Financial Express, Delhi Wednesday 19th August 2015, Page: 10 Width: 21.17 cms, Height: 17.61 cms, a4r, Ref: pmin.2015-08-19.32.102

Spinning mills cut production as demand falls amid losses

Industry asks government to conclude free-trade pacts with China, EU and others

mestic market was just like

the last nail in the coffin.

which resulted in a piling up

of stocks, he added, Effective-

ly, 15-20% of production is go-

ing to be cut until the situa-

tion improves, said another

The country had produced

4054.59 million kg of varn in

the last fiscal, up from 3928.27

million kg a year before. In

the first three months of the

current fiscal, yarn output

stood at 1045.11 million kg, up

senior industry executive.

Banikinkar Pattanayak New Delhi, Aug 18

Racing mounting losses due to a slowdown in both domestic and export demand, spinning mills in India, the world's largest yarn exporter, have started cutting down on production for the first time in five years to prop up prices, according to senior industry and trade executives.

Most spinning mills, especially the small and mid-sized ones, in northern and southern India have decided to stopproduction for a day each week, while many in other parts of the country are reducing production to cater to only "need-based" sales.

Prem Malik, chairman of the Confederation Of Indian Textile Industry, said: "Chinese demand has slowed down drastically, as that country has been offloading cotton stocks from its own reserves for quite a while now, -making locally-produced yarn very competitive, compared with Indian yarn. The



Low demand from China and withdrawal of export incentives have hit yarn trade adversely

yuan devaluation is making imports even more expensive."

What has made matter worsefor the mills is the withdrawal of export incentives for yarn in the recently-announced foreign trade policy (FTP) for 2015-20. Consequently, yarn exports to countries, such as in Latin America, are also getting affected due to high shipment costs, Malik said. In such a situation, poor demand in the do5% from 992.29 million kg in thesameperiodlastfiscal, according to the textile ministry data. Domestic stocks of yarn, too, rose almost 4% as of June.

Despite such a liquidity crunch, the government is yet to clear subsidy claims of around ₹4,500 crore for investments made under the flagship Technology Upgradation Fund Scheme (TUFS). Mills have been awaiting the release of subsidies worth ₹3,000 crore for more than three years now against investments made during the so-called black-out period (June 20, 2010 to April 27, 2011) as well as errors in reporting of the dole-out amount by banks to the textile commissioner, while claims worth ₹1,500 crore are vet to be cleared for investments made during the last fiscal, according to the industry estimates.

After a 33% spurt in the 2013-14 fiscal, India's cotton yarn export registration has mostly fallen below the 100 an interim relie million-kg mark a month

from April 2014, as Chinese demand faltered. Since the capital-intensive spinning segment accounts for bulk of the investments under the TUFS, the non-payment of subsidy amount for earlier investments is taking a toll on the balance sheets of spinning mills.

"In the absence of a level playing field due to higher rates of duties for Indian textile products in various major international markets, higher raw material cost, high cost of funding and high transaction cost, the industry is not in a position to achieve its potential growth rate," said T Rajkumar, chairman of the Southern India Mills' Association. Asking the centre to expe-

Asking the centre to expedite free-trade agreements with China, the EU and other countries and create a level playing field for the Indian exporers, the industry has also sought a 3-5% incentive under the Merchant Export Incentivization Scheme as an interim relief until the FTAs are signed.

na l

Business Line, Delhi Wednesday 19th August 2015, Page: 19 Width: 16.98 cms, Height: 4.61 cms, a4, Ref: pmin.2015-08-19.47.170

Odisha government sets up cell to facilitate investments

OUR BUREAU

Mumbal, August 18

The Odisha Government has set up a State Level Facilitation Cell (SLFC) — a dedicated entity to clear investment proposals and help industries start work on projects within 15-30 days after getting approval. The new entity will serve as a guiding force to the Industrial Promotion and Investment Corporation of Odisha (IPICOL), to channel prospective investments. The SLFC board consists of members from Odisha Industrial Infrastructure Development Corporation, Odisha Power Transmission Corporation, State Pollution Control Board, Directorate of Factories and Boilers, and the Water Resource Department on a fulltime basis. Members of national level industry associations will also be part of the SLFC board to mentor and guide investors. SLFC will segregate projects into green and non-green categories. The green category projects consist of agriculturebased industries, food-processing, cottage industries, textiles, light engineering, chemicals, building materials and consumer goods.

