11.8 %); Germany (10.7 %);
T-Shirt	China (20%); Bangladesh (13.1%); Turkey (6.8%) ; India (6.4%)
Toddler Clothing	China (33.6%) ; Cambodia (11.7%); Bangladesh (10.9 %); Vietnam (3.3%)

Table2. Global Competition for MSMEs in Ludhiana Cluster (Source: International Trade Centre 2017)

In the coming years, the Ludhiana Knitwear cluster could excel in capturing the international market on a much larger scale than as depicted in the table mentioned above. Till date, the Ludhiana Knitwear Cluster trades via the traditional mode of trade, i.e., Business to Business. In the past years, a number of studies have taken place which indicates that today; Cross-Border Trade via Business to Customer e-Commerce is a much-preferred means to trade.

SCOPE OF E-COMMERCE FOR THE INDIAN KNITWEAR CLUSTER

One of the prime reasons behind a somewhat weak global presence of Indian Knitwear MSMEs in the international market is the inadequate market information and limited linkages to new markets. This affects the Knitwear MSMEs on two levels. ***First, is the poor integration of Indian MSMEs at the lower tier levels in the regional and global value chains that results in limited means of export diversification. Second, the absence of any direct market connections and linkages between the firms at cluster level and the international buyer.***

Considering the challenge that the Ludhiana Knitwear Enterprises face towards enhancing their global presence against competing countries like China, ASEAN and other LDCs due to poor marketlinkages, poor participation in RVC and GVC, cross border E-commerce comes as a rescue CBT via e-Commerce Model can establish a free and inclusive global trade platform towards bringing millions of buyers and sellers' together. Furthermore, it can help MSMEs to realize global connection and linkages in real time. One of the biggest reasons behind China's global dominance in the export market is the rapid adoption of e-Commerce in the MSMEs Business Strategy. Thus, there is a need to shift from an offline to an online Business Model. This process of rapid adoption of e-Commerce as part of MSMEs business strategy is further strengthened due to a continuousincrease in the number of digital buyers worldwide. (Figure 5).

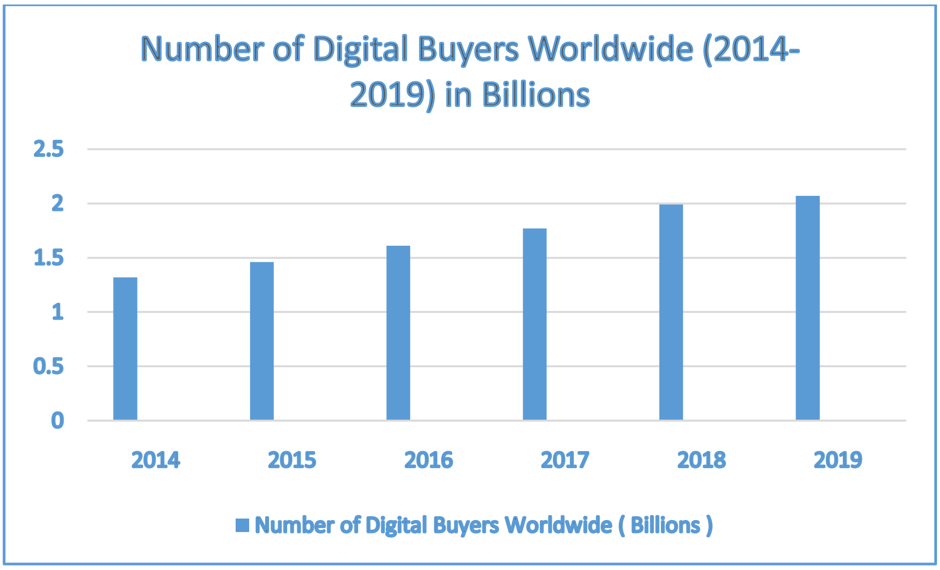


Figure 5: Number of Digital Buyers Worldwide (Source: www.statista.com)

LUDHIANA KNITWEAR INDUSTRY: RIGHT TIME TO GO DIGITAL

- **E-Commerce & CBT India's Status**

The Indian e-Commerce industry, today still at an emerging stage, has shown tremendous growth from 3.8 Billion USD (2009) to 12.6 Billion USD (2013). As per the Financial Express (Online News Source), the United Kingdom; United States; Israel and the Russian Federation are the primary export destinations for the Indian merchants trading online.

The e-Commerce sector value in 2014 was 234 Billion USD. Here, B2C cross-border e-Commerce is believed to grow to 1 Trillion USD by 2020, at a compound annual growth of 27.4% from 2014 to 2020 with an increase in the consumer at 900 million (2020).

- **MSMEs & E-Commerce CBT**

E-Commerce is the appropriate platform, where the MSMEs may expand and scale up their market outreach. It is crucial that the Indian MSMEs recognize this opportunity and adopt business strategies that are away from traditional means of trade as it has limited scope and reach. To ensure a successful absorption of e-commerce that will help Indian MSMEs develop an international reputation, expand outreach, reduce market research cost and leverage e-commerce ecosystem; there is a need to put in place a mechanism that will equip MSMEs to be CBT ready.

The new MEIS policy of 2015-20 have facilitated special incentives for Indian exporters to go digital wherein Para 3.05 of the Foreign Trade Policy (FTP) 2015-20 provides for export of goods through select foreign post offices as a part of e-Commerce exports. The exports shall be entitled to rewards under MEIS. If the value of exports using e-Commerce platform is more than Rs 25,000 per consignment, then MEIS reward would be restricted to a FOB value of Rs. 25,000 (Rs. Twenty-five thousand only).

PRIMARY SURVEY FINDINGS

Key findings:

I. Key Challenges Faced by the Firms in Going Online

The firms cited numerous issues faced while adopting e-Commerce as a Business Strategy. Lack of owner orientation for e-Commerce was chief reason stated by a total of 33 firms as the reason behind missing e-Commerce cross-border trade link within the cluster. Only one firm cited product unsuitable for e-Commerce as a key challenge.

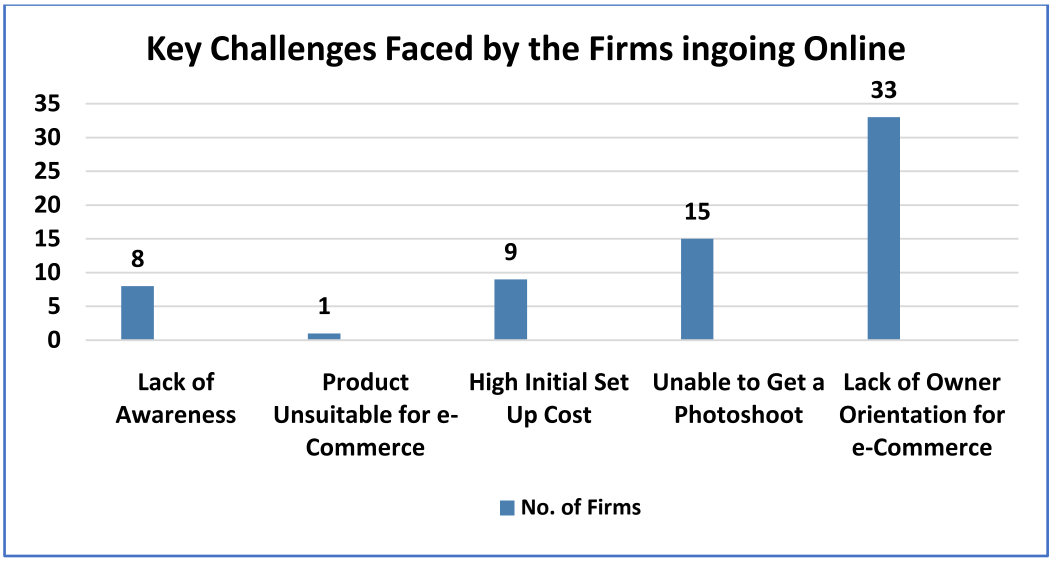


Figure 6: Key Challenges Faced by the Firms in going Online.

II. Support Services Required by the Firms to Start Working on e-Commerce

Firms require a variety of support services to adopt e-Commerce as part of their Business Strategy. Market Research is said to be the essential tool for Ludhiana Knitwear Cluster to be successful in e-Commerce domestic as well as international global trade. Furthermore, on an average, a majority of firms demanded easy access to expert consultants that can facilitate information regarding the buyers abroad.

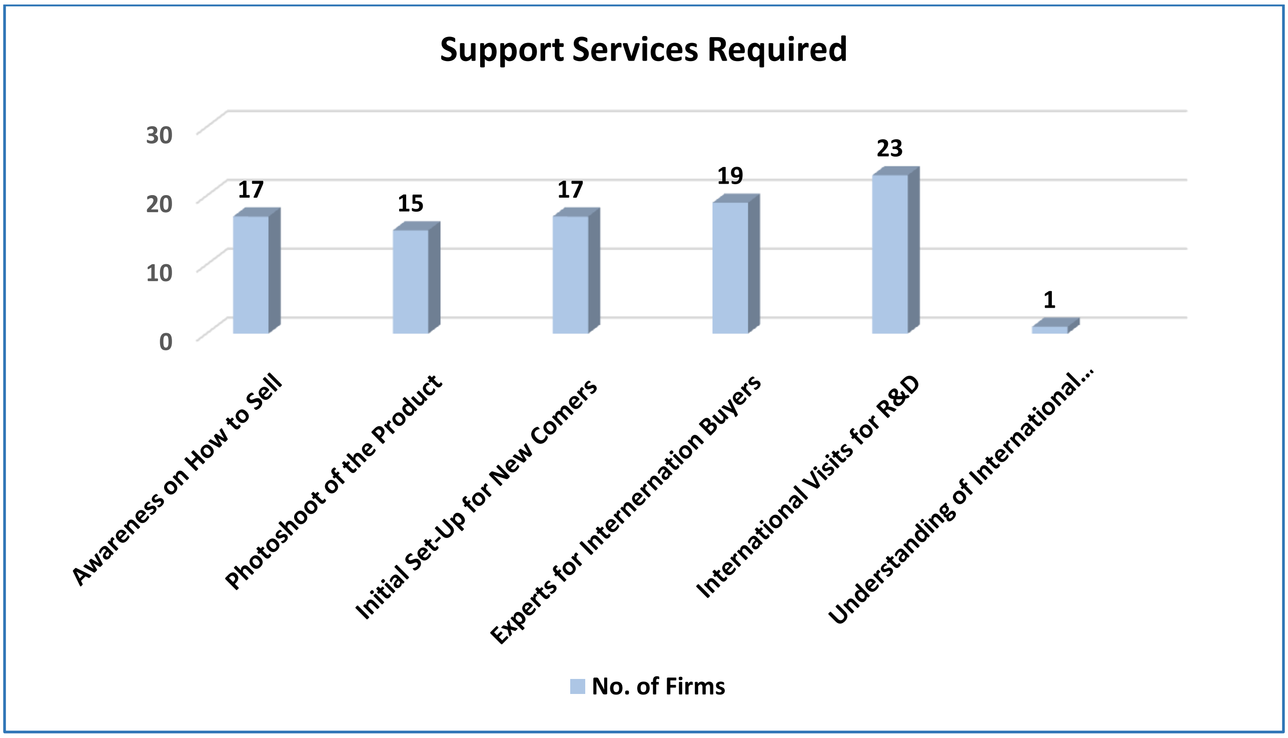


Figure 7: Support Services Required by the Firms to Start Working on e-Commerce

Therefore, it is vital to educate MSMEs on services available for their assistance given the opportunities discussed in the section.

