

'Textile cos need interest subvention'

Fearing huge impact on India's textile export due to the yuan's devaluation, R K Dalmia, chairman of Texprocil, has urged the government to provide the industry a three per cent interest subvention to help counter China's currency war to an extent. Even the relief given to knitted fabrics exported to Bangladesh and Sri Lanka under the Merchandise Exports from India Scheme was optical, as 40 per cent of these products are excluded from the benefit under the promotional scheme, Dalmia said.

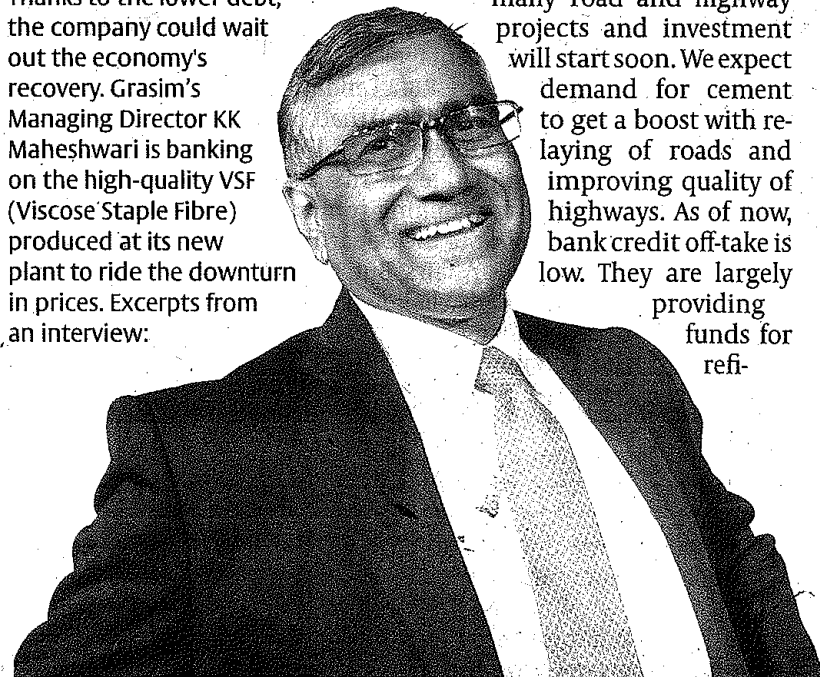
BS REPORTER4

'We're all set to ride the economic revival'

SURESH P IYENGAR

Mumbai, August 16

Grasim Industries, part of the Aditya Birla Group, has made substantial investments across its businesses and executed a few acquisitions in last few months. Thanks to the lower debt, the company could wait out the economy's recovery. Grasim's Managing Director KK Maheshwari is banking on the high-quality VSF (Viscose Staple Fibre) produced at its new plant to ride the downturn in prices. Excerpts from an interview:



Do you see an investment revival happening?

We believe the green shoots are already visible and it will take at least couple of quarters to see investment on ground. The government has already approved many road and highway projects and investment will start soon. We expect demand for cement to get a boost with re-laying of roads and improving quality of highways. As of now, bank credit off-take is low. They are largely providing funds for refi-

nancing and working capital.

Will Aditya Birla Group slow down its capital expenditure?

No way. We have already spent \$4 billion across our business in the last five years when there was downtrend in commodity cycle. We have lined up ₹5,600 crore for two planned acquisitions in the cement business. With the recent investments, we are well-prepared for the economic revival. We are fast ramping up capacity at the Vilayat plant and the capacity utilisation touched 85 per

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KK MAHESHWARI
MD, Grasim Industries

cent in the June quarter. Our capacity addition in the last few months will put us in a bright spot when commodity prices recover. VSF prices have bottomed out and are showing signs of revival. Moreover, the Vilayat plant produces speciality fibre which fetches premium even in downtrend.

How do global events impact your business?

VSF prices are closely linked to cotton. Developments in China have an impact as they are the largest producer of both VSF and cotton. They have production capacity of 3.9 million tonne (39 lakh tonne) while it is 4.98 lakh tonne in India. The government should have an eye on cheap imports. We are as much competitive as China is, but the kind of additional cost levied on the industry is upsetting our cost structure. For instance, if I produce my own captive power,

then I have to pay additional duty and cess. We have operations in 10 countries and I can tell you the logistics cost in India among the highest. On top of all these, we face predatory pricing by competing countries to tap into our market.

Have VSF prices bottomed out?

I think so. A large VSF company in China recently sold one of its companies to the government. We do not often see private companies selling their company to the government. It may reflect that they were not profitable intrinsically. As far as cotton is concerned, there are limitations on availability of arable land. Yield has started falling even in China. Though the crop size in India is going up, there are many challenges.

Are you eyeing any Lafarge or Holcim assets put on the block as part of their merger?

We already have significant presence in the places where their assets are up for sale.

Moreover, the Competitive Commission [of India, CCI] has made it clear that companies with leadership position in the particular region cannot bid for the asset.

Are you worried with key bills like GST being delayed?

We are not losing sleep over GST. Now they are talking of levying one per cent CST (Central Sales Tax) when goods move from one state to another under the GST regime. Our fabrics are made in Surat and sent to the South [southern India] for stitching and sent back to another state.

What impact the CST would have on this, we have to wait and see. Having said that, the important point to be noted is that the government has not deviated from its reform path. It is well aware of the excess capacity built up in sectors such as steel and cement.