Times of India, Delhi Wednesday 19th August 2015, Page: 4 Width: 21.18 cms, Height: 13.50 cms, a4r, Ref: pmin.2015-08-19.49.22

A melting pot of bests of Indo-Pak fashion

Dharvi.Vaid@timesgroup.com

New Delhi: Elegant Ajrak cloth from Sindh will match charms with dainty Chikankari embroidery from Lucknow at this confluence of Indian and Pakistani craftsmanship. A fashion event that will begin at the Grand Hotel from September 10, Shaan-e-Pakistan is a chance for Indian and Pakistani designers to showcase their talent on one platform.

The three-day event is supported by the Pakistan High Commission in India and Federation of Indian Export Organizations. It will be kickstarted with a recital by Pakistani qawwali legend Amjad Sabri in a gala night, called Ek Shaam Pakistan Ke Naam. There will also be an exhibition of works by skilled artisans from both nations.

Indian designers taking part in the event are Anju Modi, Poonam Bhagat, Raakesh Agarwal, Arshi Jamal, Sadan Pande and Winki and Rashima Singh. The line-up from Pakistan includes Ali Xeeshan, Asifa and Nabeel, Braahtii sat, House of Arsalan Iqbal, House of Umar Sayeed, HSY, Mona Imran, Nadia Hussain, Rana Noman, Rema Qureshi, Rungrez, Sahar Atif, Saira Shakira, Zainab Chottani, Sanam Agha, Samina Shajani, Zeeshan Bariwala and Amir Baig. The ensembles will range from bridal and ethnic wear to high street fashion.

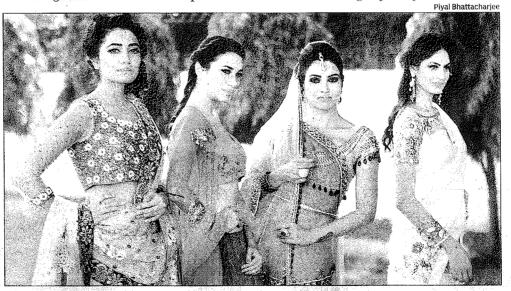
by Huma Nassr. Kaafi aur Sia-

Huma Nassr, Shaan-e-Pakistan curator, sees this event as a step towards peace-building. "I wish people of both countries get a chance to share their uniqueness and improve their relationship," she says.

India has become a huge market for Pakistani designs when it comes to ethnic wear. Inspirations from Pakistani

crafts can be seen in the work of many designers. "The Indian consumer's love for Pakistani clothing results in my return to India every festive season. Diwali is integrated into our brand's annual calendar just like Eid." says popular Pakistani designer, Sahar Atif.

Indian designers are aiming to portray their exotic re-



CROSS-BORDER COUTURE: Models during the Shaan-e-Pakistan exhibition

gional expertise. Winki Singh, who co-owns the label, Ministry of Design, will be showcasing Phulkari work. "Even now Phulkari work is famous in the northern areas of Pakistan. My ensemble for Shaan-e-Pakistan draws inspiration from the shared history of the two countries," Singh says.

The event will close on September 12. Apart from celebrating Indo-Pak fashion and music, Shaan-e-Pakistan will also be host to culinary experts. There will be chefs like Gulzar Hussain and Zakir from Pakistan and Osama Jalali from India taking the visitors through a unique food experience.

The cultural collaboration is supported by Indian filmmaker Mahesh Bhatt and Pakistani actor Javed Sheikh. In a video released by Shaan-e-Pakistan, Bhatt says, "This is the only way that these two nations will possibly put their differences aside and come closer. When the artists and the craftsmen of the two countries have joined hands, the inevitable path leads to peace and enduring peace."