WHY E-COMMERCE CROSS BORDER TRADE FOR THE LUDHAINA KNITWEAR CLUSTER?

It is essential here to point out that the Ludhiana Knitwear Cluster boasts of features that are essential for any industrial firms to be successful in e- Commerce Cross Border Trade. It produces high quality products; have access to international market demand trends as they are already exporting to some international destinations, have access to adequate credit base; furthermore, have the business acumen to adopt e-Commerce as part of their business strategy.

What is the missing link?

- Technical Knowledge regarding the functioning of e-Commerce.
- Lack of knowledge regarding numerous components of the e-Commerce Value Chain.
- Missing Support Services.
- Limited knowledge about e-Commerce related law and current policy.

Box 3: Why E-Commerce Cross-Border Trade for the Ludhiana Knitwear Cluster

SECTION 2: OPPORTUNITIES

OPPORTUNITIES FOR THE LUDHIANA KNITWEAR CLUSTER: E-COMMERCE

The table below outlines the products which are currently traded via traditional mode by the Ludhiana Knitwear Cluster. It also provides the names of top five countries India is trading partners with via the traditional mode of trade. However, to adopt the cross-border trade as part of their business strategy, the knitwear firms can sell the same products online to these countries.

HS Code	Description	Value of Exports (2016-17)	Countries(To which India exports these products)
6103	Men's' or boys' suits ,ensembles, jackets, blazers, trousers, breeches and shorts (other than swimwear)	Rs. 413,685.26 lakhs	UAE, USA, Saudi Arab, UK, France
6110	Jerseys, pullovers, cardigans, waistcoats, and similar articles, knitted or crocheted	Rs. 197,945.93 lakhs	Germany, Afghanistan, USA, UK, UAE, Tanzania
6105	Men's or boy's shirts, knitted or crocheted	Rs. 512,413.62 lakhs	USA, UK, UAE, France , Germany
6111	Babies' garments and clothing accessories knitted or crocheted.	Rs. 580,117.80 lakhs	USA, UK, UAE, France , Germany
6117	Other made up clothing accessories, knitted or crocheted.	Rs. 36,789.55 lakhs	UAE, UK, Tanzania, Saudi Arab, USA
6107	Men's/Boys' underpants, briefs, nightshirts, pyjamas, bathrobes, etc. knitted/crocheted	Rs. 402,446.82 lakhs	Germany, Italy, UK, USA, UAE
6115	Tights, Stockings, socks and other hosiery, including graduated compression hosiery, and footwear without applied soles, knitted or crocheted.	Rs. 48,710.10 lakhs	USA, UAE, UK, Spain, France
6109	T-Shirts, singlet and other vests, knitted/crocheted	Rs. 1,872,124.35 lakhs	UAE, USA, UK, France, Germany

Table 3: Products Currently Exported via Traditional Mode(Source: Export Import Data Bank,Department of Commerce)

India is currently exporting the products under HS Codes 6101 and 6116 to a number of countries. But Ludhiana Knitwear Cluster is almost absent in the export market of the products mentioned in the table given below. Here, the firms can explore the potential markets and indulge in product diversification and trade with the countries via e-Commerce segment. The table below provides the information on such products and their markets.

HS Code	Description	Value of Exports (2016-17)	Countries (To which India exports these products)
6116	Gloves, Mittens and Mitts, knitted or crocheted	**Rs. 17,693.90 lakhs**	UK, USA, Turkey, Germany, France, Belgium
6101	Men's/Boys' over-coats, capes, windcheaters, wind jackets, etc. knitted/crocheted.	**Rs. 3,654.98 lakhs**	UK, USA, UK, Germany, UAE, Netherland

Table 4: New Potential Products and Potential Markets (Source: Export Import Data Bank,Department of Commerce)

Men's overcoats, wind jackets, and windcheaters seem to be potential products for export as their export value in the first two quarters of the year 2017-18(April-September), i.e., Rs.4,512.98 lakhs is more than its export value for the complete year 2016-17. [4]

WHY E-COMMERCE?

E-commerce cross-border retail is one of the most advantageous means to increase the outreach of the firms that are either limited to domestic sales or B2B exports.

[4] Export Import Data Bank,Department of Commerce

There are close to 12000 micro and small units operating in Ludhiana. They simultaneously carry a tremendous potential to trade overseas provided they have appropriately handholding facilitated to them. According to a Diagnostic Study Report of Ludhiana Knitwear Cluster by ACDS, a large number of firms are interested in marketing and e-Commerce, but their essential preparedness and understanding regarding the same are inadequate. Therefore, awareness generation is essential for leveraging an online presence.

These leading e-Commerce platforms don't entail any significant initial investment to sell online. These B2C e-Commerce CBT enablers tend to be profitable as they expedite the process of B2C trade by eliminating specific impediments that MSMEs face via the traditional mode of commerce. E-Commerce giants have over 25 million registered customers, such as eBay, due to its extensive global market reach and presence. Ludhiana Knitwear cluster has restricted itself to the domestic market. In order to expand its business, it should explore new markets. And e-Commerce is the best way to enter new markets. Foraying in these markets requires development of new products or modifications in the same product to adhere to distinct country-specific production standards. The firm has to develop the IT infrastructure, train its manpower to deal with the online orders, improve its product packaging, logistic development to ensure smooth delivery of goods, and strengthen its quality management.

WHY E-COMMERCE EXPORTS OVER TRADITIONAL EXPORTS?

I. **Cost Efficient:** The cost incurred on middlemen is eliminated facilitating a direct link between the buyers and sellers. The operating costs of running an e-business are also less in comparison to the traditional mode, thereby making it a more viable option to export.

II. **Geographical Reach:** Catering to the international market via traditional mode eats into a lot of finances of an enterprise whereas, in e-commerce, it is easy to expand to the global market at a marginal cost.

III. **Profit:** Overhead, inventory, and middlemen costs push down the profit margins of an enterprise doing traditional exporting which makes the e-commerce export more feasible.

IV. **Time Friendly:** The e-commerce store is open 24*7 providing its services to the buyer which is not possible in case of traditional exporting.

V. **New Products:** Addition of new products to the product line on an e-commerce portal helps garner the feedback of the customers instantly as compared to the traditional mode where instant response is not possible and survey is to be conducted to comprehend the tastes and preferences of the customers.

VI. **Convenience:** Buying over the internet is a convenient option, as the buyer can browse through the product catalogue, compare the prices and choose the required product at any time from any place in the world without making any movement away from home or workplace. On the contrary, this facility is not available in traditional exporting.

VII. **Time-saving:** A transaction done over the internet takes only a few minutes to complete therefore saving the valuable time of the customers and the sellers.

VIII. **Operating Mechanism:** E-commerce is an automated process of business transactions which helps to reduce the clerical errors. On the other hand, the traditional exporting being a manual process, exposed to more clerical errors.

REGION-WISE COMPETITION SCENARIO FOR THE KNITWEAR PRODUCTS

The tables below list the products under HS Code 61 which are exported to different regions by India and its competitors in those regions for the products. The analysis has been done on the basis of import figures of these regions for the year 2013. **(Source:http://texmin.nic.in/sites/default/files/Wazir%20Advisors-%20FTA%20study-Final%20Report.pdf)**

1) AFRICA

HS Code	Products	Competing Countries
6104	Women's suits, ensembles, dresses, skirts, etc., knitted or crocheted	China & HK, Turkey, Spain, Mauritius, South Africa
6103	Men's suits, ensembles, jackets, trousers, etc., knitted or crocheted	China & HK, South Africa, Turkey, Italy
6109	T-shirts, singlets and other vests, knitted or crocheted	China & HK, Mauritius, Turkey, South Africa

6110	Jerseys, pullovers, cardigans, etc., knitted or crocheted	China & HK, Turkey, Italy, South Africa, Bangladesh

Table 5: Potential Products and Competitors in Africa

The above mentioned knitted apparel products under HS Code 61 seem to have good market in countries namely South Africa and Egypt.

2) ASIA (Ex – China)

HS Code	Products	Competing Countries
6104	Women's suits, ensembles, dresses, skirts, etc., knitted or crocheted	China & HK, Italy, Spain, Vietnam
6103	Men's suits, ensembles, jackets, trousers, etc., knitted or crocheted	China & HK, Cambodia, Vietnam, Indonesia
6108	Women's slips, petticoats, briefs, nightdresses, bathrobes, etc., knitted or crocheted	China & HK, Thailand, Vietnam, Turkey
6115	Pantyhose, tights, socks and other hosiery, etc., knitted or crocheted	China & HK, Serbia, Italy, Belarus, Thailand
6109	T-shirts, singlets and other vests, knitted or crocheted	China & HK, Vietnam, Turkey, Bangladesh
6110	Jerseys, pullovers, cardigans, etc., knitted or crocheted	China & HK, Italy, Bangladesh, Vietnam, Germany

Table 6: Potential Products and Competitors in Asia Region Ex-China

The above mentioned knitted apparel products under HS Code 61 seem to have good market in countries namely Russia and UAE.

