

# Exclusive Interview with Mr Krishna Goyal

Mr Krishna Goyal, Chairman & CEO, Dwarka Gems Ltd.

In recent years, the global demand for silver jewellery and artefacts has been on the rise, presenting significant opportunities for Indian exporters. However, navigating this market comes with its own set of challenges. A recent telephonic conversation between Bullion World and Mr Krishna Goyal sheds light on these challenges and outlines strategies for growth in India's silver export industry.

## Challenges Faced by Indian Exporters:

Mr Krishna Goyal, in the conversation, highlighted several challenges that Indian exporters face in meeting the rising demand for silver in international markets. These challenges include:

## Seizing Opportunities in India's Silver Export Industry

Indian exporters are facing a lot of challenges amidst the rapidly growing demand for silver in international markets. The landscape is filled with complexities ranging from price volatility to regulatory hurdles, necessitating strategic manoeuvres and innovative approaches to capitalize on export opportunities.

## Navigating Price Volatility and Quality Standards:

The price volatility of silver poses a constant challenge for exporters, affecting pricing strategies and profit margins. Furthermore, stringent quality standards and certification requirements add another layer of complexity to the export process. Indian exporters must invest in quality assurance measures and ensure compliance with international standards to maintain competitiveness in the global market.



Mr Krishna Goyal

## Impact of Currency Exchange Rates and Competition:

Currency exchange rate fluctuations can significantly impact the profitability of export operations, requiring exporters to adopt hedging strategies to mitigate risks. Moreover, competition from other exporting countries, such as Thailand and China, intensifies the pressure on Indian exporters to differentiate their offerings and provide unique value propositions to customers.

## Trade Barriers and Regulatory Compliance:

The Marketing and promotional cost is very high. Tentative cost of participation in any international trade show, including shipping of samples and travel is in range of 15-20 lacs. For MSME bearing this cost is not

possible. Hence the small and medium exporters are deprived of participating in these shows. By providing direct grant to these MSME, silver exporters can promote their craft and increase exports.

Silver being a low value but heavy in weight attracts higher shipping cost. This is a challenge in industry growth.

Online platforms and E-commerce is a new era and a great business tool. Most of the payments received on these platforms are through secured gateways like PayPal etc. The compliance part of getting these payments knocked off is a lengthy process. This should be eased off.

The security/ BG is being asked is upto 40% of the sample value being carried for sales promotion or for the participation in trade shows. This is an additional burden for MSME. The process, cost and BG must be eased off for the silver exports to grow.

Navigating trade barriers and ensuring regulatory compliance pose significant challenges for Indian exporters. From customs procedures to product certifications, exporters must navigate a complex web of regulations to facilitate seamless trade transactions. Overcoming these hurdles requires meticulous planning and collaboration with regulatory authorities.

#### **Understanding Market Trends and Preferences:**

To succeed in the global silver export market, Indian exporters must stay abreast of changing market trends and consumer preferences. This entails conducting thorough market research and leveraging data analytics to identify emerging opportunities and tailor product offerings accordingly. Additionally, understanding geopolitical dynamics and trade relations is essential for navigating international markets effectively.

#### **Government Support and Innovation:**

Government support plays a pivotal role in facilitating the growth of India's silver export industry. Initiatives such as duty drawbacks and free trade agreements can bolster the competitiveness of Indian exports and expand market access. Additionally, fostering a culture of innovation is crucial for driving growth and differentiation in the export market. Indian exporters must embrace new technologies and adopt sustainable practices to enhance product quality and efficiency.

#### **Strategies for Growth:**

Despite these challenges, Mr Goyal remains optimistic

about the growth prospects for India's silver export industry. He suggests several strategies for overcoming these challenges and seizing export opportunities:

1. **Government Support:** Indian exporters advocate for government support, such as making duty-free silver available for exports through nominated agencies, to ensure competitiveness in the global market.
2. **Innovation:** Exporters should focus on creating innovative and trendy designs that cater to diverse customer preferences across different regions and cultures.
3. **Technology Adoption:** Embracing new technologies can enhance the quality and efficiency of production while reducing wastage.
4. **International Standards Compliance:** Ensuring that products comply with international standards of quality, safety, and sustainability is essential to meet the expectations of global consumers.
5. **Market Participation:** Increasing participation in trade fairs, exhibitions, buyer-seller meets, and online platforms can help showcase Indian products to a wider audience and attract potential buyers. Furthermore, the GJEPC has organised a number of exhibitions which are both domestic and international in nature. The recently concluded buyer-seller meet was successfully conducted to showcase the varied jewellery sector of India.

#### **Projections and Growth Factors:**

Looking ahead, projections for India's silver export market are promising, with the government targeting \$70 billion in jewellery exports by 2025. The signing of free trade agreements with countries like the UAE and Australia is expected to lower trade barriers and boost export volumes.

#### **Future Outlook:**

Looking ahead, Mr Goyal predicts significant growth opportunities for India's silver export industry, driven by factors such as government initiatives, free trade agreements, and evolving consumer preferences. However, success will hinge on the industry's ability to address challenges effectively and capitalize on emerging trends.

In conclusion, while challenges abound in India's silver export industry, strategic planning, market research, and government support can pave the way for sustained growth and success. By embracing innovation and seizing export opportunities, Indian exporters can position themselves as leaders in the global silver market.