Amar Ujala, Delhi Wednesday 19th August 2015, Page: 14 Width: 19.42 cms, Height: 17.73 cms, a4r, Ref: pmin.2015-08-19.46.131

चूड़ीदार पर्संद करने वाले कम हो रहे हैं, पटियाला सलवार का भी वक्त बीत गया और हैरम को भी अब कोई नहीं पूछता। बदलते फैशन ट्रेंड में एक बार फिर से धोती स्टाइल ड्रेसेज की बहार है।

हेशन में फिर ग्रेती का दम





उत्तर भारत में मशहर धोती को देश के विभिन्न हिस्सों में अलग-अलग नामों से जाना जाता है। आंध्र प्रदेश में पांचा. पंजाबी में लांचा, मलयालम में मुंडू, बांग्ला में धृति, तमिल में वेश्टि और मराठी में धोतार के नाम जानी जाने वाली धोती को आमतौर पर पुरुषों का पारंपरिक परिधान माना जाता है। लेकिन, बदलते टेंड के साथ-साथ धोती स्टाइल अब महिलाओं की डेसेज में भी शामिल हो रहा है। फैशन डिजाइनर्स कई तरह के प्रयोग

धोती स्टाइल की डेसेज में इन दिनों कर रहे हैं। उत्तर भारत में धोती को कर्ता के साथ पहना जाता है। जबकिं दक्षिण भारत में धोती का कॉम्बिनेशन अंगवस्त्रम को माना जाता है। इसी तरह तमिलनाडु और आंध्र प्रदेश में 'चौक्का' (शर्ट) धोती के साथ पहनने का चलन है। हालांकि, डिजाइनर्स ने धोती स्टाइल के जिस सलवार को नए फैशन टेंड में शामिल किया है, वो

मराठी महिलाओं के धोती पहनने के अंदाज से काफी करीब लगता है। फिल्मों में जब कंगना रनौत जैसी अभिनेत्रियों ने धोती स्टाइल सलवार के साथ शॉर्ट कर्ती को अपनाया. तो यह जल्दी ही यंगस्टर्स की वॉर्डरोब का एक अहम हिस्सा बन गई। युवतियां धोती स्टाइल को अपने पैंटस. साडी से लेकर डेस सभी में टाई कर रही हैं। यह पहनने में जितना सहज होता है, उतना ही लुक को अलग भी बना

मॉनसून सीजन में भी इसे खुब पसंद किया जा रहा है। इन्हें शॉर्ट, कर्ती या कमीज के साथ कैरी किया जा सकता है। धोती वार्डरोब में शामिल करके खद को एक अलग लुक दे सकती हैं। इसके लिए धोतीनमा साडी को स्टिच करना होगा।

धोती स्टाइल डेस में लेयर्स वाली धोती के साथ कोटी या जैकेट वाला, लुक भी अपनाया जा सकता है। धोती के लिए सैटिन, अमेरिकन जॉर्जेट, जैसे कपडों का इस्तेमाल कर सकते हैं। जैकेट या कोटी को अवसर के अनुरूप पहना जा सकता है। किसी शादी या पार्टी के मौके पर अगर आप धोती स्टाइल लुक को अपनाना चाहती हैं, तो कोटी या जैकेट के लिए वेल्वेट, सिल्क या किसी हैवी कपडे को चन सकते हैं।

साथ ही धोती पैंटस का चलन बढ गया है। गर्मियों में तो यह आरामदायक है ही, स्टाइल साडी का भी इन दिनों खंब चलन है। धोतीनमा साडी को आप अपने

MINT, Delhi Wednesday 19th August 2015, Page: 21 Width: 7.66 cms, Height: 5.23 cms, a4, Ref: pmin.2015-08-19.38.88

SUTLEJ TEXTILES



Sutlej Textiles And Industries spindles capacity from 293,736 (FY15) to 412,392 by end of FY17. This also includes recent acquisition of Birla Textile Mills. Capacity expansion will help to increase the revenues by 16% compounded annual growrth rate till FY17.