3) EU-28

HS Code	Products	Competing Countries
6104	Women's suits, ensembles, dresses,	China & HK, Turkey ,

	skirts, etc., knitted or crocheted	Germany , Bangladesh, Italy
6103	Men's suits, ensembles, jackets, trousers, etc., knitted or crocheted	China & HK, Cambodia , Belgium, Turkey, Italy
6108	Women's slips, petticoats, briefs, nightdresses, bathrobes, etc., knitted or crocheted	China & HK, Bangladesh, Germany, Sri Lanka
6115	Pantyhose, tights, socks and other hosiery, etc., knitted or crocheted	China & HK, Turkey, Italy, Germany, Netherlands
6109	T-shirts, singlets and other vests, knitted or crocheted	Bangladesh , Turkey , China & HK , Germany , Belgium
6110	Jerseys, pullovers, cardigans, etc., knitted or crocheted	China & HK , Bangladesh, Italy , Germany , Turkey
6105	Men's shirts, knitted or crocheted	Bangladesh, China & HK, Germany, Belgium, Italy
6111	Babies' garments and clothing accessories, knitted or crocheted	China & HK, Bangladesh, France, Germany

Table 7: Potential Products and Competitors in EU-28 Region

4) Latin America and the Caribbean (LAC)

HS Code	Products	Competing Countries
6104	Women's suits, ensembles, dresses, skirts, etc., knitted or crocheted	China & HK , USA, Peru, Spain, Chile
6103	Men's suits, ensembles, jackets, trousers, etc., knitted or crocheted	China & HK, Chile , Cambodia, Peru , USA
6115	Pantyhose, tights, socks and other hosiery, etc., knitted or crocheted	China & HK, USA , Chile, El Salvador, Italy
6109	T-shirts, singlets and other vests, knitted or crocheted	China & HK, USA , Peru, Spain, El Salvador
6110	Jerseys, pullovers, cardigans, etc., knitted or crocheted	China & HK, Bangladesh, USA, El Salvador, Spain

6105	Men's shirts, knitted or crocheted	China & HK, Peru, USA, Bangladesh

Table 8: Potential Products and Competitors in Latin America and the Caribbean (LAC) Region

The above mentioned knitted apparel products under HS Code 61 seem to have good market in countries namely Mexico and Panama.

5) North America

HS Code	Products	Competing Countries
6104	Women's suits, ensembles, dresses, skirts, etc., knitted or crocheted	China & HK, Vietnam, Cambodia, Indonesia, Nicaragua
6103	Men's suits, ensembles, jackets, trousers, etc., knitted or crocheted	China & HK, Cambodia, Vietnam, Pakistan, Indonesia
6115	Pantyhose, tights, socks and other hosiery, etc., knitted or crocheted	China & HK, El Salvador, Pakistan, Mexico, Rep. of Korea
6109	T-shirts, singlets and other vests, knitted or crocheted	China & HK, Mexico, El Salvador, Vietnam
6110	Jerseys, pullovers, cardigans, etc., knitted or crocheted	China & HK, Vietnam, Indonesia, Bangladesh, USA
6105	Men's shirts, knitted or crocheted	China & HK, Pakistan, Vietnam, Guatemala
6114	Other Garments, knitted or crocheted	Jordan, China & HK, Vietnam, Mexico
6108	Women's slips, petticoats, briefs, nightdresses, bathrobes, etc., knitted or crocheted	China & HK, Sri Lanka, Cambodia, Vietnam , Bangladesh
6111	Babies' garments and clothing accessories, knitted or crocheted	China & HK, Cambodia, Bangladesh, Thailand
6106	Women's blouses, shirts and shirtblouses, knitted or crocheted	Guatemala, Vietnam, Indonesia, China & HK,

		Philippines

Table 9: Potential Products and Competitors in North America Region

The above mentioned knitted apparel products under HS Code 61 have a great market presence in countries namely USA and Canada.

6) Oceania

HS Code	Products	Competing Countries
6104	Women's suits, ensembles, dresses, skirts, etc., knitted or crocheted	China & HK, Bangladesh, New Zealand, United Kingdom, Cambodia
6103	Men's suits, ensembles, jackets, trousers, etc., knitted or crocheted	China & HK, Bangladesh, Cambodia, Indonesia, Italy
6115	Pantyhose, tights, socks and other hosiery, etc., knitted or crocheted	China & HK, USA ,Italy, New Zealand, Australia
6109	T-shirts, singlets and other vests, knitted or crocheted	China & HK, Bangladesh, USA, United Kingdom
6110	Jerseys, pullovers, cardigans, etc., knitted or crocheted	China & HK, Bangladesh, New Zealand, Vietnam, Cambodia
6105	Men's shirts, knitted or crocheted	China & HK, Bangladesh, Vietnam, Thailand, Singapore
6114	Other Garments, knitted or crocheted	China & HK, Bangladesh, Australia, France, New Zealand
6108	Women's slips, petticoats, briefs, nightdresses, bathrobes, etc., knitted or crocheted	China & HK, New Zealand, Bangladesh, Indonesia , Cambodia
6111	Babies' garments and clothing accessories, knitted or crocheted	China & HK, Bangladesh, New Zealand, Cambodia

Table 10: Potential Products and Competitors in Oceania Region

The above mentioned knitted apparel products under HS Code 61 seem to have good market in countries namely Australia and New Zealand.

BUYERS REQUIREMENT IN EUROPEAN APPAREL MARKET

Ludhiana knitwear Cluster must undertake the following ramification in order to cater to the ever expanding international e-Commerce market.

S.No.	International Standard	Details
1.	**Product Safety**	International Standards (EU) on Imported goods is very high. It is largely applied to B2B trading on big consignments. However, under B2C , it is essential to follow a majority of safety standards in order to ensure a consistent / recurring consumer base.
2.	**Safety of Clothes for Children**	There are a number of safety standards for clothes intended for children up to the age of 14. Many clothes are rejected by customs authorities due to the risk of suffocation, strangulation and causing injuries. This applies especially to the clothes for children up to 7 years old.
3.	**Chemicals**	Certain chemicals specific for textiles, leather, and accessories under REACH legislation are restricted in the international market. Most restrictions on chemicals are listed in the REACH regulation (Regulation (EC) 1907/2006) and Persistent Organic Pollutants (POPs) for example for certain flame retardants or waterproof materials. Azo dyes: Under textile dye, azo dyes that release any of the 22 prohibited aromatic amines are on an average banned in a majority of international markets.. Flame Retardants in textile products that come into touch with the skin are restricted.
4.	**Intellectual Property Rights**	Under the international standards, it is essential to facilitate proof that one is not trading against intellectual property (IP) rights. These rights may apply to the design of the product, as well as to any trademarks or pictures used. If the client provides

		design, he or she will always be liable if it turns out that the design is not unique or has been registered by a third party.
5.	**Labelling**	Textile products must be labelled with the fibre composition and using the fibre names by the international standards.

Table 11: European Standards for Apparel Products (Source: https://www.cbi.eu/market-information/apparel/buyer-requirements/)

Characteristics of Some Potential markets for Ludhiana Knitwear Cluster

- Russia : E-Commerce Online Population -101 Million
- UAE : India is considered one of the top countries for cross-border shopping.
- Canada : No. of digital buyers – 19.2 Million

Box 4: Characteristics of Potential Markets for Ludhiana Knitwear Cluster

SECTION 3: CHALLENGES AND ACTION PLAN

CHALLENGES AND VALUE CHAIN ASSESMENT

E-commerce is affected by two types of factors; Tangible and Intangible factors.

1) TANGIBLE FACTORS

DIGITAL INFRASTRUCTURE

The earlier traditional capacity of IT Infrastructure is rapidly evolving into a more global Digital Transformation of businesses.

Worldwide when we take into consideration e-Commerce form of trade, the very nature of such form of trade demands an easy consumer-like experience, unlimited adaptability with instant delivery of value. So the final core attribute of any Digital Infrastructure is that it must genuinely be software-defined. However, given that the e-Commerce penetration in the Indian clusters is somewhat nascent, this degree of software defines operations cannot be expected from the Indian clusters.

Two essential components of digital infrastructure is measured by the hardware IT and software such as online payment infrastructure.

As per the primary survey findings, Ludhiana Knitwear Cluster highlights a variety of hindrances, such as power shortage which is a serious issue especially during the summer seasons where power cuts last over 4-5 hours per day. Small firms cannot afford backup power systems. Here, awareness and training and credit support for creating Information Technology were two primary obstacles highlighted by the 50 firms taken under survey. Unavailability of trusted aggregators and online payment infrastructure as the primary survey findings highlight are inhibiting the adoption of e-commerce.