THE
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INTERVIEW

Voxpop Clothing to raise \$7 m for licensing rights

Plans to tap into the music industry and IPL merchandise

PURVITA CHATTERJEE

Mumbai, August 16

Licensing and merchandising start up, Voxpop Clothing, is planning to raise \$7 million as part of series A funding. Having raised \$3.5 million funding last year from early stage investors such as Blume Ventures, the two-year-old e-commerce venture is now planning to raise VC funds from international investors.

Speaking to *BusinessLine*, Siddharth Taparia, CEO, Voxpop Clothing, said, "In the next 4-6 months, we will seek Series A funding to the tune of \$7 million. This time the amount is much bigger and we are talking to VC funds."

Having worked for Disney prior to starting Voxpop, Taparia, a Harvard graduate, had been working in the licensing and merchandising category for the entertainment company before it acquired Ronnie Screwala's UTV Software.

Its business model involves getting licenses for IP related merchandise across media and entertainment companies such as Marvel, Warner Brothers, Yashraj

Films, HBO and Disney. Voxpop Clothing sells T-shirts mostly through its platform and ends up giving royalty to these companies.

IPL-related clothing

It is now planning to tap into the music industry by roping in international artists as part of its licensing deals. Besides, budding designers could also come on board its platform community to sell their ware. IPL (Indian Premier League)-related clothing is also another possibility being explored.

"Once we get the licensing rights, we manufacture, market, distribute and design the clothing which could range from T-shirts, mobile accessories, wall art to boxer shorts across the 8-9 licensing rights that we have currently," added Taparia.

Besides it plans to strike licensing deals with popular soccer clubs in India as well as the English Premier League and soccer leagues such as Manchester United, FC Barcelona and Real Madrid.

The two-year start up currently has gross merchandise value of ₹25 crore. "We have nearly 15,000 monthly transactions and make about ₹2 crore in sales a per month," he added.

खादी व ग्रामोद्योग बोर्ड का पुनर्गठन

नई दिल्ली (ब्यूरो)। दिल्ली सरकार ने खादी व ग्रामोद्योग बोर्ड का पुनर्गठन किया है। सरकार ने बोर्ड को निर्देश दिया है कि खादी और ग्रामीण उद्योग के विकास के लिए विस्तृत योजना तैयार करे। साथ ही इसके क्रियान्वयन की भी ठोस राणनीति तैयार की जाए। नये बोर्ड का अध्यक्ष विधायक महेंद्र यादव को बनाया गया है। जबकि विधायक वेद प्रकाश इसके उपाध्यक्ष होंगे। वहीं, डा. मुनीष रायजादा, अशोक अग्रवाल इसके सदस्य हैं। उद्योग विभाग के सचिव इसके पदेन सदस्य हैं।

दिल्ली खादी व ग्रामोद्योग बोर्ड का पुनर्गठन

नई दिल्ली (एसएनबी)। दिल्ली सरकार ने दिल्ली खादी व ग्रामोद्योग बोर्ड का पुनर्गठन किया है। बोर्ड का नया अध्यक्ष विकासपुरी से आप विधायक महेन्द्र यादव जबकि उपाध्यक्ष बवाना से विधायक वेद प्रकाश को बनाया गया है। वहीं अप्रवासी भारतीय डा. मुनीष रायजादा व अशोक अग्रवाल को बोर्ड का सदस्य नामित किया गया है। दिल्ली सरकार ने खादी व ग्रामीण उद्योगों को प्रोत्साहन देने की दिशा में कदम उठाया है। इसकी शुरुआत खादी व ग्रामोद्योग बोर्ड के पुनर्गठन से हुई है। सरकार ने बोर्ड को निर्देश दिया है कि खादी और ग्रामीण उद्योग के विकास के लिए विस्तृत योजना तैयार करे। साथ ही इसके क्रियान्वयन की भी ठोस राणनीति तैयार की जाए। खादी व ग्रामीण उद्योग के विकास के लिए योजना तैयार करने के साथ बोर्ड सरकार को सलाह देगा कि नव उद्यमियों को किस तरह की वित्तीय मदद मुहैया कराई जाये।

चमड़ा उद्योग को प्रोत्साहन देने की तैयारी

नई दिल्ली (भाषा)। वाणिज्य मंत्रालय निर्यात में निरंतर गिरावट पर लगाम लगाने की पहल के लिए चमड़ा उद्योग को ब्याज सहायता देने पर विचार कर रहा है।

एक अधिकारी ने कहा कि वाणिज्य मंत्रालय ने निर्यातकों को ब्याज सहायता योजना का फायदा देने के लिए एक नोट का मसौदा जारी किया और उम्मीद है कि मंत्रिमंडल इस महीने के अंत तक रियायत पर फैसला करेगा। ब्याज सहायता योजना के तहत निर्यातकों को अपेक्षाकृत कम दर पर ऋण मिलेगा। तीन प्रतिशत ब्याज सहायता की इसी तरह की योजना पिछले साल 31 मार्च को समाप्त हो गई थी। निर्यातक योजना के विस्तार की मांग कर रहे हैं। चमड़ा उद्योग को ब्याज सहायता देने के महत्व के बारे में अधिकारी ने कहा कि यह क्षेत्र श्रम केंद्रित है और आसान ऋण से निर्यात बढ़ाने में मदद मिलेगी।

मूल	2015	519.05	चमड़ा और उसके उत्पादों का निर्यात (मिलियन डॉलर में)
जुई	487.70		
अप्रै	428.88		
मार्च	446.91		
फर	452.87		
जन	540.11		
दिस	525.73		
नव	498.52		
अक्टू	461.50		
सित	536.54		
अग		598.59	
जुला		591.87	
जून	2014	546.21	

स्रोत : कॉमिन्स एंड उद्योग विभाग पीटीआई ग्रॉफिक