KARVY STOCK BROKING

MINT, Delhi

Wednesday 19th August 2015, Page: 18

Width: 20.12 cms, Height: 16.82 cms, a4r, Ref: pmin.2015-08-19.38.78

Cotton woes haunt Kaveri Seed

Excessive dependence on one product has proved costly for Kaveri Seed Co. Ltd. The firm, usually known to report strong double-digit growth in revenue, saw its sales drop almost 20% in the last quarter. It lost market share for the first time in recent years and warned that cottonseed sales in current fiscal year can be significantly lower than in the previous year. Unattractive cotton prices and

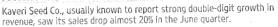
the resultant shift in acreages shrunk the cottonseed market. Cottonseed volume fell 26%. The sales would not have been hurt this badly had the company not refrained from participating in high-credit markets, fearing bad debts. The reduction in prices by the Maharashtra government also made it withdraw from the state for a brief period, losing sales.

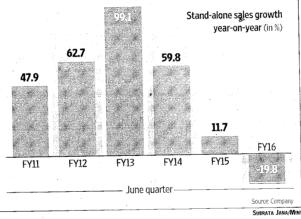
However, some of the steps the company took, along with lower provisioning, helped limit the fall in profit. Stand-alone net profit fell only 4% from the yearago quarter. But as can be seen from the sharp drop in the share price—down one-third in the last 10 trading days—investors are not attaching much importance to the net profit number.

Though the stock recovered some losses in Tuesday's trading, it faces two major headWe welcome your comments at marktomarket@livemint.com

R SREE RAM

FACING HEADWINDS





winds. One is royalties. Based on the recommendations to the state governments, Kaveri is provisioning for lower royalty payments. But with the case being contested in the court, analysts fear any adverse ruling can significantly impact the company's earnings. "To note, any adverse

ruling would risk 15-16% of F16e/F17e EPS," SBICAP Securities Ltd said in a note.

Second and most important is the cottonseed business. The company still derives close to three-fourths of its revenue from the cottonseed business. Agrarian distress and pressure on the

government to alleviate the suffering is leading to greater state interference in the cottonseed business. The situation led to cottonseed price cut by the Maharashtra government in the recent crop season.

Also, analysts-fear that the impact of the recent shift in crop acreages, inventory pile-up and the resultant rise in competition from smaller firms may weigh on the cotton business for some time. In this scenario, it would be difficult for Kaveri to maintain market shares and profitability, say analysts. "There is intense price competition and an inventory overhang in the cottonseed business. And the government's price intervention has created uncertainty around the long-term outlook for the industry, which is dependent on technology provided by Mahyco Monsanto Biotech," IIFL Institutional Equities said in a note.

These concerns have led to steep cuts in earnings estimates. After the recent correction and cuts in earnings estimates, the Kaveri Seed stock is trading at about 12 times earnings per share estimates for 2015-16. Three months back, it was trading at about 16 times earnings estimates. Easing of headwinds in the cottonseed business will be crucial for its revival.

Mark to Market writers do not have positions in the companies they have discussed here

Financial Chronicle, Delhi Wednesday 19th August 2015, Page: 6 Width: 12.75 cms, Height: 17.00 cms, a4, Ref: pmin.2015-08-19.34.54

Rajesh Exports bags ₹1,170cr UAE order

PRESS TRUST OF INDIA

New Delhi

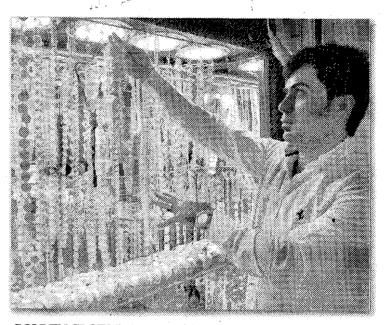
RAJESH Exports, the world's largest gold jewellery maker, on Tuesday said the company has bagged an export order worth Rs 1,170 crore from an UAE-based company for gold and diamond-studded jewellery and medallions.

The Bangalore-based firm said that the order is to be completed by October, which will significantly add to its bottomline.

"Rajesh Exports has bagged an export order worth Rs 1,170 crore of designer range of gold and diamond studded jewellery and medallions from M/s Al Malek Jewellery, UAE," the company said in a regulatory filing.

It has gold jewellery manufacturing facility at Bangalore, spread over 12 acres of land, with a capacity to process 250 tonnes of gold into jewellery.