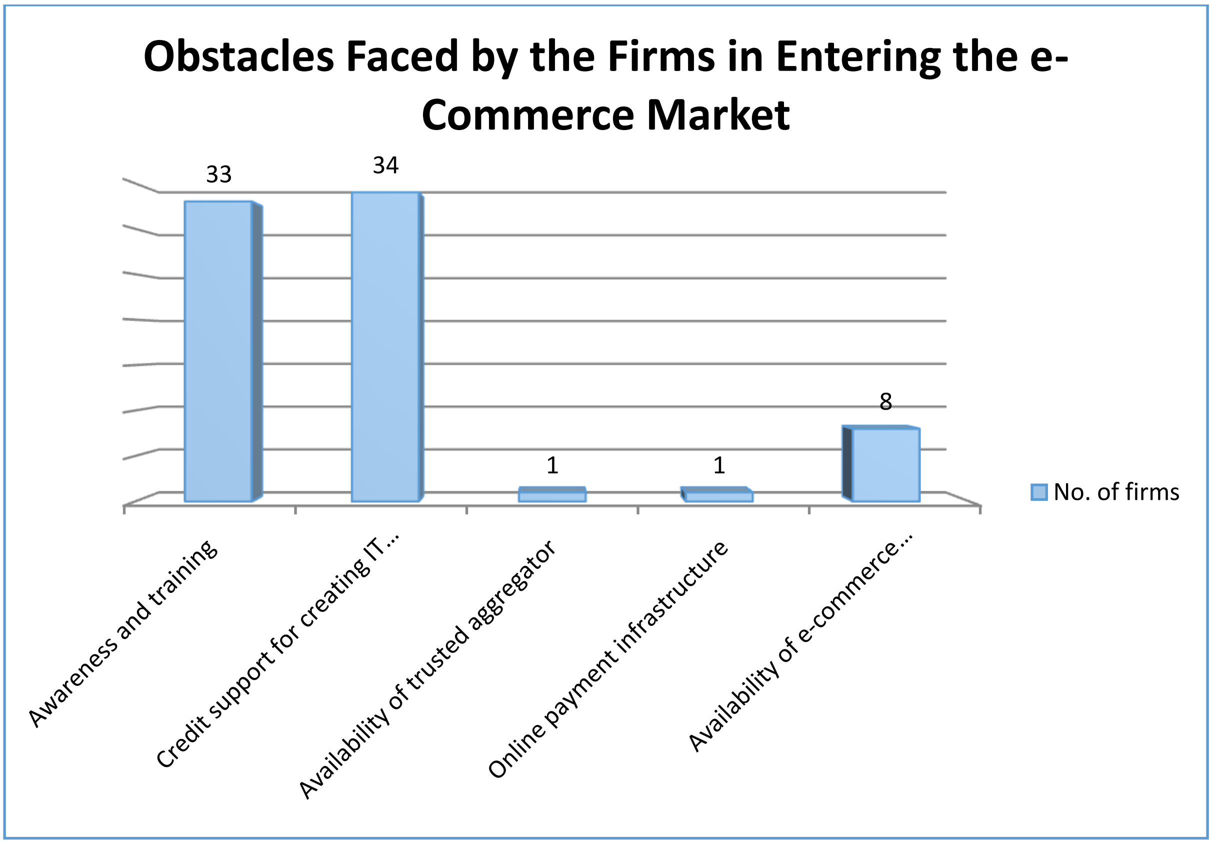


Figure 8: Major Obstacles Faced by the Firms in Entering the e-Commerce Market

INVENTORY AND INVENTORY MANAGEMENT

Inventory and Inventory Management is an essential component of e-Commerce business strategy. Inventory management becomes all the more crucial when one wants to ensure a successful e-Commerce business. Access to inventory in real-timeto all channels and allocating inventory to ordersis essential to provide timely delivery and to build a brand reputation at the domestic as well as the international level.

According to the primary and secondary survey findings, only the firms who have adopted e-Commerce as part of their business strategy possess product inventory and have limited Inventory management dexterity. Thus, this specific factor is an essential component for the Ludhiana Knitwear Cluster.

LOGISTICS

Logistics is the management of how resources are obtained, stored and shipped to their destinations. It's the planning, implementation, and control of the movement and positioning of the goods that determines how equipped the logistic system is of any firm.

Logistics Management entails a few steps:

1. To identify potential suppliers and distributors, one mustdetermine their accessibility and effectiveness regarding business production.

2. Establishing relationships and identifying the most cost-effective solutions for businesses: Small and medium enterprises may work with local businesses to ship and store the productsdue to the small size of the operation.

3. As a retailer, most e-Commerce platforms on an average require integrated inventory management software where any processed payment will automatically adjust the inventory.

4. International Shipping may be carried out independently or via numerous marketplace giants such as eBay, Flipkart, and Amazon.

Logistics form a critical component of the e-Commerce value chain. Ludhiana, being a developed city has a well-established leading logistics services providers like DHL.

2) INTANGIBLE FACTORS

PRODUCT READINESS

The product readiness is the primary factor that determines whether e-Commerce is feasible or not for a specific product. It covers product inventory, product quality, and product photography. On an average, a majority of enterprises lack a separate e-Commerce division, specially trained workforce, photo studio, e-Content team, information technology infrastructure, access to logistics, etc. Out of all the factors, product photography is one of the critical challenges faced by approximately 15 firms to do e-Commerce. A majority of firms are isolated from the international market segment and lack any information related to B2B or B2C pricing of products in the international market.

DIGITAL KNOWLEDGE FOR COMMERCE

For a firm to expand its overall outreach, basic digital knowledge is pertinent to venture into e-Commerce. This can be measured by the firms' level of computer knowledge, linkages with e-Commerce institutions and expertise regarding e-Commerce processes.

As per the primary survey, no firm stood out where the entire workforce is technology friendly. However, in the majority of the businesses, a portion of the employees have the workable knowledge of computer. On an average, top management tends to employ computers in their operations.

Low level of technology penetration in the operational processes in the firms may be accrued to the lack of awareness regarding e-Commerce processes, and there is non-availability of e-Commerce consultants and support providers within the cluster.

The critical first step to sustainable e-Commerce adoption is internet connectivity. The figure 9 below highlights the number of firms where the workforce has access to internet connectivity.

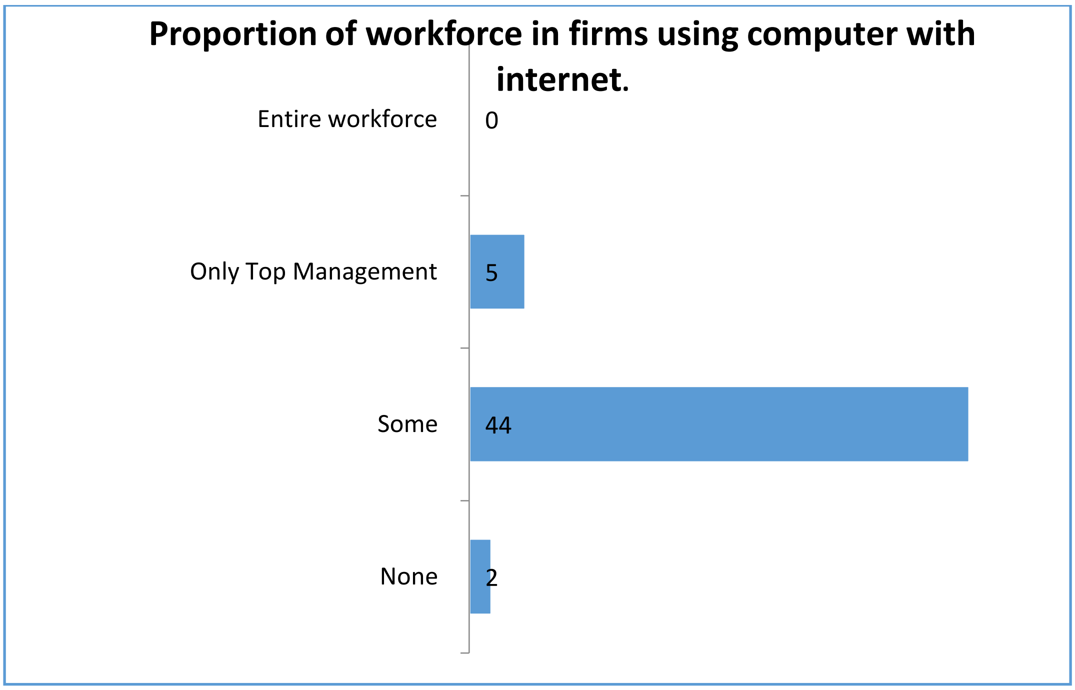


Figure 9: Proportion of workforce in firms using computer with internet.

Many firms are using their Information Technology Know-How, i.e., employability of computer and tools to establish themselves on social media, independent websites and e-mail to reach their customers. This shows that digitization is taking place however it is still at a nascent stage. It is expected to evolve gradually as the e-Commerce stage is reached.

As per the primary survey currently, only 10 % of the firms employ e-Commerce as part of their business strategy. Here, they cater to both, B2B as well as B2C e-Commerce transactions. A distinct feature for the 10% of the firm that adopted e-Commerce as part of their business strategy is that traditional form of trade has been part of their business strategy for the past 10-20 years. Therefore, e-Commerce is employed as an alternate channel. Thus no firm has employed e-Commerce Cross Border trade exclusively a part of their business strategy.

A majority of firms (around 89%) when questioned regarding the scope of entering the e-Commerce platform, stated that they were yet to adopt Information Technology a part of their business strategy. Furthermore, they may do so in the coming year or two. Whereas, the remaining 11% (Figure 10) don’t intend toincorporate Information Technology as part of their business strategy. One way to encourage firms to adopt Information Technology as part of their business strategy would be to share the success stories of the knitwear firms employing e-Commerce exports.

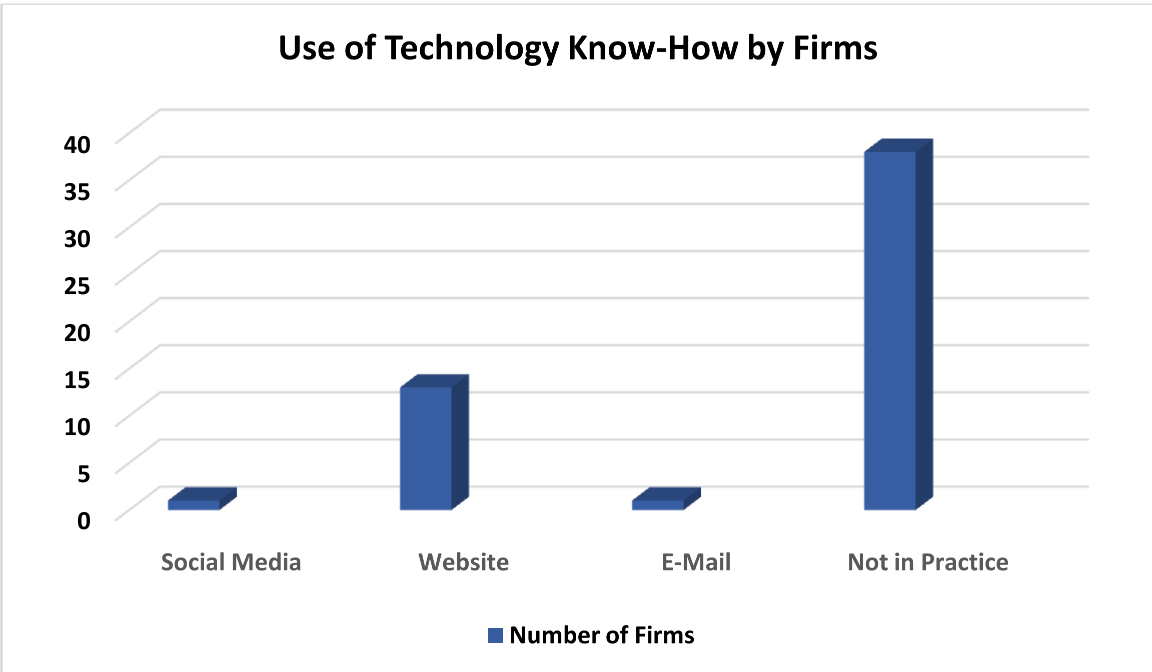


Figure 10: Usage of Social Media, Website and Email to Reach the Customers

KNOWLEDGE REGARDING E-COMMERCE POLICIES (MEIS POLICY)

Only small numbers of firms that employ both traditional as well as e-Commerce Cross-Border Trade have utilized the new export incentive facilitated under the MEIS

Scheme for e-Commerce exports (Figure 11). Remaining firms stated that they are unaware of any such scheme and hence, never utilized the same.

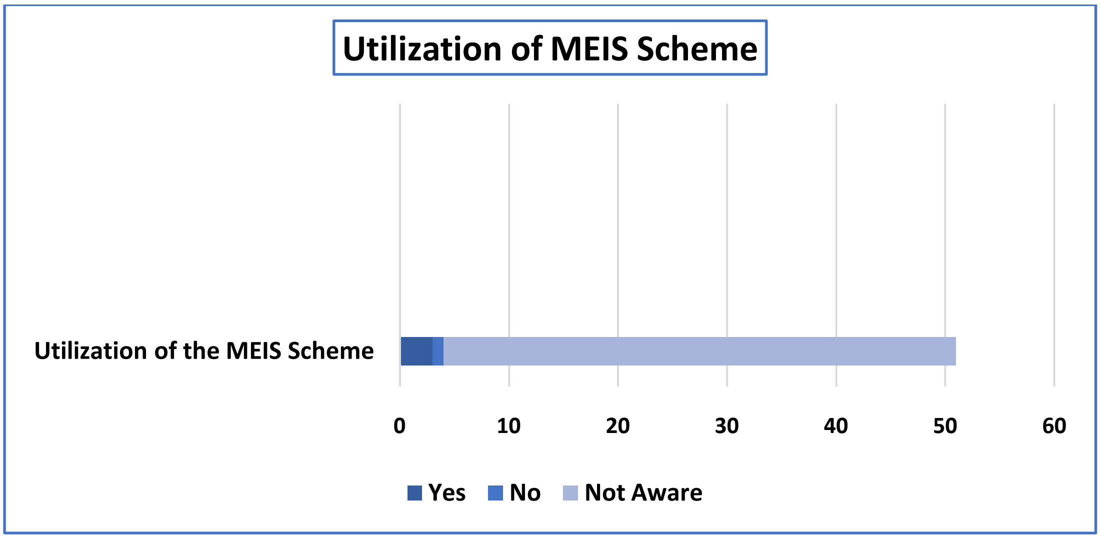


Figure 11: Utilization of MEIS Scheme

ACTION PLAN

A Guide to E- Commerce

Given the potential based on the forecast of growth of e-commerce sector values from 2014 to 2020 in the above text; the expansion of CBT development via e-commerce is a viable option.

However; there are various components into play that will determine the growth of the e-commerce CBT via Knitwear firms' adoption of the same. There are a number of factors at different stages that will determine the firms' ability to provide for what is demanded by the e-commerce CBT.

Four Levels that Determine Success of CBT E-commerce:

- ***Firm Level***
- ***District Level***
- ***Industry Level***
- ***National Policy Environment***

Box 5: Levels that Determine Success of CBT E-commerce

The following internal and external factors will affect the MSMEs ability to succeed:

INTERNAL FACTORS:

A. ***High Grade Quality of Good Supplemented with Services***:Knitwear firms' ability to deliver products of reasonable size and high quality that facilitate higher profit margins and have the edge over other firms which may not be able to facilitate the same. ***This will eventually create a loyal international consumer base.***

B. ***State of the Art Technology***: To be competitive CBT e-Commerce internationally, firms need to have access to Information Technology to establish an online presence and make electronic payment transactions possible.

C. ***Skill and Knowledge Upgrade***: Acuity in Information and Communication Technology is the key for any e- commerce based business model to succeed. Technological dexterity is another component that cannot be done without. This will prevent information leaks, fraud and assure foreign buyer's confidence. Language fluidity is also considered to be essential for trading in overseas markets.

EXTERNAL FACTORS

A. ***Environment: Policy & Business:*** A conducive regulatory and business environment is one of the deciding factors for the degree of success of Knitwear firms' in the CBT e-commerce. Policy environment determines interconnectivity standards, modality, and legality of digital signatures, as well as disclosure, online content, privacy, and tax policies.

B. ***Infrastructure:***Cost efficient infrastructure is a must for these firms to be highly competitive in CBT e-commerce environment. The firms must have Timely power supplies, efficient telecom services, wide penetration and/or low cost of Internet connections and security, adequate quality and speed of lines.

C. MSMEs Competitiveness & CB E-Commerce Challenges*:* The business processes of E- commerce CBT are separate from traditionalmedium oftrade. In International Trade, only a limited number of componentsmaybe controlled by the MSMEs; such as quality of products and services; rapid technological transformation; up gradation of skill and knowledge; however, there are individual components that are detrimental on external participants of an E-commerce business chain such as policy and business environment and infrastructure access.

An Ideal Step by Step process has been laid for an easy adoption of e-Commerce CBT for Ludhiana Knitwear Cluster MSMEs.

PART I Online Business: A Start

Level	*Prerequisite*
Firm Level	• Information Technology • Technical Dexterity • Business Acumen & Dexterity • Online Presence
District & Industry Level	• Cost Effective Internet Facilities • Access to Vendor Registration (Online) • Skill Labor Availability
National Policy Level	• Easy Registration Policy Environment • IP Related Easy Policy Environment • Infrastructure (Electricity) • Nation Policy & Strategy for E-commerce.

Table12: Prerequisites for ICT Infrastructure Development at Various Levels

<u>ICT Infrastructure Challenges</u>

- **Cost**
  A pressing challenge against quick adoption of technology is its high cost. Both the components, hardware, and software pose separate challenges; the cost of hardware related items is high and recurring, and the cost of the software system and the working process are intensified thereby hindering the rapid adoption of IT in Knitwear firms.

- **Lack of Awareness on Benefits of Technology**
  The remarkably low level of awareness amongst a large number of Knitwear firms about the value of E-Commerce is one of the crucial factors hampering their growth. High resistance to accommodate new techniques in their business, lack of knowledge about Best Practices adopted internationally, new business models and what government & third parties facilities are already available.

- **Lack of Skilled Manpower**
  The absence of skilled workforce remains a huge stumbling block for Knitwear firms to avail the potential benefits of technology. As per National Skill Development Council of India Report, by 2022 there could be an incremental shortfall of skilled labor by 240-250 million people in 20 high-growth sectors. The low ICT knowledge makes it impossible to choose appropriate technology. Furthermore; limited access to finance incapacitates small firms from hiring skilled labor. Another challenge is a lack of technical skill to perform E-Commerce transactions thus making migration from offline to an online platform close to impossible.

PART IICross Border E-Payments

Level	*Prerequisite*
Firm Level	• Online Banking & Account • Varied Certifications • E-payment Rectification Awareness
District & Industry Level	• 3rd Party Payment Service • Link with Local Banks
National Policy Level	• Internal Level Financial Markets • CA/ Currency Exchange System • International Standard Regulations • Prevention : Online fraud & rectify systems

Table 13: Prerequisites for Cross-Border E-Payment Adoption at Various Levels

E- Payment Challenges

- **Poor knowledge and awareness**
  The current status of internet penetration is somewhat in reduced circumstances. A majority of Knitwear firms areignorant regarding the internet operation. They suffer from lack of functional knowledge about online businesses.

- **Entrepreneur characteristics**
  Age, type of skills and level of education of an entrepreneur play a pivotal role in adoption to E-Payment methods. Lack of Skilled workforce, non-availability of highly trained workforce prevents the transition from traditional payment methods to online payment structures.

- **Difficulty to part with the traditional mode**
  The traditional method of trade involves a real-time transfer of fund between the consumer and enterprises, making it a preferred way of trading whereas, the online payment system is considered complicated and risky.
  In an offline B-2-B transaction, the preferred mode of payment is Credit. The payment is made 30 days after the receipt of goods in contrast to B2C E-Commerce where the payment is made beforehand.

- **Privacy and security of the transactions**
  Knitwear firms that possess the knowledge of E-payment methods still don't prefer trading via this method, owing to the need of keeping the information private and lack of security of the payment methods.

- **Costly and Time-consuming**
  Since the online payment method demands massive setup, machine, and management costs such as processing bank details and other information. As per them, this mode of payment is viewed as time-consuming.

- **Lack of Credibility**
  International buyers are hesitant in making payments through Indian E-Payment solutions like Paytm, PaisaPay.

- **E-payment transaction failure**
  On account of low-speed bandwidth and recurring snag in payment gateway technology, the E-Commerce industry witnessed high transaction failure rates resulting in discord between the customer and the E-Commerce company.

- **Lack of usability**

E-Payment system entails an enormous amount of transfer of information from end-users and makes transactions complex as they demand personal information and details in a web format.

Part III Cross Border Delivery

Level	***Prerequisite***
Firm Level	• Warehouse Management Skills • Delivery in Secure Package
District & Industry Level	• Postal Service – International Standard • Destination – Secure Delivery
National Policy Level	• Transparent & Simplified CBT Custom + Duties & Tax Regulations • Efficient Connectivity (Roads ; Air Transport and Internet Bandwidth)

Table 14: Prerequisites for Efficient Cross-Border Delivery at Various Levels

<u>Barriers to E-Commerce Logistics are:</u>

- **Long Distance**
  The existing Logistic systems delay the time it takes for a product to reach the customer which increases the costs for businesses and customers. As per some firms, the increase in cost is way more expensive than the actual product cost.

- **High shipping costs**
  High costs of shipping persist to inhibit the firms' growth. As a result, they face challenges selling their goods across borders.

- **Problems in tracking the foreign goods**
  Some of the business owners think that the lack of tracking options creates trust and confidence issues for many cross-border E-Commerce consumers. Non- Availability of efficient logistic service providers pose a significant challenge for doing cross-border E-Commerce. For example, A logistic supplier in Japan stated that once their product enters the Chinese territory, it can no longer be tracked by them which inhibits the companies from providing the services to the customers located there.

- **Volume of goods very small in E-Commerce Export**
  The rise of E-Commerce and cross-border shopping has changed the traditional cross-border logistic requirements. E-Commerce volumes are not yet large enough to make the business profitable for the global logistic firms like DHL, UPS, FedEx, etc. As per some U.S. based logistics company, the core competence of FedEx and UPS is document delivery and not personal parcel delivery which makes it as an inefficient, complex and costly option for small businesses.