The demand for Indian jewellery in the foreign markets has been growing rapidly and the company caters quality Indian jew-



GOLDEN GLOW: Rajesh Exports sells jewellery under the brand Shubh Jewellers and has 83 showrooms across the country

ellery with best craftsmanship to t' e global markets, it added

Last month, Rajesh Exports had announced acquisition of Swiss-based gold refinery Valcambi for \$400 million to gain access to raw materials at lower prices.

It acquired Valcambi the world's largest precious metals refiner through its Singaporebased subsidiary and will finance the deal from internal accruals and a long term debt from Credit Suisse. In the quarter ended June, the company posted an over-two fold rise in net profit at Rs 237.16 crore, as against Rs 118.34 crore in the same period last year.

Rajesh Exports also sells jewellery under the brand Shubh Jewellers and has 83 showrooms across the country.

Hindustan Times, Delhi Wednesday 19th August 2015, Page: 37 Width: 21.08 cms, Height: 27.82 cms, a3, Ref: pmin.2015-08-19.50.213

FIASCO FDDI

Commerce ministry was aware of invalid FDDI programmes

NO CLARITY Commerce minister's reply in Parliament to question on Mewar University-FDDI tie-up raises disturbing questions about the future of students who took up the courses

Jeevan Prakash Sharma

jeevan.sharma@hindustantimes.com

Did the commerce ministry decide to run invalid educational programmes through its Footwear Design and Development Institute's (FDDI) eight campuses across India despite knowing this would jeopardise the future of its students? A written reply in the recent Lok Sabha session in Parliament by minister of state for commerce (independent charge) Nirmala Sitharaman indicates that the ministry was aware in 2015 that the courses FDDI ran with Mewar University, a private institute in Chittorgarh, Rajasthan, were unauthorised. About 4,000 students who took up the programme since it was started in 2012 and ran for three years, are now uncertain about their careers.

Replying to questions by parliamentarian Chandrakant **Raghunath Patil on the degree** granting status of FDDI, Sitharaman had, on July 31, 2015, said "The UGC, in September, 2014, has raised questions against the MoU between FDDI and Mewar University for grant of degree to FDDI students registered for the years 2012, 2013 and 2014 in the light of AICTE's nonrecognition of its degree."

Sitharaman's statement raises several questions. When the University Grants Commission (UGC), in September, 2014, alerted the ministry of commerce to the questionable collaboration between Mewar University and FDDI (which started in 2012), why did FDDI then aggressively market those courses for its academic session 2015-2016 until the matter was highlighted by HT Education on May 13, 2015 leading to the course being discontinued? Advertising courses in newspapers, FDDI had also in its 2015 prospectus highlighted its collaboration with Mewar, saying that the degree courses would be continued for the next academic year. Not only that, following HT Education's story on the validity of FDDI-Mewar University joint degrees, FDDI had, in newspaper advertisements, stated: "In an

THERE IS NO PROVISION IN UGC REGULATIONS 2003 FOR ANY COLLABORATION **BETWEEN A PRIVATE UNIVERSITY AND ANY INSTITUTE FOR GRANT OF DEGREES**

aggressive campaign backed by vested interests, questions have been raised regarding the veracity of the programmes offered by FDDI, a training institute under the ministry of commerce and industry, government of India."

Justifying its collaboration with Mewar University, the FDDI advertisement also stated that "The alliance has been made to offer degree programmes to students who wish to build their career in niche areas. Such degree programmes are not offered by the conventional universities, and the Mewar University cannot possibly offer these niche programmes without the support of these specialised institutes (FDDI and 33 others who had collaborated with Mewar then). This alliance has made it possible for a large majority of students to get credible degreebased programmes in these high growth areas."

While according to Sitharaman's statement, the status of the degrees is questionable as these did not have AICTE approvals, the fact (highlighted by HT Education earlier) is that the FDDI-Mewar collaboration violates UGC (Establishment of and Maintenance of Standards in Private Universities) Regulations, 2003.

There is no provision for any collaboration between a private university and any institute for grant of degrees. Section 3.2 of the Regulations 2003 says, "A private university shall be a unitary university having adequate facili-

ties for

teaching, research, examination and extension services." Private universities have to operate within the boundary of their states and set up off-campus centres only in exceptional circumstances after their main campus is developed. Even then, several conditions apply for the off-campus centres, and UGC approval and concerned state government's consent are required for the same. In case of FDDI and Mewar, none of the conditions were fulfilled.