Part IV Post Sales

Level	*Prerequisite*
Firm Level	• Customer Feedback & Management • Return Policies • Efficient FAQs
District & Industry Level	• Problem Solving Service • Record 1. Tracking 2. Transactions 3. Delivery 4. Chat
National Policy Level	• Consumer Rights & Enforcement • Policies Ensure MSMEs National / International Consumer Policy • Eradicate Duty on Returned Products

Table 15: Prerequisites for Cross-Border Post Sales Services at Various Levels

Policy: CBT E- Commerce Readiness

Knitwear firms in Ludhiana have a potential to gain a larger portion of the international market via E-Commerce that they did not have access to before via traditional mode of trade.

With the rapid rise in the number of internet users and culminating buying and selling of goods and services from Business to Consumers (B2C), the online international trade is flourishing but often have to face extensive administrative and legal challenge in operations.

MSMEs face challenges such as that of poor infrastructure; e-payment challenges and logistical hindrances among others and if rectified will still prove to be inconclusive due to lack of a conducive policy environment. However; over the years' attempts have been made towards creating a hospitable policy environment. There are certain factors that inhibit the growth of overall CBT. E-commerce CBT requires distinct amendments that are discussed in detail below such as freight related challenges; taxation issues among others.

The policy environment in India under the Foreign Trade Policy 2015-2020 has come forth with numerous amendments that will be conducive towards the development of Cross Border Trade. Changes in policies such as Merchandise Exports from India Scheme; Service Exports from India Scheme; alterations in Duty Credit Scripts and Status Holders; Approved Exporters Scheme Self-certification by Status Holders and other boots affiliated with "Make in India" notion will be discussed in details in the sections below and how it will be beneficial towards enabling MSMEs become pro-CBT.

Features of the Scheme:

Merchandise Exports from India Scheme (MEIS)

MEIS rationalize the incentives under the erstwhile schemes, removes various kinds of restrictions and significantly enlarges the scope of the earlier schemes.

- Schemes replaced by MEIS are as under:-
- Focus Product Scheme (FPS),
- Market Linked Focus Product Scheme (MLFPS),
- Focus Market Scheme (FMS),
- Agri. Infrastructure Incentive Scrip (AIIS),
- VisheshKrishiGraminUpajYojana (VKGUY).

What is missing?

- **Misappropriate Freight:** E-commerce CBT shipment on an average is small, where small exporters often ship via Indian Post. The CN 22/12 Forms facilitated by Customs Foreign Post Office of India Post do not set out forth the option of 'commercial shipment.' The commercial shipment can only be sent under the following categories; for a gift, samples, documents, etc. Moreover, Courier Shipping bill (CSB-II) invalidates commercial value item.

- **Missing Benefit System:** Except excessive per-shipment cost, MSMEs under CBT e-commerce cannot avail tax credits on imports which lead to an increased cost and various export promotion schemes (For example MEIS scheme that is regulatory under product coverage and only limited to the shipment value at under Rs. 25000 and per application cost irrespective of size stand at Rs.1000.)

- **The Legal Framework**: There no predefined e-commerce legislation in India. The e-commerce CBT requires defined legal validations such as IPRs, security of electronic transactions and payments, jurisdiction issues, content regulation and intermediary liabilities, among others.

- **Taxation Issue:** The prevailing limitation at Customs on the return of goods is a major challenge that works for e-commerce transactions. As per international standards in the B2C segment, approximately 25 to 30% products sold are either exchanged or returned. In India procedures and costs of returned shipment via customs is highly challenging as there are high transaction costs involved.

- **Multiple Copies of Invoice Copy**: A private courier carrier requires seven copies approximately of invoices (self-declaration), and India post needs three copies of invoices for a single product shipment. If a bulk shipment is made for example 100, the exporter is required to print nearly 700 copies of invoices resulting in wastage of time and resources, thereby raising the cost of the transaction and making scalability a fundamental challenge in today's technology driven environment.

- **No support for commercial small value:** Single item shipment in CSB 2 or current courier shipping bill. Current CSB – 2 Form has multiple numbers of fields thereby requiring a lot of information to be furnished even for small value items by the company exporting the good, making it a hugely cumbersome process.

- **Factors Preventing Foreign Market Access:**The absence of product, the quality, buyer and market-related information about the importing country leads to high rejection rates and low presence in the international market. Despite prevailing extensive capability, the MSME sector suffers from lack of competitiveness in the international market due to exposure to foreign competition and competition with imports, presence of "National Treatment," TRIMS, SPS & TBT, phasing out of subsidies provided to the sector, TQM, etc. as a part of WTO commitments. Also, Nontariff barriers prevent MSMEs from accessing foreign markets. Barriers are not just limited to quotas and include excessive documentation, requests for irrelevant propriety information, or arbitrary laws barring items and products for import that contain certain materials. More often than not, these cumbersome barriers demand long hours of paperwork and impede the growth opportunities for MSME cross-border E-Commerce.

- **Prevalence of FTA of Competing Countries in the Target Markets:**A Free Trade Agreement is an agreement that encompasses reduction in import quota, tariffs, and any other trade barrier, and is signed between two or more countries to expand the trade between them. It creates difficulties for a country exporting goods online to the target country where its competing country already has a Free Trade Agreement in that target country.

EXPORT DIVERSIFICATION MATRIX FOR LUDHIANA KNITWEAR CLUSTER

In order to increase the overall outreach of the Ludhiana Knitwear Cluster in new geographies, it is crucial to diversify away from selling the old product to old and traditional destination towards new products and new destinations. The figure 12 below depicts the Export Diversification Matrix on how to boost exports from Ludhiana Cluster.

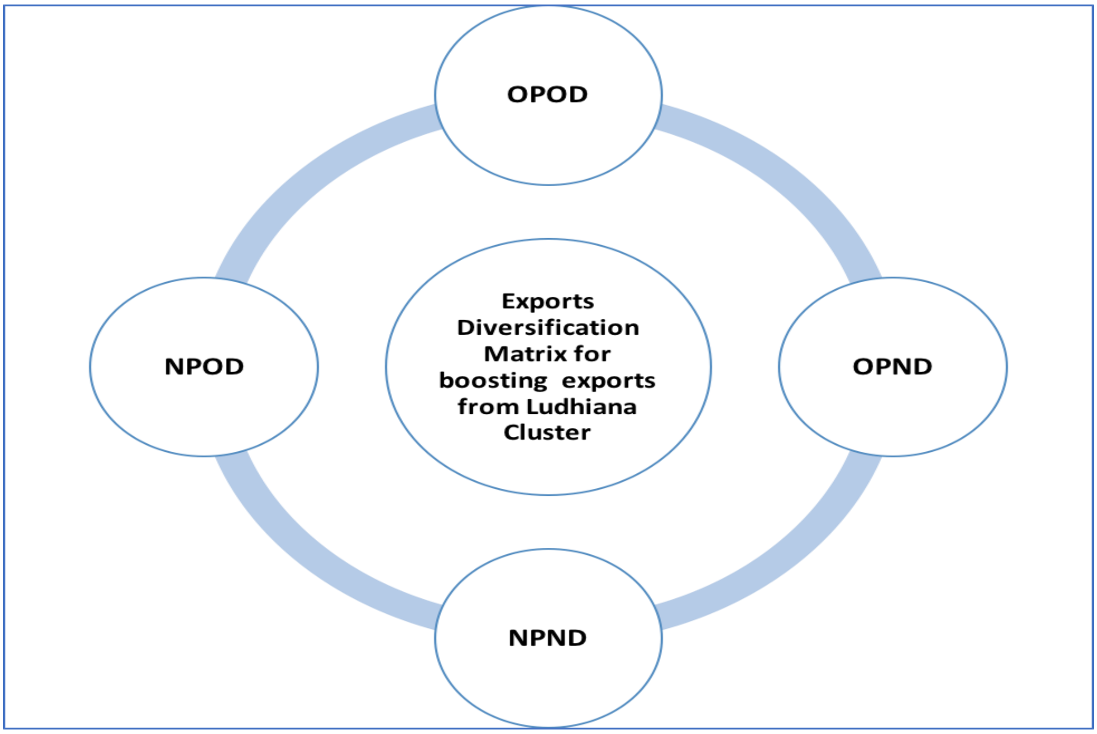


Figure 12: Export Diversification Matrix

Product and Destination Shift	
New Product Old Destination (NPOD)	Shifting to newer products like men's overcoats, gloves, etc. and catering to the same market.
Old Product Old Destination (OPOD)	Targeting old products like sweaters, shirts, to the traditional market.
New Product New Destination	Targeting new products like men's overcoats, gloves, etc. to new destinations like Africa, CIS countries and South East Asia
Old Product Old Destination	Targeting old products like jerseys, sweaters, etc. to newer markets using FTP and Trade Agreements signed by India.

Table 16: Shift in Products and their Destination

ACTIVITY CHART

Taking into consideration the challenges faced by the firms in going online and the support services demanded by them, an action plan has been formulated for the implementation of e-commerce strategy in the Ludhiana cluster. The activities in the action plan are spread over a period of 24 months.

Activity Description	**Q1(April-June)**	**Q2(July-Sep)**	**Q3(Oct-Dec)**	**Q4(Jan-Mar)**	**Q5(April-June)**	**Q6(July-Sep)**	**Q7(Oct-Dec)**	**Q8 (Jan-Mar)**
A. Sensitization and Awareness								
A1.Identification of potential firms and conducting Awareness events								
A2. Awareness Programs on e-commerce export related Government Schemes.								
A3. Basic IT Awareness Program For The Producers								
A4. E-commerce awareness seminars focusing on marketing, market trends and entry into the international market								
B. Training and Capacity Building								
B1. Conducting Training Programs on Photography and content for product specifications.								
B2. Conducting Training programs on how to upload photographs, process the orders on an E-marketplace portal and the after sales mechanism								

B3. Conducting small duration training programs on export/e-commerce packaging and effective inventory management.								
B4. Conducting Training programs for quality assurance and quality management								
B5. Conducting a programme with Logistics Service Providers								
B6. Workshop on quality certification and social compliance.								
C. On-Boarding and E-Commerce								
C1. Linking the cluster units with e-marketplaces like Amazon, Flipkart, etc.								
C2. Providing handholding support to the firms								

ACTIVITYA1. IDENTIFICATION OF POTENTIAL FIRMS AND CONDUCTING AWARENESS EVENTS

Necessity: In the first step, the cluster firms on the basis of their infrastructure, export potential will be identified. Next, the cluster units are required to be sensitized about the benefit they are likely to gain once they go digital as e-commerce is instrumental in taking the local MSMEs to global market. At the stage of implementation, **sharing of successful stories of units doing E-commerce Export** and the **trust building** among the local partners is very important to make them export ready.

Strategy: The local partners for the project would be Industry Associations, as well as the associated bodies that are directly involved in the Cluster enterprises like raw material suppliers, traders, etc.

Timeline	First 6 months
Target Beneficiaries	Cluster units
Expected Outcome	Trust Building
Tools/Methodology	Awareness Event
Strategic Partners	BMOs/ Industry Associations

ACTIVITY A2. AWARENESS PROGRAMS ON E-COMMERCE EXPORT RELATED GOVERNMENT SCHEMES.

Necessity: As inferred from the Survey findings, the key issues faced by the majority of the units in going online is their lack of awareness about e-commerce export related schemes (MEIS Policy). In order to get them onboard, the prime step is to sensitize these enterprises about e-commerce and the various export related schemes run by the Government to support them in the e-commerce cross-border trade. It is necessary to make them aware of the options and opportunities available to them and the benefits that they can avail by utilizing the scheme.

Strategy: This Awareness Program on Government Schemes will be conducted by the Consultant and will involve the participation of various Government officials, DGFT officials, members from Export Promotion Councils, cluster units, Industry associations and other related institutions.

Timeline	First 6 Months
Target Beneficiaries	Cluster units
Expected Outcome	Cluster awareness
Tools/Methodology	Awareness Program
Strategic Partners	Industry associations, DGFT officials, EPC members, other Government officials

ACTIVITY A3. BASIC IT AWARENESS PROGRAM FOR THE PRODUCERS.

Necessity: Working in the e-commerce Sector requires basic IT skills. The inadequate training to perform e-commerce transactions act as a major roadblock in preventing the migration from offline to an online platform.

Strategy: The Consultant in collaboration with the concerned BDS providers will launch basic IT awareness programs to make the cluster units e-commerce ready. It will also cover awareness on different e-payment solutions for firms interested in going online for cross-border trade. This way they will be able to overcome their perception gaps like technical complexities, fear of online sales, etc.

Timeline	6-12 Months
Target Beneficiaries	Cluster units
Expected Outcome	Basic IT knowledge
Tools/Methodology	Awareness Programs
Strategic Partners	Local BDS Providers

ACTIVITY A4. E-COMMERCE AWARENESS SEMINARS FOCUSING ON MARKETING, MARKET TRENDS AND ENTRY INTO THE INTERNATIONAL MARKETS.

Necessity: Lack of Market Intelligence is one of the greatest challenges currently faced by the cluster units. Information regarding the market trends of a product, techniques for marketing of goods and information regarding global customer's preferences is scarce. There is a lack of information on the part of enterprises to gain entry into the International market. Therefore, it is needed to float the required market information so as to enhance the firms' e-commerce market understanding and their marketing techniques which will support them in penetrating into the international market.

Strategy: The Consultant with the BDS providers help will run e-commerce awareness seminars to sensitize the cluster units on these matters.

Timeline	6-12 Months
Target Beneficiaries	Cluster units
Expected Outcome	Market Intelligence
Tools/Methodology	Awareness Seminars
Strategic Partners	BDS Providers

ACTIVITY B1. CONDUCTING TRAINING PROGRAMS ON PHOTOGRAPHY AND CONTENT FOR PRODUCT SPECIFICATIONS.

Necessity: The picture of the product being, primarily responsible for its sale, it is paramount to have good photographers and, of course, good photo editors. Since every buyer has different demands and needs, all the information about the product needs to be provided (the price of the product, dimensions of the product, the material used, its features and the directions on how to use and care for the products) and there shouldn't be any ambiguity. Such a comprehensive list of specifications and the features of the product will make it easy for the buyers to make an informed choice.

Strategy: The Consultant will identify the local BDS Providers lending photography and content writing services. The BDS provider will impart training to the firms' representatives on the following services.

Timeline	6-12 Months
Target Beneficiaries	Cluster units
Expected Outcome	Clear product photography and proper specifications of the product
Tools/Methodology	Training Programs
Strategic Partners	Local BDS Provider

ACTIVITY B2. CONDUCTING TRAINING PROGRAMS ON HOW TO UPLOAD PHOTOGRAPHS, PROCESS THE ORDERS ON AN E-MARKETPLACE PORTAL AND THE AFTER SALES MECHANISM.

Necessity: Once registered on an E-commerce portal, the supplier is required to upload the photographs of the product on that portal to make its products available for buying to the global customers. The seller must actively keep a track on the orders received and ensure the order is processed as it comes to avoid any delays. The queries thus asked should be answered swiftly as it invariably determines the purchase of the product. It is necessary to discuss with the sellers on how to avoid the return of goods and the procedure to follow if the good comes back. Training program is needed to explain the system to upload the pictures and process an order to make the ground ready for the knitwear units to go onboard.

Strategy: The activity will require the involvement of the BDS team to impart training. The training will also include the after sales services which every seller needs to provide like a feedback mechanism, warranty and the refund policies.

Timeline	6-12 Months
Target Beneficiaries	Cluster units

Expected Outcome	Ground ready to help them go online
Tools/Methodology	Training Programs
Strategic Partners	BDS Providers

ACTIVITY B3. CONDUCTING SMALL DURATION TRAINING PROGRAMS ON EXPORT/E-COMMERCE PACKAGING AND EFFECTIVE INVENTORY MANAGEMENT.

Necessity: Once the order gets placed, the supplier (or the shipper) has to proceed with packaging the product(s) for safe transport, to ensure that it remains intact during shipping and delivery. For example, fragile items like glass should be covered in bubble wrap before being placed into boxes. Again, the more organized, structured and efficient this phase of the process, the faster and timelier cross-border delivery can be. This activity will help in reducing the incidence of damaged goods during transport and mistakes in product delivery.It is important to have an effective inventory management.

Strategy: This activity, to be done by the Consultant involves conducting a training program by a BDS provider. The training program is to ensure that all identified products correspond in all aspects (e.g. size, quantity, colour, series, type) to those indicated in the online order and access to key warehousing technologies, such as, inventory software, warehouse management systems and advanced picking systems which are crucial to e-seller’s competitiveness, both domestically and internationally. It will also cover inventory mechanisms specifically designed to accommodate periods of peak demand (e.g. placing the promotional inventory near the packing station), re-organization of warehouse management and staff to handle everyday and peak demand separately.

This packaging activity to be carried by the Consultant involves identifying the packaging service providers located near the cluster and get them linked with the cluster units. By conducting training programs for these packaging companies and the enterprises doing the packaging activity themselves, they will ensure proper packaging for delivery of goods via e-commerce**.**

Timeline	6-12 Months

Target Beneficiaries	Cluster units
Expected Outcome	Efficient Inventory management and packaging of items
Tools/Methodology	Training Programs
Strategic Partners	Local BDS Provider

ACTIVITY B4. CONDUCTING TRAINING PROGRAMS FOR QUALITY ASSURANCE AND QUALITY MANAGEMENT

Necessity: To be globally competitive, the clusters have to adopt quality norms. Since e-commerce export requires fulfillment of stringent quality norms, training session shall serve as a platform to understand the need, benefit, procedure and cost involved for implementation of quality standards in the cluster.

Strategy: This activity to be carried by the Consultant and require identification of an expert in this area and arrange training programs on quality management and assurance by the Experts.

Timeline	6-12 Months
Target Beneficiaries	Cluster units
Expected Outcome	Supply of Quality products
Tools/Methodology	Training Programs
Strategic Partners	Experts in Quality management

ACTIVITY B5. CONDUCTING A PROGRAMME WITH LOGISTICS SERVICE PROVIDERS

Necessity: Express Delivery being the need of the buyer, the logistics can't continue to be ignored. The purpose of this activity is to support the cluster units by ensuring a smooth delivery of goods.

Strategy: The Consultant shall identify the Logistics Service providers operating nearby (Private Logistics Service Provider/ Post Office) that can through training programs develop approaches to aggregate cross-border shipments and deliveries, translation skills, provide international tracking, solutions on overcoming international shipment challenges such as country-specific government regulations. Such logistics service providers or Post office can then be linked to the cluster units which will help them in cross-border delivery.

Timeline	6-12 Months
Target Beneficiaries	Cluster units
Expected Outcome	Efficient Logistics System
Tools/Methodology	Training Programs
Strategic Partners	Logistics Service Providers

ACTIVITY B6. WORKSHOP ON QUALITY CERTIFICATION AND SOCIAL COMPLIANCE.

Necessity: When buying on an e-commerce platform, product quality is one of the things that strike the customer. Here is when the product certification becomes an important aspect of an e-commerce product. This is to ensure that products that are being sold online are of high-quality standards and the customers don't have any complaint with its quality. Since there are micro and small units, standardization, consistency and the product quality become all the more essential for an efficient E-commerce CBT.

Strategy: The Consultant will identify the BDS Providers in this field and run a workshop explaining the importance of quality certification to the cluster units.

Timeline	6-12 Months
Target Beneficiaries	Cluster units
Expected Outcome	Quality certification of the products
Tools/Methodology	Workshop
Strategic Partners	BDS Providers

ACTIVITY C1. LINKING THE CLUSTER UNITS WITH E-MARKETPLACES LIKE AMAZON, FLIPKART, ETC.

Necessity : Once the capacity building of the firms is done, the time will be right to help the units link to different e-marketplaces.

Strategy: The activity will includepre-registration briefing, photography, content writing, portfolio finalization, registration as supplier, product listing, loss, damage and return management.

Timeline	12-18 Months
Target Beneficiaries	Cluster units
Expected Outcome	Registering with e-commerce portals
Tools/Methodology	Registration Workshop
Strategic Partners	E-marketplace

ACTIVITY C2. PROVIDING HANDHOLDING SUPPORT TO THE FIRMS

Necessity: Intensive handholding support will be provided to the units to efficiently carry out their e-commerce activities on day to day basis.

Strategy: Sharing and discussing the customer feedback received through the portal, briefing the aggregators on the change in Govt. policy and providing online/offline support to them.