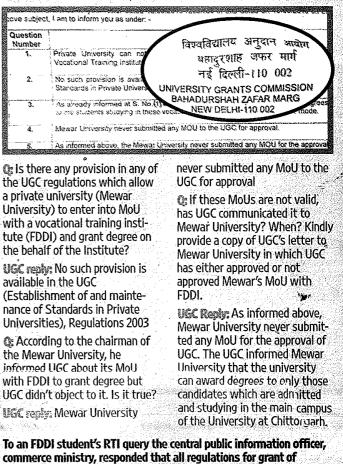
In her reply, Sitharaman also said that FDDI started degree courses in 2010, first in collaboration with Indira Gandhi National Open University (Ignou), which was discontinued in 2012, and then from 2012 with Mewar University. However, Ajay Kumar, FDDI's officiating managing director, while talking to HT Education, had said that for the first time in 2007, FDDI had collaborated with Punjab Technical University (PTU) to grant degrees.

"The collaboration with Punjab Technical University was also questionable in the light of regulations of UGC and norms

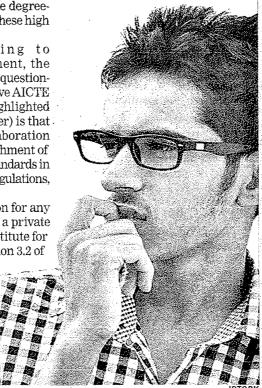
CONTINUED ON PAGE 04

RTI RESPONSE BY UNIVERSITY GRANTS COMMISSION BELIES COMMERCE MINISTRY CLAIMS

To an RTI application filed by this correspondent on May 13, 2015, UGC's response was that Mewar University cannot grant degrees outside its main campus of Chittorgarh. Below is the relevant part of the reply by UGC's undersecretary Paramjeet



degrees by Mewar University to FDDI students were as per UGC rules ne wire to your XII appleation No.28 n/1/04249/1864 dated 74 May 2018 (e 611 estimating include the reply to your query pressuradors हटनियर डिजाइन एण्ड डेवलपमेच्ट होरेटट्यू FURE being our automorphies instite VEAR DESIGN & DEVELOPME er applied and the second pro-producted to acquire degree in the s Vis Moun Charassly is approved by UKC why - Ch \mathcal{M} O: From which university we are learning degree? Reply: It is a regular degree being given our mark-sheet and degree? 🕼 If you are giving degree from Mewar University then please Reply: In order to provide our graduates to acquire degree in send a copy of the MoU signed the relevant field, FDDI signed between FDDI and Mewar an MoU with Mewar University. University. **Q**: Is it affiliated to UGC? Reply: Kindly arrange fee of Reply: Yes, Mewar University is Rs 10 (Ten Rupees) for providapproved by UGC u/s - 2(f). ing details as per RTI Act 2005. 🕼 Are the norms and regula-According to MoU, all tions of providing degree as per students enrolled at FDDI and the UGC rules and acts? trained at 8 campuses will be Reply: Yes awarded degree by Mewar On Whether the degree is requ-University.



lar degree or distance education

Hindustan Times, Delhi Wednesday 19th August 2015, Page: 37 Width: 6.32 cms, Height: 8.35 cms, a4, Ref: pmin.2015-08-19.50.213

FDDI programmes..

of Distance Education Council (DEC), the then regulator of distance education. Realising the problem, FDDI got rid of PTU and collaborated with Ignou under the then launched face-to-face programme. However, this programme, too, was termed illegal and discontinued down by Ignou in 2012. Then FDDI collaborated with Mewar University," says an FDDI faculty member who does not want to be named.

What is likely to prove to be embarrassing for the ministry of commerce is a reply under Right to Information Act by Anil Kumar Sharma, a central public information officer (CPIO). His response to an RTI by an FDDI student on the validity of its programmes is that the degree granted by FDDI in collaboration with Mewar University is as per the UGC rules and acts. On the other hand, UGC, in another reply under RTI, says that degree awarded by FDDI in collaboration with Mewar University is against its norms. (See box on page 1 for replies of two RTIs)