Timeline	18-24 Months
Target Beneficiaries	Cluster units
Expected Outcome	Capable to sell online
Tools/Methodology	One to one sessions
Strategic Partners	Local stakeholders and BDSPs

ROAD MAP

Roadmap for on-boarding of e-Commerce Aggregators as Suppliers.

E-commerce is favourable in the scenario where the small firms themselves are incapable of exporting their products be it traditional or online. Rather than directly registering on e-Commerce websites, small knitwear firms can come together and aggregate their production by forming a consortium and then the aggregator can register and list the products of all the firms online for sale.

1. IDENTIFICATION OF AGGREGATORS

Based on the Research findings, type of Aggregators to be selected is to be determined at Most Promising Growth Locations (MPGLs). Following a step by step analysis of the potential aggregators; 2-3 most effective aggregators will be decided on for further interventions. The selection of the potential aggregators will be made using an aggregator fitment framework. The primary components of the fitment framework are the size of the aggregator, capability, and experience of the aggregator, product suitability for e-Commerce, scalability, etc. The effectiveness of aggregators will be separate pan India and will primarily be based on the type of products and the given location. The broad set of aggregator categories will include Government (both canter and state), NGO/SHG, Manufacturer/Association, SPV and Merchandise Exporter.

2. SIGNING OF MOA WITH KEY AGGREGATORS

It is the need of the hour to sensitize the local partners (Government both centre and state), NGO/SHG, Manufacturer/Association, SPV and Merchandise Exporters) regarding the benefits of on boarding to strengthen their position as an aggregator. To ensure productive partnership and establish a long-term association (advantageous in handholding) with the aggregators, a MoA, may be signed. The purpose of Objective 2 is to inform the district level aggregator as well as the enterprise of how will they benefit from the proposed project. This will further establish a foundation for a positive working environment and formalize the engagement.

3. CREATING /ENHANCING E-COMMERCE READINESS OF THE AGGREGATOR

Multiple Focused Group Discussions (FGDs) will be held with the aggregators on technical and marketing issues. If absorbed optimally and appropriately, the aggregators will be facilitated with working knowledge of e-Commerce. The e-Commerce readiness programs will also include training and capacity building activities. Namely,(1.) Training programs on a Person, Place, and Product inclusive photography and content development. (2.) Small duration training programs on export/e-Commerce packaging and efficient inventory management. (3.) Conducting training programs for quality assurance and quality management for formal and informal Enterprise. (4.) Programs on CBT logistics. (5.) Workshop on quality certification and social compliance. (6.) Training programs on a post-sales query and return management, among others.

Along with this, the aggregators will be provided information on emerging issues such as GST, and policy issues, etc.

4. AGGREGATOR'S PRODUCTS' SALES

Based on the analytics of customer behaviour and sales data, the overall strategy will be consistently aligned to the ultimate objective.

5. HANDHOLDING SUPPORT

To incentivize the Aggregator, handholding will act as an essential component that will ensure coherent absorption of e-Commerce know-how among numerous Enterprises. The facilitator team will provide online/offline support to the aggregators in technical, technological and marketing issues.

ANNEXURES

ANNEXURE -1 QUESTIONNAIRE

Market Information Survey on E-commerce

Ludhiana Knitted Apparel Cluster

Name of the Respondent: ____

Designation: _______________________ Contact Number: _______________

Sector/Product: ____

Name of the Firm: ____

Size of the Firm: ☐ Micro ☐ Small ☐ Medium ☐ Large (Please select)

Select all that apply in the questions below

1. Please select the ownership of your firm:

☐ Proprietorship ☐Partnership ☐ Limited Liability Partnership ☐ Limited Company ☐ One Person Company ☐ Trust ☐ Registered Society ☐Other (Please specify) ______________

2. What is the duration of your firm's presence in the domestic market?

☐>20 Years ☐ 10-15 Years ☐ 5-10 Years ☐ 0-5 Years ☐ No presence

3. Do you export?☐ Yes ☐ No

4. If Yes which export market?

☐ USA ☐EU ☐Latin America ☐South East Asia ☐Australia/New Zealand ☐ Other______

5. If "No"; what is the reason of not exporting?

☐ Poor supply capacity to cater to export orders

☐ Supply not upto International Quality standards

☐ Have the capacity but no means to reach foreign buyers

☐ Do not have adequate finance to expand beyond domestic

☐ My product does not have international demand

☐ Cannot compete against other foreign players

6. What portion of your workforce use computers?

☐ None ☐ Some ☐ Only Top management ☐ Entire workforce uses computers.

7. What portion of your workforce use computers with internet?

☐ None ☐ Some ☐ Only Top management ☐ Entire workforce uses computers.

8. How do you reach your customers?

☐ Not in Practice ☐ E-Mail ☐Website☐Social Media☐Others (please specify)____

9. What are the types of e-commerce transactions your firm is involved in?

☐None ☐ B2B ☐ B2C ☐ B2G ☐ Others (Please specify) __________________

10. If none, then do you have any future plan to enter the e-commerce platform?

☐ Not in near future

☐ 1-2 Years

☐ 3-5 Years

☐ 5-10 Years

☐ Undecided

11. If "No", what are the key challenges faced by your firm going online?

☐ Lack of awareness

☐ Uncomfortable with technology

☐Online security issues

☐ Product unsuitable for e-commerce

☐Poor logistics infrastructure

☐ Legal and regulatory framework

☐ Tax issues

☐ Poor support by the Government

☐ High Initial set up cost

☐ Unable to get photo shoot of the product to display for sale

☐ Lack of owner orientation for e-commerce

☐ Others please specify

12. What are the major obstacles in your preparation to enter the e-commerce market?

☐ Awareness and training

☐ Credit support for creating IT infrastructure

☐ Availability of trusted aggregator

☐ Conducive Government policies

☐ Enhanced cyber security

☐ Online payment infrastructure

☐ Availability of e-commerce enablers/consultants/support providers

☐Others (please specify)

____

13. What type of support is required to start working on E Commerce? (Please Tick)

☐Awareness on how to sell

☐Photo shoot of the product

☐Initial setup for new comers

☐Experts for searching buyers from abroad

☐Visit required for R & D in abroad countries

☐Awareness on how to understand the product quality standards in abroad

14. Does your enterprise have any of the following?

☐ Separate e-commerce division

☐Specifically trained manpower

☐ Photo studio

☐ E-content team

☐ Technology infrastructure (like broadband)

☐ Product Inventory

☐ Access to logistics

☐ Others (please specify)

____

☐***Not Applicable***.

15. Did you utilize the new export incentive under MEIS scheme extended for E-Commerce export?

☐ Yes

☐ No

☐ Not Aware

16. If not utilized, what are the challenges faced by you towards availing this scheme?

☐ My Sector is not listed

☐Limit of Rs. 25000 is very small

☐How do I cater to e-commerce exports returned back?

☐ No demarcation at Indian Customs for returned Ecommerce exports

☐ High duty rate/CVD to be paid on returned exports

☐ Any other, please specify:____

ANNEXURE 2 – SURVEYED FIRMS

S. NO.:	Name of the Respondent	Name of the Firm	Contact No
1.	Col Christopher	R.B Knit Exports	9878688827
2.	Sonu Sharma	Kaushik Knitwear	7837350398
3.	DarshanDawar	Sunhill Hosiery	9815941160
4.	Vipan Kumar Jain	Sungrace Hosiery	9814009070
5.	Arun Kumar	Jai Shakti Garments	9872866745
6.	Yogesh Rai	Meera Apparels	9888605864
7.	Ankur	Ankur Lower	9569591117
8.	Rajesh Tandon	Tandon Fabrics	7307865786
9.	Shiv Sharma	Sanchi fashion wear	8699012594
10.	V P Gupta	Amit Enterprises	9877726571
11.	Loven Mahajan	Loven Garments	9872923451
12.	AtulSaggar	Usha Apparels	9888147030
13.	Lokesh Jain	Ashish Trading co.	9872000128
14.	KanishKaura	CAMTEX	9878455501
15.	AbhinavTagra	R.B Knitwear	9417083483
16.	Shiv Bhandari	Kiran Knitwear	9417916528
17.	Manu Julka	Sunetra Hosiery	9818233030
18.	Kafir Joshi	Joshi Knitwear	9815041160
19.	RomiThapar	Rishav Enterprises	9814674857
20.	Neeraj Sharma	Yagya Knitwear	9815435522
21.	MS Dhillon	Karan Textile	9814068596
22.	Vinod Sharma	Dhuna Dhari Fasion Wear	8146730032
23.	VipanVinayak	Vinayak International	9988598600
24.	Gagan	Doaba Hosiery	9815036437
25.	Damanjeet Singh	ARS Knitwear	9210474000

26.	SanjivDhir	Raghav Knitwear	9646071841
27.	Nitin	Sky Knit Fashion	9888812134
28.	Pawan Sharma	Dinesh Oswal Hosiery	9779988028
29.	Ashwin	A K Sahnan Knitwear	8847600060
30.	Robin Jain	Shree Rishabh Knits	9878505666
31.	Niraj Kumar	Goldy Garments	9022119000
32.	Navjit Singh	Nirmal Singh	9814490784
33.	Amit Kapoor	Pacific Enterprises	9888011000
34.	Sahil Sehgal	K.R Knit	9876177754
35.	KulbhushanBeri	Ramson Hosiery	9216445437
36.	Sunder Lal Jain	Lotus Creators	9417229928
37.	Dinesh Beri	Perrix Creations	9814618823
38.	Ricky Sehgal	Amrit Collection	9417596001
39.	Luxmi Nath Gupta	M.R Knitwear	9417241322
40.	Naresh Kumar	Puja International	9814001827
41.	ManojKair	Suvi Knitwear	9988010040
42.	Suresh Jain	Sudherma Clothing	9876322525
43.	Maninder Singh	Dhanju International	9781587000
44.	Gautam Jain	Duke Fabrics	9872223637
45.	Gurpreet Kaur	Jasko Industries	7837200544
46.	Uma Chauhan	Heena Knitwear	9417049828
47.	Dev Raj Sehgal	Baba International	9316927492
48.	Romi Jain	Sharman Fashion	9814823528
49.	Ashok Jain	Mini King Knitwear	9357533990
50.	VikasTrehan	Nikhil Knitwear	9317518069
51.	Vinay Kumar	Vinny Knitwear	9872405210